

Matthew Hannan
Mayor
Berrigan Shire Council
56 Chanter Street
BERRIGAN NSW 2172

Contact: Lawrissa Chan
Phone no: 02 9275 7255
Our ref: D1828173/FA1692

14 November 2018

Dear Cr Hannan

**Management Letter on the Final Phase of the Audit
for the Year Ended 30 June 2018
Berrigan Shire Council**

The final phase of our audit for the year ended 30 June 2018 is complete. This letter outlines:

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

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

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

I have kept management informed of the issues included in this letter as they have arisen. A formal draft of this letter was provided on 12 November 2018. This letter includes management's formal responses, the person responsible for addressing the matter and the date by which this should be actioned.

As soon as practicable, I recommend you:

- assign responsibility for implementing the recommendations
- develop an action plan, including a timetable, to implement the recommendations
- nominate an individual or establish a committee to monitor and report on progress.

The Auditor-General may include items listed in this letter in the Report to Parliament.

If you would like to discuss any of the matters raised in this letter, please contact me on 02 9275 7255 or Phil Delahunty on 03 4435 3550

Yours sincerely

A handwritten signature in black ink, appearing to read 'Lawrissa Chan', with a stylized flourish at the end.

Lawrissa Chan
Director, Financial Audit Services

cc: Rowan Perkins, General Manager

Final management letter

for the year ended 30 June 2018

Berrigan Shire Council



INSIGHTS FOR BETTER GOVERNMENT

FINANCIAL AUDIT





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

The risk assessment matrix used is consistent with the risk management framework in [TPP12-03](#) 'Risk Management Toolkit for the NSW Public Sector'.

This framework may be used as better practice for councils.

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

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

RISK LEVELS	MATRIX REFERENCE
 Extreme:	E
 High:	H
 Moderate:	M
 Low:	L

For each issue identified, I have used the consequence and likelihood tables from [TPP12-03](#) to guide my assessment.






Consequence levels and descriptors

Consequence level	Consequence level description
Very high	<ul style="list-style-type: none"> Affects the ability of your entire entity to achieve its objectives and may require third party intervention; Arises from a fundamental systemic failure of governance practices and/or internal controls across the entity; or May result in an inability for the auditor to issue an audit opinion or issue an unqualified audit opinion.
High	<ul style="list-style-type: none"> Affects the ability of your entire entity to achieve its objectives and requires significant coordinated management effort at the executive level; Arises from a widespread failure of governance practices and/or internal controls affecting most parts of the entity; or May result in an inability for the auditor to issue an unqualified audit opinion.
Medium	<ul style="list-style-type: none"> Affects the ability of a single business unit in your entity to achieve its objectives but requires management effort from areas outside the business unit; or Arises from ineffective governance practices and/or internal controls affecting several parts of the entity.
Low	<ul style="list-style-type: none"> Affects the ability of a single business unit in your entity to achieve its objectives and can be managed within normal management practices Arises from isolated ineffective governance practices and/or internal controls affecting a small part of the entity.

Likelihood levels and descriptors

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


Summary of issues

Issue	Detail	Likelihood	Consequence	Risk assessment
1	<u>Variance in Crown Land</u>	Almost Certain	Low	 Moderate
2	<u>Non-IT staff have inappropriate access to directly modify financial data outside of the application (repeat issue)</u>	Possible	Medium	 Moderate
3	<u>Sharing of high privilege user accounts (repeat issue)</u>	Possible	Medium	 Moderate
4	<u>Purchase order timing</u>	Likely	Low	 Low
5	<u>Supporting workpapers for asset revaluation (repeat issue)</u>	Possible	Low	 Low

Appendix

Review of matters raised in prior years

Issue 1: Variance in Crown Land

Likelihood	Consequence	Systemic issue	Category	Risk assessment
Almost Certain	Low	No	Reporting	 Moderate

Observation

During our review of Council's Crown Land assets, we noted two discrepancies between the data provided from the Crown Land Information Database and the records of Council.

The variance related to the council not recording some properties which the Crown Land Information Database recorded as being under the control of the Council. While the effect of this financial discrepancy was immaterial, it suggests an understatement of the asset value in council's balance sheet.

Implications

If Council's Crown land register is not accurate and complete, there is a risk that Crown lands managed and controlled by the Council are not accurately accounted for resulting in a potential material misstatement of the financial statements.

Recommendation

We recommend that the Council:

- work with the Department of Industry to resolve these identified discrepancies and ensure correct asset recognition
- perform a formal review at least annually over its Crown land register and Crown land reserve trusts to ensure that all items managed and controlled by the Council are accounted for.

Management response

Agree.

The parcel of land in question can be clearly demonstrated not to be under Council control. Instead, the Crown lease it to a private operator. The error is with the records held in the Crown Land Information Database. The Council will work with Crown Lands to ensure this error is corrected. The Council will review annually its Crown Land register to ensure discrepancies like these are addressed ahead of time.


Person responsible:

Carla von Brockhusen - Finance Manager

Date to be actioned:

April 2019

Issue 2: Non-IT staff have inappropriate access to directly modify financial data outside of the application (repeat issue)

Likelihood	Consequence	Systemic issue	Category	Risk assessment
Possible	Medium	Yes	Operations	 Moderate

Observation

As report in 2017, whilst we have not sought to place reliance on IT controls as part of our audit approach, through the work performed to understand the council's control activities and obtain an understanding of how the council has responded to risks arising from IT, we noted that non-IT admin staff have inappropriate access to directly modify financial data outside of the application (Practical).

This is possible through the use of a database query tool which allows database tables to be modified directly. The risk exists where staff, including non-IT staff, are using super-user or administration accounts which have higher levels of access than general user accounts.

We would like to note that we did not perform a comprehensive review of the IT control environment and there may be other control weaknesses that did not come to our attention.

This issue was previously raised in the final management letter on 7 December 2017, and management agreed to action the issue by March 2018. However, the issue remains unresolved.

Implications

Financially relevant data could be modified directly within the database (either on purpose or in error), bypassing key business process controls and segregated duties that may be relied upon in Practical.

Recommendation

We recommend that Council review its existing list of assigned IT access privileges for each staff member against their current role to ensure their access level assigned remains current and appropriate, taking corrective action, as necessary.

Access to directly modify the Practical database should be restricted to relevant IT staff only.

For those Council staff assigned with 'super user'/ administrator IT access privileges we recommend Council consider the following controls:

- Practical privileged access audit logs are reviewed regularly by a suitably independent and qualified individual, with appropriate action taken when required; or
- Standing Practical privileged access is removed and only granted on a temporary basis when required.

Management response

Agree.

Council has developed and implemented a system to record and track IT access privileges.

The IT Officer and the Finance Manager are the only two staff with access to the PCSADMIN account. This is documented in the set of approved Practical access privileges as per the above. No other staff are ever given privileged access.

The PCSADMIN account is never used to process routine transactions or undertake routine functions.

Civica, the provider of Practical, have not notified the Council of any risk relating to inappropriate access to directly modify data outside the application nor have they provided any advice on their plans to address this risk.

Management are aware and accept that some residual risk remains despite the measures above.


Person responsible:

Date actioned:

Carla von Brockhusen – Finance Manager

June 2018

Issue 3: Sharing of high privilege user accounts (repeat issue)

Likelihood	Consequence	Systemic issue	Category	Risk assessment
Possible	Medium	Yes	Operational	 Moderate

Observation

As reported in 2017, whilst we have not sought to place reliance on IT controls as part of your audit approach, through the work performed to understand the council's control activities and obtain an understanding of how the council responded to risks arising from IT, we noted that highly privileged user accounts are shared amongst staff.

We noted that highly privileged "PCSADMIN" user account is shared between the Finance Manager and Technology and Innovation Officer.

We would like to note that we did not perform a comprehensive review of the IT control environment and there may be other control weaknesses that did not come to our attention.

This issue was previously raised in the final management letter on 7 December 2017, and management agreed to action the issue by March 2018. However, the issue remains unresolved.

Implications

In the absence of tools to enable the secure use of generic highly privileged user accounts, sharing of these accounts increases the likelihood of individuals gaining inappropriate access to business functions,

Due to the lack of a clear audit trail, inappropriate or incorrect privileged system activities may not be able to be traced to the accountable individual. Subsequent resolution procedures may be time consuming and costly.

Recommendation

We recommend that Council consider the following controls:

- Users with highly privileged access should have individual user accounts to perform their normal duties.
- Standing Practical privileged access is removed and only granted on a temporary basis when required.
- Practical privileged access audit logs are reviewed regularly by a suitably independent and qualified individual, with appropriate action taken when required.
- User access privileges should be regularly reviewed to ensure they remain commensurate with each individual's role and any segregation of duties defined by management.

Management response

Agree.

Management response is unchanged from last year.

All users have individual user accounts to perform their normal duties – this has always been the case and will remain the case.


Software limitations make an effective review of the actions performed by the PCSADMIN account very difficult. However, steps have been put in place to mitigate the risk of misuse.

Management are aware and accept that some residual risk remains.

In practice, very few actions are performed using the PCSADMIN account and access to the account is limited to two people, who both report independently to the DCS.

Person responsible:	Date actioned:
Matthew Hansen – Director Corporate Services	June 2018

Issue 4: Purchase order timing

Likelihood	Consequence	Systemic issue	Category	Risk assessment
Likely	Low	Yes	Operational	 Low

Observation

As part of expense testing, we selected a sample of 16 invoices and ensured that a proper process is followed to mitigate the risk of inappropriate invoices being paid. Audit notes that 6 purchase orders were raised after the corresponding tax invoices had been received from the supplier.

Implications

The practice of ordering goods and services before approval of the purchase order increases the risk of inappropriate purchases and unexpected liabilities for the Council.

Recommendation

Audit recommends that the Council ensure that the purchasing procedures are reinforced, to increase the level of compliance by staff ordering goods or services.

Management response

Agree.

Management has a formal purchasing procedure which must be followed by all staff. This includes the requirement for an approved purchase order at the time of confirming a purchase. Management will reinforce with all staff the importance of this requirement and follow up with individual purchasers who are not following procedure.


Person responsible:

Carla von Brockhusen – Finance Manager

Date to be actioned:

April 2019

Issue 5: Supporting workpapers for asset revaluation (repeat issue)

Likelihood	Consequence	Systemic issue	Category	Risk assessment
Possible	Low	Yes	Operational	 Low

Observation

As reported in 2017, management were not able to provide appropriate assessments to support the carrying value of assets as at 30 June 2018. Movement in unit rates was not supported by appropriate source documentation.

We acknowledge that management made available detailed workpapers for property assets that were subject to comprehensive revaluation during 2017–18.

This issue was previously raised in the final management letter on 7 December 2017, and management agreed to action the issue by March 2018. However, the issue remains unresolved.

Implications

There is a risk that the carrying values of assets may not reflect fair value as required by Australian Accounting Standards.

Recommendation

We recommend that management should perform an annual assessment to ensure the assets carrying is materially consistent with their fair value.

Management should also prepare adequate supporting workpapers that enables an efficient and effective internal review and external audit.

Management response

Agree.

Management will have these workpapers in place for the interim audit in 2019 to allow for the use of early close procedures for asset valuations.

Person responsible:

Carla von Brockhusen – Finance Manager

Date to be actioned:

April 2019

Appendix

Review of matters raised in prior year management letters

The issues in this appendix were raised in previous management letters. For each of these issues, I have determined:

- how management has addressed the issue in the current year
- what management still needs to do to address unresolved issues.

Prior issues raised	Risk assessment	Assessment of action taken	Recommendation
2016–17 Management letter			
Payload upload error	 Moderate	Matter has been addressed by management	Nil as matter addressed
Non-IT staff have inappropriate access to directly modify financial data outside the application	 Moderate	Refer to the management comments	Please refer to issue number 2
Sharing of high privilege user accounts	 Moderate	Refer to the management comments	Please refer to issue 3
Understatement of depreciation expense on library books.	 Low	Matter has been addressed by management	Nil as matter addressed
Supporting workpapers for asset revaluation	 Low	Matter has not been addressed by management.	Please refer to issue number 5
2017–18 Interim management letter			
Disaster Recovery Plan has not been formally tested	 Moderate	Target date for resolution has not yet passed (due 30 March 2019)	We will assess status during the 2018–19 audit
No formal IT Security Policy	 Moderate	Target date for resolution has not yet passed (due 30 March 2019)	We will assess status during the 2018–19 audit



Draft Policy for liquid trade waste regulation

Purpose of this policy

This policy sets out how council will regulate sewerage and trade waste discharges to its sewerage system in accordance with the NSW Framework for Regulation of Sewerage and Trade Waste (section 3.1 on page 20). The policy is concerned with the approval, monitoring and enforcement process for liquid trade wastes discharged to Council's sewerage system and the levying of commercial sewerage and liquid trade waste fees and charges. It has been developed to ensure the proper control of liquid trade waste and hence protection of public health, worker safety, the environment, and Council's sewerage system. The policy also promotes waste minimisation, water conservation, water recycling and biosolids reuse.

Sewerage systems are generally designed to cater for waste from domestic sources that are essentially of predictable strength and quality. Council **may** accept trade waste into its sewerage system as a **service** to businesses and industry.

Liquid trade wastes may exert much greater demands on sewerage systems than domestic sewage and, if uncontrolled, can pose serious problems to public health, worker safety, Council's sewerage system and the environment.

Impacts of poor liquid trade waste regulation include:

- Grease, oil, solid material, if not removed on-site, can cause sewer chokes and blockages and the discharge of untreated sewage to the environment.
- Strong waste may cause sewage odour problems and corrosion of sewer mains, pumping stations and sewage treatment works.

A person wishing to discharge liquid trade waste to the sewerage system must, under section 68 of the *Local Government Act 1993*, obtain prior approval from Council. Discharging liquid trade waste without an approval is an offence under section 626 of the Act.

The procedure for approval is governed by Chapter 7 of the Local Government Act and is subject to the Local Government (General) Regulation 2005.

Under clause 28 of the Local Government (General) Regulation, a council must not grant an approval under section 68 of the Act to discharge trade waste (whether treated or not) into a sewer of the council unless the Secretary, NSW Department of Industry ('the department') or the Secretary's nominee has concurred with the approval.

Under section 90 (2) of the Local Government Act, the Secretary, NSW Department of Industry may give the council notice that the concurrence may be assumed (with such qualifications or conditions as are specified in the notice). The Director Water Utilities has been nominated to give concurrence to trade waste approvals.

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Glossary

Assumed Concurrence: Council may apply to the Secretary of the NSW Department of Industry ('the department') for authorisation to assume concurrence for Classification B or Classification S activities. Requests for assumed concurrence need to be forwarded to the Manager Water and Sewerage. If granted, Council will no longer need to forward such applications for concurrence.

Automatic Assumed Concurrence: Councils have been authorised to assume concurrence for Classification A activities. Such applications may be approved by Council without forwarding the application for concurrence.

Bilge Water: minor amounts of water collecting in the bilge of a vessel from spray, rain, seepage, spillage and boat movements. Bilge water may be contaminated with oil, grease, petroleum products and saltwater.

Biochemical Oxygen Demand (BOD₅): The amount of oxygen utilised by micro-organisms in the process of decomposition of organic material in wastewater over a period of five days at 20°C. In practical terms, BOD is a measure of biodegradable organic content of the waste.

Biosolids: Primarily organic solid product produced by sewage processing. Until such solids are suitable for beneficial use, they are defined as wastewater solids or sewage sludge.

Bunding: Secondary containment provided for storage areas, particularly for materials with the propensity to cause environmental damage.

Chemical Oxygen Demand (COD): A measure of oxygen required to oxidise organic and inorganic matter in wastewater by a strong chemical oxidant. Wastewaters containing high levels of readily oxidised compounds have a high COD.

Chemical Toilet: Toilet in which wastes are deposited into a holding tank containing a deodorizing or other chemicals; wastes are stored and must be pumped out (and chemical recharged) periodically.

Commercial Kitchen/Caterer: For the purpose of these Guidelines, a commercial kitchen is a premise that is typically a stand-alone operation and prepares food for consumption off-site. These types of businesses typically cater to wedding functions, conferences, parties, etc. This definition would not apply to a food processing factory supplying pre-prepared meals to an airline company or similar.

Concurrence is required before a council may approve an application for the discharge of liquid trade waste to the sewerage system. It is a requirement under section 90(1) of the Local Government Act and clause 28 of the Local Government (General) Regulation 2005 that council obtain the written concurrence of the Secretary of the NSW Department of Industry (or the Secretary's nominee) prior to approving such waste to be discharged to the council's sewerage system. The Director Water Utilities has been nominated to give concurrence to such approvals.

Contingency Plan: A set of procedures for responding to an incident that will affect the quality of liquid trade waste discharged to the sewerage system. The plan also encompasses procedures to

protect the environment from accidental and unauthorised discharges of liquid trade waste to the stormwater drainage system, and leaks and spillages from stored products and chemicals.

Due Diligence Program: A plan that identifies potential health and safety, environmental or other hazards (eg. spills, accidents or leaks) and appropriate corrective actions aimed at minimising or preventing the hazards.

Effluent: The liquid discharged following a wastewater treatment process.

Effluent Improvement Plan (EIP): The document required to be submitted by a discharger who is not meeting the acceptance limits for discharge waste quality set down in Council's approval conditions and/or liquid trade waste agreement. The document sets out how the discharger will meet the acceptance limits for the discharge of liquid trade waste to the sewerage system within the agreed timeframe.

Galley Waste: In this Policy, a liquid waste from a kitchen or a food preparation area of a vessel; solid wastes are excluded.

Heavy Metals: Metals of high atomic weight which in high concentrations can exert a toxic effect and may accumulate in the environment and the food chain. Examples include mercury, chromium, cadmium, arsenic, nickel, lead and zinc.

Housekeeping: is a general term, which covers all waste minimisation activities connected with the way in which operations within the premises are carried out.

Industrial Discharges: Industrial liquid trade waste is defined as liquid waste generated by industrial or manufacturing processes.

Local Government Regulation: Local Government (General) Regulation 2005 under the *Local Government Act 1993*.

Liquid Trade Waste: Liquid trade waste means all liquid waste other than sewage of a domestic nature.

Mandatory Concurrence: For the liquid waste in Classification C, councils will need to obtain concurrence for each discharger. The Director Water Utilities provides concurrence on behalf of the Secretary, NSW Department of Industry.

Methylene Blue Active Substances (MBAS): These are anionic surfactants (see Surfactants definition) and are called MBAS as their presence and concentration is detected by measuring the colour change in a standard solution of methylene blue dye.

Minimal Pre-treatment: For the purpose of this Policy includes sink strainers, basket arrestors for sink and floor waste, plaster arrestors and fixed or removable screens.

National Framework for Wastewater Source Management: refer to section 3.2

NSW Framework for Regulation of Sewerage and Trade Waste: refer to section 3.1

Open Area: Any unroofed process, storage, washing or transport area potentially contaminated with rainwater and substances which may adversely affect the sewerage system or the environment.

Pan: For the purpose of this Policy “pan” means any moveable receptacle kept in a closet and used for the reception of human waste.

pH: A measure of acidity or alkalinity of an aqueous solution, expressed as the logarithm of the reciprocal of the hydrogen ion (H^+) activity in moles per litre at a given temperature; pH 7 is neutral, below 7 is acidic and above 7 is alkaline.

Premises: Has the same meaning as defined in the Local Government Act Dictionary and includes any of the following:

- (a) a building of any description or any part of it and the appurtenances to it
- (b) land, whether built on or not
- (c) a shed or other structure
- (d) a tent
- (e) a swimming pool
- (f) a ship or vessel of any description (including a houseboat)
- (g) a van.

Prescribed Pre-treatment Equipment is defined as standard non-complex equipment used for pre-treatment of liquid trade waste, eg. a grease arrestor, an oil arrestor/separator, solids arrestor, cooling pit (refer to Table 7 of *Liquid Trade Waste Regulation Guidelines, 2009*).

Primary Measurement Device: A device such as a gauging pit, weir tank or flume installed in the liquid trade waste discharge line suitable for installation of instrumentation for flow measurement. In cases of commercial flows this can mean a removable section of pipe (in the fresh water supply to the trade waste area) and the installation of a check meter.

Secretary: Secretary means the Head of the NSW Department of Industry ('the department').

Septage: Material pumped out from a septic tank during desludging; contains partly decomposed scum, sludge and liquid.

Septic Tank: Wastewater treatment device that provides a preliminary form of treatment for wastewater, comprising sedimentation of settleable solids, flotation of oils and fats, and anaerobic digestion of sludge.

Septic Tank Effluent: The liquid discharged from a septic tank after treatment.

Sewage Management Facility: A human waste storage facility or a waste treatment device intended to process sewage and includes a drain connected to such a facility or device.

Sewage of a Domestic Nature: Includes human faecal matter and urine and waste water associated with ordinary kitchen, laundry and ablution activities of a household, but does not include waste in or from a sewage management facility.

Sewerage System: The network of sewage collection, transportation, treatment and by-products (effluent and biosolids) management facilities.

Ship-to-Shore Pump-out: Liquid waste from a vessel that may be considered for disposal to the sewerage system. This includes on-board toilet wastes, galley wastes and dry dock cleaning waste from maintenance activities.

Sullage: Domestic wastewater excluding toilet waste.

Surfactants: The key active ingredient of detergents, soaps, emulsifiers, wetting agents and penetrants. Anionic surfactants react with a chemical called methylene blue to form a blue-chloroform-soluble complex; the intensity of colour is proportional to concentration.

Suspended Solids (SS): The insoluble solid matter suspended in wastewater that can be separated by laboratory filtration and is retained on a filter. Previously also referred to as non-filtrable residue (NFR).

Total Dissolved Solids (TDS): The total amount of dissolved material in the water.

Waste Minimisation: Procedures and processes implemented by industry and business to modify, change, alter or substitute work practices and products that will result in a reduction in the volume and/or strength of waste discharged to sewer.

What is liquid trade waste?

Liquid trade waste is defined in the Local Government (General) Regulation 2005 as below:

Liquid trade waste means all liquid waste other than sewage of a domestic nature.

Liquid trade waste discharges to the sewerage system include liquid wastes from:

- business/commercial premises (eg. beautician, florist, hairdresser, hotel, motel, restaurant, butcher, service station, supermarket, dentist)
- community/public premises (including craft club, school, college, university, hospital and nursing home)
- industrial premises
- trade activities (eg. mobile carpet cleaner)
- any commercial activities carried out at a residential premises
- saleyards, racecourses and from stables and kennels that are not associated with domestic households
- septic tank waste, chemical toilet waste, waste from marine pump-out facilities and established sites for the discharge of pan content from mobile homes/caravans to the sewerage system.

While septic tank, pan and ship-to-shore pump-out waste are defined as trade waste, specific procedures need to be applied to their management as the waste is often transported from its source to the sewerage system. Accordingly, specific references to these wastes are provided in this policy where necessary.

Liquid trade waste excludes:

- toilet, hand wash basin*, shower and bath wastes derived from all the premises and activities mentioned above
- wastewater from residential toilets, kitchens, bathrooms or laundries (ie. domestic sewage)
- common use (non-residential) kitchen and laundry facilities in a caravan park
- residential swimming pool backwash.

* Used for personal hygiene only

Objectives

The objectives¹ of this policy are:

- to protect public health
- to protect the health and safety of Council employees
- to protect the environment from the discharge of waste that may have a detrimental effect
- to protect Council assets from damage
- to assist Council to meet its statutory obligations
- to provide an environmentally responsible liquid trade waste service to the non-residential sector
- to encourage waste minimisation and cleaner production in the commercial and industrial sectors
- to promote water conservation, water recycling and biosolids reuse
- to ensure compliance of liquid trade waste dischargers with Council's approved conditions
- to provide operational data on the volume and composition of industrial and commercial effluent to assist in the operation of the sewerage system and the design of augmentations or new sewerage systems
- to ensure commercial provision of services and full cost recovery through appropriate sewerage and liquid trade waste fees and charges.

Scope of this Policy

This policy comprises three parts:

- Part 1 specifies the circumstances in which a person is exempt from the necessity to apply for an approval to discharge liquid trade waste to Council's sewerage system
- Part 2 specifies the criteria which Council will take into consideration in determining whether to give or refuse a liquid trade waste approval
- Part 3 specifies the framework for regulation of liquid trade waste, including the NSW Framework for Regulation of Sewerage and Trade Waste, alignment with the *National Framework for Wastewater Source Management*, application procedures, liquid trade waste discharge categories, liquid trade waste services agreements, monitoring of liquid trade waste discharges, liquid trade waste fees and charges, modification or revocation of approvals, prevention of waste of water and contaminated stormwater discharges from open areas.

¹ The above objectives are consistent with the *National Framework for Sewage Quality Management* on page 17 of the *Australian Sewage Quality Management Guidelines, June 2012*, Water Services Association of Australia (WSAA).

1 Part 1 – Exemptions

Council

Exemptions*

For obtaining approval of liquid trade waste discharge

Table 1: Exemptions

<p>This table lists commercial business activities that the Secretary, NSW Department of Industry has consented to an exemption from the requirement to apply for approval for liquid trade waste discharge to the sewerage system. Each such business must meet the standard requirements specified below. An annual trade waste fee applies to each such discharger.</p>	
Activity	Requirements
Beautician	Nil.
Bed and Breakfast (not more than 10 persons including proprietor)	Sink strainers in food preparation areas. Housekeeping practices (see Note 4).
Day care centre (no hot food prepared)	Sink strainers in food preparation areas. Housekeeping practices (see Note 4). Nappies are not to be flushed into the toilet.
Delicatessen – no hot food prepared	Sink strainers in food preparation areas. Housekeeping practices (see Note 4).
Dental technician	Plaster arrestor required.
Doctor's surgery (plaster casts)	Plaster arrestor required.
Dog/cat groomer/salon	Floor waste basket and sink strainer required (see Note 3). Animal litter and any waste disposal products may not be discharged to sewer. No organophosphorus pesticides may be discharged to sewer.
Florist	Floor waste basket and sink strainer required. No herbicides/pesticides may be discharged to sewer.
Fruit and vegetable – retail	Floor waste basket and sink strainer required (see Note 3).
Hairdressing	Floor waste basket and sink strainer (where available).

Activity	Requirements
Jewellery shop <i>miniplater</i> <i>ultrasonic washing</i> <i>precious stone cutting</i>	Miniplater vessel to contain no more than 1.5 L of precious metal solution Nil If : < 1000 L/d plaster arrestor required > 1000 L/d general purpose pit required
Mixed business (minimal hot food)	Floor waste basket and sink strainer required (see Note 3). Housekeeping practices (see Note 4).
Mobile cleaning units carpet cleaning garbage bin washing	20 micron filtration system fitted to a mobile unit. Floor waste basket required. Discharge is via grease arrestor (if available).
Motel (no hot food prepared and no laundry facility)	Floor waste basket and sink strainer required (see Note 3). Housekeeping practices (see Note 4).
Nut shop	Floor waste basket and sink strainer required (see Note 3).
Optical service - retail	Solids settlement tank/pit required.
Pet shop – retail	Floor waste basket and sink strainer required (see Note 2).
Pizza reheating for home delivery	Housekeeping practices (see Note 4).
Venetian blind cleaning	Nil (see Note 2).

Notes:

1. Where “required” is used it means as required by Council.
2. If activity is conducted outdoors, the work area is to be roofed and bunded to prevent stormwater ingress into the sewerage system.
3. All drainage from floors in food preparation areas is required to pass through a floor waste basket.
4. Food preparation activities need to comply with sound housekeeping practices including:
 - (a) Floor must be dry swept before washing.
 - (b) Pre-wiping of all utensils, plates, bowls etc. to the scrap bin before washing up.
 - (c) Use of a food waste disposal unit is not permitted.

2 Part 2 – Criteria for approval to discharge liquid trade waste into council's sewerage system

2.1 Factors for consideration

Council's decision to accept liquid trade waste into its sewerage system is on the basis of a preventive risk management framework for managing risks to the sewerage system within an integrated water cycle management² context. It will be based on the discharge meeting Council's requirements³. When determining an application to discharge liquid trade waste to the sewerage system, Council will consider the following factors:

- The potential for the liquid trade waste discharge to impact on public health
- The possible impacts the discharge may pose to the environment (land, water, air, noise, or nuisance factors)
- The potential impacts of the discharge on the health and safety of the Council's employees
- The possible impact of the discharge on Council's sewerage infrastructure or sewage treatment process
- The capability of the sewerage system (both transportation and treatment components) to accept the quality and quantity of the proposed liquid trade waste discharge
- The impact the liquid trade waste will have on the ability of the sewerage scheme to meet its Environment Protection Authority licence requirements
- Compliance of the proposed liquid trade waste discharge with guideline limits in this policy⁴
- The potential impacts of the discharge on the quality of, and management practices for, effluent and biosolids produced from the sewage treatment process
- The adequacy of the pre-treatment process(es) to treat the liquid trade waste to a level acceptable for discharge to the sewerage system, including proposed safeguards if the pre-treatment system fails
- Whether appropriate safeguards are proposed to avoid the discharge of other, non-approved wastes to the sewerage system

² *Integrated Water Cycle Management Guidelines for NSW Local Water Utilities, DWE, October 2004.*

³ In considering options for waste management to drive resource efficiency, the following order of preference set out on page 80 of the *Australian Sewage Quality Management Guidelines, June 2012*, WSAA will be adopted:

- Avoidance
- Minimisation
- Re-use
- Recovery of energy
- Treatment
- Disposal

⁴ The quality of trade waste from some low risk commercial activities in Classification A will exceed guideline limits in Council's trade waste policy. As a higher level of pre-treatment is not cost-effective, such waste is acceptable if the discharger installs and properly operates and maintains the required pre-treatment equipment (refer to Table 4 on page 21 and Tables 7 to 9 of *Liquid Trade Waste Regulation Guidelines, 2009*). Similarly, septic and pan waste may exceed some guideline limits.

- The adequacy of any chemical storage and handling facilities, and the proposed safeguards for preventing the discharge of chemicals to the sewerage system
- Whether prohibited substances are proposed to be discharged
- The potential for stormwater entering the sewerage system and adequacy of proposed stormwater controls
- Waste minimisation and water conservation programs
- The adequacy of the proposed due diligence program and contingency plan, where required.

2.2 Discharge quality

Council has guideline limits for the acceptance of discharges, as set out in Table 2 on pages 16 to 14. Council may vary the guideline limits for a particular sewage treatment works. Where the guideline limits cannot be met, applicants are required to provide justification for exceeding the limits. Based on the type and the proposed contaminant levels, Council may refuse the application, or may approve it subject to an effluent improvement program, or other conditions being implemented.

2.3 Prohibited substances

Some substances are not suitable for discharge to the sewerage system. Table 3 on page 19 sets out those substances which must not be discharged to the sewerage system. Council may not grant approval for the discharge of these substances to the sewerage system unless it is specifically approved under section 68 of the Local Government Act.

2.4 Stormwater discharges from open areas

Stormwater is a prohibited discharge under this policy. The ingress of stormwater into the sewerage system can cause operational problems to the system and result in sewer overflows, as the sewerage system does not have the capacity for such flows. Therefore, Council does not generally accept the discharge of stormwater to the sewerage system.

However, it is recognised that it may not always be possible or practical to prevent all stormwater entering the sewerage system at some liquid trade waste premises. The discharge of limited quantities of first flush stormwater from sealed areas will be considered where roofing cannot be provided because of safety or other important considerations. The discharge from unsealed areas is not permitted.

Before the stormwater will be considered for discharge to the sewerage system, the applicant must provide the following information:

- reasons why the area cannot be fully or partially roofed and bunded to exclude stormwater
- the dimensions and a plan of the open area under consideration
- whether the open area is sealed
- the estimated volume of the stormwater discharge
- information on rain gauging

- where a first-flush system is proposed, details on how the stormwater will be diverted to the drainage system after the first flush is accepted (the first flush to be limited to first 10 mm of storm run off)
- measures proposed for diverting stormwater away from the liquid trade waste generating area
- report on other stormwater management options considered and why they are not feasible.

Note: Trade waste charges for the acceptance of stormwater to the sewerage system are indicated in section 3.8.9 on page 33.

2.5 Food waste disposal units

The use of food waste disposal units (also known as in-sinkerators, in-sink food waste disposers, or garbage grinders) is not permitted. Existing installations in hospitals and nursing homes may be permitted, provided that wastewater is discharged through an adequately sized grease arrestor. For existing premises, a food waste disposal charge will be levied based on the number of beds in the hospital or nursing home (refer to section 3.8.6 on page 30).

If the hospital or nursing home kitchen is refurbished, the food waste disposal unit must be removed.

2.6 Devices that macerate or pulverise waste

Macerators and any other similar devices that are used for pulverising of solid waste are not authorised to connect to Council's sewerage system. Solid waste includes, but is not limited to, sanitary napkin, placenta, surgical waste, disposable nappy, mache bedpan and urine containers.

Therefore Council will not accept any discharges from such devices to its sewerage system.

2.7 Use of additives in pre-treatment systems

Council does not allow solvents, enzymes, bioadditives, and odour control agents to be used in pre-treatment systems (except neutralising chemicals designated for the pre-treatment) except by specific written application and subsequent approval.

Table 2: Guideline limits for acceptance of liquid trade wastes into sewerage system

Parameter*	Limits [#]	Analytical Method Reference [#]
General acceptance guideline limits		
Flow Rate	The maximum daily and instantaneous rate of discharge (kL/h or L/s) is set on the available capacity of the sewer. Large dischargers are required to provide a balancing tank to even out the load on the sewage treatment works.	
BOD ₅	Normally, approved up to 600 mg/L. In some cases higher concentration for low mass loadings may be acceptable, if the treatment works has sufficient capacity and odour will not be a problem.	5210B
Suspended solids	Concentrations up to 600mg/L may be acceptable.	2540D
COD	Normally, not to exceed BOD ₅ by more than three times. This ratio is given as a guide only to prevent the discharge of non-biodegradable waste.	
Total Dissolved Solids	Up to 4000 mg/L may be accepted. However, the acceptance limit may be reduced depending on available effluent disposal options and will be subject to a mass load limit.	2510B
Temperature	Less than 38°C.	
pH	Within the range 7.0 to 9.0.	
Oil and Grease	100 mg/L if the volume of the discharge does not exceed 10% of the design capacity of the treatment works, and 50 mg/L if the volume is greater than 10%.	USEPA1664
Detergents	All industrial detergents are to be biodegradable. A limit on the concentration of 50 mg/L (as MBAS) may be imposed on large liquid trade wastes.	
Colour	No visible colour when the waste is diluted to the equivalent dilution afforded by domestic sewage flow.	
Radioactive Substances	The discharge must comply with the <i>Radiation Control Act 1990</i> .	

cont ...

* See Glossary for explanation of terms

[#] Refer to *Australian Sewage Quality Management Guidelines, June 2012*

Table 2 (Cont.) – Guideline limits for acceptance of liquid trade wastes into sewerage system

Parameter	Maximum concentration (mg/L)	Analytical Method Reference
Acceptance guideline limits for inorganic compounds		
Ammonia (as N)	50	4500-NH3-B
Boron	5	3120B
Bromine	5	DPD-colorimetric test kit
Chlorine	10	DPD-colorimetric test kit
Cyanide	1	4500-CN-G and E
Fluoride	20	4500-F-C
Nitrogen (Total Kjeldahl)	100	4500-Norg B or C
Phosphorus (total)	20	4500P-I & 4500P-F
Sulphate (as SO ₄)	500	3120B
Sulphide (as S)	1	4500S2-C&D or E
Sulphite (as SO ₃)	15	4500BSO3B
Acceptance guideline limits for organic compounds		
Benzene	<0.001	6200
Toluene	0.5	6200
Ethylbenzene	1	6200
Xylene	1	6200
Formaldehyde	30	
Phenolic compounds (except pentachlorophenol)	5	6410B
Petroleum hydrocarbons (non-flammable)*	30	USEPA 8015B USEPA 8260B
Pesticides general (except organochlorine and organophosphorus)*	0.1	6410B
Polynuclear Aromatic Hydrocarbons (PAHs)	5	6410B & 6440

cont ...

* Refer to Table 3

Table 2 (Cont.) – Guideline limits for acceptance of liquid trade wastes into sewerage system

Parameter	Maximum concentration (mg/L)	Allowed daily mass limit (g/d)	Analytical Method Reference
Acceptance guideline limits for metals			
Aluminium	100	-	3120B
Arsenic	0.5	2	3114B
Cadmium	1	6	3120B
Chromium*	3	15	3120B
Cobalt	5	15	3120B
Copper	5	15	3120B
Iron	100	-	3120B
Lead	1	6	3120B
Manganese	10	30	3120B
Mercury	0.01	0.05	3112B
Molybdenum	5	30	3120B
Nickel	3	15	3120B
Selenium	1	15	3120B
Silver	2 [#]	6	3120B
Tin	5	15	3120B
Zinc	5	15	3120B
Total heavy metals excluding aluminium, iron and manganese	less than 30 mg/L and subject to total mass loading requirements		

* Where hexavalent chromium (Cr⁶⁺) is present in the process water, pre-treatment will be required to reduce it to the trivalent state (Cr³⁺), prior to discharge into the sewer. Discharge of hexavalent chromium (Cr⁶⁺) from chromate compounds used as corrosion inhibitors in cooling towers is not permitted.

[#] This limit is applicable to large dischargers. The concentration of silver in photoprocessing waste where a balancing tank is provided is not to exceed 5 mg/L.

Table 3: Substances prohibited from being discharged into the sewerage system

<ul style="list-style-type: none">• organochlorine weedicides, fungicides, pesticides, herbicides and substances of a similar nature and/or wastes arising from the preparation of these substances• organophosphorus pesticides and/or waste arising from the preparation of these substances• any substances liable to produce noxious or poisonous vapours in the sewerage system• organic solvents and mineral oil• any flammable or explosive substance• discharges from 'Bulk Fuel Depots'• chromate from cooling towers• natural or synthetic resins, plastic monomers, synthetic adhesives, rubber and plastic emulsions• roof, rain, surface, seepage or ground water, unless specifically permitted (clause 137A of the Local Government (General) Regulation 2005)• solid matter• any substance assessed as not suitable to be discharged into the sewerage system• waste that contains pollutants at concentrations which inhibit the sewage treatment process – refer <i>Australian Sewage Quality Management Guidelines, June 2012, WSAA</i>• any other substances listed in a relevant regulation.

3 Part 3 – Framework for regulation of liquid trade waste

3.1 The NSW framework for regulation of sewerage and trade waste

Due to the *Tragedy of the Commons*⁵ in the use of common pool resources, sound regulation of sewerage and trade waste requires implementation of **all** the following integrated measures.

1. Preparation and implementation of a sound trade waste regulation policy, assessment of each trade waste application and determination of appropriate conditions of approval. The conditions must be consistent with the LWU's *Integrated Water Cycle Management Strategy* and demand management plan. In addition, execution of a liquid trade waste services agreement is required for large dischargers to assure compliance.
2. Preparation and implementation of a sound *Development Servicing Plan*⁶, with commercial sewerage developer charges to ensure new development pays a fair share of the cost of the required infrastructure.
3. Full cost recovery with appropriate sewer usage charges⁷ and trade waste fees and charges⁸ in order to provide the necessary pricing signals to dischargers. These charges must include non-compliance trade waste usage charges and non-compliance excess mass charges in order to provide the necessary incentives for dischargers to consistently comply with their conditions of approval.
4. Monitoring, mentoring and coaching of dischargers in order to achieve cleaner production and assist them to comply with their conditions of approval.
5. Enforcement, including appropriate use of penalty notices under section 222 of the *Protection of the Environment Operations Act 1997*. Orders may also be issued and penalties imposed for offences under sections 626, 627 and 628 of the *Local Government Act 1993*.
6. Disconnection of a trade waste service in the event of persistent failure to comply with the LWU's conditions of approval.

Together, the above six measures comprise the NSW framework for regulation of sewerage and trade waste. The framework involves a preventive risk management approach, which has been

⁵ In the absence of appropriate controls and measures (such as conditions of approval, a sewer usage charge, a trade waste usage charge, a non-compliance trade waste usage charge, excess mass charges, non-compliance excess mass charges and penalty notices), it would be in the economic interest of each trade waste discharger to minimize their efforts and expenditure on control and pre-treatment of their trade waste before discharging it to the sewerage system. In the past, failure to implement these measures has caused multi-million dollar damage to sewerage networks, pumping stations and treatment works (refer to the examples shown on pages 30, 47 and 48 of the *Liquid Trade Waste Regulation Guidelines, 2009*).

⁶ In accordance with the *NSW Developer Charges Guidelines for Water Supply, Sewerage and Stormwater, 2002*.

⁷ In accordance with page 29 of the *NSW Water Supply, Sewerage and Trade Waste Pricing Guidelines, 2002*.

⁸ In accordance with Appendices D and I of the *Liquid Trade Waste Regulation Guidelines, 2009*.

developed to address the use of common pool resources by providing economic incentives for dischargers to minimise their waste and to consistently comply with their conditions of approval.

3.2 Alignment with the national framework for wastewater source management

The NSW framework for regulation of sewerage and trade waste is outlined in section 3.1. The NSW framework is driven by the NSW Government's *Best-Practice Management of Water Supply of Sewerage Guidelines, 2007* and is consistent with that in the *National Framework for Wastewater Source Management*.⁹

In particular, under the *Best-Practice Management Guidelines* each LWU is required to achieve the following outcomes:

- Prepare and implement a 30-year Integrated Water Cycle Management Strategy, demand management plan, pay-for-use water supply pricing and community and customer involvement (Elements 1, 6, 8)
- Annual performance monitoring, including an annual triple bottom line (TBL) Performance Report and Action Plan to identify and address any areas of under-performance (Elements 5, 6, 9, 10, 11, 12)
- Achieve full cost recovery for water supply, sewerage and trade waste services and apply an appropriate non-residential sewer usage charge (Elements 3, 8)
- Prepare and implement a sound trade waste regulation policy and issue an appropriate approval to each trade waste discharger, including waste minimisation and cleaner production (Elements 1, 2, 3, 4, 7, 8)
- Appropriate trade waste fees and charges (including incentives to comply with LWU's approval conditions through non-compliance trade waste usage charges and non-compliance excess mass charges) (Elements 3, 8)

⁹ The following 12 elements of the *National Framework for Sewage Quality Management* are set out on page 18 of the *Australian Sewage Quality Management Guidelines, June 2012*, WSA:

COMMITMENT

1. Commitment to Wastewater Source Management

SYSTEM ANALYSIS and MANAGEMENT

2. Assessment of the Wastewater System
3. Preventive Measures for Wastewater Input Quality Management
4. Operational Procedures and Process Control
5. Verification of Wastewater Inputs Quality
6. Management of Incidents/Complaints and Emergencies

SUPPORTING REQUIREMENTS

7. Employee Awareness and Training
8. Customer and stakeholder involvement and awareness
9. System Validation and Research and Development
10. Documentation and Reporting

REVIEW

11. Evaluation and Audit
12. Review and Continual Improvement

- Trade waste services agreement for large dischargers to assure compliance (Elements 3, 8)
- Appropriate training of LWU staff and monitoring, mentoring and coaching of trade waste dischargers (Elements 1, 4, 5, 7, 8)
- Enforcement, including appropriate use of penalty notices or orders (Elements 3, 8)
- Disconnection of a trade waste service in the event of persistent failure to comply with the LWU's conditions of approval (Element 8).

