



*A prosperous and progressive
community we proudly call home*



Business Papers 2020

MID-WESTERN REGIONAL COUNCIL

ORDINARY MEETING
WEDNESDAY 18 NOVEMBER 2020

SEPARATELY ATTACHED ATTACHMENTS

ATTACHMENTS

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2020–21 Quarterly Report

Q1: Jul to Sep 2020

prepared for

MID-WESTERN REGIONAL COUNCIL

Executive Summary

Mudgee Region Tourism (MRT) tables this report to the Mid-Western Regional Council (MWRC) as a requirement of the contract between MWRC and MRTI 2017-22, an agreement subject to the following key performance indicators.

#	Objective	Metric/KPI	FY20-21 Q1 Result (vs. same period last year)																										
1	Measure tourism numbers to the LGA and where they are from	<p>Analyse trends in tourism visitation in the Mudgee Region by capturing and reporting:</p> <ol style="list-style-type: none"> VIC visitation (post codes) Overnight visitation via accommodation members representing at least 30% of region's total room inventory (visitor nights x LGA average per visitor spend NVS data \$146 as at Dec 18) 	<p>Total 'Visitor Information Centre' visitors* 11,189 (↑12%)</p> <p>2020-21 Q1 VIC Geographic Source Results</p> <table border="1"> <tr> <th>Geographic Source</th> <th>Percentage</th> </tr> <tr> <td>Sydney Region</td> <td>43%</td> </tr> <tr> <td>Regional NSW</td> <td>47%</td> </tr> <tr> <td>Interstate</td> <td>9%</td> </tr> <tr> <td>International</td> <td>0%</td> </tr> <tr> <td>Unknown</td> <td>0%</td> </tr> </table> <p>Overnight visitors* (↑47%)</p> <p>Q1 Overnight Visitor Sample + 5 Year Comparison</p> <table border="1"> <tr> <th>Year</th> <th>Visitor Sample</th> </tr> <tr> <td>Year 2015</td> <td>30,000</td> </tr> <tr> <td>Year 2016</td> <td>30,500</td> </tr> <tr> <td>Year 2017</td> <td>32,500</td> </tr> <tr> <td>Year 2018</td> <td>31,500</td> </tr> <tr> <td>Year 2019</td> <td>27,500</td> </tr> <tr> <td>Year 2020</td> <td>40,500</td> </tr> </table> <ul style="list-style-type: none"> Increase in VIC visitors (12%) on same period last year, noting in 2020 this did not include Flavours of Mudgee ticket sale visitors due to event cancellation (Sep is generally peak visitation period for this reason) Significant increase (47%) in visitor nights Q1 FY20 v FY21 – attributed to COVID-19 travel restrictions lifting regionally, interstate and international borders closed and FTL rebound campaign resonating with target audiences *Q1 sample size: 35% of total inventory across the region (10 accommodation providers) 	Geographic Source	Percentage	Sydney Region	43%	Regional NSW	47%	Interstate	9%	International	0%	Unknown	0%	Year	Visitor Sample	Year 2015	30,000	Year 2016	30,500	Year 2017	32,500	Year 2018	31,500	Year 2019	27,500	Year 2020	40,500
Geographic Source	Percentage																												
Sydney Region	43%																												
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Year 2020	40,500																												
2	Provide all tourism related businesses in the LGA with the opportunity for promotion	<ol style="list-style-type: none"> Maintain or increase total number and/or total value of MRTI partnerships Provide a business listings page on website (for all tourism members and non-members) at no cost. Web page to be visually sponsored by MWRC (logo) 	<p>331 partners (↑5%) – for tier breakdown, see below</p> <p>\$435,013 + GST partnership fees (↑5%)</p> <p>Click here for Mudgee Region business listings page</p> <p>Click here for MWRC sponsor logo (footer of every page and on 'Our Sponsors' page)</p>																										
	YTD	Platinum	Gold	Silver	Copper	Bronze	Basic	Diamond	Ruby	Total																			
	Sep-19	20	33	25	77	76	77	5	4	316																			
	Sep-20	25	45	88	-	100	64	4	5	331																			

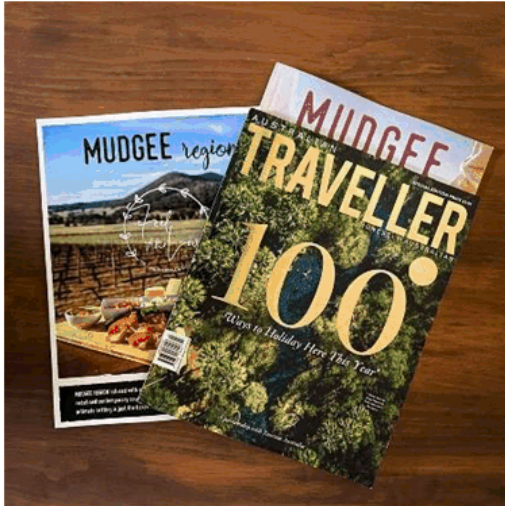
3	Attend and promote the region at events outside the region	Identify at least 4 key trade and/or consumer shows annually (within specified target markets) to promote the Region.	√ Events on hold due to COVID-19
4	Provide monthly marketing communication to subscriber database, report on social media reach and website visitation statistics	<ol style="list-style-type: none"> 1. Annual subscriber database health check 2. Increase subscriber's year on year 3. Distribute monthly subscriber emails (maintain brand and membership activation integrity) 4. Distribute weekly member newsletters 5. Prepare monthly digital media statistics (social media + website), track trends, increase engagement and followers 	<p>23,288 subscribers (↑9%)</p> <p>√ Standard subscriber EDM sent 31 Jul, 28 Aug, 30 Sep √ Feel the Love Rebound EDM sent 17 Jul, 17 Aug, 18 Sep √ Member News EDM sent weekly/fortnightly</p> <p>Unique website visitors 79,649 (↑78%) Unique page views 961,979 (↑125%) <i>*Note: Jul-Sep saw a significant increase in website visitation due to COVID19 travel restrictions lifting from 01 June, and our Feel the Love rebound campaign being in market.</i></p> <p>Facebook 20,757 (↑27%) Instagram 17,097 (↑46%) Twitter 1,941 (↑14%) TOTAL 39,795 (↑26%)</p>
5	Promote all tourism-related council and major regional events	Promote MWRC and major events through Visitor Guide, subscriber database, digital channels, MRTI stalls (e.g. Flavours of Mudgee) and other promotional channels (e.g. radio, Mudgee Guardian articles, etc)	√ Events cancelled due to COVID19
6	Develop annual marketing plan providing details of all marketing and promotional activities planned to be undertaken on a monthly basis to promote LGA as a tourism destination and provide quarterly updates	<ol style="list-style-type: none"> 1. Review + update Mudgee Region DMP on a 5-yearly basis 2. Develop an annual Marketing Campaign Strategy, with measurable KPIs 3. Prepare report and meet MWRC quarterly to discuss KPI tracking and results 	<p>√ Feel the Love rebound campaign in market and then placed on hold due to high demand in region</p> <p>√ Launched 2020-21 Destination Magazine + Map</p> <p>√ Australian Traveller Tip-on Promotion</p> <p>√ Continued work on development of new website</p> <p>√ Launched virtual industry development masterclasses as part of the bushfire recovery grant supported by NSW Government and MWRC</p> <p>√ PR coverage of Mudgee Region in Q1:</p> <ul style="list-style-type: none"> - AVE (est. advertising value): \$1,255,000 - PRV (PR value): \$3,764,999 - Reach (total opportunities to see): 80,964,084 <i>*significant increase in PR coverage due to the Feel the Love rebound campaign + travel restrictions lifting</i> <p>√ MWRC quarterly report completed + submitted (post September EOM Report approval at October board meeting – with board meetings now held bi-monthly)</p>

Key Activity

FEEL THE LOVE REBOUND CAMPAIGN

Continued to track a phenomenal response across all campaign activation points including TV, radio, social media and traditional media.

Campaign placed on hold in August due to demand vs supply concerns following exceptional response to the campaign.



AUSTRALIAN TRAVELLER PROMO + TIP-ON

A special edition of [Australian Traveller](#) magazine, promoting 100 ways to [#holidayherethisyear](#), featuring Mudgee Region. The region has been overwhelmed with a positive response to this promotion.

Full page back cover advertisement and tipped on 30K of our Mudgee Region Magazines to a broad 'travel ready' audience.

Mudgee, Rylstone, Gulgong, Capertee + experiences by [Olive.a.twist](#) (Mudgee Sourdough School), [Mudgee Farmers' Market](#), [Mudgee Farm Walks](#), [Alby + Esthers](#), [Roth's Wine Bar](#), [The Zin House](#), [Pipeclay Pumphouse](#), [Robert Stein Vineyard, Winery and Farm](#), [29 nine 99 - Yum Cha and Tea House](#) + [Bubbletent Australia](#) also received a special mention in the magazine courtesy of Tourism Australia.

Australian Traveller - in partnership with Tourism Australia - was proud to launch their biggest domestic tourism campaign yet: The Top 100 Ways to Holiday Here This Year. Total print run 70K.

FERMENTA

The phenomenon of fermentation will be celebrated in a new event confirmed for Rylstone and Kandos in 2021 following the announcement of state and federal government grant funding.

The inaugural Fermenta Festival will celebrate the art of fermentation by local producers from sauerkraut to kombucha, small batch beers and fine wines, to chocolate and cheese on March 13 and 14 next year.

The event is a partnership between Council, Mudgee Region Tourism and Cementa Festival.



TOP SEARCH DESTINATION

Mudgee was named in the Top Ten most searched Australian destinations by global third-party heavyweight booking.com, and #1 in NSW (and only NSW destination in the top ten). Read more [here](#).



NEW MUDGEE REGION MAGAZINE + MAP LAUNCHED

The new 2020-21 Mudgee Region Magazine + Map launched at the end of August. Positive reception from partners, visitors and locals.

Arranged special delivery of magazines + maps to partner businesses and sent a copy to each residence across the LGA.

[Click here](#) to view the online Flipbook version of the Magazine.

LOCAL RADIO ADVERTISING

Focus: Mudgee Region Hamper delivery/pick-up promo.

ADAM SPENCER ROADTRIP CAMPAIGN MEDIA VISIT

We worked with the Department of Premier + Cabinet to develop a compelling media visit for TV personality and comedian Adam Spencer to travel to the region with his family (25-27 September) to promote Australian road trips in the lead up to Australia Day programming on ABC. Coverage and promotion to follow.

INDUSTRY DEVELOPMENT MASTERCLASSES

As part of Mudgee Region Tourism's commitment to industry development across the region, registrations were opened for partners to participate in a series of new workshops for our new Visitor Experience Virtual Masterclass series, proudly funded by the NSW Government in association with Mid-Western Regional Council.

Engaging our long-time creative solutions partner, [Klick X](#), to deliver a highly engaging and action-oriented series of virtual Masterclasses pitched at business decision-makers, middle line management + intermediate users of social media to elevate our destination's visitor experiences and in turn profitability for individual businesses.

THE GUEST EXPERIENCE MASTERCLASS



Presented by Jesse Desjardins, The Guest Experience Map // Klick X Consultant
AND Kim McKay // Klick X Founder

TEAM RE-ALIGNMENT TO SUPPORT DESTINATION GROWTH

In September, MRT announced a team realignment impacting its existing organisational structure.

Transforming the business to support current and forecast demands works hand-in-hand with our ambition for continuous improvement. This action helps MRT deliver the best outcome for our destination, visitors, partners and stakeholders.

Over recent months, the significant increase in visitors to our region has impacted our regular front office operations and placed additional strain on our team.

New destination trends + insights:

- Significant increase in visitation
- Significant increase in first time visitors to region, in turn an increase in visitors to the Visitor Centre seeking information
- Increase in online chat, call + email enquiries
- Increase in visitation to website
- Visitors planning ahead, pre-booking, needing more assistance
- Increase in interest from media
- Increase in visitor demand and expectations, new audiences
- Opportunity to convert new visitors to repeat visitors
- Opportunity to increase revenue
- COVID Safe capacity restraints across region and in our office
- Increased demand for business support

In summary:

- Mudgee Region has seen significant growth in the visitor economy over the past 5 years
- We've enjoyed an extremely strong rebound post COVID travel restrictions, and this is anticipated to continue for next 3-5 years
- We are committed to implementing the Prioritised Action Plan + deliver outcomes outlined in the 2020-25 Destination Management Plan
- It was identified support roles were required for the Marketing + Partnerships teams, which includes increased skillset requirements on the front desk
- Preparation required for further increase in visitation when we relocate to new Art Gallery + Tourism Hub in 2021
- Current front office structure does not support current (or forecast) visitor demand
- For business reasons, some positions have been made redundant - this was not a reflection of personal performance
- Two new full-time positions were created

Those directly affected by the restructure were offered several options, including redundancy packages, optional notice periods, alternative positions/hours, opportunity to apply for newly created full-time positions and re-employment support. One of five front office staff chose to continue in the available permanent part time position. Two permanent part time and two casual employees chose to depart/accept redundancy offers.

Recruitment commenced for the new positions created as part of the restructure.

JULY COVERAGE HIGHLIGHTS



CEMENTA Creative Director, Alex Wissel, Mudgee Region Tourism CEO, Caci Perrone and MWLR, Western Region Council Mayor, Des Kennedy.

'Fermenta' coming 2021



Benjamin Palmer
@benjaminpalmer

20 Jul 2020, 2:30 pm

Prosperity



Fermenta, a word you'll hear a lot more of in the next year.

Another feather in the cap of the region's event calendar, Fermenta has been announced as a new event coming in March 2021 following the announcement of state and federal government grant funding.

The inaugural event will celebrate the art of fermentation by local producers from sauerkraut to kombucha, small batch beers and fine wines, to chocolate and cheese on March 13 and 14 next year.

As you might have guessed from the name, the event is a partnership between Council, Mudgee Region Tourism and Cementa Festival.

The joint organising committee successfully secured \$30,000 through the Australian Government's Regional Tourism Bushfire Recovery Fund and an additional \$10,000 through Create NSW 19/20 COVID-19 Quick Response Initiative for the event.

"The thing about fermentation is that it underpins our relationship to food, to land and to life - it happens in our bodies, in our food and in the soil that makes all life possible," Cementa Creative Director, Alex Wissel said.

"It is also an intimate part of what makes life worth living, of the good things in life, the food and drink that we share socially, that bring pleasure and joy. Fermentation, if you think about it, is the foundation of how we celebrate life, so why wouldn't we want to celebrate the process that brings us so much joy."

Mid-Western Region Council Mayor, Des Kennedy said the event will bring much a needed social and economic boost to the region.

"Fermenta will be the perfect kick-start for the Rylstone and Kandos communities as we work to attract that crucial tourism dollar back into our region," Cr Kennedy said.

"These communities, their businesses and residents have been hit by a trifecta of drought, bushfire and COVID-19, and this event will not only provide a social experience and something to look forward to but an economic boost with visitors planning a weekend stay around the event."

The story 'Fermenta' coming 2021 first appeared on [Mudgee Guardian](#).



JULY COVERAGE HIGHLIGHTS

Coronavirus: Regional tourism all the rage these school holidays



Dirk-Jan Gussinklo, Nicholle Fox and family go regional. Picture: Graham Schumann

By EMBLY RITCHIE
10:07PM AEST 6 JULY 2020



Regional tourism operators in NSW are hoping to recoup some of their losses incurred by the bushfires and coronavirus pandemic as hundreds of families travel intrastate these school holidays.

Sydney primary school teacher Nicholle Fox, her husband, Dirk-Jan Gussinklo, their three children and dog have decided to bolster local tourism in Mudgee — some four hours northwest of the CBD — this week.

"Noosa and New Zealand were originally the potential travel destinations for us these winter holidays but the pandemic threw those ideas out the window," Ms Fox said. "Luckily we hadn't booked anything. But given these circumstances, I think it's really important, especially seeing as cases (of the virus) have remained low in NSW, that we get out and travel to regional communities that rely so heavily on tourism to survive."

The family, from Oyster Bay in Sydney's south, arrived in Mudgee on Sunday and said the country town — known for its wineries — was teeming with life under the winter sun. "It's lovely here so far — it's beautiful weather and we're keen to hire some bikes and explore," Ms Fox said. Closure of the NSW/Victorian border offered even more reason to travel locally and support tourism-reliant businesses, she said.

Australians have been slowly getting back on the road for intrastate trips as COVID-19 restrictions have eased, with month on month growth of 15 per cent and climbing, data from TripTech says.

The top five regional travel hotspots during June were Murray East and the Eyre Peninsula (both in South Australia), Victoria's High Country and Yarra Valley and then the bushfire-affected regions through southern NSW.

NSW Tourism Minister Stuart Ayres said this year "looks a little different" for domestic travel and it was positive to see many families looking to "take road trips and short breaks for a getaway closer to home".

Share this article



More stories on this topic

- [Push for masks to be worn at school](#)

JULY COVERAGE HIGHLIGHTS

NSW



Base yourself at Blackbird (above) before venturing to Cooma spa in Byron Bay (right)

■ HIPSTER HOTSPOT

Newcastle

It's the cocktail just north of the NSW Central Coast and much of the action happens close to **Flourish at Bull**, the two-bedroom, lifestyle apartment in Cooma Hill, where interior designer Morag Arpaia

hosts guests above her studio, **Flourish Interior Design** (flourishinteriordesign.com.au). Take in the inner-city scene from your arched window before discovering the town's buzzing coffee spots try **Cornet House**.

Cafe 20 Union Street, 0492 124 880, serves lunch as the produce-focused **Flourish**, 081 614 014, commands bars for a whisky-based **Luck**. Bravi cocktail at **The Koutetnik**, 081 614 014.

■ WELLNESS

Northern Rivers region
Experts are forecasting that wellness tourism will boom (see page 72) and you'd be hard pressed to find a richer offering than what awaits you in this part of the state. Base yourself at Mullumbimby Creek's **Blackbird** (blackbirdbyron.com.au), a tank-top bed and breakfast with three pavilions, views across the hinterland towards Cape Byron Lighthouse and a magnesium pool. You're about 15 minutes from the **Crysal Coaste** (crystalcoaste.com.au), where you can explore a 120-million-year-old amethyst crystal cave, and half an hour from hippie meets hipster Byron Bay. Any stress you may feel choosing from the range of indulgent massage and body treatments an offer at spa **Divine** (somemulbyon.com) will quickly be undone. Or you could let nature ease your worries with a soak in the tree-hole near Tallow Beach or a walk in

■ NATURE

Capertree Valley
Somewhere in the state's Central Tablelands, between Mudgee and Lithgow and overlooking Capertree Valley, is one of the coolest accommodation concepts ever conceived. **Bubblehouse Australia** (bubblehouseaustralia.com) offers transparent, bubble-shaped tents that let you lie in bed the land with insects and take in the night sky. Book the **Virgo tent** for climate control and a wood-fired tub hot pool; your own positions, including water. If you can't be bothered cooking, make the short drive to the charming **Capertree Royal Hotel** (02 9399 4172) or call the set a little wider to the popular wine region of Mudgee, an hour away.

the Nightcap National Park (nationalparks.nsw.gov.au). When it's time to relax, there's a host of cafes and restaurants in the region focusing on organic, local and seasonal fare: **Harvest** (harvesteverybar.com.au) at 'Saver' you're a must-try, as are **The Byron Day General Store** (byrongeneraldstore.com) and lunchtime burger hotspot **Osteria** (osteriacasuarina.com) in Casuarina. But breakfast is on Blackbird.

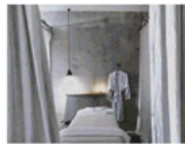


Photo by Jessica Payne - Photography by Lisa Perry

■ COUPLES

Palin Beach
They call it a "floating villa" but think of it as a tiny house cradled with a love yacht. **Lilypond** (lilypondwinelands.com.au) is a mini-island destination moored off Sydney's Palm Beach, offering both local and indigenous. By day, plant yourself on the deck or discover nearby beaches with the self-serve local milk bar for use by night to create the wine coffee cocktail served from a provided bar per then settle into bed to sleep by the waves.



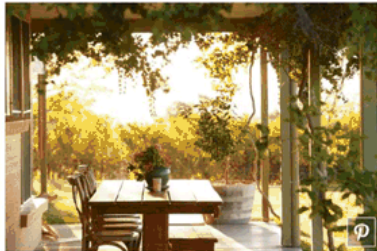
► Spend a weekend in the Blue Mountains, NSW. Visit spacass.com/visit/index



JULY COVERAGE HIGHLIGHTS

The Best Winery Accommodation in NSW for a Weekend Amongst the Vines

At these boutique wineries, you'll be able to swirl, sip and stay. We can't wait for you to see our pick of the best winery accommodation, NSW has to offer!



Rosby Wines, eurunderee

A cellar door with a boutique style accommodation, these vineyards across New South Wales have brought the two together to create a perfect weekend away from the urban grind. Whether you're in search of a destination vineyard, or an entire weekend, here is the best winery accommodation in NSW to swirl, sip and stay.



Rosby Wines, eurunderee

Rosby Wines

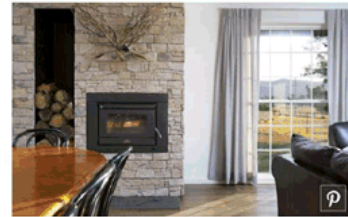
Upon entering the 400-acre property, the breathtaking views at Mudgee's Rosby will have you spellbound. The guesthouse boasts King Rooms, an open fireplace and cathedral ceilings. To make the most of your stay, book a private tasting at the cellar door and be sure to see if there are any workshops on during your stay; everything from painting and sculpting to woodfire cooking and welding.

From \$190 per night

133 Strikes Lane (off Henry Lawson Drive), Eurunderee



(Shared on FB x238) **SITCHU.**

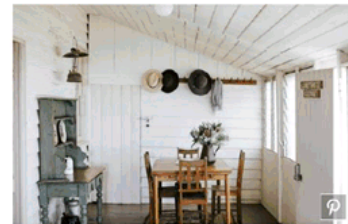


Harknum Windarra Winery

Family-owned and operated, Harknum's vineyards and winemaking processes are all things sustainable. Amongst the quality grapes lies a refurbished lodge so you can follow a wine tasting with an evening among the vines. The views of the Brokenback Range are picturesque, the rooms have all the comforts of home while, most importantly, the walk from the cellar door is short. Now this is what we call one of the best winery accommodation in NSW!

From \$165 per night

266 DeKeyers Road, Pokahin



Wish you were here: find heaven and earth in Mudgee, NSW

f t i g

WORDS [Victoria Pearson](#) PUBLISHED Sat, 11 Jul 2020



1/4 - From left: [Strikes, Mudgee](#); [LANGL, jeans](#); [LOWE WINES, Mudgee](#); [BLAZE](#); source: [Victoria Pearson](#)

Tour the vineyards or stay in all weekend - you get what you need in New South Wales's Mudgee region.

Stay ...

About three and a half hours drive from Sydney along the Great Western highway leads you to the historic town of Mudgee, dotted with colonial architecture, cellar doors for miles and the perfect blend of heritage and modernity. You can't go past [Strikes](#) for the sweetest weekend - six kilometres out of the town centre and a world away from where you've come. Drive to the crest of the hill on Strikes Lane and take your pick from the north or south facing co-riently guesthouses, architecturally designed to take full advantage of the surrounding vistas and valley.

Friday night calls for a potbelly fire, your favourite [book](#) and local cheeses picked up on your way through town. Spend Saturday's sunrise on the deck with a coffee and plan the rest of the day at your own pace. The modern kitchen and outdoor barbecue mean you can stay put all weekend should you desire, and the abundance of optional extras makes a strong case for doing so: think in-house private wine tastings courtesy of nearby [Rosby Wines](#), enjoy a pre-prepared gourmet dining experience from [Mudgee Catering Co.](#) or graze the day away with a [Mudgee Hamper](#) full of local produce.

As inimitable as the terroir that shapes each grape in the fertile surroundings, Strikes possesses an innate sense of time and place and, much like that precise alchemy of your favourite drop, speaks eloquently for itself.

Do ...

Remember you are in wine country, though, with lush greenery, robust vines and cellar doors dotting the areas rolling terrain. It would be remiss not to tour with an expert, and Alyson from [Mudgee VIP Wine Tours](#) is the ideal guide. Choose from a full or half day experience (with the option of a private tour, if groups aren't your thing) and sample the best of the region, picking up some perfect drops along the way. And fear not beer drinkers, the [Mudgee Brewing Company](#) microbrewery and [restaurant](#) provides tastings all day for the more hop-inclined.

Taste ...

Everything. It's hard to put a foot wrong here, but there are always a few must-tries. [Pineclay Pumpshouse](#) is the region's [destination](#) restaurant, located at the [Robert Stein Vineyard & Winery](#). The set menu is an homage to the land, featuring homegrown and locally sourced produce. You won't regret the wine pairing.

Sunday lunch should be a roast and it should take place at [Lowe Wines' pavilion](#) - a marquee on the Lowe estate, overlooking the water and vineyards across to the Mudgee hills.

Don't forget to stock up on snacks at [High Valley Cheese Co.](#) and single origin chocolate from [Spencer Cocoa](#).

Take ...

The perfect weekend carrier from [LANGL](#), your favourite blue jeans and R.M. Williams boots, a book for the quiet moments (David Sedaris, always) and some oversized Sunday [sunglasses](#) (to hide any of Saturday's sins).

(Shared on FB x182) **delicious.**

Heading to Mudgee? Don't miss these premium wine experiences



Wine tastes better on holidays.

Award-winning Mudgee winery De Beaurepaire Wines has unveiled a new-look cellar door alongside several new premium wine tasting experiences.

The winery in the New South Wales country town of Rylstone near [Mudgee](#) has officially reopened post-pandemic showcasing an exquisite new cellar door housed in two converted 170-year-old stables.

Guests can enjoy intimate and private seated tasting experiences hosted by members of the De Beaurepaire Wines family, designed to showcase the [French-style wines](#) created from the family's single vineyard.



The Sparkling Affair is ideal for [bubbly lovers](#) who harbour a preference for premium sparkling wines, especially Methode Traditionelle. Guests can enjoy a special flight of three De Beaurepaire French-style sparkling wines paired with fresh canapés while learning more about the signature sparkling wines produced at the Mudgee vineyard, which took out Winestate's Wine of the Year in 2018.



For those who wish to dive a little deeper into the winemaking process, the [Vigneron Experience](#) allows guests to join Richard and Amanda de Beaurepaire on a guided tour of the vineyard, followed by a discussion of the unique regional terroir and how it drives the style of wines they produce. This is followed by a private wine tasting experiences showcasing the vineyard's award-winning wines.

The Sparkling Affair is available at 3pm on Saturday and is priced at \$70 for two, with \$35 for each additional person. [Vigneron Experience](#) is available at 10am on Saturdays and is priced from \$120 for two, with an additional \$40 per person.

Bookings are essential and can be made at www.debeaurepairewines.com

JULY COVERAGE HIGHLIGHTS

MY MONEY

Lockdown chowdown: How a food truck adapted to COVID-19

By Julia Newbould July 17, 2020



The Smokin' Bro & Co food truck, run by husband and wife Brody and Laticia Crawford, was booked out for the whole of 2020. Then COVID-19 happened.

The American-style barbecue food truck based in Mudgee in central NSW started out servicing local winery cellar doors that didn't have their own restaurants.

"We show up and provide food, and bring a larger customer base to their cellar door and we both benefit from that," Brody Crawford says.



klickx

The idea behind Smokin' Bro & Co came to the Crawfords after they began cooking American-style barbecue at home with friends.

Inspired by their love of cooking with fire, and with successful barbecue restaurants opening in other areas, they jumped at the idea of their own food truck.

Within days they had ordered a large American-style barbecue.

"We were flying blind a bit because neither of us had been in hospitality but we built the business overnight as we knew the needs of cellar doors," Crawford says.

In addition to servicing cellar doors, the food truck catered weddings and other events.



Laticia and Brody Crawford with their son, Josh. Photo: Supplied.

Under pressure

By the end of 2019 Smokin' Bro and Co was booked out until the end of 2020. With the future of the business looking bright, Brody left his full-time job as a winemaker.

"I basically resigned on March 13 to take on Smokin' Bro just before COVID hit and lost events overnight," Crawford says.

Eager to maintain momentum and keep money coming in, they hit on the idea of doing home deliveries.

"That was on the Wednesday night and we were doing them by Friday. I was expecting to about 30 deliveries and we did just over 100 that weekend."

Using social media to promote the business, the couple advertised its delivery options of BBQ dinner packs including brisket, pork belly, smoky meatball, brisket beans, corn muffin, cotswold, pickle and sauce.

"We're well known in the area, and when I wrote the business plan and modelled it, we always wanted to make sure we give good value-for-money meals and good options, and all our side dishes and sauces are home-made."

Adapting to change

The business is now in a better position than it was 12 months ago, Crawford says.

"When we look at what we lost and what we gained, we are slightly better off because our community really got behind us."

"That was a big part of our success because they knew that their support was what kept us afloat."

"There was no other way for us to make money within that business other than do those home deliveries."

The food truck did its first pop-up in July at the Federal Hotel in Mudgee with more than 400 customers coming over four hours.

With coronavirus restrictions easing, Smokin' Bro & Co will now offer delivery once every four to six weeks, but customers can still pick up their food in person.

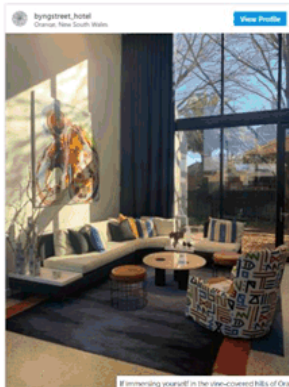
Money
CREATING FINANCIAL FREEDOM

JULY COVERAGE HIGHLIGHTS

Some of the absolute best staycations New South Wales has to offer (Part One)

For the Wine Lovers

Byng Street Hotel, Orange



If something jaw-dropping in the wine-covered hills of Orange is your idea of a staycation then buckle down at the 4.5 star Byng Street Hotel. Fitting out a historic homestead with contemporary architecture and modern furnishings, this boutique is the height of Central NSW comfort, giving you a nice base around one of the state's most consistent and festive wine regions. Plus, you can chill in your own private bath and watch the clear sky unfold at night.

323 likes

byngstreethotel.com.au

Evanslea, Mudgee



Evanslea Luxury Boutique Accommodation, Mudgee | Photo supplied by Destination NSW

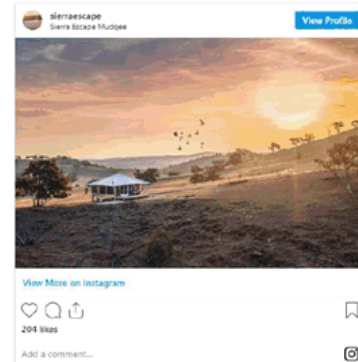
If Mudgee is more your style, slide up alongside the Cuddepos River and settle into Evanslea. The sprawl of this definitive country property is perfect for larger groups who want to anchor themselves in true escapism while exploring troves of fine wine like Robert Stein, Lowe, and acclaimed micro-winery Short Sheep. Load up all your like and then head on back to your digs to end the night by a fire pit. Perfection.

evanslea.com.au

(Shared on FB x92)



Sierra Escape, Mudgee



This award-winning eco glamping retreat is just a 20-minute drive from the crisp wines and freshly picked cherries of Mudgee, spending several tents amongst 113 hectares of lush countryside. Family tents are a popular choice here, but just as highly prized is the super premium Umbla tent with its free-standing bathtub cradled by that picture-perfect landscape. If you really want a treat, scrap that cash together and stay here for the weekend.

sierraescape.com.au

Country towns just do it differently

Mark Thomas

Latest News



If you were designing an Australian country town, wouldn't you make it look like Mudgee? Picture: Shutterstock



To borrow from LP Hartley, the bush is a foreign country, they do things differently there.

Back in the day, every country town in Australia would reliably boast a Golden Fleece service station, a Paragon Café, an RSL Club, and a pub called the Commercial or, in the swanky joints, the Royal. Now most of those artefacts have gone. Macca's rules, but bush charm remains inimitable.

Bush towns cannot survive on whimsy and nostalgia alone. The bush is not a museum or a resort. We city slickers might be amused by crowscut saws luridly painted with lookaburras (Eooroom), a hindquarters special for a mere \$285 (Parfars), the Hair of the Dog Inn (towards Dubbo) and an advertisement for a motor museum upstaged by a reminder underneath that "Jesus is the answer" (Forbes). As for the losers, Carcoo describes itself as "the town time forgot" (surely a threat?). Hill End resembles a grim, weird transplant from West Virginia. When asked about Sofala, a local neglected to mention Russell Drysdale - bleached depictions of drought but did note that the town "is pretty unlikely to be open".

A few bush towns intend to have the last laugh. Who would think that an Elvis festival could flourish in Parkes, only 20 kilometres away from an unintelligibly high-tech monument, The Dish (capital "T" compulsory). As a kid, I used to think Elvis flew down from Nashville to Hobart each weekend to perform on the Top 60, who guessed he had not yet left the building in central NSW?

Talking prides in any asset you possess might mean you end up like Middlethorpe, with gracious bourgeois houses on the hill, well-kept stone public buildings on the flat, and not too many trees chopped down. Coora has transformed memories of a Japanese POW camp into a quite lovely mix of Australian and Japanese trees festooned through a Peace Garden.

READ MORE:

- Call for masks to prevent outbreak in regional NSW
- How we can help doctors go regional - and stay there
- Richard Harry becomes Waggoner sole publican (Subscriber only)

Coora also displays the most laconic bush sign. At a spot where lethally venomous rattles might lurk under any log or rock, the city authorities merely counsel "watch out for snakes". By contrast, coronavirus signs at the Western Plains zoo combine anthropology with medicine, warning visitors to "stay with your herd" and advising that the proper extent of social distancing amounts to the length of an elephant's trunk.

I misjudged the sole attraction in Bathurst, driving around the Mt Panorama track with my grandson when restrictions on travelling around regional NSW were first lifted. Through every S bend and on the downhill straight, he complained that he was sitting in the back rather than shotgun, that we travelled along, sedately behind a size, and that I was reluctant even to flick the car over into sports mode. A career as a racing car driver never beckoned.

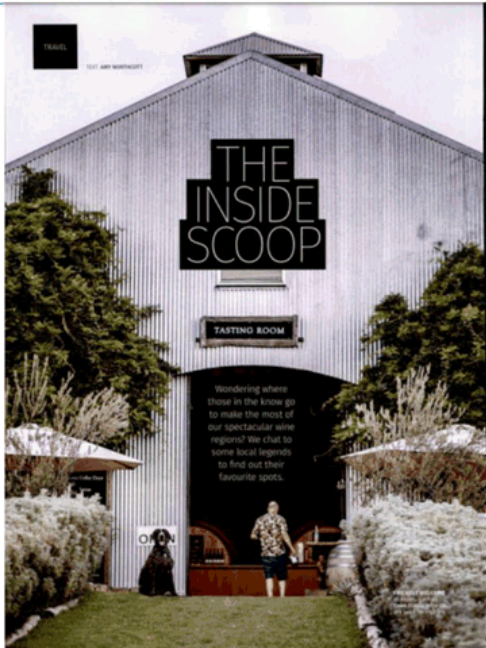
No matter, driving just as safely but a bit more quickly on country roads, we felt liberated just by the sense of movement and freedom. On the way to Dubbo, the hills flattened, the valleys opened up, and we were finally offered "the vision splendour of the sunlit plains extended". Every one of those plains looked greener and lusier with the benefit of a bit of rain.

Then we arrived in Mudgee, surely the jewel box of the central West. If you were building a country town from scratch, would you not surround it by vineyards? Each municipal office would be well kept and well retrofitted. Coffee shops would be sprinkled on every corner. Undulating hills would frame the horizon. The inhabitants would be justly proud of their honey, wine, jam and steaks. In Wiradjuri, Madjee evidently derives from "nest in the hills". No bird enjoyed so cozy and graceful a nest.

• Mark Thomas is a Canberra-based writer.



(Shared on FB x73 & Twitter x7)



NEW SOUTH WALES

Canberra District



SARAH AND ANTHONY MCGRATH, Lake George Winery

This is the first cellar door to greet you when you arrive in the Canberra District from Canberra and what a welcome. After purchasing the first case in 2016, Sarah and Anthony McGrath have brought new energy to the region's vibrant wine, engineering organic and sustainable practices on the estate.

What's your favourite place to spend a Sunday afternoon with family and friends?