3.3 Application Procedures

To obtain Council's approval to discharge liquid trade waste to Council's sewerage system, a discharger must lodge an application in writing. Application forms are available from Council. If a person wishes to discharge liquid trade waste to the sewerage system but is not the owner of the premises, the person must obtain the owner's consent to the application.

The applicant must provide the following information:

- site owner's full name, address, contact telephone number
- address of the business/industry where discharge to the sewerage system will occur
- name of contact person for the premises and telephone contact for the business/industry
- type of process/activity generating the liquid trade waste
- normal hours of business operation
- rate of discharge, including
 - the average per day, maximum per day and per hour, and
 - hours of the day during which discharge will take place
- characteristics of wastes, including
 - nature of source
 - expected maximum and average concentrations of pollutants

(Where sampling and testing are required to establish the quality of the liquid trade waste, the testing should be carried out in accordance with the procedures set out in the *Standard Methods for the Examination of Water and Wastewater* published by the American Public Health Association, American Water Works Association and Water Pollution Control Federation.)

- chemicals to be used – supply Safety Data Sheets
- details of any proposed pre-treatment facilities, location and site plan. Details should include:
 - pre-treatment process details
 - internal wastewater drainage
 - pump size
 - rising main size, length and profile
 - system operational characteristics
 - operational procedures

- provisions for sampling and flow measurement, where required
- proposed connection point to the sewerage system
- flow diagram and hydraulic profile of proposed liquid trade waste pre-treatment facilities
- maintenance schedule for pre-treatment equipment, including contractor's details
- stormwater drainage plan
- measures for prevention of stormwater ingress into the sewerage system
- location, nature and chemical composition of all substances stored/used on site
- justification for disposing of the waste into the sewerage system over other possible options (if any)
- methods of disposal for other wastes that are not discharged to the sewerage system
- any relevant environmental impact assessments
- any additional information as requested by Council.

The following information needs to be provided in regard to the discharge of septic tank and pan waste to the sewerage system:

- identification of the pump out service provider
- proposed method of discharge including plans and drawings if appropriate
- details of any proposed facilities for a disposal point, location and site plan (if applicable). Details should include the proposed connection point to the sewerage system
- security arrangements at the proposed disposal site (if applicable)
- the provision of freshwater for hosing down where needed
- bunding and measures to prevent the ingress of stormwater at the proposed dump point, if applicable
- the use of odour inhibiting or other chemicals, if any, and their dosage rates
- statement that septic effluent will not be mixed with septage or grease trap pump out, ie. dedicated tankers will be used for each type of waste
- for boat/marina facility – the type and number of vessels either moored at the marina and/or would utilise the pump-out facility on a regular basis:
 - private
 - commercial.

Council may, under section 86 of the Local Government Act, request an applicant to provide more information to enable it to determine the application.

3.4 Approval of applications

Where an application is approved, Council will notify the applicant as soon as practical of the approval and any conditions of the approval. The duration of the approval will be as stated in the approval. In cases where Council requires a discharger to enter into a liquid trade waste services agreement (refer to section 3.10 on page 35), Council will issue a deferred commencement approval under section 95 of the Local Government Act requesting the discharger to do so within the time specified in Council's

letter. In such cases, the approval will not be operative until the agreement has been executed by the discharger.

An applicant may make a minor amendment or withdraw an application before it is approved by Council. An applicant may also apply to Council to renew or extend an approval, in accordance with section 107 of the Local Government Act.

If an application is refused, Council will notify the applicant of the grounds for refusal.

An approval to discharge liquid trade waste to Council's sewer is not transferable. A new application must be lodged and a new approval obtained if there is a change of the approval holder or the activity. Council must be notified of change of ownership and/or occupier in all cases, whether a new approval is required or not, to allow updating of records.

3.5 Liquid trade waste from existing premises/dischargers

Existing dischargers who have nil or inadequate liquid trade waste pre-treatment equipment at their current premises are generally required to improve their discharge quality by installing or upgrading pre-treatment equipment to the current standards. At Council's discretion, a period of time may be granted for an existing discharger to install liquid trade waste pre-treatment equipment or perform other works required to achieve compliance with the conditions of a liquid trade waste approval. The period of time granted will generally not exceed 12 months and will be assessed on a case by case basis taking into account the capacity of the receiving sewage treatment plant to accept the discharger's liquid trade waste and the cost and/or difficulty of works to be undertaken. The scope of works required, results to be achieved and timetable for completion shall be laid out by the discharger and agreed to by Council. Where installation of the prescribed liquid trade waste pre-treatment equipment is not considered by Council as feasible or reasonable in order to treat an existing discharge, an exception from installing such equipment may apply. At premises where liquid trade waste pre-treatment equipment is undersized and it is not considered by Council or the Department of Industry as feasible or reasonable to upgrade the pre-treatment equipment to treat the existing discharge, an exception from upgrading the equipment may apply. Existing premises undergoing refurbishment/renovation must allow for the installation of the appropriate liquid trade waste pre-treatment equipment. Where Council considers an application for exception should be approved, the application will need to be forwarded to the department for consideration and concurrence. In the event the business is sold (new documentation requirements supporting an exception may apply) or if renovations/refurbishments are carried out then Council may require the appropriate prescribed pre-treatment equipment to be installed. Where the prescribed liquid trade waste pre-treatment equipment (or alternative acceptable to Council and the department) cannot be installed or the effluent quality is not improved to a standard satisfying Council and the Department of Industry, the non-compliance liquid trade waste usage charge will be applied. Details to be provided with the application for an exception from installing appropriate size grease arrestor:

- An explanation from the applicant requesting an exception and on what grounds this exception is sought;
- A letter from a hydraulic consultant, plumber or the company that provides the pretreatment equipment stating that the pre-treatment installation required by Council is not feasible and the reason(s) why;
- Details of the proposed frequency of cleaning, maintenance and the nominated licensed contractor undertaking these functions;

- For an undersized grease arrestor, its estimated size and its current frequency of pump-outs.
- A site plan.

Some existing small commercial dischargers in automotive industry may have interceptor pits as pre-treatment equipment for oily wastewater . The following information needs to be provided when requesting exception from installation of appropriate prescribed pre-treatment equipment (a coalescing plate separator, vertical gravity separator or hydrocyclone separation system):

- records to demonstrate regular maintenance of the existing pits
- at least three sample analysis results taken on three different occasions and tested for oils and grease (O&G), suspended solids (SS) and total recoverable hydrocarbons (TRH). Exceptions will be considered if test results indicate that the above pollutants do not exceed:

O&G 100 mg/L

SS 300 mg/L

TRH 30 mg/L.

Note that exceptions are not applicable for new premises or where the premises are refurbished.

Upon receiving the application, Council will carry out:

- An inspection in order to assess the feasibility of installing the prescribed pre-treatment equipment. This inspection report is to be signed off by a senior Council officer with appropriate delegated authority.
- An assessment of the sewerage system capacity to accept the proposed untreated waste load and that the modifications, alterations or undersized pre-treatment equipment will not adversely impact on the sewage treatment process, sewage transportation system, byproduct management and the environment.

3.6 Concurrence

If Council supports an application and has a notice stating that concurrence of the Secretary, NSW Department of Industry, can be assumed for the waste relevant to the application, Council will approve the application. Otherwise, Council will seek concurrence in accordance with the requirements of section 90(1) of the Local Government Act. The Director Water Utilities provides concurrence on behalf of the Secretary, NSW Department of Industry.

Liquid trade waste discharges are divided into four (4) classifications for the purpose of the concurrence process:

- Concurrence Classification A – liquid trade waste dischargers for which Council has been authorised to assume concurrence to the approval subject to certain requirements
- Concurrence Classification B – liquid trade waste dischargers whereby Council may apply for authorisation to assume concurrence to the approval subject to certain requirements

-
- Concurrence Classification S – the acceptance of septic tank, pan waste and ship-to-shore pump-out. Council may apply for authorisation to assume concurrence to the approval subject to certain conditions
 - Concurrence Classification C – all other liquid trade waste dischargers that do not fall within Concurrence Classification A, B or S, and therefore require Council to forward the application for concurrence.

All councils have been authorised to assume concurrence for Concurrence Classification A liquid trade waste discharges. These are listed in Table 4 and Council will not need to seek concurrence for approval of trade waste applications for these activities.

Table 4: Liquid trade waste discharges with automatic assumed concurrence

Commercial retail food preparation activities	Other commercial activities
Bakery (retail)	Animal wash (pound, stables, racecourse, kennels, mobile animal wash and veterinary)
Bed and Breakfast (<10 persons)	Beautician
Bistro	Boiler blowdown
Boarding house/hostel kitchen	Car detailing
Butcher shop (retail)	Cooling tower
Café/coffee shop/coffee lounge	Craft activities (making of clay pottery, ceramics, cutting and polishing of gemstones or making of jewellery at clubs, cottage industries)
Canteen	Dental surgery/dental specialist
Cafeteria	Dental technician
Chicken/poultry shop (only fresh chickens/game sold)	Doctor's surgery, medical centre - plaster casts
Chicken/poultry shop (retail BBQ/charcoal chicken)	Florist
Club (kitchen wastes)	Funeral parlour, morgue
Commercial kitchen/caterer	Hairdressing (includes barbers)
Community hall/civic centre	Jewellery shop
Day care centre	Laboratory (pathology/analytical)
Delicatessen	Laundry or laundromat (coin operated)
Doughnut shop	Lawnmower repairs
Fast food outlet (McDonalds, KFC, Burger King, Pizza Hut, Red Rooster, etc.)	Mechanical repairs/workshop
Fish shop (retail – fresh and/or cooked)	Mobile cleaning units
Food caravan	Optical service
Fruit and vegetable shop (retail)	Pet shop (retail)
Function centre	Photographic tray work/manual development
Hotel	Plants retail (no nursery)
Ice cream parlour	School (Primary and Secondary)
Juice bar	Stone working

Mixed business	Swimming pool/spa/hydrotherapy
Motel	Vehicle washing (by hand/wand, automatic car wash, external truck wash or underbody/engine degrease only)
Nightclub	Venetian blind cleaning
Nursing home kitchen	Veterinary /animal kennels
Nut shop	Waterless minilab
Patisserie	
Pie shop	
Pizza shop	
Restaurant	
Salad bar	
Sandwich shop	
School canteen	
Supermarket (with butcher/delicatessen/ seafood/or charcoal chickens)	
Take-away food outlet	

Notes:

The volume of liquid trade waste must not exceed 5 kL/d or 1000 kL/a except in the case of commercial retail food preparation activities, where up to 16 kL/d is included in this category. If the waste discharged to the sewer exceeds these volumes, the application must be treated as Concurrence Classification B. Discharges over 20 kL/d must be treated as Classification C.

3.7 Liquid trade waste charging categories

Four (4) classifications of liquid trade waste have been established for concurrence purposes, Classification A, B, C and S (refer section 3.6 on page 21). For trade waste charging purposes there are also four (4) charging categories, Category 1, 2, 2S and 3 (pages 25 and 26).

Figure 1 below shows that Classification A dischargers fall into Charging Category 1 or Category 2. Classification B dischargers fall into Charging Category 2, except for a few dischargers with low impact on the sewerage system which fall into Category 1. Classification S dischargers fall into Charging Category 2S. Classification C dischargers fall into Charging Category 3.

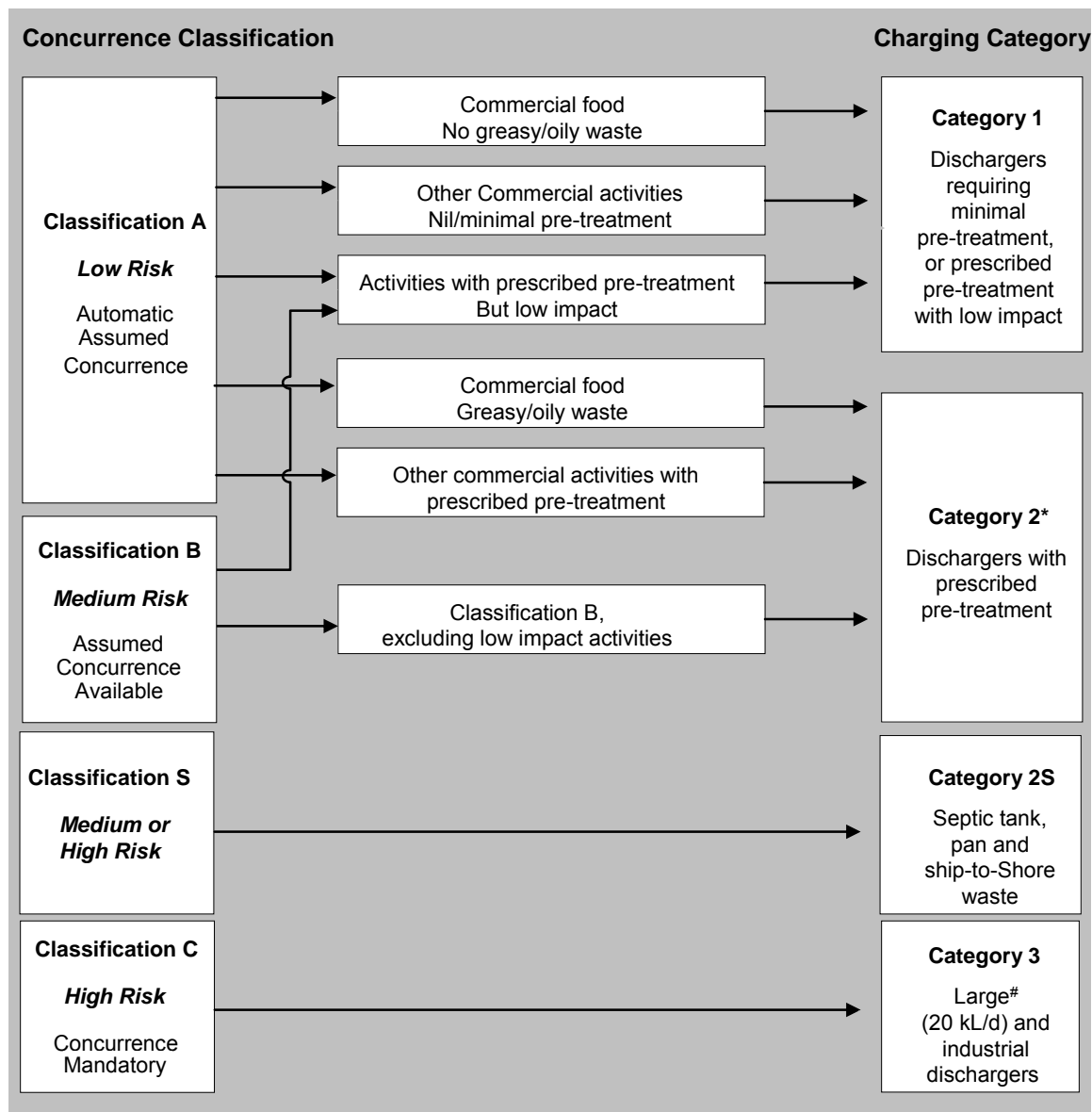


Figure 1: Charging categories for trade waste

* Also includes fish shop (fresh fish for retail)

Except shopping complexes and institutions (hospital, educational facilities, etc.). These will be charged as Category 2 in accordance with activities carried out on the premises.

Category 1 Discharger

Category 1 liquid trade waste dischargers are those conducting an activity deemed by Council as requiring nil or only minimal pre-treatment equipment and whose effluent is well defined and of a relatively low risk to the sewerage system. In addition, Category 1 includes dischargers requiring prescribed pre-treatment but with low impact on the sewerage system.

Classification A activities – Commercial retail food preparation activities that do not generate an oily/greasy waste: bakery (only bread baked on-site), bistro (sandwiches, coffee only), café/coffee shop/coffee lounge, canteen, community hall (minimal food), day care centre, delicatessen, fruit and vegetable shop, hotel, ice cream parlour (take away only), juice bar, mixed business, motel, nightclub, nut shop, pizza cooking/reheating (no preparation or washing up on-site, pizza heated and sold for consumption off-site), potato peeling (small operation), sandwich shop/salad bar, take away food outlet.

Classification A activities – Other commercial activities: animal wash, beautician/hairdressing, crafts < 1000 L/d, dental surgery (plaster casts), doctor's surgery and medical centre (plaster casts), florist, funeral parlour, mobile cleaning units, morgue, jewellery shop, optical service (retail), pet shop, plants retail (no nursery), public swimming pool, photographic (tray work/manual development), venetian blind cleaning, veterinary.

Classification A or B activities – dischargers with prescribed pre-treatment with low impact on the sewerage system: boiler blowdown, cooling tower, industrial boilers, laboratory (analytical/pathology/tertiary institution), laundry, primary and secondary school¹⁰, vehicle washing.

Category 2 Discharger

Category 2 liquid trade waste dischargers are those conducting an activity deemed by Council as requiring a prescribed type of liquid trade waste pre-treatment equipment and whose effluent is well characterised.

Trade Waste dischargers with prescribed pre-treatment¹¹ include:

Classification A activities: Premises that prepare and/or serve hot food or foods that generate an oily/greasy waste: bakery (pies, sausage rolls, quiches, cakes, pastries with creams or custards), bistro, boarding house/hostel kitchen, butcher, café/coffee shop/coffee lounge, cafeteria, canteen, fast food outlet, chicken/poultry shop, club, community hall¹², commercial kitchen/caterer, nursing home, patisserie, supermarket, doughnut shop, fish shop (cooking on-site), function centre, hotel, ice cream parlour, motel, nightclub, pizza cooking, restaurant, sandwich shop/salad bar, take away food outlet.

Other commercial Classification A activities: car detailing, craft activities > 1000 L/d, lawnmower repairs, mechanical workshop, stone working, waterless mini-lab.

Classification B activities: auto dismantler, bus/coach depot, construction equipment maintenance and cleaning, equipment hire, maintenance and cleaning, glass cutting and grinding, graphic arts, hospital, optical services (at medical or educational facilities, workshops), oyster processing – shucking, panel beating, photographic lab, radiator repairer, screen printing, service station forecourt, shopping complex, water wash mini-lab.

¹⁰ If significant hot food preparation is carried out, Category 2 charges may be levied by Council.

¹¹ Excludes low impact activities, listed under Category 1.

¹² If the type and size of kitchen fixtures installed enable catering for large functions.

Other Classification A activities: fish shop (fresh fish for retail).

Category 2S Discharger

Category 2S dischargers are those conducting an activity of transporting and/or discharging septic tank or pan content waste into the sewerage system.

Trade waste dischargers include the following Classification S activities:

Classification S activities: bus/rail coaches/caravan/motor home/caravan park waste dump points, mooring/marina dump points, pan waste, portable chemical toilet waste, septage, septic tank effluent, ship-to-shore pump-outs (galley waste and toilet waste).

Category 3 Discharger (large or industrial waste dischargers)

Category 3 liquid trade waste dischargers are those conducting an activity which is of an industrial nature and/or which results in the discharge of large volumes (over 20 kL/d) of liquid trade waste to the sewerage system. Any Category 1 or 2 discharger whose volume exceeds 20 kL/d becomes a Category 3 discharger, except shopping complexes and institutions (eg. hospitals, educational facilities, correctional facilities, etc.)

Large trade waste dischargers and other Classification C activities include: abattoir, bakery (wholesale), brewery, cooling towers, cosmetics/perfumes manufacture, dairy processing (milk/cheese/yoghurt/ice cream etc.), food processing (cereals/cannery/condiments/ confectionary/edible oils/fats/essence/ flavours/fish/fruit juice/gelatine/honey/meat/pickles/ smallgoods/tea and coffee/vinegar/yeast manufacture etc.), fruit and vegetable processing, flour milling, glue manufacturer, egg processing, pet food processing, plants nursery (open areas), potato processing, poultry processing, saleyards, seafood processing, soft drink/cordial manufacture, starch manufacture, sugar refinery, tanker washing, tip leachate, transport depot/ terminal, water treatment backwash, wholesale meat processing, winery, wine/spirit bottling.

Dischargers of industrial waste include the following Classification C activities: acid pickling, adhesive/latex manufacture, agricultural and veterinary drugs, anodising, bitumen and tar, bottle washing, cardboard and carton manufacture, carpet manufacture, caustic degreasing, chemicals manufacture and repackaging, contaminated site treatment, cyanide hardening, detergent/soaps manufacture, drum washing, electroplating, engine gearbox reconditioning, extrusion and moulding (plastic/metal), feather washing, fellmonger, felt manufacture, fertilisers manufacture, fibreglass manufacture, filter cleaning, foundry, galvanising, glass manufacture, ink manufacture, laboratories (excluding those in Category 2), liquid wastewater treatment facility (grease trap receipt depot and other pump-out waste depot), metal finishing, metal processing (refining/rolling/ non-cyanide heat treatment/phosphating/ photo engraving/printed circuit etching/sheet metal fabrication etc.), mirrors manufacture, oil recycling (petrochemical) and refinery, paint stripping, paint manufacture, paper manufacture, pharmaceuticals manufacture, plaster manufacture, powder coating, printing (newspaper, lithographic), sandblasting, slipway, tannery, timber processing (joinery and furniture/plywood/hardwood), textile manufacture (wool dyeing/ spinning/scouring), truck washing (internal), waxes and polishes.

Phasing-in of charges

In order to allow small businesses to adjust to the implementation of this policy large increases in trade waste fees and charges may be phased in over a period of up to three (3) years.

3.8 Liquid trade waste fees and charges

Council provides sewerage and liquid trade waste services on a commercial basis, with full cost recovery through sewerage and liquid trade waste fees and charges. Council's proposed fees and charges are advertised annually for public comment in its draft Management Plan. In addition to the trade waste fees and charges described below, Council may elect to include any trade waste charges shown in Appendix I of the Liquid Trade Waste Regulation Guidelines, 2009.

Liquid trade waste discharged to the sewerage system from industrial, commercial or other non-residential customers can impose significant costs on sewage transport and treatment facilities. To recover these costs and to ensure removal of existing significant cross-subsidies from residential customers, in addition to a two-part tariff with an appropriate **sewer usage charge/kL** for non-residential sewerage, appropriate fees and charges are levied for liquid trade waste.

Council's liquid trade waste fees and charges may include:

- Application fee
- Annual trade waste fee
- Re-inspection fee
- Trade waste usage charge
- Septic tank and pan waste disposal charge
- Excess mass charges
- Food waste disposal charge
- Non-compliance trade waste usage charge
- Non-compliance excess mass charge and pH charge
- Non-compliance penalty.

3.8.1 Application fee

The application fee recovers the cost of administration and technical services provided by Council in processing applications for approval to discharge liquid trade waste to the sewerage system. The application fee will be allocated on the basis of the category into which the discharger is classified and reflects the complexity of processing the application. The application fee will not be levied for renewal of an existing liquid trade waste approval or change of ownership if no changes are required to the conditions of the approval. Application fees will be set annually by Council.

3.8.2 Annual trade waste fee

The purpose of this fee is to recover the cost incurred by Council for administration and the scheduled inspections each year to ensure a liquid trade waste discharger's ongoing compliance with the conditions of their approval.

As part of an inspection, Council or its agents may undertake monitoring of the liquid trade waste discharges from premises or business. Such monitoring may include but is not limited to, flow measurement and the sampling of the liquid trade waste. **Where more than one (1) instance⁺** of such monitoring is undertaken by Council, or its agents, in a financial year, the cost involved may be recovered from the discharger.

Annual liquid trade waste fees are determined on the basis of the category of the discharger and are proportionate to the complexity of their inspection and administration requirements. Annual trade waste fees will be set by Council. Where the discharger is required to pay for monitoring this will be charged on the basis of full cost recovery[#].

+In view of the adverse impact of wastes with a high concentration of oil and grease on Council's sewage transportation system, Council will carry out inspections of commercial premises preparing hot food at least annually and require the discharger to produce evidence that the pretreatment equipment has been properly serviced between the inspections, eg. pump-out docket, invoices from a service contractor, etc.

#The annual trade waste fee for Category 3 dischargers may be set on a case by case basis depending on the complexity of monitoring required (for charging purposes and other administrative requirements).

3.8.3 Re-inspection fee

Where non-compliance with the conditions of an approval has been detected and the discharger is required to address these issues, Council will undertake re-inspections to confirm that remedial action has been satisfactorily implemented. Council will impose a fee for each re-inspection. The re-inspection fee will be set annually by Council on the basis of full cost recovery. A re-inspection may include the monitoring of liquid trade waste discharges, the cost of which may be recovered from the discharger.

3.8.4 Trade waste usage charge

The trade waste usage charge is imposed to recover the additional cost of transporting and treating liquid trade waste from Category 2 dischargers.

Trade Waste Usage Charge (\$) = $Q \times \$1.79^*/\text{kL}$ (2017/18\$)

Where Q = Volume (kL) of liquid trade waste discharged to sewer.

3.8.5 Excess mass charges

Excess mass charges will apply for substances discharged in excess of the deemed concentrations in domestic sewage shown in Table 5 below. For excess mass charge calculation, equation (1) below will be applied.

Table 5: Deemed concentration of substances in domestic sewage

Substance	Concentration (mg/L)
Biochemical Oxygen Demand (BOD ₅)	300
Suspended Solids	300
Total Oil and Grease	50
Ammonia (as Nitrogen)	35
Total Kjeldahl Nitrogen	50
Total Phosphorus	10
Total Dissolved Solids	1000
Sulphate (SO ₄)	50 [#]

[#] The concentration in the potable water supply to be used if it is higher than 50mg/L.

NB. Substances not listed above are deemed not to be present in domestic sewage.

$$\text{Liquid Trade Waste Excess Mass Charge (\$)} = \frac{(S - D) \times Q \times U}{1,000} \quad (1)$$

Where: S = Concentration (mg/L) of substance in sample.

D = Concentration (mg/L) of substance deemed to be present in domestic sewage.

Q = Volume (kL) of liquid trade waste discharged to the sewerage system.

U = Charging rate (\$/kg) for discharge of substance to the sewerage system.

Charging rates (U) used in equation (1) are as shown in Council's Annual Management Plan.

With regard to BOD, equation (1) applies for BOD₅ up to 600 mg/L.

Excess mass charges for BOD exceeding 600mg/L

If Council approves the acceptance limits for BOD₅ higher than 600mg/L, an exponential type equation will be used for calculation of the charging rate U_e (\$/kg) as shown in equation (2). Equation (2) provides a strong incentive for dischargers to reduce the strength of waste. In addition, equation (5) on page 31 will be used where the discharger has failed to meet their approved BOD limit on two (2) or more instances in a financial year.

U_e is the excess mass charging rate for BOD (\$/kg).

$$U_e = 2C \times \frac{(\text{Actual BOD} - 300\text{mg/L})}{600\text{mg/L}} \times 1.05 \frac{(\text{Actual BOD} - 600\text{mg/L})}{(600\text{mg/L})} \quad (2)$$

Where C = the charging rate (\$/kg) for BOD_5 600mg/L.

Actual BOD = the concentration of BOD_5 as measured in a sample

For example if $C = \$0.809/\text{kg}$, equation (2) would result in the following excess mass charging rates:

\$0.809/kg for BOD_5 600mg/L

\$2.54/kg for BOD_5 1200mg/L

\$6.55/kg for BOD_5 2400mg/L

The excess mass charge for BOD is calculated using equation (1):

$$\text{Excess Mass Charge for BOD (\$)} = \frac{(S - D) \times Q \times U_e}{1,000}$$

3.8.6 Food waste disposal charge¹³

Where Council has permitted the use of a food waste disposal unit for an existing hospital, nursing home or other eligible facility, the following additional food waste disposal charge will be payable annually.

$$\text{Food Waste Disposal Charge (\$)} = B \times UF$$

Where B = Number of beds in hospital or nursing home.

UF = Annual charging rate (\$/bed) for a food waste disposal unit at a hospital or nursing home.

Note: The recommended annual charging rate is \$30/bed (2017/18\$).

¹³ For existing installations only. New installations are not permitted.

3.8.7 Non-compliance charges

Category 1 and 2 Dischargers

If the discharger has not installed or maintained appropriate pre-treatment equipment, the following trade waste usage charges will be applied for the relevant billing period:

Category 1 Discharger - \$1.79*/kL (2017/18\$)

Category 2 Discharger - \$16.46*/kL (2017/18\$)

Category 3 Discharger

Non-compliance pH charge

Equation (3) is used for waste with pH being outside the approved range. This equation provides an incentive for dischargers to apply appropriate pH correction so their waste remains within the approved pH limits. Council may require industrial and large dischargers to install and permanently maintain a pH chart recorder or data logger as control of pH is critical to minimising odour and corrosion problems in the sewerage system.

Charging rate for pH where it is outside the approved range for the discharger =

$$K \times |\text{actual pH} - \text{approved pH}|^{\#} \times 2^{|\text{actual pH} - \text{approved pH}|^{\#}} \quad (3)$$

absolute value to be used.

K = pH coefficient = 0.449 (2017/18\$) and needs to be adjusted in accordance with changes in the CPI.

Example: Council has approved the pH range 8.0 to 9.0 for a large discharger generating high strength trade waste in order to prevent corrosion and odour problems in the sewerage system.

Case 1: pH measured 7.0

$$\text{Charging rate (\$/kL)} = 0.449 \times |7 - 8|^{\#} \times 2^{|7 - 8|^{\#}} = \$0.90/\text{kL}$$

Case 2: pH measured 11.0

$$\text{Charging rate (\$/kL)} = 0.449 \times |11 - 9|^{\#} \times 2^{|11 - 9|^{\#}} = \$3.60/\text{kL}$$

absolute value to be used.

Non-compliance excess mass charges

Where a discharge quality fails to comply with the approved concentration limits of substances specified in Council's approval conditions (or the acceptance criterion listed in Council's trade waste policy), Council incurs additional costs in accepting and treating that waste. Council may also face problems with the effluent and biosolids management.

In order to recover Council's costs, equation (4) shall apply for non-compliance excess mass charges, except for BOD where equation (5) shall apply.

$$\text{Non-compliance Excess Mass Charges (\$)} = \frac{(S - A) \times Q \times 2U}{1,000} + \frac{(S - D) \times Q \times U}{1,000} \quad (4)$$

Where:

S = Concentration (mg/L) of substance in sample.

A = Approved maximum concentration (mg/L) of pollutant as specified in Council's approval (or liquid trade waste policy).

Q = Volume (kL) of liquid trade waste discharged for the period of non-compliance.

U = Excess mass charging rate (\$/kg) for discharge of pollutant to sewerage system, as shown in Council's Annual Management Plan.

D = Concentration (mg/L) of substance deemed to be present in domestic sewage.

Non-compliance excess mass charges for BOD

If a discharger has failed to meet the approved maximum concentration of BOD on two or more instances in a financial year, the non-compliance excess mass charging rate for BOD U_n will be levied on the basis of equation (5):

U_n is the BOD non-compliance excess mass charging rate.

$$U_n = 2C \times \frac{(A - 300 \text{ mg/L})}{600 \text{ mg/L}} \times 1.05^{\frac{(A - 600 \text{ mg/L})}{600 \text{ mg/L}}} + 4C \times \frac{(\text{Actual BOD} - A)}{600 \text{ mg/L}} \times 1.05^{\frac{(\text{Actual BOD} - A)}{600 \text{ mg/L}}} \quad (5)$$

For example, if C = \$0.623/kg, BOD₅ actual (measured) level is 2400mg/L and the approved maximum concentration of BOD (A) is 1000mg/L, equation (5) would result in a non-compliance excess mass charging rate of \$8.02/kg.

Non-compliance Excess Mass Charge for BOD is calculated using equation (1):

$$\text{Non-compliance Excess Mass Charge (\$)} = \frac{(S - D) \times Q \times U_n}{1,000}$$

The non-compliance excess mass charges shown above are in lieu of the excess mass charges in section 3.8.5.

NB. Council will continue applying the above non-compliance excess mass charge until the quality of discharge complies with Council's approved quality (or the trade waste policy) limits, within the time frame determined by Council for remedying the problem. If the discharger fails to rectify the problem within this time frame, the discharger may be required to cease discharging liquid trade waste into Council's sewerage system and may also be required to pay a 'non-compliance penalty' as indicated in the following section.

3.8.8 Non-compliance penalty

The non-compliance penalty covers instances where Council may seek compensation for its costs relating to legal action, damage to infrastructure, incurred fines and other matters resulting from illegal, prohibited or unapproved liquid trade waste discharged to the sewerage system. Refer also to section 3.11 on page 36.

3.8.9 Discharge of stormwater to the sewerage system

The discharge of roof, rain, surface, seepage or ground water to the sewerage system is prohibited under clause 137A of the Local Government (General) Regulation 2005 and this policy. As indicated in section 2.4, the acceptance of first flush stormwater runoff may be permitted. A charge of \$12.68/kL (2007/08\$) will be applied to Category 3 dischargers in accordance with the non-compliance trade waste usage charge, if approval is granted to accept the above waters. Excess mass charges will be also applied in accordance with section 3.8.5.

3.8.10 Septic and pan waste disposal charge

This charge is imposed to recover the cost of accepting and treating septic tank and pan waste.

Septic tank and pan waste disposal charge (\$) = Q x S

Where: Q = Volume (kL) of waste discharged to sewer.

S = Charging rate in \$/kL for septic tank effluent, septage or chemical toilet waste as indicated in Council's Annual Management Plan.*

3.8.11 Responsibility for payment of fees and charges

Property (land) owners are responsible for the payment of fees and charges for water supply, sewerage and liquid trade services provided by Council. This includes property owners of marina, caravan park, etc., if a dump point located at their premises is connected to the sewerage system. Where another party (lessee) leases premises any reimbursement of the lessor (property owner) for such fees and charges is a matter for the lessor and the lessee.

Council will charge a septic tank and pan waste disposal charge for services it provides to transporters of septic tank and pan waste tankered and discharged to the sewerage system.

Table 6: Summary of trade waste fees and charges¹⁴

CHARGING CATEGORY	APPLICATION FEE	ANNUAL NON-RESIDENTIAL SEWERAGE BILL WITH APPROPRIATE SEWER USAGE CHARGE/KL	ANNUAL TRADE WASTE FEE	RE-INSPECTION FEE (when required)	TRADE WASTE USAGE CHARGE/KL	SEPTIC WASTE DISPOSAL CHARGE	EXCESS MASS CHARGES/kg	NON-COMPLIANCE TRADE WASTE USAGE CHARGE/KL	NON-COMPLIANCE EXCESS MASS/kg and pH CHARGES/KL (if required)
1	Yes ¹⁵	Yes	Yes	Yes	No	No	No	Yes ¹⁶	No
2	Yes	Yes	Yes	Yes	Yes	No	No	Yes ¹⁶	No
2S	Yes	Yes ¹⁷	Yes	Yes ¹⁷	No	Yes	No	No	No
3	Yes	Yes	Yes	Yes	No	No	Yes	No	Yes

All dischargers of liquid trade waste to Council's sewerage system should be aware that they are subject to prosecution and imposition of fines under the *Local Government Act 1993* and the *Protection of the Environment (Operations) Act 1997* and Regulations. In addition to fines, Council may recover costs of damages and fines incurred by Council as a result of an illegal liquid trade waste discharge (refer to section 3.8.8 on page 33).

3.9 Monitoring

Council will carry out inspections of the premises of all liquid trade waste dischargers and their treatment facilities at least once per annum. Inspections of commercial premises preparing hot food may be carried out at least four (4) times per annum (refer to page 33 in section 3.7.2). Monitoring of the large and industrial dischargers is to be carried out as specified in the approval conditions.

The applicant may be required to monitor the liquid trade waste discharge as a condition of an approval or agreement. They may also be required to pay for any sampling and testing of liquid trade waste undertaken by Council.

For this purpose, an inspection/sampling point, where the waste can be inspected and sampled, will be specified in the approval and/or agreement. This point will normally be located after the pre-treatment facility. The discharger may need to install a suitable method of flow measurement.

¹⁴ In addition, a Food Waste Disposal Charge will apply where Council has approved the use of an existing food waste disposal unit for a hospital, nursing home or other eligible facility (refer to section 3.7.6 on page 29).

¹⁵ Not applicable for dischargers exempted in Table 1.

¹⁶ Non-compliance trade waste usage charge, if the discharger fails to install or properly maintain appropriate pre-treatment equipment:

Category 1 - \$1.38/kL (2007/08\$)

Category 2 - \$12.68/kL (2007/08\$)

¹⁷ Only applicable if the discharger has a dump point located at their premises which is connected to the sewerage system

Council may require the discharger to:

- install a permanent primary measurement device
- measure the volume and flow rate using the permanently installed flow measurement system (such as a flow metering system)
- install a flow measurement device on a temporary basis and obtain enough data to determine a basis for assessing the flow rate and volume
- provide a system which allows obtaining a flow weighted composite sample.

Testing of samples is to be undertaken by a NATA-registered or other laboratory recognised by the department to ensure reliable and accurate results. Where the discharger is sampling the effluent, Council may randomly take duplicates to confirm the waste characteristics.

3.10 Liquid trade waste services agreement

In addition to its approval under the Local Government Act, Council may require certain dischargers, including those who wish to discharge liquid trade waste in large volumes (discharge >20 kL/d) or industrial waste (Concurrence Classification C discharges) or Classification S into its sewerage system to execute a liquid trade waste services agreement (refer to Attachment 1). The agreement will set out the conditions associated with the discharge and execution of the agreement will be a condition of the approval issued by Council (refer to section 3.4 on page 23). The conditions will be binding on the applicant and the Council. The agreement will be for a period of up to five (5) years. No discharge is to be made to Council's sewerage system until an agreement or an interim agreement has been executed.

Provision can be made in the agreement for (in addition to Council's approval conditions):

- additional conditions for discharge of liquid trade waste
- cancellation of the agreement and/or order to cease the discharge if the discharger is found to be in breach of the agreement or the liquid trade waste approval or, in the opinion of Council, the waste is adversely affecting the sewerage system or the environment
- entry by Council officers to inspect the liquid trade waste collection, treatment, monitoring and disposal systems
- the applicant to notify Council in advance of any changes that may affect the quality and quantity of the liquid trade waste
- the amount of bond/security to be lodged with Council prior to discharging to the sewerage system.

3.11 Enforcement of approvals and agreements

(see the attached sample agreement at Attachment 1 on page 438)

Failure to obtain Council's approval to discharge liquid trade waste into the sewerage system, or failure to comply with the conditions of the approval is an offence under s. 626 and s. 627 of the *Local Government Act 1993*. In addition, these offences are prescribed as penalty notice offences under the Act and Council may issue a penalty notice (ie an on the spot fine) to such discharger.

Furthermore, sections 628 and 634 to 639 list other offences related to water, sewerage and stormwater drainage.

Also, polluting of any waters by a discharger of liquid trade waste who does not have a Council approval or who fails to comply with the conditions of the approval is an offence under section 120 (1) of the *Protection of the Environment Operations Act 1997*. In addition, under section 222 of this Act, Council may issue a penalty notice to such a discharger.

Any person who fails to comply with the terms or conditions of a liquid trade waste services agreement (ie. there is a breach of the agreement) will be required to indemnify the Council against any resulting claims, losses or expenses in accordance with section 8 of the agreement. Suspensions may also apply and may include a notice to cease the discharge.

3.12 Modification and revocation of approvals

Council reserves the right to modify or revoke an approval to discharge liquid trade waste to the sewerage system in any of the following circumstances:

- if the approval was obtained by fraud, misrepresentation or concealment of facts
- for any cause arising after the granting of the approval which, had it arisen before the approval was granted, would have caused the council not to have granted the approval
- for failure to comply with a requirement made by or under the *Local Government Act 1993* relating to a condition of the approval
- for failure to comply with a condition of the approval.

3.13 Prevention of waste of water

Water must be used efficiently and must be recycled where practicable. It is an offence under section 637 of the *Local Government Act 1993* and its Regulation (refer to Attachment 2) to waste or misuse water.

Dilution of trade waste with water from any non-process source including Council's water supply, bore water, groundwater and/or stormwater as a means of reducing pollutant concentration is therefore strictly prohibited.

3.14 Effluent improvement plans

Where the existing liquid trade waste discharged does not meet Council's requirements, the applicant may be required to submit an Effluent Improvement Plan setting out how Council's requirements will be met. The proposed plan must detail the methods/actions proposed to achieve the discharge limits and a timetable for implementation of the proposed actions. Such actions may include more intensive monitoring, improvements to work practices and/or pre-treatment facilities to improve the effluent quality and reliability.

3.15 Due diligence programs and contingency plans

For *Concurrence Classification A*, a discharger is not required to submit either a due diligence program or a contingency plan.

A discharger may be required to submit a due diligence program and a contingency plan for *Concurrence Classification B* or *Classification S* where it is considered that the discharge may pose a potential threat to the sewerage system. If required, a due diligence program and contingency plan must be submitted to Council within six (6) months and three (3) months respectively of receiving a liquid trade waste approval.

For *Concurrence Classification C*, a discharger may need to provide a due diligence program and contingency plan to Council within six (6) months and three (3) months respectively of receiving a liquid trade waste approval.

It should be noted that:

1. If the discharger has an accredited environmental management system in place, a due diligence program and contingency plan may not be required. However, proof of accreditation must be provided to Council with the application. The EMP may not include all necessary provisions in regard to trade waste. In such cases Council may require that a suitable due diligence program and contingency plan be developed and submitted to Council.
2. Where Council considers there is potential risk to the sewerage system from a discharge, it may request a due diligence program and contingency plan to be submitted prior to commencing the discharge.