We love The George Bar & Dining (http://www.thegeorgebar.com.au) in Waggoner - it's always a relaxed dining experience. We enjoy taking our children down to the lake plus one of the members is good or if it's not, sitting in a chair near the fireplace enjoying the quiet breeze.

What are your top three must-do experiences to try in the district?

We suggest to people to take a Wine & Wine tour (http://www.wineandwine.com.au) to visit up the local history of the Canberra District. It's a lovely introduction to the region and is great to have a designated driver.

Our Yarn was, Heather (http://www.heather.com.au) and the main above. We would recommend the course and you might just bring into one of them for a chat.

For a show piece, the stars you can view with us at Lake George Winery (http://www.lakegeorgewinery.com.au) and are just spectacular. We have a Night Under the Stars which is a pop-up, glamping experience where you can enjoy wine in the day and a sparkling star performance at night.

What are some of your favourite wineries to visit in the Canberra District?

High on the list would be Collector Wines (http://www.collectorwines.com.au) and Kate McKay is a wonderful host in their region and we have enjoyed every drop of their wine. Kate also sells her own collection and we have become wine collectors.

Please and wine at Four Winds Vineyard (http://www.fourwindsvineyard.com.au) in Forthwith, with their magnificent glass and award-winning sparkling (chilling the highlights). **Wine & Wine** (http://www.wineandwine.com.au) and has amazing views of the nearby hills and mountain range, and it's the perfect spot for watching the sunset.

Just west down in Parkhurst Wines (http://www.parkhurstwines.com.au) - think our first award-winning estate.

What are some of your go-to family spots in the region?

East Hotel (http://www.easthotel.com.au) and Canberra Bar (http://www.canberrabar.com.au) are great places to use as a base to explore the Canberra District.

There are also several wineries that are kid and dog friendly, such as Canberra Character (http://www.canberracharacter.com.au) and Salsgrove Wines (http://www.salsgrovewines.com.au).

What are some of the Canberra District's best kept secrets?

The winners' highlight (http://www.winners.com.au) and is a great find. Hugh Hides is a second generation winemaker and makes some wines which are really well cut.

If you're feeling energetic, there is a wonderful walking track between Latta Estate and Lake George Winery. And there are plenty of places where you can literally wake up in a vineyard. For starters, there's our own Little George accommodation at Lake George Winery. You could stay at Salsgrove Hill Winery (http://www.salsgrovehill.com.au) or Sarawati Hill Winery (http://www.sarawatihill.com.au) and of course glamping with Naked Cabin Collective at Mount Mores Vision (http://www.mountmoresvision.com.au) is a great find.

AUGUST COVERAGE HIGHLIGHTS



25 Aussie Glampsites So Lush You Won't Even Remember You're Camping

Just two eco-tents await you an hour from Brisbane, with some seriously beautiful views of the Scenic Rim. Your stay comes complete with a pillowtop bed, ensuite bathroom, gas BBQ and fire pit plus anything else you'd need for a super comfortable weekend away.

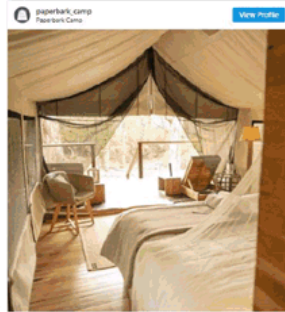
You even get a hammock, yoga mat, walky food and bird seed and can order from an array of tasty hampers.

1 [Habitat, Noosa Everleaves, Eccorano, Elende Point](#)



Habitat, Noosa Everleaves
A sleepy 25 minutes north of Noosa, this eco camp offers 65 acres of lush green space with over 500m of beachfront on the Noosa River. You're surrounded by natural bushland and wildlife here, but book the Paperbark tent to retreat to luxuries like a full ensuite, private deck, professional hairdresser and water views.

#9 Paperbark Camp, Jervis Bay

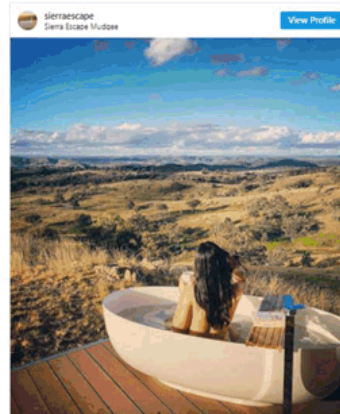


Paperbark Camp
View More on Instagram
296 likes

Paperbark Camp (not glamping on the map for NSW). Close to the stunning white sands and crystal waters of Jervis Bay, these premium canvas tents are nestled between escarpments and seaports, raised above the ground to take advantage of sea breezes.

The camp has an ethos centred around sustainability and also offers a beautiful on-site restaurant and communal lounge, the Dunahui (Maori for 'meeting place').

#10 Sierra Escape, Mudgee



sierraescape
Sierra Escape Mudgee
View Profile
View More on Instagram

If 280 acres of rolling hills in one of NSW's best wine regions sounds good, then Sierra Escape is for you. An adults-only eco escape, this scenic site is only 20 minutes outside of Mudgee yet brimming with native wildlife.

After a day spent at Mudgee's award-winning wineries, head back here to catch sunset at Sierra lookout. The eco tents are beyond comfortable, with insulation, floorboards, free-standing bathtubs, docks and more.

AUGUST COVERAGE HIGHLIGHTS

(Shared on FB x1,316)



LOCAL ESCAPES

Hit The Road, Here's Your Complete Guide To Mudgee's Glorious Wine Country

By Jack Revell
11th Aug 2020



Think of a typical picturesque Australian rural town, the kind of place where life moves slow. It's probably got some strong heritage architecture, likely nestled amongst rolling hills, and, ideally, surrounded by wineries.



What you're picturing right now—that's Mudgee. It's essentially the archetype of the rustic town. It's three-and-a-half hours from Sydney (if you can't) and perfect for a weekend away noshing excellent wines and fresh country air.

And you are coming to Mudgee for the wine, no doubt. It's long been said that Mudgee is the new Hunter Valley and while it doesn't have as many wineries, it is an actual town. That means you've got somewhere to centre your operations around and a little more action in the evening once the wine tasting packs up.

If you're gearing up for a getaway, this is the place to go and the below is all the info you need to get the most out of Mudgee.



The Best Wineries In Mudgee

Let's talk wine first because that is very important. There are over 40 cellar doors in Mudgee, the majority of which are little family-owned affairs. They've been producing wine here since the 1850s and specialise in chardonnay, shiraz and cabernet sauvignon. It's also the country's third-largest grape-producing region and there's a lot of grape juice to get through here but you know what, we believe in you.

Most of the tastings in the area are paid tastings with online booking essential at this time. Some will give you the cost of your booking off wine purchases as well so win-win.

LOWE FAMILY WINE CO.



Headed by legendary Aussie winemaker, David Lowe, this small batch, organic winery uses biodynamic principles to produce exceptional vino. The attached Zin House is run by David's wife Kim Currie and offers degustation and wine pairing unlike anything else in the area. This place should be top of your to-do list.

HUNTINGTON ESTATE WINES

Huntington Estate is one of the oldest wineries in the region focusing on high-quality reds made entirely on-site. The cellar door is set in a ramshackle tin outfit surrounded by lush gardens and offers 5 x 15ml tasting flights for \$10.

SHORT SHEEP MICRO WINERY

Short Sheep is a quirky boutique winery run by a husband and wife team and a whole lot of small sheep. Diverse and delicious wine selection grown sustainably that you will definitely want to stock up on.

PIETER VAN GENT WINERY & VINEYARD

This is one of the top wineries in the region. Close to the centre of town and featuring a lush old-world barrel room, this place has some of the best chardonnay and a famous white port you won't want to miss.

AUGUST COVERAGE HIGHLIGHTS



Book Into The World's First Intelligent Glamping Experience In NSW

By Lucinda Durr / Cook 971, Play Sydney Travel / August 12, 2020

Head to Mudgee's glamping retreat Sierra Escape to experience the world's first intelligent glamping tent.

It might sound like an oxymoron, but this high-tech camping experience is paving a new way in outdoor adventures. While most of us pitch a tent to escape the hustle and bustle of city life, this glamping experience brings campers all the creature comforts of luxe accommodation (with AI-powered tech included).

Meet Sierra Escape, an innovative glamping experience set in the heart of NSW just a 20-minute drive from Mudgee. Set on over 280 acres of pristine land, this award-winning retreat only uses eco glamping experiences - giving campers a chance to reconnect themselves in the best of country NSW. From stunning rolling hills to close encounters with native Australian wildlife, Sierra Escape offers a five-star accommodation experience with 3 bespoke tents to choose from.

Sierra Escape

1345 Lower Plumbong Road,
Plumbong NSW, Australia
Sydney
2650
NSW

Contact
0438 945 197

<https://www.sierraescape.com.au/>



But for those who want to take their experience to the next level, Sierra Escape have just launched the world's first intelligent glamping tent. Inside their Dull tent you'll find Amazon Alexa, acting as your own virtual butler to help make your camping experience one to remember. Amazon Alexa enables guests to control handy tent features by voice activation or the custom built-in touchscreen.

So what can this intelligent glamping tent do? Alexa can assist with running baths, or starting the shower just with a simple voice command. Plus, Alexa can control the lights and fans to save you getting up when reclining in the bed or bath.

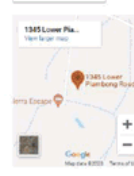
Want to learn how to use the fireplace? Simply ask Alexa to show you the video tutorial to learn how to build a campfire like a pro! Plus, Alexa can even show a quick guide to the best things to see and do in Mudgee (with stacks of wineries and restaurants to visit).

Ready to book your weekend away at Sierra Escape? To find out more about this epic glamping experience, click here.

• Sip 'N' Way Through A Three-Week Margarita Festival At This Top-Notch Diner

Has This Venue Closed?

LET US KNOW



Secret Foodies
Experience dining at five best bars

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AUGUST COVERAGE HIGHLIGHTS

Home > TRAVEL Trade > AGENTS > NSW Personal TravelManagers discover delightful Mudgee on self-famil

AGENTS > Featured > TRAVEL Trade

NSW PERSONAL TRAVELMANAGERS DISCOVER DELIGHTFUL MUDGEE ON SELF-FAMIL

written by TM Staff Writer | 19/08/2020



Travel has always been a peak of working in the travel industry, but the advent of COVID-19 has put the brakes on agents travelling to learn more about destinations around the globe, and close to home.

However, TravelManagers' personal travel managers (PTMs), whose livelihoods are intrinsically linked to a love of travel, remain largely undeterred, seeking out new destinations and experiences within their own regions to satisfy their wanderlust.

Recently, eight PTMs, all of whom are based in Sydney, the Central Coast and the Central West regions of NSW, spent three days together soaking up the delights of the pretty town of Mudgee.



"It all started when Cathy Mohr mentioned that she was keen to take a self-famil exploratory trip to country NSW with some fellow PTMs," explains PTM Robbie Barrett. "I was familiar with a lovely five bedroom house in Mudgee called Haylock House and suggested this as a suitable spot for us to gather for a few days."

In true TravelManagers fashion, the participants say their weekend was a well-organised event which began with a degustation lunch, arranged by Barrett, in the private dining room of local dining lion, The Tin House Mudgee.

"Robbie also arranged for everyone to be equipped with personalised 'travel survival packs'," says Julianne Gattal-Rick. "I was off to Paris for the day, while others in the group were destined for London and Hawaii, and all of us were equipped with COVID-era travel essentials such as hand sanitiser and a face mask."



Share this:



AUSTRALIA NSW PERSONAL TRAVELMANAGERS SELF-FAMIL TRAVELMANAGERS

In the heat of their gathering, it was the turn of PTM Jacqui Madoff to arrange the group's activities, and her choice was met with great enthusiasm from her colleagues.

"Jacqui arranged a wonderful private tour of five different vineyards with Mudgee Tourism Bus," Gattal-Rick says. "It not only significantly increased the cellar door 'daily talking' with our wine, oil and 'beverage purchases'!"

The group spent their evenings in Mudgee sitting by the fire in their rented house, swapping stories and relaxing shared banter.

David Rick says the short break was useful not just to learn about this spectacular country NSW destination, but also as a much needed time to catch up with fellow PTMs.

"It was great to have a respite that we're all going through the same difficulties. Having time away from our everyday lives to workshop our thoughts and ideas and support one another was just what we all needed."

The town of Mudgee is said to have been named for two local Wiradjuri terms - 'Mudjick' meaning "Site in the Hills" and 'munge' meaning contained soil, after their Indigenous grammar; there are now eight PTMs who are happy to vouch for the suitability of this name.

TOP IMAGE (L-R): The eight NSW PTMs: Michelle Thomas - North West, Jacqui Madoff - Central, Cathy Mohr - Central West, Julianne Gattal-Rick - Wollongong, Leanne Gilgley - Penrith, Robbie Barrett - Dubbo, Constance Burgen - Seven Milewater and Maria Miller - Penrith at Madoff's Vineyard & Olive Grove in rural NSW.



AUGUST COVERAGE HIGHLIGHTS

(Shared on FB x133) **BODY+SOUL**

11 jaw-dropping regional hotels for your next NSW road trip

The Byng Street Boutique Hotel, Orange



The Byng Street Boutique Hotel, Orange. Image supplied: [SharonBodyAndSoul](#)

The Byng Street Boutique Hotel in Orange presents a beautiful juxtaposition of the significant historical buildings and modern architecture. Located in the heart of town, the 1894 facade is home to 22 impressive guest rooms and suites. Depending on your personal taste, you can choose to stay in the contemporary designed modern wing or the historical style of the original heritage home. You'll also enjoy a delicious to-go breakfast in the Yalungah Dining Room each morning, showcasing the local produce.

Perry Street Hotel, Mudgee



Perry Street Hotel, Mudgee. Image supplied: [SharonBodyAndSoul](#)

Winter in Mudgee is pure heaven thanks to all the amazing food and wine to be enjoyed in the cosy comforts of this country town. For a truly memorable experience, book a stay at Perry Street Hotel. Thirteen stunning, modern suites are housed in a turn of the century building, rich with history. Subtle luxuries and thoughtful extras will delight you, while you take in the innovative design, which takes inspiration from the colours and architecture of Berlin.

Kimo Estate, Gundagai



Kimo Estate, Gundagai. Image supplied: [SharonBodyAndSoul](#)

Travel 10 minutes out of Gundagai and you'll find three amazing EcoPods at Kimo Estate. These A-Frame pods are perfectly positioned on these hilltop locations with kilometers separating them all so you can appreciate the vast space in true privacy. If the pods are too remote, the estate also houses three lodges that are perfect for couples and family groups. Situated on the middle of the 7000-acre farm, Windies and Dales's cottages offer a full farm life experience while the Showers Quarters will accommodate 12 people. Maintaining its original feel the building has been renovated to contain a huge kitchen, mess hall, wash house and a proper Australian dammy.

Flash Jacks, Gundagai



Flash Jacks, Gundagai. Image supplied: [SharonBodyAndSoul](#)

One of the grandest buildings of Gundagai has been redesigned as a new nine-room boutique hotel. Flash Jacks, named after a Byng Terrace power about a dozen miles inland around NSW, is a contemporary take on country style, while taking inspiration from rural Australia. Situated in the restored 1888 manor, all materials used in the suite are very close to the producers of Australian wool, timber and wine. Even the soap used are GUYTON AUSTRALIAN FRAGRANCES.

Tattersalls Hotel, Armidale



For a truly country NSW experience, a stay at the Tattersalls Hotel in Armidale is one for the bucket list. Originally established in 1834, the property has just finished a major renovation and revitalisation project. To round out your overnight experience, Tattersalls has teamed up with some of the New England region's finest artisan beer, wine and food producers for a series of stay and dine package experiences. Yes please!

AUGUST COVERAGE HIGHLIGHTS

(Shared on FB x50)

KARRYON

11 Delicious NSW Food & Wine Experiences Set To Tantalise Your Clients' Tastebuds



Wine tourism in NSW offers visitors engaging experiences that are more immersive than traditional cellar door tastings alone. Visitors can not only taste and buy world-renowned wine but also enjoy locally grown food, stay at luxury resorts, meet winemakers and chefs, enjoy recreational sports, explore historical sites and more.



Some of the best food and wine regions are right here in New South Wales and we are focusing on six famous foodie destinations in New South Wales: Hunter Valley, Mudgee, Orange, Canberra District, Shoalhaven, and Southern Highlands.

klickx

Disclaimer: your mouth could be watering before you finish reading this article.

1. Brokenwood's VIP Soil-to-Cellar experience, Hunter Valley



Learn more and the history of Brokenwood Wines on the [BROKENWOOD WINE TOUR](#)

Established in 1970 Brokenwood Wines is one of Australia's most reputable premium wine labels and a must visit in the Hunter Valley.

Consistently rated as a five-star winery, Brokenwood is home to the famous Orangevalley Vineyard Shiraz, the highly acclaimed LB Reserve Semillon and the popular Cricket Pitch Shiraz.

Their VIP soil-to-cellar experience is a rare opportunity to gain exclusive access to one of Australia's most iconic vineyards whilst enjoying a unique and personalised experience. It includes a behind-the-scenes tour of the winery, a six-course degustation menu with matched wines, wine barrel tasting and a bottle of current release Orangevalley Shiraz.

2. Tulloch Wines Mystery Wine Tasting Experience – Hunter Valley



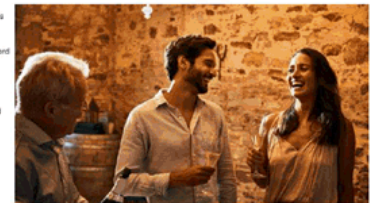
Over four generations and 125 years, Tulloch Wines has been crafting wines and experiences that celebrate the good life of wine, food, family, and friends.

Join the Tulloch Wines Cellar Door team for their Wine Tasting experience, where you can taste six current release Tulloch wines.

If you have a sweet tooth, why not add on a pairing with local handmade chocolate? Or, if sensory is more your thing, treat your tastebuds to the Mystery Wine Tasting Experience with local cheese and charcuterie.

For children, Tulloch Wines offer a soft drink tasting experience and for those who don't wish to drink, Tulloch Wines offer a sophisticated Kombucha tasting experience.

3. A Sparkling Affair experience at De Beaurepaire Wines – Mudgee



View recent wine offerings at [De Beaurepaire Wines](#)

De Beaurepaire Wines is a single estate vineyard and boutique producer of French-style wines. The historic cellar door is located in 170-year-old stables and offers sweeping views of the vineyards.

In addition to wine tastings and grazing boards, experiences include A Sparkling Affair, with matched French-style sparkling wines and canapés; and Long Lunch in the Vines, an annual event which includes great wine, food, and music.

HOME SPECIAL REPORTS



Revealed: COVID-proof holiday hotspot

Tourism is thriving in the Mudgee region despite back-to-back national crises.

By SARAH JONES



From Special reports August 28, 2020 5 MINUTE READ

Cara George made the move to the Mudgee area from Sydney six years ago to head up tourism for the country town known for its colonial buildings and wineries in northwest NSW.

As chief executive of Mudgee Region Tourism, she oversaw a total rebound of the area that has seen overnight visitations grow 28 per cent in five years and injected millions of dollars into the community. In what has become a poster child for tourist towns across Australia, George puts their success down to strong collaboration with key industries including mining and real estate and its location, a mere 3.5-hour drive from the city.

And despite back-to-back national crises with the bushfires that devastated much of the state in 2019/20, and now the global pandemic that has closed borders and grounded airlines, tourist dollars have continued to flow into Mudgee as stranded Australians who are unable to fly to Europe hit the road instead. Overnight visitations for July were up 28 per cent from the same period last year.

"We didn't lose any business in the downturn," says George, referring to travel restrictions imposed by the government to stop the spread of the virus to the regions.

"When we were able to open up travel again in June, we dropped a new campaign video onto our social channels and it was viewed more than 100,000 times, we were inundated."

It has perhaps also helped that international tourists only ever made up 4 per cent of total visitors to Mudgee, and even then they were mostly visiting friends and relatives. Still, the town has welcomed a lot of new visitors, up 35 per cent over June and July alone. And when asked how likely it was for them to return in the next 12 months, 94 per cent said very likely, versus 64 per cent who were asked the same question a year earlier.

"We are attracting a lot of people that would ordinarily be overseas," George says. "I think there is a feeling that borders are going to be closed for a long while yet so people will have a lot of love for the regional areas right now. People want to connect back to the land, nature and eat produce that is locally sourced. We also have a lot of interest from businesses in the Sydney area."

But Mudgee, like many other regional tourist towns located within two to three hours driving distance from major population centres, is said to be one of the lucky ones that has managed to thrive in the pandemic despite widespread unemployment across the nation and the blow to the broader economy.

'We are attracting a lot of people that would ordinarily be overseas ... people want to connect back to the land, nature and eat produce that is locally sourced'

There are other tourist towns scattered around the country that are doing it much harder, many of whom were not only devastated by drought, bushfires and the outbreak of COVID-19, but as recently as the past few weeks have had to contend with floods as well.

"We've got some community members who are on to their fourth insurance claim," says Coralie Bell, chair of Australian Regional Tourism (ART) who is based in Shoalhaven on the south coast of NSW. "I couldn't say the pandemic has been better or sweet for regional Australia, it has been a mixture."

Bell, who has chaired ART for more than two years, says that while each state government had put significant effort in supporting tourism, with some areas enjoying significant growth and businesses reporting the busiest months they had ever seen, others had not fared so well, especially those who rely on air travel and a steady stream of international tourists.

"It's the more remote destinations that hugely rely on people ticking off their bucket lists, like in the Northern Territory, that are going to have a significant number of businesses that will just fold and never reopen," Bell says. "If it takes two to three years before we get [international] travel back, that will also be when the entire world turns on the marketing campaign, so how is that smaller business going to eat through?"

Bell says that is where the industry needs the government to come in to rescue and partner with the tourist operators to create that cut-through in what is expected to be an incredibly high promotional space for tourism globally. She also warns of the "huge gap" that will be left by domestic tourists once they also resume international travel — "there is a lot to be done".

THE Sunday Telegraph

THE SUNDAY TIMES

Herald Sun Sunday Sunday Mail Sunday TASMANIAN WE'RE FOR TASSIE

WISHLIST / 09

Ready for some romance that doesn't last place with the long walk of your heart? Whether you want to celebrate an anniversary, plan a honeymoon or simply treat yourselves to a special weekend, Australia really knows how to do it.

From a romantic flight to a relaxing getaway, there are plenty of ways to spend your holiday. Here are some of the best ways to spend your holiday.

1 PICNIC ON THE FLEURIEU, SA

Nothing makes a picnic more romantic than a picnic on the Fleurieu Peninsula. The rolling hills and rugged coastline is a scenic backdrop for a picnic. Before you set up, be sure to grab a picnic basket from the pennington to check you have everything you need. There are plenty of picnic spots to choose from and some of the most beautiful views in the region. www.visitfleurieu.com.au

2 LILYPAD PALM BEACH, NSW

This is one of the most romantic beaches in Australia. The white sand and turquoise water is a perfect backdrop for a picnic. Before you set up, be sure to grab a picnic basket from the pennington to check you have everything you need. There are plenty of picnic spots to choose from and some of the most beautiful views in the region. www.visitlilypadpalm.com.au

3 SIERRA ESCAPE, NSW

Sierra Escape is a romantic getaway in the Blue Mountains. The white sand and turquoise water is a perfect backdrop for a picnic. Before you set up, be sure to grab a picnic basket from the pennington to check you have everything you need. There are plenty of picnic spots to choose from and some of the most beautiful views in the region. www.visitblue.com.au

4 HEPBURN SPRINGS, VIC

Hepburn Springs is a romantic getaway in the Blue Mountains. The white sand and turquoise water is a perfect backdrop for a picnic. Before you set up, be sure to grab a picnic basket from the pennington to check you have everything you need. There are plenty of picnic spots to choose from and some of the most beautiful views in the region. www.visithepburn.com.au



5 SATELLITE ISLAND, TAS

Satellite Island is a romantic getaway in Tasmania. The white sand and turquoise water is a perfect backdrop for a picnic. Before you set up, be sure to grab a picnic basket from the pennington to check you have everything you need. There are plenty of picnic spots to choose from and some of the most beautiful views in the region. www.visittasmania.com.au

6 RAINBOW VALLEY, NT

Rainbow Valley is a romantic getaway in the Northern Territory. The white sand and turquoise water is a perfect backdrop for a picnic. Before you set up, be sure to grab a picnic basket from the pennington to check you have everything you need. There are plenty of picnic spots to choose from and some of the most beautiful views in the region. www.visitnt.com.au

7 SEQUOIA MOUNT LOFTY HOUSE, SA

Sequoia Mount Lofty House is a romantic getaway in the Blue Mountains. The white sand and turquoise water is a perfect backdrop for a picnic. Before you set up, be sure to grab a picnic basket from the pennington to check you have everything you need. There are plenty of picnic spots to choose from and some of the most beautiful views in the region. www.visitmtlofty.com.au

8 INJUDIP RETREAT, WA

Injudip Retreat is a romantic getaway in Western Australia. The white sand and turquoise water is a perfect backdrop for a picnic. Before you set up, be sure to grab a picnic basket from the pennington to check you have everything you need. There are plenty of picnic spots to choose from and some of the most beautiful views in the region. www.visitinjudip.com.au

9 MILLAA MILLAA FALLS, QLD

Millaa Millaa Falls is a romantic getaway in Queensland. The white sand and turquoise water is a perfect backdrop for a picnic. Before you set up, be sure to grab a picnic basket from the pennington to check you have everything you need. There are plenty of picnic spots to choose from and some of the most beautiful views in the region. www.visitmillaa.com.au



Opposite: Fleurieu Peninsula, SA; Chichester from left; Lillipad Palm Beach, NSW; Hepburn Springs, VIC; Injudip Retreat, WA.

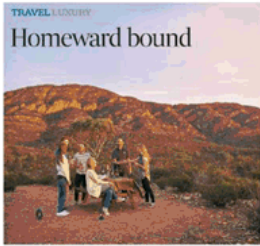
was straight out of a Disney film, electric blue. The water was so clear you could see the bottom of the lake, while the blue water was so clear you could see the bottom of the lake. After a swim, kick back at the grassy picnic area and drink in the beauty. www.visitinjudip.com.au

10 GLAMPING IN THE SCENIC RIM, QLD

Glamping in the Scenic Rim is a romantic getaway in Queensland. The white sand and turquoise water is a perfect backdrop for a picnic. Before you set up, be sure to grab a picnic basket from the pennington to check you have everything you need. There are plenty of picnic spots to choose from and some of the most beautiful views in the region. www.visitscenicrim.com.au

For 10 more romance-enhancing stays, visit escape.com.au/romance

SEPTEMBER COVERAGE HIGHLIGHTS



With our international wings clipped, **Pena Carrubers** turns to the experts on how to take a dream holiday.

A like most of us, Pena Carrubers has spent the last few months dreaming about the possibility of a holiday. It's not just the prospect of a break from the office, but the chance to see the world again. The couple, who live in the heart of the city, have been planning their dream holiday for some time. They want to go somewhere that is safe, beautiful, and offers a unique experience. They have shortlisted several destinations, but they are still undecided. They want to go somewhere that is safe, beautiful, and offers a unique experience. They have shortlisted several destinations, but they are still undecided. They want to go somewhere that is safe, beautiful, and offers a unique experience. They have shortlisted several destinations, but they are still undecided.



We're just so lucky to be able to enjoy this spectacular country.

In a country as beautiful as Australia, it's no wonder that we are so lucky to be able to enjoy this spectacular country. The beauty of our landscape is truly breathtaking, and the diversity of our wildlife is something that we are proud of. We are lucky to live in a country that offers so much to see and do. We are lucky to be able to enjoy this spectacular country. We are lucky to be able to enjoy this spectacular country. We are lucky to be able to enjoy this spectacular country.



ickx

SEPTEMBER COVERAGE HIGHLIGHTS

COAST & COUNTRY
By PAULINE MORRISSEY



NUMBAA
160 Cowling Island Road
\$1.6 million-\$1.65 million
BB 4 4 2 2 2
Originally built in 1980 on a dairy farm in Nambucca, this beautifully restored sandstone and weatherboard country homestead was renovated in 2012 block to block, to its current luxury location of Nambucca, just minutes of Nambucca. "It's a big renovation, but the end result is a good one, especially since we've added electronically retractable insect screens, meaning we can sit on a day on nights," says the seller. "We've also built a massive great studio accommodation, ideal for when we have friends come to visit."
For sale by expressions of interest
Agent: Elders Real Estate Realty, The Macquarie 0435 757 764



WENTWORTH FALLS
44 Wentworth Street
\$155 million
BB 4 4 2 2 2
One of the newest homes built in Wentworth Falls, this is a 100% new build. The design is a mix of modern and traditional, with a focus on quality materials and craftsmanship. The house features a large open-plan living and dining area, a gourmet kitchen with a large island, and a master bedroom with a walk-in wardrobe. The location is perfect for those who want to enjoy the best of both worlds – a modern lifestyle with a touch of country charm.
For sale by expressions of interest
Agent: Liberty Property Services, Raymond Farley



MUDGEE
22 Mudgee Street
\$426,000
BB 4 4 2 2 2
Located in the heart of Mudgee, this is a beautiful home that offers a unique lifestyle. The house is built on a large block of land and features a mix of modern and traditional elements. The interior is finished to a high standard, with quality materials and craftsmanship. The location is perfect for those who want to enjoy the best of both worlds – a modern lifestyle with a touch of country charm.
For sale by expressions of interest
Agent: McGrath-Carrick Taberner, Adam Sutherland 0499 777 764

POSSUM CREEK
44 Pine Mountain Road
\$3.5 million
BB 3 4 2 2 2
Nestled on around 1.2 hectares, this award-winning architectural masterpiece offers a unique lifestyle. The house is built on a large block of land and features a mix of modern and traditional elements. The interior is finished to a high standard, with quality materials and craftsmanship. The location is perfect for those who want to enjoy the best of both worlds – a modern lifestyle with a touch of country charm.
For sale by expressions of interest
Agent: Tim Miller Real Estate, Tim Miller 0435 757 425



KATOOMBA
59 Whitmore Street
\$95,000-\$125,000
BB 3 4 1 1 1
Privately tucked away within established gardens, this thoughtfully renovated home offers a true Blue Mountains lifestyle. "Our home is wonderful to live in with each changing season," says the seller. "The house is built on a large block of land and features a mix of modern and traditional elements. The interior is finished to a high standard, with quality materials and craftsmanship. The location is perfect for those who want to enjoy the best of both worlds – a modern lifestyle with a touch of country charm."
For sale by expressions of interest
Agent: Liberty Property Services, Matt Fitzpatrick 0400 098 713



KINGSLIFF
44 Kingsliff Drive
\$3,395 million
BB 4 4 3 1 2
The Australian beach house meets an idyllic mangrove home in this beautiful family residence. The home is perfectly situated with a private beach accessible via its back gate – as if the beach itself is the home's own backyard. "The beachfront location makes it feel like we are living in paradise," says the seller. "We love to lounge around the back patio or around the pool, overlooking the beach through the beautiful trees, and listening to the calming sounds of breaking waves."
For sale by expressions of interest
Agent: L J Hooker Kingsliff, Nick Whitford 0435 588 477

ickx



The Sydney Morning Herald



SOON: The development will convert the former Cudgegong Council Chambers and grounds at 90 Market Street, Mudgee, into an art gallery and the new location for the tourist information centre.

'Rolls Royce of art and cultural centres': Additional \$1.5 million for Mudgee art gallery

23 Sep 2020, 10:22 a.m.

With work underway at the former Cudgegong Council Chambers, a further \$1.5 million in NSW Government funding was announced today to complete the transformation of the site into the [Bayon's arts and cultural precinct](#). The \$8.1 million project will link to the Lawson Park Sculpture Walk, with funding to help pay for the construction of a new state-of-the-art Artists Workshop centre, including five workshop spaces, indoor and outdoor classrooms, amenities, a forepath and parking.

Mayor of the NSW Mid-Western Regional Council, Des Kennedy, said, "now this will be the Rolls Royce of art and cultural centres".

"Before it was probably not going to be quite to this level, but with this extra \$1.5 million - which takes the total spend to a tick over \$9 million - it will be something to be seen," he said.

"Work has started and hopefully around this time next year, we should be to see some beautiful art and seeing budding young artists in our workshop spaces. Also, as locals and regular visitors to the area know, we've got a beautiful Sculpture Walk and this will link into it through Walkers Oval. So it will be a fantastic precinct."



State Member David Saunders and Mayor Des Kennedy with plans for the Cultural Precinct at the site.

Member for the Dubbo Electorate David Saunders said the Cultural Precinct will become the dedicated home of the arts in the region, providing workspaces to accommodate the ongoing development of artists and a space to host visiting artists and exhibitions.

"This is the future of Mudgee as we see it. There's already been a commitment of many millions of dollars to this point, but the extra \$1.5 million that the State Government is contributing will see it completed in total," he said.

"Which will be the building redeveloped and a whole new addition that will include exhibition space and fantastic spaces for artists of all kinds. The building directly adjacent, which has been a preschool and a Council building, will be converted to classroom and workshop space.

"This becomes the real precinct for art and culture in Mudgee, arriving into town it will be one of the most noticeable things in town. And increases the potential for local artists to get training and scope up their own abilities and also for visiting artists and travelling exhibitions this will be the heart of everything art and culture in Mudgee."

The funding announced today is in addition to \$2.3 million committed in early 2019 under the NSW Government's Regional Cultural Fund, which was matched by Mid-Western Regional Council to construct and fit out the regional gallery. The Commonwealth Government also contributed \$4.5 million through the Building Better Regions Fund.

Mr Saunders added that such a project is also important for the arts and tourism sectors in a post-COVID recovery.

"What this does is show confidence in the future. Arts have definitely been heavily hit, we know that right across the state but particularly in regional areas," he said.

And this is part of a great tourism offering, with Mudgee you've got wine and food and scenery to be attractions - this will add to attractions, it will keep people in town longer. And give the opportunity for big and meaningful exhibitions to be held.

"I think tourism will grow on the back of that, which is really important as we talk about COVID recovery."

The story [additionally](#) [contributes](#) to our [art and culture](#) project. View [our](#) [media](#) [page](#).



(Syndicated x13) **The Canberra Times**
TO SERVE THE NATIONAL CITY



DEALS OF THE WEEK

CENTRAL WEST FOOD AND WINE TOUR

Experience an ultra-luxe four-day gastronomic tour from Orange to Mudgee in NSW. Learn from award-winning winemakers before indulging in tastings of fresh farm-to-table produce. The deal includes three nights of boutique luxury accommodation, daily breakfast and lunch with accompanying wines, six private wine tastings, an expert local driver-guide, private return transfers from Sydney and panoramic views for miles. Travel until 31 October 2021.

Price: from \$2099
Visit: luxuryscapes.com

ADULTS-ONLY BAROSSA VALLEY GLAMPING

It's the ultimate alfresco indulgence a safari-style glamping tent at Discovery Parks Barossa Valley. Save over \$100 per night on this three-night stay priced at \$399 for two people including access to the adults-only glamping area with secluded pool, spa, fire pit and barbecue. The deluxe tent has a private deck overlooking the vines, en-suite with walk-in shower, kitchenette and king or king-split beds. Travel until 31 October 2021.

Price: from \$399 for three nights
Visit: luxuryscapes.com

PORT DOUGLAS APARTMENT BREAK

The ultimate family deal: five nights in a three-bedroom beachfront apartment, flights, transfers and \$1000 of bonus value. Mandalay offers spacious, self-contained apartments a stone's throw from the beach and nearby retail and dining precinct. The four-person package includes: five nights accommodation, return flights to Cairns (including checked luggage), return coach airport transfers, entry passes to Wildlife Habitat and two-course lunch at Hi Tide by the Beach restaurant. Travel until 18 June 2021.

Price: from \$840 per person
Visit: myoldholiday.com.au

AN ARTY STAY IN ADELAIDE

Adelaide's only Art Series Hotel. The Watson, showcases the work of Indigenous Australian artist Tommy Watson. You'll explore the affluent city-fringe neighbourhood of Walkerville, buzzing with culture and colour, before returning to your self-contained studio overlooking the Adelaide Hills. All deals include a four-course dining experience at L'italy in North Adelaide, a welcome bottle of wine and complimentary parking. Packages are for two to four people and range from two to ten nights, plus there's an option to include flights. Travel until 20 December 2021.