Attachment 1

Sample Liquid Trade Waste Services Agreement
between [Council] and [Applicant]

Liquid Trade Waste Services Agreement

Between

1. The Council

and

2. The Applicant

Recitals

- A. The Council is the owner and operator of a sewerage system within the _____ area.
- B. The Applicant has made application to the Council to discharge liquid trade waste from the Premises into the Council's sewerage system.
- C. The application has been approved by the Council on certain conditions ("the Approval"), including the condition that the Council and the Applicant enter into this Agreement.
- D. The Secretary of the NSW Department of Industry has concurred in the Approval in accordance with clause 28 of the Local Government (General) Regulation 2005.
- E. The Approval does not operate until this Agreement has been executed by both parties.
- F. The parties enter this Agreement in consideration of the mutual promises contained herein.

Operative Part

1. Definitions and interpretation

1.1 In this Agreement, unless the context otherwise requires:

"Act" means the *Local Government Act 1993* (NSW).

"Annexure" means the annexure to this Agreement.

"Annual Management Plan" means the annual management plan of the Council, as adopted by the Council from time to time.

"Applicant" means the entity named as such in the Annexure.

"Approval" means the approval described in Recital C.

"Council" means the council named as such in the Annexure.

"Liquid Trade Waste Services" mean the making available by the Council of its sewerage system for connection to the Premises, for the purpose of discharge by the Applicant of its liquid trade waste.

"Premises" means the premises described in the Annexure.

1.2 Unless the context otherwise requires:

- (a) A reference to this Agreement is a reference to this Agreement, including the Annexure, as amended from time to time in accordance with its terms
- (b) A reference to the discharge of liquid trade waste means the discharge of liquid trade waste by the Applicant from the Premises to the Council's sewerage system
- (c) A reference to any legislation is a reference to such legislation as amended from time to time
- (d) Where the Applicant is comprised of more than one person, each obligation of the Applicant will bind those persons jointly and severally and will be enforceable against them jointly and severally.

2. Liquid Trade Waste Services

The Council will provide the Liquid Trade Waste Services to the Applicant on the terms of this Agreement.

3. Additional conditions for discharge of liquid trade waste

- 3.1 The Applicant may discharge liquid trade waste to the Council's sewerage system in accordance with the Approval and subject to this Agreement.
- 3.2 The Applicant must comply with all applicable Acts, regulations, by laws, proclamations and orders and with any lawful direction or order given by or for the Council or any other competent authority.
- 3.3 The Applicant must not discharge liquid trade waste contrary to this Agreement or the Approval or in any manner which may have an adverse effect on any person or property (including the sewerage system and the ecological system in the waters, land or area receiving sewage treatment works effluent or biosolids), or which may cause the Council to be in breach of any applicable Act, regulation, by law, proclamation or order or of any lawful direction given by or for any competent authority.
- 3.4 The Applicant must at its own cost monitor its discharges in accordance with the requirements set out in the Approval and must maintain records of such monitoring for inspection by the Council for such period as may be specified in the Approval.
- 3.5 The Council will carry out routine sampling and testing of the waste stream.
- 3.6 Where any flow-metering device is installed, the Applicant must at its own cost cause the device to be calibrated at least annually by a person or company approved by the Council. The Applicant must obtain a calibration certificate and provide a copy of the certificate to the Council within one month of receiving it.
- 3.7 If the Applicant is required to cease discharging liquid trade waste for any period, then the Applicant must cease discharging such waste for the period specified.

- 3.8 Where the Applicant ceases to discharge waste in the circumstances prescribed in clause 3.7, the Council may, at its discretion, elect to refund part of the annual trade waste fee on a pro rata basis, calculated according to the period of suspension.
- 3.9 If this Agreement is terminated, the Applicant must immediately cease to discharge liquid trade waste.

4. Fees and charges

- 4.1 In accordance with the section 560 of the *Local Government Act 1993*, Council will levy all water supply, sewerage and liquid trade waste fees and charges on the owner of the property.
- 4.2 In consideration of provision of the Liquid Trade Waste Services, the fees and charges as specified in the Council's Annual Management Plan and notified by Council to the owner and the Applicant must be paid to the Council, including fees for sampling and testing by Council in accordance with the Approval.
- 4.3 Fees and charges payable will include both non-residential sewerage charges and liquid trade waste fees and charges.
- 4.4 All monies payable to the Council must be paid within the time specified in the notice of charge.

5. Term

- 5.1 This Agreement will commence from the date it is signed on behalf of the Council, and will continue until the Applicant's Approval is revoked or the Applicant permanently ceases to discharge liquid trade waste pursuant to the Approval, whichever is the earlier. Upon such revocation or permanent cessation of the approved activity this Agreement shall automatically terminate by operation of this clause.
- 5.2 Termination of this Agreement is without prejudice to any accrued rights or obligations of either Party.

6. Powers of the Council

- 6.1 The Council may enter the Premises at a reasonable hour in the daytime or at any hour during which business is in progress or is usually carried on at the Premises for the purpose of conducting any inspection, examination, testing, monitoring or sampling to determine whether the Applicant is complying with the conditions of this Agreement.
- 6.2 The Applicant acknowledges that the Council has statutory powers available to it under the *Local Government Act 1993* and other Acts to issue orders and directions to the Applicant in relation to the discharge of liquid trade waste. The Applicant undertakes to comply with each such order or direction that may be notified by the Council to the Applicant within the time specified for compliance in that order or direction.

- 6.3 The Applicant releases the Council from any liability to the Applicant for any loss or damage due to the disruption of the Applicant's business arising out of the exercise of Council's rights pursuant to this clause.

7. Information supplied by the Applicant

- 7.1 The Applicant warrants that all information in its application for approval is true, complete and accurate to the best of its knowledge.
- 7.2 The Applicant must immediately notify the Council in writing of any error or omission in that information or any change to the information of which the Applicant becomes aware.
- 7.3 The Applicant must not provide any false or misleading information to the Council.

8. Indemnity

- 8.1 The Applicant indemnifies the Council from and against any claims, losses or expense (including legal costs on a solicitor and client basis) which the Council pays, suffers, incurs or is liable for as a result of:
- (a) any unlawful, negligent, reckless or deliberately wrongful act or omission of the Applicant or its personnel or agents in connection with the discharge of liquid trade waste, including (without limitation) such acts or omissions which cause damage to property, personal injury or death
 - (b) a breach of this Agreement by the Applicant.
- 8.2 The Applicant's liability to indemnify the Council shall be reduced proportionally to the extent that any unlawful, negligent, reckless or deliberately wrongful act or omission of the Council caused or contributed to the liability or loss.

9. Insurance

The Applicant must effect and maintain for the term of this Agreement a public risk policy of insurance in the minimum of the sum specified in the Annexure and must, upon request by the Council, produce evidence of such insurance to the Council.

10. Bond

- 10.1 The Applicant must pay to the Council a bond in the sum specified in the Annexure.
- 10.2 The Council may at any time and without prior notice to the Applicant have recourse to the bond for the recovery of any sum due and owing by the Applicant to the Council.
- 10.3 Where the applicant fails to cease discharging trade waste as prescribed in clause 3.7, the Council may require the applicant to forfeit 50% of the bond.
- 10.4 The Council must return the bond to the Applicant, less any amount deducted by the Council under this clause, upon termination of this Agreement.

11. No assignment

The Applicant may not assign or otherwise transfer its rights and/or obligations under this Agreement.

12. Notices

12.1 A notice under this Agreement must be:

- (a) in writing, directed to the representative of the other party as specified in the Annexure
- (b) forwarded to the address, facsimile number or the email address of that representative as specified in the Annexure or the address last notified by the intended recipient to the sender.

12.2 A notice under this Agreement will be deemed to be served:

- (a) in the case of delivery in person - when delivered to the recipient's address for service and a signature received as evidence of delivery
- (b) in the case of delivery by post - within three business days of posting
- (c) in the case of delivery by facsimile – at the time of dispatch if the sender receives a transmission report which confirms that the facsimile was sent in its entirety to the facsimile number of the recipient
- (d) in the case of delivery by email, on receipt of confirmation by the recipient that the recipient has received the email.

12.3 Notwithstanding the preceding clause 12.2, if delivery or receipt of a communication is on a day which is not a business day in the place to which the communication is sent or is later than 5 pm (local time in that place) it will be deemed to have been duly given or made at 9 am (local time at that place) on the next business day in that place.

13. Variation

13.1 If the Applicant's Approval to discharge liquid trade waste from the Premises is varied, this Agreement shall be deemed to be varied in accordance with the variation made to that approval or to the fees, by operation of this clause.

13.2 In addition to automatic variation under clause 13.1, this Agreement may be varied by written agreement of the parties, provided that a variation to this Agreement that is inconsistent with:

- (a) the Approval, including rights granted under, and conditions attached to, the Approval
- (b) any applicable legislation; or
- (c) Council's Annual Management Plan in respect of applicable fees and charges, shall have no force or effect.

14. Severability

If any part of this Agreement is prohibited, void, voidable, illegal or unenforceable, then that part is severed from this Agreement but without affecting the continued operation, so far as possible, of the remainder of this Agreement.

15. Applicable law

15.1 This Agreement is governed by, and must be construed in accordance with, the laws in force in the State of New South Wales.

15.2 Each party submits to the exclusive jurisdiction of the courts exercising jurisdiction in the State of New South Wales and the courts of appeal there from.

16. Rights cumulative

The rights and remedies provided under this Agreement are in addition to, and not exclusive of, any other rights or remedies provided by law.

Executed as an agreement

Execution by the Council:

THE COMMON SEAL OF

(Corporate Seal)

..... was affixed this

.....day of 20.....

in the presence of:

.....
General Manager

.....
[signature of General Manager]

and

.....
[print name of witness]

Executed by the Applicant (corporate entity):

.....
.....
[signature of witness]

The **COMMON SEAL** of.....

.....PTY LIMITED

was affixed thisday of

.....20..... in the

presence of:

.....
[name of Director]

.....
[signature of Director]

.....
[name of Director/Secretary]

.....
[signature of Director/Secretary]



Executed by the Applicant (individual):

Signed by:
[name of Applicant]

.....
[signature of Applicant]

This.....day of.....20.....

.....
[signature of witness]

in the presence of:

.....
[print name of witness]



Annexure

A. The Council

- 1. Full Name of Council _____
- 2. ABN _____
- 3. Address _____

- 4. Telephone _____
- 5. Emergency Contact _____
Telephone _____

B. The Applicant

- 1. Full Name of Applicant _____
- 2. ABN _____
- 3. Business or Trading Name _____
- 4. Address _____

- 5. Telephone _____
- 6. Emergency Contact _____
Telephone _____

C. The Premises

- 1. Lot and DP Number: Lot(S) _____ DP _____
- 2. Location _____

- 3. Description _____
- 4. Nature of Business _____

D. Notices

- Applicant's Representative _____
- Postal Address _____

- Facsimile _____
- Email _____



Council's Representative _____

Postal address _____

Facsimile _____

Email address _____

E. PUBLIC LIABILITY INSURANCE

Minimum cover: \$ _____

F. BOND \$ _____



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Attachment 2

Provisions in the Local Government (General) Regulation 2005 in regard to acceptance of liquid trade waste into the sewerage system

Clause 25 Matters to accompany applications relating to discharge into sewers

An application for approval to discharge trade waste into a sewer under the control of a Council or that connects with such a sewer must be accompanied by the information required by Table 1 to the Liquid Trade Waste Management Guidelines[#].

Clause 28 Approval to discharge waste into sewers: concurrence required

A council must not grant an approval under [section 68](#) of [the Act](#) to discharge trade waste (whether treated or not) into a sewer of the council unless the Director-General* of the Department of Trade and Investment, Regional Infrastructure and Services (or that Director-General's nominee) has concurred with the approval.

Note: [Section 90](#) (2) of [the Act](#) permits any person or authority whose concurrence is required before an approval may be granted to give the council notice that the concurrence may be assumed (with such qualifications or conditions as are specified in the notice).

Clause 32 Disposal of trade waste

- (1) An approval to dispose of trade waste into a sewer of the council is subject to such conditions (if any) as the council specifies in the approval.
- (2) In imposing any such conditions, the council is to have regard to the matter set out in Table 5 to the Liquid Trade Waste Management Guidelines[#].

Clause 159 Prevention of waste and misuse of water

The owner, occupier or manager of premises to which water is supplied by the council must:

- (a) prevent waste of water by taking prompt action to repair leaking taps, pipes or fittings located on the premises
- (b) take any other action that is reasonable to prevent waste and misuse of water.

137A Substances prohibited from being discharged into public sewers

- (1) For the purposes of [section 638](#) of [the Act](#) (Discharge of prohibited matter into sewer or drain), roof, rain, surface, seepage or ground water is prescribed as prohibited matter.
- (2) This clause does not apply in relation to:
 - (a) a discharge that is specifically approved under [section 68](#) of [the Act](#), or
 - (b) a discharge into a public drain or a gutter of a council, or
 - (c) a discharge in an area of operations within the meaning of the [Sydney Water Act 1994](#) or the [Hunter Water Act 1991](#).

143 Inspection of pipes and drains and measurement of water and sewage

- (1) The council may, at any reasonable time:
 - (a) inspect any service pipe connected to a water main, and
 - (b) inspect any drain connected to a sewer main, and

* In accordance with the *Government Sector Employment Act 2013*, this is the Secretary of the NSW Department of Industry.

- (c) install meters or other devices for measuring the quantity of water supplied to, or the quality and quantity of sewage discharged from, premises, and
- (d) measure the quantity of water supplied to, or the quality and quantity of sewage discharged from, premises, and
- (e) inspect any pre-treatment devices connected to the council's sewerage system.
- (2) The occupier of the relevant premises must provide to the council such information as it requires to enable it to estimate the quantity of water actually supplied to, or the quality and quantity of sewage actually discharged from, the premises.
- (3) In this clause,
"pre-treatment device" means any device used to reduce or eliminate contaminants in trade waste, or to alter the waste's nature, before it is discharged into a sewer.

SCHEDULE 12 – Penalty notice offences

Column 1	Column 2
Offence under Local Government Act 1993	Penalty
Section 626 (3)-carry out without prior approval of council an activity specified in item 4 of Part C (Management of waste) of the Table to section 68	\$330
Section 627 (3)-having obtained the council's approval to the carrying out of an activity specified in item 4 of Part C (Management of waste) of the Table to section 68 , carry out the activity otherwise than in accordance with the terms of that approval	\$330

"Liquid Trade Waste Management Guidelines" means the Guidelines of that name produced by the Department of Energy, Utilities and Sustainability in March 2005, as in force from time to time. The 2005 Guidelines have now been superseded by *Liquid Trade Waste Regulation Guidelines, April 2009*.

Major Event Funding Program Review

December 2018

Merran Socha



Introduction

The Berrigan Shire Council Major Event Funding Program (the program) was introduced in 2012 and over those six years, 32 events have been funded to assist with marketing and promotion.

The Major Event Funding Program was developed in an effort to demonstrate Councils commitment to the tourism industry and the wider economy as events are a known driver of high value visitation. Council's vision was to encourage the development of unique events and to build the capacity of local organising committees to run events that would be risk averse and meet all legal requirements. The program also sought to support existing events to grow and become self-sufficient by offering volunteer committees access to in-kind assistance through Councils Economic Development, Risk Management and Planning staff.

Since the funding program was introduced the total value of Council input into events is \$106 thousand with an estimated output value from the events of \$3.7 million. This figure is provided through the ID data Event Impact Calculator.

There have been very few event organisers applying for funding under the Major Event Funding Program in the past 12 months so a review of the program is timely. Anecdotally it is understood that the key reasons for the slowdown in applications is that most continuing events have reached the three year limitation for the program and there are very few new events being created locally that would be eligible.

Funded Event	Number of times funded	Approx. % of attendees coming from outside the region
Tuppal Food and Fibre Festival	1	50%
Barooga Strings	1	10%
Berrigan Shire Garage Sales	1	20%
PBR 2014	2	10%
Murray Darling Assoc. Conference 2015	1	65%
Tocumwal WinterFest	2	5%
Finley Monster Weekend	2	10%
Finley Rexpo	1	5%
Finley Rodeo	3	40%
Barooga Classic Pairs	3	60%
Berrigan Show and Shine	3	60%
PGA Trainees Championships	3	80%
Golf NSW Mid – Amateur Championships	1	80%
Mild2Wild Rod and Custom	1	50%
Massive Murray Paddle	3	80%
Finley 3 sheep dog trials	1	40%
Barooga Markets	1	50%
Finley Show and Shine	2	20%
Barooga Rodeo	1	50%

The Purpose of the Major Event Funding Program

This section of the review of the program will consider the original stated purpose of the program which is reprinted below.

1. Purpose

Council is committed to supporting tourism within the Berrigan Shire and recognises the value of events to the tourism industry and the region's wider economy.

A Major Event is defined as an event of regional, state or national significance that can provide tangible tourism and economic benefits to the Berrigan Shire. It is a planned occurrence which is held with the primary purpose of attracting non-resident attendees (i.e. visitors to the Shire) who will spend money in the Shire thus creating an expansion in economic activity.

The Berrigan Shire Council approves an annual Events Fund to be allocated to assist event organisers in the staging and marketing of Major Events. The funding allocation is made to the Events Committee to distribute to qualifying events.

Qualifying events are new events which will be assessed on their uniqueness, capacity to hold the event, economic potential, and financial viability. Existing events are also eligible to apply however they must be able to demonstrate a future vision and the ability to expand their event.

Council funding is not to be the primary source of income for events. It is provided to assist event organisers with the anticipation that these events will grow and become self-sustaining.

The purpose of the event funding program is to support major events. The term major was never clearly defined however it was to have regional state or national significance and the primary purpose of the event was to attract non-resident attendees. An event of regional significance would need to attract visitors from a catchment area bounded by Shepparton, Griffith, Echuca Moama and Albury. Most locally initiated events that have been sponsored in the program would not meet this basic test.

The events of State significance that have been sponsored include the PGA Trainee Championships, Golf NSW Mid-Amateur Championships, the Massive Murray Paddle and the Murray Darling Association Conference.

The purpose of the program was to support new and unique events with economic potential or existing events with demonstrated ability to expand. Any event can demonstrate economic potential – running the numbers for a large wedding through the ID data modelling tool would indicate that. Other than the Tuppal Food and Fibre Festival there have been no other events that would qualify as unique and whilst attempts have been made at expansion there has been no success for existing events in doing so. The one exception to this would be the Berrigan Show and Shine event that has been funded for 3 years in this program but has failed to move to its 5th year in 2019. The postponement has been caused by manpower issues rather than funding.

A review of funding application forms indicates that in just over 50% of applications Council was the primary source of income for an event. This percentage climbed higher when the event was locally initiated and was in its first year of operation.

The criteria to receive funding

This section of the review of the program will consider the original funding criteria of the program which is reprinted below.

2.1 Event management organisational structure and governance

The event organiser(s) must provide details of the legal status of, and management arrangements within the responsible event management organisation.

2.2 Insurances

Council officers will work with event organisers to ensure that appropriate insurance cover is in place for the staging of the event.

2.3 Capacity to host the event

Event organisers must describe the necessary physical and technical capacity to manage the event.

2.4 Event program

Full program details of the event must be provided.

2.5 Timing of the event

The rationale for the timing of the event in terms of availability of accommodation and in terms of complementary or opposing events must be provided.

2.6 Economic Impact of the event

Estimates, with assumptions on the basis of calculation, of the ability of the event to attract significant numbers of visitors from outside the Berrigan Shire shall be provided. Information as to the likely number of commercial accommodation bed nights, and likely visitor expenditure will be required. Also required will be estimates of fund flows to community groups that assist with the event, through services provided to their members.

2.7 Marketing plan

A marketing plan must be provided to indicate how the event will be promoted and how it will attract the expected number of visitors and which markets are to be targeted.

2.8 Profile of the event

As consideration will be given to the availability of the event to attract media attention at a local, state and interstate level, an outline of the likely media exposure that the event will attract, together with a public relations/media plan is to be provided.

2.9 Financial viability

Event organisers must demonstrate sufficient revenue opportunities to match the projected expenditure. Assessment will also be made on the event's ability to become self-sufficient and sustainable within a period of three years. Therefore detailed revenue and expenditure budgets are to be provided, together with cash flow projections, and the assumptions upon which these forecasts are made are required, for each of the three years.

2.10 Risk Assessment

Organisers must lodge a Risk Management Plan to enable Council's Risk Management protocols to be followed.

The criteria for the event funding application were developed to assist organising committees in understanding and complying with the basic administrative necessities of event organisation. The reality is that little of the criteria have been met by local organising committees who tend to view the criteria as obstructionist and bureaucratic mumbo jumbo. However the criteria is viewed by those applying for funds, they are the bare minimum of administration that committee should have for the safe and legal running of an event. Council must remain accountable for the use of public money.

Most event funding applications come to Council at the eleventh hour and are hastily put together with the organiser trying to fit their event into the criteria rather than using the criteria to build the administration for the event.

The Funding application form includes an example budget and template. Externally initiated events would normally supply a comprehensive budget however locally initiated events commonly used the template with sparse figures that again indicate that the event planning was being made to fit the criteria. It was Councils aim that an event would become financially viable after 3 years. This has not been the case and current research from Tourism Research Australia suggests that financial sustainability without sponsorship is an unrealistic expectation for any event but especially so for local and regional events with volunteer organising committees.

The Challenges

Council faces many challenges in running the Major Event Funding Program and the current structure is failing. Those challenges include:

- Managing event organiser's expectations – they want money with no strings attached so receiving an acceptable acquittal of funding is almost impossible.
- Most events that are locally initiated and applying for funding do not qualify as a major event.
- Ensuring that Council is not the primary source of income for the event.
- Ensuring that completed applications meet an acceptable standard.
- Receiving applications in a timely manner. Most applications from volunteer committees come to Council less than 3 months prior to the event.
- Having meaningful conversations with event organisers about suitable marketing initiatives. Most marketing "plans" that are submitted with applications consist of quotes from advertising sales people and do not constitute a plan to target the market.
- The 3 year funding restriction as outlined in the criteria and guidelines will see a number of good events left unfunded and possibly relocating to other areas. These events include the Berrigan Show and Shine, the PGA Trainee Championships and the Massive Murray Paddle.
- Lack of long-term planning from organising committees.
- Local advertising is expensive, especially print media, and although of questionable value for promoting events it cannot be completely bypassed.
- Developing ongoing relationships with event organising committees.
- Valuing in-kind contributions from Council.

Conclusions

Has the stated purpose of the Major Event Funding program been achieved?

- **Demonstrate Councils commitment to the tourism industry and the wider economy.**

A commitment to the tourism industry and the wider economy is demonstrated by attracting and funding events that guarantee overnight stays of visitors who would otherwise not come to the area at that time. The golf events and MDA Conference generated multiple overnight stays of new visitors. These events have a high economic return for the LGA compared with events that are held in the peak season and cater to visitors already in the region. That is not to say that events during the busy season should be ignored as it is essential to be known as a destination where there are things to do, and we should not be taking visitation for granted.

- **Encourage the development of unique events**

A variety of events have been funded and a few would be considered unique but the great majority of supported events have been events that have previously been held in the region or would be considered a conventional event. Tuppal Food and Fibre Festival and Rexpo were unique in concept but neither were held a second time. The conventional events include events such as the various Rodeos (Finley and Barooga), the Show and Shine Events (Berrigan and Finley) and other sporting events. Locally initiated unique events are extremely hard to stage and do not necessarily generate greater economic value.

- **Build capacity within organising committees.**

As previously discussed, the criteria for event funding was considered a tool to assist organising committees in developing their understanding and to comply with the basic administrative necessities of event organisation. It is now evident that we have failed in this attempt to build capacity and that Committees would need to be involved in a stronger mentoring program to be able to fulfil all the criteria as it currently stands. Most locally initiated event committees are run by a few passionate people who are focussed on delivering the actual event and find that proper planning is beyond their interest, ability and commitment. That said, Council is accountable for public funds and in turn the organising committees need to be accountable to acceptable, if not best practice, standards.

- **Encourage events to grow and be self-sustaining.**

Growth of an event is commonly measured by growth in the number of people attending. An event will grow when it finds an interested audience and through extensive marketing and promotion. It is fair to say that every event would like to grow and attract more visitors however local and regional traditional advertising channels are very expensive and are usually used on a "what we can afford" basis rather than "what is needed". This commonly delivers an expensive and weak campaign that has no ability to gain traction in a crowded and noisy advertising space. Social media can offer cash free advertising but there is skill and time required to do this successfully and it cannot be relied upon for the total marketing picture. In spite of efforts by organisers the only growth event that was funded under the program was the Berrigan Show and Shine.

The Strawberry Fields Festival that is held in November each year at Tocumwal. This is an externally initiated event that has not applied for funding assistance from Council but has placed great value on the in-kind assistance that is available and works closely with Council throughout the year.

The amount of sponsorship that is available in the community is finite and businesses will make their decisions on where they see the best value for their dollar. Any business owner would agree that they are approached regularly to sponsor school, local sporting club and service club events and that they are unable to help all of them.

It is reasonable to conclude that The Major Event Funding program has demonstrated Councils commitment to the tourism industry and the wider economy. Events of any size and nature are a boost for the local economy. However it is also reasonable to conclude that the Major Event Funding Program has failed to encourage the development of unique events, has been unable to build the capacity of organising committees and has been unable to encourage growth and sustainability.

Options for Council consideration

1. Establish a smaller fund (\$5000) to support locally initiated events with the maximum amount available being \$1000 for marketing and promotion of the event. Make the application form no more than 2 pages. Maintain the three year funding limit.
Outcome: Demonstrates Councils commitment to locally initiated events.
2. Maintain the Major Event funding Program with a focus on externally initiated events, especially sporting events. Application for funding to be through interview and presentation prior to the written application. Remove the three year limit and allow for multiple year agreements from one application.
Outcome: Demonstrates Councils commitment to tourism industry and wider business community.
3. Maintain an active role on the Cobram Barooga Business and Tourism Event Stakeholder Committee and fund major external events through this collaboration.
Outcome: Demonstrates Councils commitment to tourism industry and wider business community



Major Event Funding Application Form

Information provided in this application will be used to determine Council funding.
Applications will be assessed by the Events Committee.

Part One – Details of Group/Organisation Making Application

1.1 Group/Organisation Details

Name of Group/Organisation: Professional Golfers Association of Australia

Address of Group/Organisation: 600 Thompsons Road, Sandhurst, Vic, 3977

1.2 Contact Details

Name: Nick Dastey

Position: State Manager – PGA Vic/Tas/SA

Postal Address: 600 Thompsons Road, Sandhurst, Vic, 3977

Telephone No. (B/H) (03) 8320 1911

(A/H) 0400 232 824

Fax No.: (03) 9783 0000

Email address: ndastey@pga.org.au

1.3 Proof of Incorporation

Does the group or organisation have legal status of organisation (Incorporated, Association)?

Please tick appropriate box and provide registration number and date of establishment:

Yes Registration Number: 127 641 829 (ACN) 46 127 641 829 (ABN)

Date of Establishment: 27/09/2007

No

1.4 What is your Group/Organisation GST status? (Please tick one box below)

No ABN and not registered for GST (please attach a Statement by Supplier).

ABN but not registered for GST (please attach a copy of the ABN Certificate).

ABN and registered for GST (please attach a copy of the ABN Certificate).

Currently applying for ABN/GST registration (when received Council will require this information before funding can be made).

Section 355 Committee of Berrigan Shire Council.



Major Event Funding Application Form

Part Two – Event Overview

2.1 Event Title

The Vic/Tas/SA PGA Trainee Championship

2.2 Event Description (Briefly describe the proposed event in one or two sentences)

Played over 4 consecutive days, the Trainee Championships is a 4-round golf tournament for PGA Trainee Golf Professionals

2.3 Location of Event (Address)

Tocumwal Golf and Bowls Club, Barooga Road, Tocumwal, NSW, 2714

2.4 Event Start Date: 06 / 05 /2019 **Finish Date:** 10 / 05 /2019

2.5 Has the event been held in previous years? If so, how many years?

The event is held every year and has been held at the Tocumwal Golf & Bowls Club for the last 16 years

2.6 Please specify any other assistance (financial and in-kind) that has been provided to the group or organisation by Council over the past three years and for which project/event.

The Council provided \$7000 for last year's Trainee Championship

2.7 Has a representative of the group met with Council staff before lodging this application?

Yes

No Nick Dastey and Chris Donovan made a Presentation to the Council on Wednesday November 16th, 2016 at the Berrigan Shire Council Offices. Able to organise another presentation if necessary.

2.8 How many people are expected to attend this event?

170 people are expected to attend

2.9 How did you estimate this number? (Please provide any evidence from previous events)

This number is based on entries in past years plus caddies, partners & PGA staff. Last year the tournament attracted 105 competitors from all over the country. In addition there were sponsors, PGA staff, caddies, partners & family.



Major Event Funding Application Form

Part Three – Project Funding Assessment Criteria

It is important that all sections are completed to assist the Committee in their assessment, and that your responses target the assessment criteria contained in the Funding Guidelines. Attach additional pages if required.

3.1 Event Rationale

What is the main objective of holding this event?

The Trainee Championships provides our Trainee Professionals with a taste of tournament level golf. In addition these rounds are used as part of a year-long playing assessment which is a major factor in their training to become a Vocational PGA Member.

The 2019 PGA Vic/Tas/SA Trainee Championships will be played from Monday 6th to Friday 10th May, 2019.

Funding will be used to assist the PGA and the Tocumwal Golf & Bowls Club to ensure the continued viability of the event in the region. The tournament has been held in Tocumwal for the past 16 years and 2018 was the final year in the contract. However with the support from the Golf Club, the Berrigan Shire Council and the local community, the PGA see this relationship continuing for many more years.

Benefits for Tocumwal and the Berrigan Shire Council

The 2018 tournament attracted approximately 170 people to Tocumwal and the surrounding areas totalling approximately 800 hotel room night stays for the week. We envisage a similar result in 2019.

According to Tourism Research Australia, a sporting event of this nature injects an average of \$234 per person per day. This equates to a weekly spend of approximately \$185,000 into the local economy. This cash injection is at a time of year that is traditionally very quiet and mid-week, proving the Championship competitors are welcome visitors and vital for the area's calendar.

The 2018 tournament attracted excellent media coverage in local newspapers such as the Shepparton News and the Southern Riverina News. In addition the WIN TV Network showcased the Golf Club across the state and into Southern NSW in their nightly news bulletins. The impact of this exposure is difficult to gauge but certainly keeps the Tocumwal name front of mind for possible future visits, golf trips & holidays.

Community Activities

In-conjunction with the tournament the Tocumwal Golf & Bowls Club and the PGA will conduct Junior Golf Clinics under the National Junior Golf Program - MyGolf. This Clinic will be conducted by PGA Trainees and will involve approximately 50 children from 4 Primary Schools from the surrounding area learning all areas of the game in a safe and inclusive environment at the Golf Club.

Tocumwal Golf & Bowls Club Resident PGA Professional Rod Booth runs several programs at local schools and the Junior Program at the Club. The objective of the junior program is to expose children to the game of golf, encourages participation and involvement as well as a healthy & active lifestyle. These clinics provide Rod & the Club an opportunity to further enhance the Club's Junior Program & build relationships with schools and children in the area.

On the Monday of tournament week, the Tocumwal Golf & Bowls Club hosts the Championship Pro Am and Dinner. This year the Championship Pro Am will include Club & Tournament Sponsors, members, guests, social golfers and the PGA Trainees in what promises to be a massive event. Approximately 250 people will play across both courses during the afternoon with each group comprising of a trainee and



Major Event Funding Application Form

amateur players. This format allows for the trainees to prepare for the tournament whilst providing golf tips in a fun and relaxed environment. This is followed by the Championship Dinner where all the competing Trainees, sponsors and guests gather for dinner and a social night which includes Pro Am presentations, raffle draw and welcome speeches to the competitors.

With a much bigger field anticipated for the Pro Am than in past years, a guest speaker or entertainment will certainly add to the excitement of the day. A Legend of Australian Golf has recently signed on as an Ambassador for 'Golf on the Murray' and together with the Tocumwal Golf Club we will strive to attract him to the event. There are many other personalities and entertainment options available if this is not successful.

Junior Golf Experience

Last year we invited the children who participated in the junior clinic to complete a small project about an Australian golfer. The prize on offer was an experience to the 2018 Victorian PGA Championship. The response and quality of the submissions from the children was fantastic and showed much time and effort went into their projects. The lucky winners were Annie McLeod and Jai Nolan who joined us at the RACV Cape Schanck Resort in October earlier this year.

In 2019 we will be offering another exciting experience for 2 more children to join us and the players at the Victorian PGA Championship.

The winning students will win the following:

- Accommodation for 1 night near the host venue of the Championship with a parent/guardian.
- Admission to the tournament
- Lesson with a PGA Member
- Experience the tournament from inside the 'ropes', walking with the leading players and holding the scoreboard
- Tournament logo clothing
- Food & Beverage at the venue
- Meet & Greet the winner and photos

Possible Projects in 2019 include:

- Profile a past or present Australian Golfer
 - o Age
 - o Wins
 - o When did they start golf
 - o Were they a PGA Trainee
 - o Photos
- Profile a Golf Club (not Tocumwal Golf & Bowls Club)
 - o Established
 - o Members
 - o Brief course & Club history
 - o Name of PGA Professional & GM, Board Members
 - o Junior Program
 - o Benefits of joining a golf club or playing golf
 - o Photos
- Profile the PGA of Australia
- Design a golf hole, mini-golf course
 - o No research required just drawing & colouring!



Major Event Funding Application Form

Conclusion

As a major tournament on the PGA Trainee calendar, this event will continue to attract golfers from all over the country to Tocumwal and the Berrigan Shire region. The initiatives introduced last year to further engage with the community were very successful and with an increase in expected Pro Am attendance, this further proves that this tournament is a beneficial investment that is passed onto schools, Clubs, businesses and the people within the Berrigan Shire Council region.

3.4 Funding Requested from Council

Amount **\$7500.00 + GST** (This funding will not be used for prizemoney for the tournament)

Period **3 years (2019, 2020 & 2021)**

3.5 Marketing and Promotion

List the activities that you will undertake to market and promote the event (how, when and through which mediums), identify who you are trying to attract by the activity (age, geographic location, special interest group), and how much each will cost. Enter total cost under Expenses "Advertising" in Section 4.1 Program Budget.

Double space the table

<i>Dates</i>	<i>Advertising medium (Print, TV, radio, internet, etc.)</i>	<i>Advertising reach (e.g. circulation, no. of flyers, no. of adverts, etc.)</i>	<i>Scope</i>	<i>Est. Cost</i>
Prior, during & after event	Print, local radio & TV, TGC website	Goulburn Valley, most of regional Victoria	Local sporting story pieces	Nil
Prior during & after event	PGA website, Facebook & Twitter	Unknown	Articles about the event, entries open for players	\$400
Prior to the event	Tocumwal Golf Club	All over town, surrounding regions	Requesting Pro Am entries	\$250
Total Advertising Cost				\$650.00



Major Event Funding Application Form

Part Four – Financial Details of Project

A copy of the groups/organisations latest annual report and financial statement (including balance sheet) must be attached to this application.

4.1 Program Budget

INCOME	
Source	Total \$
Amount requested from Council (<i>from Question 3.4</i>)	7,500
Funds provided from your organisation	18,000
Corporate sponsorship	12,000
Business/philanthropic contribution	-
Other government contribution	-
Fees/admission	-
Food and drinks	-
Raffles/Fundraising	28,000
Total Income of event	65,500

EXPENSES	
Source	Total \$
Administration	4,000
Advertising (<i>from Question 3.5</i>)	650
Printing	1,850
Marketing materials	1,900
Hire fees	2,500
Entertainment	2,000
Food and drinks	1,000

**Major Event Funding Application Form**

Prizes/donations	45,000
Permit fees	-
Other (please specify) Travel expenses	3,000
School Program & Golfing Experience	3,000
Total expenditure of event	64,900



Major Event Funding Application Form

Part Five – Authorisation and Compliance

This is to be signed by two executive committee members of the group/organisation

I declare that the information supplied in this form is to the best of my knowledge accurate and complete.

Name: Gavin Kirkman

Name: Stuart Hergt.

Position: Chief Executive Officer

Position: Chief Operating Officer

Address: 600 Thompsons Road

Address: 600 Thompsons Road

Sandhurst, Vic, 3977

Sandhurst, Vic, 3977

Phone: (B/H) (03) 8320 1911

Phone: (B/H) (03) 8320 1911

Signature: 

Signature: 

Date: 05/12/18

Date: 05/12/18

Part Six – Checklist

	Yes (✓)	Committee Use Only
Required:		
All questions have been answered	✓	
Copy of budget for the project	✓	
Evidence of public liability insurance with coverage of \$20m, noting Berrigan Shire Council as an interested party	✓	
If applicable:		
Copy of incorporation		
Proof of ABN		
Details of registration for GST		
Copy of latest Annual Report		
Additional supporting information		
Letter/s of endorsement from contributing organisations		
Letter/s from community groups/stakeholders supporting event		

Please forward completed applications to:

Berrigan Shire Council
 Economic Development Officer
 P.O. Box 137
 BERRIGAN NSW 2712



Major Event Funding Application Form

Information provided in this application will be used to determine Council funding.
Applications will be assessed by the Events Committee.

Part One – Details of Group/Organisation Making Application

1.1 Group/Organisation Details

Name of Group/Organisation: MILD 2 WILD Rod & Custom CAR CLUB

Address of Group/Organisation: TOLUMWA RECREATION RESERVE

1.2 Contact Details

Name: DAVID BALDWIN

Position: PRESIDENT

Postal Address: 14 CHARLOTTE ST - P.O Box 29 TOLUMWA 2714

Telephone No. (B/H) 0428 575214

(A/H) 035 8743816

Fax No.: _____

Email address: chevy6@bigpond.com

1.3 Proof of Incorporation

Does the group or organisation have legal status of organisation (Incorporated, Association)?

Please tick appropriate box and provide registration number and date of establishment:

Yes Registration Number: Y9884279

Date of Establishment: 2005

No

1.4 What is your Group/Organisation GST status? (Please tick one box below)

- No ABN and not registered for GST (please attach a Statement by Supplier).
- ABN but not registered for GST (please attach a copy of the ABN Certificate).
- ABN and registered for GST (please attach a copy of the ABN Certificate).
- Currently applying for ABN/GST registration (when received Council will require this information before funding can be made).
- Section 355 Committee of Berrigan Shire Council.



Major Event Funding Application Form

Part Two – Event Overview

2.1 Event Title

MURRAY RIVER ROAD RUN

2.2 Event Description (Briefly describe the proposed event in one or two sentences)

THREE DAY EVENT WITH STATIC DISPLAY INCLUDING
PARADE OF MAIN STREET - FINISHING WITH A
PRESENTATION AND LIVE MUSIC.

2.3 Location of Event (Address)

TOCUMWA

2.4 Event Start Date: 8.13.2019 Finish Date: 10.13.2019

2.5 Has the event been held in previous years? If so, how many years?

YES - 2007 2009 2011 2013 2015 2017

2.6 Please specify any other assistance (financial and in-kind) that has been provided to the group or organisation by Council over the past three years and for which project/event.

BSC FUNDED ADVERTISING FOR 2017 EVENT

2.7 Has a representative of the group met with Council staff before lodging this application?

Yes Staff information: MERRAN SOCHA

No

2.8 How many people are expected to attend this event?

200 ENTRANTS - 600 PEOPLE - 2000-3000 GENERAL PUBLIC

2.9 How did you estimate this number? (Please provide any evidence from previous events)

200 ENTRANTS - 3 PEOPLE PER ENTRY - THEN WE
HAVE TWO DAYS OF FREE PUBLIC VIEWING
MAIN ST PARADE - SHOW SHINE STATIC DISPLAY
WITH ENTERTAINMENT.



Major Event Funding Application Form

Part Three – Project Funding Assessment Criteria

It is important that all sections are completed to assist the Committee in their assessment, and that your responses target the assessment criteria contained in the Funding Guidelines. Attach additional pages if required.

3.1 Event Rationale

What is the main objective of holding this event?

TO BRING CAR ENTHUSIASTS TOGETHER TO DISPLAY
THEIR VEHICLES

3.4 Funding Requested from Council

Amount \$ 3487.00

Please explain what the funding will be used for?

FUNDING FOR PRINT MEDIA & PAPER FLYERS
AND TV COMMERCIAL.



Major Event Funding Application Form

3.5 Marketing and Promotion

List the activities that you will undertake to market and promote the event (how, when and through which mediums), identify who you are trying to attract by the activity (age, geographic location, special interest group), and how much each will cost. Enter total cost under Expenses "Advertising" in Section 4.1 Program Budget.

Double space the table

Dates	Advertising medium (Print, TV, radio, internet, etc.)	Advertising reach (e.g. circulation, no. of flyers, no. of adverts, etc.)	Scope	Est. Cost
e.g. 21/07/11 - 21/08/11	Radio - StarFM,	60 x 15 sec ads	Wodonga, Shepparton, Wagga	\$2,500.00
3-3-12-10-03-14	WIN TV	51 x 15 SEC ADS	SHEPPARTON	1223.80
DEC EDITION	AUNT STREET ROY MAGAZINE	DEC EDITION	NATIONAL-USA	475.20
DEC JAN EDITION	CRUZIN MAGAZINE	DEC - JAN EDITION	NATIONAL-USA	594.00.
NOV - MARCH	SP-514 PAGE OF BILLS	PULL UP BANNING	LOCAL P. BILLS	1144.00
Total Advertising Cost				\$ 3487

Part Four - Financial Details of Project

A copy of the groups/organisations latest annual report and financial statement (including balance sheet) must be attached to this application.

Double space the table.