Price: from \$399 for two nights
Visit: luxuryscapes.com

ALL DEALS CORRECT AT PRESS TIME

SEPTEMBER COVERAGE HIGHLIGHTS

Home / Life & Style / News & Deals

SEPTEMBER 23 2020 - 8:06AM

Travel deals of the week: food and wine tour, glamping, a Byron Bay retreat

News & Deals



Food and wine from Legen Vines Mudgee. Picture: Destinations NSW

Central West food and wine tour

Experience an ultra-luxe four-day gastronomic tour from Orange to Mudgee in NSW. Learn from award-winning winemakers before indulging in tastings of fresh farm-to-table produce. The deal includes three nights of boutique luxury accommodation, daily breakfast and lunch with accompanying wines, six private wine tastings, an expert local driver-guide, private return transfers from Sydney and panoramic views for miles. Travel until 31 October 2021.

Price: from \$2999

Visit: luxuryscapes.com

Adults-only Barossa Valley glamping

It's the ultimate alfresco indulgence: a safari-style glamping tent at Discovery Parks Barossa Valley. Save over \$100 per night on this three-night stay priced at \$399 for two people including access to the adults-only glamping area with secluded pool, spa, fire pit and barbecue. The deluxe tent has a private deck overlooking the vines, en-suite with walk-in shower, kitchenette and king or king-split beds. Travel until 31 October 2021.

Price: from \$399 for three nights

Visit: luxuryscapes.com

Port Douglas apartment break

The ultimate family deal: five nights in a three-bedroom beachfront apartment, flights, transfers and \$1000 of bonus value. Mandaly offers spacious, self-contained apartments a stone's throw from the beach and nearby retail and dining precinct. The four-person package includes: five nights' accommodation, return flights to Cairns (including checked luggage), return coach airport transfers, entry passes to Wildlife Habitat and two-course lunch at Hi Tide by the Beach restaurant. Travel until 15 June 2021.

Price: from \$840 per person

Visit: mygl-holiday.com.au

An arty stay in Adelaide

(Syndicated x121) **The Concierge**

Adelaide's only Art Series Hotel, The Watson, showcases the work of Indigenous Australian artist Tommy Watson. You'll explore the affluent city-fringe neighbourhood of Walkerville, buzzing with culture and colour, before returning to your self-contained studio overlooking the Adelaide Hills. All deals include a four-course dining experience at L'italy in North Adelaide, a welcome bottle of wine and complimentary parking. Packages are for two to four people and range from two to 10 nights, plus there's an option to include flights. Travel until 20 December 2021.

Price: from \$399 for two nights

Visit: luxuryscapes.com

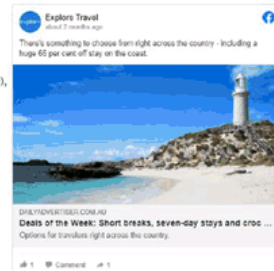
Byron Bay group retreat

Spend a few days with extended family or friends at the stunning private Koomyung Range Retreat which has five bedrooms and four bathrooms. Located in the Byron Bay hinterland, it offers easy access to Byron Bay town and Mullumbimby. Inclusions are valid for 10 people and include: a breakfast hamper filled with local produce, bottle of wine on arrival and a 12pm checkout. Travel until 1 September 2021.

Price: from \$2499 for two nights

Visit: luxuryscapes.com

While you're here...



...you might also enjoy

- Luxury travel within Australia
- Become gateway to the Kimberley
- Hugh Jackman's organic retreat



SEPTEMBER COVERAGE HIGHLIGHTS

A MONTH IN THE COUNTRY
In the rolling hills of the Mudgee, NSW, the annual Sculptures in the Garden exhibition at Rocky Estate offers inspiration both artistic and whimsical.

A MONTH IN THE COUNTRY

THIS YEAR, artist and curator Kay Norton Knight has had to think out of the box as the Mudgee region of the river with her husband, Gerald, indulgence in the rolling hills of the Mudgee, NSW, the annual Sculptures in the Garden exhibition at Rocky Estate offers inspiration both artistic and whimsical.

...and there's plenty to keep the children happy, including a playground and more.

Kay's dream of encouraging a flourishing local art scene has become a reality. "Ten years after launching Sculptures in the Garden, Kay's dream of encouraging a flourishing local art scene has become a reality."

COUNTRYSTYLE



SEPTEMBER COVERAGE HIGHLIGHTS

Savour Mudgee's authentic flavour



MICHAEL
TURTLE

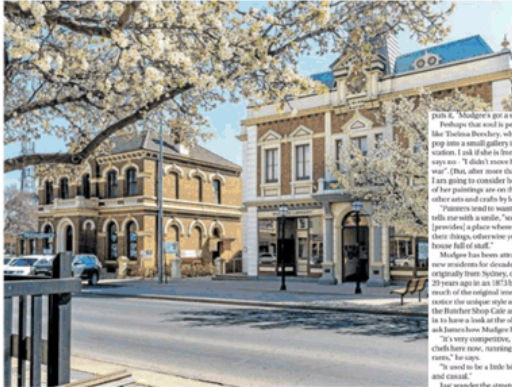
The Hunter Valley is credited with being the oldest wine region in New South Wales but, 200 kilometres away, Mudgee claims to have the state's oldest wine bar. As I sit on a stool, Rod's Wine Bar co-owner Jordan Howlands waves his hand across the small front section.

"The bar used to be just this big, used to be just this room," he explains.

"They used to put a folk band in the corner and there would literally be a hundred people here drinking."

The wine bar was founded in 1923 by the Both family, who planted the first grapes here in 1858. It's expanded since then, with indoor dining areas (try the delicious wood-fired pizzas), a large courtyard and a shed with more tables.

And, like Rod's, Mudgee has also grown a lot since then. I think the time's passed when it could be described as a 'hidden gem'. On the weekends, it's full of tourists, many coming for the food and wine that it is now rightfully acclaimed for. But as Jordan



Perhaps that end is perceived in people like Susan Buckley, who I meet when I pop into a small gallery in the historic train station. I ask if she is from Mudgee and she says no. "I didn't move here until after the war" (That, after more than 70 years here, I am going to consider her a local. Some of her paintings are on the wall, along with other artwork made by local artists.

"Painters tend to want to paint," she tells me with a smile. "In this sort of shop [studio] a place where people can put their things, where you end up with a bigger ball of stuff."

Mudgee has been attracting old and new residents for decades. James O'Neill, originally from Sydney, opened a cafe here 23 years ago in an 1873 bank building, keeping much of the original interior. From today, I notice the vintage style as I'm walking past the Hunter Sheep Cafe and enjoy my lunch in to have a look at the old shed rooms and ask James how Mudgee has changed.

"It's very competitive, we've actually got chefs here now, interesting cafes and restaurants," he says.

"It used to be a little bit more loose and casual."

Just wander the streets in the heritage centre (with spring blossoms bursting in the moment) and you'll realise you're spoiled for choice - a couple of great lunch options are the garden courtyard of Abby & Eddies and Eddies, in an 1870 pharmacy building. A bit further out town, you'll find formidable food at winery restaurants like The House and Eddies Farmhouse.

For many visitors, the main allure of Mudgee is outside the centre, in the dozens of wineries that surround the town that have made a name for themselves in recent decades. There are about 40 cellar doors and most offer tastings.

Head out to discover a few of them with Debbie Howans, who runs a small wine

Spring blossoms trees line the street in the historic part of the town. Pictures: Michael Turtle



The Abby & Eddies courtyard cafe has great lunch options.

company taking visitors to the wineries and making it easier about the region.

We started Lower Wines, opened the most popular cellar doors in Mudgee, with its beautiful garden setting and fine wine selection (see Zambelli in expansion). Winemaker David Lower is known for his unconventional approaches, like not irrigating or reflecting.

"It's nice because we provide an experience," he explains.

"It's authenticity and we always have a winemaker on the cellar door seven days a week."

Meanwhile, the relaxed facade of Bunnings Food Centre hides the enormous winery behind it, where about 10 per cent of Mudgee's grapes are processed. You can arrange some of the modern facilities and enjoy a fine tasting. I would suggest trying the sparkling and the Blush.

And then Debbie takes me to the Baker William Distillery, started by Helen Baker and Nathan Williams in 2012. It's very logical now that Mudgee would have locally made spirits and liqueurs, but that probably says something about the evolution of the town.

Nathan tells me they've made an effort to use regional ingredients - like the Mudgee honey in the lemon meringue liqueur that he's trying.

"It's such a beautiful stem flower with a little herbal note too," he says, as I sip.

"And we've got the local honey in there too so to me that tastes like a liquidified honey sugar."

So matter how long you spend in Mudgee, I fear it will be too short.

Not only are there so many wineries for a single trip, the town is also an excellent



Local painter Thelma Beecher of Arts and Crafts Mudgee.

base to explore other parts of the region, the town of Pynesford and Gulgong, in particular.

Gulgong will have its original charm from when it was founded in 1870 by gold miners, with a quiet old street with ornate verandahs and iron lace balconies.

A lot more has changed over the last few years, but there's also much that hasn't. An old wine bar that's just been extended, a butcher that serves coffee instead of meat, a 19th-century town with modern cafes that mirror them, these are the things that give the Mudgee region its authentic soul.

Michael Turtle was supported by Destination NSW. He will be bringing you more ideas each week for travel within Australia. You can see more details on his Travel Australia Today website for things to do in Mudgee.

Klickx

SEPTEMBER COVERAGE HIGHLIGHTS

Best NSW Hidden Gem Destinations To Visit

Mudgee



Source: TimeOut

If you are looking for a picturesque country town with an abundance of things to do, then no destination is more perfect for you than Mudgee. Mudgee prides itself on its up and coming food and wine culture with a large selection of wineries and local eateries. It also has a wide variety of outdoor activities you can do, from hot air ballooning, star gazing at the observatory, kayaking and visiting the Mudgee museum. With it's growing popularity now is the best time to visit before it starts to get crowded.

Jervis Bay



Source: Jervis Bay WIS

Jervis Bay one of the most beautiful coastal towns in NSW, located in its own Jervis Bay territory. Surrounded by spectacular national parks and picturesque beaches, it is the perfect place to stay for a long weekend. Whether you want to brave the elements and camp out, or stay in a cosy beach front rental, you'll find plenty to do in the area. Some suggestions include kayaking in the bay and taking one of the many walking trails in the parks. Whilst in Jervis Bay, take a trip to the infamous Hyams Beach, which is home to the world's whitest beach sand.

Where is your favourite hidden gem NSW destination? Let us know in the comments.

TAGS: #NATURE #HOLIDAY #LIFE #LONG HOLIDAYS #NOM #TOP DESTINATIONS #TRAVEL



SEPTEMBER COVERAGE HIGHLIGHTS

Covid-19 Tourism Boom Comes to Mudgee, NSW



Sculptures in The Garden showcases Australian sculpture in a rural setting

Everyone makes hay when the sun shines and, on a chilly morning, Mudgee cafés are full of late-slipping cosmopolitans chowing down on smashed avocado sourdough, in what can only be described as a Covid-19 boom. The food and wine hub has struck it rich again.

There's a socially-distanced crowd of pandemic escapees waiting for the only tour guide in town to emerge from the mist under the clock tower.

Ned Dickson is a teenage piper who leads visitors through 199 years of history on the Mudgee Heritage Walking Tours that he founded in 2018. He's taking a break from secondary school studies to retail stories unearthed from years of reading books in the local library.

Enchantingly, Ned neglects to mention that he was awarded the Young Citizen of the Year Award on Australia Day this year, preferring to get straight to the point about the town that's been home – on and off – to five generations of his family.



'Back in the day, it took three and a half weeks to come from Sydney to Mudgee, as opposed to three and a half hours today,' he begins, leading his flock along a line of picturesque shops on Market Street. 'This is one of the oldest, most intact, completely heritage-listed streetscape in Australia,' he says, stopping to point to the spot where his ancestors opened the first department store.

'It went broke around 1900. And that's pretty annoying.'



Not nearly as annoying as the local council decision to modernise Mudgee in the 1960s by removing the gorgeous iron lacework verandas along the main street. Thirty years later, council officers decided to reinstate the original features, and drove to a property outside Mudgee. 'Do you have the verandah from the Post Office Hotel?' they asked. They walked into a far paddock and found the original cream-coloured Lyrebird lacework from 1852 had been repurposed in the cattle yards.

The verandahs are now back where they belong on buildings that line Mudgee's bustling main street. Ned's dad says it's a far cry from the 1920s when you were lucky to see 10 cars'. Now, every weekend, there's a tussle to find a car park or a restaurant table but, hang on, I've got lost in nostalgic reverie. Where is Ned?

He's walked on to 1840s shoe shop that still 'to this day' sells shoes.

essentials
FOOD / WINE / ART / PEOPLE / PLACES

'You could have your shoes made out of your cow here,' he says. 'You'd have it slaughtered out back, the hide treated in the little tannery, then fashioned into leather.' Ned knows this because the shoe maker Mr Thomas was a hoarder who buried every receipt in a lead lined box in the courtyard.

It was nearly 100 years later Mudgee was established before people figured out they needed to look after their teeth. 'I interviewed a woman who remembers springing around this corner in the 1940s because she used to hear the screams of people upstairs having their teeth ripped out of their skulls,' Ned recalls.

And so it goes, glistening gold nuggets reclaimed all the way to the banks of the Cudgegong River, where our escapade with Ned draws to an end.

He leaves us standing beside Jamie Sargeant's sculpture – Seed Memory – at the edge of the superb Lawson Park Sculpture Walk. It looks exactly like a slice of lemon. Slivered on a toothpick.



After the Gold Rush, our history from Mudgee to Gulgong. A slice of a pie from a pie that never went stale

Discover Class Plate Photographs of the Gold Rush Era

In the spring of 1872, photographer Beaufort Merlin and his assistant Charles Bayless followed the rush to Gulgong, but not for the gold. They wanted to capture life in a gold rush town. So, they compiled roughly 500 images on glass plate negatives and, in the process, caught the eye of Hill End's famous goldminer, Bernard Otto Holtermann, who commissioned a photographic assignment to document Hill End and other towns all over New South Wales.

THE AGE
INDEPENDENT. ALWAYS.

SEPTEMBER COVERAGE HIGHLIGHTS

POETRY AND EMOTION



South hangs in the air, while white sand beaches meet sparkling Midian blue water. Plunge in and you might spot sea turtles and turtles. Oh yes, angelfish post with turquoise tips, parrot fish dance, and break down the coast. Best kept secrets and hidden gems. Explore Midland gateway Alibi Beach has a beautiful family friendly activities and budget hotels. Events on islands such as Deepwater (deepwater.com.au), Hesperus (hesperus.com.au), and more. More information: www.midland.com.au and www.hesperus.com.au and any more openmarket. To really absorb the present, consider a horse or a dog. Contact: www.charter.com.au and www.openmarket.com.au and spend several days exploring deserted coves and beaches. More: www.midland.com.au

THE WIDE BROWN LAND FOR ME!
THE PLACE MURRAY RIVER, VIC

The inspiration A sluggish river and rolling hills make for a beautiful landscape. Lays days off by the fish, the sky is a beautiful blue and every land angler another least spot to prep your beer. Get ready for old settlements, visit among towering gum trees, and the majestic flag of pelican wings across the water. Explore Take a paddle steamer cruise from Erskine (erksine.com.au) and spend several days exploring deserted coves and beaches. More: www.midland.com.au

A STARK WHITE RING-BARKED FOREST
THE PLACE SOUTH WEST, WA

The inspiration What better escape from the urban jungle than into a pristine forest? The verdant forest of our country's west coast

west coast grow up to 90 metres tall, so bring your hiking boots and consume with the green giants of nature or even indulge in a spot of forest bathing or tree-hugging. Explore You'll find magnificent jarrah trees around Narrogin and karri trees between Manjimba (manjimba.com.au) and Denmark (denmark.com.au). The 48 kilometre Great Forest Trees Drive near Freshwater (freshwater.com.au) is in stunning. Walpole-Nornalup National Park (nparks.wa.gov.au) has the world's only red single trees. Don't miss the Valley of the Giants Tree Top Walk (valleyofthegiants.com.au) which takes you 40 metres into the canopy. More: www.australia.com; www.denmark.com.au

THE SAPPHIRE-HIRED MOUNTAINS
THE PLACE COOBER PEDY, SA

The inspiration Are the Blue Mountains too beautiful to miss? Only for the imaginative. In fact, the vast wilderness on the diversity of Australia's biggest city will offer silent valleys, searing forest above with birds, and waterfalls that spiral off cliffs to wash in a haze of spray. Beyond the roadside viewing points, walking tracks range from easy strolls to rugged overnight hikes, and will surprise repeat visitors. Explore Live the lifestyle of Pajala Beach or see the walk between Gorrilla Leap and Evans Lookout near Blue Bluffs (bluebluffs.com.au), plunge into the Hartley or Kambinda valleys, and admire the remnants of Healesville near Lithgow (lithgow.com.au). More: www.mountain.com.au; www.victoria.com

GREEN TANGLE OF THE BRUSHES
THE PLACE DANTRIE, QLD

The inspiration The green tangle, cooling fountains and sprawling trees and orchids described in the third stanza of 'My

Country' all come together in Australia's largest (and the world's oldest) rainforest in the North Queensland, which provides shelter for pythons and tree kangaroos. Fringe gaps and butterfly orchids. Striped perch fill its crystal clear ponds, while crocodiles hunt sluggish, muddy rivers lined by mangrove trees. Explore Kayaking, white-water rafting, canoeing, swimming, indigenous music and stays to see lodges are among the options. The mangrove and forested expanse of Mission Gorge (parks.wa.gov.au) are arranged in perfection. Daintree Eco Centre (daintree.com.au) has a tree canopy walkway, boatbreaks and resident conservationists. More: parks.wa.gov.au; www.daintree.com.au; www.mission.com.au

AN OPAL-HEARTED COUNTRY
THE PLACE COOBER PEDY, SA

The inspiration This quintessentially opal country Aussie outback town has based an international reputation of being a hotbed of abandoned kilns and slagging. It's the ultimate redneck counterpoint to slick, predictable tourist destinations. Explore Much of the town – houses, churches, motels – live underground. Visit The House of the Moon (houseofthemoon.com.au), Old Timers Mine (oldtimersmine.com.au) and various art galleries and digital houses. The abandoned kilns of Kutiba Breakaways Conservation Park (nparks.wa.gov.au) immerse you in magnificent outback country once more. More: www.opal.com.au; www.queensland.com.au

DOUBT LINES REPRODUCED BY ARRANGEMENT WITH THE LICENSEE, THE ESTATE OF DOROTHIE MACHILLER, OF CURTIS BROWN (AUSTRALIA) PTY LTD. FOR MORE INFORMATION ABOUT THE LIFE AND WORK OF DOROTHIE MACHILLER SEE www.dorothiemachiller.com.au



POETS' CORNERS

Delve further into our literary heritage at these five destinations.

GULGONG, NSW

Henry Lawson grew up in the NSW Central West during the last roaring gold-rush days, which would profoundly influence his writing. Delightful 1870s Gulgong features some 150 heritage buildings. Explore the poet's life and work at the Henry Lawson Centre (henrylawson.org.au) or wait until June next year for the annual Henry Lawson Heritage Festival (gulgong.com.au). See visitmudgee.org.au

STATE LIBRARY, MELBOURNE

The nation's oldest public library opened in 1855 and has been superbly refurbished. Architectural highlights on the plasterwork to Trade Building Room beneath its vast dome, and the classical elegant Queen's Hall. Apart from book collections the library features exhibition spaces and hosts regular tours and talks. During lockdown, you can visit digital galleries and listen to audiobooks. See sl.vic.gov.au

WINTON, QLD

Paterson wrote 'Winton' here in 1875, based on a seaman's old story of a local fisherman. The Winton Maritime Centre (wintonmaritime.com.au) is devoted to the fish and explains how it became Australia's most beloved song. It also features the history of other Australians such as the founding of Cairns and the 1891 Shearers' Strike. See outbackwintonland.com.au

MURCOTTE, SYDNEY

Much-loved children's author and illustrator Meg Gilbey – based in her The Complete Adventures of Crispington and Cuddapop – built this yellow, sandstone-style city in 1925 and lived there for 44 years. The interior still in stone-wash, the English-style garden (pictured above) that inspired Gilbey are especially beautiful. Book ahead, as COVID-19 limits on visitor numbers currently apply. See meggilbey.com.au

ALBERT STREET LIBRARY TRAIL, BRISBANE

Walk along Albert Street between the Botanic Gardens and King George Square in downtown Brisbane and inspect more than 30 brass pavement plaques marked with quotes about Brisbane – both flattering and doubtful, get along through quoting – from Queensland writers such as The Aity, David Mitchell and Nick Earls. See visitbrisbane.com.au

Treasurer's Report

1. Nature of Report

a. This is the financial report for the first quarter of the MRTI 2020–21 financial year, given to Mid-Western Regional Council (MWRC) under the reporting format as agreed under the contract executed between MWRC and MRTI.

b. The report demonstrates the preliminary trading result for the financial quarter ended Sep 30th, 2020.

2. Accounting Conventions

a. The attached P&L and Balance Sheet have been prepared from the MYOB General Ledger (via reporting system CALXA) with no external intervention other than formatting.

b. Accrual accounting is used under GAAP.

Overall Result

a. Operating Profit \$511K is \$12K ahead of budget.

b. Net Profit \$637K is \$24K ahead of budget.

3. Trading Income

Retail trading income at end Q1 \$48K is \$22K ahead of budget (due to significant increase in visitors to the Visitor Information Centre).

4. Total Income

Overall income ahead of budget \$25K.

Gross Profit on \$11K ahead of budget.

5. Total Expenses

Total expenses under budget \$1K.

a. The organisation continues to be under financial control.

6. Cash Funds

At the end of Q1 of the 2020–21 Financial Year, Cash on Hand is the primary current asset \$569K (primarily due to MWRC contract payment upfront to support deferred payment plan option for partners due to COVID-19).

7. Balance Sheet

a. A balance sheet is included as part of this report.

Mudgee Region Tourism Incorporated
Balance Sheet as of September 2020

Balance Sheet — Mudgee Region Tourism Inc

SEP 2020

	Sep 2020
Asset	
Current Assets	894,050
Cash on Hand	589,180
Visa Debit Cards	2,239
Clearing Accounts	1
Debtors	258,998
Stock on Hand	15,784
Prepayments	49,848
Non-Current Assets	59,332
Motor Vehicle (Nett)	33,262
Plant & Equip (Nett)	8,673
Intangible Assets	17,500
DO NOT USE	(103)
Total Asset	953,382
Liability	
Current Liabilities	254,609
Trade Creditors	115,873
Accruals	11,868
Chattel Mortgage (current)	28,550
GST Liabilities	27,044
Payroll Liabilities	73,474
Ticket Sales	748
123Tix Ticket Sales	(190)
Countrylink Tickets	937
Total Liability	255,357
Net Assets	698,025
Equity	
Retained Earnings	80,687
Current Earnings	637,337
Total Equity	698,025

Mudgee Region Tourism Profit + Loss (Budget Analysis) FYTD

YTD Analysis with Full FY Variance — Mudgee Region Tourism Inc

JUL 2020 - SEP 2020

	Actuals	Budget	Variance	Full Year Budget	Full Financial Year Variance Jul 2020 - Jun 2021
Income					
Retail Sales	48,259	25,805	22,454	104,000	(55,741)
Ticket Sales Income	300	437	(138)	2,500	(2,200)
Membership Income	435,013	432,425	2,588	435,540	(527)
Mid Western Regional Council	432,763	432,763	0	632,763	(200,000)
DNCO Contribution	20,000	20,000	0	20,000	0
Total Income	936,336	911,429	24,906	1,194,803	(258,467)
Cost of Sales					
COGS Retail	33,157	19,371	(13,786)	80,311	47,154
Total Cost of Sales	33,157	19,371	(13,786)	80,311	47,154
Gross Profit	903,179	892,059	11,120	1,114,492	(211,313)
Expense					
Advertising	1,350	500	(850)	500	(850)
Assets under \$1k	471	0	(471)	0	(471)
Audit Fees	1,504	1,286	(218)	5,145	3,641
Bank Charges	30	32	3	130	100
Bank Charges - Merchant	432	400	(32)	1,280	848
Cleaning	883	550	(333)	2,200	1,317
Computer Expenses	2,632	4,677	2,045	40,295	37,663
Depreciation	3,331	1,908	(1,423)	20,841	17,510
Electricity	334	490	156	1,800	1,466
Freight & Cartage	45	0	(45)	0	(45)
Visitors Centre Costs	703	215	(488)	1,400	697
Insurance	742	861	119	3,800	2,858
Insurance - Workers Comp	551	442	(109)	2,200	1,649
Motor Vehicle Running	1,345	2,625	1,280	10,500	9,155
MV Interest	452	623	171	2,300	1,849

Office Supplies	527	376	(162)	620	93
Photocopier Rental	621	0	(621)	0	(621)
General Postage	104	88	(17)	350	246
Member Expenses	4,700	1,635	(3,065)	21,000	16,300
Printing & Stationery	1,486	1,311	(175)	6,500	5,014
Professional Fees	235	100	(135)	3,150	2,915
Rent Mudgee Visitors Centre	507	507	0	507	0
Gulgong Visitors Centre	0	125	125	500	500
Rylstone/Kandos running costs	0	125	125	500	500
Repairs & Maintenance	35	241	206	800	765
Staff Amenities & Ent	718	1,285	567	7,000	6,282
Board Meeting Expenses	44	0	(44)	100	56
Subscriptions & Memberships	3,543	2,235	(1,308)	5,200	1,657
Sundry Expenses	1,016	1,787	772	4,000	2,984
Security	609	200	(409)	800	191
Telephone, Fax & Internet	1,585	1,389	(196)	5,700	4,115
Travel Expenses - Non Wages	43	0	(43)	100	57
Website Expenses	15,514	8,440	(7,074)	20,000	4,486
Visitor Guide Exp	126,950	126,923	(27)	142,960	16,010
Wages and Salaries	155,788	154,306	(1,482)	611,200	455,412
Superannuation	13,034	14,424	1,390	57,684	44,650
Fringe Benefits Tax	50	1,646	1,595	6,583	6,533
Regional Marketing Expenditure	50,422	61,755	11,333	267,478	217,056
Total Expense	392,338	393,509	1,171	1,254,925	862,587
Operating Profit	510,841	498,550	12,291	(140,433)	651,274
Other Income					
CashFlow Assistance	42,496	42,496	0	54,996	(12,500)
JobKeeper Subsidy	84,000	72,000	12,000	96,000	(12,000)
Total Other Income	126,496	114,496	12,000	150,996	(24,500)
Net Profit	637,337	613,046	24,291	10,563	626,774



Planning Proposal Report

Rezoning and Reduction in
Minimum Lot Size
313 Magpie Lane
Galambine

(Our Reference: 27447-PR01_A)
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Disclaimer

This report has been prepared solely for GH Mudgee Pty Limited (the client) in accordance with the scope provided by the client and for the purpose(s) as outlined throughout this report. Barnson Pty Ltd accepts no liability or responsibility for or in respect of any use or reliance upon this report and its supporting material by anyone other than the client.

Report Title:	Planning Proposal Report
Project Name:	Rezoning and Reduction in Minimum Lot Size – 313 Magpie Lane, Galambine
Client:	GH Mudgee Pty Limited
Project No.	27447
Report Reference	27447-PR01_A
Date:	7/10/20

Prepared by:	Reviewed by:
	
Jack Massey B. Urb & Reg. Planning Senior Town Planner	Jim Sarantzouklis B. Arts, Grad. Dip. Urb. Reg. Plan, Dip. EH&B Surveying, MAIBS MEHA RPIA Director

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1 INTRODUCTION

1.1 Planning Proposal

Barnson Pty Ltd has been engaged by GH Mudgee Pty Limited to prepare a Planning Proposal (PP) that seeks to amend the *Mid-Western Regional Local Environmental Plan 2012* (Mid-Western LEP) by rezoning Lot 1 DP 174385 and Lot 1 DP 1003242 from RU4 Primary Production Small Lots to R5 Large Lot Residential and reducing the minimum lot size from 20 hectares to 2 hectares.

The PP will amend both the LEP and associated LEP mapping. Plans associated with the PP are provided in **Appendix A** of this report.

The subject site for this PP is Lot 1 DP 174385 and Lot 1 DP 1003242, known as 313 Magpie Lane, Galambine.

Consistent with the NSW Government Planning & Environment's *Planning Proposals: A guide to preparing planning proposals* (the Guide), this PP has been prepared in the following format:

- Part 1 – Objectives or intended outcomes
- Part 2 – Explanation of Provisions
- Part 3 – Justification
- Part 4 – Mapping
- Part 5 – Community Consultation
- Part 6 – Project Timeline

The completed Information Checklist provided in Attachment 1 of the Guide is provided in **Appendix B** of this report.

1.2 Proponent

The proponent for this PP is GH Mudgee Pty Limited.

1.3 Consultant

Barnson Pty Ltd

Jack Massey

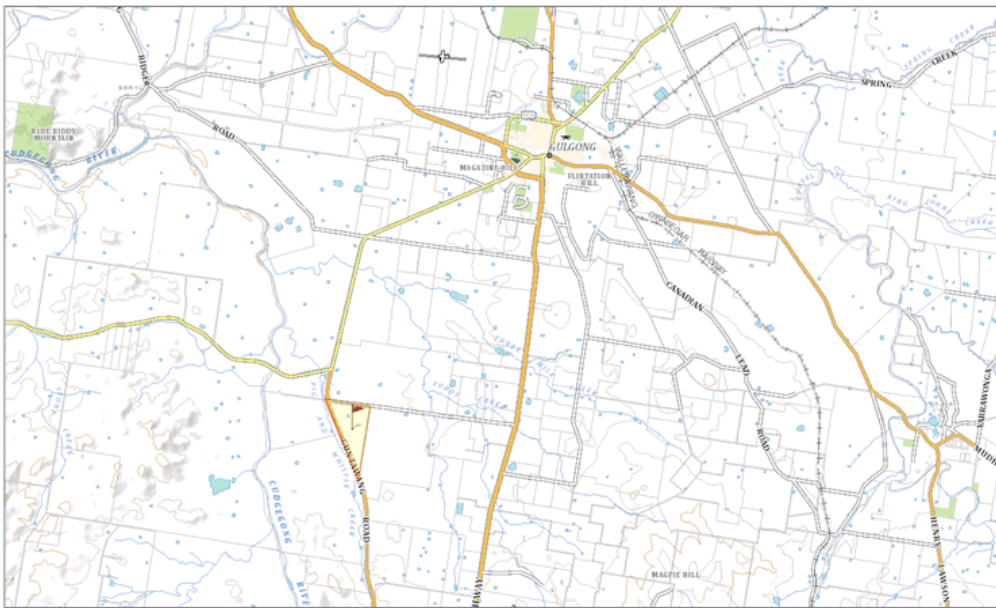
Suite 8 / 11 White Street

Tamworth NSW 2340

2 PLANNING PROPOSAL SITE

2.1 Location and Title

The subject site of this PP is Lot 1 DP 174385 and Lot 1 DP 1003242, known as 313 Magpie Lane, Galambine. The site is located in the Galambine area, approximately 10km south west of Gulgong as shown in **Figure 1** below.



Source: (NSW Government Spatial Services, 2020)

Figure 1 – Site Location

The site has an overall area of approximately 76 hectares and is predominantly used for agricultural purposes. The Certificate of Title and Deposited Plan for the property is provided in **Appendix C** of this report. Refer to **Figure 2** and **Plate 1** for photos of the site subject to this proposal.



Source: (Google Earth, 2020)

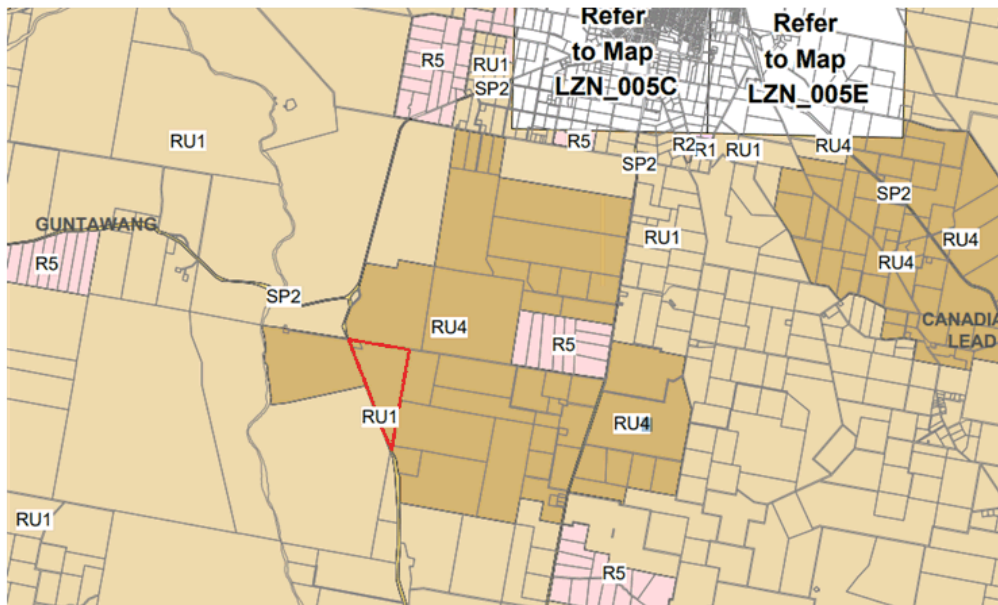
Figure 2 – Site Aerial



Plate 1 – View of the subject site from Magpie Lane

2.2 Land Use

The site is located in an area characterised by primary production and scattered rural-residential dwellings. The site has been used for primary production purposes, predominately grazing and cropping, for an extended period of time. The area is zoned RU4 Primary Production Small Lots and RU1 Primary Production, with small pockets of R5 Large Lot Residential within proximity, as shown in **Figure 3** below.



Source: (NSW Planning & Environment, 2020)

Figure 3 – Zoning Map

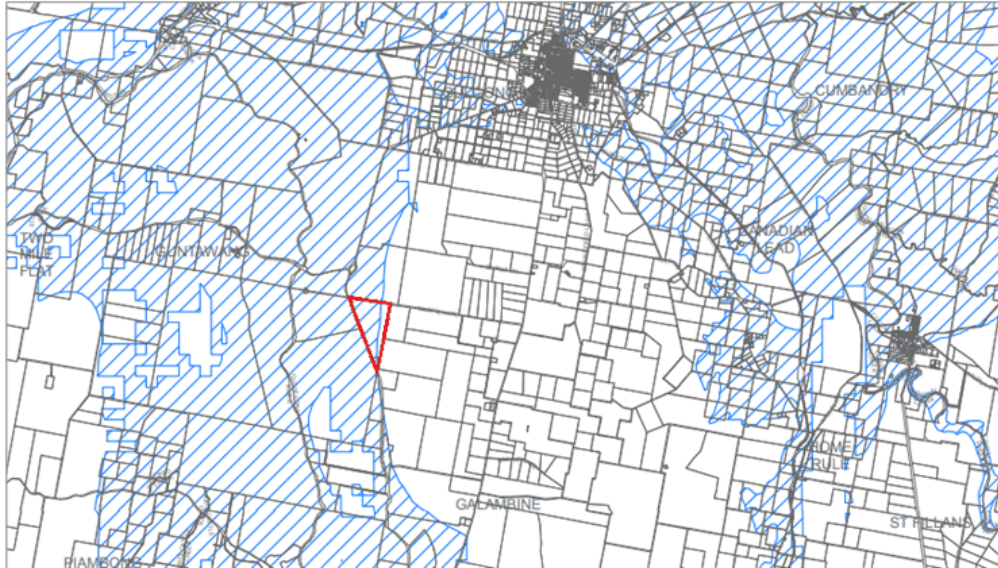
2.3 Topography and Soils

The site slopes generally from the east to west.

The site is within the Macquarie-Dubbo Soil Landscape as mapped by the *Soil Landscapes of the Dubbo 1:250 000 sheet*, which is found on the alluvial plains and terraces of the Macquarie and Talbragar Rivers. It is characterised by low fertility; seasonal waterlogging; sodic subsoils on lower slopes; high erosion hazard under cultivation; acidic surface soils; salinity common on lower slopes and low permeability.

2.4 Groundwater

The site is mapped under the LEP as having groundwater vulnerability (refer to **Figure 4**).