4.1 Program Budget

INCOME	
Source	Total \$
Amount requested from Council (from Question 3.4)	\$ 3487.00
Funds provided from your organisation	
Corporate sponsorship	\$14750.00
Business/philanthropic contribution	N/A
Other government contribution	NIL
Fees/admission	ENTRANTS. \$100 = \$18000
Food and drinks	N/A.
Raffles/Fundraising	N/A
Other (please specify)	—
Total Income of event	\$ 36237.00

EXPENSES	
Source	Total \$
Administration	N/A
Advertising (from Question 3.7)	\$ 3487.00
Printing	\$ 457.01
Marketing materials	—
Hire fees	\$3164.00
Entertainment	\$4650.00
Food and drinks	\$13987.00 - TFNC - \$1682.40 LOCAL SHOPS
Prizes/donations	\$1600.00
Permit fees	\$150.00
Other (please specify)	
Total expenditure of event	\$ 29177.41



Major Event Funding Application Form

Part Five – Authorisation and Compliance

This is to be signed by two executive committee members of the group/organisation

I declare that the information supplied in this form is to the best of my knowledge accurate and complete.

Name: DAVID BARDWIN

Name: PAUL MCCALLUM

Position: PRESIDENT

Position: TREASURER

Address: 14 CHARLOTTE ST

Address: 16 DENISON ST

TOCUMBAH

TOCUMBAH

Phone: (A/H).....

Phone: (A/H).....

(B/H) 0429 575214

Phone: (B/H) 0429 743502

Signature: [Signature]

Signature: [Signature]

Date: 5-12-18

Date: 5-12-18

Part Six - Checklist

	Yes (✓)	Committee Use Only
Required:		
All questions have been answered	✓	
Copy of budget for the project		
Evidence of public liability insurance with coverage of \$20m, noting Berrigan Shire Council as an interested party		
If applicable:		
Copy of incorporation		
Proof of ABN		
Details of registration for GST		
Copy of latest Annual Report		
Additional supporting information		
Letter/s of endorsement from contributing organisations		
Letter/s from community groups/stakeholders supporting event		

Please forward completed applications to:

Berrigan Shire Council
 Economic Development Officer
 P.O. Box 137
 BERRIGAN NSW 2712

Office of Local Government

DEBT MANAGEMENT AND HARDSHIP GUIDELINES

November 2018



GUIDELINES UNDER SECTION 23A OF THE
LOCAL GOVERNMENT ACT 1993

DEBT MANAGEMENT AND HARDSHIP GUIDELINES

NOVEMBER 2018

ACCESS TO SERVICES

The Office of Local Government located at:

Street Address: Levels 1 & 2, 5 O'Keefe Avenue, NOWRA NSW 2541

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Foreword

Council rates and charges fund a vast array of services, infrastructure and facilities that local communities rely on. It is therefore vital that councils have good policies and processes in place to ensure rates and charges are collected promptly, fairly and efficiently, while minimising the risk of debt from overdue payments.

Local communities expect governments, including councils, to have modern payment processes in place that best suit current day needs, including electronic payments of rates and charges and options to smooth out payments across the year for more substantial bills.

It is important for councils to recover debt from unpaid rates and charges fairly and equitably. Councils are encouraged to give special consideration for people facing hardship to limit unnecessary fees, interest and legal costs that can cause additional financial stress in difficult times.

To support NSW councils to develop and apply modern, fair and effective debt recovery and hardship policies and practices in line with the requirements of the *Local Government Act 1993*, the NSW Office of Local Government, in conjunction with the NSW Department of Justice, has published these section 23A Debt Management and Hardship Guidelines.

The Guidelines set out information that councils must take into account when developing and implementing debt management and hardship policies, as well as best practice examples of easy-to-follow communication, hardship assessment, early mediation and dispute resolution.

They should be implemented alongside appropriate financial management practices to enable councils to maintain financial sustainability and achieve financial performance benchmarks.

Tim Hurst

Chief Executive
Office of Local Government

Part 1:
Debt Management
and Hardship for
Local Government



1.1 Introduction

NSW councils collect rates and charges each year in line with the *Local Government Act 1993*. Councils receiving funds on time are in a better position to be financially sustainable and continue to deliver the services and facilities local communities need and expect.

Each council should adopt robust, fair and transparent policies and procedures outlining how they will communicate with ratepayers, collect monies owing, assess hardship claims and, where necessary, recover overdue payments to manage debt.

Good debt management by councils generally flows from having good rates and charges collection processes in place.

The Office of Local Government has worked with the NSW Department of Justice to prepare these *Debt Management and Hardship Guidelines*.

The Guidelines support councils to review and update existing debt management policies and practices to collect rates and waste charges, water and sewerage charges, and align them to best practice across the sector. They provide guidance on proactive measures councils can take to ensure prompt payment and minimise default, as well as how to follow up ratepayers and recover any debts incurred fairly and effectively.

When recovering debt, and at other times, councils must consider whether a ratepayer is facing hardship and the best way to support a person in hardship to pay their bills. Guidance on developing relevant hardship policies and procedures is also included.

Councils must take these section 23A Guidelines into account when exercising debt management and hardship functions or making relevant decisions. Debt Management and Hardship policies may be prepared separately or as a comprehensive article but must be integrated in their application.

Some helpful definitions for key terms in these Guidelines are set out at **Appendix A**.

1.2 Status and scope of Guidelines

The Guidelines are issued under section 23A of the *Local Government Act*. Councils must therefore take the Guidelines into account when implementing local debt management and hardship policies and/or procedures. They apply to all NSW councils, whether or not debt recovery functions are outsourced.

While the Guidelines have been developed with particular reference to collecting debts from individual ratepayers, much of the information will also be relevant to the collection of other debts, such as from businesses or other organisations.

Councils must always seek and be guided by their own independent legal advice on these matters.

The Guidelines have drawn on best practice material in a number of NSW council policies and the *Debt collection guideline: for collectors and creditors (Commonwealth, 2015)* and the *Debt Recovery Guidelines – Responsible collection of State debts: Guidelines for Revenue NSW to collect State debt* (Revenue NSW). Valuable and timely feedback from the Revenue Professionals and a number of its member council practitioners is also acknowledged.

1.3 Objectives

The Guidelines assist councils to develop policies and procedures that provide for:

- efficient and effective collection of council rates, charges and outstanding debt
- contemporary and flexible options to collect money from ratepayers
- fair and equitable treatment of ratepayers, including those facing hardship
- how to identify and work with ratepayers in hardship when collecting money
- reduced use of expensive court processes to recover debts
- improved financial sustainability of councils, including performance in managing outstanding rates and charges, and
- compliance with legislative requirements, including the *Local Government Act* and privacy laws.

1.4 Legal framework

The Local Government Act provides the legal framework for how councils set and levy rates and charges each year and recover debt from overdue rates and charges, including for waiving or reducing rates in cases of hardship. A best practice debt recovery summary flowchart is set out at **Appendix B**.

Rates and charges are set in a council's Revenue Policy as part of their Integrated Planning and Reporting requirements. Rates and charges are made by 1 August each year. Notices state rates owing, any arrears and interest, any postponed rates, amount due and date to pay. Notices also advise that interest accrues after the due date, at a daily rate set by council up to a cap set yearly under the *Local Government Act*.

Councils are permitted to agree to periodic payments of rates and charges, write off accrued interest and postpone rates payments. In extreme cases, councils may also sell land to recover unpaid rates and charges. Councils may also provide discount incentives for prompt payment in full, if desired.

Hardship provisions are stipulated to encourage councils to have fair and equitable policies in place to assess hardship claims, particularly for pensioners, and procedures that make it as easy as possible for ratepayers in hardship to pay.

The NSW Government encourages councils to incorporate modern and flexible periodic and electronic payment systems and other incentives to make it as easy as possible for ratepayers to pay promptly and to minimise the risk of debt.

Relevant legislative excerpts from the *Local Government Act* and a list of other relevant laws are at **Appendix C**.

1.5 Principles

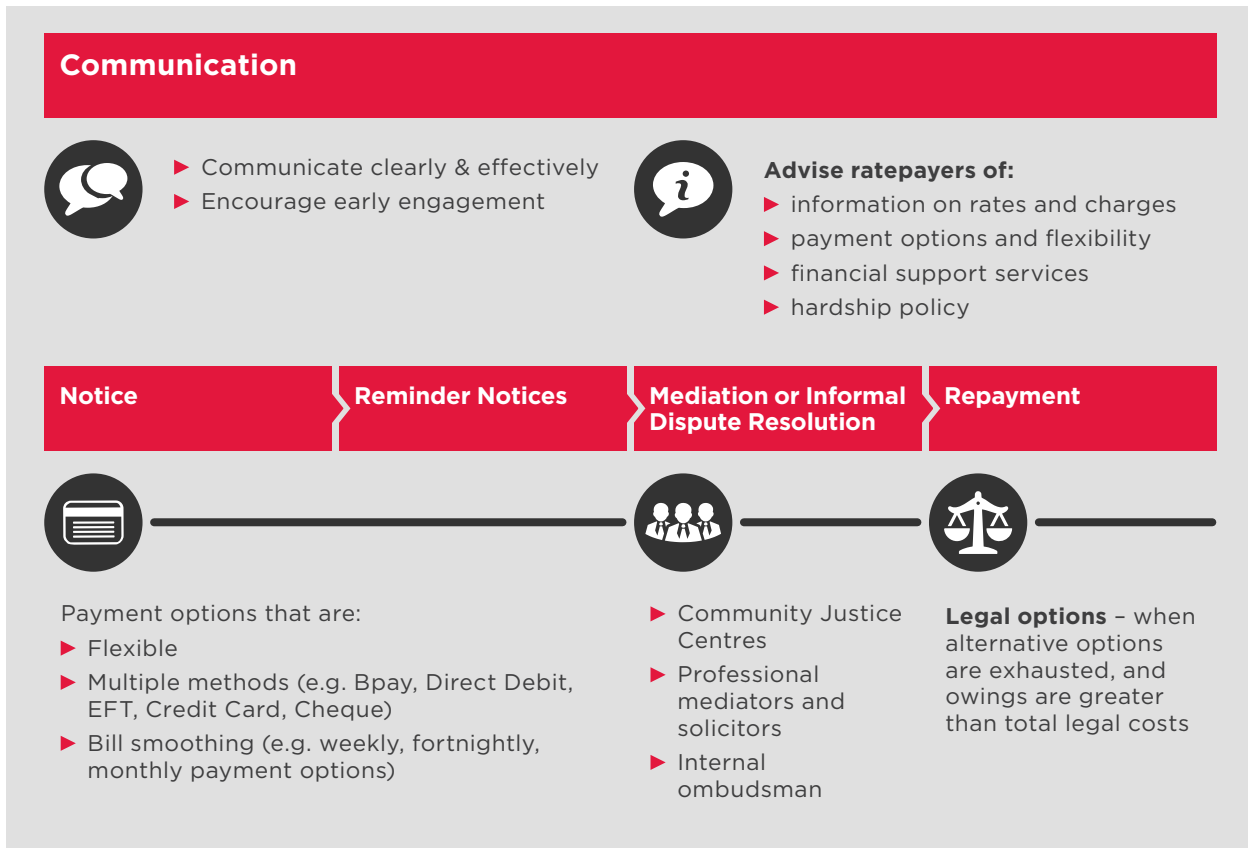
The advice and options in this Guideline are based on best practice from across the local government sector, with reference to a set of guiding principles.

Councils should consider the following guiding principles in establishing or reviewing their own policies and practices to support effective debt management:

- **fair, equitable and respectful treatment** – of all ratepayers, including respectful communication with those facing hardship
 - **a ‘stop the clock’ approach** – to suspend debt recovery, legal action and interest accrual while a ratepayer’s hardship application is awaiting determination, or while they are complying with an approved payment arrangement
 - **informal action first** – timely action to prompt payments and communicate relevant information when following-up overdue amounts prior to taking formal action
 - **minimise costs** – try to achieve payment without increasing ratepayer debts
 - **maintain confidentiality and privacy** – information provided by applicants is treated confidentially and only used for appropriate purposes, such as to assess a hardship application
 - **regular review of policies and procedures** – to identify good practice and areas for improvement, and
 - **consistent debt management and hardship approaches and policies.**
- **clear and accessible communication** – easy-to-understand information about rates and charges, how to pay, hardship, who to contact and the council’s approach to overdue rates and dealing with hardship claims
 - **local flexibility** – providing payment options and processes that meet local needs and the special circumstances of those facing hardship

1.6 Good practice summary flowchart

Figure 1 below summarises the good practice approaches to debt recovery and hardship taken by a number of NSW councils. These are further expanded on and explained in the following sections of the Guidelines.





Part 2:

Ensuring prompt payment



When ratepayers act and pay promptly, and when councils are fair and realistic, the need for debt management is reduced. Below are some practical ways that councils can assist ratepayers to act promptly to meet their financial commitments.

2.1 Information for ratepayers

Most ratepayers act responsibly if they are given enough information about the rates and charges they owe, as well as reasonable opportunity and flexibility to pay in an easy and timely way that takes their needs into account.

Councils should support this approach by ensuring that their policies and procedures:

- allow for alternative payment options including flexible payment arrangements before rates are due – for example, periodic payments (i.e. weekly, fortnightly, monthly or quarterly), and electronic payment options
- authorise council staff to make suitable payment arrangements with ratepayers that have not paid on time, such as a Time to Pay agreement
- include helpful information on rates notices to encourage ratepayers to contact council early if they may have difficulty paying, and
- encourage staff to refer ratepayers making enquiries to financial counsellors and other low cost support services.

Councils can take proactive steps to reduce overdue payments and support ratepayers experiencing hardship such as:

- promoting debt recovery and hardship policies
- developing clear, simple information, such as ‘fact sheets’ about rates and charges and options available to make sure they are paid on time

- translating material into other languages commonly used in their local area or including a list of local language services
- promoting flexible payment options in other communication materials, and
- improving access to policies, e.g. having key search terms to find them online (i.e. “debt recovery”, “local government”, “rates”, “hardship”).

Councils may also consider offering a discount on rates for ratepayers that promptly pay their rates in full under section 563 of the *Local Government Act*.

2.2 Rates and charges notices

Councils recover rates and charges owed by issuing a notice under section 546 of the *Local Government Act*. Information that must be included on rates and charges notices is listed in clause 127 of the *Local Government (General) Regulation 2005*.

Some ratepayers have difficulty navigating and understanding the complex and detailed information in rates notices. To support understanding and timely payments, councils should include in their policies and procedures how they will ensure notices have accurate, easy to understand and accessible information.

For example, while formatting is not prescribed, councils should design rates notices to be accessible and easy to understand. Councils with diverse communities should consider translating key information on rates notices into relevant languages.

Some important information to highlight prominently on, or with, notices includes:

- name of rateable person – every effort should be made to identify this
- the rate or charge amount due
- any outstanding rate or charge overdue and any interest charges
- when each payment is due
- payment options
- how to contact the council with any questions about the notice
- where to go for further information, such as a link to the council website, on:
 - a council’s financial hardship policy
 - any English as a Second Language (ESL) services, and
 - local financial counselling services.

Good Practice Case Study

A number of councils are sending out a flyer with their rates notices to provide advice to ratepayers about what to do if they cannot pay on time.

2.3 Modern and flexible payment options

Ongoing advances in technology are making it easier than ever for councils to create easy payment options for ratepayers. Communities expect councils to provide modern and flexible options that support easy payment and take into account different needs and circumstances.

Electronic billing and payments

Electronic billing and payments help to make sure that bills are received and payments are made on time, including for ratepayers living or travelling outside the local government area, and allow ratepayers to schedule payments and avoid going in person to a council during regular work hours.

NSW council policies should enable ratepayers the opportunity to make payments electronically and enable ratepayers to enter into an agreement to receive their rates notices electronically (via email).

Periodic payments and payment smoothing

Most people need to budget in advance for significant annual expenses, such as rates, waste, water and sewerage charges, as well as other utilities and insurances.

Councils should provide flexible options to enable periodic payment as do most modern businesses and governments. This may include ‘payment smoothing’ to reduce the impact of large bills by spreading payments evenly out across the year.

Allowing ratepayers to make small, consistent payments helps councils obtain rates and charges on time and helps ratepayers manage their budget more easily. Councils should consider combining this with a direct debit option, potentially with a discount incentive, to create seamless, automatic payments.

Council should enable periodic payment options, including payment smoothing, to help ratepayers pay on time. This may be as frequently as monthly, fortnightly or weekly to balance convenience to ratepayers with what is practical for councils.

Section 564 of the *Local Government Act* enables councils to enter into agreements with ratepayers that allow periodic payments to be made, at the council's discretion.

Councils should consider preparing a template agreement to make it easier to provide this option to all ratepayers.

Centrepay

Centrepay is a voluntary way for people to pay bills directly from their Centrelink payments through regular automatic deductions.

Councils should consider using and promoting Centrepay to ratepayers as an easy way to pay rates and charges through regular deductions from Centrelink payments. There is no cost to the ratepayer and councils pay a small transaction fee based on an agreement negotiated with the Commonwealth Department of Human Services.

Benefits to councils include reduced administrative costs, a secure option that helps ratepayers on lower fixed incomes to automatically pay bills on time, and a reduced risk of overdue rates and charges and recovery costs. Further information is at: www.humanservices.gov.au/individuals/services/centrelink/centrepay

2.4 Contacting ratepayers, currency of contact details and privacy laws

Councils should include information in their policies and procedures about their approach to proactively contacting ratepayers to collect rates and charges and recover debt beyond the legal requirements to serve rates and charges notices under section 127 of the *Local Government (General) Regulation* (see **Appendix C**).

Policies and procedures should include information about:

- **reasonable and appropriate contact** – for the council to contact a ratepayer about rates and charges payments and any outstanding debt
- **ensuring contact details are current** – for what a council will do in this case, for example, if a rates notice is returned to the council
- **reasonable and appropriate follow-up** – to again contact a ratepayer
- **conduct towards a ratepayer** – in line with the law and the council's Code of Conduct and including respect and courtesy as well as protection from misleading, humiliating, intimidating, demeaning or abusive conduct
- **how information will be used and confidentiality and privacy will be maintained**, and
- **strategies for dealing with inappropriate behaviour from ratepayers** – potentially including training, escalation of matters to be handled by senior staff and ceasing contact in extreme situations.

Councils, or their debt recovery agent if this function is outsourced, should proactively update contact details and contact ratepayers about rates and charges owed, and outstanding debts while maintaining confidentiality and meeting privacy protection laws.

Councils should consider reviewing their Privacy Management Plans and Privacy Notification/Consent Forms to ensure they have resident and ratepayer permission to share personal information between internal business units of the council for general administrative purposes, including the collection of rates and charges.

Taking a proactive contact approach will help resolve payment issues and outstanding debt quickly and cheaply with little adverse impact on finances and ratepayers.

Appendix D to this Guideline provides further detail about best practice on contacting people to recover debt based on other relevant debt recovery guidelines.

2.5 Payments by pensioners

Under the *Local Government Act* eligible pensioners are currently entitled to a \$250 discount on their annual rates and domestic waste management service charges, as well as an \$87.50 discount on each of their annual water and sewerage charges in NSW, with the subsidy cost shared between the NSW Government (55%) and councils (45%).

Councils can choose to provide and meet further pensioner discounts on these rates and charges for hardship or in certain circumstances (s575).

The Local Government Act outlines separate requirements and flexibility for pensioners in relation to overdue rates and charges which councils must consider when adopting local debt management and hardship policies. Councils should balance the need to ensure financial sustainability with factors such as local socio-economic conditions and social justice principles.

Strategies councils should consider for pensioners include:

- working to achieve payment through informal means
- actively promoting flexible payment options, such as time to pay (s564)
- mandatory review before commencing legal action to recover debts
- deferring rates payments
- writing off debts (s582 and 583), and
- considering individual circumstances of pensioners.

These strategies are also relevant for other ratepayers.

Further information about pensioners is under **section 3.4** and **section 4** of these Guidelines.

2.6 Measuring council performance

Councils should monitor and report on their financial performance to ensure they are financially sustainable. This reporting provides each council with a means to check how they are going over time and identify areas where further attention is needed.

A key indicator of council financial performance is outstanding rates and charges. For this purpose, these payments are outstanding if they have been overdue for at least 30 days.

The local government performance indicator for outstanding rates and charges is presented as a ratio. This ratio reflects the impact of uncollected rates and charges on liquidity and the efficiency of council's debt recovery practices by comparing outstanding amounts to the total amount of rates and charges levied by each council.

The Office of Local Government has set councils a performance benchmark of:

- less than 5% for councils in city and coastal areas, and
- less than 10% for other regional and rural areas.

In 2016-17, outstanding rates and charges for NSW councils ranged from 1.1% to 35.7%, with outstanding amounts owed ranging from \$140,000 to \$25.98 million. The figures clearly show that, while some councils are meeting their performance benchmark, others are not.

Councils should regularly check the total value of outstanding rates and charges as well as their performance against the State-wide performance indicator.

Part 3:
Recovering debts fairly
and effectively



Councils and communities rely on rates and charges to fund vital local services and facilities. Councils need effective debt recovery policies in place to recover rates and charges in a timely way to ensure they remain financially sustainable and able to continue to deliver quality services.

However, from time to time some ratepayers will face difficulties, such as loss of employment or illness, and councils need to take a fair and flexible approach to managing their debts.

To balance these considerations, councils should have policies that first seek to recover outstanding payments using a fair and effective process that promptly determines how each debt will be paid outside a formal court process. This minimises overall costs to the individual ratepayer, who may already be facing difficulties, and cost to the community.

Council Activity in the NSW Local Courts

In 2013 NSW councils filed 34,098 actions in the Local Court. Of these claims, around 95% were for unpaid rates and charges. The average claim was \$1,600 and over 80% were for less than \$2,000. Almost 70% of these matters settled, were paid or written off by councils prior to judgement.

In around 27% of these matters the ratepayer did not file a notice of defence in the court action. This means that these ratepayers were either not aware of the proceedings, did not understand the court process, were not willing to make a response to the claims, or were unable to seek representation.

3.1 Debt management options

Each council should determine how best to resource their debt collection and recovery role based on local circumstances and need.

While some councils undertake this role in-house, others engage professional businesses or debt recovery agents.

Agents acting on behalf of councils do so under express or implied authority. The council is ultimately liable for the agent's actions in recovering debt and the debt management process, as for any in-house debt recovery process.

Where councils choose to outsource debt collection and recovery, they should have appropriate contracts and operations in place that take into account **sections 2.4** and **3.2** of these Guidelines and the following principles:

- **contacting ratepayers** – this should require clear, fair and efficient processes to identify, locate and contact ratepayers to recover debt
- **provision of information and documents** – this should facilitate prompt and efficient processes for agents relaying requests to the council, and for councils to respond to those requests, and for collection activity to be suspended at times when it is arranged for the council to respond directly about account information or documents
- **conflicts of interest** – this should require any conflicts to be identified, declared and managed, including circumstances where the same business is performing other work for the council and/or is representing council in any subsequent legal action
- **personal conduct** – this should require agents to approach ratepayers with respect, courtesy and discretion
- **pensioners and others facing hardship** – this should set out special requirements for how these ratepayers are to be assessed and managed to meet council's legal obligations and policies
- **use of alternative resolution options** – this should set out the council's requirements around attempting to resolve matters informally before filing in court and/or to follow certain dispute resolution guidelines or procedures, and
- **confidentiality and privacy** – this should set out how personal information must be managed, including limiting provision and use of information.

3.2 Reminder notices and payment arrangements

Even councils that proactively use best practice to support ratepayers to pay rates and charges on time will have some outstanding payments to manage each year.

Councils are required to issue an annual rates and charges notice and reminders of each quarterly instalment one month prior to the relevant due date.

If a rates instalment is overdue, councils should issue ratepayers with a reminder notice, advising that full payment is required by a stipulated due date, unless a payment agreement has been made or a deferred payment has been approved.

Where contact details are out of date or rates notices are returned to the council, there is little advantage in issuing multiple reminder notices. In this case, councils should make attempts to obtain current ratepayer contact details. See **Appendix D** for information about how some councils achieve this.

Payment arrangements and repayment negotiations

Generally, if a ratepayer fails to meet two payment arrangements, councils issue a reminder notice advising that full payment is required within the date specified, after which debt recovery action will commence.

Councils are encouraged to work with ratepayers by taking a flexible and realistic approach, such as by:

- making reasonable allowances for ongoing living expenses
- considering if the ratepayer is on a fixed low income (for example a disability pension or other welfare payments) and prospects of future income, and
- any other debts owing to different creditors.

Under no circumstances should councils provide ratepayers with financial advice. Any repayment arrangement reached should be fully and accurately documented and a copy provided to the ratepayer.

Where this prompts a ratepayer to reveal financial or other difficulties preventing payment, councils should follow special policies and procedures to assess and deal with hardship, as discussed in **Section 4**.

Council policies and procedures should include information about how best to deal with non-payment.

*Councils should consider checking currency of contact details at the reminder notice stage, if they appear out of date, and how best to bring the notice to the ratepayer's attention (see also **section 2.4 and Appendix D**).*

Some councils offer prominent 'Change of Name' and 'Change of Address' services online for ratepayers and regularly undertake electronic ratepayer contact detail updates.

Councils should develop a template reminder notice for overdue payments including:

- amount owing and date on which payment was due
- any interest charges that apply, or will apply, under the Act
- advice that the ratepayer should contact council immediately to discuss an alternative payment arrangement if unable to pay in full
- contact details to discuss the debt
- advice that the council officer will be respectful, courteous and discreet when working with the ratepayer to resolve the matter
- notification that, if payment is not made, council will first seek resolution through internal dispute resolution but may need to resort to legal proceedings
- notification that all legal costs and expenses incurred in recovering rates will be charged against the property under the Act
- advice where to find further information about local support services, including free legal advice or financial counselling
- confirmation that council may agree to a payment arrangement before or after legal action has commenced but may continue legal action if the ratepayer does not comply with their arrangement with council, and
- notification, if relevant, that the ratepayer will be listed on the Credit Reference listing by credit bodies if payment is not made by a certain date.

If a ratepayer does not pay by the date on the reminder notice, council should consider issuing a final notice or letter of demand before taking legal action. Council should again try to find current contact details prior to sending the notice.

The final notice should repeat the reminder notice information, refer to the previous reminder notice and confirm that council will take further action without notice unless payment is made or the ratepayer negotiates an alternative arrangement with council.

3.3 Counselling, mediation and informal dispute resolution (IDR)

Local court data shows that councils file many claims for small debts at a much greater rate than State and Commonwealth governments, electricity and water providers combined. This results in unnecessary time, cost, use of court resources and stress on ratepayers. It can also indicate poor debt management practices.

Council should let ratepayers know about legal and financial counselling options, as well as any mediation or dispute resolution processes in place to help resolve issues.

Importantly, if a ratepayer is actively participating in a dispute resolution process, has made an application for financial hardship that has not yet been determined, or is complying with a payment arrangement made with a council in good faith, any action to sell the debt, retrieve the debt or start legal proceedings should be suspended (and then only be commenced if liability is confirmed).

Any business or agent acting on the council's behalf must also be aware of the council's policy in relation to mediation and dispute resolution. Further detail about different levels of mediation and dispute resolution is below.

Referring ratepayers to legal and financial advice

Councils can outline options for ratepayers to access support services to help resolve legal or financial issues and/or negotiate arrangements to manage debt. This will be mutually beneficial as it may result in an early agreement about payment arrangements.

Community legal centres and financial counsellors assist people resolve debt issues by providing free, tailored expert advice. Solicitors from these centres or Legal Aid can provide legal advice and assistance to ratepayers.

Financial counsellors provide a mix of social, financial and paralegal advice and advocacy on debt issues. Assistance can include:

- assessing whether or not the debt is legally owed
- advice around protected income and assets (in broad terms, where a ratepayer's sole income is social security and they have only basic household assets, a creditor may be unable to enforce a debt against them), and
- advice about budgets, options for reducing expenses and possible debt repayment strategies, and
- negotiating with other creditors to free up income that can assist people to pay rates and other essential charges.

Support services councils should refer ratepayers to

www.moneysmart.gov.au/managing-your-money/managing-debts
Financial Advice, including financial counsellor search function

www.legalaid.nsw.gov.au/get-legal-help/find-a-service
Legal Aid service (Legal Advisers)

Community Legal Centres in different local government areas:
www.clcnsw.org.au/find_legal_help

Mediation, negotiation and informal dispute resolution (IDR)

Mediation or informal dispute resolution is a quick, cheap, flexible and confidential process. It can help preserve business or personal relationships.

Mediation or informal dispute resolution is a key option to support councils to reach a payment arrangement with a ratepayer and many councils report high success rates using this. This should occur before any legal action is commenced. It may also occur during resolution of a legal claim or after a court has made a judgement.

Council policies should include Informal Dispute Resolution options. Timely mediation to resolve debt informally, prior to filing in court, benefits both councils and the ratepayers. It is effective and efficient best practice.

Options for mediation and informal dispute resolution differ across NSW and include:

- **Community Justice Centres** – these centres provide free, community mediation services and can assist with many disputes, including debts
- **Professional mediators and solicitors** – a list of people able to assist at cost is available through the Law Society of NSW and District Court of NSW – this is usually only appropriate for larger outstanding debts, and
- **Internal Ombudsmen.**

3.4 Specific considerations for pensioners

Where a ratepayer that owes council a debt for rates and charges is a pensioner, additional options for support and flexibility may exist.

Councils should bring these options to the attention of ratepayers as soon as possible to minimise further costs accruing to those ratepayers and should set out in their policies and procedures how pensioner matters will be handled and relevant factors to consider in assessing applications.

For further information about pensioners refer to **Section 4** of these Guidelines.

3.5 Water and sewerage charges

Like rates and waste charges, councils levy ratepayers for water and sewerage services council provides. To the extent possible, the overall debt collection and recovery process should be consistent with the recovery of rates and charges.

Also like for rates and waste charges, pensioners are eligible for a discount on their water and sewerage charges.

While some special considerations apply to collecting these charges and responding to overdue payments, councils should also ensure they have appropriate policies and procedures in place to manage non-payment for water and sewerage charges.

Notifying ratepayers and occupiers

Particular considerations that should be included as part of these policies will apply where council may consider restricting water supply due to non-payment.

Councils should be aware that:

- a decision to restrict water supply must be consistent with the *Local Government (General) Regulation* and allow sufficient water use to maintain personal hygiene
- if payment is not made after a reminder notice is issued, council may choose to issue a notice of Intention to Restrict Water Supply
- notices should advise what action will be taken and a time period set by council, together with other matters usually set out on a reminder notice for rates
- notices should be sent to the legal owner of the property affected at his or her last known address and a copy sent to the 'Occupier' at the property address
- if council receives no response to a Notice of Intention to Restrict, a further Water Restriction Notice should be served on the occupier, and, the property owner at their last known address. This further notice should state when service will be restricted, at least 7 days from the date of the notice
- arrangements for payment should not be entered into directly with tenants
- if payment is not received and a restrictor is installed, a notice should be given to the occupier advising that water supply has been restricted or, if that is not possible, left at the property address, and
- the final notice should state that water supply will not be restored until payment is made, including a reconnection fee.

3.6 Writing off debt

If a debt cannot be recovered, or a council chooses not to take any further action, outstanding debts should be settled, where legally allowable.

One option is to reduce or write-off an outstanding debt. This can happen before, during or after any legal action is commenced, and may include:

- rates and charges in certain circumstances – clause 131 *Local Government (General) Regulation*
- accrued interest – s.567 *Local Government Act*
- pensioners' rates and charges – s.582 and 583 *Local Government Act*, and
- sundry fees and charges – s.610E, *Local Government Act* (after public notice).

Further information about the procedures for these actions is set out in the [Council Revenue and Rating Manual](#).

Bad debts may be written off by a General Manager with delegated authority. For example, an elected council may resolve that the General Manager can write off debts below a certain amount or in specific circumstances without council resolution in accordance with the *Local Government Act*, such as in cases where it is believed that an attempt to recover the amount would not be cost effective.

3.7 External Dispute Resolution options

Businesses in many industries belong to an external dispute resolution (EDR) scheme. Specialist collection and debt purchasing agencies may also decide to join a scheme. At times, these schemes can help to resolve disputes that are unable to be resolved through the council's internal or informal dispute resolution processes.

Some councils are members of the Energy and Water Ombudsman scheme (EWON). Councils may wish to consider joining such a scheme for water charges. Further information is available at: www.ewon.com.au/.

The benefits of external review are that it provides an independent and transparent process to present a case, explain decisions and often resolve issues before the need for court action. It can also inform continual improvement in council policies and procedures.

Council policies should specify any circumstances in which outstanding payment issues are to be elevated to more formal dispute resolution processes.

3.8 Legal options

While there are a number of local government court claims for unpaid rates in NSW each year, only 0.1% go to a final hearing. Almost all disputes are resolved through negotiation or other informal dispute resolution processes prior to judgement, and this is often required before a claim can be heard.

Court claims dealing with unpaid rates and charges can waste time, resources and cause unnecessary stress to ratepayers. Excessive court claims by councils can be a sign of poor debt recovery practices.

Councils should take legal action in court as a last resort rather than a matter of practice. This should only occur if an informal payment arrangement with a ratepayer is not successful, a ratepayer breaches an existing payment arrangement or a ratepayer has a long history of not paying rates and charges.

In considering whether to commence legal proceedings, councils should also consider the amount of a debt, how overdue it is and action taken to date. Special considerations may apply if the ratepayer is a pensioner, has a mental illness, is in hardship or otherwise requires assistance to defend a legal claim.

Councils should develop and apply a set of principles or criteria as part of their policies to assist in their decision about whether to proceed with legal action. This could include whether the ratepayer has:

- attempted to contact council or make instalments
- previously failed to pay their rates
- complied with any alternative arrangements to make payments
- more than one rates instalment outstanding, and
- participated willingly in mediation or other attempts to settle the debt.

Filing in court

Only when other options are exhausted – and a council determines the next best option is to file in court – councils may use the NSW Department of Justice Online Registry to file forms including Statements of Claim and applications for default judgement. This may reduce the need to engage agents to file matters for councils. Further information is at: onlineregistry.lawlink.nsw.gov.au/content/.

NSW Government Civil Justice Strategy

The Department of Justice is developing a new Civil Justice Strategy that places a strong emphasis on dispute resolution prior to filing in court, particularly by State agencies and councils. This strategy recognises that more than 95% of court matters settle before final judgements and that the formal justice system should be involved in civil matters such as outstanding debts only where necessary.

Statements of Claim

Councils can recover debts in the Local Court for up to \$100,000. A flowchart of the debt recovery process is at **Appendix B**. The Small Claims Division handles debts up to \$10,000. This provides a lower cost process with less formality, less technicality in proceedings and fewer rules of evidence. Costs that can be awarded are therefore capped to a fixed amount. Most matters are usually dealt with by court assessors rather than magistrates.

Court orders and recovery action

The court may order that a ratepayer owes a council a debt. If not paid, the council or agent may take recovery action. This should only be authorised by a council officer with appropriate delegation. Council policies that contemplate legal action should provide guidance about how to choose an appropriate course of action such as an examination summons or garnishee order. Councils should only ever choose options that are commensurate with the nature of the debt owed.

Sale of land for unpaid rates

Under Chapter 17, Division 6 of the *Local Government Act*, councils are able to sell land to recover rates and charges in certain circumstances where the debts have been outstanding for more than five years. Councils should only resort to this option as a last resort, particularly where a ratepayer lives on the property and the debt owing is a small amount. Councils should be guided by sound policies and procedures if taking this action.

If a property is sold and the amount received by council is less than the outstanding rates and charges, the council should consider the debt paid in full as per Section 719 of the *Local Government Act*.

If the amount received is more than the amount outstanding, the council will hold the money for persons having estates or interests in the land immediately before the sale according to their respective estates and interests.

Section 720 of the *Local Government Act* provides for councils to pay the balance of the purchase money or any part of the balance to or among the persons who are, in its opinion, clearly entitled to it. Receipt by the person of any payment made under this section is an effectual discharge of the council's liability.

Part 4:

Ensuring hardship is fairly and effectively assessed



Councils should act proactively, fairly, realistically and flexibly when they think a ratepayer may be experiencing hardship. They should also take into account the individual circumstances causing hardship. This will better ensure that the ratepayer is supported to meet their financial commitments.

Councils should ensure hardship information is easily accessible and understandable to ratepayers.

Councils should ensure that their hardship and debt management policies and procedures are integrated well, even if they are written as separate policies.

Many of the principles, policies and processes that apply to debt management, as outlined in the earlier sections of these Guidelines, also apply to hardship. Below is additional information that councils should take into account when preparing and implementing hardship policies and procedures.

4.1 Understanding hardship

Hardship is difficulty in paying debts when repayment is due. Any person who cannot pay their rates or charges due to hardship can apply to council for assistance at any time. Ratepayers should be encouraged to seek assistance from the council as soon as practical. The council should then consider each case on its merits.

Short term hardship can arise from a temporary change in circumstances:

- Loss or change in income
- Illness
- Loss arising from an accident
- Natural disaster or emergency situation
- Death in the family
- Separation, divorce or other family crisis
- Family violence, and/or
- Some other temporary financial difficulty due to loss of income or increase in essential expenditure.

Long term hardship can arise from any of the reasons listed above, or it can relate to the problem of managing living costs with a low or fixed income such as a pension or superannuation payment.

4.2 Clear and upfront communication with ratepayers about hardship

As for debt management generally, councils should adopt and widely communicate local hardship policies and procedures in an easy to understand and accessible format. This should include having fact sheets, forms and other information on the council's website.

Where possible, councils should include information about language services to support the hardship claim process.

Councils should additionally define and clearly communicate financial support contacts, or information about where contacts can be found, as part of their debt management and hardship communication strategies. Key contacts could include:

- Financial Counsellors Association
- Financial Rights Legal Centre
- Mortgage Hardship Service
- National Debt Helpline, and/or
- any other relevant services in the local area.

Councils should clearly communicate key sections of their debt management and hardship policy to ratepayers, including alternative payment options available to ratepayers (**section 2.3**), privacy provisions for ratepayers engaging with council (**section 2.4**), and arrangements for pensioners (**section 2.5** of this Guideline).

4.3 Assessing applications for hardship assistance

Councils should have information in their policies and procedures about how they will consistently assess hardship applications.

Resources, such as hardship factsheets and application forms, should be easily accessible on the council website to allow ratepayers to make an application. Information should include a contact point in the council for any queries a ratepayer has. Applications should be able to be submitted by the ratepayer or by another person on their behalf.

How applications may be assessed

As each local community is different, councils should develop a methodology for assessing hardship based on local circumstances. Applications may be assessed by the council or a delegate (e.g. a Hardship Committee or council employee). Factors to be considered may include, but are not limited to, whether the ratepayer:

- has provided appropriate evidence of financial and/or other hardship
- receives Centrelink benefits
- receives other benefits (e.g. emergency relief funding)
- whether the applicant could be considered in acute financial hardship, for example, if an individual earns below 75% of the minimum weekly wage
- is experiencing domestic or family violence involving financial abuse
- has been referred by an accredited financial counsellor, welfare agency or legal assistance service, or
- has a payment history that indicates they have difficulty in meeting payments in the past.
- has appropriately completed a hardship application form (if required).

Councils may wish to consider best practice hardship processes of peer councils and/or talk to Legal Aid NSW or local financial support agencies when developing their hardship assessment processes.

Capacity to pay

An individual's capacity to pay should be assessed as part of this process. The payment amount and/or payment plan should take into account and reflect a ratepayer's personal circumstances including, but not limited to:

- the ratepayers total disposable income and current financial commitments
- the number of children and/or dependents of the ratepayer, and/or
- advice from an accredited financial counsellor.

Financial hardship and council assistance

There are several ways the council may help a ratepayer who is experiencing financial hardship including, but not limited to:

- a payment plan or agreement (s564 of the *Local Government Act*) so that rates and charges (whether overdue or not) are paid on a weekly, fortnightly or monthly basis
- interest may be waived or reduced for a set period of time
- a pensioner rebate (additional to the legislated rebate) may be given
- interest, rates or charges may be written off, waived, reduced, or deferred for eligible applicants (s564, s577, s601 *Local Government Act*).

When a payment plan is being arranged, the delegated council officer should work with the applicant to ensure the plan is realistic in terms of the applicant's capacity to pay.

When a payment plan is agreed the applicant should be given written notice of:

- how long the plan will last
- the amount of each instalment payable under the plan
- the due date of each instalment
- what action the council will take if the applicant misses a payment
- who to contact if the applicant's circumstances change, and
- details of any payment deferral options (e.g. s601, *Local Government Act*).

Penalty interest charges may normally be written off or reduced if:

- if the applicant complies with their payment plan, or
- if the applicant is a 'first time' defaulter with a good payment history and there are mitigating circumstances.

Hardship application decisions and appeals

The council, or delegate deciding hardship applications, should generally make a recommendation to the General Manager about whether or not to grant hardship. The General Manager would then make a decision.

The applicant should be informed of the General Manager's decision in writing within a reasonable timeframe after making the application (say 14 days) and should be given reasons for the decision.

If not satisfied with the outcome, the applicant should be able to appeal the decision, potentially to the elected council. Any hardship request considered by the elected council should be done at a closed meeting.

Length of payment arrangements

Any form of assistance provided under a local debt management and hardship policy may be for 6 months, 12 months, or a period agreed to between both parties. A further application for hardship consideration may be made after this period.

Cancelling hardship arrangements

A hardship arrangement may be cancelled if the ratepayer:

- fails to comply with their payment plan
- no longer owns the land
- advises the council that financial hardship no longer applies, or
- provides false or misleading evidence of financial hardship to council.

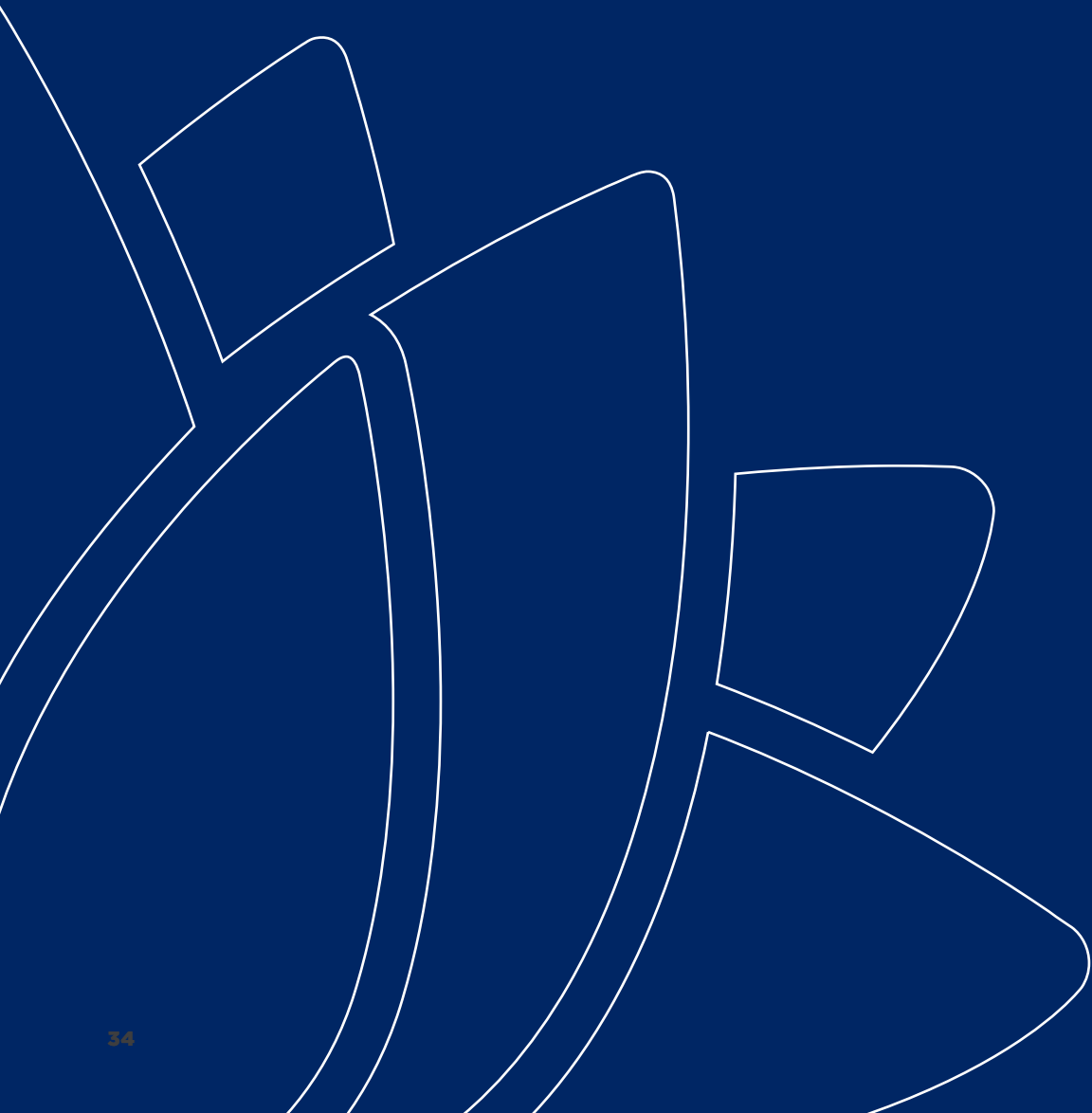
Where a ratepayer fails to comply with their payment plan or contact the council about failing to pay, council should send a reminder to make a payment or contact the council.

If the ratepayer does not respond within an appropriate timeframe, say ten business days, and the council determines the payment plan is unlikely to be met, the payment plan may be cancelled and this decision communicated to the ratepayer in writing. The ratepayer's debt would then become subject to the normal debt recovery processes of the council.

Relevant checklists are in **Appendices E** and **F**.



Appendices



Appendix A

Definitions

Term	Definition
Agent	A person who has the express or implied authority to undertake collection activity on behalf of a council in circumstances where a debt has not been sold or assigned
Authorised representative	A person such as a financial counsellor, solicitor, financial advisor, carer, trustee or guardian who has been authorised by a ratepayer to act on their behalf
Capacity to pay	A payment amount or plan that takes account a ratepayer's personal circumstances including, but not limited to: <ol style="list-style-type: none"> total disposable income and current financial commitments number of children and/or other dependents of the ratepayer, or advice from an accredited financial counsellor
Costs	Amounts incurred by a council in recovering overdue debts (e.g. Court, interest and professional costs) which can be legally recovered from the ratepayer
The Council	The elected representatives, or councillors, who form the governing body of a local council.
Council policy	Policy created and approved by the General Manager of a council and/or the elected body
Credit listing	The listing of an unpaid debt on a person's credit report
Credit report	Any record or information that: <ul style="list-style-type: none"> is being or has been prepared by a credit reporting agency has any bearing on an individual's <ul style="list-style-type: none"> eligibility to be provided with credit history in relation to credit, or capacity to repay credit, or is used or has the capacity to be used as a factor in establishing an individual's eligibility for credit.
Debt collector	A person collecting a debt in the course of a business, including councils, agencies collecting a debt on a council's behalf and independent collection agencies
Debt Recovery Procedure	A council procedure that defines the processes to implement to meet the objectives of a council's debt recovery policy
Default Judgment	In cases where the ratepayer does not respond to a Summons issued to them, the Court may make a default judgment whereby it will make a decision without having the matter heard in Court
Financial counsellor	A person who provides information, support and advocacy to assist people in financial difficulty

Term	Definition
Garnishee	Legal document issued by the court ordering third parties who hold funds on behalf of the defendant (eg. an employer) to pay funds to a council. Garnishees can be issued against a defendant's wages, bank accounts or other third party holding funds on behalf of the defendant.
Hardship	Hardship is any situation where an individual is having difficulty paying legally owed debt. This can result from life changes (for example, because of illness, unemployment or changed financial circumstances) restricting the short-term capacity to pay
Judgment debt	A debt confirmed by an order or judgment of a court
Notice of Demand	Demand letter from a council or a council's legal recovery representative issued in accordance with the Australian Competition and Consumer Commission and the Australian Securities and Investments Commission guidelines
Penalty interest	Interest raised in accordance with the <i>Local Government Act</i> and as adopted by a council in its Revenue Policy
Pensioner	An eligible pensioner as defined in clause 134 of the <i>Local Government (General) Regulations 2005</i>
Rateable valuation	Land value used for rating purposes i.e. net of allowances allowed by the <i>Valuation of Land Act 1916</i> and s.585 <i>Local Government Act</i>
Reasonableness	Assessed according to an objective standard, taking into account all relevant circumstances
Rent for rates	Section 569 of the <i>Local Government Act</i> allows a council to order tenants of properties with overdue rates to pay rent to a council in lieu of unpaid rates, under specific circumstances
Sale of Land	In accordance with s713 of the <i>Local Government Act</i> , a council has the authority to sell land which has any unpaid rates or charges for more than 5 years, or 1 year for vacant land, where the owing debt exceeds the land valuation
Write off	The accounting procedure for cancelling a debt that is no longer collectable resulting in its removal from the ratepayer's balance sheet account

Appendix B

Debt recovery process flowchart

	Debt recovery process	Council / delegated authority	Debtor
1	Rate and charges notice s546 Act 1 August	<ul style="list-style-type: none"> Flexible payment options Financial hardship policy Debt recovery policy Debt communication 	<ul style="list-style-type: none"> Contract Council Ensure contract details are correct Payment of Council debt <ul style="list-style-type: none"> Fixed Flexible Apply for hardship arrangements
2	Rate and charges instalment notice s546 Act 30 days		
3	Notification of outstanding debt 14 days	<ul style="list-style-type: none"> Confirm debtor contact details are correct Debit review Early dispute Resolution (EDR) Financial Counsellors 	<ul style="list-style-type: none"> As above Payment of council debt, via agreement
4	Final reminder notification 14 days	<ul style="list-style-type: none"> As above Develop payment agreement Defer payment requirements, s576 Write off interest, s/ debt, s582 Refer for legal action if not paid Sale of land, s713 	<ul style="list-style-type: none"> As above
5	Statement of claim 14 days	<ul style="list-style-type: none"> Debt review File claim Process claim Report 	<ul style="list-style-type: none"> As above
6	Notice of motion default judgement 14 days		Quarterly payment by: <ul style="list-style-type: none"> 31 August 30 November 28 February 31 May
7	Recovery action Weeks, months, years		

Note: Red indicates action referred to the NSW Local Courts, whereby rates, charges and fees remain unpaid after a final reminder notification.

Appendix C

Local Government Act and regulations – excerpts

The *Local Government Act 1993* (the Act) provides the legal framework for how councils in NSW may set and levy rates and charges and recover debt from overdue rates and charges. This is supported in provisions in the *Local Government (General) Regulation 2005*. Some relevant excerpts are set out in the tables below.

Councils must take a range of other laws into account when undertaking these activities. This Guideline does not capture all other legislation, in relation to which councils should take their own advice.

Local Government Act 1993

Section 546 How is a rate or charge levied?

- (1) A rate or charge is levied on the land specified in a rates and charges notice by the service of the notice.
- (2) The notice may be served at any time after 1 July in the year for which the rate or charge is made or in a subsequent year.
- (3) A notice that is required to effect an adjustment of rates or charges may be served in the year for which the rate or charge is made or a subsequent year.
- (4) The notice may include more than one rate, more than one charge and more than one parcel of land.
- (5) It is not necessary to specify the name of the rateable person or the person liable to pay the charge in the notice if the council does not know the person's name.

Section 562 Payment of rates and annual charges

- (1) Annual rates and charges may be paid in a single instalment or by quarterly instalments.
- (2) If payment is made by quarterly instalments, each instalment is to be a quarter of the rates or charges, disregarding any remainder, together, in the case of the first instalment, with the remainder. However, if the amount of an instalment, other than the first instalment, is not a multiple of 10 cents, the amount of each instalment in excess of a multiple of 10 cents is to be subtracted from that instalment and added to the first instalment.
- (3) Except as provided by subsection (4):
 - (a) if payment is made in a single instalment, the instalment is payable by 31 August, and
 - (b) if payment is made by quarterly instalments, the instalments are payable by 31 August, 30 November, 28 February and 31 May.
- (4) If the rates and charges notice is not served by 1 August:
 - (a) the single instalment (if payment is made in a single instalment), or
 - (b) the first 2 instalments (if payment is made by quarterly instalments),
 is or are payable by 30 November, or by the day that is 30 days after service of the notice, whichever is the later.
- (5) On or before 31 October, 31 January and 30 April, a council must send reminder notices (to be sent separately from the rates and charges notice) to each person whose rates and charges are being paid by quarterly instalments.

Section 563 Discount for prompt payment in full

A council may discount the amount of a rate or charge to such extent as it determines if the whole of the discounted amount of the rate or charge is paid by a date nominated by the council

Section 564 Agreement as to periodical payment of rates and charges

- (1) A council may accept payment of rates and charges due and payable by a person in accordance with an agreement made with the person.
 - (2) The council may write off or reduce interest accrued on rates or charges if the person complies with the agreement.
-

Section 566 Accrual of interest on overdue rates and charges

- (1) Interest accrues on rates and charges that remain unpaid after they become due and payable.
 - (2) Interest accrues on a daily basis.
 - (3) The rate of interest is that set by the council but must not exceed the rate specified for the time being by the Minister by notice published in the Gazette.
 - (4) Accrued interest is, for the purpose of its recovery, taken to be a rate or charge which is due and payable.
 - (5) Interest continues to accrue on unpaid rates or charges even though judgment for payment of the rates or charges may have been obtained in a court. Interest is not payable on the judgment debt, despite any other Act.
-

Section 567 Writing off of accrued interest

The council may write off accrued interest on rates or charges payable by a person if, in its opinion:

- (a) the person was unable to pay the rates or charges when they became due and payable for reasons beyond the person's control, or
 - (b) the person is unable to pay the accrued interest for reasons beyond the person's control, or
 - (c) payment of the accrued interest would cause the person hardship.
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Section 570 Transfer of land in payment of rates or charges

A council may accept a transfer of the land in respect of which rates or charges are or accrued interest is due and payable in full satisfaction of the rates, charges or accrued interest.

Section 577 Extension of concession to avoid hardship

(1) If a council considers it proper to do so to avoid hardship, the council may, by order, direct that:

(a) a person specified in the order:

(i) who occupies a dwelling as his or her sole or principal place of living, which dwelling is the sole or principal place of living of an eligible pensioner, and

(ii) who is jointly liable with that eligible pensioner or with that eligible pensioner and one or more other persons in respect of the land on which that dwelling is situated, and

(iii) in respect of whom a reduction of rates or charges would not, if that person were solely liable in respect of that land, be required to be made under this Division, or

(b) any person belonging to a class of persons specified in the order, being persons referred to in paragraph (a),

is, on and from the effective date of the order, taken, for the purposes of this Division, to be or to have been an eligible pensioner.

(2) If a council considers it proper to do so to avoid hardship, the council may, by order, direct that:

(a) an eligible pensioner specified in the order who, although not liable, or although liable jointly with one or more other persons, to do so, has, for such period as, in the opinion of the council, warrants the making of an order under this section in respect of that person, paid the whole of the rates or charges for the land on which that dwelling is situated or is, in the opinion of the council, likely to pay the whole of the rates or charges in circumstances that in the opinion of the council warrant the making of an order under this subsection, or

(b) any person belonging to a class of persons specified in the order being persons referred to in paragraph (a),

is, on and from the effective date of the order, taken, for the purposes of this Division, to be or to have been the person solely liable in respect of the land on which the dwelling is situated.

(3) An order under this section has effect according to its tenor.

Section 578 When does an order under sec 577 take effect?

(1) An order under section 577 takes effect (or is taken to take effect) on such date as is specified in the order (the effective date), being a date in the year commencing on 1 July during which the order is made, whether or not that date is before or after the date on which the order is made.

(2) If a council makes an order under section 577 that is taken to take effect on a date that is before the date of the making of the order, the council may, in that order or in a subsequent order, give such directions as to refunding any rates or charges that have been paid and the charging of interest on overdue rates or charges and as to such other matters as the council thinks fit.

(3) An order under subsection (2) has effect according to its tenor.

Section 579 When and how is an application made for the purposes of this Division?

- (1) An application under this Division is to be made within the time and in the manner prescribed by the regulations.
- (2) If no such regulations are in force, the application is to be made within the time and in the manner fixed by resolution of the council and, if an application is made for an order referred to in section 577, as the council may require.
- (3) If, pursuant to an application made under this Division, a reduced rate or charge applies, the council may, if the eligibility of the applicant for a reduction in a subsequent rate or charge is verified by the council as prescribed by the regulations, reduce the subsequent rate or charge without requiring a further application under this Division.

Section 580 Variation by regulation of amounts of reductions

The amount by which a rate or charge is to be reduced in accordance with this Division may be varied from time to time by the regulations.

Section 582 Abandonment of pensioners rates and charges

A council may waive or reduce rates, charges and interest due by any person prescribed by the regulations who is in receipt of a pension, benefit or allowance under the Social Security Act 1991 of the Commonwealth.

Section 583 Writing off of pensioners rates and charges

- (1) A council is to write off amounts of rates, charges and interest which are reduced or waived under this Division.
- (2) A council may not take proceedings to recover an amount so written off unless the amount has been written off because of a wilfully false statement in an application under this Division or except as provided by section 584.

Section 585 Who may apply for postponement of rates?

The rateable person for land described in any of the following paragraphs may apply to the council for a postponement of rates payable for the land in the current or following rating year (or in both years):

- (a) a parcel of land on which there is a single dwelling-house used or occupied as such and which is zoned or otherwise designated for use under an environmental planning instrument for the purposes of industry, commerce or the erection of residential flat buildings, not being land referred to in paragraph (b) or (c),
- (b) a parcel of land (which may comprise one or more lots or portions in a current plan) on which there is a single dwelling-house used or occupied as such and which is zoned or otherwise designated under an environmental planning instrument so as to permit its subdivision for residential purposes, not being land referred to in paragraph (c),
- (c) a parcel of rural land (which may comprise one or more lots or portions in a current plan) which is zoned or otherwise designated under an environmental planning instrument so as to permit its use otherwise than as rural land, or its subdivision into two or more lots or portions, one or more of which has an area of less than 40 hectares.

Section 595 Rates to be written off after 5 years

- (1) If 5 years have elapsed since the commencement of a rating year for which part of the rates levied on land have been postponed under this Division, the part postponed and any interest accrued on that part must be written off by the council.
 - (2) Nothing in this section affects the right of the council to recover rates and interest, even though they have been written off under this section, if it subsequently appears to the council that they should not have been written off.
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Section 601 Hardship resulting from certain valuation changes

- (1) A ratepayer who, as a consequence of the making and levying of a rate on a valuation having a later base date than any valuation previously used by a council for the making and levying of a rate, suffers substantial hardship, may apply to the council for relief under this section.
- (2) The council has a discretion to waive, reduce or defer the payment of the whole or any part of the increase in the amount of the rate payable by the ratepayer in such circumstances, for such period and subject to such conditions as it thinks fit.
- (3) An applicant who is dissatisfied with a council's decision under this section may request the council to review its decision and the council, at its discretion, may do so.

Section 710 Service of notices on persons

- (1) A notice required by or under this Act to be served on a person may be served as provided by this section.
 - (2) The service may be:
 - (a) personal, or
 - (b) by delivering the notice at or on the premises at which the person to be served lives or carries on business, and leaving it with any person apparently above the age of 14 years resident or employed at the premises, or
 - (c) by posting the notice by prepaid letter addressed to the last known place of residence or business or post office box of the person to be served, or
 - (d) by transmitting the notice by facsimile transmission to a number specified by the person (on correspondence or otherwise) as a number to which facsimile transmissions to that person may be sent, or
 - (d1) by transmitting the notice by electronic mail to an email address specified by the person (on correspondence or otherwise) as an address to which electronic mail to that person may be transmitted, or
 - (e) by fixing the notice on any conspicuous part of the land, building or premises owned or occupied by the person, or
 - (f) in the case of an offence involving a vehicle, by attaching the notice to the vehicle, or
 - (g) if the person to be served maintains a box at a document exchange established in New South Wales, by depositing the notice in that box or leaving it at another such exchange for transmission to the first mentioned exchange for deposit in that box.
 - (2A) Subsection (2) (d1) does not authorise a notice to be transmitted to a person by electronic mail unless the person has requested the council, in writing, that notices of that kind be transmitted to the person by electronic mail, and has not subsequently withdrawn the request.
 - (2B) A person's request under subsection (2A) is taken to have been withdrawn in relation to a particular kind of notice only if the person has informed the council, in writing, that notices of that kind are no longer to be transmitted to the person by electronic mail.
 - (2C) While a person's request under subsection (2A) has effect in relation to a particular kind of notice, the address to which notices of that kind are to be transmitted is:
 - (a) the email address indicated in the request, or
 - (b) if the person subsequently directs the council, in writing, to transmit notices of that kind to a different email address, that different address.
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- (3) If a notice is deposited in a box, or left at a document exchange, service of the notice is, until the contrary is proved, taken to be effected 2 days after the day on which the notice is so deposited or left.
- (4) In addition to the means of service prescribed by subsection (2):
- (a) in any case where the person to be served is, or after inquiry appears to be, absent from New South Wales, the service may be on the agent of that person by any of the means prescribed by subsection (2) (a), (b), (c) or (d), and
- (b) in any case where the land, building or premises are unoccupied and the owner or the owner's address or place of residence is not known to the council, service by the council may be by advertisement in the approved form published in:
- (i) a newspaper circulating in the area or part of the area in which the land, building or premises are situated that is published in print form at intervals not exceeding 26 days, or
- (ii) a manner determined by the council having regard to the object of bringing notices to the attention of owners in cases of that kind, and
- (c) in the case of the service of a rates and charges notice, the service may be effected by delivering the notice to the premises at which the person to be served lives or carries on business and depositing it in a box or receptacle at, on or in the proximity of those premises that is provided, used or designed for the reception of letters addressed to that person.
- (5) The notice may be addressed by the description of "rateable person" or "owner" or "occupier" of the land, building or premises (naming or otherwise sufficiently indicating the same) in respect of which the notice is served, and without further name or description.
- (6) The notice may be wholly printed, wholly written or partly printed and partly written.
- (7) If a notice has been served by any of the means prescribed by this section, all inquiries required under this section are taken to have been made, and the service is conclusive evidence of them.
- (8) Proof by affidavit or orally that a notice has been posted, or its transmission by electronic mail has been initiated, in accordance with this section is conclusive evidence of service.
- (9) For the purposes of this section, a justice of the peace is authorised to take and receive an affidavit, whether any matter to which the affidavit relates is or is not pending in any court.
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Section 713 Sale of land for unpaid rates and charges

- (1) For the purposes of this Division, a rate or charge is overdue if:
- (a) in the case of vacant land, it has remained unpaid for more than one year, or
 - (b) in the case of any other land, it has remained unpaid for more than 5 years, from the date on which it became payable.
- (2) A council may, in accordance with this Division:
- (a) sell any land (including vacant land) on which any rate or charge has remained unpaid for more than 5 years from the date on which it became payable, and
 - (b) sell any vacant land on which any rate or charge has remained unpaid for more than one year but not more than 5 years from the date on which it became payable, but only if:
 - (i) the council obtains a valuation of the land from the Valuer-General, and
 - (ii) the total amount of unpaid rates or charges on the land exceeds the valuation, and
 - (iii) the council sells the land within 6 months after the date when the council received the valuation.
- (3) The council must not sell any such land unless the general manager or the public officer certifies in writing:
- (a) what rates and charges (including overdue rates and charges) are payable on the land, and
 - (b) when each of those rates and charges was made and how it was levied, and
 - (c) when each of those rates and charges became payable, and
 - (d) what amounts are payable by way of overdue rates and charges on the land, and
 - (e) what amounts are payable by way of rates and charges (other than overdue rates and charges) on the land.
- (4) The council may, in the case of adjoining parcels of land (whether in the same or different ownerships) each of which may be sold under this Division:
- (a) sell them separately or as a single parcel and under whatever conditions of sale it considers proper, and
 - (b) do such things as it considers appropriate for the purpose of selling the land at its full value.
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Local Government (General) Regulation 2005

cl.127 Rates and charges notices

- (1) A rates and charges notice must contain the following information:
- (a) the land to which it relates,
 - (b) the land value of the land to which it relates and the base date of the general valuation from which the land value is derived,
 - (c) particulars of each rate or charge levied on the land by the notice,
 - (d) if the rate consists of a base amount to which an ad valorem amount is added, particulars of the base amount,
 - (e) the date the notice is taken to have effect,
 - (f) particulars of any outstanding arrears of rates and charges levied on the land and of any interest payable on those amounts,
 - (g) the total amount due and the dates for payment of the rates or charges concerned,
 - (h) the amounts payable for, and the due dates for payment of, instalments of rates or charges,
 - (i) particulars of any waiver of an amount of special rate in consideration of payment of a lump sum,
 - (j) a statement that concessions are available to eligible pensioners for any quarter in which they are eligible pensioners,
 - (k) particulars of any concession extended in respect of payment of the rates,
 - (l) particulars of any discount for prompt payment in full of a rate or charge,
 - (m) particulars of any postponement of rates or postponed rates,
 - (n) particulars of any option to pay a lump sum towards the capital cost of any works, services or facilities instead of a special rate in the notice,
 - (o) a statement that if payment is not made on or before the due date or dates interest accrues on the overdue amount,
 - (p) a statement as to how to make inquiries about the notice,
 - (q) the text, or a summary, of the following provisions of the Act (if applicable):
 - (i) section 524 (Notice of change of category),
 - (ii) section 525 (Application for change of category),
 - (iii) section 526 (Appeal against declaration of category),
 - (iv) section 555 (What land is exempt from all rates?),
 - (v) section 556 (What land is exempt from all rates, other than water supply special rates and sewerage special rates?),
 - (vi) section 557 (What land is exempt from water supply special rates and sewerage special rates?),
 - (vii) section 562 (Payment of rates and annual charges),
 - (viii) section 563 (Discount for prompt payment in full),
 - (ix) section 564 (Agreement as to periodical payment of rates and charges),
 - (x) section 566 (Accrual of interest on overdue rates and charges) (xi) section 567 (Writing off of accrued interest), (xii) section 574 (Appeal on question of whether land is rateable or subject to a charge),

Appendix D

Best practice procedures for contacting ratepayers

Councils should contact ratepayers if they have not paid their rates after a reminder notice is issued, and potentially in other circumstances in which rates and charges are owed.

Council officers can contact local residents and ratepayers without breaching their obligation to protect their privacy.

The following is an overview of some issues and practical considerations when contacting ratepayers about outstanding debt. If there is any doubt, councils should seek and be guided by their own legal advice.

When can a ratepayer be contacted?

1. When you have a reasonable purpose for contacting a ratepayer

You must only contact a ratepayer for a *reasonable purpose* and only to the extent necessary. It may be necessary and reasonable if your purpose is to:

- make a demand for payment
- offer to work with the ratepayer to reach a flexible repayment arrangement
- accurately explain the consequences of non-payment, including any legal remedies available to the collector/creditor, and any service restrictions that may apply in the case of utilities
- make arrangements for repayment of a debt
- put a settlement proposal or alternative payment arrangement to the ratepayer
- review existing arrangements after an agreed period
- ascertain why earlier attempts to contact the ratepayer have not been responded to within a reasonable period, if this is the case
- ascertain why an agreed repayment arrangement has not been complied with, if this is the case

- investigate whether the ratepayer has changed their residential location without informing you, when there are grounds for believing this has occurred, or
- other similar purposes.

You may also contact a person at their request.

Whether or not a purpose is reasonable may depend on the personal circumstances of each ratepayer – e.g., if you know a person cannot make repayments (for example, because they are in jail) then continuing to contact them to demand payment is not reasonable or appropriate unless you know, or have good reason to think it is likely, that the ratepayer's financial situation has improved.

There may be circumstances where contact is made for a reasonable purpose, or contact is made initially for a reasonable purpose, and yet other relevant considerations mean the contact becomes unreasonable or unacceptable. Relevant considerations may include the ratepayer's mental illness or intellectual disability, or the ratepayer's incarceration.

If you make contact with a ratepayer in order to convey a demand for payment it may be contact for a reasonable purpose. However, if the ratepayer disputes liability and requests proof of a debt, and you continue to pursue that person without properly investigating the claims, then this will not be contact for a reasonable purpose.

2. It is necessary and reasonable to contact the ratepayer (again)

It is not acceptable to harass a ratepayer. Make a written record of all contact with ratepayers and check these records before contacting a ratepayer. For this purpose *contact* is interpreted widely and includes:

- telephone calls and text messages – whether or not the person receives the call if you leave a message;
- all written correspondence – for example, this includes letters, emails, text messages, faxes, social media, instant chats and other private messages; and
- face to face contact – including contact at their work, home or elsewhere.

Importantly, if you phone a ratepayer and leave a message on their voice mail, and you also send the ratepayer an email, and a text message, then you will have made three separate contacts with that person.

Once you have made contact, leave a reasonable interval before next contacting the ratepayer. Give the ratepayer time to respond to your previous communications, and/or to organise payments if this has been agreed.

If you have spoken to the ratepayer and it is understood that the ratepayer requires a few days to speak to third parties or consider options, then contacting the ratepayer on the following day may be considered unreasonable, even though it is within the recommended limits.

3. It is a reasonable time to contact the ratepayer, given their circumstances and reasonable wishes

The following table sets out general guidance on what may be a reasonable time to contact a ratepayer.

Type of contact	Day	Reasonable contact times
Contact by telephone	Monday to Friday	7:30am – 9pm
	Weekends	9am – 9pm
	National public holidays	No contact recommended
Face to face contact	Monday to Friday	9am – 9pm
	Weekends	9am – 9pm
	National public holidays	No contact recommended
All contact at the ratepayer's workplace	Ratepayer's normal working hours if known, or 9 am to 5 pm on weekdays	

There may be reasons why contact during the above times is unreasonable, or contact outside these times is reasonable. For example, a ratepayer may ask that contact be made at other or more restricted times for various reasons, such as, because he or she is a shift worker, is responsible for children, or caring for a family member. He or she may also not wish to be contacted when other family members are present. In these and other such cases, the reasonable wishes of the ratepayers should be respected, and contact limited to the times requested.

However, you may alter the time of contact if, after reasonable efforts over a reasonable period of time to contact the ratepayer during normal hours or at the times requested, you have not been able to do so.

Generally, you should not contact a ratepayer more than three times per week, or 10 times per month at most (when contact is actually made, as distinct from attempted contact) and only when it is necessary to do so. This does not apply to face-to-face contact – you should not make more than one face-to-face contact with a ratepayer per month.

Think carefully about where to contact a ratepayer. In general, face to face visits should be an option of last resort after less intrusive means have failed. Particular care should be taken in visiting a person's home or workplace.

Ensure the person is the correct ratepayer before discussing their debt

Before discussing the reason for making contact or any other confidential information, make sure you are speaking to the correct ratepayer. It is important that you do not reveal directly or indirectly that the ratepayer has a debt to another person. Particular care should be taken when calling a ratepayer's workplace.

If the ratepayer has requested contact by a particular means (such as email) or specifically asked not to be contacted a certain way, adopt that preference and avoid contacting them by other channels as far as possible.

Rate payers have the right to have an authorised representative (such as a financial counsellor, financial advisor, community worker, solicitor, guardian or carer) represent them or advocate on their behalf. Where possible, it is helpful if this advice is provided formally to council, such as in writing, to ensure council does not inadvertently discuss private information with unauthorised individuals.

If you know, or should know, a ratepayer has chosen to have another person represent them, you should not contact the ratepayer directly unless:

- the ratepayer specifically requests direct communication with you
 - the representative does not consent to represent the ratepayer or tells you he or she does not have instructions from the ratepayer about their debt
 - the representative does not respond to your communications within a reasonable time (normally seven days) and you advise the representative in writing after the reasonable time has passed that if they do not respond within the next seven days, you will make direct contact with the ratepayer; and
 - you advised the ratepayer you require a written authority which states that you are only to communicate through his or her representative, and you do not receive this in a reasonable time (normally seven days).
- Note: that this does not apply where the ratepayer's representative is a solicitor.*

Further exceptions may apply where the representative is not a qualified legal practitioner, qualified accountant or a financial counsellor.

Provide the ratepayer with current information about their debt

Make sure the ratepayer is told what they owe, when it was due, any payments they have made and what the payment was for. He or she may then request further information or documents.

It is also important to make sure that the ratepayer has contact details for the person or team managing their debt for council, such as contact phone number, postal address and email address, and that this information is included in all written correspondence to them.

Conduct towards ratepayer must be respectful and appropriate at all times

A ratepayer approached about an outstanding debt is entitled to respect and courtesy at all times by a council, debt collector or any of their agents or representative.

Inappropriate conduct, as outlined below, is likely to breach the law and the council's Code of Conduct. Ratepayers should never be subjected to

- **abusive, offensive, obscene, discriminatory language or disrespectful or demeaning remarks** – about character, situation in life, financial position, physical appearance, intelligence or other characteristics or circumstances
- **embarrassment or humiliation** – for example, by sending open correspondence to the ratepayer via a shared post-box, posting messages in a public online forum, making employers or co-workers aware that the ratepayer is being pursued for a debt, or creating an impression that the ratepayer is under surveillance
- **aggressive, threatening or intimidating behaviour** – for example, by shouting at or continually interrupting the ratepayer, or by refusing to listen to what they say
- use, or threat of violence or physical force, or

- **misleading information** – about the nature or extent of a debt, consequences of non-payment, identity (for example, falsely stating you work for a solicitor, court or government agency), or action not legally permitted to take (for example, to seize goods).

Strategies for dealing with inappropriate behaviour by a ratepayer

Inappropriate behaviour by a ratepayer does not justify unprofessional conduct by the collector and council staff and agents should deal with this using strategies such as:

- ensuring appropriate training of staff
- attempting to defuse inappropriate behaviour and refocus discussion on the outstanding debt and arrangements for its repayment
- escalating the matter to a senior staff member who has authority and training to manage such situations
- attempts to propose a viable and achievable repayment arrangement, and
- in the event of violence or other extreme conduct, cease contact immediately and refer the matter to the police.

Ensuring contact details are up to date

Currency of contact details is a huge issue for collecting rates and charges. Many councils feel that there is little advantage in sending additional correspondence or notices requesting payment when the address is not current.

Council policies and procedures may specify what the council will do to keep contact details current. When rates and charges notices are returned to the council, some councils proactively check other business areas of the council for more recent contact details, send information to both postal and physical addresses (where known), use internet searches and databases to ascertain more recent contact details, contact real estate agencies, keep a return mail register and undertake other searches.

Keep accurate, up to date records and protect the ratepayer's privacy

You should ensure you maintain accurate, complete and up-to-date records of all communication with ratepayers, including the time, date and nature of calls, records of any face to face contact, all correspondence sent and all payments made.

Councils and other organisations acting on their behalf should always treat a ratepayer's personal information with respect and ensure that they meet the requirements of the *Privacy and Personal Information Protection Act 1998* (the PPIPA) and their Privacy Management Plan prepared under the Act. Personal information means information or an opinion, whether it is true or not, about an individual that can reasonably allow the individual to be identified.

Particular care should be taken in collecting information about the ratepayer and their financial circumstances as well as disclosing that information, whether directly or inadvertently, to other people. For example, telling a ratepayer's neighbour the reason for trying to find the ratepayer would inappropriately disclose personal information about the ratepayer, as would leaving messages with inappropriate detail that may be seen or accessed by other people.

Councils use *Privacy Notification/Consent Forms* to enable the collection and use of personal information from ratepayers. The information collected cannot be used or disclosed for a purpose other than that for which it was collected, unless the ratepayer has consented or another exception applies.

Councils may consider reviewing their Privacy Notification/Consent Forms to request consent from residents and ratepayers for their personal information to be shared between internal business units of the council for purposes specified in the consent form, including for general administrative purposes including the collection rates and charges.

Appendix E

Hardship checklist for local government staff

No	Proposed action by a council	Progress
1	Has the council undertaken a risk assessment of likely defaulting ratepayers to proactively manage financial hardship?	
2	Has the council publically advertised or contacted applicable ratepayer(s) to identify payment options of rates?	
3	Has the council identified if interpretative services are required for the ratepayer?	
4	Has the council referred the rate payer to a financial Counsellor?	
5	Has the council entered into mediation or Informal Dispute Resolution (IDR)?	
6	Has the council deferred payment of additional charges while the hardship application is being assessed?	
7	Has the council developed a payment schedule?	
8	Has the council exhausted all possible options to managed hardship and recover debt prior to referring to the local courts?	
9	Has council reviewed the progress of payment against the signed payment plan?	
10	Are there other options to recover the debt?	

Appendix F

Hardship assistance application checklist for ratepayers

No	Proposed action by ratepayer	Y / N
1	Have you read your council's debt management and/or hardship policies?	
2	Have you compiled the required information noted in the application form?	
3	Have you contacted the nominated council officer to discuss options for the payment of rates or charges?	
4	Have you contacted a financial advisor?	
5	Have you identified an acceptable payment plan?	
6	Have you discussed your options with your local council?	

Further information

Relevant agencies

NSW Office of Local Government

Physical Address	5 O'Keefe Avenue NOWRA NSW 2541
Telephone	02 4428 4100
Fax	02 4428 4199
TTY	02 4428 4209
Email	olg@olg.nsw.gov.au
Postal Address	Locked Bag 3015, NOWRA NSW 2541.
Website	www.justice.nsw.gov.au

NSW Department of Justice

Physical Address	Parramatta Justice Precinct, 160 Marsden Street
Telephone	02 8688 7777
Fax	02 8688 7980
Postal Address	Locked Bag 5111, Parramatta NSW 2124.
Website	www.justice.nsw.gov.au

NSW Online Registry

Telephone	1300 679 272 (Call Monday – Friday 8:30am – 4.30pm)
Website	www.onlineregistry.lawlink.nsw.gov.au

Energy and Water Ombudsman

Physical Address	Level 11, 133 Castlereagh Street, Sydney (please make an appointment)
Telephone	1800 246 545
Postal Address	Reply Paid 86550, Sydney South NSW 1234.
Website	www.ewon.com.au

Further guidance

Commonwealth of Australia (2007), *A guide for business: Debt Collection Guideline for collectors and creditors*, Australian Competition and Consumer Commission and Australian Securities and Investment Commission.

Revenue NSW, *Debt Recovery Guidelines – Responsible collection of State debts: Guidelines for Revenue NSW to collect State debt*





2019

LOCAL GOVERNMENT ROADS AND TRANSPORT AGENDA



AUSTRALIAN
LOCAL GOVERNMENT
ASSOCIATION

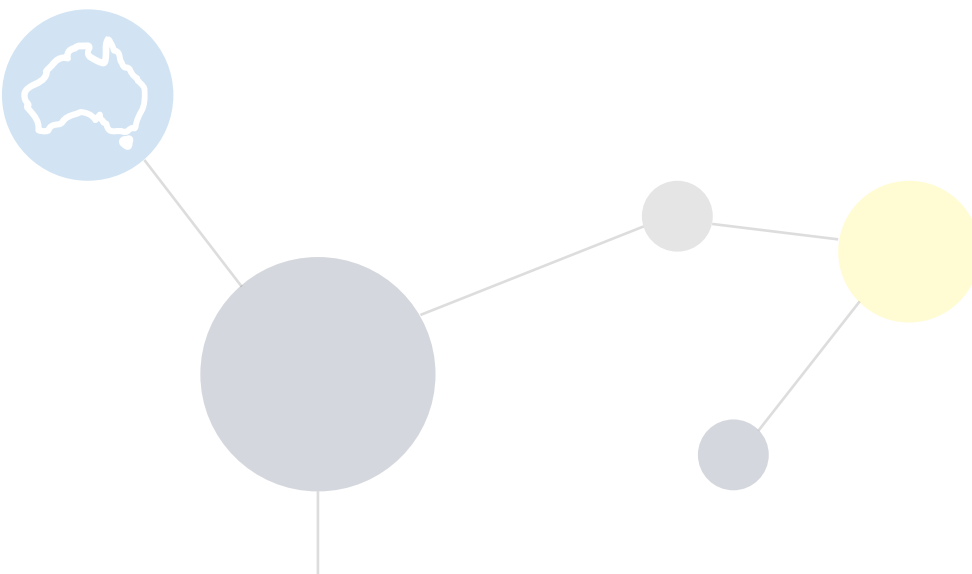
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IV

PRESIDENT'S FOREWORD



Australia's ability to move people and freight safely and efficiently is critical to national productivity and wellbeing – and all levels of government play a role.

The Australian Government is responsible for regulating most safety standards and allocating infrastructure resources across the national highway and some local road networks. State and territory governments are responsible for funding, planning, designing and operating the major arterial road network and public transport; vehicle registration and driver licensing systems; and regulating and enforcing road user behavior – all of which they manage through a single consolidated agency in each state or territory.

In contrast, Australia's 537 local governments have responsibilities for funding, planning, designing, operating and maintaining the road networks in their local areas which are critical for getting people and products from door to door. Of the three levels of government, local government has the largest relative infrastructure task in terms of asset management. Local roads account for around 75% of the total road length in Australia, or 662,000 kms.

Yet local government has the smallest revenue base of all the tiers of government, raising only 3.6% of Australia's total taxation revenues. Only 3.6% of the tax to manage 75% of the road task.

And our tax is a general tax. Unlike other governments we have no direct mechanism to raise funds of any significance through fuel sales, road use, registration charges or any road-or transport-related fees or charges.

Across Australia, local governments have insufficient revenue capacity to maintain their road networks to the original design standard

let alone upgrade them to modern lane widths, safety standards or load-bearing capacities. On top of this, they are faced with funding improvements for higher productivity freight vehicles, higher traffic volumes, congestion etc. Rate payers are often expected to fund transport networks for non-ratepayers.

Be in no doubt, local government is committed to playing its role and meeting its responsibilities to ensure the efficient and safe movement of people and freight. We have a long history in transport infrastructure and a proven record of reform and adoption of technical innovation. However, despite its best efforts and commitment, local government does not have the required resources to deliver its part of the national transport system in the decade ahead.

Local government acknowledges and appreciates the Australian Government funding through Roads to Recovery, the Black Spot Program, and the Bridge Renewal Program. However, without this and further assistance, local government will not be able to deliver on its responsibilities under the COAG reform agenda or provide the transport services that the Australian community expects and deserves. Additional assistance will be essential to ensure that local government transport systems can deliver the goods – now and into the future.

Mayor David O'Loughlin
ALGA President

537
councils look after



total road length
in Australia



of Australia's total
taxation revenue



Local roads add
up to around
**662,000 KMS
IN LENGTH**



Enough to circle
the Earth



**16.5
TIMES**

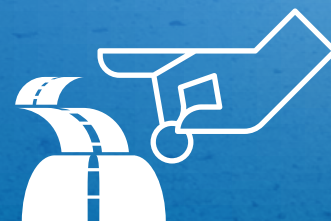
ASSETS

	Roads	41%
	Buildings	17%
	Parks	4%
	Stormwater	19%
	Waste Water	19%
	Airports	0.8%



Additional **FUNDING ASSISTANCE** is essential to ensure local government can deliver

**SAFE, FIT-FOR-PURPOSE ROAD
NETWORKS NOW AND
INTO THE FUTURE**



01

PURPOSE OF THIS DOCUMENT



PURPOSE OF THIS DOCUMENT

Transport is critically important to the social, cultural and economic success of every Australian community. Local government has a highly developed understanding of the transport needs of communities—the need for access to quality road networks and increased access to motor vehicle alternatives both in urban and regional Australia.

Local government is also aware of the enormity of the challenge that it faces in meeting the needs of the community for safe, efficient and reliable transport services.

This is a document for local government and can be used in advocacy with communities and other levels of government. It is a guide and complements existing federal and state/territory government transport planning guides as well as relevant council local transport plans, but does not replace them.

It highlights some of the challenges facing local governments in the transport area and also outlines opportunities provided by these challenges. It will be updated periodically to reflect trends and opportunities.



02

THE ROLE OF LOCAL GOVERNMENT IN TRANSPORT



THE ROLE OF LOCAL GOVERNMENT IN TRANSPORT

Local government is a key player in contributing to Australia's economic productivity and social and environmental outcomes through its transport agenda.

Local governments plan, develop and maintain critical transport infrastructure for their communities and the wider population more generally. This is done in association with the broader roles and responsibilities of councils, for example in determining future growth scenarios and land use planning, developing economic and social strategies and delivering community services. Transport is just one of a wider suite of activities that councils undertake with their communities to create liveable and economically-viable communities.

Local governments also work closely with federal and state/territory governments to manage the local links to existing and future national, state/territory and regional transport networks such as national highways, railways, major freight corridors, intermodal terminals, airports and ports.