Source: (NSW Planning & Environment, 2020)

Figure 4 – Groundwater Vulnerability Map

There are no recorded groundwater bores located on the site or within 500m of the site. Details of four of the closest bores located to the east of the site and two of the closest bores located to the west were obtained and have been provided below.

- GW800644 – Test Bore (intended purpose), work status “filled”, drilled to a final depth of 106.7m. No standing water level was recorded on the GW summary;
- GW800643 – Test Bore (intended purpose), work status “filled”, drilled to a final depth of 121.9m. No standing water level was recorded on the GW summary;
- GW801349 – Irrigation Bore (intended purpose), work status “supply obtained”, drilled to a final depth of 106.7m. Standing water level of 27.2m;
- GW800636 – Domestic Bore (intended purpose), work status “supply obtained”, drilled to a final depth of 93m. No standing water level was recorded on the GW summary. Salinity indicated as “good”;
- GW014906 – Irrigation Bore (intended purpose), work status “abandoned”, drilled to a final depth of 14.3m. No standing water level was recorded on the GW summary; and
- GW028222 – Irrigation Bore (authorised purpose) drilled to a final depth of 106.6m. No standing water level was recorded on the GW summary.

These Groundwater Works summaries have been provided in **Appendix D** of this report.

An Effluent assessment has been prepared by Eastwest Consulting to determine the current site characteristics and future potential development, refer to **Appendix E** of this report.

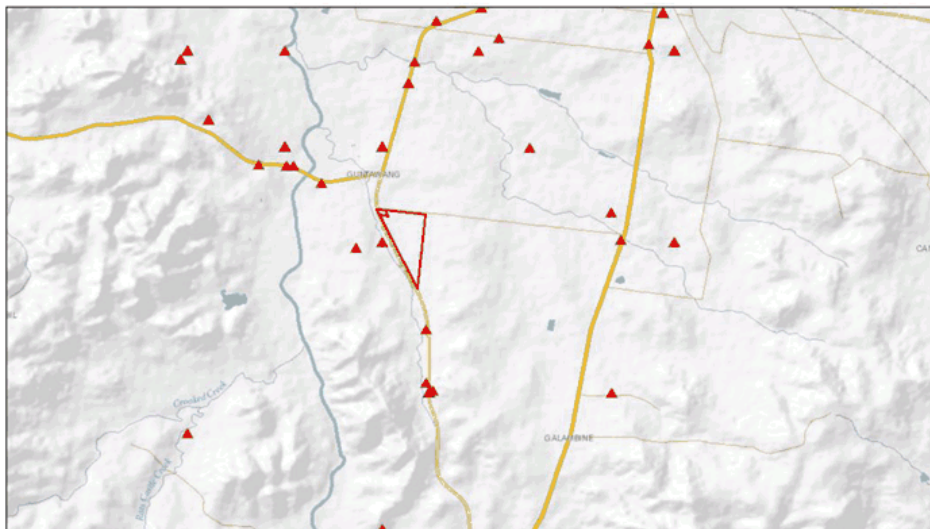
2.5 Flora and Fauna

The site contains minimal Plant Community Types (PCTs) as shown in **Figure 5** below. The site is heavily disturbed as a result of previous activities on the site. It is predominately grassland with scattered trees throughout. The grassland is frequently mown/slashed and well managed. No threatened species have been recorded on the site as shown in **Figure 6**.



Source: (NSW Office of Environment & Heritage, 2020)

Figure 5 - PCT Mapping



Source: (NSW Office of Environment & Heritage, 2020)

Figure 6 - BioNet Atlas Search



2.6 Noise Environment

A noise assessment has not been undertaken as part of this planning proposal. The site is located within an area characterised by primary production and scattered residential activities. Noise levels are consistent with these land uses.

2.7 Natural Hazards

The site is not mapped as being bushfire prone or within a Flood Planning Area under the *Mid-Western Regional Local Environmental Plan 2012*, NSW Planning Portal or the RFS' Online Mapping Tool.

2.8 Contamination

The site is not known to have previously contained any of the land uses listed in Table 1 of the *Contaminated Land Planning Guidelines* that are likely to cause contamination.

2.9 Services

The site has electricity and telecommunications available within proximity. There are no other services such as reticulated water, sewer or gas located within the vicinity.

The proposed rezoning of the site to lot sizes of 2 hectares is premised upon incorporating on-site rainwater harvesting, on-site effluent disposal and a central bore/water scheme for non-potable water. Given the location of the site, it is considered that connection to water and sewer mains is unnecessary for this site and adequate land shall be provided for each lot to be fully serviced by onsite supply and management systems. Furthermore, best practice stormwater management features will be incorporated for suitable management and use of future residential development.

2.10 Access and Traffic

The site has frontage to Guntawang Road and Magpie Lane, which are both bitumen sealed roads. Vehicular access is gained off both road networks via rural gates/access crossings.

As part of any future development on the site, in particular for subdivision, a new internal road will form part of the subdivision which will require provision of intersections. A concept subdivision plan has been provided on the plans in **Appendix A** of this report.

2.11 Heritage

A search of the State Heritage Inventory, *Mid-Western Regional Local Environmental Plan 2012* and Aboriginal Heritage Information Management System (AHIMS) was undertaken for the site and immediate surrounds. There are no known items or places of European or Aboriginal cultural heritage significance that have been identified as being recorded on or within the vicinity of the site. Refer to AHIMS Search provided in **Appendix F** of this report.

An Aboriginal Cultural Heritage Report was previously prepared for a development on the site and has been provided in **Appendix G** of this report.

2.12 Background to Planning Proposal

The site has been vacant for an extended period of time. Consent was granted on the site for a large tourist facility among other developments for the site. The proponent now intends to establish 2 hectare residential lots for the region, which has been based on a lack of supply in the Mid-Western Local Government Area. As such, this PP intends to rezone the land from RU4 Primary Production Small Lots to R5 Large Lot Residential with a minimum lot size of 2 hectares.



3 PLANNING PROPOSAL PARTICULARS

3.1 General

The PP seeks Mid-Western Regional Council's support to rezone approximately 76 hectares of land from RU4 Primary Production Small Lots to R5 Large Lot Residential, with a corresponding reduction to the minimum lot size from 20 hectares to 2 hectares.

The intention of rezoning the land is to permit the future subdivision of the site and its development for rural residential purposes consistent with the objectives of the R5 Large Lot Residential zone.

3.2 The Need for the Rezoning

The need for the rezoning has resulted from a change in economic conditions which favour a more diverse housing market, particularly large lot residential blocks. As detailed throughout this report, the site conditions support small scale agriculture, but given its size, does not support intensive or large scale agricultural or industries. As such, large lot residential development is considered more appropriate and a better use of the site.

3.3 Lot Yield

The subject land comprises two lots with a total area of approximately 76 hectares. Under the current RU4 Primary Production Small Lots zoning, the minimum lots size is 20 hectares, whereby a compliant subdivision would allow for 3 lots. The *Mid-Western Regional Comprehensive Land Use Strategy* identifies the site as suitable for cropping and livestock grazing. If the site as it stands was subdivided into 20 hectare lots in separate ownership, such activities would not likely be viable given the insufficient area.

The land is cleared and vacant with sealed main road frontage and is therefore well placed to support a new subdivision and future rural residential development extended to the south of Gulgong (north of Mudgee). The proposal is consistent with Mid-Western's Strategy as the rezoning and future subdivision of the site will provide an additional residential opportunity area that will add diversity to the market and facilitate the delivery of new lots.

The proposed minimum lots size of 2 hectares is consistent with the recommendations of Council's Strategies. Based on the 2 hectare minimum lot size, the potential lot yield has been shown on the Planning Proposal Plans in **Appendix A** of this report. A maximum of 31 lots is achievable on the site with a 2 hectare minimum lot size, which includes consideration for internal roads and associated infrastructure.

3.4 Water Supply and Effluent Disposal

The *Mudgee and Gulgong Urban Release Strategy 2014* recommends that Council undertake further analysis into costs of providing reticulated water and sewer to service future subdivision in the LGA.

Given the semi-rural location of the site and high costs that would be involved with reticulating this area, it is considered that enforcing this infrastructure would be uneconomic and would not achieve a reasonable return on the costs of installation. Accordingly, it is proposed to provide onsite effluent disposal and water supply, as follows.

3.4.1 Sewerage Disposal

Onsite effluent systems shall be installed for new lots established on the site and would be subject to assessment as part of the subdivision stage. For sites that may be subject to groundwater vulnerability, alternative systems such as aerated wastewater systems shall be considered. As part of the future subdivision application, a Water Cycle Management Report shall be prepared for each lot within the subdivision to determine that there is suitable area capable of the disposal of onsite wastewater.

A 4,000m² lot is widely cited throughout Australia as a minimum lot size for unsewered residential properties (i.e. dwellings), which can adequately manage effluent with appropriate setback buffers. With a lot size of 20,000m² (2 hectares), it is considered that each new lot would have adequate area to manage effluent. Nevertheless, an Effluent Assessment for the site has been provided in **Appendix E** of this report confirming the suitability of onsite systems.

3.4.2 Water Supply

Onsite rainwater collection tanks will be established as part of future residential development to service each dwelling on the 2 hectare allotments. Based on data from the Bureau of Meteorology, Gulgong has a recorded mean average of 692mm a year. The highest month for rainfall is January at an average of 86mm and the lowest is in June at an average of 44mm. The amount of rainfall collected would depend on the roof catchment area of dwellings and outbuildings on the future lots. The rainwater harvesting requirements for each household would be dependent on occupancy capacity. Sufficient rainwater would also need to be provided for landscaping and general maintenance.

Given the yearly variation of rainfall in this area, it is recommended that water tanks be specified for future dwellings with a capacity to support those dwellings. The size of collection tanks would be subject to development assessment as part of future applications on the site.

In addition to collection tanks, a bore shall be established with associated water scheme for non-potable water for each block (landscaping, land management etc). As assessment of the groundwater availability shall be undertaken prior and as part of the subdivision to determine the adequacy of groundwater and to ensure no valuable resources will be impacted. Each lot would be restricted as required.



4 EXISTING LEGISLATIVE FRAMEWORK

4.1 Introduction

As shown in **Figure 3**, the site is zoned RU4 Primary Production Small Lots under the *Mid-Western Regional Local Environmental Plan 2012*.

4.2 RU4 Primary Production Small Lots Zone

The objectives of the RU4 zone are:

- To enable sustainable primary industry and other compatible land uses.
- To encourage and promote diversity and employment opportunities in relation to primary industry enterprises, particularly those that require smaller lots or that are more intensive in nature.
- To minimise conflict between land uses within this zone and land uses within adjoining zones.
- To ensure that land is available for intensive plant agriculture.
- To encourage diversity and promote employment opportunities related to primary industry enterprises, particularly those that require smaller holdings or are more intensive in nature.

The land use table for the RU4 zone is as follows:

2 Permitted without consent

Environmental protection works; Extensive agriculture; Home businesses; Home occupations; Intensive plant agriculture; Roads; Water reticulation systems

3 Permitted with consent

Aquaculture; Cellar door premises; Dwelling houses; Farm buildings; Home industries; Plant nurseries; Roadside stalls; Any other development not specified in item 2 or 4

4 Prohibited

Air transport facilities; Amusement centres; Attached dwellings; Backpackers' accommodation; Boarding houses; Boat building and repair facilities; Boat launching ramps; Boat sheds; Car parks; Cemeteries; Charter and tourism boating facilities; Centre-based child care facilities; Commercial premises; Crematoria; Exhibition homes; Exhibition villages; Freight transport facilities; Group homes; Heavy industrial storage establishments; Helipads; Highway service centres; Home occupations (sex services); Hostels; Hotel or motel accommodation; Industrial retail outlets; Industrial training facilities; Industries; Intensive livestock agriculture; Jetties; Livestock processing industries; Marinas; Mooring pens; Moorings; Mortuaries; Multi dwelling housing; Passenger transport facilities; Places of public worship; Public administration buildings; Recreation facilities (indoor); Recreation facilities (major); Recreation facilities (outdoor); Registered clubs; Residential flat buildings; Respite day care centres; Restricted premises; Sawmill or log processing works; Semi-detached dwellings; Seniors housing; Service stations; Sex services premises; Shop top housing; Signage; Stock and sale yards; Storage premises; Transport depots; Vehicle body repair workshops; Vehicle repair stations; Warehouse or distribution centres; Waste disposal facilities; Wholesale supplies

5 PROPOSED LEGISLATIVE FRAMEWORK

5.1 Introduction

It is proposed to rezone the land to R5 Large Lot Residential under the *Mid-Western Regional Local Environmental Plan 2012*.

5.2 R5 Large Lot Residential

The objectives of the R5 zone are:

- *To provide residential housing in a rural setting while preserving, and minimising impacts on, environmentally sensitive locations and scenic quality.*
- *To ensure that large residential lots do not hinder the proper and orderly development of urban areas in the future.*
- *To ensure that development in the area does not unreasonably increase the demand for public services or public facilities.*
- *To minimise conflict between land uses within this zone and land uses within adjoining zones.*

The land use table for the R5 zone is as follows:

2 Permitted without consent

Extensive agriculture; Home-based child care; Home businesses; Home occupations; Roads; Water reticulation systems

3 Permitted with consent

Bed and breakfast accommodation; Cellar door premises; Dual occupancies; Dwelling houses; Garden centres; Home industries; Intensive plant agriculture; Landscaping material supplies; Markets; Neighbourhood shops; Oyster aquaculture; Plant nurseries; Pond-based aquaculture; Roadside stalls; Secondary dwellings; Serviced apartments; Tank-based aquaculture; Waste or resource transfer stations; Water recycling facilities; Any other development not specified in item 2 or 4

4 Prohibited

Advertising structures; Agriculture; Air transport facilities; Airstrips; Amusement centres; Animal boarding or training establishments; Boarding houses; Boat building and repair facilities; Boat launching ramps; Boat sheds; Car parks; Cemeteries; Charter and tourism boating facilities; Commercial premises; Correctional centres; Crematoria; Dairies (pasture-based); Electricity generating works; Entertainment facilities; Environmental facilities; Exhibition homes; Exhibition villages; Forestry; Freight transport facilities; Function centres; Heavy industrial storage establishments; Helipads; Highway service centres; Home occupations (sex services); Industrial retail outlets; Industrial training facilities; Industries; Jetties; Marinas; Mooring pens; Moorings; Mortuaries; Passenger transport facilities; Public administration buildings; Recreation facilities (indoor); Recreation facilities (major); Registered clubs; Research stations; Residential accommodation; Restricted premises; Rural industries; Service stations; Sex services premises; Storage premises; Tourist and visitor accommodation; Transport depots; Truck depots; Vehicle body repair workshops; Vehicle repair stations; Veterinary hospitals; Warehouse or distribution centres; Waste or resource management facilities; Water recreation structures; Water supply systems; Water treatment facilities; Wharf or boating facilities



6 PLANNING PROPOSAL

6.1 Part 1 - Objectives or Intended Outcomes

The *Planning Proposals: A guide to preparing planning proposals* identifies that Part 1 of a PP should consist of:

"...a short, concise statement setting out the objectives or intended outcomes of the planning proposal. It is a statement of what is planned to be achieved, not how it is to be achieved. It should be written in such a way that it can be easily understood by the general community" (NSW Department of Planning & Environment, 2016).

The objective of this PP is to amend the *Mid-Western Regional Local Environmental Plan 2012* to rezone the site from RU4 Primary Production Small Lots to R5 Large Lot Residential and reduce the minimum lot size from 20 hectares to 2 hectares to allow the future development of residential accommodation.

The masterplan provided in **Appendix A** illustrates the intended lot yield subject to subdivision once the planning proposal is endorsed. The intent is to create 2 hectare lots in a rural locality for residential accommodation for the Mudgee/Gulgong area.

The need for the rezoning has resulted from a change in economic conditions which favour larger blocks to be used for residential purposes. As demonstrated throughout this report, the site conditions are conducive for residential land use.

The Australian Bureau of Statistics (ABS) 2016 Census data indicated that Mid-Western Region is experiencing sustained population growth along with growth in the agricultural industry resulting in additional demand for a range of land, housing and employment opportunities.

The rezoning intends to provide residential blocks in a rural setting to help support this ongoing growth and provide residential land within proximity to Mudgee.

6.2 Part 2 - Explanation of Provisions

The *Planning Proposals: A guide to preparing planning proposals* identifies that Part 2 of a PP is to provide:

"... a more detailed statement of how the objectives or intended outcomes are to be achieved by means of amending an existing LEP. ... explanation of provisions to identify what zones or development standards are being proposed" (NSW Department of Planning & Environment, 2016).

The proposed outcome for the PP will be achieved by:

- Amending the Mid-Western Regional LEP Land Zoning (Sheet LZN_005) Map on Lot 1 DP 174385 and Lot 1 DP 1003242 in accordance with the proposed zoning map shown in **Appendix A** of this report; and
- Amending the Mid-Western Regional LEP Minimum Lot Size Map (Sheet LSZ_005) from (AB3) 20 hectares to (Z) 2 hectares on Lot 1 DP 174385 and Lot 1 DP 1003242 in accordance with the proposed zoning map shown in **Appendix A** of this report.

6.3 Part 3 - Justification

The *Planning Proposals: A guide to preparing planning proposals* identifies that Part 3 is to set out the case for the making of the proposed LEP. The following section provides a response to the questions outlined in the guide.

6.3.1 Section A - Need for the Planning Proposals

Q1. Is the planning proposal a result of any strategic study or report?

No applicable studies or reports.

Q2. Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

Other options were considered as potential means for achieving the objective of the planning proposal. These were considered as follows:

- Retaining the RU4 Primary Production Small Lots zoning and reducing the Minimum Lot Size from 20 hectares to 2 hectares. The lot sizes would not be conducive of the RU4 zone objectives, particularly with regard to primary production and agriculture. A lot size of 2 hectares would not generally support an agricultural use, therefore it was determined to rezone the land; and
- Retaining the current zoning and subdividing into 20 hectare lots, which would result in a maximum yield of 3 lots. The site is suitable for agricultural cropping and grazing only. If the site as it stands was subdivided into 20 hectare lots in separate ownership, such activities would not likely be viable given the insufficient area of each lot. Even its current size at 76 hectares is restrictive in terms of potential agricultural activities.

6.3.2 Section B - Relationship to Strategic Planning Framework

Q3. Is the planning proposal consistent with the objectives and actions of the applicable regional, sub-regional or district plan or strategy (including any exhibited draft plans or strategies)?

The following Assessment Criteria have been established by the guide and are considered below in relation to the PP:

a) Does the proposal have strategic merit? Is it:

- Consistent with the relevant regional plan outside of the Greater Sydney Region, the relevant district plan within the Greater Sydney Region, or



corridor/precinct plans applying to the site, including any draft regional, district or corridor/precinct plans released for public comment; or

- Consistent with a relevant local council strategy that has been endorsed by the Department; or
- Responding to a change in circumstances, such as the investment in new infrastructure or changing demographic trends that have not been recognised by existing planning controls.

Response

- The PP is considered to be consistent with the *Central West and Orana Regional Plan 2036* as it will:
 - Provide increased housing choices and short term and long term employment for the local economy. The location the subject of this PP will support agricultural job opportunities being closely located to rural areas (Direction 22);
 - Provide large lot residential housing for the local economy to deal with any unexpected population growth. This will increase the housing diversity and choice for the local area (Direction 25);
 - Provide rural residential lots for future development in a suitable location that is not necessarily considered high productive agricultural land or an area of importance. Rural residential living is becoming exceedingly popular in the area (Direction 28).

b) Does the proposal have site-specific merit, having regard to the following:

- the natural environment (including known significant environmental values, resources or hazards) and
- the existing uses, approved uses, and likely future uses of land in the vicinity of the proposal and
- the services and infrastructure that are or will be available to meet the demands arising from the proposal and any proposed financial arrangements for infrastructure provision.

Response

The site has been subject to a range of approved uses, including; a proposed tourist facility, residential dwelling, 24 unit motel, 100 seat restaurant, wine sales area, managers residence, tennis court and swimming pool. There are no known environmental issues present on the site such as flooding or bushfire, and historically the site has been subject to clearing and animal grazing, reducing the amount of vegetation present.

The PP is considered to have site specific merit given:

- A number of uses have been approved on the site that would create dense built up structures that would not support ongoing agricultural use;
- There are no environmental matters that would hinder on future residential development on the site;
- The site could only be used for agricultural grazing and cropping. The site as it stands would not support a rural business or industry, nor would 20 hectare lots be able to be utilised for such activities;
- Large lot residential blocks are an essential need for Mudgee and the local economies diversity in the housing market; and
- The site is suitably located for rural residential development.

Q4. Is the planning proposal consistent with a council's local strategy or other local strategic plan?

The site is covered by the existing local strategies:

- Mid-Western Regional Comprehensive Land Use Strategy (Part C) 2010 (revised February 2017)
- Mudgee and Gulgong Urban Release Strategy 2014

Mid-Western Regional Comprehensive Land Use Strategy (Part C) 2010

The purpose of this Strategy was to identify environmental, social and economic opportunities and constraints and weigh these against land demand and supply pressures for the Mid-Western Regional Local Government Area until 2031. A review has been conducted of this Strategy with commentary on key points provided below.

Section 3.1.3 (page 33-34) of the Strategy states:

"...it is considered necessary to identify additional residential opportunity areas to add diversity to the market and facilitate the delivery of lots.

Comment: The current Mudgee housing market has a lack of diversity in terms of location for rural residential opportunities. The proposed planning proposal intends to provide diversity by providing housing in a different rural area than what is currently provided, thereby being consistent with this part.

Section 4.8 (Page 63) of the Strategy states:

"Evidence suggests that the demand is strong for rural lifestyle lots within close proximity to Mudgee, ideally within a commuting distance of 10-15 minutes from the town centre. The area surrounding Mudgee is picturesque and desirable for those seeking a 'treechange' and proximity to the higher order services of Mudgee. This is consistent with the direction of the Strategy, which focuses future rural lifestyle opportunities around the main settlements in the local government area".



Comment: The subject site is approximately 10 minutes to Gulgong and 20 minutes to the Mudgee CBD. The site is located within a picturesque setting, surrounded by vineyards and small scale rural enterprises. The rural lifestyle potential of this block would be attractive to city dwellers and would accommodate for a range of residential opportunities for the area.

Section 7 of the Strategy provides criteria for the identification of Rural Residential Development with a two hectares MLS within the local government area. An assessment of this criteria is provided in **Table 1** below.

Table 1 – Land Use Strategy Two Hectare Criteria	
Criteria	Comment
1. The land can be managed to avoid land use conflict	The land surrounding the site is predominately used for animal grazing and vineyards. There are no large scale agricultural industries within proximity to the site, nor are there any hazardous or offensive rural industries within proximity. The land uses within proximity to the site and general characteristics of the area provide a sufficient buffer for the site. Dwelling sites located on the outer edge of the proposed rezoning area shall be afforded with fencing, landscaping and/or other attenuative material to effectively separate the site from agricultural land uses within proximity to the site and to avoid any unnecessary land use conflict.
2. Is unconstrained by flooding, as it is above the FPL on the 1 in 100 ARI	The subject site is not located within a Flood Planning Area under the <i>Mid-Western Regional Local Environmental Plan 2012</i> .
3. Can be connected to the existing road network by sealed road access	The site fronts Magpie Lane and Guntawang Road, which are two way bitumen sealed roads. As shown on the plans in Appendix A , specifically the Masterplan sheet P04, the site has the capability of connecting to the sealed road network with sufficient area internally to create roads for future subdivision.
4. Is not visually intrusive	There are no impacts on visual amenity or sensitive corridors located within proximity to the site as defined in the Strategy on the Mudgee Town Structure Plan.
5. Will not undermine future residential land opportunities	The proposed rezoning shall accommodate for a future subdivision that could potentially yield approximately 33 two hectare allotments, each with the opportunity of a single residential dwelling. The general consensus of the Strategy is that the Mid-Western LGA is currently

	<p>experiencing significant growth in the residential sector. Therefore, it is considered that an additional 33 residential lots within the LGA would have a negligible impact on existing residential opportunities. It would rather diversify the residential sector by providing large lot residential lots within a rural and picturesque setting.</p>
6. Will not adversely impact on the groundwater system	<p>The site is mapped as groundwater vulnerable under the <i>Mid-Western Regional Local Environmental Plan 2012</i>. Groundwater extraction will be limited as the dwellings shall be serviced via onsite rainwater collection tanks. Suitable effluent systems shall be established and is it considered that 2 hectare sized lots have sufficient area for onsite disposal.</p> <p>Refer to Effluent Assessment in Appendix E of this report. However, a bore shall be considered with a water sharing scheme for each lot to provide non-potable water for landscaping, land management and the like. An assessment of extraction of such groundwater shall be undertaken as part of the subdivision application, with appropriate mitigation methods endorsed.</p>
7. Can be justified in terms of supply and demand	<p>The general consensus of the Strategy is that the Mid-Western LGA requires additional 2 hectare lots that would create diversity in the housing market. The proposed rezoning is consistent with this approach.</p>
8. Can be managed to reduce bushfire hazard	<p>The subject site is not mapped as bushfire prone under the <i>Mid-Western Regional Local Environmental Plan 2012</i>.</p>
9. Should avoid Biophysical Strategic Agricultural Land	<p>The land is not identified as Biophysical Strategic Agricultural Land. Rather, it has been identified as suitable for cropping and animal grazing. Given the size of the land, intensive agricultural uses are not considered viable. Rather, the site lends itself to rural residential in a suitable location for the rural residential housing market.</p>
10. Has access to a sustainable water supply	<p>Onsite rainwater harvesting is considered appropriate for 2 hectare lot sizes. Each future dwelling shall be provided with suitable onsite rainwater collection tanks for internal and external use. The tank sizing shall be subject to the subdivision and/or application for dwellings on each site.</p> <p>A bore/water sharing scheme shall be established to provide non-potable water, which would be subject to a detailed assessment.</p>



Mudgee and Gulgong Urban Release Strategy

The *Mudgee and Gulgong Urban Release Strategy 2014* states that strong population growth driven by the expansion of the local coal mining industry and sustained pressure for residential development is placing considerable pressure on the Mid-Western Regional Council. To date the majority of housing growth has occurred in Mudgee however nearby Gulgong has also been impacted in recent years by shifts in the housing market.

The Strategy further indicates that land supply for 2 hectare residential lots would be exhausted after just 9 years (section 6 of the Strategy). The proposed rezoning shall cater for this shortfall by providing additional 2 hectare lots for the Mid-Western Regional Local Government Area. On this basis, it is considered that the proposed rezoning is generally consistent with the principles of the Strategy.

Q5. Is the planning proposal consistent with applicable State Environmental Planning Policies?

A summary assessment of *State Environmental Planning Policies* (SEPPs) is discussed below. The proposal is generally consistent with all relevant SEPPs.

SEPP	Applicable	Comments
No 30 – Intensive Agriculture	No	This Policy does not apply to the Planning Proposal. The SEPP would only apply to a future development application for development specified in the policy.
No 44 – Koala Habitat	Yes	SEPP 44 aims to encourage the conservation and management of areas of natural vegetation that provide habitat for koalas by requiring the preparation of plans of management before development consent can be granted in relation to areas of core koala habitat. The subject site is predominately cleared with scattered isolated trees throughout. There are no known feed tree species located on the site. As the PP relates to the rezoning of land, no vegetation removal is proposed. It is considered that future subdivision and development can occur with minimal impact to existing vegetation or potential koala habitat.
No 55 – Remediation of Land	Yes	SEPP 55 aims to promote the remediation of contaminated land for the purpose of reducing the risk of harm to human health by specifying certain considerations that are relevant in rezoning land and in determining development applications. The land is not known to:

Table 2 – Application of SEPPS		
SEPP	Applicable	Comments
		<ul style="list-style-type: none"> be within an investigation area, or have been used for any purpose referred to in Table 1 of the Contaminated Land Planning Guidelines. <p>As a result, a preliminary investigation is not required in relation to the Planning Proposal.</p>
Primary Production and Rural Development 2019	No	Although this SEPP would not apply to the site once rezoned, the Planning Proposal has been prepared to ensure the rural subdivision principles are considered given the rural context of the area. A concept subdivision layout has been provided on the Planning Proposal Plans in Appendix A of this report.

Q6. Is the planning proposal consistent with applicable Ministerial Directions (s.9.1 directions)?

The following table provides an assessment of the consistency of the PP with the Section 9.1 Directions issued by the Minister under Section 9.1 of the *Environmental Planning and Assessment Act 1979* (EP&A Act).

Table 3 – Section 9.1 Directions		
Direction	Applicable	Comment
1. Employment & Resources		
1.1 Business & Industrial Zones	No	Direction not applicable.
1.2 Rural Zones	Yes	It is proposed to rezone the land from RU4 Primary Production Small Lots to R5 Large Lot Residential, which is inconsistent with this Direction. However, the inconsistency is considered to be of minor significance as the proposed area for rezoning has already been subject to previous high density development on the site. The inconsistency is considered of <i>minor significance</i> in accordance with “1.2 Rural Zones – Consistency(5)(d)” of this Direction. Furthermore, the area and site characteristics do not significantly support agricultural production on the land. Therefore, the rezoning would be consistent with similar R5 zoned land located within proximity.
1.3 Mining, Petroleum Production &	No	N/A – no mining, petroleum production or extractive industries proposed or affected.



Table 3 – Section 9.1 Directions		
Extractive Industries		
1.4 Oyster Aquaculture	No	N/A – no oyster aquaculture proposed or affected.
1.5 Rural Lands	Yes	<p>The Planning Proposal is inconsistent with this Direction, however the inconsistency is considered to be of minor significance as the proposed area for rezoning is similar to other land zoned R5 within the LGA. As shown throughout this report, there are many pockets of R5 zoned land in the LGA. As such, the rezoning of this site to R5 is not dissimilar to other R5 zoned land within proximity. The inconsistency is considered of <i>minor significance</i> in accordance with “1.5 Rural Lands – Consistency(6)(b)” of this Direction.</p> <p>It is considered that the Planning Proposal is consistent with the Rural Planning Principles contained within <i>State Environmental Planning Policy (Primary Production and Rural Development) 2019</i>.</p>
2. Environment & Heritage		
2.1 Environment Protection Zones	No	N/A – the site is not within an environmentally sensitive area.
2.2 Coastal Management	No	N/A – not within the coastal zone.
2.3 Heritage Conservation	Yes	<p>The site is not known to contain any items of Aboriginal or European Heritage significance, refer Section 2.11 and Aboriginal Cultural Heritage Report in Appendix G.</p> <p>No known items of heritage significance would be impacted by the PP.</p>
2.4 Recreation Vehicles Area	No	N/A – The PP is not enabling land to be developed for the purpose of a RV area.
2.5 Application of E2 and E3 zones and Environmental Overlays in Far north Coast LEPs	No	N/A – not within Ballina, Byron, Kyogle, Lismore or Tweed LGAs.
2.6 Remediation of Contaminated Land	No	The site is not known to be contaminated and no contaminating activities have been carried out on the site in the past.
3. Housing, Infrastructure & Urban Development		

Table 3 – Section 9.1 Directions		
3.1 Residential Zones	Yes	<p>The planning proposal will broaden the choice of building types and locations available in the housing market and make efficient use of onsite infrastructure and services for large lot residential development.</p> <p>The area forming part of the PP shall facilitate future dwellings that will be improved with the following services; onsite effluent systems, underground bore and community reticulation system for non-potable water, onsite rainwater tanks for storage and reuse, telecommunications, electricity and transport network.</p>
3.2 Caravan Parks & Manufactures Home Estates	No	N/A – no caravan parks or manufactures home estates.
3.3 Home Occupations	Yes	The proposed rezoning of the subject site to R5 would continue to support the objective of the Direction and allow ‘Home occupations’ to be permitted without consent under the <i>Mid-Western Regional Local Environmental Plan 2012</i> .
3.4 Integrating Land Use and Transport	No	The site currently has direct access to the local road network. The proposed rezoning will allow future vehicle access to be provided to and from Magpie Lane with appropriate sight lines.
3.5 Development Near Regulated Airports and Defence Airfields	No	N/A – the site is not in the vicinity of a licensed aerodrome.
3.6 Shooting Ranges	No	N/A – no impact on a shooting range.
3.7 Reduction in non-hosted short term rental accommodation period	No	N/A – not within Byron LGA.
4. Hazard and Risk		
4.1 Acid Sulfate Soils	No	N/A – the site is not known to contain sulfate soils.
4.2 Mine Subsidence and Unstable Land	No	N/A – the site is not within a Mine Subsidence District or identified as being unstable land.



Table 3 – Section 9.1 Directions		
4.3 Flood Prone Land	No	N/A – the site is not located within a Flood Planning Area (FPA).
4.4 Planning for Bushfire Protection	No	N/A – the site is not mapped as being bushfire prone land.
5. Regional Planning		
5.1 Implementation of Regional Strategies	(Revoked 17 October 2017)	-
5.2 Sydney Drinking Water Catchments	No	N/A – not within the Sydney drinking water catchment.
5.3 Farmland of State and Regional Significance on the NSW Far North Coast	No	N/A to the site.
5.4 Commercial and Retail Development along the Pacific Highway, North Coast	No	N/A to the site.
5.5 Development in the vicinity of Ellalong, Paxton and Millfield (Cessnock LGA)	(Revoked 18 June 2010)	-
5.6 Sydney to Canberra Corridor	(Revoked 10 July 2008)	-
5.7 Central Coast	(Revoked 10 July 2008)	-
5.8 Second Sydney Airport: Badgerys Creek	(Revoked 20 August 2018)	-

Table 3 – Section 9.1 Directions		
5.9 North West Rail Link Corridor Strategy	No	N/A to the site.
5.10 Implementation of Regional Plans	Yes	The PP is not considered inconsistent with any Regional Plans or Strategies.
5.11 Development of Aboriginal Land Council land	No	N/A – The site is not located within any of the mapped areas under <i>State Environmental Planning Policy (Aboriginal Land) 2019</i> .
6. Local Plan Making		
6.1 Approval and Referral Requirements	Yes	The PP would not impact on requirements for concurrence, consultation or referral of development applications to a Minister or public authority. The PP is not for designated development.
6.2 Reserving Land for Public Purposes	No	The PP would not impact on any zonings or reservations of land for public purposes.
6.3 Site Specific Provisions	Yes	Mudgee is identified as a major regional city in the <i>Central West and Orana Regional Plan 2036</i> . The plan sets out that major regional cities will provide new options and opportunities for surrounding networks and communities. The proposed rezoning will contribute towards achieving this.
7. Metropolitan Planning		
7.1 Implementation of A Plan for Growing Sydney	No	N/A – not within the Sydney metropolitan area.
7.2 Implementation of Greater Macarthur Land Release Investigation	(Revoked 18 November 2019)	-
7.3 Parramatta Road Corridor Urban Transformation Strategy	No	N/A – not within applicable LGAs.
7.4 Implementation of North West	No	N/A – not within applicable LGAs.



Table 3 – Section 9.1 Directions		
Priority Growth Area Land Use and Infrastructure Implementation Plan		
7.5 Implementation of Greater Parramatta Priority Growth Area Interim Land Use and Infrastructure Implementation Plan	No	N/A – not within applicable LGAs.
7.6 Implementation of Wilton Priority Growth Area Interim Land Use and Infrastructure Implementation Plan	No	N/A – not within applicable LGAs.
7.7 Implementation of Glenfield to Macarthur Urban Renewal Corridor	No	N/A – not within applicable LGAs.
7.8 Implementation of Western Sydney Aerotropolis Interim Land Use and infrastructure Implementation Plan	No	N/A – not within applicable LGAs.
7.9 Implementation of Bayside West Precincts 2036 Plan	No	N/A – not within applicable precinct.
7.10 Implementation of Planning Principles for the Cooks Cove Precinct	No	N/A – not within applicable precinct.

Table 3 – Section 9.1 Directions		
7.11 Implementation of St Leonards and Crows Nest 2036 Plan	No	N/A – not within applicable precinct.
7.12 Implementation of Greater Macarthur 2040	No	N/A – not within applicable precinct.

6.3.1 Section C - Environmental, Social and Economic Impact

Q7. Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?

As outlined in **Section 2.5** of this report, the site is quite disturbed as a result of previous clearing and land uses. The site contains minimal PCTs and is not known to contain any previously identified threatened species. Given this and the nature of the PP, it is unlikely that critical habitat, threatened species, population or ecological communities or their habitats would be adversely affected as a result of the PP. Further assessment of biodiversity and clearing of vegetation would be required as DA stage for any future subdivision or development.