The range of transport infrastructure planned and managed by councils varies depending on state/territory legislation and location. Below are some examples of transport networks and infrastructure developed and managed by councils:

- **Roads and bridges:** Local roads managed by local government account for 75 per cent of the total road length in Australia, or 662,000 kms. Many local governments support car sharing services and are increasingly providing electric vehicle charging stations. Public carparks and on-street parking are managed by local government.
- **Public transport:** Some councils provide and manage public transport infrastructure and services. Brisbane City Council operates one of the largest bus fleets in Australia, as well as CityCats and the CityFerry network while the City of Gold Coast funded a new 13-kilometre light rail project comprising 16 stops from Broadbeach to Gold Coast University Hospital, in conjunction with state and federal governments.
- **Pedestrians and cycling:** Local government is responsible for the provision of local pedestrian and cycling networks that support connectivity and active living options for local communities.
- **Freight routes and hubs:** One third or 213.9 billion tonne-kilometers of Australia's domestic freight was moved by road in 2015–16. The majority of freight tasks start and finish on a local government-controlled road. In total there were 251.2 billion vehicle kilometers travelled in 2015–16 of which 142.1 occurred in capital cities. Much of this travel would have occurred on local government-controlled roads which are integral to state and national road networks and provide essential linkages for the freight industry, commuters and other users.
- **Airports:** In excess of 200 regional airports and aerodromes are owned by local governments.

03

LOCAL GOVERNMENT'S TRANSPORT VISION



LOCAL GOVERNMENT'S TRANSPORT VISION

Our vision is to develop an integrated and safe transport system that enhances the social, environmental and economic wellbeing of local communities, regions and the nation.

This will be achieved by:

- a partnership approach with the state/territory and federal governments and transport users
- ensuring that local government has the financial and technical capability to effectively manage its transport infrastructure, which includes over 75 per cent of Australia's roads and the vast majority of regional airports and aerodromes
- better integrating transport and land use planning, include encouraging a mode shift away from private vehicles to public and active transport
- enhancing accessibility for all Australians in urban, rural, regional and remote locations
- improving road safety, and
- balancing the movement and place functions of roads to support safe, efficient and reliable journeys for people and freight while enhancing the liveability and amenity of places.

04

LOCAL GOVERNMENT'S POSITION



LOCAL GOVERNMENT'S POSITION

4.1 COLLABORATION

In planning for land use and transport integration, the Federal Government, state/territory governments and local government should adopt a collaborative multi-modal approach which minimises the impact on the environment and energy consumption, supports accessibility and encourages the use of alternative modes of transport.

Local government is committed to collaborating with federal, state and territory government agencies to implement a range of transport initiatives and policy reforms, such as reducing road trauma. This effort needs to be undertaken on a partnership basis between the three levels of government. National leadership is required to reduce the significant human and economic costs of road trauma with all three levels of government playing an active part in providing a safe transport system.

“Local government is committed to collaborating with federal, state and territory government agencies to implement a range of transport initiatives and policy reforms, such as reducing road trauma.”

The establishment of a Ministerial Council including local government that would address settlement and infrastructure priorities and align infrastructure delivery with population growth and productivity drivers should be established. This integrated land use and transport planning approach would work to better manage congestion of the road networks in the urban areas and expanding regional cities. In addition, it would ensure that land use planning considers freight and logistic networks to reduce potential land use conflicts or decline in productivity.

Local government must continue to be engaged as a legitimate partner in the Heavy Vehicle Road Reform being pursued at the national level, especially with reference to the development and negotiation of the proposed funding agreements including community service obligations, the forward-looking cost base, independent pricing regulator matters, the review of the Heavy Vehicle National Law, the review of improved access for oversize over mass vehicles and related matters.



“The Bridges Renewal program should be made permanent and annually indexed in light of the need to support greater heavy vehicle access to the local government-controlled road networks and increases in road and bridge construction costs.

4.2 FUNDING

Local government has a right and responsibility to control, develop and maintain roads, and is entitled to an equitable share of federal and state road funds for this purpose.

The funding allocation for the Roads to Recovery program, which has become permanent, should be increased to \$800 per annum (2018–19) with annual indexing of funding to reflect increases in road and bridge construction costs.

Funding contributions from state/territory and federal governments should be substantially increased for local road networks where:

- local roads provide for significant arterial and through traffic, or have economic significance beyond the access interests and responsibility of ratepayers, and
- the relationship between a council's potential rate base and its road responsibility is so unbalanced that the council is unable to meet its obligations.

The Bridges Renewal program should be made permanent and annually indexed in light of the need to support greater heavy vehicle access to the local government-controlled road networks and increases in road and bridge construction costs.

A Local Government Higher Productivity Investment Plan starting at \$200 million per annum over five years should be established to realise the productive potential of Australia's freight routes.

Local governments are responsible for managing around 75 per cent of the road network in Australia where 52 per cent of all casualty crashes and 40 per cent of all road deaths occur. However, there are considerable capacity and resource issues that hinder local governments ability to pursue the desired transformative approach to road safety. To address this a Safer Local Roads Fund for local governments should be established that targets high risk sections of roads identified by risk mapping of crashes per kilometer of road traveled.

“Local governments are responsible for managing around 75 per cent of the road network in Australia where 52 per cent of all casualty crashes and 40 per cent of all road deaths occur.

A Smart Communities Program of \$100 million per annum and a Digital Local Government and Rural/Regional Telecommunications Program of \$100 over four years should be established to support communities to adopted advance transport technologies such as autonomous vehicles.

There is also a need to ensure an equitable distribution of federal local roads funding between states and territories by adjusting the Identified Roads Component of Financial Assistance Grants to make the additional \$20 million per annum (indexed) funding to South Australia permanent. South Australian councils are responsible for the development and maintenance of 11 per cent (75,000 kilometers) of the nation's local road network, have more than 7 per cent of the nation's population, and yet receive only 5.5 per cent of the Identified Local Roads Component of the Federal Government's Financial Assistance Grants.

4.3 CAPACITY AND CAPABILITY BUILDING

Local governments are required to provide consent for heavy vehicles accessing local roads. This involves making decisions on the capacity of roads and other key assets such as bridges to withstand the impact and wear caused by heavy vehicles. These decisions take into consideration engineering condition, asset management plans and financial management plans.

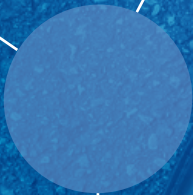
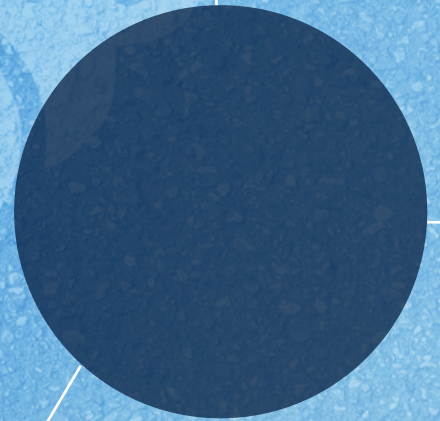
Where local governments have limited, inadequate or no current data on the engineering condition of road and transport assets, formal assessments may be required. However, local governments do not have the resources to undertake these assessments in a timely manner, particularly on identified priority freight routes. Often, they possess insufficient capacity and capability to assess the impact of various mass and dimension scenarios or bridges and road design matters such as turning paths to accommodate longer vehicles.

To address this issue, a nationally-coordinated multi-channel education campaign supplemented by accessible tools is required. Funds for such a program would need to be sourced from the Commonwealth and state and territory governments and potentially industry groups. The initial funding contribution would be of a quantum large enough to rapidly address the magnitude of improvement required. The quantum could then be decreased to a level that would allow for an ongoing education program for new staff to address the issue of loss of corporate knowledge.

“ **These decisions take into consideration engineering condition, asset management plans and financial management plans.** ”

05

TRANSPORT CHALLENGES



TRANSPORT CHALLENGES

Technological advance, new transport infrastructure, a quest for greater productivity, and continual population growth in major cities have created a dynamic environment for traffic engineers and transport planners. They must cater for the evolving demands of transport users while exploring and understanding emerging technologies.

There are a number of issues facing local governments to manage and develop the transport agenda in their communities. These issues will vary across communities depending on their location and the local economic and social context and the response will depend resources and expertise. Some of the challenges¹ will be due to:

5.1 DEMOGRAPHIC CHANGES

Some communities, especially in the major cities, are under increasing growth pressures and have to deal with issues such as traffic congestion, restrictions on local parking, constrained accessibility and high volumes of through traffic. In predominantly rural and regional areas, population growth may have slowed or declined so the transport focus might be on freight, high cost of airline travel or addressing limited public transport. However, all communities are likely to be impacted by the ageing of the population, which means a decreasing proportion of working age people able to help fund the necessary transport infrastructure.

Other demographic and social challenges include understanding the link between access and mobility and communities' health outcomes, widening social inequality and providing equitable transport access to employment, services and education opportunities.

5.2 TECHNOLOGICAL TRANSFORMATION AND MARKET DISRUPTION

Technological change is disrupting markets and affecting how transport infrastructure is managed in local communities including how goods and services are provided. For example, smart parking technology, electric cars and online shopping are providing opportunities but also challenges in the nature of transport in our communities. In the future, the move to autonomous vehicles will also have substantial implications for infrastructure.

“ In the future, the move to autonomous vehicles will also have substantial implications for infrastructure. ”

5.3 INCREASING FREIGHT TASK

The expected growth in freight movement will impact on freight corridors and hubs including the first and last mile. Total road freight carried grew 50 per cent in the 10 years to 2016 and in capital cities is forecast to rise 67 per cent by 2030. Growth in freight will impact on major cities and also regional freight hubs and local roads.

¹ These challenges have been adapted from Infrastructure Australia 2018 P4.

5.4 IMPACTS OF CLIMATE CHANGE

Changing climatic weather patterns will require built infrastructure to be more resilient and cognisant of potential impacts such as increased heat or flooding as well as minimising greenhouse gas emissions. Existing infrastructure may also require upgrading or modification to bring it up to required standards or risk the higher ongoing costs of repair and maintenance. Transport networks will also be important for ensuring communities can mitigate against extreme weather events such as being able to leave their properties during bushfires or flood events.

5.5 CHANGES TO THE NATURE AND LOCATION OF WORK

Australia has been moving towards a service economy and away from manufacturing for some time. Changing technology (associated with artificial intelligence and machine learning) and consumer demand will create more change to the nature of jobs in the future. Technological change is seeing a rise in 'job polarisation' – with strong growth in both high and low skilled jobs at the expense of mid-skilled jobs. It is also making the location of employment less important. Currently around 1 in 5 employed persons work on a regular basis from home. Increases in the professional and managerial workforce will likely see rates of working from home rise over the coming years. This may result in fewer cars on the road, reduced congestion and reduced demand for public transport.

5.6 GOVERNANCE

Local governments work closely on transport issues with neighbouring councils or are part of a regional grouping of councils. Councils also work closely with state/territory governments and to a varying extent directly with the Federal Government. Councils have to navigate the varying funding, regulatory, legislative and policy challenges across the levels of government to ensure the priorities and needs of their local communities are met.

“ Local governments work closely on transport issues with neighbouring councils or are part of a regional grouping of councils. ”

5.7 FINANCING TRANSPORT

For local government, maintaining and upgrading existing transport networks and financing current and future transport networks will be a challenge, especially with fiscal constraints of rate capping and diminishing funding from state/territory and federal governments.

Local roads provide for significant arterial and through traffic or have economic significance beyond the interests and responsibility of ratepayers. However, local government receives little or no transport-related revenue from sources such as registration and license fees and vehicle related taxes, charges, tolls and fuel excise.



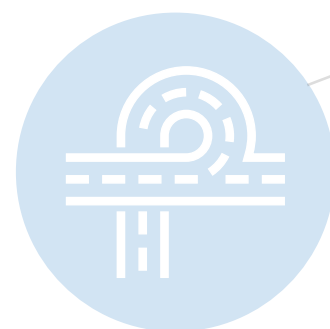
“ Local government expenditure on roads was \$5.4 billion in 2015–16 (excluding the Australian Capital Territory) or approximately 20 per cent of all road-related expenditure nationally.

Local government expenditure on roads was \$5.4 billion in 2015–16 (excluding the Australian Capital Territory) or approximately 20 per cent of all road-related expenditure nationally. While some funding is provided by the Australian Government and state/territory governments, roads are primarily funded from the council's rate base. Combined local government rates make up just 3.6 per cent of tax revenue nationally but councils have responsibility for 33.2 per cent of non-financial assets including 75 per cent of the nation's total road length (2016–17 figures).

Local government owners of transport infrastructure face multiple and competing demands on their limited financial resources. Rate payers are often left to fund transport networks for non-ratepayers particularly where local roads provide for significant arterial and through traffic or have economic significance beyond the access interests and responsibilities of the council.

5.8 SUMMARY

Local government is committed to ensuring that transport services are able to be delivered directly to its communities and industry and it is a legitimate partner in a wide range of transport reforms. However, despite its best efforts and commitments to reform, local government does not have the resources to meet the challenges to deliver its part of the national transport system in the decades ahead. The enormity of the task and the financial challenges facing local governments are well known. Local government needs support from the other levels of government – especially the Federal Government – and the transport industry to deliver efficient, effective and equitable transport services and infrastructure.



06

MAJOR TRANSPORT THEMES



MAJOR TRANSPORT THEMES

6.1 LIVEABILITY

Challenge

With changing demographics including an ageing population and issues such as social isolation and widening social inequality, councils need to plan and manage transport networks for the benefit of their communities. Access and availability of transport affects the daily lives of residents and the business sector.

Opportunity

Communities are socially and economically diverse and transport is important for access and mobility of residents. Finding ways to encourage more use of alternative modes of transport (public transport, cycling and walking) should be the goal of any local government seeking to improve the liveability of its communities.

Local government acts in the best interests of its communities and can develop transport outcomes consistent with community goals such as:

- ensuring access to local amenities and facilities
- encouraging walking and cycling especially for children
- facilitating social connectivity including through safe transport and built environments
- providing equitable transport access for all members of the community, and
- making local streets more liveable by traffic calming and other measures.

Movement and Place

Balancing the competing interests for limited road space, particularly in urban environments, is becoming increasingly important. The 'movement and place' approach and integrated land use planning is based on the concept that there are two primary categories of streets – one for movement (e.g. travel more broadly and freight) and one primarily for place.

- Local streets – the heart of suburban neighbourhoods with streets for local community access.
- Places for people – important for local access, people orientated streets where there is a need to better prioritise pedestrians and cycle traffic, public transport and freight access while limiting through traffic with no destination in the centre.
- Vibrant streets – have competing demands for movement and a need to balance high pedestrian activity and densities with the need to move high numbers of people and goods can be a challenge for both state and local governments.
- Movement corridors and motorways – are main roads and motorways providing safe reliable and efficient movement between regional centres and long distances and within urban areas with limited or no access requirements to the surrounding place.



Investment in infrastructure for example is required, in certain circumstances, to reduce the movement through important shopping and work centres to create great places that deliver community outcomes, such as amenity and safety. In adopting this approach, caution is required to ensure that the amenity of streets identified for movement purposes, and that the vibrancy and accessibility of streets classed as places, is maintained.

Active transport

Local governments can and do play a lead role in encouraging people to walk or cycle, especially school children. Studies show that more people cycle and walk where improvements to the active transport network are made. Improvements include attractive interconnected routes between neighbourhoods and destinations, safer footpaths, pedestrian crossings, lighting at night, protected bike lanes and end of trip facilities including bike rooms, lockers and other amenities. In addition to network improvements, councils have also supported the development of viable bicycle sharing systems. Other options to increase active transport usage can include reducing the speed that motor vehicles can travel and reducing the availability of car parking or increasing its cost. Walkable distance is considered to be within 1,600 meters or 20 minutes from a residence.

Studies have also shown that increasing the capacity of roads for motor vehicles can lead to more traffic and congestion not less congestion. This 'induced demand' can have unintended consequences not only for traffic on major roads but also in neighborhoods and city and town centers where streets may be treated only as conveyances for motor vehicles rather than critical public spaces for vibrant communities.

Public transport

At the 2016 Census, 73.8 per cent of the working population nationally commuted to work by car – either as a driver or passenger – a slight reduction on the 74.3 per cent recorded in the 2011 census. Sydney tops the nation with 20.9 per cent using public transport to travel to work, followed by Melbourne (13.4 per cent), Brisbane (10.5 per cent), Adelaide (8.3 per cent) and Perth (8.1 per cent). This level of usage would be typical for inner urban areas. It is estimated that by 2030, the public transport task will grow by 30 per cent primarily through population growth rather than a significant shift in the proportion of people using public transport.

“ At the 2016 Census, 73.8 per cent of the working population nationally commuted to work by car – either as a driver or passenger – a slight reduction on the 74.3 per cent recorded in the 2011 census. ”

In outer-urban areas, transport disadvantage (ongoing difficulties associated with access to transport) is the result of a range of intersecting factors including poor public transport infrastructure, a higher proportion of low-income households and the need to travel further distances in order to get to places of employment, services and activities. Rural and remote areas of Australia have low levels of public transport access. Some remote areas also have relatively low levels of vehicle ownership.

Transport disadvantage, including a lack of reliable, efficient and affordable public transport options and limited services, can exacerbate social isolation and limit access to health care, education and services in rural, regional and remote and urban fringe communities.

State governments have primary responsibility for public transport planning and service provision. Local government's role is primarily one of facilitation through:

- supportive land use and development decisions including public transport stops that are located conveniently for the walkable catchment with access routes that have natural surveillance from surrounding development
- provision of infrastructure such as shelters, seating, signage, information and lighting are supplemented with safe crossing points to improve accessibility
- good active transport connections so public transport nodes link easily and directly with the pedestrian and cycling network, and
- parking management.

In addition, local government consults with transport providers and advocates for network improvements and supports other levels of government to promote public transport use.

6.2 TRANSFORMATION

Challenge

The pace of technological change is increasing and almost daily we hear of new technologies that will disrupt existing markets and change the way our communities live, work, play and travel. It is difficult to predict which of these new technologies will come to fruition, let alone the full impact that they will have.

Opportunity

Autonomous vehicles (AV) and electric vehicles (EV) are poised to have a significant impact on markets, public policy (e.g. road safety regulations) and the community. Local governments, because of their roles and responsibilities as road authorities, infrastructure providers, fleet managers and representatives of their local communities, must be engaged in discussions about the benefits and impacts of these new transport technologies.

Preparing now for the adoption of new technology is critical. Local governments need to seize the opportunities presented by these emerging technologies, but also need to mitigate against potential risks by planning and investing wisely. Local governments must avoid any short-sighted investments which will inhibit the abilities of councils and communities to achieve a smart future. Local governments must also avoid unnecessary expenditure providing conventional infrastructure that will last far longer than may now be necessary.

Collaboration is vital to allow for the efficient and effective adoption of this rapidly evolving advanced technology. To allow for the transport of the future to be adopted in the short to long term, all tiers of government, transport operators, transport and infrastructure providers, industry and communities must work towards a common vision. Local governments have a significant role in relation to fostering community acceptance and mitigating public concern towards the introduction of EV and AV across Australia, in a similar way that they facilitated the adoption of car sharing.

Electric vehicles

Experience overseas shows that regulatory and economic incentives are essential to realise the benefits that widespread uptake of EV brings. All levels of government and industry will need to invest in the infrastructure that supports the transition to electric vehicles and fund the construction of charging stations critical to future mobility including at places of employment and in public spaces including car parks, retail outlets, fuel station forecourts. The burden of funding this infrastructure should not fall upon local government rate payers particularly in rural and regional Australia. A government program should be considered for retrofitting of existing buildings and infrastructure.

Local government procurement of electric vehicles will also play a key role in helping Australia meet its greenhouse gas emissions reduction targets.

Autonomous vehicles

Significant national work is already underway to prepare for automated vehicles. Australia's transport ministers have agreed to a national policy and action plan, which includes work on automated vehicle safety, trials, cyber security, road rules, insurance, data protection and infrastructure readiness.

Driverless transportation could lead to profound changes in our cities, towns and suburbs. It will require investment in new infrastructure as all autonomous vehicles need to engage with the surrounding environment. For example, roadside signage may need to be standardised and designed to be 'readable' by the technology and lane markings upgraded. Collaboration between the three tiers of government, and potentially vehicle manufacturers and technology providers, will be required to ensure the required technology is in place.

Autonomous vehicles could create a new technology divide between Australia's city and regional areas. Australia's notoriously patchy rural telecommunications network will have to be vastly improved before the technology can become a reality for rural Australia. The current satellite-based global positioning system (GPS) used for navigation is one of the biggest challenges facing the use of autonomous vehicles in rural and regional areas. The technology currently available for driverless vehicles also cannot cope with unsealed roads as it relies on line markings and other types of infrastructure to navigate.

Universal 5G coverage in all parts of Australia, not just cities, will be key to ensure fast and continuous connection to the internet so that autonomous vehicles can be adopted across the nation.

Truck platooning

Platooning development is occurring in parallel with the race to develop autonomous consumer vehicles. Platooning involves a number of trucks closely following one another, connected using vehicle-to-vehicle communication. Typically, the lead truck does most of the driving 'work'. Models vary in terms of what the drivers in the following trucks do, from being semi-autonomous with attentive drivers to fully autonomous and having no driver at all.

“Platooning development is occurring in parallel with the race to develop autonomous consumer vehicles.”

Truck platooning and high levels of automation could revolutionise the Australian road freight sector. Major roads such as the Hume Highway linking Australia's two biggest cities, Sydney and Melbourne, may be the first to see driverless trucks in a commercial highway setting within the decade. Longer term, as GPS technology, truck-to-truck links, cameras and other sensors become more accurate, driverless trucks could make their way into even the most remote parts of regional Australia.

As with autonomous vehicles, Australia's poor rural telecommunications network may well constrain the adoption of truck platooning. In addition, platooning trucks, similar to road trains, will also need to stop to decouple unless there is action to address first and last mile issues.

Drones

Location of drone drop off zones particularly in congested areas could become an issue for local governments in the future.

At present, most delivery drones are only capable of carrying small loads. But drone designs currently on the drawing boards will carry significantly larger payloads over long distances. Several companies are already competing to create the flying car/drone, also known as the AAV (Autonomous Aerial Vehicle).

Drones have the potential to transform logistics industries in the future once safety aspects, regulatory issues and risk of conflict with general aviation users (pilots of private, military and commercial aircraft) are resolved.

Car sharing services

Research has revealed that in 2016 Australian car share services such as GoGet supported 66,000 users accessing 2,200 vehicles with 90 per cent of members and vehicles being based in Sydney and Melbourne. Users typically live in higher density, inner metropolitan areas where they can reach many destinations by walking, cycling and public transport, and because these modes were more convenient, they tended not to use their cars very much.

Councils can adopt policies that will directly influence the uptake of car sharing services more easily than they can harness opportunities to directly influence traffic and parking congestion in their local area. The support of carsharing services is an attractive option to bust congestion due to the low costs of implementation and the high economic and social returns. Councils that support car share services fulfil a role as mode managers and incubators of expansion by reducing regulatory and systematic barriers to the establishment of carsharing. This could be via a 'permission' processes where car share is added to the categories of defined use (alongside bus stops and disabled parking) and car share vehicles are allocated exclusive access to a number of parking spaces.

Councils do not need to operate the service themselves but seek to attract investment from one or more private service providers. This arrangement is a win-win as councils gain a community service without having to put up the capital or run the service while investors take financial risks to establish the network and to test whether services can deliver a return on their investment.

Personal mobility devices

Electric-motored personal mobility devices (PMDs) such as one-wheelers (an electric unicycle, the Solowheel); twowheelers (an electric scooter, the Egret); and three-wheelers (the Qugo) are appearing on Australian roads and footpaths. While legal to import and own, their use is typically illegal for riders on roads but depending upon the jurisdiction can be used in road related areas such as footpaths, shared paths and nature strips.

Such technologies, like electric bikes, allow an individual to travel short distances quickly without the physical effort required of cycling or walking, and with some devices their small size makes transfers between transport modes possible. They could therefore have considerable potential as sustainable transportation alternatives and could provide an answer to traffic congestion by getting people out of cars for short trips (first-and-last mile travel).

There are concerns about the use of such devices upon pedestrian infrastructure such as footpaths, shared paths and separated cycleway designed from a safety and maintenance perspective.

6.3 PRODUCTIVITY

Challenge

As Australia's population continues to grow from 25 million in 2018 to a projected population of 36 million by 2050 the Australian freight and passenger transport task will also grow.

Local roads play a critical role in the national transport infrastructure and the issue of first and last mile access is an important factor in the productivity equation. There is a need to unlock local and regional productivity improvements through investment that improves access for freight vehicles and connectivity between local roads and preferred state and national freight routes. Similarly, there is a need to further unlock productivity in urban areas through reduced congestion and improved public transport.

Local government is only one player in addressing these challenges. Of the three levels of government, local government has the largest relative infrastructure task in terms of asset management and the smallest relative revenue base. Without assistance, local government will not be able to properly assist in the national effort to drive productivity improvement or provide the transport services that the Australian community and industry expect and deserve.

Complementing the focus on local roads is the need to revitalise rail in regional Australia (including the establishment of the inland rail route between Melbourne and Brisbane) which is essential in meeting the expected growth in the freight task.

Opportunity

Partner with the Commonwealth, state and territory governments and industry to drive productivity growth.

Growth in productivity is essential for maintaining and improving Australia's standards of living. Our standard of living, international competitiveness, safety, security and capacity to invest in infrastructure that will meet future demands will be impacted by our ability to move people and freight efficiently, from where they are, to where they are needed, at the time they are needed. Improvements in the productivity of people and freight movement will deliver benefits directly to the wellbeing of all Australians.

“Growth in productivity is essential for maintaining and improving Australia's standards of living.”

On an average day in Australia, the transport and logistics sector moves²:

- passengers more than 1.15 billion kilometres – equivalent to an average daily distance of 49 kilometres per person, and
- nearly five million tonnes of freight – equivalent to approximately 200 kilograms moved for every person.

Overall, it has been estimated that the land transport sector contributes approximately 9 per cent of Australia's gross domestic product.



² National Transport Commission (2017) Supporting good decisions to improve transport productivity. Project Outcome Report.

Key areas where transport productivity can be improved include:

- continued investment in the road network including local government roads of significance for commuting and freight transport
- addressing capacity constraints including infrastructure bottlenecks and first and last mile issues which results in an increasing amount of 'downtime' detracting from productivity
- improving the capacity and the performance of the existing transport network and developing new capacity, particularly in congested and growing urban areas and their catchments; together with key interurban corridors and key freight gateways that are showing signs of increasing congestion and unreliability. These key transport links are heavily used today and show congestion and reliability problems, which will get worse. These are the places where transport constraints hold back economic growth
- cost reflective heavy vehicles charges to ensure that the trucks that use the road are charged sufficiently to cover the damage they do to the road, with the funds raised going to those responsible for maintaining or upgrading the road – including local governments
- selective investment in rail infrastructure to make it competitive and to improve community amenity
- sustained and widespread investment in public transport, not just limited to major metropolitan areas
- better cycling infrastructure and path networks, and
- implementing city-wide variable tolling systems for major urban roads that allow consistent time of day and volume related tolling.

It has been estimated³ that the:

- national domestic passenger task will grow approximately 20 per cent by 2026
- national domestic freight task will grow approximately 26 per cent by 2026; this growth will be led by road and rail
- total national road-and rail-freight tasks will be approximately double their 2010 levels by 2030, and
- total vehicle-kilometres travelled will increase around 2 per cent per annum out to 2030.

6.4 HEAVY VEHICLE ROAD REFORM (HVRR)

The objective of HVRR is to promote efficient investments and increase freight productivity by providing a more market like system, as operates in other utility sectors. HVRR will also pave the way for potential reform for lights vehicles, noting that all vehicles use a common road network and there are limits to how much benefit can be realized from focusing only on heavy vehicle investments. HVRR is a significant, multi-year national reform comprising a range of elements. Federal, state/territory and local government are working together towards delivering the HVRR reforms under a four-phase road map endorsed by the Transport Infrastructure Council (TIC) and the Council of Australian Governments (COAG) in 2015. We are in Phase 2 of the road map.

“ The objective of HVRR is to promote efficient investments and increase freight productivity by providing a more market like system, as operates in other utility sectors. ”

³ The National Land Transport Productivity Framework (2017).

The Case for Reform

Road infrastructure in Australia is at a historic tipping point. Demand for significant new and upgraded infrastructure is growing. However, it is getting harder for governments to fund the expectations and demands of road users almost entirely from general taxation revenue. In particular, road network and heavy vehicle industry productivity has plateaued, or in some cases already fallen due to a disconnect between road charging and funding. Increasingly, road providers have neither the funds nor incentives to expand road access, including for heavy vehicles.

Challenge

Funding reform should allocate the costs and benefits of road use fairly and efficiently across users, based on their impact and level of use. Under the current road user charging system, road related fees and charges are collected by the Commonwealth and state and territory governments. However, investment on the maintenance, renewal and expansion of roads is spread across all three tiers of government. Consequently, this creates a disconnect between revenue raised and expenditure in the transport network. The current approaches to funding transport infrastructure are inequitable to road users, fail to manage traffic demand and are unsustainable for taxpayers.

The current approach does not recognise that local governments bear substantial responsibility for road delivery and maintenance, but have no direct mechanism to generate revenue to support road investment. Rate payers are often left to fund transport networks for non-ratepayers. Improving the alignment of revenue raising with investment will deliver outcomes that better meet the needs of all network users.

Opportunity

Local government roads are critical for providing the distribution network for freight. However, local governments are currently excluded from directly receiving revenues from heavy vehicle charges. Funding provided from heavy vehicle road charges can assist local governments invest in roads to support efficient freight movement without compromising other council services.

The primary goal of heavy vehicle road reform is to turn the provision of heavy vehicle road infrastructure into an economic service, where feasible. This would result in a market being established that links heavy vehicle user needs with the level of service that they wish to receive, the charges they pay and then investment of those charges back into heavy vehicle road services.

“The primary goal of heavy vehicle road reform is to turn the provision of heavy vehicle road infrastructure into an economic service, where feasible.”

Shifting to a system where heavy vehicle infrastructure is provided as an economic service will be complex. The Commonwealth and state and territory governments are currently focusing on supply side improvements associated with the current heavy vehicle charging framework (PAYGO), where there are poor links between the needs of users, the charges they pay and the services they receive.

Elements needed to realize HVRR

To realize the benefits of reform, there needs to be a more accountable, transparent, fair and efficient system for funding Australia's roads and charging heavy vehicle operators for their use of the roads.

Phase 1 reforms are aimed at improving transparency around road expenditure, investment and service delivery. Asset registers and expenditure plans are now being produced for each state and territory to provide transparency on expenditure and investment to ensure the key freight routes meet the needs of users. Local government will now become increasingly involved in delivering these same reform initiatives.

The current phase (phase 2) is looking at the implementation of independent price regulation of heavy vehicle charges and a forward-looking cost base. This will provide the basis for building a charging system that is more efficient, financially sustainable and fair. Along with the state and territory governments, the local government sector is being considered for participating in these important reforms.

The forward-looking cost base would enable governments to charge heavy vehicle road users on the basis of a fair return on an expenditure base that includes the forecast cost of building, maintaining and upgrading road infrastructure to at least a minimum standard. Independent price regulation of heavy vehicle charges would enable a regulator to determine charges at arm's length from government.

For some roads which are lightly trafficked and have limited scope to recover the costs of provision directly from road uses, such as many remote and regional roads, it will not be feasible to provide road infrastructure to a level of service standard desired by the heavy vehicle industry as an economic service. For those roads funding through the adoption of a Community Service Obligation methodology will be required.

“The Commonwealth in late August 2018 established a National Heavy Vehicle Charging Pilot program to trial alternatives to the current national heavy vehicle charging system.”

The Commonwealth in late August 2018 established a National Heavy Vehicle Charging Pilot program to trial alternatives to the current national heavy vehicle charging system. This will involve a staged approach to trialing the replacement of registration fees and the fuel-based Road User Charge with direct charges based on mass, distance and potentially location. The pilots will involve modeling different charge options, defining data requirements and collecting baseline data to support the pilot's evaluation. The first two stages of the National Pilot will run through to 2020 and provide an opportunity for industry to test and shape how a new system could work in practice. The Commonwealth is strongly encouraging local governments to be involved in this important initiative.

Finally, the Commonwealth and state/territory Treasuries are leading the development of a paper on heavy vehicle road funds which would inform the advice on delivering the revenue and funding aspects of the HVRR.

The 'end-state' reforms would be expected to result in the following outcomes⁴:

- Improved investment coordination and planning
- Road services delivered to defined standards according to agreed investment plans
- Heavy vehicle road users pay charges that more directly reflect the costs they impose on the road network
- A more direct link is established between heavy vehicle charging revenue and funds available for road investments.

6.5 ZERO HARM – ROAD SAFETY

Challenge

The majority of crash sites are widely dispersed across the Australian road network including on local government owned roads. Sixty six per cent of all road deaths occur in regional and remote areas, despite two thirds of Australians living in cities. Remote Australians are also two and a half times more likely to be hospitalised following a motor accident than city residents.

Opportunity

All levels of government play a role in road safety. The Australian Government is responsible for regulating safety standards for new vehicles, and for allocating infrastructure resources, including for safety, across the national highway and local road networks (under the Roads to Recovery program, but particularly under the Black Spots program). State and territory governments are responsible for funding, planning, designing and operating the road network; managing vehicle registration and driver licensing systems; and regulating and enforcing road user behaviour.

Local governments also have similar but wider responsibilities for funding, planning, designing and operating and maintaining the road networks in their local areas, given the significantly greater extent of urban, regional, rural and remote road networks to be managed (e.g. local roads account for 75 per cent of the total road length in Australia, or 662,000 kms) and the diverse terrain and climates within which these roads have to be maintained.

As a partner with the Federal and state/territories, local government is part of the solution to reduce serious harm and casualties. We seek opportunities to work with the Australian Government including through the Black Spot program, which should be made easier/less onerous for councils to apply. Many local governments, particularly from rural and regional Australia, do not apply for these funds because they do not have the 'crash clusters' in the requisite period to meet the minimum benefit to cost ratio for a proactive application or they do not have the resources available (such as a qualified road safety auditor) to undertake the road safety audits required for proactive applications. Often the costs of obtaining this external expertise is not seen as viable as the cost for the advice can be more than the treatment. Compounding this is the high likelihood of not getting funding given that the Black Spot Program is continuously oversubscribed.

“As a partner with the Federal and state/territories, local government is part of the solution to reduce serious harm and casualties.”

⁴ Department of Infrastructure, Regional Development and Cities Independent price regulation of heavy vehicle charges (Marsden Jacob Associates, 2018es ii).



“The focus needs to be broader than transport infrastructure and must encompass road user behaviour and education and impacts on the health system and national productivity.”

While all governments play a vital role in road safety there is a need for strong national leadership on this issue. The focus needs to be broader than transport infrastructure and must encompass road user behaviour and education and impacts on the health system and national productivity.

Road trauma costs the national economy more than \$27 billion annually. Significant changes to road safety have cut road deaths by two-thirds since 1970 or from 3,798 deaths in 1970 to 1,225 in 2017 despite considerable population growth and a three to fourfold increase in registered motor vehicles. Safer road and vehicle design, lower speed limits, mandatory seat belts, child restraints and helmets, tougher drink and drug driving penalties and improved post-crash response, among other measures, have all contributed to the sharp decline in road deaths. Hospitalised crash injuries have however continued to rise. In the decade to 2011, injuries rose by 6 per cent to 152.6 per 100,000 population. This puts them at roughly 27 times the per-capita rate for deaths, up from 16 times in 2002.

Seven in 10 road fatalities are men. Men are more likely than women to drive aggressively and take risks, research shows. The most common age to die on the roads is 18. However fatal and serious road accidents involving drivers aged 65 and older are on the rise across Australia. Pedestrians, passengers and cyclists together make up 43 per cent of deaths. That's nearly the same proportion as drivers, which account for 45 per cent of deaths.

Local governments are committed to reducing serious accidents on local government-controlled roads. Local roads account for more than 50 per cent of serious casualties in some states. In NSW research has revealed that two-thirds of all fatalities occur on country roads and that more than 70 per cent of fatal crashes on country roads involve country residents. The research also revealed that country drivers often resist the notion that the way they drive puts themselves or others at risk. There is also a tendency for complacency, over confidence and lower perception of risk when driving on familiar roads.

Zero deaths can only be achieved if resources are directed to safety improvements in and rural, regional and remote Australia, where a disproportionate number of road accidents occur. These are areas where many local governments are particularly financially constrained as their own-source revenue raising capacity is limited.

Zero deaths and reduced injuries on roads requires locally targeted action for:

- Safer roads, through continued upgrade of dangerous roads and highways;
- safer pedestrians and cyclists, through speed management and provision of appropriate safety measures such as grade separated paths, pedestrian crossings, clear sight lines;
- safer drivers, through the provision of facilities associated with fatigue management; and
- safer vehicles, through uptake of new safety technology in motor vehicle fleets.

07

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The Australian Local Government Association (ALGA) is the national voice of local government representing 537 councils across the country. In structure, ALGA is a federation of state and territory local government associations.

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**MINUTES OF THE MEETING OF THE BOARD OF THE RIVERINA AND MURRAY JOINT ORGANISATION
HELD IN THE IAN GILBERT ROOM OF THE MURRUMBIDGEE COUNCIL ON WEDNESDAY 14th
NOVEMBER 2018 AT 10.00 AM**

PRESENT

VOTING BOARD MEMBERS

Cr Kevin Mack	Mayor Albury City Council
Cr Daryll Morris	Deputy Mayor Berrigan Shire Council
Cr Norm Brennan	Mayor Edward River Council
Cr John Dal Broi	Mayor Griffith City Council
Cr Paul Maytom	Mayor Leeton Shire Council
Cr Peter Laird	Mayor Carrathool Shire Council
Cr Patrick Bourke	Mayor Federation Council
Cr Bill Sheaffe	Mayor Hay Shire Council
Cr Chris Bilkey	Mayor Murray River Council
Cr Neville Kschenka	Mayor Narrandera Shire Council

NON VOTING BOARD MEMBER – NSW GOVERNMENT REPRESENTATIVE

Mr James Bolton	Regional Director Riverina Murray – Department of Premier and Cabinet
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OTHER NON VOTING BOARD MEMBERS – COUNCIL GENERAL MANAGERS

Ms Tracey Squire (Acting GM)	Albury City Council
Ms Amanda Spalding	Hay Shire Council
Mr Adam McSwain	Edward River Council
Mr Brett Stonestreet	Griffith City Council
Mr John Scarce	Murrumbidgee Council
Ms Jackie Kruger	Leeton Shire Council
Mr Robert Rayner (Acting GM)	Carrathool Shire Council
Mr George Cowan	Narrandera Shire Council

MEETING OBSERVERS

Ms Marg Couch	RDA Riverina
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MEETING PRESENTERS

Mr Andrew Lewis	TransGrid - Manager Governance and Stakeholder Engagement
Mr Mitchell Hume	TransGrid - Manager Public Relations, Policy and Corporate Affairs

INTERIM EXECUTIVE OFFICER

Mr Ray Stubbs	
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AGENDA ITEM 1 – WELCOME

The Chairperson welcomed Board Members and guests to the meeting.

AGENDA ITEM 2 - APOLOGIES

Voting Board Members

Cr Ruth McRae (Mayor Murrumbidgee Council) and Cr Matthew Hannan (Mayor Berrigan Shire Council)

Non-Voting Board Members

Des Bilske (General Manager Murray River Council), Adrian Butler (General Manager Federation Council) and Rowan Perkins (General Manager Berrigan Shire Council)

**RESOLVED that the apologies be accepted and that leave of absence be granted.
(Moved Cr Maytom and seconded Cr Bourke)**

AGENDA ITEM 3 – DECLARATION OF PECUNIARY OR OTHER INTEREST – BOARD MEMBERS AND DESIGNATED PERSONS

There were no declarations of pecuniary or other interests lodged at the meeting by Board Members or other Designated Persons

AGENDA ITEM 4 - MINUTES OF SEPTEMBER BOARD MEETING – HELD AT JERILDERIE ON 5TH SEPTEMBER 2018

**RESOLVED that the Minutes of the RAMJO Board Meeting held at Jerilderie on 5TH September 2018 be confirmed
(Moved Cr Dal Broi and seconded Cr Maytom)**

AGENDA ITEM 5 – MATTERS ARISING FROM MINUTES OF THE 5TH SEPTEMBER 2018 BOARD MEETING

There were no matters arising from the Minutes of the Board Meeting held on 5th September 2018

AGENDA ITEM 6 – JAMES BOLTON DP&C REGIONAL DIRECTOR RIVERINA MURRAY

Regional Director James Bolton addressed the Board in relation to current matters in relation to DP&C and Joint Organisations. A copy of James' presentation slides to be distributed with the Minutes

AGENDA ITEM 7 – CHAIRPERSON'S PRESENTATION – ALBURY WODONGA REGIONAL FOODSHARE PROGRAM

Chair Cr Kevin Mack delivered a powerpoint presentation in relation to the scope and activities of the Albury Wodonga Regional FoodShare (AWRFS) Program, which provides services to needy persons in a number of towns across the RAMJO region. He advised that ongoing operational funding to maintain the effectiveness of the program is urgently required and that RAMJO can support the service by way of representations to Federal and State Government proposing the provision of adequate funding.

RESOLVED that the Chair and Executive Officer further liaise with AWRFS with a view to preparing a co-ordinated response to Federal and State Governments stressing the importance of maintaining ongoing and effective operation within the RAMJO region and the urgent priority for Governments' financial support

(Moved Cr Laird and seconded Cr Bourke)

AGENDA ITEM 8 – MINUTES OF JOINT ORGANISATIONS CHAIRS FORUM MEETING 19TH OCTOBER 2018 AND SUMMARY OF JOINT ORGANISATIONS' STRATEGIC REGIONAL PRIORITIES

Consideration was given to a report by the Interim Executive Officer in relation to the outcomes of the Joint Organisations Chairs Forum meeting held in Albury on Sunday 19th October 2019 and a request for RAMJO to indicate which strategic priorities can be delivered collaboratively by JOs with State Government support.

RESOLVED

- 1. That the Minutes of the Joint Organisations Chairs Forum meeting held on 21st October 2018 in Albury be received and noted**
- 2. That the Deputy Premier and the Minister for Local Government and the JO Chairs Forum be advised that RAMJO considers that the highest strategic priorities to be pursued collaboratively by Joint Organisations with the State Government are as follows:-**
 - Water
 - Energy
 - Transport, Freight and Infrastructure
 - Digital Connectivity
 - Economy

(Moved Cr Morris and seconded Cr Maytom)

AGENDA ITEM 9 - SOUTHERN LIGHTS STREET LIGHTING PROJECT – UPDATE REPORT BY BRAD FERRIS RAMJO'S REPRESENTATIVE ON PROJECT WORKING GROUP

The Board received update reports from Mr Ferris regarding the Southern Lights Street Lighting Project, arising from the 8th October and 5th November meetings of the Project Working Group, with Essential Energy and the Project Consultant Next Energy.

RESOLVED that the update reports submitted by RAMJO's Street Lighting Representative Brad Ferris be received and noted

(Moved Cr Dal Broi and seconded Cr Brennan)

AGENDA ITEM 10 - DRAFT RAMJO STATEMENT OF STRATEGIC REGIONAL PRIORITIES – TO BE SUBMITTED TO OFFICE OF LOCAL GOVERNMENT BY 31ST DECEMBER 2018

The final draft of the RAMJO Statement of Strategic Regional Priorities (SSRP) was submitted for consideration by the Board, which identifies the following key strategic regional priorities:-

1. Improve our Water Security
2. Improve our Energy Security and Affordability
3. Improve Transport Connectivity
4. Improve Digital Connectivity
5. Better Match Health Services to our Changing Needs
6. Boost out Industry/Workforce/Jobs

The meeting also considered the establishment of Pillar Priority Sub Committees to address each of the key strategic priorities and the appointment of Councils' Mayors and General Managers to each of those Sub Committees.

RESOLVED

1. That the RAMJO Statement of Strategic Regional Priorities (SSRP) be formally adopted and placed on the RAMJO website;
2. That the SSRP document be professionally designed and printed and submitted to the NSW Premier and Deputy Premier, Minister for Local Government, Department of Premier and Cabinet and the Office of Local Government;
3. That a one page summary document be developed for external distribution to other Joint Organisations, Councils, community organisations, State and Federal Government Ministers, Departments and Agencies and other identified RAMJO stakeholders ;
4. That the following Council Mayors and/or General Managers be appointed as members of the various Pillar Priority Sub-committees to progress the development of strategies and action plans:-
 - Water Security - Leeton, Murray River, Berrigan and Edward River Councils
 - Energy Security and Affordability - Hay, Narrandera, Berrigan and Albury Councils
 - Transport Connectivity - Griffith, Narrandera, Edward River, Murray and Leeton Councils
 - Digital Connectivity - Murrumbidgee, Griffith, Murray River and Edward River Councils
 - Health Services - Hay, Murrumbidgee, Narrandera, Leeton, Carrathool and Edward River Councils
 - Industry/ Workforce/Jobs – Albury, Griffith, Murray River and Leeton Councils
5. That the Executive Officer facilitate and service the work of each of the sub-committees and be authorised to engage external expertise and co-opt specialist Council Officer assistance as required from time to time;
6. That the action taken to engage ID Consulting Pty Ltd to carry out RAMJO region population forecasts commencing in early 2019 be endorsed;
7. That an approach be made to Riverina JO and DP&C, to gauge the level of interest in expanding the ID Forecast population analysis to include all Councils within the whole of the designated NSW Riverina and Murray region.

(Moved Cr Dal Broi and seconded Cr Kschenka)

AGENDA ITEM 11 – PROVISION OF HEALTH SERVICES IN RURAL, REGIONAL AND REMOTE NSW

The Interim Executive Officer reported on the meeting of a significant number of Councils held in Albury on 21st October 2018 and hosted by Gwydir Shire Council, to discuss concerns relating to problems experienced in the attraction and retention of doctors across regional, rural and remote areas of NSW. At the present time there are some 277 doctor position vacancies in regional and rural areas.

RESOLVED

1. That the letter, meeting minutes and associated documentation received from Gwydir Shire Council be received and noted;
2. That Gwydir Shire Council and other Joint Organisations be informed that Health Services is an identified Priority in RAMJO Statement of Strategic Regional Priorities and that a range of strategic actions are proposed, including the establishment of a Health Alliance across all three levels of government to improve health service provision in the RAMJO region;
3. That Member Councils encourage their residents to sign the petitions which are intended to be presented to the Federal and NSW Parliaments;
4. That RAMJO and Member Councils also forward letters to the relevant Ministers through the local Federal and State Members stressing the critical importance of attracting and retaining medical practitioners in regional and rural areas.
5. That RAMJO issue an appropriate Media Release to the region's TV, radio and newspaper outlets.

6. That the potential strategies identified in discussion at the Board meeting be referred to the RAMJO SSRP Health Services Sub-Committee for further consideration, these potential strategies to include the removal of impediments and the provision of additional incentives and allowing overseas trained doctors to practice in regional and rural areas for specified minimum periods of time.

(Moved Cr Sheaffe and seconded Cr Laird)

AGENDA ITEM 12 - RAMJO EXECUTIVE OFFICER - RECRUITMENT PROCESSES

Albury City Council, which is co-ordinating the EO recruitment process, provided an update report on the timetable for advertising, interview and appointment and has proposed that the Working Panel established at the September RAMJO Board meeting be now delegated authority to proceed through to appointment.

RESOLVED that the report from Albury City be adopted and that the RAMJO Board delegate authority to the Working Panel to undertake the recruitment process through to selection of a preferred candidate; and then for the Chair Cr Kevin Mack and Deputy Chair Cr John Dal Broi to negotiate contract term and conditions to finalise the appointment of the RAMJO Executive Officer.

(Moved Cr Brennan and seconded Cr Bilkey)

AGENDA ITEM 13 - MURRAY REGION TOURISM BOARD REPORT

The Chair of MRT Wendy Greiner has written acknowledging the services of RAMJO's former representative on the MRT Board Tracey Squire and welcoming the new representative Adam McSwain. A copy of the MRT's October 2018 update has also been provided for information of Councils and the Board.

RESOLVED that the MRT letter and the October 2018 MRT update be received and noted

(Moved Cr Brennan and seconded Cr Bourke)

AGENDA ITEM 14 - DESTINATION RIVERINA MURRAY - THRIVE REPORTING TO RAMJO ARRANGEMENTS

Leeton Shire Council has raised the importance of THRIVE (formerly Riverina Tourism) having a designated person to report regularly to the RAMJO Board and has proposed that the Council's Manager Communications and Marketing and THRIVE Board Member Brent Lawrence be approved as the contact person.

RESOLVED that Brent Lawrence Manager Communications and Marketing Manager at Leeton Shire and a Board Member of THRIVE (formerly Riverina Tourism) be approved as the contact person to report to RAMJO on THRIVE's ongoing tourism activities for the Riverina tourism region

(Moved Cr Bourke and seconded Cr Maytom)

AGENDA ITEM 15 - DROUGHT ASSISTANCE PROGRAM - SUPPORTING SEVERELY DROUGHT AFFECTED COMMUNITIES

The Interim Executive Officer reported on the matter of RAMJO Councils deciding on whether to provide funding donations to be made to the current drought assistance programs across New South Wales.

RESOLVED that it be left to each Council to make its decision in relation to making a drought relief donation, with donations by Councils able to be channelled via RAMJO as a regional initiative.

(Moved Cr Dal Broi and seconded Cr Brennan)

AGENDA ITEM 16 - NSW CONTAINER DEPOSIT SCHEME (CDS) - LOCAL GOVERNMENT SHARE OF REVENUE GENERATED BY MATERIAL RECOVERY FACILITIES (MRFS)

The Interim Executive Officer reported on negotiations between a number of RAMJO Councils and Material Recovery Facility (MRF) operators Cleanaway and Kurrajong Recyclers.

RESOLVED that the written and verbal reports by the Interim Executive Officer be received and noted (Moved Cr Bourke and seconded Cr Dal Broi)

AGENDA ITEM 17 - MURRAY DARLING BASIN PLAN IMPLEMENTATION ISSUES

A report was submitted by the Interim Executive Officer in relation to the following Basin Plan matters:-

- Representations seeking the availability of environmental water during severe drought conditions to augment food and fodder production;
- Productivity Commission's Draft Report on the 5 year assessment of the Basin Plan implementation;
- Infrastructure efficiency Measures — 450 GL "upwater" – the socio-economic neutrality criteria

RESOLVED

- 1. That the report by the Interim Executive Officer be received and noted**
- 2. That the RAMJO submission to the Productivity Commission be noted and endorsed**
- 3. That RAMJO offer its strong support to the representations being made by the Murray Regional Strategy Group to the Federal Water Minister and the Basin Plan Ministerial Council**
- 4. That RAMJO work collaboratively with the Murray Regional Strategy Group and offer to participate in future meetings and delegations.**

(Moved Cr Maytom and seconded Cr Bourke)

AGENDA ITEM 18 - RAMJO FINANCIAL STATEMENTS AS AT 30TH SEPTEMBER 2018

Consideration was given to the 2018-2019 RAMJO Financial Statements for the quarter ended 30th September 2018, in respect of the General Account, the Murray Waste Group Account and the Riverina Waste Group Account.

RESOLVED that the RAMJO Financial Statements for the quarterly period ended 30th September 2018 be received and noted;

FURTHER RESOLVED that RAMJO Member Councils be requested to advise of their position in relation to the re-contribution of the surplus RAMROC funds back to the new Joint Organisation (Moved Cr Morris and seconded Cr Dal Broi)

AGENDA ITEM 19 - RAMJO WORKING GROUP MINUTES

The Board considered the Minutes of the following RAMJO Working Groups:-

- 19.1 Engineers Group Meeting — 8th August 2018
- 19.2 Development Services Group Meeting — 6th September 2018
- 19.3 General Managers Group Meeting — 19th October 2018

RESOLVED that the Working Group Minutes be received and noted (Moved Cr Bourke and seconded Cr Maytom)

AGENDA ITEM 20 - PRESENTATION BY TRANSGRID REPRESENTATIVES MITCHELL HUME AND ANDREW LEWIS -ELECTRICITY TRANSMISSION NETWORK RAMJO REGION

The Board received a powerpoint presentation (to be distributed with the Minutes) by the TransGrid officials, the background information being as follows:-

"TransGrid is the manager and operator of the high-voltage electricity transmission network in NSW and the ACT, including 104 bulk supply substations and more than 13,000 kilometres of high-voltage transmission lines and cables, including assets in the Council areas of Hay, Edward River, Murray River, Murrumbidgee, Berrigan, Narrandera, Griffith and Leeton.

Across NSW the energy system is experiencing a transformation as technology and economic forces encourage investment in large-scale renewable energy, including significant interest developing in solar farms, wind farms and hydro-electric facilities in or near south-western New South Wales. TransGrid provided information about how existing and potential electricity infrastructure projects in the region will stimulate investment, employment and economic growth in the region while contributing to low-cost, reliably energy supplies"

**RESOLVED that the TransGrid presentation be received and noted
(Moved Cr Maytom and seconded Cr Brennan)**

AGENDA ITEM 21- GENERAL BUSINESS MATTERS

21.1 — Water NSW Community Advisory Groups

Cr Maytom reported on his role as the RAMJO representative on the Water NSW Community Advisory Group (CAG) for the Murrumbidgee River system. There is also a CAG for the Murray River system and Cr Maytom suggested that Mr Vince Kelly from NSW Water be invited to address a future meeting of the RAMJO Board.

**RESOLVED that Vince Kelly from Water NSW be invited to make a presentation to the February 2019 RAMJO Board Meeting
(Moved Cr Maytom and seconded Cr Brennan)**

21.2 — Police numbers and operational hours in country towns

Cr Kschenka advised of the ongoing concerns about insufficient police numbers and station opening hours in Narrandera, Leeton and other similar sized country communities. He referred to previous and ongoing representations made to the State Government in the matter .

The Chair advised that he would discuss these concerns with the Minister for Police the Hon Troy Grant MP and/or Deputy Commissioner Gary Worboys APM.

21.3 — Appreciation of RAMROC and RAMJO Services by Executive Officer Ray Stubbs

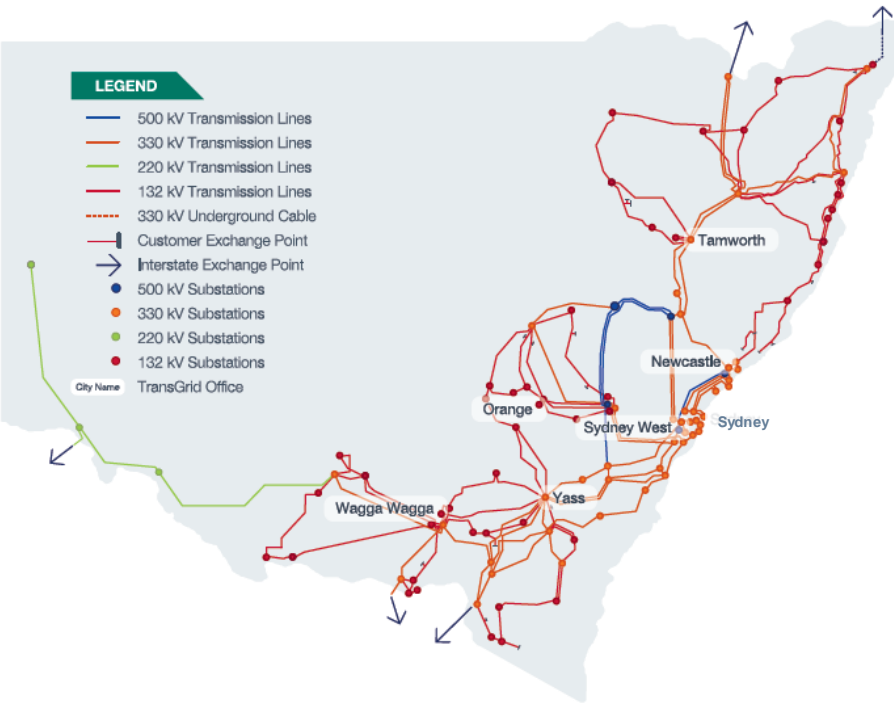
Board Members expressed their appreciation of the services provided since April 2004 by the Executive Officer Ray Stubbs and wished him well in his retirement.

There being no further business, the RAMJO Board meeting concluded at 12.50 pm.



TransGrid in South West NSW

About TransGrid



TransGrid is the operator and manager of the NSW transmission network.

NSW is the largest region in the National Electricity Market, connecting QLD and VIC



32% of Australia's population



32% of energy in the NEM

Our network comprises:



13,000 km transmission lines and cables

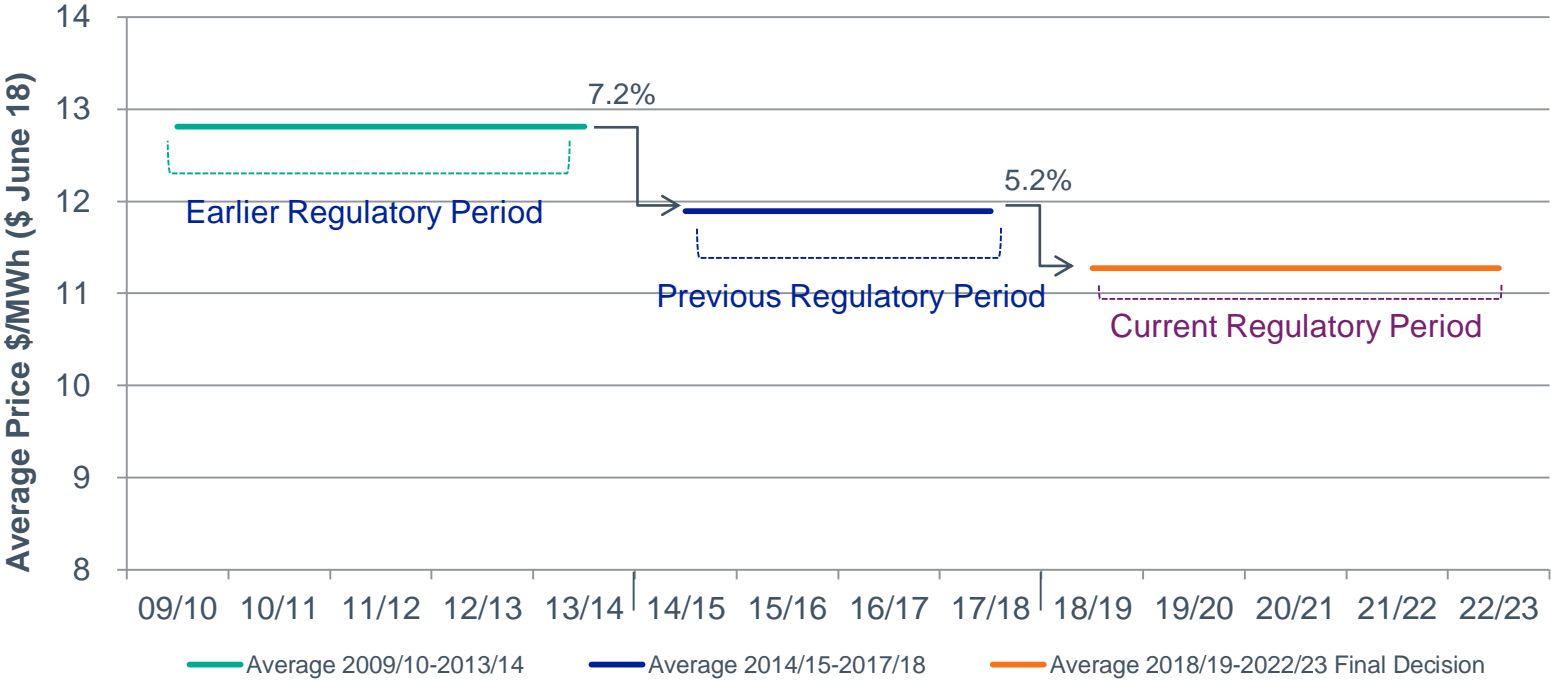


104 substations



4,000 km optical fibre

TransGrid's price continues to fall

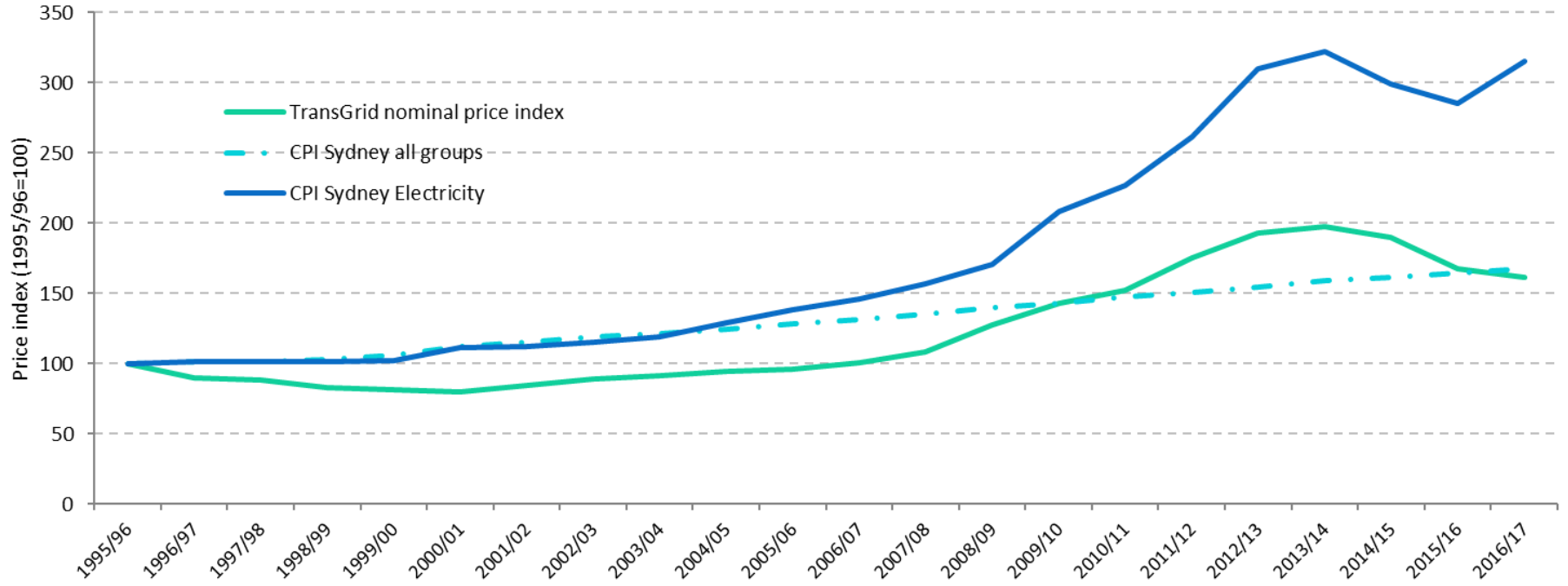


Source: TransGrid data



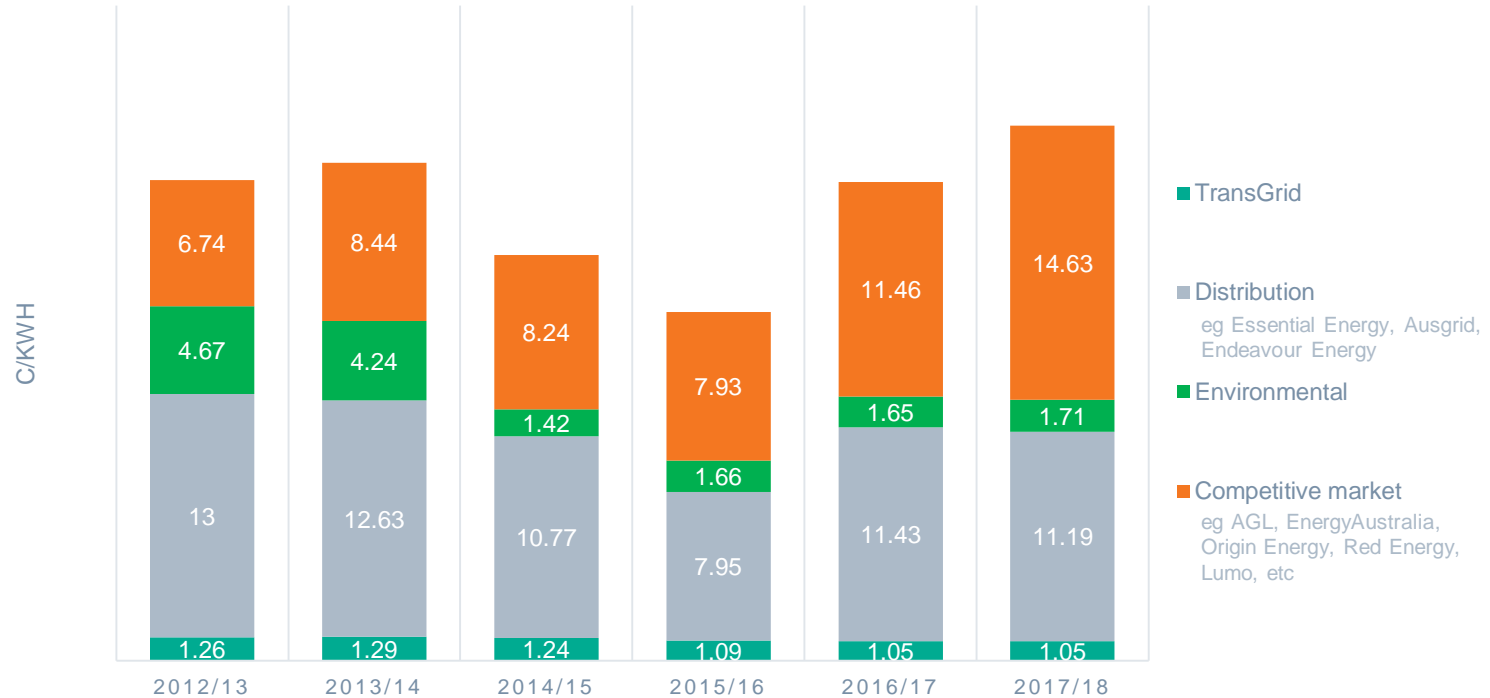
Transmission prices are lower than in 1995

TransGrid price index compared to CPI index and electricity price index



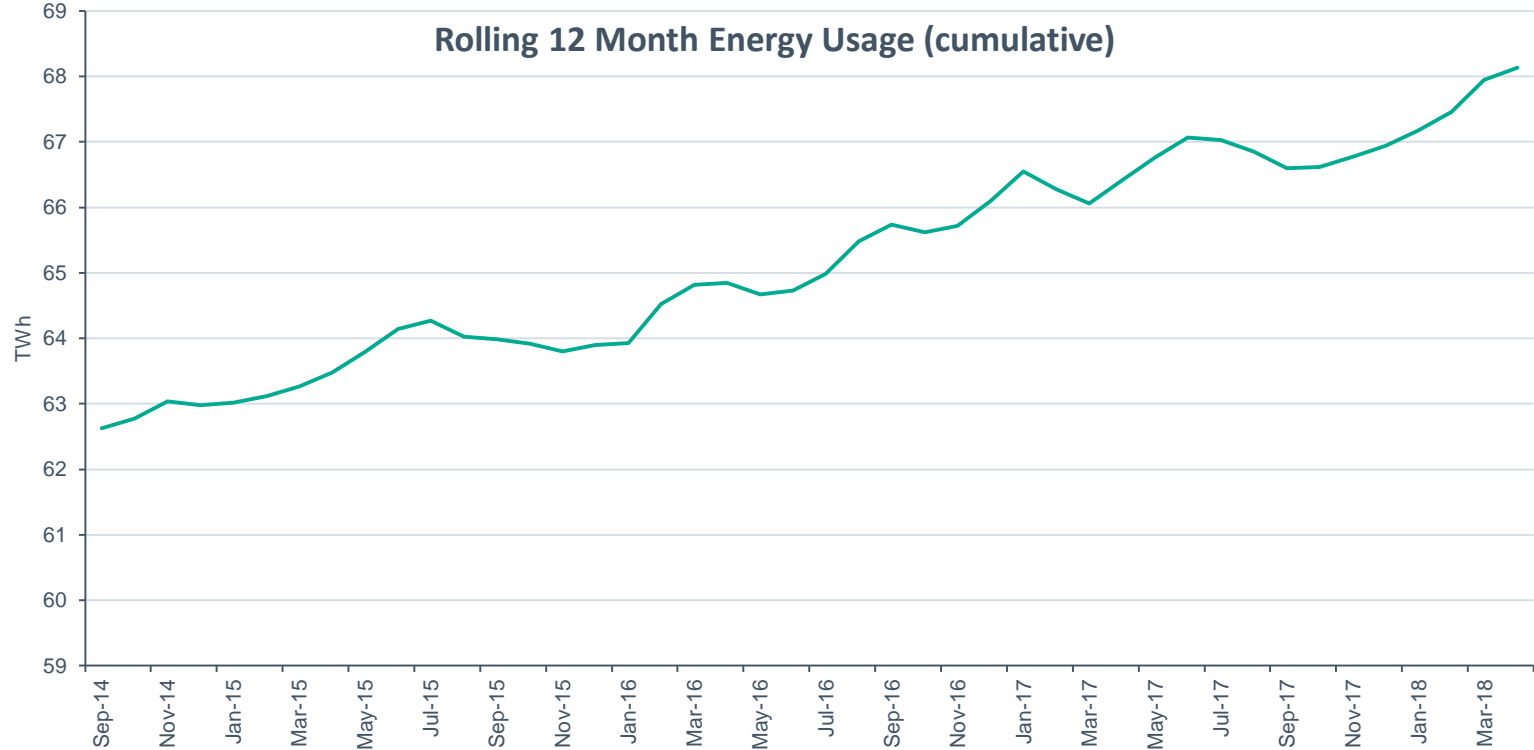
Source: TransGrid data, ABS 6401.0. Price calculated as \$/MWh.

Price contributions to consumer bills



Source: AEMC and TransGrid data

Demand is rising



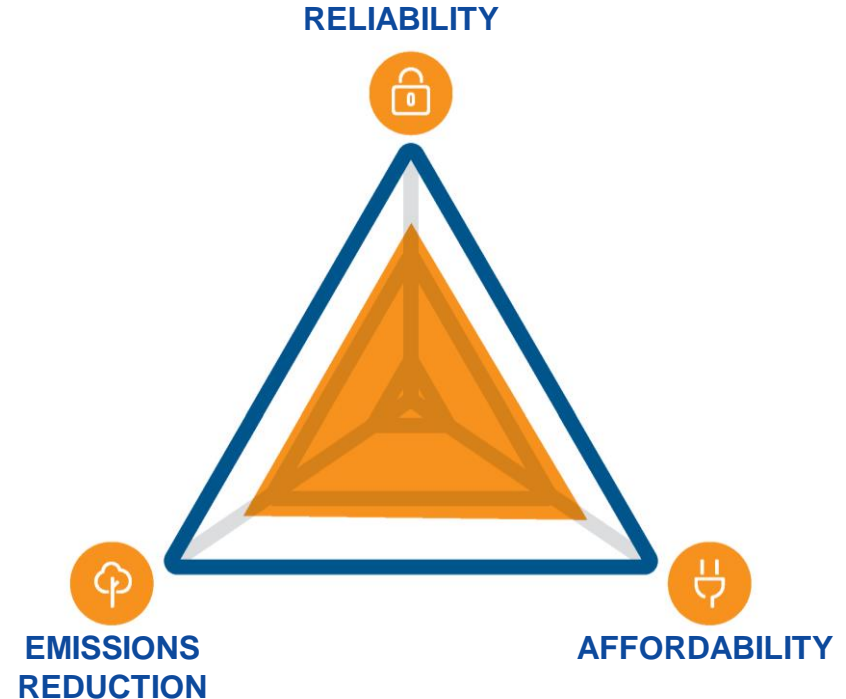
Source: TransGrid

— 12 Mth Rolling Usage



Objectives for the energy system

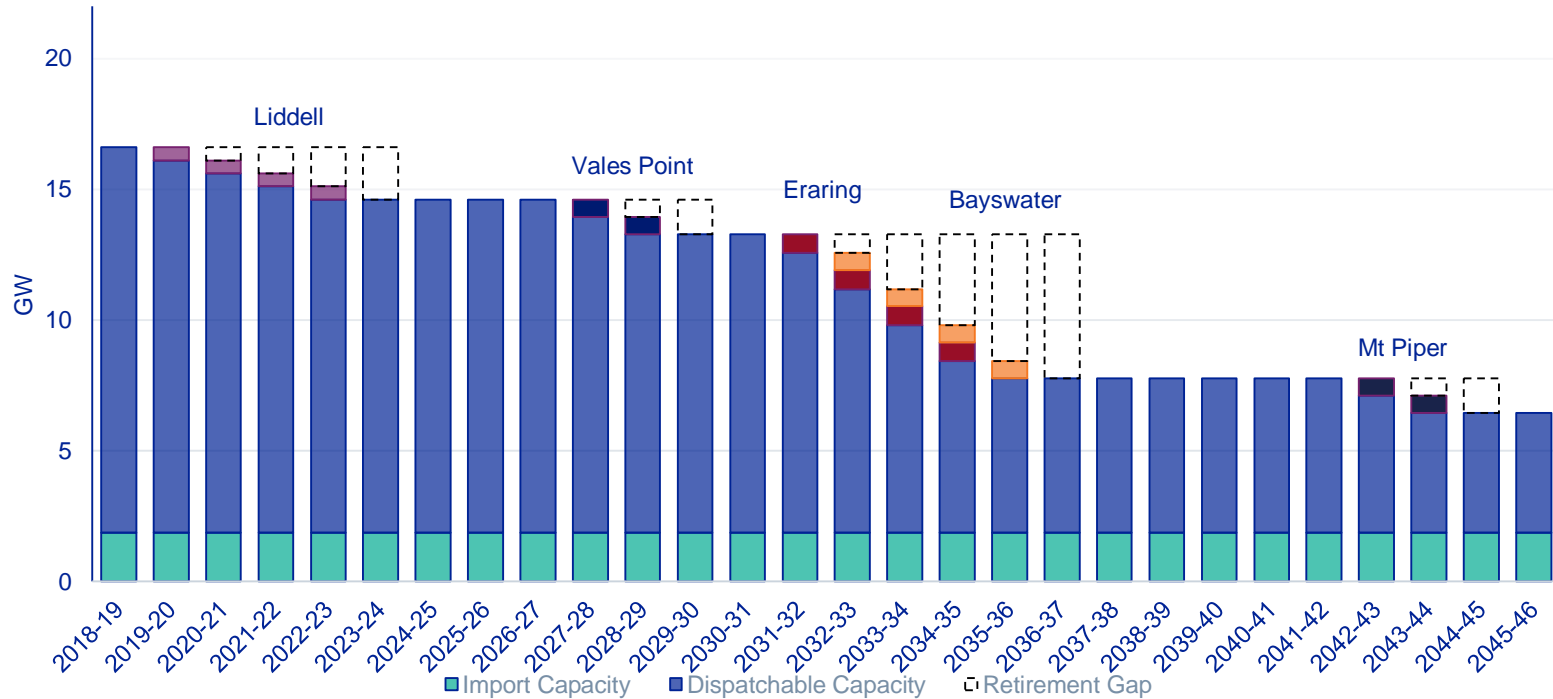
- Australia's energy system is undergoing a period of immense change
- Solving the energy trilemma will remain a key objective
- The transition to the energy system of the future will need to be planned
- Transmission will play an essential role as a platform for the connection and trading of large scale and geographically dispersed renewable generation



Source: The World Energy Council

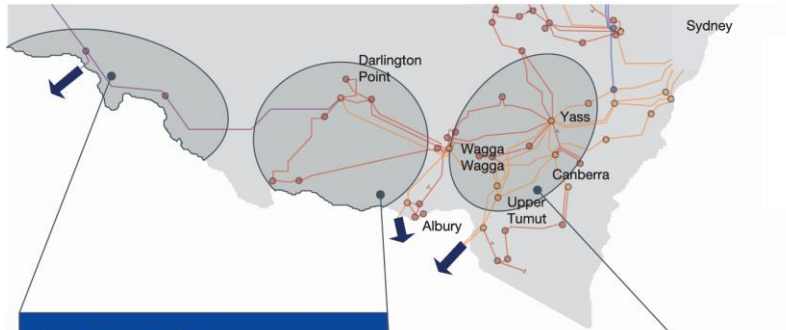
Energy Supply is Changing

NSW dispatchable generation

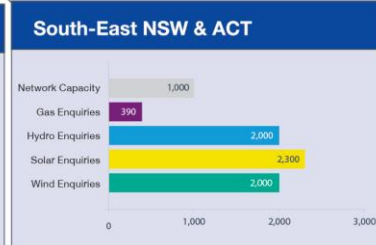
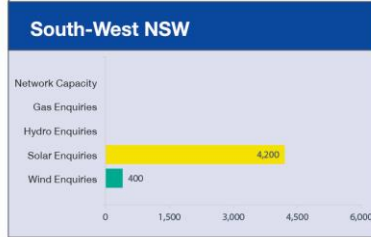


Source: Australian Energy Market Operator (AEMO)

Connection enquiries in Southern NSW



- Currently more than 15,000MW of generation enquiries across Southern NSW
- Network capacity of approximately 1,000MW
- Significant energy resources in the region which network require investment development
- Regulated network expansion will remove constraints and unlock potential



Integrated System Plan

- One of the Finkel Review recommendations
- Provides a co-ordinated approach to incorporating renewable generation, supported by storage, into the grid as coal-fired plant ages and is retired over the next 20 years
- Three groups of investment are recommended comprising:
 - Group 1 - Immediate
 - Group 2 - Mid-2020's
 - Group 3 - Mid 2030's and beyond
- ISP Projects align with TransGrid's Contingent Projects submitted to the AER



Source: AEMO Integrated System Plan

ISP Stage 1 Projects

Minor NSW to QLD upgrade

Reinforcement of Northern Network
(QNI upgrade) – 2020

Minor VIC to NSW upgrade

Pending commencement of AEMO's
VIC to NSW upgrade project RIT-T -
2020



Source: AEMO Integrated System Plan

ISP Stage 2 Projects

Medium NSW to QLD upgrade

Further reinforcement of Northern Network
(QNI upgrade) - 2023

SnowyLink North

Reinforcement of Southern Network in
response to Snowy 2.0 – 2025

RiverLink (SA to NSW upgrade)

New South Wales to South Australia
Interconnector - 2022 to 2025



Source: AEMO Integrated System Plan

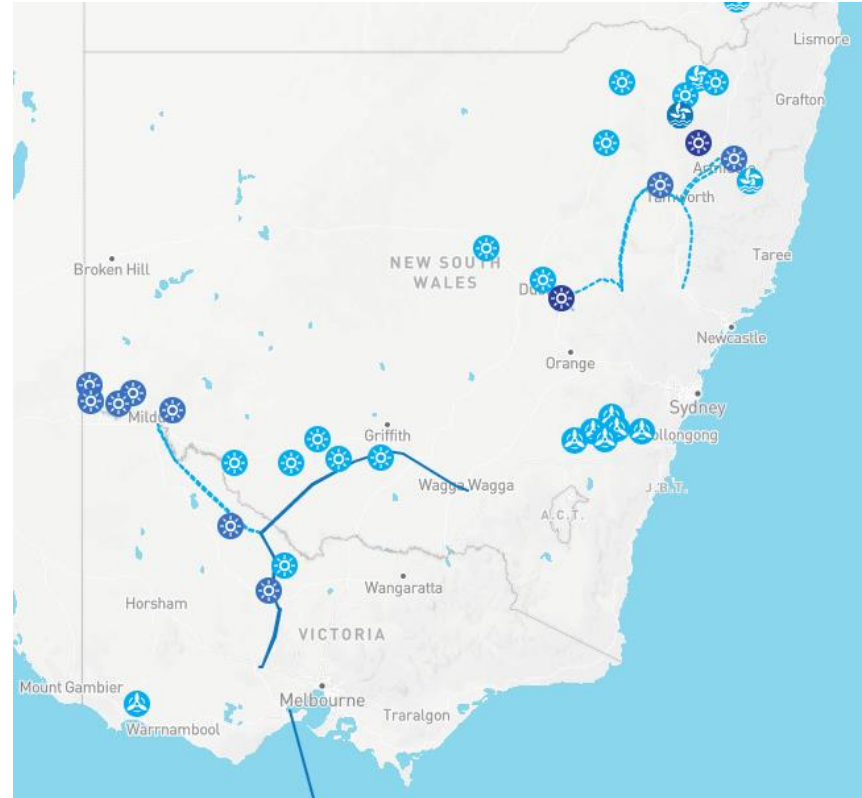
ISP Stage 3 Projects

SnowyLink South

Connect north-west Victoria renewable zone to NSW network - 2034

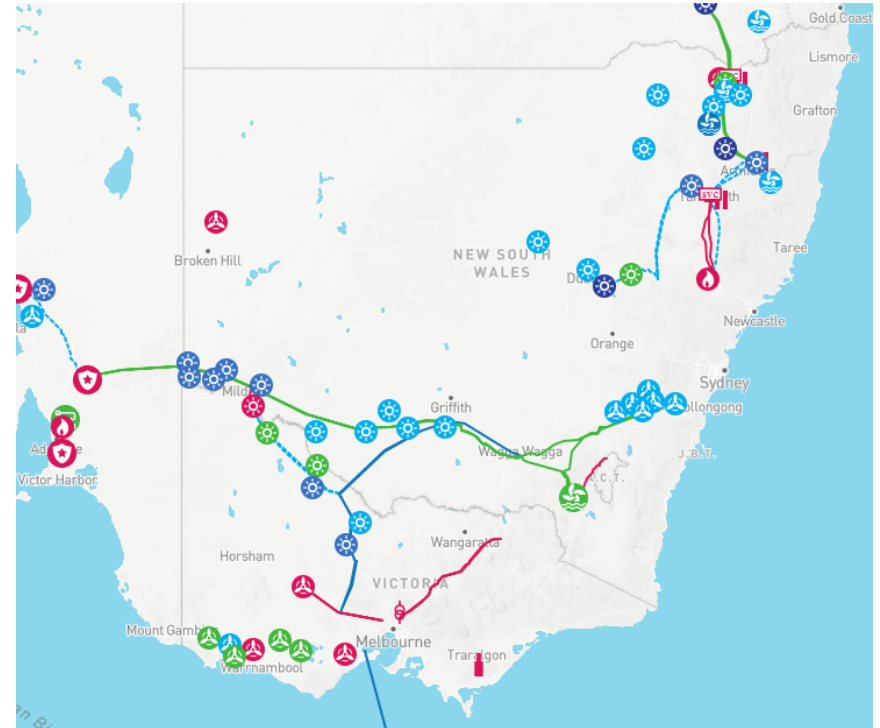
Renewable Energy Zones

Augmentation to support Renewable Energy Zones – post 2030



Why the ISP is important

- A more connected NEM will facilitate increased competition, deliver lower prices and increase security as more intermittent generation enters the system
- Each part of the energy supply chain will need to play their part to deliver reliability, affordability and emissions reduction