Q8. Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?

As outlined in **Section 2.7** of this report, the site is not mapped as being within a Flood Planning Area (FPA), nor is it mapped as being bushfire prone land. There are no other known likely environmental effects that would occur as a result of the planning proposal.

Q9. Has the planning proposal adequately addressed any social and economic effects?

Whilst most agricultural zoned land surrounding Mudgee and Gulgong has been retained from previous Instruments in terms of zoning and minimum lot size, over the past 8-10 years the local economy has experienced significant growth in housing with limited supply of large lot residential / rural residential land to accommodate future demand.



The current zoning as RU4 Primary Production Small Lots effectively limits the use of land to small scale grazing or cropping. The current zone and corresponding minimum lot size is not considered the highest and best use of the subject site. With a site area of approximately 76 hectares and minimum lot size of 20 hectares, the current potential lot yield would not be considered viable.

As low density housing on lots of 2 hectares, the subdivision density would suitably act to provide a buffer between agricultural enterprises on land within proximity, whilst providing large lot residential blocks in a suitable and visually appealing locality, significantly diversifying the housing market. The Planning Proposal is therefore considered to have positive social and economic effects for the region.

6.3.2 Section D - State and Commonwealth Interests

Q10. Is there adequate public infrastructure for the planning proposal?

The PP is not expected to result in a noticeable increase in demand for public infrastructure. Existing service infrastructure would be augmented to support future development and onsite management services shall be utilised. No limitations to existing services are known to exist.

Q11. What are the views of state and Commonwealth public authorities consulted in accordance with the Gateway determination?

No preliminary views were sought from any State or Commonwealth agencies as it was deemed to be unnecessary at this time given the scale and scope of the PP.

Pre and post Gateway consultation would be determined through the gateway process.

6.4 Part 4 - Mapping

The plans provided in **Appendix A** clearly outline the PP and associated likely development requirements. The plans include:

- 27447-P00 Cover Sheet and Drawing Schedule;
- 27447-P01 Existing Site Plan;
- 27447-P02 Existing and Proposed Zoning Maps;
- 27447-P03 Existing and Proposed MLS Maps; and
- 27447-P04 Master Plan.

Refer to **Appendix A** of this report.

6.5 Part 5 - Community Consultation

It is expected that the PP would not be a Low Impact Proposal and therefore community consultation would be undertaken in accordance with the requirements set out in *A Guide to Preparing Local Environmental Plans for "all other planning proposals"*.

The consultation would include:

- Notification in a newspaper that circulates in the area affected by the planning proposal;
- Notification on the website of the RPA; and
- Notification in writing to affected and adjoining landowners, unless the planning authority is of the opinion that the number of landowners makes it impractical to notify them.

6.6 Part 6 -Project Timeline

The following indicative project timeline is provided:

Stage	Timing
Anticipated commencement date (date of Gateway determination)	TBA
Anticipated timeframe for the completion of required technical information	4 weeks
Timeframe for government agency consultation (pre and post exhibition as required by Gateway determination)	4 weeks
Commencement and completion dates for public exhibition period	4 weeks (28 day exhibition period)
Dates for public hearing (if required)	N/A
Timeframe for consideration of submissions	4 weeks
Timeframe for the consideration of a proposal post exhibition	4 weeks
Date of submission to the Department to finalise the LEP	TBA
Anticipated date RPA will make the plan (if delegated)	TBA
Anticipated date RPA will forward to the Department for notification.	TBA



7 CONCLUSION

It is recommended that the planning proposal that intends to amend the *Mid-Western Regional Local Environmental Plan 2012* (Mid-Western LEP) by:

- Rezoning Lot 1 DP 174385 and Lot 1 DP 1003242 from RU4 Primary Production Small Lots to R5 Large Lot Residential and reducing the minimum lot size from 20 hectares to 2 hectares (as shown in the plans in **Appendix A** of this report).

is supported on the following grounds:

- It is consistent with the Central West and Orana Regional Plan;
- It is consistent with the Mid-Western Regional Comprehensive Land Use Strategy and Mudgee and Gulgong Urban Release Strategy;
- It is consistent with the applicable SEPPs;
- It is generally consistent with the Section 9.1 directions;
- It will not have any adverse environmental impacts;
- It is not expected to have any adverse social or economic effects;
- There is adequate infrastructure for the proposal;
- It is a site previously approved for tourist accommodation and the proposal is considered commensurate in terms of density to this use; and
- The PP provides the best way to achieve the intended objective.

It is therefore requested that the PP be forwarded for Gateway Determination.

8 REFERENCES

Google Earth. (2020).

NSW Department of Planning & Environment. (2016). *Planning Proposals: A guide to preparing planning proposals*. Sydney: NSW Department of Planning & Environment.

NSW Government. (2017, September 1). *Biodiversity Value Map*. Retrieved from <https://www.lmbc.nsw.gov.au/Maps/index.html?viewer=BVMap>

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NSW Planning & Environment. (2020).

NSW Rural Fire Service. (2006). *Planning for Bush Fire Protection: A Guide for Council's, Planners, Fire Authorities and Developers*. Sydney: NSW RFS.



Appendix A - Planning Proposal Plans

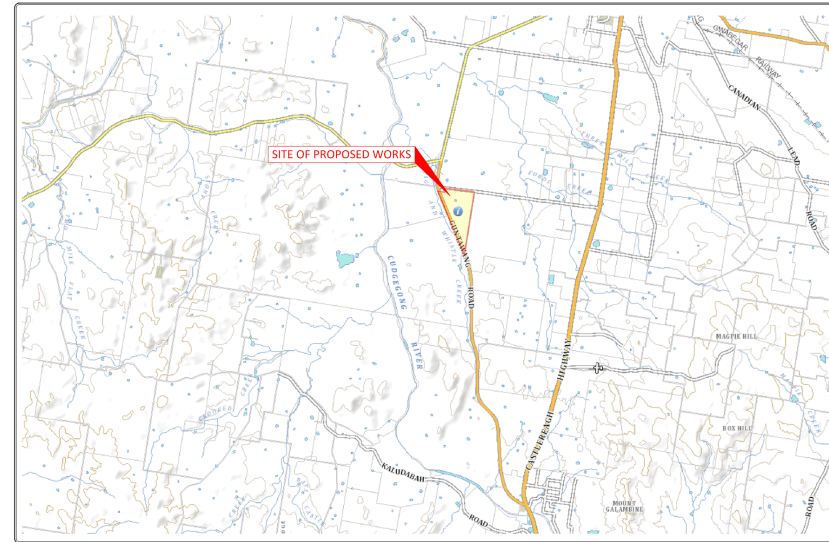
ALMARTO PTY LTD

CIVIL CONSTRUCTION DOCUMENTATION FOR PROPOSED RESIDENTIAL SUBDIVISION

313 MAGPIE LANE GULGONG 2852

SCHEDULE OF DRAWINGS

SHEET No.	DESCRIPTION
2744.7 C00	COVER SHEET AND DRAWING SCHEDULE
2744.7 C01	EXISTING SITE PLAN
2744.7 C02	PROPOSED SITE PLAN



LOCALITY PLAN
NOT TO REDUCTION RATIO



ISSUED FOR AUTHORITY APPROVAL



BARNSON PTY LTD

1 1300 BARNSON (1300 227 676)
e generaleenquiry@barnson.com.au
w www.barnson.com.au

Bathurst | Dubbo | Mudgee | Sydney | Tamworth

THIS DRAWING IS TO BE READ IN CONJUNCTION WITH GENERAL BUILDING DRAWINGS, SPECIFICATIONS & OTHER CONSULTANTS DRAWINGS APPLICABLE TO THIS PROJECT. ALL DIMENSIONS IN MILLIMETRES. DO NOT SCALE. DIMENSIONS TO BE CHECKED ON SITE BEFORE COMMENCEMENT OF WORK. REPORT DISCREPANCIES TO BARNSON PTY LTD. NO PART OF THIS DRAWING MAY BE REPRODUCED IN ANY WAY WITHOUT THE WRITTEN PERMISSION OF BARNSON PTY LTD.

Client: ALMARTO PTY LTD
Project: RESIDENTIAL SUBDIVISION
313 MAGPIE LANE GULGONG 2852

Drawing Title: COVER SHEET AND DRAWING SCHEDULE

Rev	Date	Amendment
A	05.12.2019	PRELIMINARY
B	08.10.2020	AUTHORITY APPROVAL

Design: EG Certification

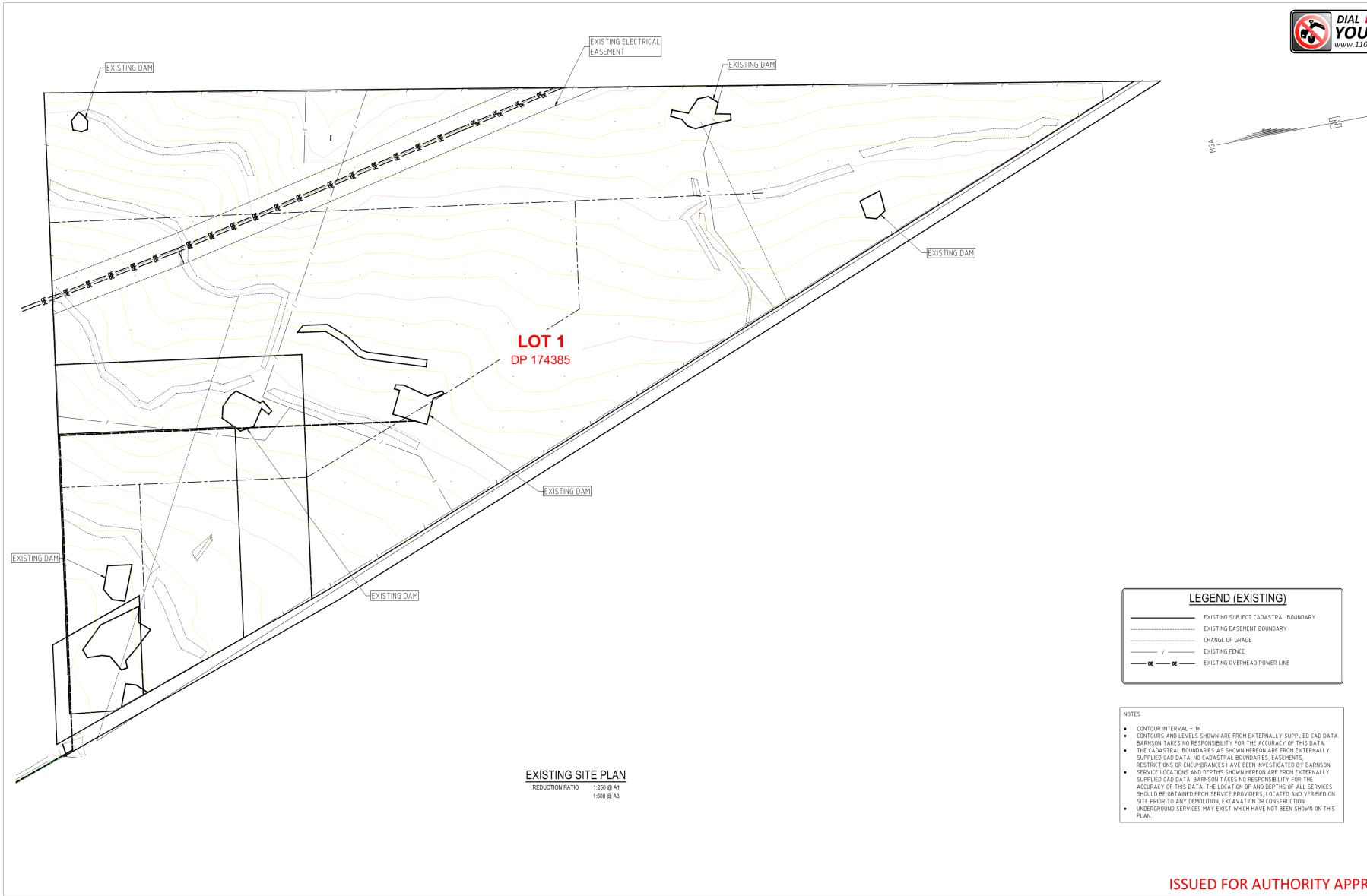
Drawn: EG

Check: LM Drawing Number

Original Sheet Size = A1
27447 - C00

Revision

B



ISSUED FOR AUTHORITY APPROVAL



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Client: **ALMARTO PTY LTD**
 Project: **RESIDENTIAL SUBDIVISION**
313 MAGPIE LANE GULGONG 2852
 Drawing Title: **EXISTING SITE PLAN**

Rev	Date	Amendment
A	05.12.2019	PRELIMINARY
B	08.10.2020	AUTHORITY APPROVAL

Design: **EG** Certification

Drawn: **EG**

Check: **LM** Drawing Number
 Original Sheet Size = A1 **27447 - C01**

Revision **B**



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THIS DRAWING IS TO BE READ IN CONJUNCTION WITH GENERAL BUILDING DRAWINGS, SPECIFICATIONS & OTHER CONSULTANTS DRAWINGS APPLICABLE TO THIS PROJECT. ALL DIMENSIONS IN MILLIMETRES. DO NOT SCALE. DIMENSIONS TO BE CHECKED ON SITE BEFORE COMMENCEMENT OF WORK. REPORT DISCREPANCIES TO BARNSON PTY LTD. NO PART OF THIS DRAWING MAY BE REPRODUCED IN ANY WAY WITHOUT THE WRITTEN PERMISSION OF BARNSON PTY LTD.

Client: **ALMARTO PTY LTD**
 Project: **RESIDENTIAL SUBDIVISION**
313 MAGPIE LANE GULGONG 2852
 Drawing Title: **PROPOSED SITE PLAN**

Rev Date Amendment
 A 05.12.2019 PRELIMINARY
 B 08.10.2020 AUTHORITY APPROVAL

Design: **EG** Certification
 Drawn: **EG**
 Check: **LM** Drawing Number
 Original Sheet Size = A1 **27447 - C02** Revision **B**



Appendix B - Planning Proposal Checklist

STEP 1: REQUIRED FOR ALL PROPOSALS
(under s3.33(2)(a-e) of the EP&A Act)

- | | |
|--|--|
| <ul style="list-style-type: none"> Objectives and intended outcome Mapping (including current and proposed zones) Community consultation (agencies to be consulted) | <ul style="list-style-type: none"> Explanation of provisions Justification and process for implementation (including compliance assessment against relevant section 9.1 direction/s) |
|--|--|

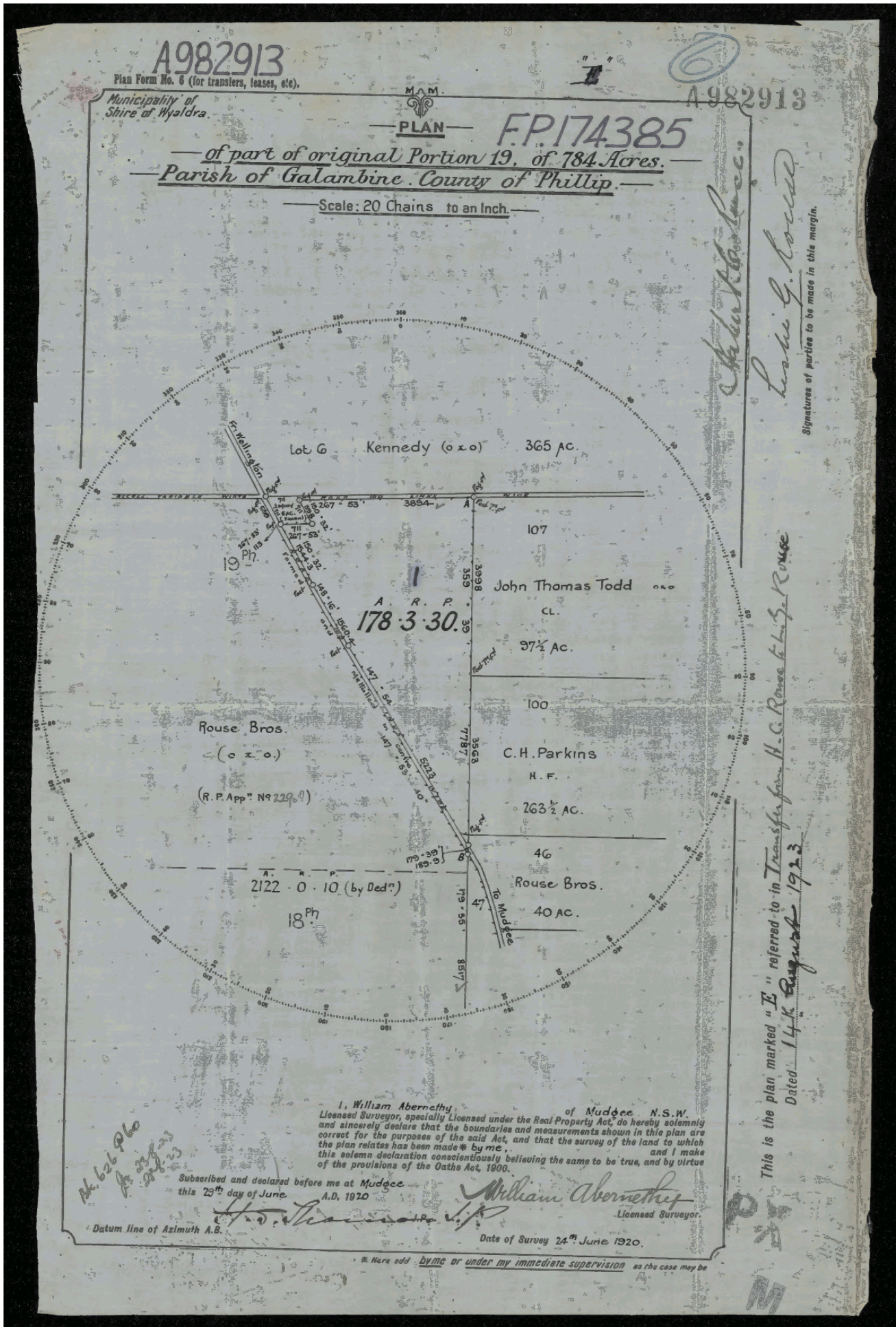
STEP 2: MATTERS – CONSIDERED ON A CASE BY CASE BASIS
(Depending on complexity of planning proposal and nature of issues)

Planning Matters or Issues	to be considered	N/A		to be considered	N/A
Strategic Planning Context			Environmental Considerations		
Consistent with the relevant regional, district or corridor/precinct plans applying to the site, including any draft regional/district or corridor/precinct plans released or public comment; or	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Flooding	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Consistent with a relevant local council strategy that has been endorsed by the Department; or	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Land/site contamination (SEPP55)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Responding to a change in circumstances, such as the investment in new infrastructure or changing demographic trends that have not been recognised by existing planning controls; or	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Resources (including drinking water, minerals, oysters, agricultural lands, fisheries, mining)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Seeking to update the current planning controls if they have not been amended in the last 5 years	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Sea level rise	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Site Description / Context			Urban design Considerations		
Aerial photographs	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Existing site plan (buildings, vegetation, roads, etc)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Site photos / photomontage	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Building mass/block diagram study (changes in building height and FSR)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Traffic and Transport Considerations			Lighting impact	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Local traffic and transport	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Development yield analysis (potential yield of lots, houses, employment generation)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
TMAP	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Economic Considerations		
Public transport	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Economic impact assessment	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Cycle and pedestrian movement	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Retail centres hierarchy	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Environmental Considerations			Employment land	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Bushfire Hazard	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Social and Cultural Considerations		
Acid sulphate Soil	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Heritage impact	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Noise impact	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Aboriginal archaeology	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Flora and/or fauna	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Open space management	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Soil stability, erosion, sediment, landslip assessment and subsidence	<input type="checkbox"/>	<input checked="" type="checkbox"/>	European archaeology	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Water quality	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Social and cultural impacts	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Stormwater management	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Stakeholder engagement	<input type="checkbox"/>	<input checked="" type="checkbox"/>
			Infrastructure Considerations		
			Infrastructure servicing and potential funding arrangements	<input type="checkbox"/>	<input checked="" type="checkbox"/>
			Miscellaneous / Additional Considerations		
			List any additional studies that should be undertaken post Gateway determination	<input type="checkbox"/>	<input checked="" type="checkbox"/>



Appendix C - Title & Deposited Plan

Req:R554902 /Doc:DP 0174385 P /Rev:15-Mar-2019 /NSW LRS /Prt:30-Jan-2020 14:49 /Seq:1 of 2
 © Office of the Registrar-General /Src:URBISPRO /Ref:Barnson Pty Ltd (Mudgee)



Req:R554902 /Doc:DP 0174385 P /Rev:15-Mar-2019 /NSW LRS /Prt:30-Jan-2020 14:49 /Seq:2 of 2
© Office of the Registrar-General /Src:URBISPRO /Ref:Barnson Pty Ltd (Mudgee)



CONVERSION TABLE ADDED IN
DEPARTMENT OF LANDS

DP 174385

LINKS	METRES
100	20.117
113	22.732
189.9	38.202
598	120.298
659	132.570
699	140.616
711	143.030
1544.3	310.664
1560.4	313.903
3563	716.762
3894	783.348
3998	804.270
5223	1050.700
7787	1566.495
8517	1713.348

AC	RD	P	HA
5	-	-	2.023
40	-	-	16.19
97	2	-	39.46
178	3	30	72.41
263	2	-	106.6
365	-	-	147.7
2122	-	10	858.8



Appendix D - Groundwater Works Summaries

WaterNSW

Work Summary

GW800644

Licence:

Licence Status:

Authorised Purpose(s):
Intended Purpose(s): TEST BORE

Work Type: Bore

Work Status: Filled

Construct.Method: Rotary Air

Owner Type: Private

Commenced Date:
Completion Date: 14/05/1998

Final Depth: 106.70 m
Drilled Depth:

Contractor Name: Dalton Water Drilling Services PTY LTD

Driller: John Micheal Dalton

Assistant Driller:

Property:

Standing Water Level (m):

GWMA:

Salinity Description:

GW Zone:

Yield (L/s):

Site Details

Site Chosen By:

Form A: PHILLIP
Licensed:

County:

Parish: GALAMBINE

Cadastre:

Region: 80 - Macquarie-Western

CMA Map: 8833-S

River Basin: 421 - MACQUARIE RIVER
Area/District:

Grid Zone:

Scale:

Elevation: 0.00 m (A.H.D.)

Northing: 6409434.000

Latitude: 32°25'38.5"S

Elevation Source: Unknown

Eastings: 735413.000

Longitude: 149°30'13.2"E

GS Map: -

MGA Zone: 55

Coordinate Source: Map Interpre

Construction

Negative depths indicate Above Ground Level; C-Cemented; SL-Slot Length; A-Aperture; GS-Grain Size; Q-Quantity; PL-Placement of Gravel Pack; PC-Pressure Cemented; S-Sump; CE-Centralisers

Hole	Pipe	Component	Type	From (m)	To (m)	Outside Diameter (mm)	Inside Diameter (mm)	Interval	Details
1		Hole	Hole	0.00	106.70	200			Rotary Air

Remarks

14/05/1998: Form A Remarks:
Hole abandoned - backfilled

*** End of GW800644 ***

09/03/2020 https://realtimedata.waternsw.com.au/wgen/users/80eefb4879ac4a3c9e3412318a265fc2/gw800643.agagpf_org.wsr.htm?1583727...

WaterNSW Work Summary

GW800643

Licence:	Licence Status:
	Authorised Purpose(s): Intended Purpose(s): TEST BORE
Work Type: Bore	
Work Status: Filled	
Construct.Method: Rotary Air	
Owner Type: Private	
Commenced Date:	Final Depth: 121.90 m
Completion Date: 14/05/1998	Drilled Depth:
Contractor Name: Dalton Water Drilling Services PTY LTD	
Driller: John Micheal Dalton	
Assistant Driller:	
Property:	Standing Water Level (m):
GWMA:	Salinity Description:
GW Zone:	Yield (L/s):

Site Details

Site Chosen By:

Form A: PHILLIP Licensed:	County: PHILLIP	Parish: GALAMBINE
Region: 80 - Macquarie-Western	CMA Map: 8833-S	Cadastre:
River Basin: 421 - MACQUARIE RIVER Area/District:	Grid Zone:	Scale:
Elevation: 0.00 m (A.H.D.) Elevation Source: Unknown	Northing: 6409609.000 Easting: 735938.000	Latitude: 32°25'32.4"S Longitude: 149°30'33.1"E
GS Map: -	MGA Zone: 55	Coordinate Source: Map Interpre

Construction

Negative depths indicate Above Ground Level; C-Cemented; SL-Slot Length; A-Aperture; GS-Grain Size; Q-Quantity; PL-Placement of Gravel Pack; PC-Pressure Cemented; S-Sump; CE-Centralisers

Hole	Pipe	Component	Type	From (m)	To (m)	Outside Diameter (mm)	Inside Diameter (mm)	Interval	Details
1		Hole	Hole	0.00	121.90	200			Rotary Air
1		Backfill	Backfill	0.00	121.90				

Remarks

14/05/1998: Form A Remarks:
HOLE ABANDONED - BACKFILLED

*** End of GW800643 ***

WaterNSW

Work Summary

GW801349

Licence:	Licence Status:
	Authorised Purpose(s): Intended Purpose(s): IRRIGATION
Work Type: Bore	
Work Status: Supply Obtained	
Construct.Method:	
Owner Type: Private	
Commenced Date:	Final Depth:
Completion Date: 14/05/1998	Drilled Depth: 106.70 m
Contractor Name: Dalton Water Drilling Services PTY LTD	
Driller: John Micheal Dalton	
Assistant Driller:	
Property:	Standing Water Level 27.400 (m):
GWMA:	Salinity Description:
GW Zone:	Yield (L/s):

Site Details

Site Chosen By:

Form A: PHILLIP Licensed:	County GALAMBINE	Parish GALAMBINE	Cadastre LOT 101 DP755431
Region: 80 - Macquarie-Western	CMA Map: 8833-3S		
River Basin: 421 - MACQUARIE RIVER Area/District:	Grid Zone:	Scale:	
Elevation: 0.00 m (A.H.D.)	Northing: 6410064.000	Latitude: 32°25'17.4"S	
Elevation Source: Unknown	Easting: 736282.000	Longitude: 149°30'45.9"E	
GS Map: -	MGA Zone: 55	Coordinate Source: Map Interpre	

Construction

Negative depths indicate Above Ground Level; C-Cemented; SL-Slot Length; A-Aperture; GS-Grain Size; Q-Quantity; PL-Placement of Gravel Pack; PC-Pressure Cemented; S-Sump; CE-Centralisers

Hole	Pipe	Component	Type	From (m)	To (m)	Outside Diameter (mm)	Inside Diameter (mm)	Interval	Details
1		Hole	Hole	0.00	106.70	254			Other
1	1	Casing		-0.50	84.80	203			
1	1	Opening	Slots	45.70	79.20	203		0	

Water Bearing Zones

From (m)	To (m)	Thickness (m)	WBZ Type	S.W.L. (m)	D.D.L. (m)	Yield (L/s)	Hole Depth (m)	Duration (hr)	Salinity (mg/L)
48.70	64.70	16.00	Unknown	27.40		2.52			
64.00	65.50	1.50	Unknown	27.40		6.30			
75.60	77.10	1.50	Unknown	27.40		2.52			

Drillers Log

From (m)	To (m)	Thickness (m)	Drillers Description	Geological Material	Comments
0.00	1.20	1.20	Topsoil	Topsoil	
1.20	5.80	4.60	Clay, brown	Clay	
5.80	85.30	79.50	Shale, decomposed	Shale	

09/03/2020

https://realtimedata.waternsw.com.au/wgen/users/80eefb4879ac4a3c9e3412318a265fc2/gw800636.agagpf_org.wsr.htm?1583727...

WaterNSW Work Summary

GW800636

Licence: **Licence Status:**

Authorised Purpose(s):
Intended Purpose(s): DOMESTIC

Work Type: Bore
Work Status: Supply Obtained
Construct.Method: Rotary Air
Owner Type: Private

Commenced Date: **Final Depth:** 93.00 m
Completion Date: 05/06/1997 **Drilled Depth:** 93.00 m

Contractor Name: Dalton Water Drilling Services PTY LTD
Driller: John Micheal Dalton
Assistant Driller:

Property: **Standing Water Level (m):**
GWMA: **Salinity Description:** Good
GW Zone: **Yield (L/s):**

Site Details

Site Chosen By:

Form A: **County** **Parish** **Cadastre**
Licensed: PHILLIP GALAMBINE LOT 45

Region: 80 - Macquarie-Western **CMA Map:** 8833-S
River Basin: 421 - MACQUARIE RIVER **Grid Zone:** **Scale:**
Area/District:

Elevation: 0.00 m (A.H.D.) **Northing:** 6410684.000 **Latitude:** 32°24'56.9"S
Elevation Source: Unknown **Easting:** 736813.000 **Longitude:** 149°31'05.6"E

GS Map: - **MGA Zone:** 55 **Coordinate Source:** Map Interpre

Construction

Negative depths indicate Above Ground Level; C-Cemented; SL-Slot Length; A-Aperture; GS-Grain Size; Q-Quantity; PL-Placement of Gravel Pack; PC-Pressure Cemented; S-Sump; CE-Centralisers

Hole	Pipe	Component	Type	From (m)	To (m)	Outside Diameter (mm)	Inside Diameter (mm)	Interval	Details
1		Hole	Hole	0.00	93.00	165			Rotary Air
1	1	Casing	Abs	-0.45	12.20	165			Welded

Water Bearing Zones

From (m)	To (m)	Thickness (m)	WBZ Type	S.W.L. (m)	D.D.L. (m)	Yield (L/s)	Hole Depth (m)	Duration (hr)	Salinity (mg/L)
44.20	44.50	0.30	Unknown	21.30		0.15	46.00		
62.50	62.80	0.30	Unknown	21.30		1.02	93.00		

Drillers Log

From (m)	To (m)	Thickness (m)	Drillers Description	Geological Material	Comments
0.00	0.90	0.90	Topsoil	Topsoil	
0.90	3.60	2.70	Clay	Clay	
3.60	10.60	7.00	Shale, soft	Shale	
10.60	93.00	82.40	Tuff and Shale	Tuff	

WaterNSW

Work Summary

GW014906

Licence:

Licence Status:

Authorised Purpose(s):
Intended Purpose(s): IRRIGATION

Work Type: Bore

Work Status: Abandoned

Construct.Method: Cable Tool

Owner Type: Private

Commenced Date:
Completion Date: 01/06/1963

Final Depth: 14.30 m
Drilled Depth: 14.30 m

Contractor Name: (None)

Driller:

Assistant Driller:

Property:

Standing Water Level
(m):

GWMA:
GW Zone:

Salinity Description: 0-500 ppm
Yield (L/s):

Site Details

Site Chosen By:

County
Form A: WELLINGTON
Licensed:

Parish
BIRAGANBI

Cadastre
22

Region: 80 - Macquarie-Western
River Basin: 421 - MACQUARIE RIVER
Area/District:

CMA Map: 8733-S
Grid Zone:

Scale:

Elevation: 0.00 m (A.H.D.)
Elevation Source: (Unknown)

Northing: 6411579.000
Easting: 732143.000

Latitude: 32°24'31.4"S
Longitude: 149°28'06.2"E

GS Map: -

MGA Zone: 55

Coordinate Source: GD.,ACC.MAP

Construction

Negative depths indicate Above Ground Level; C-Cemented; SL-Slot Length; A-Aperture; GS-Grain Size; Q-Quantity; PL-Placement of Gravel Pack; PC-Pressure Cemented; S-Sump; CE-Centralisers

Hole	Pipe	Component	Type	From (m)	To (m)	Outside Diameter (mm)	Inside Diameter (mm)	Interval	Details
1	1	Casing	Withdrawn	0.00	0.00	203			

Water Bearing Zones

From (m)	To (m)	Thickness (m)	WBZ Type	S.W.L. (m)	D.D.L. (m)	Yield (L/s)	Hole Depth (m)	Duration (hr)	Salinity (mg/L)
4.20	4.20	0.00	Unconsolidated	3.00					

Drillers Log

From (m)	To (m)	Thickness (m)	Drillers Description	Geological Material	Comments
0.00	3.05	3.05	Clay	Clay	
3.05	5.18	2.13	Clay Gravel Water Supply	Clay	
5.18	8.23	3.05	Clay Sandy	Clay	
8.23	11.58	3.35	Sandstone Hard	Sandstone	
11.58	14.33	2.75	Shale Black	Shale	

09/03/2020 https://realtime.data.waternsw.com.au/wgen/users/80eefb4879ac4a3c9e3412318a265fc2/gw028222.agagpf_org.wsr.htm?1583728...

WaterNSW Work Summary

GW028222

Licence: 80WA709524

Licence Status: CURRENT

Authorised Purpose(s): IRRIGATION
Intended Purpose(s): IRRIGATION

Work Type: Bore

Work Status:

Construct.Method: Rotary

Owner Type: Private

Commenced Date:
Completion Date: 01/06/1966

Final Depth: 106.60 m
Drilled Depth: 106.70 m

Contractor Name: (None)

Driller:

Assistant Driller:

Property: BIRAGANBIL NSW
GWMA: 010 - CUDGEGONG VALLEY
GW Zone: -

Standing Water Level (m):
Salinity Description:
Yield (L/s):

Site Details

Site Chosen By:

	County	Parish	Cadastre
Form A:	WELLINGTON	BIRAGANBI	22
Licensed:	WELLINGTON	BIRAGANBIL	Whole Lot 12//880851

Region: 80 - Macquarie-Western

CMA Map: 8733-S

River Basin: 421 - MACQUARIE RIVER
Area/District:

Grid Zone:

Scale:

Elevation: 0.00 m (A.H.D.)
Elevation Source: (Unknown)

Northing: 6410319.000
Easting: 732009.000

Latitude: 32°25'12.4"S
Longitude: 149°28'02.2"E

GS Map: -

MGA Zone: 55

Coordinate Source: GD.,ACC.MAP

Drillers Log

From (m)	To (m)	Thickness (m)	Drillers Description	Geological Material	Comments
0.00	1.83	1.83	Topsoil	Topsoil	
1.83	11.58	9.75	Sand River Gravel	Sand	
11.58	73.15	61.57	Shale Grey	Shale	
73.15	76.81	3.66	Sandstone	Sandstone	
76.81	79.55	2.74	Sandstone Hard	Sandstone	
79.55	89.92	10.37	Shale Grey	Shale	
89.92	100.58	10.66	Sandstone Water Supply	Sandstone	
100.58	106.68	6.10	Shale Grey	Shale	

*** End of GW028222 ***

Warning To Clients: This raw data has been supplied to the WaterNSW by drillers, licensees and other sources. WaterNSW does not verify the accuracy of this data. The data is



Appendix E - Effluent Assessment

On-site effluent management study

313 Magpie Lane, Galambine NSW 2850

Ref: R11872e

Date: 17 April 2020

Enviowest Consulting Pty Ltd ABN 18 103 955 246

- 9 Cameron Place, PO Box 8158, Orange NSW 2800 • Tel (02) 6361 4954 •
- 6/72 Corporation Avenue, Bathurst NSW • Tel (02) 6334 3312 •
- Email admin@enviowest.net.au • Web www.enviowest.net.au •

Environmental
Geotechnical
Asbestos
Services



Client: Barnson
6/11 White Street
Tamworth NSW 2340

Assessor: Ashleigh Adams BSc
Environmental Scientist

Checked by: Andrew Ruming BSc
Senior Environmental Scientist

Interested authorities: Mid-Western Regional Council

Report number: R11872e

Date: 17 April 2020

Summary

Proposed development and situation

A rural residential development consisting of 33 lots is proposed for Lot 1 DP174385 and Lot 1 DP1003242, 313 Magpie Lane, Galambine NSW. An existing dwelling is located on the site and is expected to be serviced by an existing septic tank and absorption trench. The development is unlikely to be connected to municipal sewer. An on-site effluent management system is required for each dwelling on the site.

This report describes the assessment and recommends a suitable effluent treatment and application system on a generic basis.

Objective

Undertake site assessment using the Australian Standard 1547, On-site domestic wastewater management and the Environment and Health Protection Guidelines, On-site sewage management for single households (1998), Department of Urban Affairs and Planning, as guidelines. Site limitations were identified and suitable wastewater application systems and sizing are recommended on a generic basis.

Investigation

A site assessment was undertaken on 1 April 2020. Soil data from boreholes previously undertaken on the site (7 September 2001 and 24 April 2003) were used. A desktop study was conducted using expected wastewater flows and collection of available site information.

Site and soil assessment

The historical land-use of the site is grazing of livestock. The terrain is undulating rolling hills. Drainage lines and dams are located across the site. The surface water from the site discharges into Pig and Whistle Creek and eventually into Cudgegong Creek.

Vegetation on the site consists of pasture species and broadleaved weeds.

The previous soil investigations identified topsoil consisting of clay loams to sandy loams to a depth between 150 and 300mm. Subsoils consisted of clay loams, light clays and medium clays to the drilling depth of 1100mm. Grey mottles were identified in the soil profile from a depth of 420mm and indicate moderate drainage. The soil samples collected were moderately to highly dispersive.

Limitations to the application of effluent were identified and include topography, rock outcrops, soil type, soil dispersiveness and landscape features.

System recommendation

Based on the site and soil limitations, practicality and cost considerations the following recommendations are made for the treatment and application of effluent for each lot.

The recommended effluent system for each lot based on available information and assumptions is expected to be:

- **Surface irrigation area of 488m²** with a secondary treatment system accredited by NSW Health

The recommendations are made using the available data and should be considered as being generalised for the site as a whole. Assumptions have been made in the soil description and a

specific site and soil assessment is required to make recommendations of locations and suitable systems for individual lots.

All lots are expected to have sufficient areas for application systems after allowance for buffer distances to boundaries, buildings, drainage lines and bores.

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1. Introduction

A rural residential development consisting of 33 lots is proposed for Lot 1 DP174385 and Lot 1 DP1003242, 313 Magpie Lane, Galambine NSW. An existing dwelling is located on the site and is expected to be serviced by an existing septic tank and absorption trench. The development is unlikely to be connected to municipal sewer. An on-site effluent management system is required for each dwelling on the site.

The site has a total area of approximately 75 hectares. The proposed lot sizes range from 1.43 to 4.28 hectares and currently consist primarily of pasture crops. The historical land-use for the property is pasture for livestock grazing.

2. Scope of work

A site assessment and soil assessment was undertaken using the Australian Standard 1547, On-site domestic wastewater management, Sydney Catchment Authority guidelines, Designing and Installing On-site Wastewater Systems (2012) and the Environment and Health Protection Guidelines, On-site sewage management for single households (1998), Department of Urban Affairs and Planning, as guidelines. Site limitations were identified and suitable wastewater application systems and sizing are recommended on a generic basis.

3. Site identification

3.1 Location

The site is bordered by Guntawang Road and Magpie Lane (Figure 1). The site is described as Lot 1 DP DP174385 and Lot 1 DP1003242, 313 Magpie Lane, Galambine NSW.

3.2 Council area

Mid-Western Regional Council

3.3 Owner/Developer

Barnson
6/11 White Street
Tamworth NSW 2340

3.4 Development

The proposed subdivision will create 33 lots, Lots 1 to 33. Lots range in size from 1.43ha to 4.28ha (Figure 2). The development will involve the construction of roads and access driveways.

3.5 Area and lot sizes

The total area of the site is 75 hectares from which 33 lots are proposed. Individual sizes are presented in Figure 2. Building envelopes have not been identified for each lot. The whole site was assessed for on-site effluent suitability. Photographs of the site are presented in Figure 3.

3.6 Current land use

The current land-use is crop and grazing of stock.

3.7 Local experience of on-site management systems

Effluent systems work satisfactorily in locality when they have been adequately designed

4. Site condition and surrounding environment

An assessment of the site was made from a desktop study and field visit. Information for the desktop study was obtained from topographic maps, aerial photographs and database searches.

A site inspection was undertaken on 1 April 2020. The site was described and soil sample collected for laboratory analysis. Previous boreholes undertaken on the site were obtained for information on the soil profile.

At the time of the investigation surrounding land-use consisted of stock grazing.

4.1 Topography

The topography of the site is undulating rolling hills with slopes ranging from 1 to 5%. Slopes are gentler in the southern section of the site. The site is located on a lower slope. Elevation ranges from 425 to 445 metres. Aspect varies over the site.

The lots predominately have a high exposure and flood hazard across the site is low. The subsoil has a low to moderate erodibility and erosion hazard. The erosion hazard is reduced by maintenance of adequate vegetation cover.

4.2 Climate

Summers are warm to hot and winters are cold with little or no effective evaporation. The occurrence of rainfall is slightly higher in summer. Average annual rainfall is 647 mm and annual evaporation is 1335mm.

4.3 Hydrogeology

4.3.1 Surface Water

No permanent streams are located on the site. Two drainage lines are located on the site, one traversing from the east to the north west and another from the east to the west. Surface water across the site predominately flows north west and south. Surface water flows along intermittent drainage lines and eventually into Pig and Whistle Creek approximately 100m west and 750m north from the site. Pig and Whistle Creek discharges into the Cudgegong River 1.5km east of the site.

Six dams are located on the site. The dams are expected to be used for stock watering.

The proximity of drainage lines and dams is a limitation to the application of effluent. Application areas need to be a minimum of 40m from drainage lines and dams.

4.3.2 Groundwater

No bores are located on the site or within 500m. The site is located in a groundwater vulnerable area identified on the Mid-Western Council Local Environmental Plan 2012. Local groundwater has very high salinity.

4.4 Vegetation

The site has been predominately cleared of native vegetation and is dominated by pasture species and broadleaved weeds.

No bare areas or areas indicating salinity were identified on the site.

4.5 Soil type and geology

The site is within the Mullion Creek Soil Landscape (Kovac *et al.* 1990).

The soils are derived from Chesleigh Formation, Cookman Formation, Undifferentiated, Cunningham Formation, Dunmoogin Formation, Lana Formation and Guroba Formation. Soils on the site include red podzolic soils on crests and upper slopes and yellow soloths and yellow solodic soils on mid to lower slopes and in drainage lines.

5. Investigation methods

A site inspection was undertaken on 1 April 2020. The site and surface conditions on the site were described.

Boreholes were previously undertaken on the site and the soil profile was described and samples were collected from boreholes at representative depths for the determination of physical and chemical properties. Soil physical and chemical properties measurements undertaken included: dispersion, texture, colour, pH and electrical conductivity (salinity). The tests were conducted by Envirowest Testing Services.

Soil electrical conductivity (EC) results of the 1:5 (soil:water suspension) were converted to saturated extracts (ECe). EC values are converted to ECe by using a multiplier factor (Hazelton and Murphy 1992), which is dependent on the soil texture (Table 1). Saline soils are defined as those with an electrical conductivity (ECe) greater than 4 dS/m (Charman and Murphy 2001). Soil salinity ratings and effects on plant growth are presented in Table 2.

Table 1. ECe texture based conversion factors (Charman and Murphy 2001)

Soil texture	Conversion factor
Loamy sand, clayey sand, sand	23
Sandy loam, fine sandy loam, light sandy clay loam	14
Loam, loam fine sandy, silt loam, sandy clay loam	9.5
Clay loam, silty clay loam, fine sandy clay loam	8.6
Sandy clay, silty clay, light clay	7.5
Light medium clay, medium clay, heavy clay	5.8

Table 2. Soil salinity ratings based on ECe readings

Salinity rating	ECe (dS/m)*	Effects on Plants
Non saline (NS)	0-2	Salinity effects negligible
Slightly saline (SS)	2-4	Very salt sensitive plant growth restricted
Moderately saline (MS)	4-8	Salt sensitive plant growth restricted
Highly saline (HS)	8-16	Only salt tolerant plants unaffected
Extremely saline (ES)	>16	Only extremely tolerant plants unaffected

*ECe - Electrical conductivity of a saturated extract

Soil with ECe below 2 dS/m will have negligible effects on plant growth and soil stability. Soil with ECe of between 2 and 4 dS/m may restrict very salt sensitive plant growth. Soil with ECe between 4 and 8 dS/m will restrict the growth of salt sensitive plants.

Samples collected were analysed for dispersion using the Emerson aggregate test. Table 3 details the Emerson dispersion classes.

Table 3. Emerson dispersion classes

Class	Description
1	Highly dispersive (slakes, complete dispersion)
2	Moderately dispersive, slakes, some dispersion
3	Slightly dispersive, slakes, some dispersion after remoulding
4	Non-dispersive, slakes, carbonate or gypsum present
5	Non-dispersive, slakes, dispersion in shaken suspension
6	Non-dispersive, slakes, flocculates in shaken suspension
7	Non-dispersive, no slaking, swells in water
8	Non-dispersive, no slaking, does not swell in water

6. Results

6.1 Soils

Soil was previously assessed on the site on 7 September 2001 and 24 April 2003 by drilling 7 boreholes to 1.1 metres or drill refusal due to rock.

The soil profile was described and representative sample collected for the determination of physical and chemical properties. Soil physical properties measurements undertaken included: dispersion, texture, colour, pH, and salinity. The laboratory tests for physical properties were undertaken by Envirowest Testing Services and presented with the borelogs in Appendix 1.

6.1.1 Soil profile

The previous soil investigations identified topsoil consisting of clay loams to sandy loams to a depth between 150 and 300mm. Subsoils consisted of clay loams, light clays and medium clays to the drilling depth of 1100mm. Grey mottles were identified in the soil profile from a depth of 420mm and indicate moderate drainage. The soil samples collected were moderately to highly dispersive.

6.1.2 Depth to bedrock

Soil depth was previously identified between 600 to greater than 1100mm. This depth is expected to decrease on the upper slopes of the site. The depth to rock is expected to be a site limitation on these upper slopes to the application of effluent.

6.1.3 Surface rocks, rock outcrops

Rock outcrops were observed on the site. These rock outcrops will be a limitation to the application of effluent in specific areas. Rock outcrops are indicated in Figure 2.

6.1.4 Depth to groundwater

Seasonally elevated groundwater was previously identified between 600 and 1000mm as indicated by the presence of grey mottles and ironstone gravel.

6.1.5 Coarse fragments

Gravel and sand were previously identified in the borehole profiles. The gravel is not a limitation to the application of effluent. Some areas contain cobbles on the surface and in the profile.

6.1.6 Bulk density

Bulk density was estimated to be moderate from field assessment and the land-use history. Bulk density will not limit plant growth.

6.1.7 pH

Soils on the site were previously measured to be neutral. The levels present will significantly affect the growth of most species.

6.1.8 Salinity

No salt tolerant vegetation was observed. The electrical conductivity of all soil samples tested was non-saline. Results were less than 4 mS/cm which is considered the saline threshold. Saline soils are known to occur in the locality.

The site is located in the Dunedoo hydrogeological landscape. The salinity occurrence is localised and salt store high. Strata contains high salt load which is readily mobilised from concentrations in impermeable layers with fractured beds. Groundwater was very high salinity.

6.1.8.1 Indicators of salinity

Bare soil

No bare soils were present on the site at the time of inspection.

Salt crystals

No salt crystals were present on site at the time of inspection. Saline areas are known to occur upslope in the sub-catchment.

Vegetation indicators

No highly salt tolerant plant species are present on site. No patchiness or reduced vigour in any area of the pasture was observed.

Die back

No die back was observed on or surrounding the site.

Effects on buildings

No staining, corrosion or rising damp observed.

6.1.9 Phosphorus sorption

Estimated to be low to moderate for the site (6,500mg/kg).

Phosphorous sorption of the soil is a minor limitation. The effluent system will be designed to contain phosphorus within the application area.

6.1.10 Nutrient balance

Nitrogen will be utilised by plant growth and denitrified or absorbed in the soil. The soil has capacity to support active vegetation which will contain nitrogen in the application area.

6.1.11 Cation exchange capacity (CEC)

The CEC is estimated to be low to moderate from the soil texture. The application of nutrient in the effluent will provide nutrients for plant growth that are naturally deficient in the soil. The soil will provide adequate retention of nutrients for plant growth.

6.1.12 Dispersiveness

Moderately to highly dispersive soils have been previously identified on the site. An adequately designed effluent system with the maintenance of vegetation on the application area and the regular

application of gypsum will prevent any reduction in infiltration or erosion problems associated with the dispersive soils.

6.1.13 Soil structure

The soils were assessed to have a moderate soil structure.

7. On-site effluent management

7.1 Slope

Slope is a limitation to application of wastewater. Steep slopes can cause greater run-off during wet weather. The application of wastewater from absorption trench systems is limited to slopes of 15% or less and for sub-surface irrigation systems of 30% or less. Application area location and system selection prevent slope from limiting the application of effluent on the site. Slopes within the recommended application area are 3% to 5%.

7.2 Buffers and available area

Sufficient buffer distances to drainage lines and dams are available in all lots and this can be additionally confirmed at the time of construction. Recommended buffer distances to streams, bores, dwellings, rock outcrops and boundaries are presented in Appendix 2. Areas of established trees should be protected by exclusion of application areas within the canopy drip zone.

7.2.1 Permanent waters, streams, lakes, rivers.

No streams are located on the site. Pig and Whistle Creek is a permanent stream located within 100m east of the site. Cudgegong River is located approximately 500m east of the site.

7.2.2 Other waters, intermittent waterways

A drainage line is located from the east to the north west of the site and one drainage line is located from the east to the west in the southern section of the site. Six dams are located on the site. The dams are expected to be used for stock watering. A 40m buffer distances is required to the dams and drainage lines.

7.2.3 Domestic groundwater wells

No groundwater bores are located on the site or within 500m. No impact on groundwater is expected from the application of effluent.

7.2.4 Boundary premises

A buffer of 12m from the boundaries in each lot is required.

7.2.5 Available area and reserve area

Typical application areas are 488m² and therefore sufficient area is available in each lot for effluent application.

7.3 Dispersive soil

Moderately to highly dispersive soil has been identified on the site and within the locality. Soil dispersion can result in soil crushing. The maintenance of vegetation on the application area and the regular application of gypsum will prevent any reduction in infiltration or erosion problems associated with the slightly to highly dispersive soils. The periodic application of gypsum is recommended.

7.4 Environmental concerns

The site is not located in a sensitive biodiversity area (Mid-western local environmental plan 2012).

Nil

Native Plants

Nil

High water table

None nearby

Community water storage

None nearby

Waterway/wetland

7.7 Suitability of application systems

Application system	Treatment system	Site limitations of the application system	Modifications to mitigate constraints	Suitability
Absorption system	Septic tank	Moderately to highly dispersive subsoil Saline soils in locality Rocky outcrops on site	Nil Nil Nil	No
Evapotranspiration absorption system	Septic tank	Moderately to highly dispersive subsoil Saline soils in locality Rocky outcrops on site	Nil Nil Nil	No
Surface irrigation	Secondary	Moderately dispersive topsoils Rocky outcrops on site Saline subsoils	Regular application of gypsum Avoid irrigating in rocky areas Adequate sizing of application area, offset planting of trees, upslope surface diversion drains, detailed assessments to avoid saline surface areas for effluent applications, protect established vegetation	Yes
Sub-surface irrigation	Secondary	Moderately to highly dispersive subsoil Saline soils in locality Rocky outcrops on site	Nil Nil Nil	No

8. Effluent design

8.1 Estimated flows

Typical effluent flow designs allowances in households with standard water fixtures is 120 litres/person/day where the water source is on-site tank supply (AS1547). Assuming the occupancy of the dwelling is 5 people (four bedrooms) the design flow rate for the dwelling is 600 litres/day.

Flows are based on the use of water saving devices such as dual flush toilets (6/3 litre water closets), water reduction cycles on dishwashers, aerator faucets fitted to taps and water reducing shower heads.

8.2 Hydraulic balance calculations and nutrient balance

The interactions between soil, climate, topography and the hydraulic and nutrient loadings were modelled based on the design in DUAP (1998). The model provides estimates consistent with more complex models and meets environmental performance objectives.

The parameters used in the model were as follows:

- effluent flow of 600 litres/day
- estimated absorption rate of expected soils on site for irrigation systems of 3mm/day. Trench systems are not suitable due to moderately to highly dispersive soils and saline soils in the locality.
- estimated phosphorus sorption of 6,500kg/ha for expected soils
- Climate data for Gulgong

The estimated area required is presented in appendix 3.

8.3. System recommendation

Based on the site and soil limitations, practicality and cost considerations the following recommendations are made for the treatment and application of effluent.

The recommended effluent system for each lot based on available information and assumptions is expected to be:

- **Surface irrigation area of 488m²** with a secondary treatment system accredited by NSW Health. Surface irrigation is suitable depending on site limitations.

The recommendations are made using the available data and should be considered as being generalised for the site as a whole. Assumptions have been made in the soil description and more detailed assessment is required to make recommendations of locations and suitable systems for individual lots.

The main limitation is subsurface salinity and management is required to prevent deep recharge and mobilisation or stored salts. The following mitigation measures should enable a sustainable development to be undertaken

- Adequate sizing of application area
- offset planting of trees
- upslope surface diversion drains
- detailed assessments to avoid saline surface areas for effluent applications
- protect established vegetation
- Dams on site should be filled to prevent recharge

Construction of the treatment and application systems should be according to AS1547.

Surface diversion drains are recommended upslope of the application area and should be maintained.

Gypsum should be applied to the application area during construction and every two years to maintain permeability.

Secondary treatment systems require regular maintenance to ensure effective operation. Maintenance scheduling should be undertaken in accordance with manufacturers and NSW Health guidelines.

The water balance is calculated using full water saving devices, including dual flush toilets (6/3 litre water closets) and aerator faucets fitted to taps, handbasins, showers and a kitchen.

9. System management

Wastewater should be evenly applied over the application area.

The application area should be restricted access to people and stock as recommended in AS1547 and summarised in Appendix 2.

The topsoil on the site is capable of supporting plant growth that will optimise evapotranspiration and wastewater usage. A grass sward should be maintained in the application area. Annual assessment of the vegetation and soil areas should be undertaken and mitigation measure undertaken to maintaining vegetation growth and soil health.

Appendix 2 is a checklist of do's and don'ts to ensure correct operation of the wastewater system. Periodic application of gypsum is recommended.

10. Report limitations and intellectual property

This report has been prepared for the use of the client to achieve the objectives given the clients requirements. The Australian Standard 1547, On-site domestic wastewater management, and the Environment and Health Protection Guidelines, On-site sewage management for single households (1998) Department of Urban Affairs and Planning, have been used as guidelines in this report. Where system limitations or uncertainties are known, they are identified in the report. No liability can be accepted for failure to identify conditions or issues which arise in the future and which could not reasonably have been predicted using the scope of the investigation and the information obtained. No guarantee can be made that the wastewater system will achieve all performance criteria because of operational factors and the inherent variable and unpredictable nature of the soil. All components of the wastewater system have a limited life.

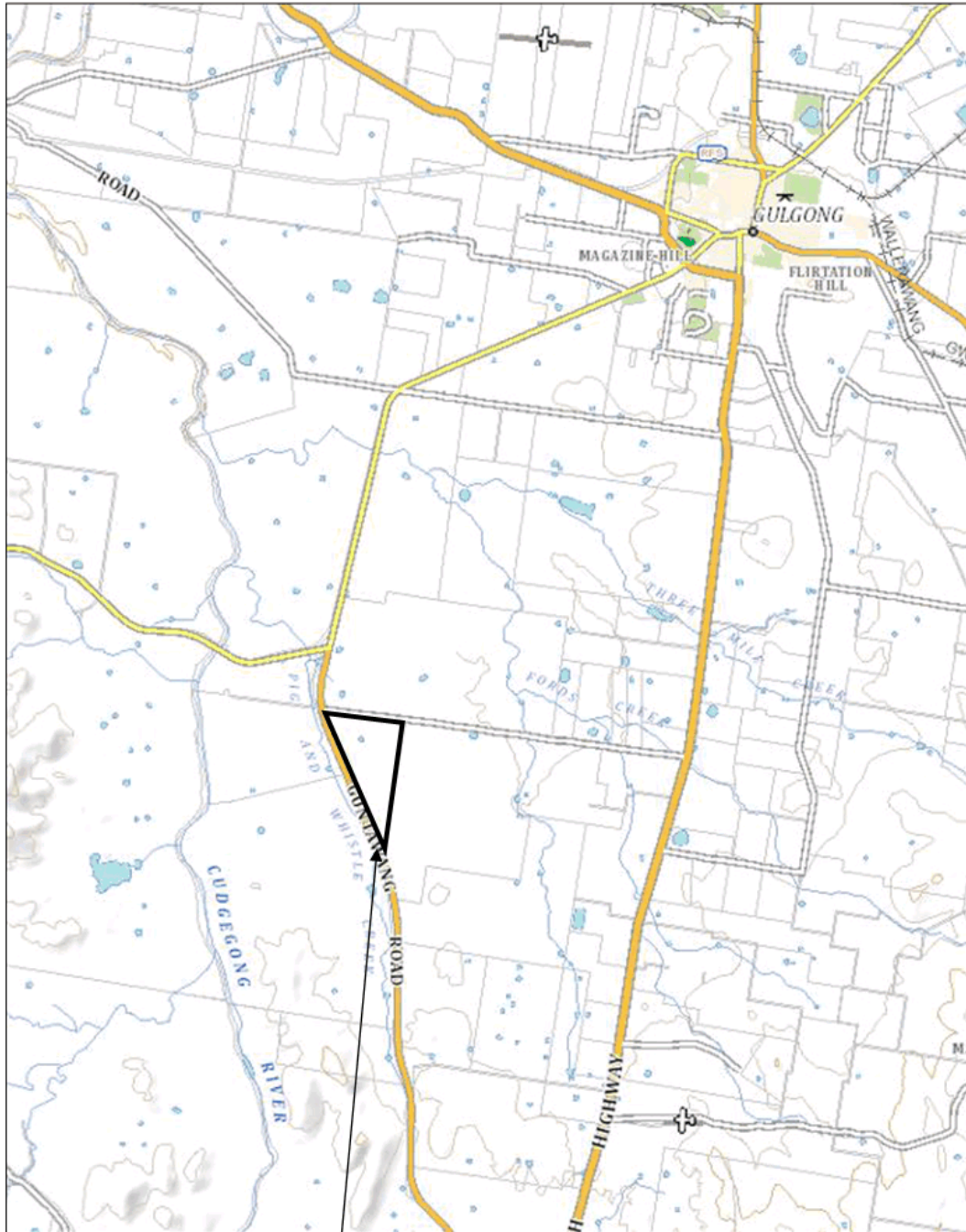
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Figures

Figure 1. Locality map

Figure 2. Site plan with recommended buffer distances

Figure 3. Representative photographs of the site taken on 1 April 2020



Investigation area

Figure 1. Locality plan

313 Magpie Lane, Galambine NSW

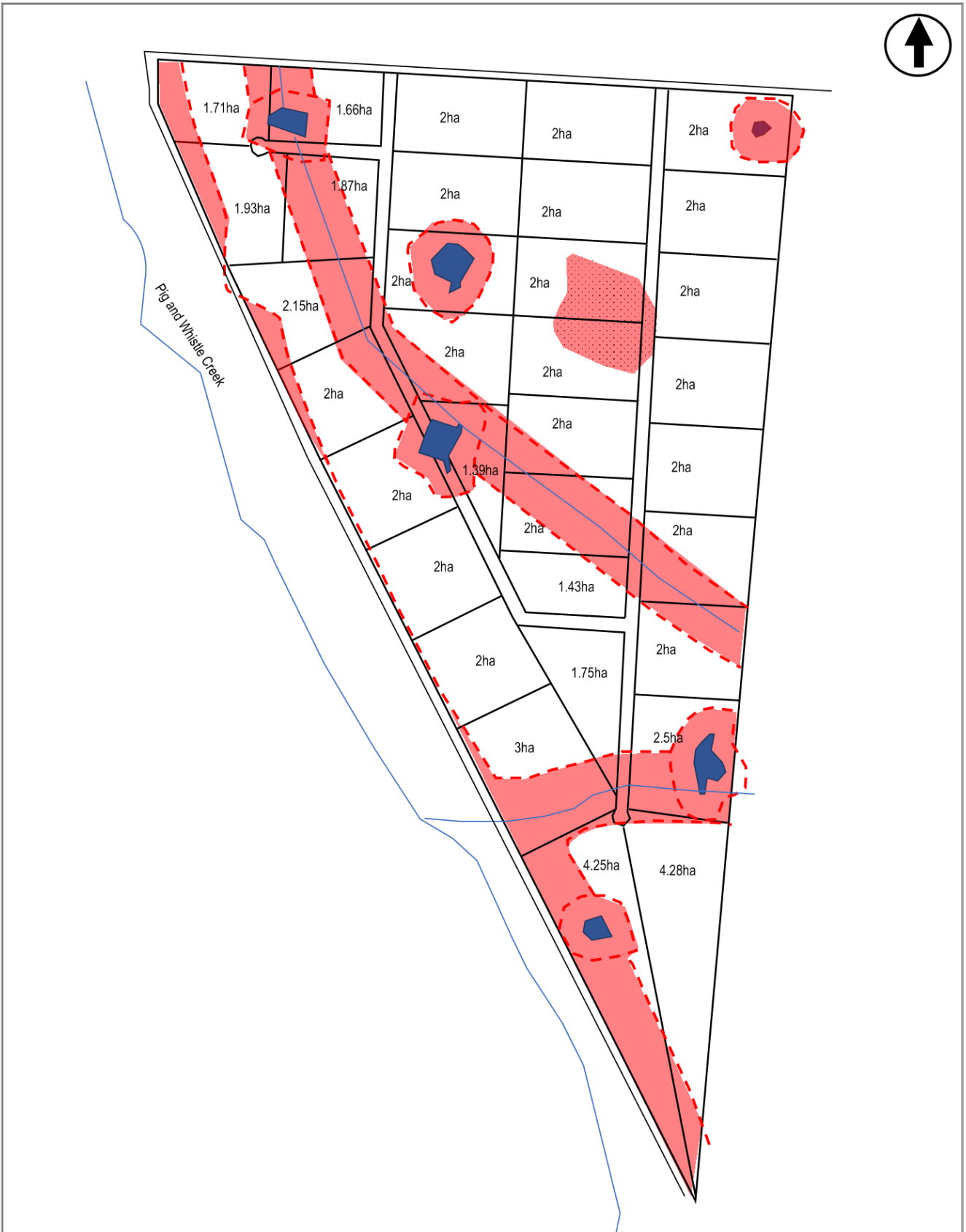


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Job - R11872e

Drawn by: AA

Date: 7/4/2020



Legend

- Lot Boundary
- Dams
- Drainage lines
- Unsuitable areas for application area
- - - Buffer distance to waterways
- Rock outcrops/ exclusion areas

Approximate Scale 1: 6,000
 0 60 120 240m

Figure 2. Site plan with recommended buffer distances		
313 Maggie Lane, Galambine NSW		
	Envirowest Consulting Pty Ltd	
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Figure 3. Representative photographs of the site



Looking west across the northern section of the site



Looking south across the northern section of the site



Looking west across the site



Looking south west across the site



Looking north east across the site



Looking west across the site

Appendices

Appendix 1. Bore logs and laboratory results from previous investigations on 7/9/2001 and 24/4/2003

Depth (mm)	Description	Sampled (X)	Texture group	Moisture	Emerson aggregate test*	pH (1:5 water)	ECe dS/m
Test hole 1							
0-150	Dark brown sandy loam	X	SL	M	3	6.5	0.66
150-450	Light brown sandy clay loam	X	SCL	M	1	6.9	0.70
450-7500	Red brown light clay	X	LC	M	2	7.3	0.63
750-760	Red clayey sand		CS	M			
1500	End of hole, refusal on rock						
Test hole 2							
0-380	Dark brown light clay	X	LC	M	1	6.8	0.45
380-700	Yellow brown medium clay	X	MC	M	4	8.2	0.28
700-1000	Dull yellow brown medium clay	X	MC	M	4	8.0	0.49
1000	End of hole, refusal on rock						
Test hole 3							
0-150	Dark brown clay loam	X	CL	M	5	6.7	0.54
150-420	Light brown clay loam	X	CL	M	3	6.7	0.54
420-750	Yellow brown medium clay with grey and red mottles and some medium sized gravel	X	MC	M	2	6.7	0.42
750	End of hole, refusal on rock						
Test hole 4							
0-150	Dark brown clay loam	X	CL	M	5	6.8	0.45
150-300	Brown clay loam		CL	M			
300-900	Red brown light clay with red mottles	X	LC	M	1	7.0	0.63
900-1100	Red brown light clay	X	LC	M	4	8.6	0.36
1100	End of hole						
Test hole 5							
0-150	Brown sandy loam	X	SL	M	3	7.2	0.66
150-320	Light brown sandy loam	X	SL	M	3	7.3	0.66
320-600	Red sandy loam with brown mottles and ironstone	X	SL	M	1	6.9	0.60
600-610	Clayey sand with siltstone		CS	M			
610	End of hole, refusal on rock						
Test hole 6							
0-300	Brown loam with gravel	X	CL	M	2	5.8	0.40
300-600	Brown loamy gravel	X	CL	M	2	6.0	0.60
600-900	Yellow light clay	X	MC	M	3	5.8	1.60
900	End of hole, refusal on rock						
Test hole 7							
0-200	Brown sandy loam	X	SL	M	5	6.4	0.2
200-1000	Yellow brown medium clay	X	MC	M	4	5.5	1.9
1000	End of hole, refusal on rock						

M=Moist, D=Dry

*1= highly dispersive (slakes, complete dispersion), 2= moderately dispersive (slakes, some dispersion), 3= slightly dispersive (slakes, some dispersion after remoulding), 4= non-dispersive (slakes, carbonate or gypsum present), 5= non-dispersive (slakes, dispersion in shaken suspension) 6= non-dispersive (slakes, flocculates in shaken suspension), 7= non-dispersive (no slaking, swells in water), 8= non-dispersive (no slaking, does not swell in water).

Appendix 2. Recommended buffer distances for on-site systems (*On-site Sewage Management for Single Households* (1998) Dept of Urban Affairs and Planning)

Feature	System and buffer distance (m)				
	Surface irrigation	spray	Surface drip	Subsurface irrigation	Absorption systems
Permanent streams	100		100	100	100
Domestic groundwater wells	250		250	250	250
Intermittent streams	40		40	40	40
Property boundaries	6 (upslope) 3 (down slope)		6 (upslope) 3 (down slope)	6 (upslope) 3 (down slope)	12 (upslope) 6 (down slope)
Dwelling/ buildings	15		6 (upslope) 3 (down slope)	6 (upslope) 3 (down slope)	6 (upslope) 3 (down slope)
Swimming pools	6		6 (upslope) 3 (down slope)	6 (upslope) 3 (down slope)	6 (upslope) 3 (down slope)
Paths and walkways	3		-	-	-
Driveways,	6 (upslope) 3 (down slope)		6 (upslope) 3 (down slope)	6 (upslope) 3 (down slope)	6 (upslope) 3 (down slope)

Appendix 3a. Monthly water balance determine the wastewater application area required

Design wastewater flow	Q	L/day	480	120	L/person/day	4	persons
Design percolation rate	R	mm/wk	21	3	mm/day		
Land area	L	m ²	100				
Effective precipitation	EP		0.9	(10% runoff)			

Parameter	Symbol	Formula	Units	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	total
days in month	D		days	31	28	31	30	31	30	31	31	30	31	30	31	365
Precipitation	P		mm/month	50.7	41.8	47.2	47.2	46.9	54.5	53	55.5	51.6	58.3	50.3	52.6	647
Evaporation	E		mm/month	216	157	137	94	51	41	38	51	81	114	152	203	1335
Crop factor	C		-	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	0.9	10.8
Inputs																
Effective Precipitation	EP		mm/month	45.63	37.62	42.48	42.48	42.21	49.05	47.7	49.95	46.44	52.47	45.27	47.34	549
Effluent irrigation	W	QXD/L	mm/month	148.8	134.4	148.8	144.0	148.8	144.0	148.8	148.8	144.0	148.8	144.0	148.8	1752
Inputs		P+W	mm/month	194.4	172.0	191.3	186.5	191.0	193.1	196.5	198.8	190.4	201.3	189.3	196.1	2301
Outputs																
Evapotranspiration	ET	ExC	mm/month	194.4	141.3	123.3	84.6	45.9	36.9	34.2	45.9	72.9	102.6	136.8	182.7	1202
Percolation	B	R/7xD	mm/month	93.0	84.0	93.0	90.0	93.0	90.0	93.0	93.0	90.0	93.0	90.0	93.0	1095
Outputs		ET+B	mm/month	287.4	225.3	216.3	174.6	138.9	126.9	127.2	138.9	162.9	195.6	226.8	275.7	2297
Storage	S	(EP+W)-(ET+B)	mm/month	-93.0	-53.3	-25.0	11.9	52.1	66.2	69.3	59.9	27.5	5.7	-37.5	-79.6	
Cumulative storage	M		mm	0.0	0.0	0.0	11.9	64.0	130.1	199.4	259.3	286.8	292.5	255.0	175.4	
Storage																
	V	largest M	mm	292.5												
		Soil storage	mm	372.0												
		Storage required	mm	-79.5												
		VxL/1000	m ³	-8.0												
Irrigation area			m ²	100												

	water holding capacity	depth (mm)	Totals(mm)
Topsoil	34%	200	68
Subsoil	38%	800	304
			372

Appendix 3b. Estimation area requirement from organic matter and nutrient balances

Estimated effluent flow	(Q)	600	L/day
Soil depth		1	m

Organic matter balance

BOD (C)	20	mg/L
treated wastewater flow rate (Q)	600	L/day
critical loading rate of BOD (Lx)	3000	mg/m ² /day
land area required (A)	4.0	m²

Nitrogen balance

nutrient concentration	37	mg/L
treated wastewater flow rate	600	L/day
critical loading rate of nutrient	50	mg/m ² /day
land area required (A)	444	m²

Determination of nitrogen critical loading rate

Nitrogen load (kg/year)	8.1	kg/year		
Loss 20% denitrification	6.5	kg/year		
Load to soil	146.0	kg/ha/year	assumed irr. area	444 m ²
Vegetation usage	200.0	kg/ha/year	from table	
Residual (potential leaching)	-54.0	kg/ha/year		

Typical nitrogen uptake (Myers et al. 1984)

Pastures	300 kg/ha/year	82 mg/m ² /day
Pine	350 kg/ha/year	96 mg/m ² /day
Eucalypts	180 kg/ha/year	49 mg/m ² /day

Phosphorus balance

Phosphorus sorption capacity per metre=	6,500	kg/ha
Phosphorus sorption capacity of profile=	6,500	kg/ha
Soil factor	0.33	

Critical loading= 3 mg/m²/day

P concentration*= 12 mg/L

P adsorbed= phosphorus sorption capacity x soil factor
2145
0.2145 kg/m²

Puptake= critical loading x days/year x year
54750
0.0548 kg/m²

Pgenerated= total phosphorus concentration x wastewater volume in 50 years
131400000
131 kg
Pgenerated / (Padsorbed + Puptake)

Land area required 488.0 m²

Appendix 4. Checklist for effective management of wastewater systems

Domestic wastewater system

DO

Check household products for suitability of use with a septic tank.
Conserve water, prolonged period of high water use can lead to application area failure. For optimum operation, avoid daily and weekly surges in water flows. Spas are not recommended.
Scrape cooking dishes and plates prior to washing to reduce solid load.
Maintain the system with regular servicing as per the manufacturers instructions.

DON'T

Dispose excessive solid material, fats, lint or large water volumes into drains.

Land application area

DO

Construct and maintain diversion drains around the top-side of the application area to divert surface water.
The application area should be a grassed area, which is maintained at 10-30cm height.
The area around the perimeter can be planted with small shrubs to aid transpiration of the wastewater.
Ensure run-off from the roof or driveway are directed away from the application area.
Periodic application of gypsum may be necessary to maintain the absorptive capacity of the soil.

DON'T

Don't erect any structures or paths on the land application area.
Don't graze animals on the land application area.
Don't drive over the land application area.
Don't plant large trees that shade the land application area thereby reducing transpiration of water.
Don't let children or pets play on the land application area.
Don't extract untreated groundwater for potable use.



Appendix F - AHIMS Search



AHIMS Web Services (AWS) Search Result

Purchase Order/Reference : Magpie Lane

Client Service ID : 479591

Barnson
Suite 6 11 White Street
Tamworth New South Wales 2340
Attention: Jack Massey
Email: jmassey@barnson.com.au

Date: 24 January 2020

Dear Sir or Madam:

AHIMS Web Service search for the following area at Lot : 1, DP:DP174385 with a Buffer of 200 meters, conducted by Jack Massey on 24 January 2020.