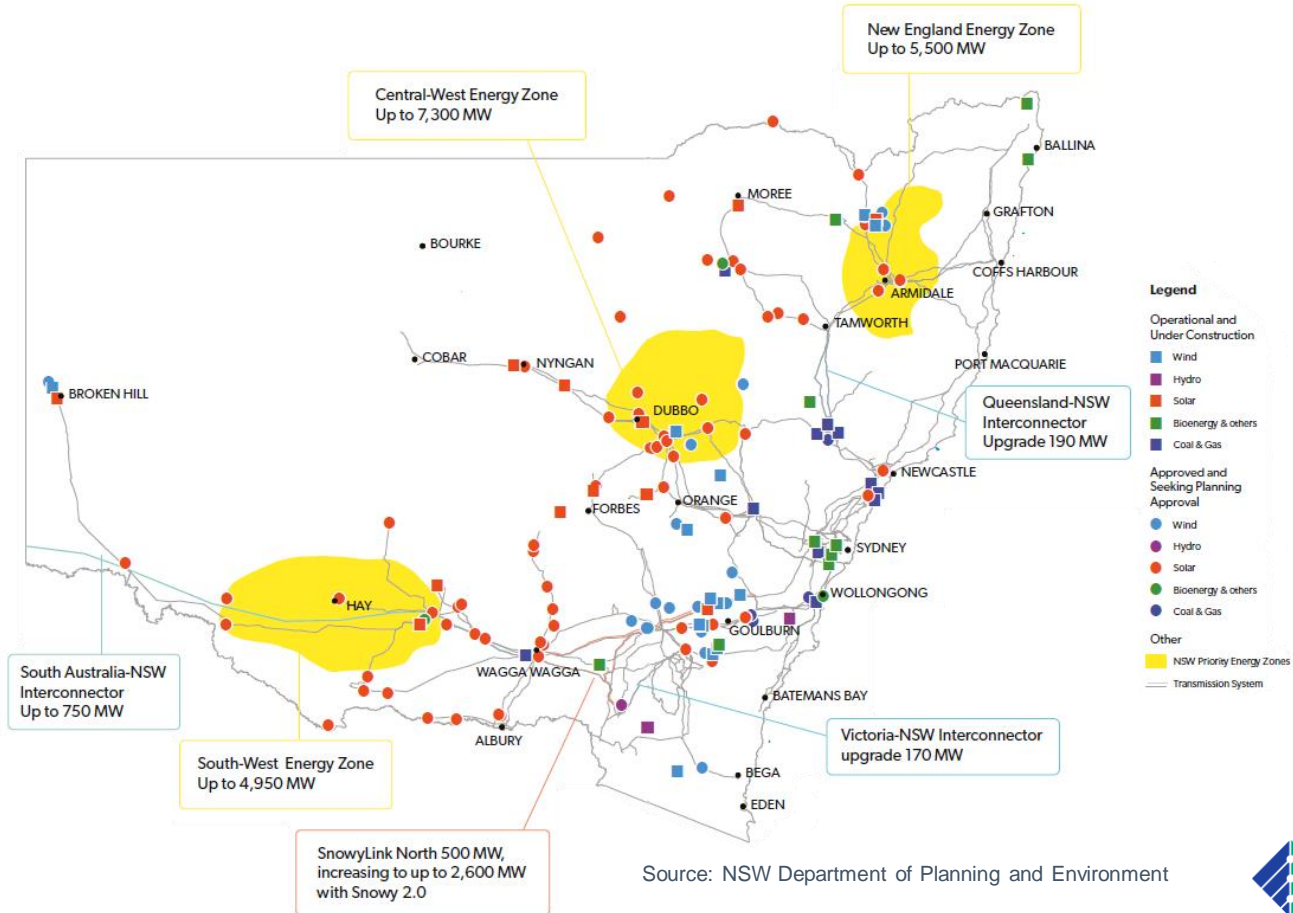
NSW Transmission Infrastructure Strategy

Appendix "J"

The NSW Government's Transmission Infrastructure Strategy outlines three initiatives:

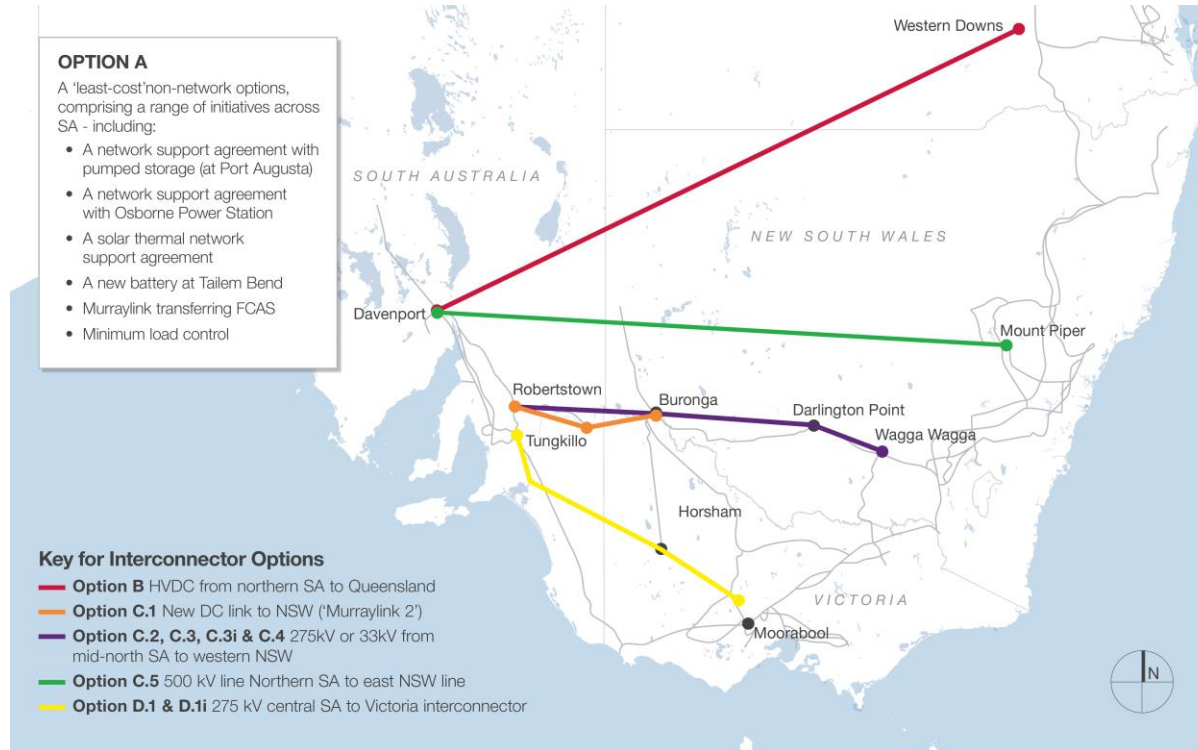
- 1. Boost interconnection with Victoria, South Australia and Queensland, and unlock more power from the Snowy Hydro Scheme.**
- 2. Increase NSW's energy capacity by prioritising Energy Zones in the Central West, South West and New England regions of NSW.**
- 3. Work with other states and regulators to streamline regulation and improve conditions for investment.**

NSW Transmission Infrastructure Strategy



Source: NSW Department of Planning and Environment

SA-NSW Interconnector Proposal



SA-NSW Interconnector Proposal



Source: ElectraNet



Thank you

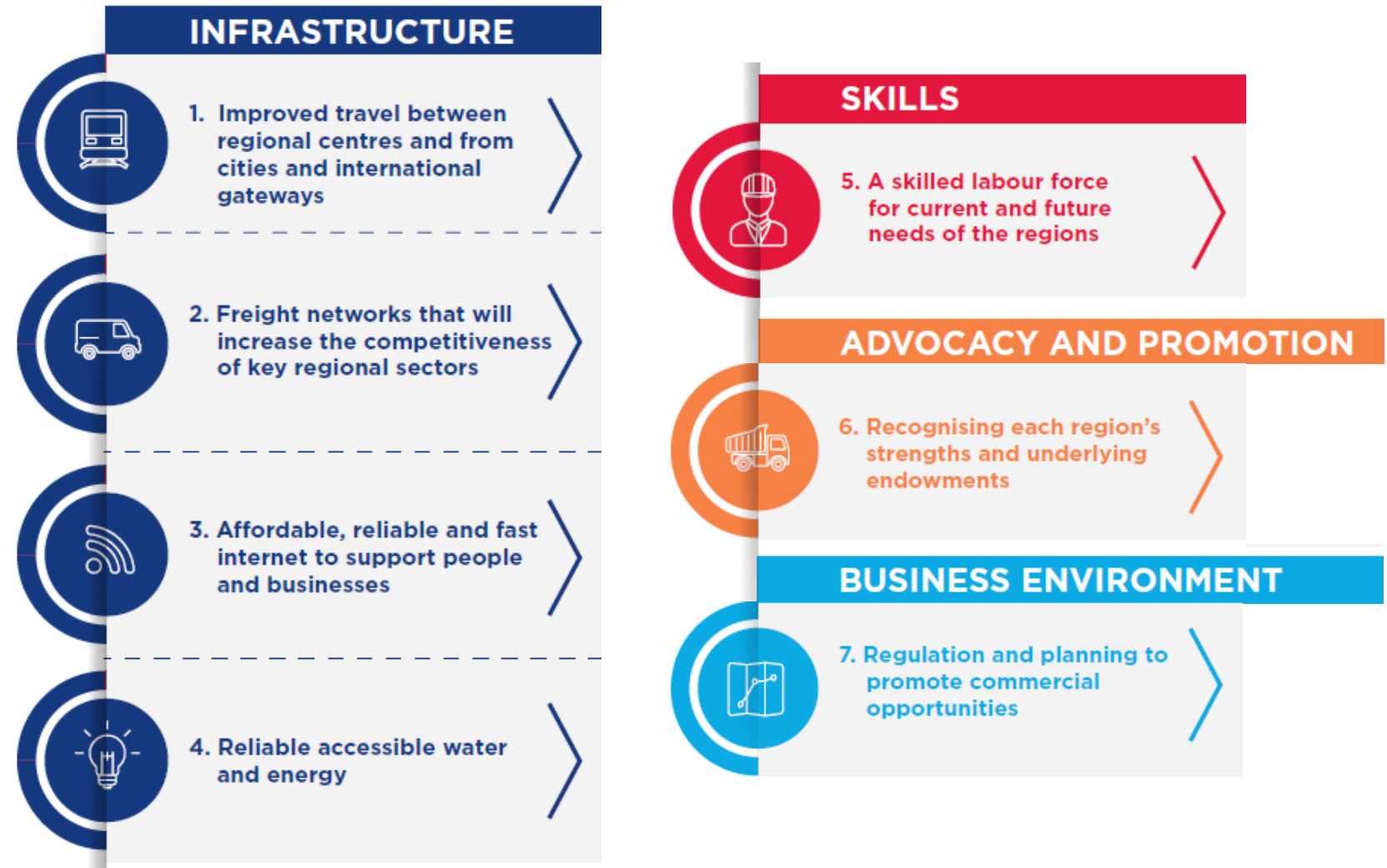
More information:

Andrew Lewis
Andrew.Lewis@transgrid.com.au
02 9284 3357

Mitch Hume
Mitchell.Hume@transgrid.com.au
02 9284 3631

7 key principles for regional development based on economic enablers

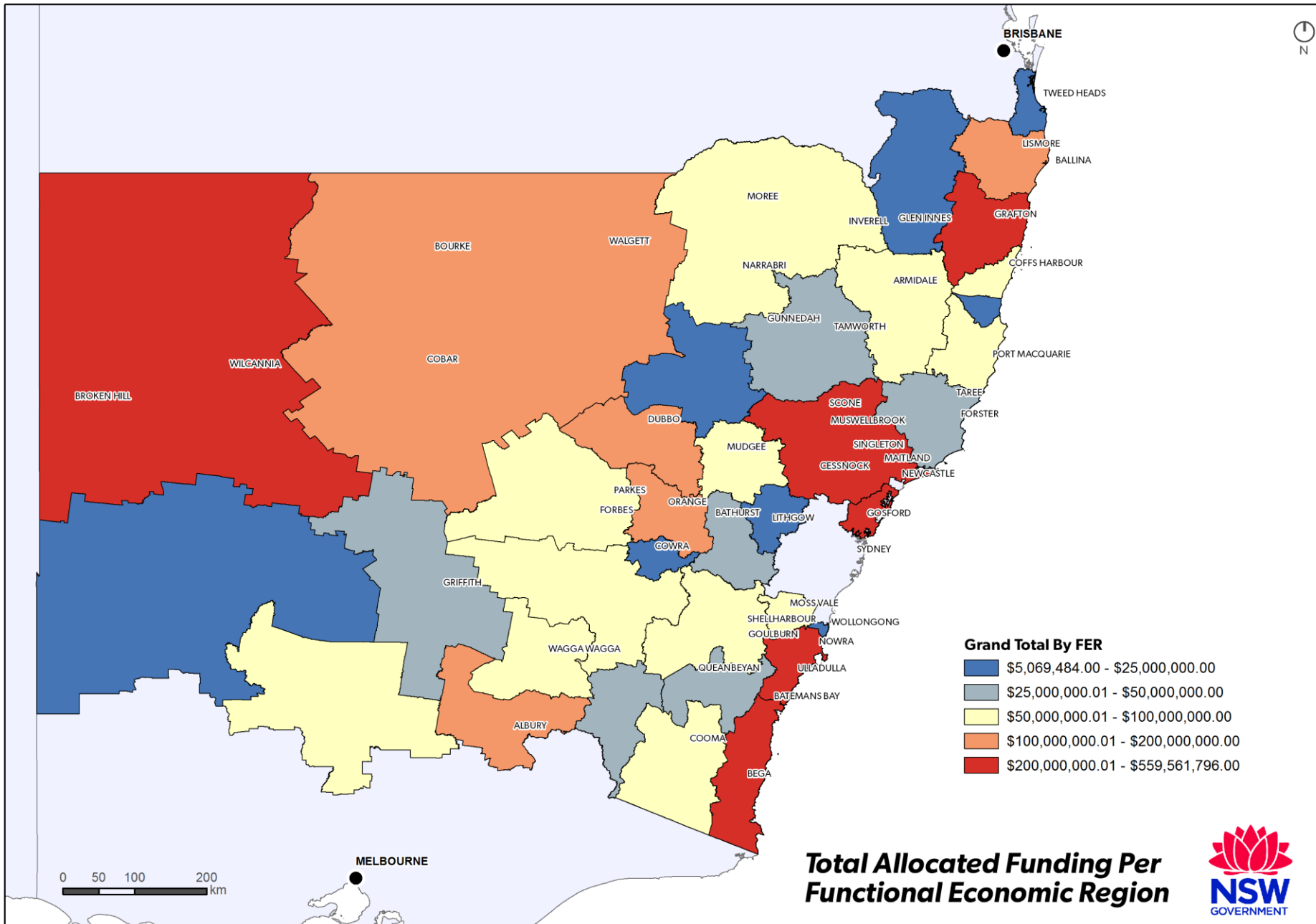
7 principles designed to bring NSW regional economies to life over a 20 year period.



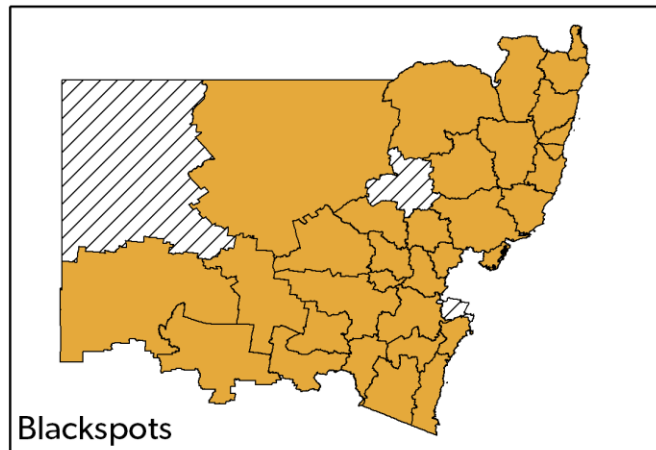
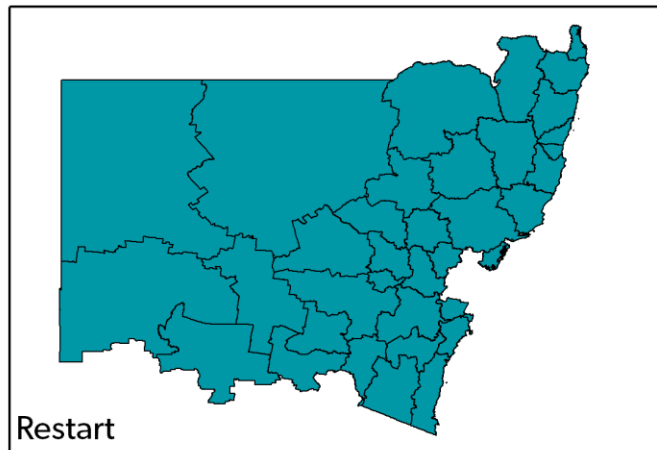
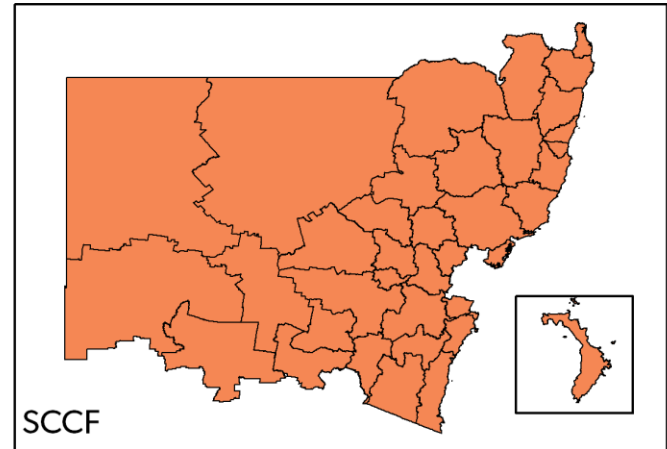
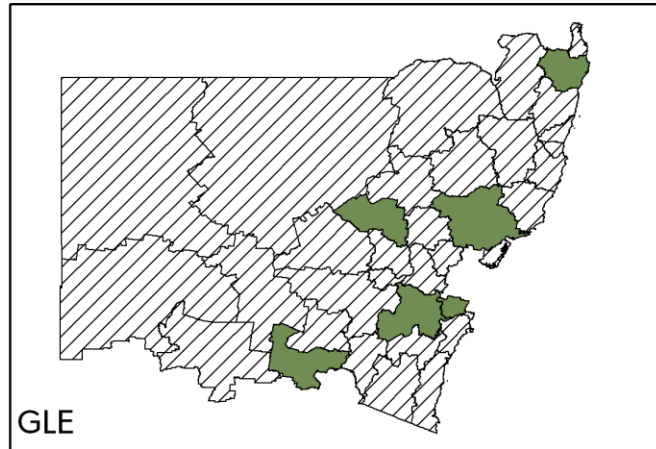
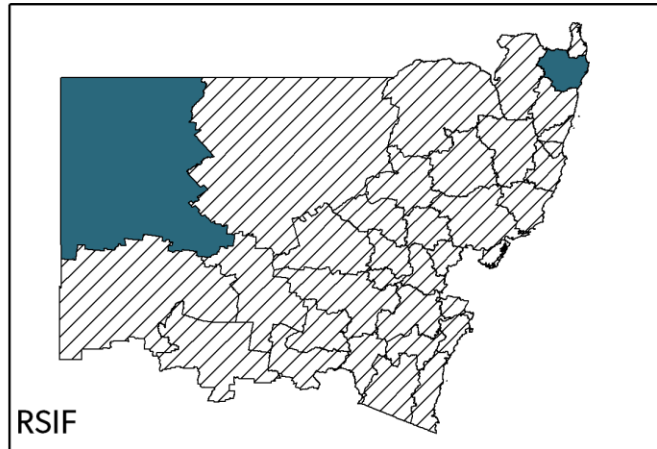
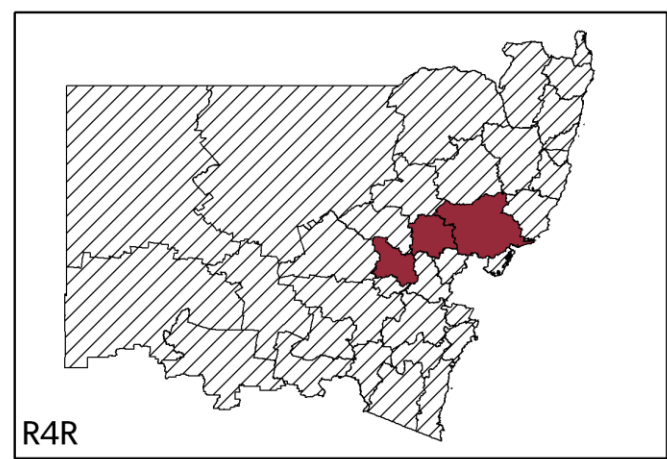
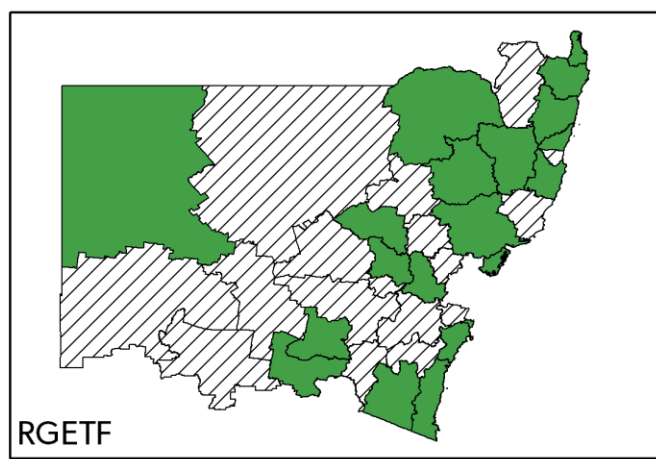
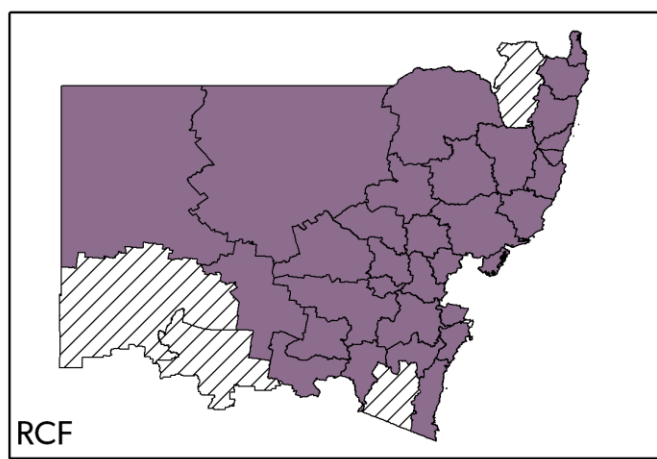
Snowy Hydro Legacy Fund



- Providing water security in priority catchments
- Improving rail and road passenger transport connections
- Improving freight linkages
- Improving digital connectivity across regional NSW
- Activating regional locations for increased business investment (SAP's)



RGF and Restart NSW Funding to Regional NSW since 2016/17



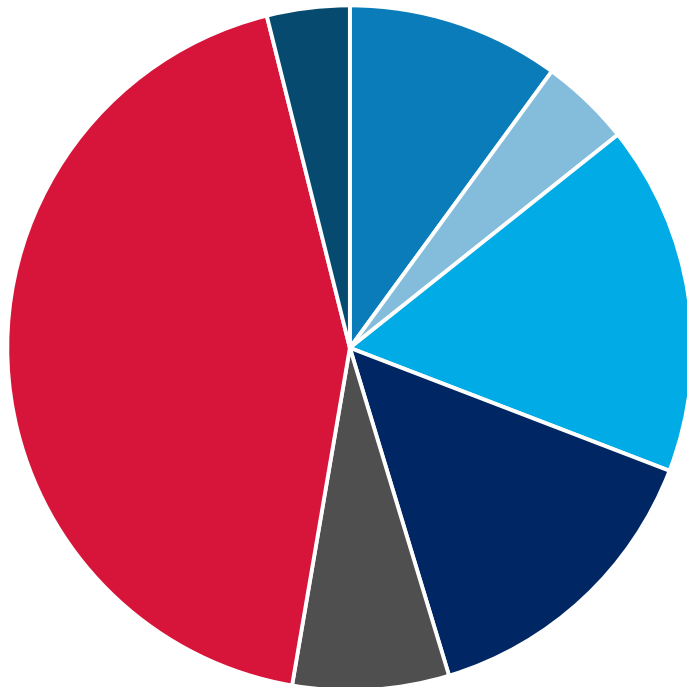
Summary of Allocated Funding Towards Total Project Cost

- Legend
- N
- No funding



Approved funding across all regional NSW

Approved funding



■ GLE ■ R4R ■ RGETF ■ RSIF ■ RCF ■ SCCF ■ MBSP

Program	Approved projects	Approved funding	Total project budget
GLE	11	\$67,197,099	\$139,958,746
R4R	9	\$28,553,500	\$115,918,750
RGETF	32	\$110,713,020	\$146,168,732
RSIF	21	\$96,954,362	\$198,307,263
RCF	79	\$49,379,383	\$121,855,270
SCCF	992	\$290,540,232	\$373,185,229
MBSP*	104	\$26,119,450	\$71,469,719
Total	1248	\$669,457,046	\$1,166,863,709

Regional NSW Investment Attraction Package



Regional NSW Investment Attraction Package

Investment concierge services

Financial incentives*

Relocation assistance for skilled workers

*For businesses in Special Activation Precincts

The graphic features a background of a vineyard with rolling hills. At the top, the title 'Regional NSW Investment Attraction Package' is written in a large, bold, yellow-to-blue gradient font. Below the title, three circular icons are arranged horizontally, each with a white background and a grey border. The first icon shows a person wearing a headset, representing 'Investment concierge services'. The second icon shows a stack of money and a checkmark, representing 'Financial incentives*'. The third icon shows a truck, representing 'Relocation assistance for skilled workers'. A thin horizontal line with three colored dots (yellow, green, blue) runs across the bottom of the icons. A small asterisked note at the bottom right reads '*For businesses in Special Activation Precincts'.



Presentation to Riverina and Murray Joint Organisation

Kevin Mack
Chairperson

Why they are here

They are here because, after 2 years of investigation at Commonwealth, NSW and Vic level They have a clearer understanding of political and funding landscape, the inequities within, and a potential solution to keep this FoodShare afloat, which is also a solution for other regions in Vic and NSW.

But background first.....



What is FoodShare?

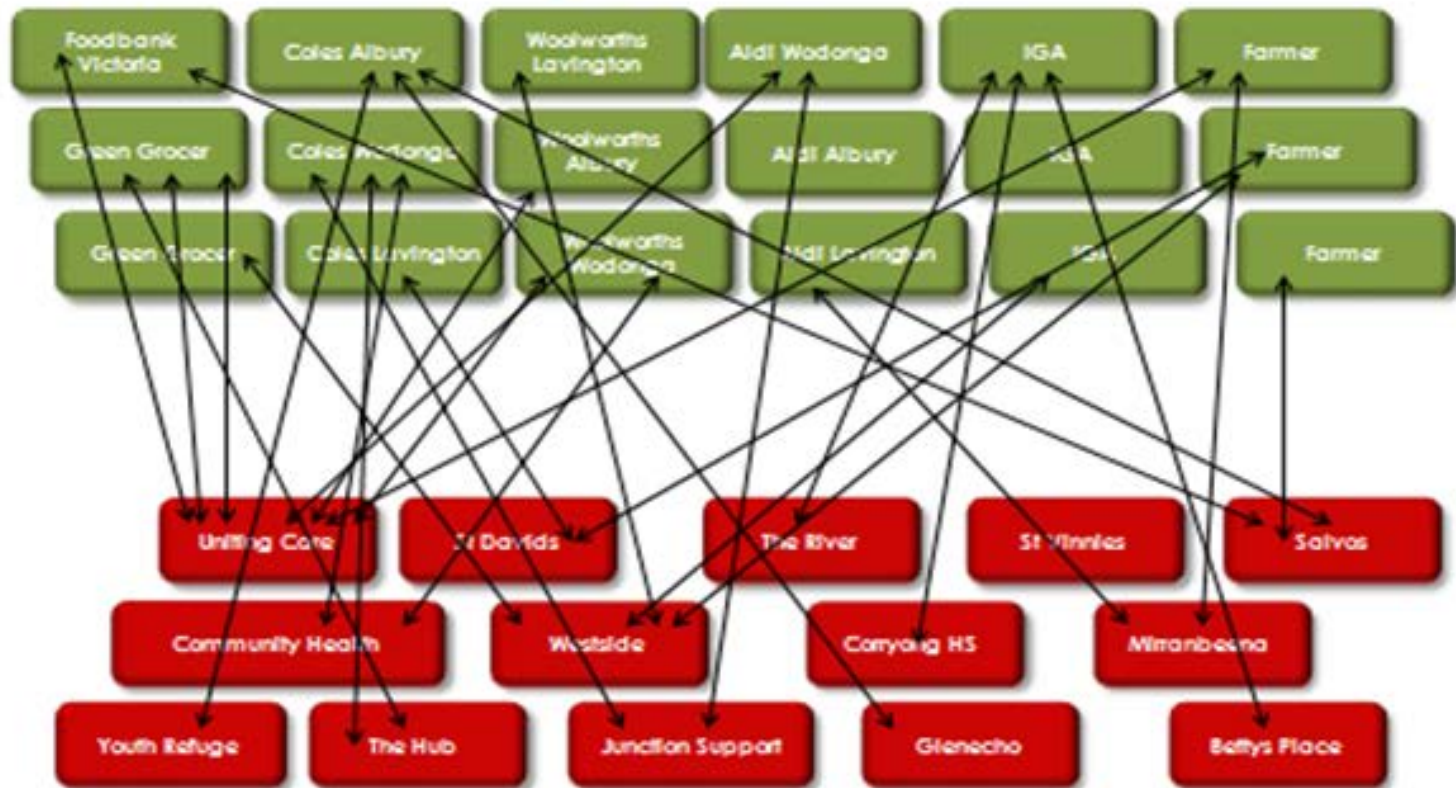


AWRFS is a dedicated, decentralised logistics centre based in Wodonga working in two states across 10 LGA's to address food insecurity, reducing food waste, reducing food miles and increasing access to good quality nutritious food for people in financial stress.



Before FoodShare

How food rescue and distribution operated before 2011





FoodShare today



Appendix "L"

Rescuing food from over 45 supplier –
Reducing waste and reducing food miles

Foodbank
Victoria

FareShare

Second Bite

Local food
manufacturers

Local food
producers

Local food
retailers



Distributing food equivalent to 1.4 million meals via 192 community agencies, educational institutions and neighbourhood houses

The need



IN SOUTHERN NSW & NE VICTORIA

- **almost 23,000 live in poverty**
- 50% are children
- 2,300 in our region require food assistance on any given day
- **all the LGAs in FoodShare's catchment have poverty rates higher than the NSW and Victorian state average**

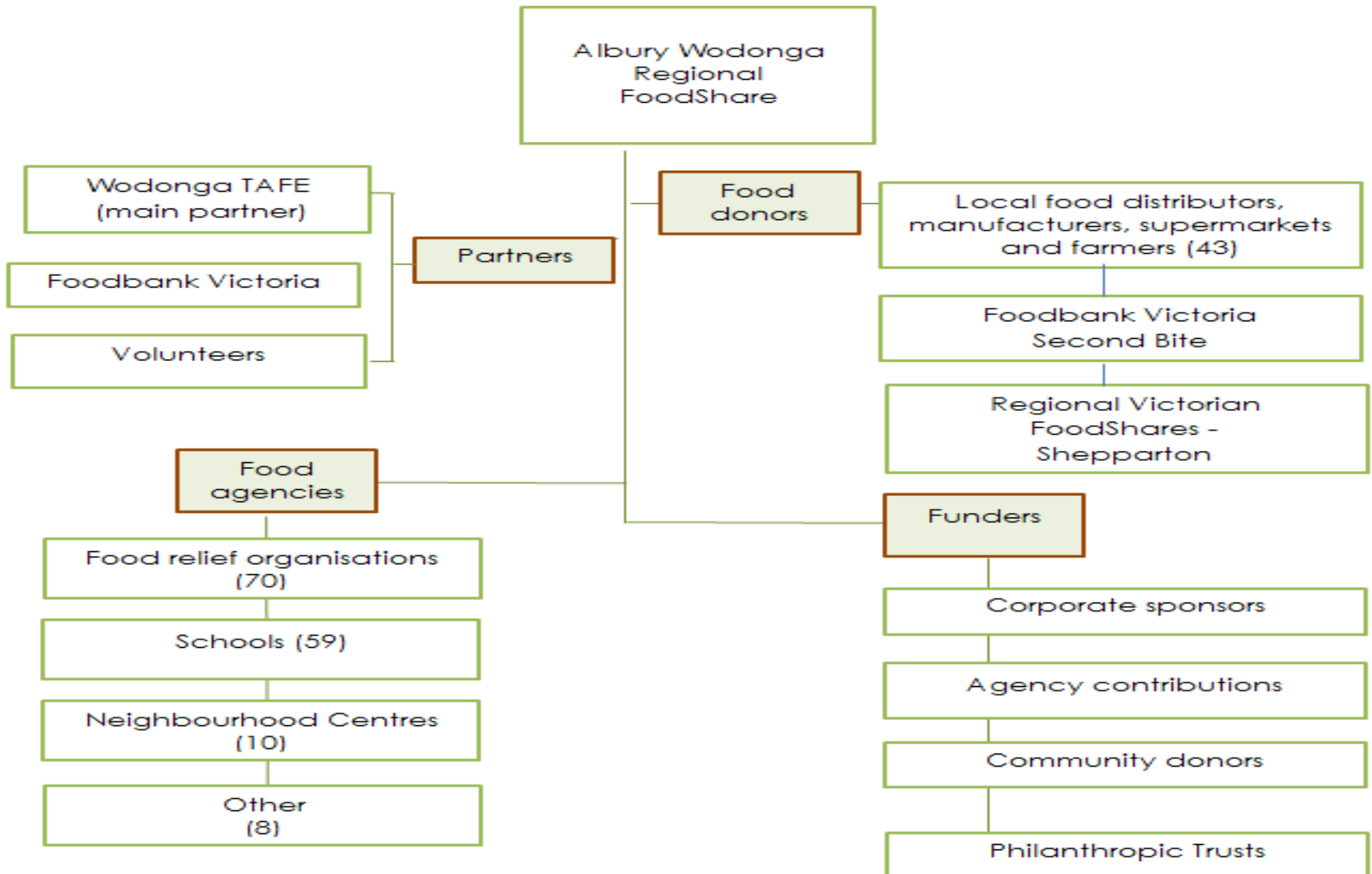
Source: National Centre for Social and Economic Modelling, 2013

IN AUSTRALIA

- 14% live in poverty
- 10% require food assistance to survive
- **3.6M (15%) have experienced food insecurity at least once in the last year, with three in five experiencing it at least once a month**
- of the 652,000 experiencing food insecurity every month, 27% are children
- **65,000 people seeking food relief each month who are unable to be assisted by charities**
- There has been a 10% increase in the number of individuals seeking food relief from charities in the last 12 months
- **48% of food-insecure Australians are employed**
- 41% have not paid bills in order to have enough money to buy food
- 46% of individuals facing this issue have not gone to a charity first
- **29% experience food insecurity live in regional and remote areas**

Source: Foodbank Australia, 2016 and 2017

Stakeholder Relationships



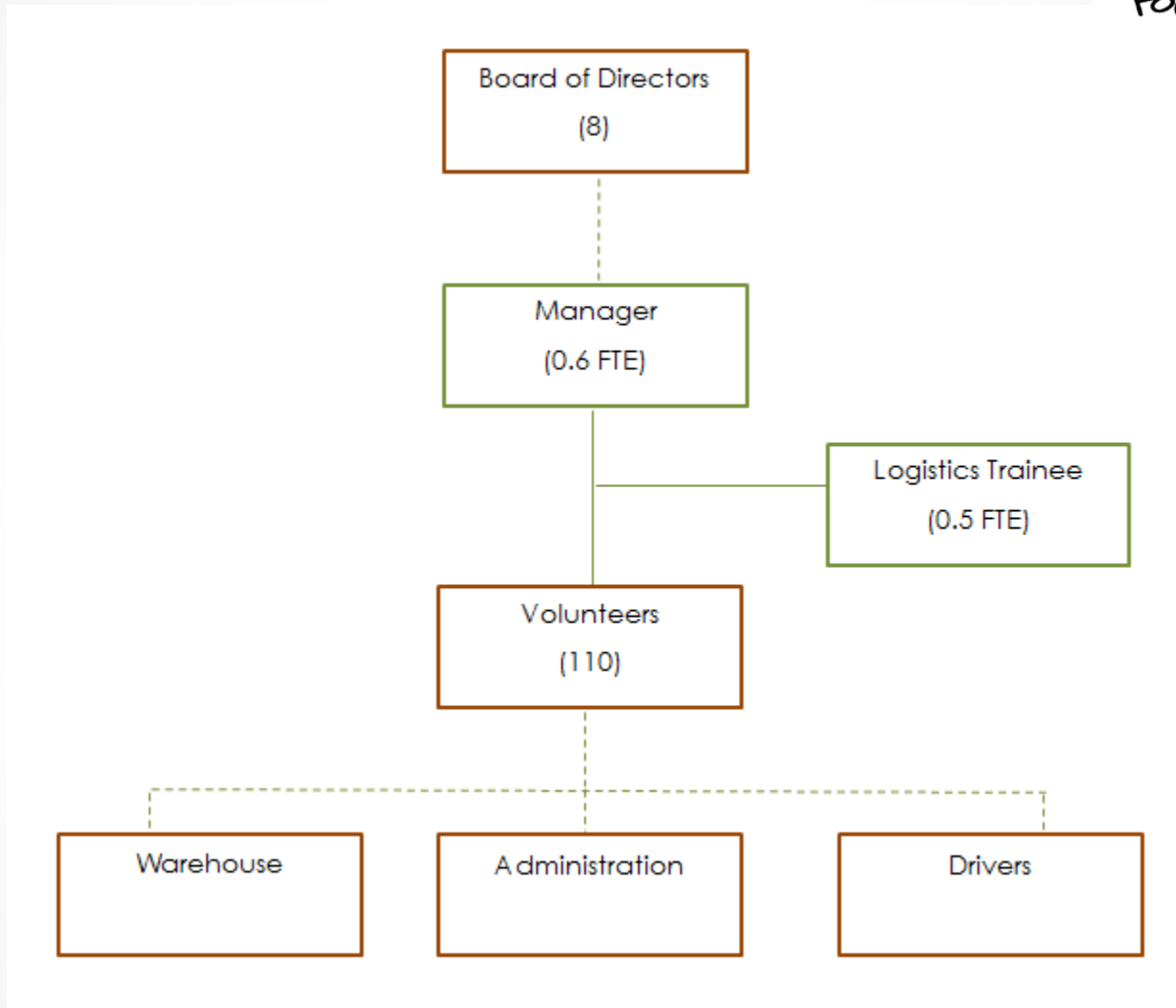


FoodShares' Reach

- 185 FoodShare agencies: NSW (82), Victoria (103) + deliveries to Shepparton, Bendigo FoodShares + FoodShare services **seven** Foodbank Victoria registered agencies: NSW = 2: Albury (2). Victoria = 5: Wodonga (3) Wangaratta (1) Corryong (1).
- **Total: 192 agencies in Victoria & NSW**

Local Government Area A	Population B	FS registered Agencies C	Distance to Warehouse D	Estimated Food Insecure Population (15%) E	Estimated Meals Required Annually* F	Meals Provided 2017 G	Estimated Need Met H
Albury	51076	54		7661	418,138	157356	38%
Greater Hume	10351	11	Up to 60Kms	1553	83,146	29530	36%
Federation	12777	9	Up to 130 kms	1867	107,632	13554	13%
Cootamundra Gundagai	11141	1	225km	1671	89,611	146	1%
Murrumbidgee	3826	2	166km	575	26,859	462	2%
Edward River	8851	1	207 kms	1328	71,069	2018 new	
Narrandera	5853	0	180km	878	47,071	2018 new	
Berrigan	8462	0	127km	1269	68,123	2018 new	

FoodShares structure





FoodShares major strategic and operational risks?



core operational funding

replacement vehicle

increased freezer capacity

warehouse certainty



FoodShare –resting on our laurels?



Financial

FoodShare has raised more than \$100K+ annually for the last 4 years

Sustainable Business Plan

Financial viability trigger plan

Fundraising coordinator

Agency voluntary contributions

NEW funding streams

Financial management changes

Strategic

Political strategy 

Board governance changes

Risk Management Review

FBV + partnerships

Victorian FoodShare alliance

What if FoodShare closed?



- 925,000 meals made up of 462,300 kgs of locally rescue food (at a value of \$3.5m) will not be available to people in need in our region
- 180+ agencies, incl. 63 educators, won't have easy access to fresh food for their families in need
- 2500 people across 10 LGAs (including 4 NSW LGA's) won't have easy access to food
- 44 local food donors won't have an easy outlet for excess food resulting in increased levels of food ending up in landfill
- 110+ volunteers may lose social connectedness, wellbeing support and pathways to employment
- Foodbank Vic (FBV) only committed to supplying 7 registered FBV agencies

What's required*



- A funding model submission for core operational funding to both state governments, jointly developed and costed by FoodShare, cross border commissioners, 10 local governments, and health agencies, and supported by our food relief agencies
- Short term funding to allow FoodShare to retain our solvency

A2687836

Clr Matthew Hannan
 Mayor, Berrigan Shire Council
 PO Box 137
 BERRIGAN NSW 2712

Dear Clr Hannan,

Thank you for your support of the Stronger Country Communities Fund (SCCF). This fund is part of the NSW Government's plan to invest in regional communities through infrastructure projects that improve the lives of residents.

I appreciate the time and effort it takes to prepare applications and I thank you for submitting projects in Round 2 of this program. I am excited about the great potential of these community and sporting projects to enhance the lives of our regional communities.

It is my pleasure to confirm the following projects submitted by your Council have been successful:

Project Title	Grant Value
Redevelopment of Netball and Cricket facilities at Tocumwal Recreation Reserve	\$497,541
Development and expansion of Adventure-style playground at Barooga	\$489,478
Upgrade of ancillary facilities at Berrigan War Memorial Swimming Pool	\$395,355

The below project has been successful for part-funding. Part-funding is offered to fully utilise the allocation of funding available for your Council area.

Project Title	Grant Requested	Grant Offer
Upgrade of lighting and scoreboard at Berrigan Sportsground	\$107,807	\$59,170

A letter of offer from the Department of Premier and Cabinet will be sent to your Council to provisionally accept the funding for these projects, including an offer of partial funding for the last project listed above. Part-funding is offered to provide Council with the opportunity to fully utilise the SCCF allocation for its area.

I ask that Council please return a copy of this letter with the signed 'Statement of Acceptance of Funding' within five days of receipt. Council is required to maintain confidentiality of their successful projects until an announcement is made public by the NSW Government.

I look forward to seeing your SCCF projects come to life over the next two years.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'John Barilaro', written in a cursive style.

The Hon. John Barilaro MP
Deputy Premier
Minister for Regional New South Wales
Minister for Skills and Minister for Small Business

CC: Rowan Perkins
General Manager – Berrigan Shire Council