The context area of your search is shown in the map below. Please note that the map does not accurately display the exact boundaries of the search as defined in the paragraph above. The map is to be used for general reference purposes only.



A search of the Office of the Environment and Heritage AHIMS Web Services (Aboriginal Heritage Information Management System) has shown that:

0	Aboriginal sites are recorded in or near the above location.
0	Aboriginal places have been declared in or near the above location. *

If your search shows Aboriginal sites or places what should you do?

- You must do an extensive search if AHIMS has shown that there are Aboriginal sites or places recorded in the search area.
- If you are checking AHIMS as a part of your due diligence, refer to the next steps of the Due Diligence Code of practice.
- You can get further information about Aboriginal places by looking at the gazettal notice that declared it. Aboriginal places gazetted after 2001 are available on the [NSW Government Gazette](http://www.nsw.gov.au/gazette) (<http://www.nsw.gov.au/gazette>) website. Gazettal notices published prior to 2001 can be obtained from Office of Environment and Heritage's Aboriginal Heritage Information Unit upon request

Important information about your AHIMS search

- The information derived from the AHIMS search is only to be used for the purpose for which it was requested. It is not be made available to the public.
- AHIMS records information about Aboriginal sites that have been provided to Office of Environment and Heritage and Aboriginal places that have been declared by the Minister;
- Information recorded on AHIMS may vary in its accuracy and may not be up to date .Location details are recorded as grid references and it is important to note that there may be errors or omissions in these recordings,
- Some parts of New South Wales have not been investigated in detail and there may be fewer records of Aboriginal sites in those areas. These areas may contain Aboriginal sites which are not recorded on AHIMS.
- Aboriginal objects are protected under the National Parks and Wildlife Act 1974 even if they are not recorded as a site on AHIMS.
- This search can form part of your due diligence and remains valid for 12 months.



Appendix G - Aboriginal Cultural Heritage Report

**MUDGEE LOCAL ABORIGINAL LAND
COUNCIL**

**PO BOX 1098
MUDGEE NSW 2850
0263723511 / FAX 0263723522**

**PREPARED
FOR MR LES SMEATON
NSW**



**BY
DAVID MAYNARD**

**MUDGEE LOCAL ABORIGINAL LAND COUNCIL
PO.BOX 1098
MUDGEE NSW 2850
SEP 2011**

**INFORMATION RELATING TO ABORIGINAL SITES CONTAINED IN THIS REPORT
IS OF A SENSITIVE NATURE AND SHOULD NOT BE MADE PUBLIC WITHOUT
PRIOR PERMISSION BY MUDGEE LOCAL ABORIGINAL LAND COUNCIL**

MUDGEE LOCAL ABORIGINAL LAND COUNCIL

**PO BOX 1098
MUDGEE NSW 2850
0263723511 / FAX 0263723522**

RE/ ABORIGINAL CULTURAL HERITAGE SURVEY FOR PROPOSED WATER PIPE LINE FROM THE WESTERN END OF MAGPIE LANE TO GULGONG WATER SUPPLY

Date 11/10/11

INTRODUCTION

PURPOSE FOR THE INVESTIGATION

This document are the results of an Aboriginal Cultural Heritage assessment of 3.8 klms of the Magpie Lane and 4.5 klms of the Castlereagh Hyw to Gulgong. The purpose for the investigation is to pump water from Gulgong water Supply to a proposed development Motel Complex area on the corner of Magpie Lane and Guntawang road Gulgong. The proposed investigation was to inspect the route for any possible Cultural Heritage material that maybe impacted by the proposed development during the excavation stage during the project.

LOCATION OF DEVELOPMENT

The study area is identified in the western Region of the Great Dividing Range on the western edge of the Sydney Basin. The proposed development is located in the Parish of Guntawang 6 klms south of Gulgong and 25 klms north west of Mudgee. Another report was furnished to the developer dated the 18th of August 2003 for a proposed pipeline to the Cudgegong River but did not eventuate.

QUALIFICATIONS RELEVANT LEGISLATION

Mudgee Local Aboriginal Land Council works in accordance with requirements of the National Parks and Wildlife Service and DECCW Guidelines. All works carried out by Mudgee Local Aboriginal Land Council Representatives meet the requirements both of the National Parks and Wildlife Act and the Department of Environmental and Conservation including other State and Federal Heritage Legislation's. Mudgee Local Aboriginal Land Council as the Local Custodians of the Mudgee area of Wiradjuri country has the predominate aim in the Protection and Management relating to Aboriginal Cultural Heritage, conservation issues and working with relevant agencies. David Maynard is one of the Local Aborigina Heritage Officers for MLALC and has been for an extended period of time and

has been carrying out Cultural Heritage assessments for MLALC in the surrounding district. All relevant reports are taken back to a Meeting of MLALC for their comments and recommendations.

CONSULTATION

David Maynard was notified by Mr H. J. Fiander (Toby) from Toby Fiander and Associates on Friday the 7th of October 2011 to perform a proposed survey the following day. David was unable to accommodate Mr Fiander over the weekend but recommended to meet at MLALC Office on Monday the 10th of October to talk of the proposal before going on site. As a result the assessment was conducted on site the same day. David Maynard and John // were the Aboriginal reps on site and Toby Fiander and Alex Williams from Toby Fiander & Associates.

DISCRIPTION OF STUDY AREA

The description of the study area is undulating country consisting gentle slopes down to drainage lines along the entire route. Two main creek lines are considered sensitive in terms of open camp sites (1) Fords Creek Magpie Lane and Three Mile Creek on the Castlereagh Hwy. Since European occupation over the study area it is evident such as past clearing, cultivating, planting of extensive vineyards, fencing grazing, dams, roads and tracks. There is advanced salinity and erosion features in some areas in the region.

DISCRIPTION OF IMPACT

Impact to Aboriginal Cultural Heritage sites or objects in the past over the proposed development area would have generally been associated with agricultural activities to a depth of at least 20 to 30 centimeters of top soil disturbance over terrace, crest's, flats, slopes roads and drainage areas. Although most of the proposed development area would had been significantly disturbed by past farming practices. Aboriginal objects that are exposed or under the top soils are still protected under the National Parks Wildlife ACT 1974 and continue to be important to the Mudgee Local Aboriginal Community regardless of the site condition.

The following caution applies. All earth moving contractors and operators and should be instructed in the event of any bone or stone objects or discrete distributions of shell being unearthed during any work activities, work should cease immediately in the effected area Mudgee Local Aboriginal Land Council and officers of DECC must informed of the discovery. Work should not recommence until the materials have been inspected by those officials and permission has been given to proceed. This also applies to any skeletal remains.

METHODOLOGY, PRE FEILDWORK

Local Aboriginal cultural knowledge of the surrounding area regarding site locations are 18 known and recorded sites in the region within a 8 klm radius of the assessment area. The nearest being the Pig and Whistle Creek, Fords Creek, and Three Mile Creek, including the Cudgegong River area. Biraganbil area are also regarded as sacred lands where past Aboriginal Massacres occurred in the past.

AIMS OF SURVEY

MLALC Representative was required to :-

- (1) Identify, Evaluate and document any Aboriginal Heritage Sites of Cultural Significance within the study area.
- (2) Record any Sites found during the investigation that is to be recorded onto the NPWS Sites Data Base for future conservation and reference.
- (3) Submit a report outlining the results that may include recommendations for the conservation and management of identified Aboriginal sites or relics that are of Aboriginal Cultural Heritage Concern.

SURVEY STRATERGY

The main aim of the assessment was to determine the presents of any Aboriginal Cultural Heritage objects or Places that are of Aboriginal Cultural Significance to the Local Wiradjuri people. As the Magpie Lane had never been surveyed before except for a small section at the Guntawang road end of Magpie Lane where the proposed Resort was to be built on the development area. The Magpie Lane will be inspected along both sides of the road easement due to the lack of full visibility of the ground surface because of the vegetation cover all exposures will be investigated to obtain a representative sample of the study area.

Any sites identified during the investigation will be recorded on to the DECCW Site Register. It is important that these areas be recorded so that protection and management of any Cultural resources identified. This information is to be presented before any development works commence. It will be taken into account during the investigation not only features over the landscape in which sites are most likely to be present but also to include the areas where the presents of artifact materials was less likely. The immediate survey area is regarded as a culturally sensitive region due the surrounding sites identified in the area and at drainage lines such as Fords Creek and Three Mile Creek .

FIELDWORK

The assessment along Magpie lane and section of the Castlereagh Hwy was carried out on Monday the 10.10.11. the day was fine and ideal conditions to identify any objects that may be found during the assessment. Mudgee Local Aboriginal Land Council representatives both assisted in the road easement inspection. Extreme heavy grass cover prevented a complete analysis of the ground surface along the road easement that had very little exposures. The grassed area on both sides of the easement seemed to have been mowed some time previously

SURVEY RESULTS

From the areas surveyed no Cultural objects were identified because of the extensive ground cover except at the eastern end of Magpie Lane approximately 100 mtrs from the Castlereagh Hwy where a large Grindstone was found jammed between two trunks of a White Box Tree on the western side of the Magpie Lane road easement. The site and object was recorded with Site name (Isolated Find Magpie Lane 1) (IF ML1).

As much of the Castlereagh Hwy had been previously surveyed in the past during RTA and Vineyard surveys it was recommended that it was unnecessary to survey the road easement again. MLALC. Dave Maynard advised that the Three Mile Creek region along the Hwy was sensitive and will make recommendations of this area later in this report.

Aboriginal Cultural Values

Murong Gialinga ATSIC supports the concept of Environmental Impact Studies that include Aboriginal and Archaeological concerns required for developments that would have an impact on the environment. Aboriginal Sites are of great Cultural importance to the Wiradjuri people. All sites hold special Significance and are a special link to the past not only in terms Archaeological material evidence but also by a Spiritual connection to the land and its people including its associated environments that was part of every day life and Ceremonial activities

These are some of the important aspects for Mudgee Local Aboriginal Land Council to consider when appraising different types of sites or landscapes whether disturbed or undisturbed including natural bush land environments that have been an intimate bond and spiritual meaning to the Wiradjuri People and has been for thousands of years. As with our history the tablet of the lore was the landscape itself explained through the Dreaming of our identity and complex system of family life and unity with the land and its people. It is vital to Endeavour to preserve the environment where ever possible for future generations to come. Any site identified during any investigation are regarded as

5

highly important both in Cultural, Spiritual and educational values to Mudgee Local Aboriginal community.

RECOMMENDATIONS

(1)

MLALC recommends that monitoring 100 MTRS upslope on both sides of the Fords Creek area by a MLALC Representative be present during the excavation phase for the proposed pipeline

(2)

MLALC recommends that monitoring 100 mtrs up slope on both sides of the Three Mile Creek area by a MLALC Representative present during the excavation phase of the proposed pipeline

(3)

It is recommended by MLALC that a permit to relocate out of harms way any objects that maybe brought to the surface during the excavation process

(4)

MLALC recommends that a permit be sought to move the grindstone out of harms way to a safer location as the object is only three mtrs from the edge of the road pavement and is subject to be taken.

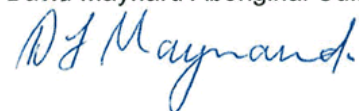
MLALC would like to thank the developer Mr Les Smeaton and Toby Fiander and Associates for the opportunity to protect Wiradjuri Cultural Heritage in the Mudgee area

Yours Sincerely.

Tony Lonsdale CEO



David Maynard Aboriginal Cultural Heritage Officer



SITE DISCRIPTION FORM

Date :10 /10/2011

Recorded by: D. Maynard MLALC

Site Name: Magpie Lane IF1

Map: HOME RULE 8833-3-S Scale: 1:25 000 / Goolma Scale 8733-II &III

Grid Reference: GPS. 55 737462 E 646410892 N

Field Code Magpie Lane ML IF1

Land Form:

The landform at the site is undulating. A great number of drainage lines are associated with Magpie Lane flowing from south to north in particular the Fords Creek that crosses Magpie Lane. A drainage line is some 15 mtrs from where the object was identified at this site.

Permanent Water:

The nearest permanent water source is Fords Creek 1.6klms east of the site area. Many of the drainage lines would run and hold water for extended long periods after rain.

Ephemeral Creeks :

As with the landscape such as undulating hilly country many ephemeral creeks are in the area that would only flow during rain periods.

Erosion Features:

Erosion features have impacted along table drains within the confines of the road easement where the possibility of cultural Heritage objects could be in the area.

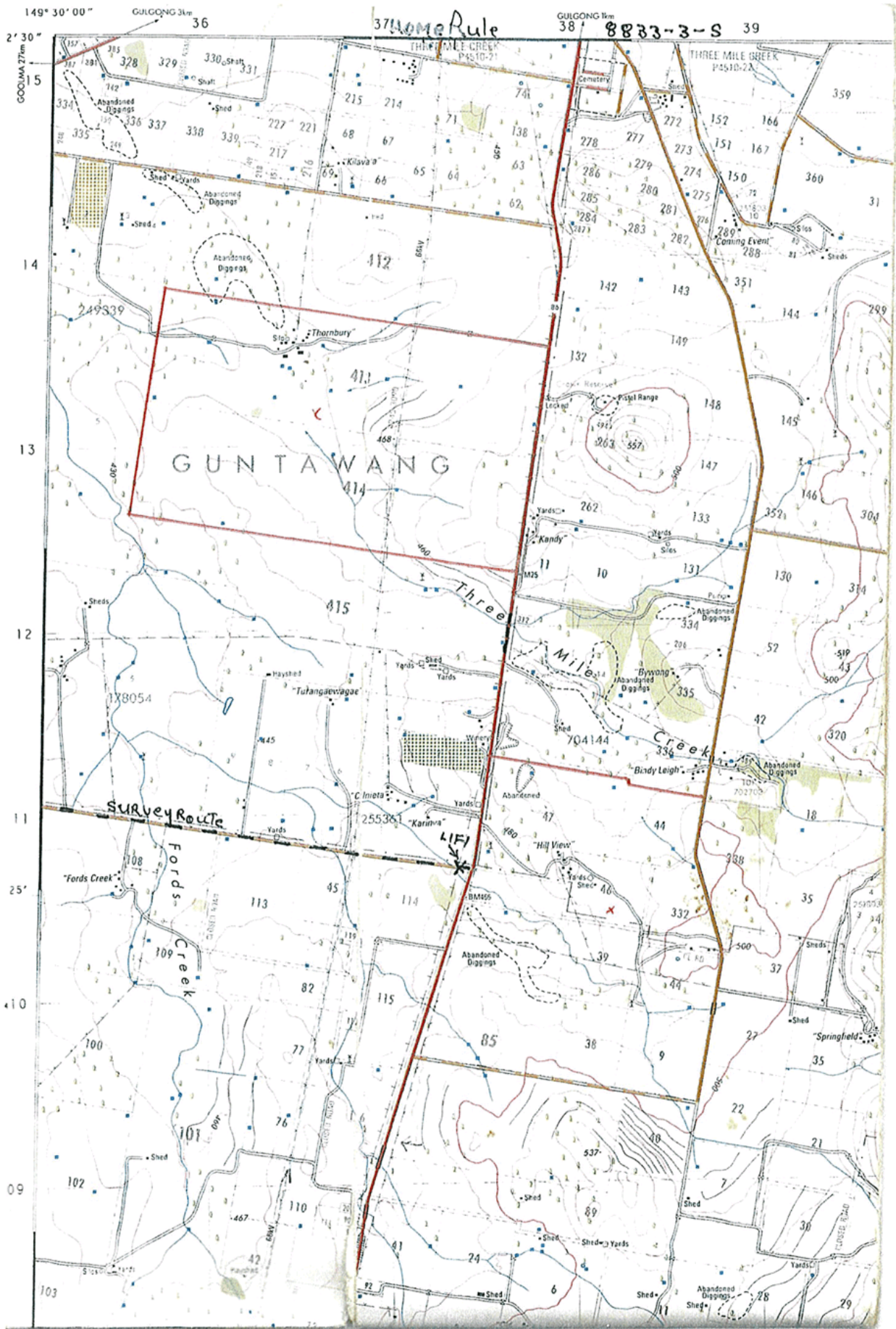
Soil Exposure: Not very much of the survey route had soil exposures due to the resent rains that had caused extensive grass cover approximately 95 %.

Site Description:

Site MLIF1 object was identified between the fork of a white Box tree three near ground level and 3 Mtrs from the edge of the road pavement. There is a high possibility that someone had placed the object between the fork of the tree some time ago maybe before the road bitumen was laid when the road used to be graded. The object is Sandstone material with two groves one on either side. The size of the object is 570mm long x 240mm wide and 75 mm thick. The side with the longest groove is 310 mm x 110 mm wide with a groove depth of 10mm deep. The shortest groove on the opposite side of the stone is 200 mm long x 110 mm wide and 12 mm deep, color is light brown.

Vegetation

Large Yellow Box, White Box, Kurrajong, some introduced species with the main trees being Eucalypt along the entire route.



400/MA 8732-118111

20
19
18
17
16
15
14
13
12
11
10
09
08
07

GUNONG km
GUNONG km
GUNONG km

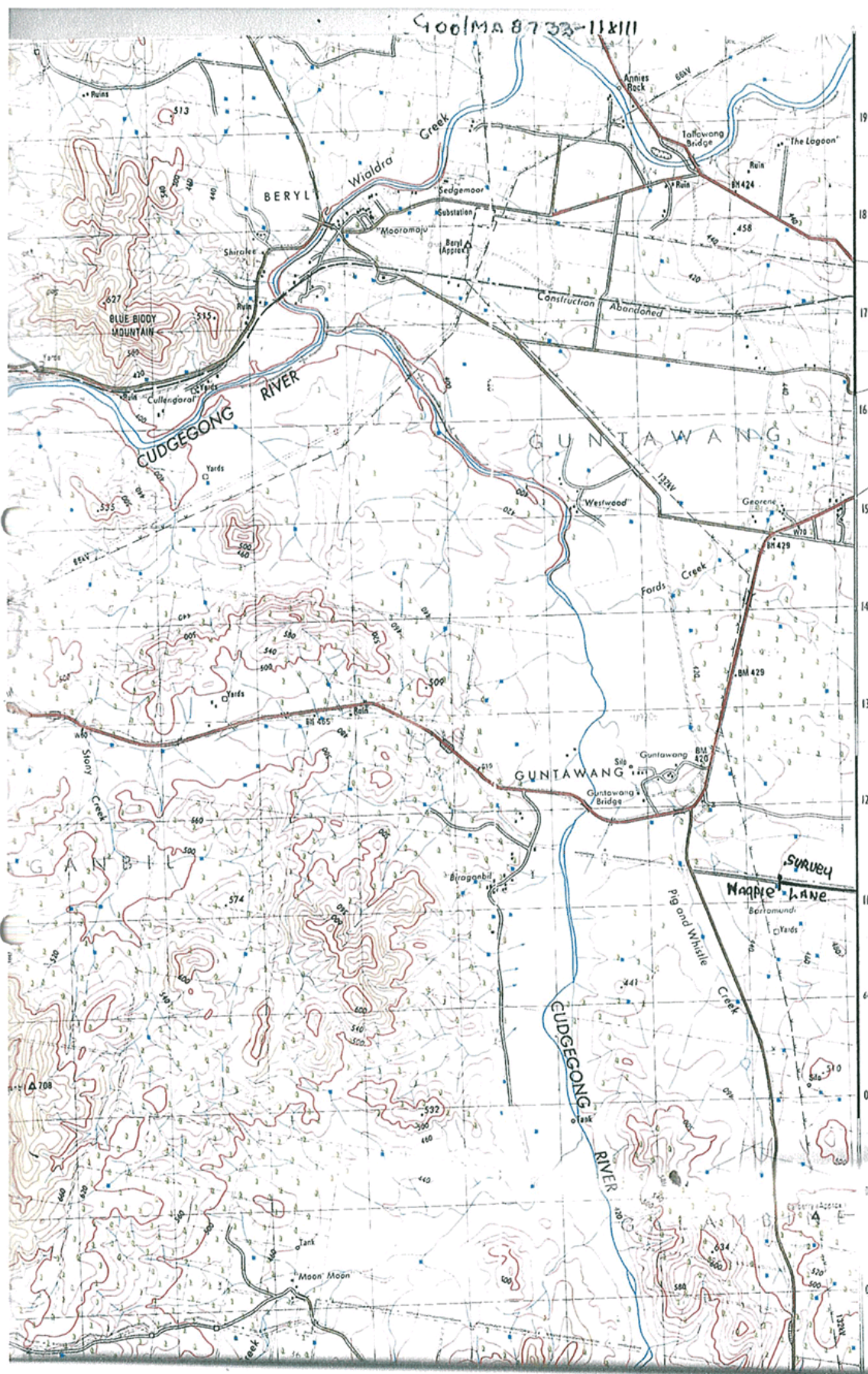




Figure 1. Looking East towards Ford's Creek in the background.



Figure 2. Looking North toward Gulgong at Three Mile Creek.



Figure 3. Looking West at tree where the object was identified.



Figure 4. Looking East at location where object was identified.



Figure 5. Photograph of object identified as a grinding stone, approximately 100 metres from the Castlereagh Highway.



Planning Proposal

157-159 Craigmoor Road

Client: EDT Projects

Date: 19 October 2020

A thick, dark grey horizontal bar spanning the width of the page near the bottom.

Contact:

Liz Densley
liz.densley@elton.com.au
0438744384

**SYDNEY
02 9387 2600**

Level 27, 680 George St, Sydney, NSW 2000

www.elton.com.au
consulting@elton.com.au
Sydney | Brisbane | Canberra | Darwin | Melbourne | Perth
ABN 56 003 853 101

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Document Status

Date Issued	Revision	Author	Reviewed	Comment
4 August 2020	V1.0	Will Pearson	Liz Densley	Draft for Client Review
9 September 2020	V1.0	Will Pearson	Liz Densley	Final
19 October 2020	V1.1		Liz Densley	Revised following review by Council

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1 Introduction

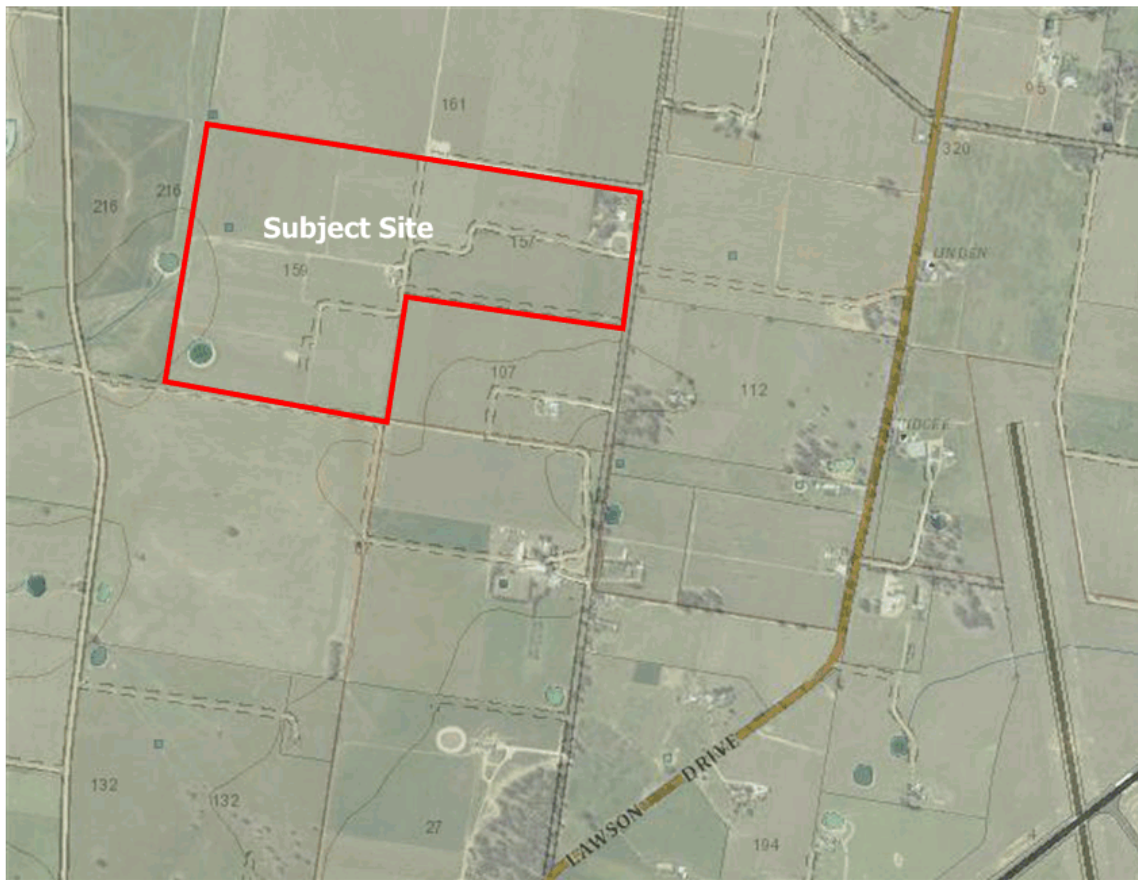
This report has been prepared by Elton Consulting on behalf of EDT Projects and 10s Estate Winery to support a planning proposal (PP) to facilitate the development of large scale, resort-style tourist and visitor accommodation on land at 157-159 Craigmoor Road, Mudgee. The report has been prepared in accordance with the requirements of Section 3.33 of the *Environmental Planning and Assessment Act 1979* (EP&A Act) and having regard to the Department of Planning, Industry and Environment (DPI&E) 'A guide to preparing planning proposals' and 'A guide to preparing local environmental plans'.

The property is identified in Table 1. The site occupies a total area of 47ha, and falls within the RU4 Primary Production Small Lots zone as identified in the Mid-Western Regional Local Environmental Plan 2012 (MWLEP). The proposed tourist development aims to address the shortage of mid to high end, resort-style accommodation in the Mudgee.

Table 1 Property Details

Address	Lot/DP	Area (approximate)
157 Craigmoor Road, Eurunderee	Lot 1 DP 591181	16ha
159 Craigmoor Road, Eurunderee	Lot 2 DP 594499	31ha

Figure 1 Site



Source: SixMaps 2020.

1.1 Site description

The site is currently home to the 10's Estate Winery. The cellar door operates from the north east corner of the site with the vineyard located at the rear. The site also contains a cherry orchard and figs. Cellar door premises and intensive plant agriculture are permitted with consent and without consent respectively, under the MWLEP.

The site is within 5 km from Mudgee and has frontage to Craigmoor Road on the eastern boundary. Topography is undulating falling from a high point on the western portion of the property and falling gently east and north. The land has been cleared of vegetation but for the existing stand associated with the cellar door and dwelling.

Immediately adjoining properties to the north, south and west are currently used predominately for extensive grazing, although historically land to the north was under grapevines. The property on the east retains some intensive viticultural land uses, although again, some vineyards have been removed.

Figure 2 Locational Context



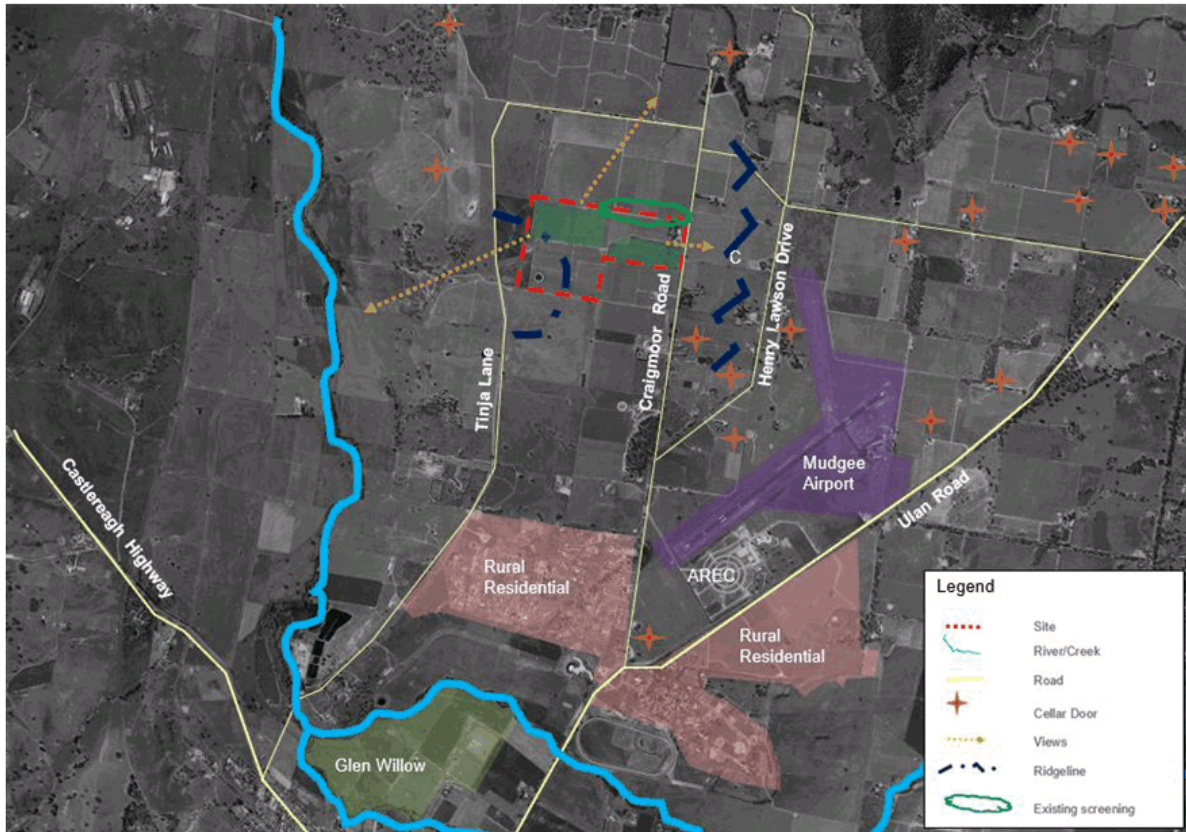
Source: SixMaps, Elton Consulting 2020

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Site context

The site is unobtrusive in terms of the visual and sight lines either to or from the site. The frontage of site is to Craigmoor Road. Views into the site from the south are obscured by the existing agricultural activities on the site and the existing buildings. Travelling south on Craigmoor Road the immediate foreground is screened by plantings on the northern boundary of the property. Views from the vantage point of the public road are limited to the existing development at the front of the site.

Figure 3 Site Context



Source: SixMaps, Elton Consulting 2020

The existing land use is consistent with the surrounding land uses which are a mix of rural lifestyle development, being dwellings on small lots, a small amount of intensive agriculture and predominately grazing albeit on small holdings. Rural land along both Henry Lawson Drive and Craigmoor Road has experienced significant fragmentation, and includes existing residential, cellar door and tourist accommodation uses.

Land classification

Agricultural land in NSW is classified into one of five categories according to its suitability for a wide range of agricultural activities. The site is identified as class three which has the following characteristics.

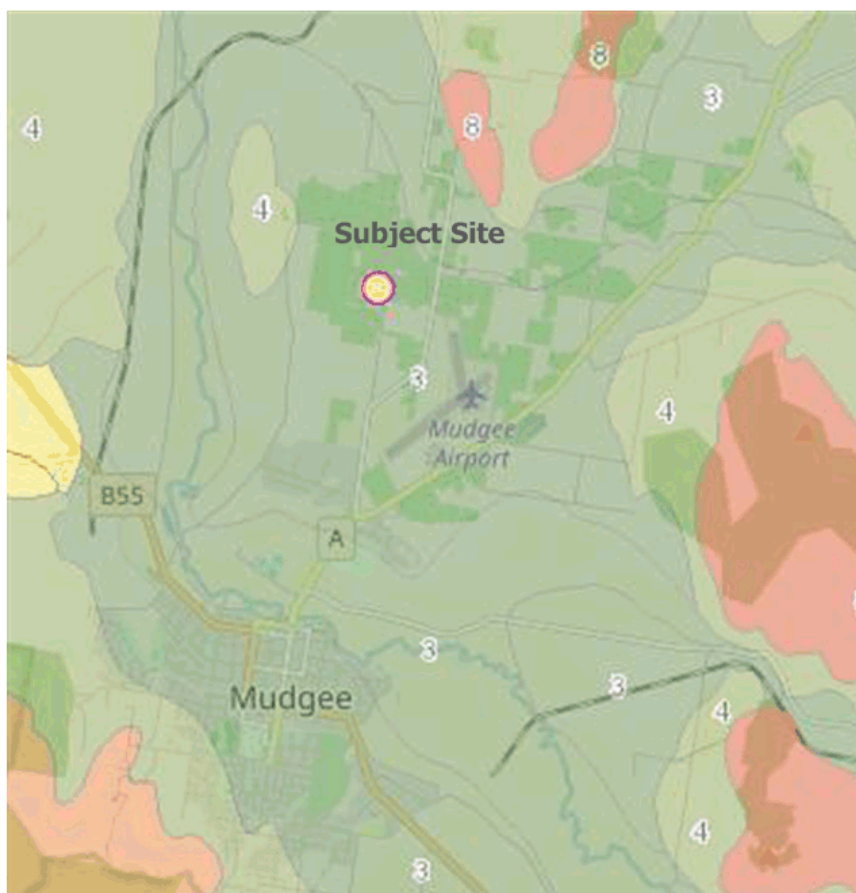
Class 3: *Grazing land or land well suited to pasture improvement. It may be cultivated or cropped in rotation with sown pasture. The overall production level is moderate because of edaphic or environmental constraints.*

Erosion hazard, soil structural breakdown or other factors, including climate, may limit the capacity for cultivation and soil conservation or drainage works may be required.¹

The site accommodated horticultural and viticultural crops including cherries, figs and wine grapes. However, the groundwater available is limited in terms of quality being highly saline and with high levels of calcium. Intensive irrigation is therefore limited. The site retains the evidence of a greenhouse venture that failed predominately as a result of the limitation on water.

Further, as can be seen in Figure 4, all of the land immediately surrounding Mudgee, including the town itself, is within the class three category. This is not considered to be a limiting factor in the amended of the MWLEP to include the additional permissible use.

Figure 4 Land Classification



Source: SEED Database, July 2020.

Land use and fragmentation

The current use of the subject site for a mix of intensive horticulture, viticulture and cellar door has resulted in measures already in place to ensure that potential land use conflict can be managed on both development on the subject site and neighbouring land. Further, the site is sufficient in area to enable any future tourist accommodation use to be screened and set back to reduce the potential for impacts.

¹ Agricultural Land Classification, NSW Agriculture, 2002.

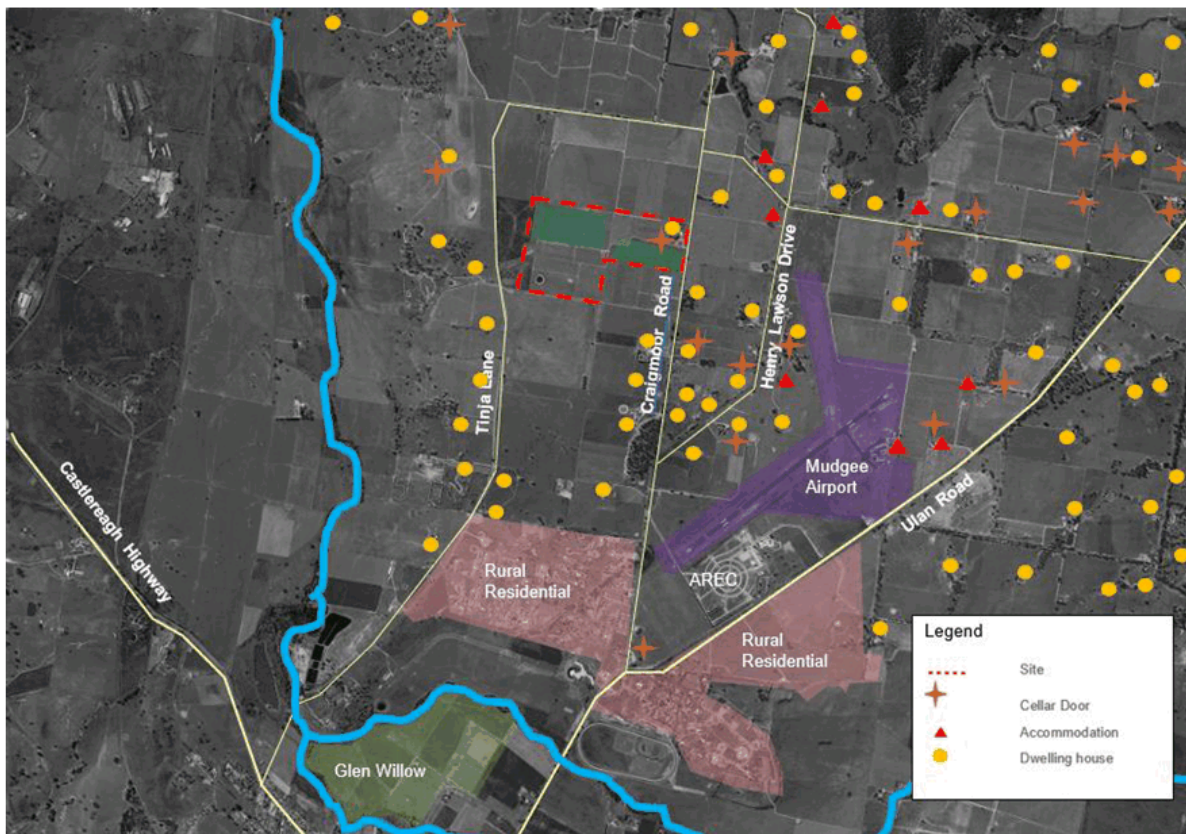
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The land immediately north of Mudgee is developed for a range of land uses. Despite the number of small vineyards and cellar door premises in this area, the dominate land use is lifestyle development (refer Figure 5 note the intensity of residential development). The area is highly fragmented. Much of the area planted to wine grapes in the late 1990's to early 2000's has been removed as the wine region settles into a more sustainable level.

Despite this, there are still an increasing number of tourism related cellar door, café and accommodation businesses that are compatible with agriculture and are capable of co-existing to support the agricultural and tourism industries.

The dwelling house, cellar doors and residential accommodation is shown in **Figure 5** below which provides a comprehensive indication as to the degree of fragmentation that currently existing in the vicinity of the site as well as the opportunity for additional tourism accommodation to compliment the rural and tourism based economy.

Figure 5 Non-Agricultural Land Use



Source: SixMaps, Elton Consulting 2020

1.2 Existing planning controls

The site is currently zoned RU4 Primary Production Small Lots (refer **Figure 6**) under the MWLEP with a minimum lot size for the erection of a dwelling of 20ha.

The key planning controls are identified below.

Figure 6 Land Zoning Map

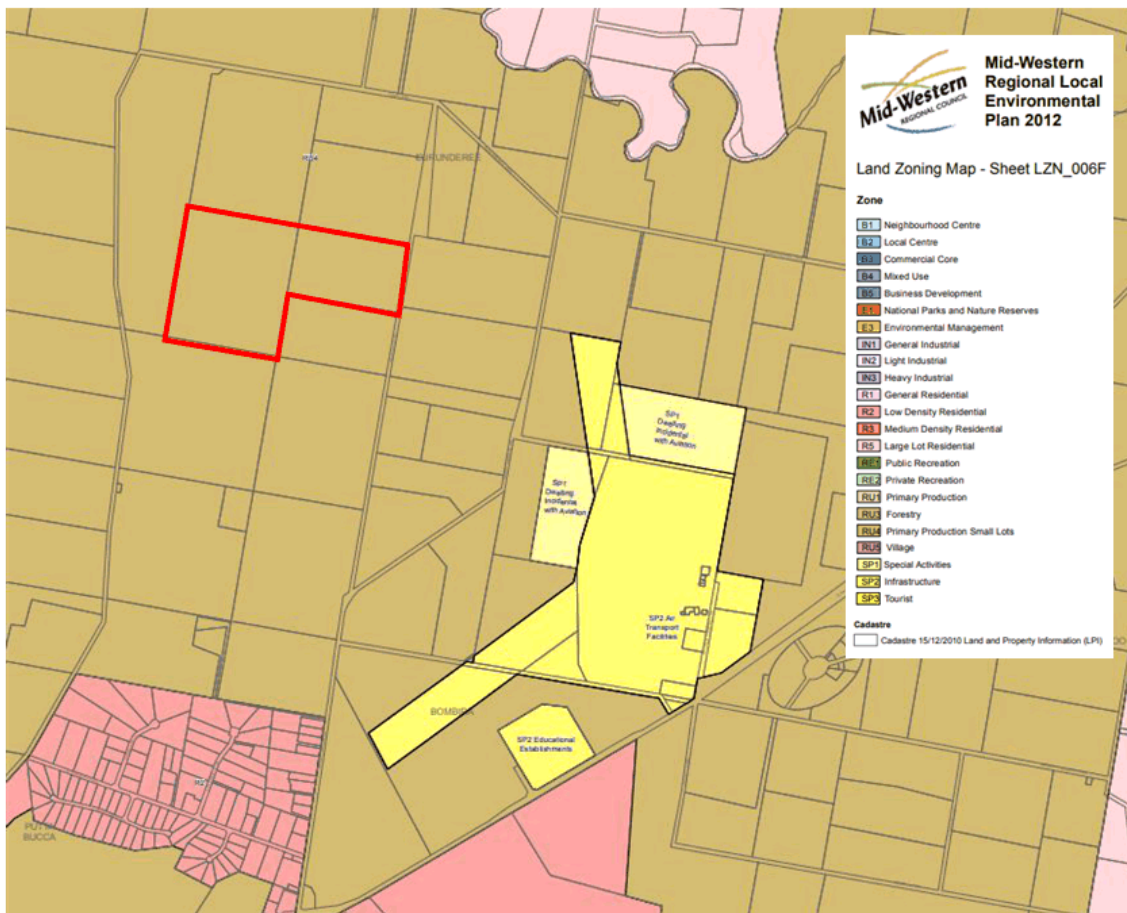


Table 2 MWRLEP 2012

Planning Control	Description
4.1 Minimum Lot Size	AB3 – 20 ha The is identified as having a minimum lot size of 20ha.
4.3 Maximum Building Height	N/A The Height of buildings map does not provide a building height maximum for the site.
5.4 Controls relating to miscellaneous permissible uses	This clause relates to the Tourist and visitor accommodation land uses of bed and breakfast accommodation, and farm stay accommodation, however only to the extent that they are permissible uses in the zone.

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Planning Control	Description
Additional local provisions	
6.4 Groundwater vulnerability	<p>(1) The objectives of this clause are as follows—</p> <p>(a) to maintain the hydrological functions of key groundwater systems,</p> <p>(b) to protect vulnerable groundwater resources from depletion and contamination as a result of development.</p> <p>The site has been mapped as being groundwater vulnerable on Council’s mapping. This will need to be assessed at DA stage.</p>
MWRC Mapping	
Groundwater Vulnerability	The site is identified as being ‘Groundwater Vulnerable’ (MAP GRV_006)
Flood Planning	N/A
Heritage	N/A
Sensitivity Biodiversity	N/A
Sewerage Treatment Plant Buffer	N/A

2 Proposal

The initial proposal is for the development of tourist and visitor accommodation and ancillary uses on the site. This land use, as defined in the MWLEP to include hotel and motel accommodation, is prohibited on the current zone. Therefore, any development of this characterisation will require an amendment to the MWLEP.

The process for amending the MWLEP includes identification of the strategic merit of the proposal having regard to the land use planning and policy framework both at the Regional and Local level.

2.1 Proposed Land Use

The proposal is defined under the MWRLEP as hotel and motel accommodation which is a use under the wider definition of tourist and visitor accommodation.

Tourist and visitor accommodation means

a building or place that provides temporary or short-term accommodation on a commercial basis, and includes any of the following—

- (a) backpackers' accommodation,*
- (b) bed and breakfast accommodation,*
- (c) farm stay accommodation,*
- (d) hotel or motel accommodation,*
- (e) serviced apartments, but does not include—*
- (f) camping grounds, or*
- (g) caravan parks, or*
- (h) eco-tourist facilities.*

Hotel or motel accommodation, as listed above has a separate definition as follows:

hotel or motel accommodation means *a building or place (whether or not licensed premises under the Liquor Act 2007) that provides temporary or short-term accommodation on a commercial basis and that—*

- (a) comprises rooms or self-contained suites, and*
- (b) may provide meals to guests or the general public and facilities for the parking of guests' vehicles, but does not include backpackers' accommodation, a boarding house, bed and breakfast accommodation or farm stay accommodation.*

Hotel and motel accommodation is prohibited in the current RU4 and therefore will require an amendment to the MWRLEP prior to the submission of a development application to council. The intention is to amend the MWLEP to allow for hotel or motel accommodation to be permissible on the subject site.

The process for amending the MWRLEP includes the preparation of a Planning Proposal and the identification of the strategic merit of the proposal having regard to the land use planning and policy framework both at the regional and local level.

2.2 Need for the development

In the Mid-Western Regional LGA, tourism supports an estimated 752 jobs, which is 7.4%² of total employment and contributing \$123M to the local economy annually³.

The COVID 19 Global Pandemic has and continues to impact the way in which people are engaging with regional tourism. Mid-Western Regional LGA is already seeing a benefit of the broader restriction on movement. This is likely to continue in the short term and provides a real opportunity for the region to build on this trend. Continuing to provide a wide selection of accommodation options catering for all perspective visitors will be a key part of the continued economic development of the industry.

The proposed development is for resort-style tourist accommodation in the Mid-Western LGA. The proposal responds to the lack similar style accommodation options, in addition to the growing need for accommodation as noted above and to ensure that accommodation is available to both support and attract large scale sporting and cultural events to the region.

Current Mudgee offerings

The range of current tourist accommodation options available in Mudgee are detailed below in Table 3. Not included in this table is the abundance of Bed and Breakfast options found on AirBNB. As demonstrated in the table below the current tourist accommodation options are dominated by small-medium motel-style properties. In a general sense, motel-style accommodation is mostly suited to a portion of the market consisting of temporary workers, those travelling for work, or short-term stayers. Similarly, AirBNB properties appeal to a portion of the market that seek un-serviced, home-style or self-contained accommodation.

As such, there is a gap in the tourist accommodation market of Mudgee for high-end, resort-style accommodation that encourages holiday type travel; with the Parklands Resort and Conference Centre as the only offering of this sort.

Table 3 Mudgee Tourist Accommodation

Name	Address	Type
Parklands Resort and Conference Centre	121 Ulan Road	Resort
Comfort Inn Aden Mudgee	1 Sydney Road	Hotel
Winning Post Motor Inn	101 Church Street	Motel
Soldiers Motel	35 Perry Street	Motel
Cudgegong Valley Motel	212 Market Street	Motel
Ningana Motel	76 Mortimer Street	Motel
Wanderlight Motel Inn	107 Market Street	Motel
Horatio Motel and Suites	15 Horatio St	Motel
Cobb and Co Court Boutique Hotel	97 Market St	Hotel
Perry Street Hotel	40 Perry St	Hotel
Federal Hotel	34 Inglis St	Pub
Court House Hotel	111 Market Street	Pub

² <https://app.remplan.com.au/midwestern/economy/tourism/employment>

³ Draft Our Plan 2040 – Mid-Western Regional Local Strategic Planning Statement, March 2020

Name	Address	Type
Oriental Hotel	6 Lewis St	Pub
Paragon Hotel	38 Perry St	Pub
Lawson Park Hotel	1 Church St	Pub
Woolpack Hotel	67 Market St	Pub
Mudgee Valley Park	2-8 Bell Street	Caravan Park
Big 4 Mudgee Holiday Park	71 Lions Drive	Caravan park

Demand

The Mudgee region is host a number of significant events, drawing attendees from across the Central West, regional NSW, Newcastle and Sydney, and interstate. Attendees from outside of the Mudgee region will usually seek to stay in proximity to the event, thus driving demand for visitor accommodation in the area. Significant events in the Mudgee region include event such as:

- » The Annual Charity Shield match, between National Rugby League (NRL) teams Dragons and Rabbitohs – held at Glen Willow Regional Sports Stadium.
- » Flavours of Mudgee
- » The MudgeeQue – Winter BBQ festival featuring Craft Beer, Local Wine, Local Distilleries and Local Entertainment.
- » The Henry Lawson Heritage Festival
- » Mudgee Readers' Festival
- » Mudgee Running Festival
- » The Mudgee Food and Wine Festival
- » The Mudgee Craft Beer and Cider Festival
- » The Grapest 5K Run – Fun Run

The commitment of both Council and the State Government to development the next stages of the Glen Willow Sporting Complex will position the region to attract more sporting events with increasing regularity.

The proposed development is for large scale tourist/visitor accommodation significantly increases the capacity of the region to accommodate attendees of such events. Moreover, the resort-style development offers an alternative to the current accommodation options; also encouraging longer-term stays to explore the Mudgee region post or prior to events (Refer Section 3 LSPS).

Part 1 - Objectives and intended outcomes

The primary purpose of this PP is to amend the MWLEP to enable the development of the site for the purposes of tourist and visitor accommodation.

The intended outcomes are to:

- » Enable the lodgement of a development application on the site.
- » Facilitate the investment in tourism infrastructure to support the growth of the industry in the region consistent with the LSPS.
- » Provide a site which has an area that is sufficient to accommodate large scale tourist accommodation in a rural setting without impacting on adjoining and adjacent land uses.
- » enable the continuation of the horticultural and viticulture uses on the site as part of the integration of agriculture and tourism.

Part 2 - Explanation of provisions

The proposal seeks to achieve the intended outcomes outlined in Part 1 of this report by proposing amendments to the MWLEP as follows:

Include into Schedule 1 Additional permissible uses the following:

5 Use of certain land at 157-159 Craigmoor Road, Eurunderee

(1) This clause applies to land at 157-159 Craigmoor Road, Eurunderee, being Lot 1 DP 591181 and Lot 2 DP 594499.

(2) Development for the purposes of hotel or motel accommodation is permitted with development consent.

Part 3 - Justification

Part 3 of the PP provides the justification of the proposal within the relevant strategic planning context. In accordance with the guidelines the level of justification is to be proportionate to the impact of the proposal and the stage of the of the LEP amendment process. At this initial stage the issues relevant to the proposal must be identified to provide sufficient confidence to DPIE the amendment has merit.

Section A – Need for the planning proposal

Q1. Is the planning proposal a result of any strategic study or report?

Yes. The PP will deliver additional land for rural lifestyle development as anticipated under the Mid-Western Regional Comprehensive Land Use Strategy (CLUS) and support the planning priorities in the Local Strategy Planning Statement.

Local Strategic Planning Statement

The Mid-Western Regional Local Strategic Planning Statement (LSPS) sets out the 20-year vision for land use planning in the Mid-Western Regional Council local government area (LGA). Section three of the LSPS outlines the following land use vision:

'To provide for sustainable growth and development, having regard to the Region's unique heritage, environment and rural character, and to support agricultural enterprises and the Region's economic base.'

Section 2.4 of the LSPS provides an overview of the opportunities in the region and include the following paragraph (emphasis added):

*Tourism related businesses are expected to expand, with a **consistently growing tourism sector**. The reputation of the Mid-Western Region as a food and wine destination is well established and continues to grow. Increased brand recognition is expected to continue with both cellar door expansions and new product development. Increased visitation due to major events is also expected, with a strategic focus on Sports Tourism in the Region including partnerships with national rugby league, rugby union and soccer organisations. Further expansion of cultural facilities will enhance the overall visitor experience. As the grey nomad market expands, RV friendly towns in the Mid-Western Region will ensure increased visitation and length of stay. **Increased tourism numbers support future investment in accommodation, retail and hospitality businesses.**⁴*

The LSPS states that *Council will support initiatives which encourage increased visitation and length of stay.*

Further, the LSPS develops 12 planning priorities, categorised under 5 key themes:

1. Looking After Our Community
2. Protecting our Natural Environment
3. Building a Strong Local Economy
4. Connecting our Region
5. Good Government

Under objective three, Building a Strong Local Economy; is planning priority seven:

Support the attraction and retention of a diverse range of businesses and industries

⁴ Draft Our Plan 2040 – Mid-Western Regional Local Strategic Planning Statement, March 2020.

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Planning principle seven continues to list actions required by Council in supporting the objective. Here, the principle states Council will:

- » *Undertake a land use survey of existing tourism development and visitor accommodation, identify gaps in the market, and ensure that **current zoning permissibility and land supply allows for future expansion.***⁵

The PP supports the delivery of the Draft LSPS.

Comprehensive Land Use Strategy: Part C – Strategy

Council adopted the Comprehensive Land Use Strategy in August 2010. As part of the strategy the context of the LGA, vision for the future and objectives to achieve the vision by 2031 have been identified. These include the following:

- » Context
 - > Tourism is a significant and growing component of the local economy, focused around food and wine from an established viticulture industry, historic sites and the natural beauty of the area.
 - > Tourism is also a major industry that is valued at over \$60 million annually that thrives off the natural features, agriculture, viticulture and the close proximity of Mid-Western Regional Council to Sydney.
- » The Mid-Western Region's Vision 2031
 - > To provide for sustainable growth and development, having regard to the regions unique heritage, environment and rural character, and to support agricultural enterprises and the regions diverse economic base.

Tourism has been identified as a major contributing factor to the economic prosperity of the of the LGA and has been identified within the Economic Prosperity objective as follows:

1.4.1 economic prosperity

- » *Promote the appropriate location and scale of tourism development*
- » *promote the variety of diverse tourism uses in the local government area, by particularly encouraging the establishment of food and wine based local tourism*
- » *recognise and promote tourism as a key contributor to retail and commercial prosperity*⁶

Furthermore, Tourism has been identified as playing a key factor in the success of Council's Rural landscape. The guiding principles for rural lands, and in particular Mudgee, is stated within the strategy as

2.1 Rural land

The importance of primary production as an industry and economic driver is demonstrated by the estimated value of agriculture to be \$54 million in the former Mudgee local government area alone.

The Mudgee Shire Rural Strategy (2003) identified a set of principles under which development should take place within the rural lands. These have been used as the basis for a set of development principles upon which to build a Strategy for the rural lands, as follows:

- » *Recognise tourism as an important component of the Mid-Western Regional Council local government area*
- » *Promote rural enterprises and diversity of tourism developments, compatible with those uses particularly in relation to the viticulture industry.*⁷

The importance of Mudgee as a tourist hub is further reiterated within the strategy by identifying Mudgee as a locality suitable for 'Large scale tourism development' within the strategy. However, the Rural landscape is also identified as playing a large role in the delivery of tourism within the LGA as part 4 of the Plan identifies.

⁵ Ibid.

⁶ Mid-Western Regional Comprehensive Land Use Strategy, 2010, Part C.

⁷ Ibid.

3.2.5 Large scale tourism development

- » Mudgee is the primary destination for tourists visiting the local government area;
- » It is envisaged that the tourism industry is likely to expand. This will include small scale or low-key tourism development, such as rural retreats, holiday cabins and bed and breakfast-style accommodation, as well as large scale developments, such as integrated resorts and motels.

The CLUS provides clear and direct support for additional large scale tourist and visitor accommodation to support the growth of the tourism industry in the region. There are limited opportunities for development of this scale and no sites identified in the strategy for this purpose. The CLUS anticipated the need to site specific identification, investigation and subsequent rezoning for this particular land use.

The proposal does not seek to rezone the site, rather, include an additional permissible use. This approach is consistent with the CLUS.

Towards 2030 Community Plan

The Mid-Western Region Towards 2030 Community Plan (CP) sets out the community's vision for the future; to drive a sustainable community that reconciles the economic, social, environmental and civic leadership priorities for the region. The CP identifies tourism as one of 6 major industries in the Mid-Western Region.

Key strategies include:

- » *Provide leadership on economic development initiatives and identify resources and infrastructure required to drive investment and economic growth in the region.*
- » *Develop tools that simplify development processes and encourage high quality commercial and residential development.*
- » *Support projects that create new jobs in the region and help to build a diverse and multi-skilled workforce.⁸*

Economic Development Strategy

Council has an Economic Development Strategy (undated although the text suggests 2010-2020) that outlines a vision and direction for "the next ten years". In considering the relevance of the Economic Development Strategy to the proposal, it will be necessary to understand from Council the target date. In any case, the Strategy recognises tourism and business development as key principles influencing economic development in the region.

Key strategies include:

- » Business Development:
 - > Expand existing businesses or attract new businesses that complement key local industries (agriculture, mining, retail, services, tourism, wine) with a focus on growth areas that will account for jobs growth and industry prosperity
- » Tourism Development:
 - > Maintain quality infrastructure and amenities which support tourism offerings (such as accommodation, signage and tourist trails)

Long term activities undertaken by Council outlined in the EDS under tourism development include:

- » Developing a suitable program to increase accommodation availability during peak periods
- » Evaluating opportunities for tourism diversification which will develop new markets for the region⁹

⁸ Mid-Western Region Towards 2030 Community Plan (2013).

⁹ Mid-Western Region Economic Development Strategy – A 10 Year Plan

Q2. Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

Yes. A planning proposal seeking to amend MWLEP is considered the best means of achieving the objectives and intended outcomes set out in Part 1 of this PP and the most effective way of providing certainty for Council, the local community and the landowner.

Section B – Relationships to Strategic planning framework

Q3. Is the planning proposal consistent with the objectives and actions of the applicable regional or sub-regional strategy?

Yes. The proposal is consistent with the Central West and Orana Regional Plan 2036.

Central West and Orana Regional Plan 2036

The Central West and Orana Regional Plan was developed by the NSW Government to provide overarching goals for the region's development, for the next 20 years. The plan has been developed to guide land use planning decisions in the region to achieve the 4 goals at the centre of the plan. The 4 goals are as follows:

- » Goal 1: The most diverse regional economy in NSW
- » Goal 2: A stronger, healthier environment and diverse heritage
- » Goal 3: Quality freight, transport and infrastructure networks
- » Goal 4: Dynamic, vibrant and healthy communities

The plan also outlines the specific priorities of Mid-Western Regional Council. These priorities are:

- » Support appropriately located and serviced land for residential development.
- » Support the mining and resources sector and associated businesses.
- » **Leverage opportunities from the Local Government Area's location and rural character to support the established food and tourism market.**
- » Protect agricultural land from encroachment from residential development.
- » Support the provision and continued development of major regional sports, recreation and cultural facilities

This PP specifically endorses Direction 4: Promote and diversify regional tourism markets, under Goal 1: The most diverse regional economy in NSW. The particular action that the PP supports is *4.4 Enable opportunities appropriate for tourism development and associated land uses in local environmental plans.*

Q4. Will the planning proposal give effect to a council’s endorsed local strategic planning statement, or another endorsed local strategy or strategic plan?

As noted above, the PP will give effect to the CLUS and LSPS.

Q5. Is the planning proposal consistent with applicable State Environmental Planning Policies?

Yes. The Planning Proposal is consistent with the relevant State Environmental Planning Policies as follows:

Table 4 Applicable State Environmental Planning Policies

SEPP	Assessment
SEPP (Exempt and Complying Development Codes) 2008	
This Policy aims to provide streamlined assessment processes for development that complies with specified development standards.	Consistent
SEPP (Primary Production and Rural Development) 2019	
The aims of this Policy are as follows— (a) to facilitate the orderly economic use and development of lands for primary production, (b) to reduce land use conflict and sterilisation of rural land by balancing primary production, residential development and the protection of native vegetation, biodiversity and water resources, (c) to identify State significant agricultural land for the purpose of ensuring the ongoing viability of agriculture on that land, having regard to social, economic and environmental considerations, (d) to simplify the regulatory process for smaller-scale low risk artificial waterbodies, and routine maintenance of artificial water supply or drainage, in irrigation areas and districts, and for routine and emergency work in irrigation areas and districts, (e) to encourage sustainable agriculture, including sustainable aquaculture, (f) to require consideration of the effects of all proposed development in the State on oyster aquaculture, (g) to identify aquaculture that is to be treated as designated development using a well-defined and concise development assessment regime based on environment risks associated with site and operational factors.	Consistent The proposal does not seek to alter the underlying rural zone and the site will continue to operate as a vineyard and horticulture operation. The accommodation component is considered to be complimentary to the existing use.
SEPP (Koala Habitat Protection) 2019	
This Policy aims to encourage the conservation and management of areas of natural vegetation that provide habitat for koalas to support a permanent free-living population over their present range and reverse the current trend of koala population decline.	Consistent. The site is largely devoid of trees and unlikely to support a koala population.
SEPP 55 Remediation of Land	

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SEPP	Assessment
<p>(1) The object of this Policy is to provide for a Statewide planning approach to the remediation of contaminated land.</p> <p>(2) In particular, this Policy aims to promote the remediation of contaminated land for the purpose of reducing the risk of harm to human health or any other aspect of the environment—</p> <p>(a) by specifying when consent is required, and when it is not required, for a remediation work, and</p> <p>(b) by specifying certain considerations that are relevant in rezoning land and in determining development applications in general and development applications for consent to carry out a remediation work in particular, and</p> <p>(c) by requiring that a remediation work meet certain standards and notification requirements.</p>	<p>Consistent – refer below.</p>

SEPP 55 Remediation of Land

In terms of a SEPP 55 evaluation pre-Gateway the following comments are made having regard to the Guidelines:

the subject site or land in the vicinity is, or may be, associated with activities listed in Table 1 but it is not known whether contamination exists.

The subject site and land in the vicinity are associated with agricultural activities which is listed in Table 1 of the SEPP 55 Guidelines. Discussions with the owners revealed that the agricultural activities predominantly involve grazing and horticulture, activities that will continue to exist on the site.

the land was, or is, regulated by the EPA or other regulatory authority in relation to land contamination, and there is insufficient information available about the nature and extent of contamination.

To our knowledge, the subject site has not in the past or currently been regulated by the EPA or other regulatory authority in relation to contamination.

the land has been investigated or remediated but there is insufficient information available about the nature and extent of contamination, or the circumstances have changed

To our knowledge, the site has not previously been the subject of an investigation or remediation for contamination.

there are restrictions on, or conditions attached to, the use of the site by regulatory or planning authorities that are, or may be, related to contamination, but there is insufficient information available about the nature and extent of contamination

There are no known restrictions or conditions attached to the use of the site by regulatory authorities relating to contamination.

council records have demonstrated that the land is associated with complaints about pollution or illegal dumping of wastes but it is not known whether contamination exists

There is no evidence to suggest that the land is associated with complaints about pollution of illegal dumping of wastes.

a use such as residential, educational, recreational, hospital or childcare is proposed on the land and records on the site history are unclear about whether the land has been used in the past for a purpose listed in Table 1.

Not applicable.

Given the previous and current use of the site the likelihood of contamination indicating the land is not suitable for the proposed concept is minimal. Any localised surface soil contamination will require remediation as part of a

future site specific development application and should remediation be required, it is anticipated that this can occur at that stage. The Planning Proposal is consistent with SEPP 55.

Q6. Is the planning proposal consistent with applicable Ministerial Directions?

The Ministerial Directions under section 9.1 of the EP&A Act requires planning proposals to be consistent with the terms of the relevant direction. The relevant directions are considered below.

Table 5 9.1 Directions

Directions	Aim of Direction	Consistency and Implications
1 – Employment and Resources		
1.1 Business and Industrial Zones	Encourage employment growth in suitable locations, protect employment land in business and industrial zones, and support the viability of identified strategic centres.	Planning Proposal not affected by this direction.
1.2 Rural Zones	The objective of this direction is to protect the agricultural production value of rural land.	Consistent This proposal does not seek to rezone the land, rather include an additional permissible use on the site. The existing agricultural uses will be able to coexist with an accommodation use.
1.3 Mining, Petroleum Production and Extractive Industries	The objective of this direction is to ensure that the future extraction of State or regionally significant reserves coal, other minerals, petroleum and extractive materials is not compromised by inappropriate development.	Consistent
1.5 Rural Lands	The objective of this direction is to protect the agricultural production value of rural land and facilitate the economic development of rural lands for rural related purposes.	Consistent The land is not class 1-3, therefore not considered to be prime agricultural land and it will remain available for grazing. Further, the area to be impacted is insignificant in the context of the total land area available for agriculture in the LGA. The Planning Proposal is considered to be consistent with the intent of this direction. Any perceived inconsistencies with this direction are considered to be of minor significance.
2 – Environment and Heritage		
<i>No directions in this section apply to this Planning Proposal.</i>		
3 – Housing, Infrastructure and Urban Development		
3.3 Home Occupations	The objective of this direction is to encourage the carrying out of low impact small businesses in dwelling houses.	Consistent The home occupations are permitted without consent in the proposed zone under the MWLEP. The Planning Proposal is consistent with this direction.
5 – Regional Planning		
<i>No directions in this section apply to this Planning Proposal.</i>		
6 – Local Plan Making		
<i>No directions in this section apply to this Planning Proposal.</i>		
7 – Metropolitan Planning		
<i>No directions in this section apply to this Planning Proposal.</i>		

Q7. Is there any likelihood that critical habitat or threatened species, populations or ecological communities or their habitats will be adversely affected as a result of the proposal?

No. The site is not identified as an area of significant biodiversity. Previously and use activity have resulted in the removal of native vegetation. It is unlikely that there will be any adverse impact on habitat. The additional permissible use will enable the submission of a development application. Any specific biodiversity matter can be addressed at that stage.

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Q8. Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?

No. As the Planning Proposal is not proposing any change to zoning or land use, no other environmental effects are likely.

Q9. Has the planning proposal adequately addressed any social and economic effects?

Tourism is a key economic driver in the region. The proposal will support the growth of the industry (refer also Q3 and A4 above).

It is considered that it will lead to a number of benefits:

- » An increase in the tourist accommodation offering
- » Opportunity for employment during the development and construction should a development application be supported
- » Ongoing employment for staff in the tourism and hospitality industry

Q10. Is there adequate public infrastructure for the planning proposal?

The proposal will not directly impact public infrastructure; health, Public transport and education.

Q11. What are the views of state and Commonwealth public authorities consulted in accordance with the Gateway determination?

The views of State and Commonwealth Public Authorities will not be known until after the Gateway Determination. This section of the planning proposal is completed following consultation with those public authorities identified in the Gateway Determination.

Part 4 - Maps

No mapping amendments are proposed.

Part 5 - Community Consultation

2.3 Consultation for Planning Proposal

Division 3.4 of the EP&A Act requires the relevant planning authority to consult with the community in accordance with the Gateway determination. The gateway determination will specify the community consultation requirements that must be undertaken on the planning proposal. The gateway determination will:

- » outline the timeframe for exhibition
- » relevant state or Commonwealth authorities to be consulted
- » whether a public hearing is to be held into the matter by the IPC or other specified person or body.

It is expected that the planning proposal will be publicly exhibited for 28 days and that the public agencies aforementioned will be consulted.

Conclusion

The PP demonstrates the strategic merit of the proposal as summaries in the table below. Looking beyond 2020, Council will need to consider the long term impacts of climate change on industry across the LGA including the mining and agricultural sectors. Identification of the local specialisations and areas in which Mid-Western can leverage a strategic advantage and recognising the need to be agile in response to change will be essential if the local economy is to remain buoyant.

Mid-Western strategic policies have addressed the need for high-quality infrastructure to drive investment and economic growth in the region; each explicitly identifying the tourism sector as essential in achieving this objective. The proposed development diversifies the regions current tourism offerings and encourages increased visitation and length of stay. The subject site provides a ripe opportunity to create a base for tourism in the Mudgee region; driving economic growth of the regions tourism economy, and more generally economic growth of the region. Council should support the proposal and recommend that it proceed to Gateway.

Table 6 Summary Assessment Planning Proposal

Criteria	Assessment
Strategic merit test criteria	
Consistent with the relevant regional plan outside of the Greater Sydney Region, the relevant district plan within the Greater Sydney Region, or corridor/precinct plans applying to the site, including any draft regional, district or corridor/precinct plans released for public comment; or	Consistent. The PP is consistent with the Regional Plan

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Criteria	Assessment
Consistent with a relevant local strategy that has been endorsed by the Department; or	Consistent. The PP is consistent with the CLUS and CP and recent LSPS
Responding to a change in circumstances, such as the investment in new infrastructure or changing demographic trends that have not been recognized by existing planning controls.	Not applicable.
Site-specific merit test criteria	
The natural environment (including known significant environmental values, resources or hazards)	Consistent. The site is free of any significant vegetation having been continually cultivated and/or under vineyard. The rezoning will have limited impact on the natural environment.
The existing uses, approved uses and likely future uses of land in the vicinity of the land subject to a proposal	Consistent The site has sufficient area to accommodate the necessary land use and buffers to ensure that the development does not impact on the surrounding agricultural land use or potential capacity for future agricultural land uses
The services and infrastructure that are or will be available to meet the demands arising from the proposal and any proposed financial arrangements for infrastructure provision	Consistent. The proposal will deliver efficiencies in terms of the use of existing infrastructure and planned infrastructure

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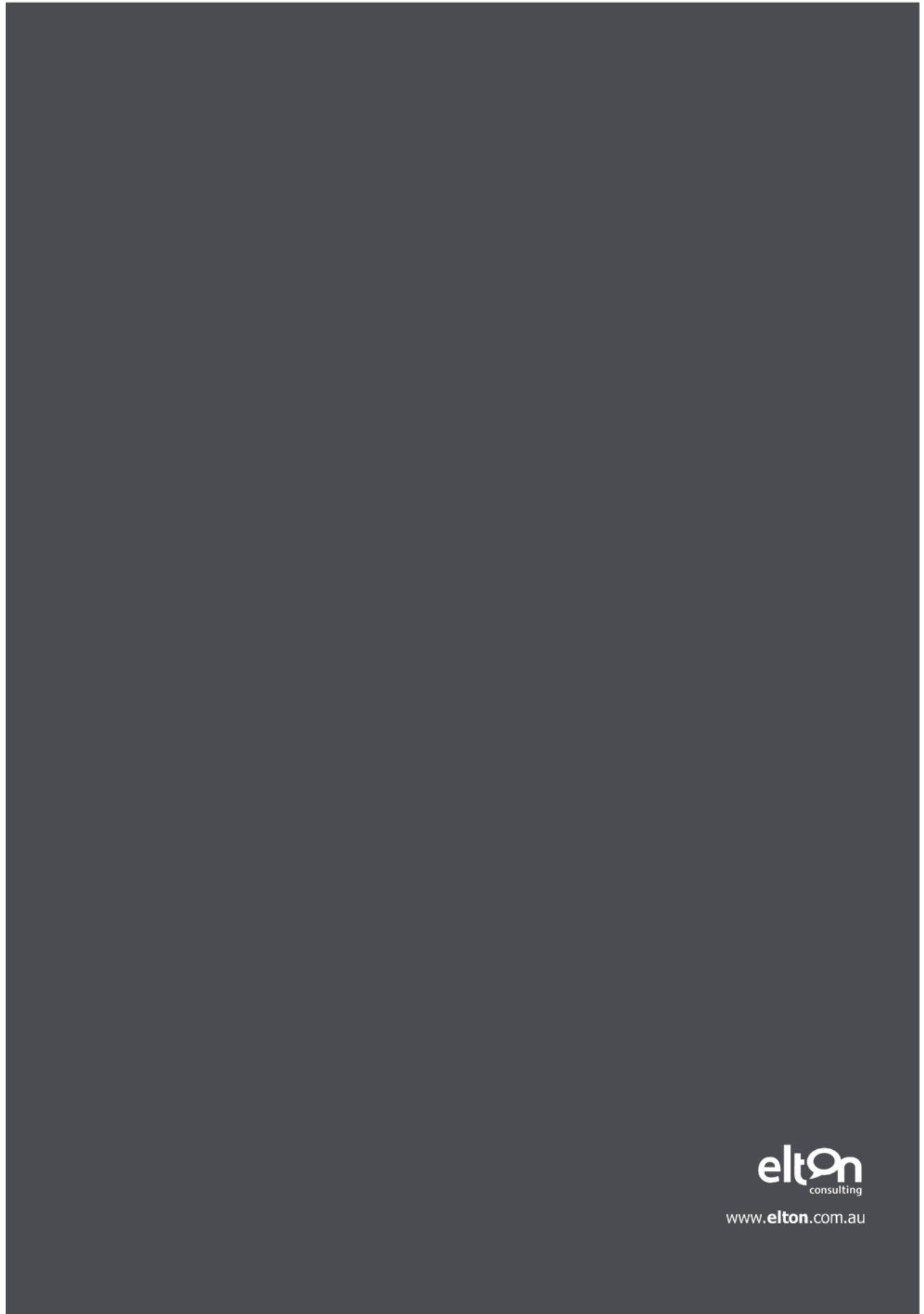
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MID-WESTERN REGIONAL COUNCIL

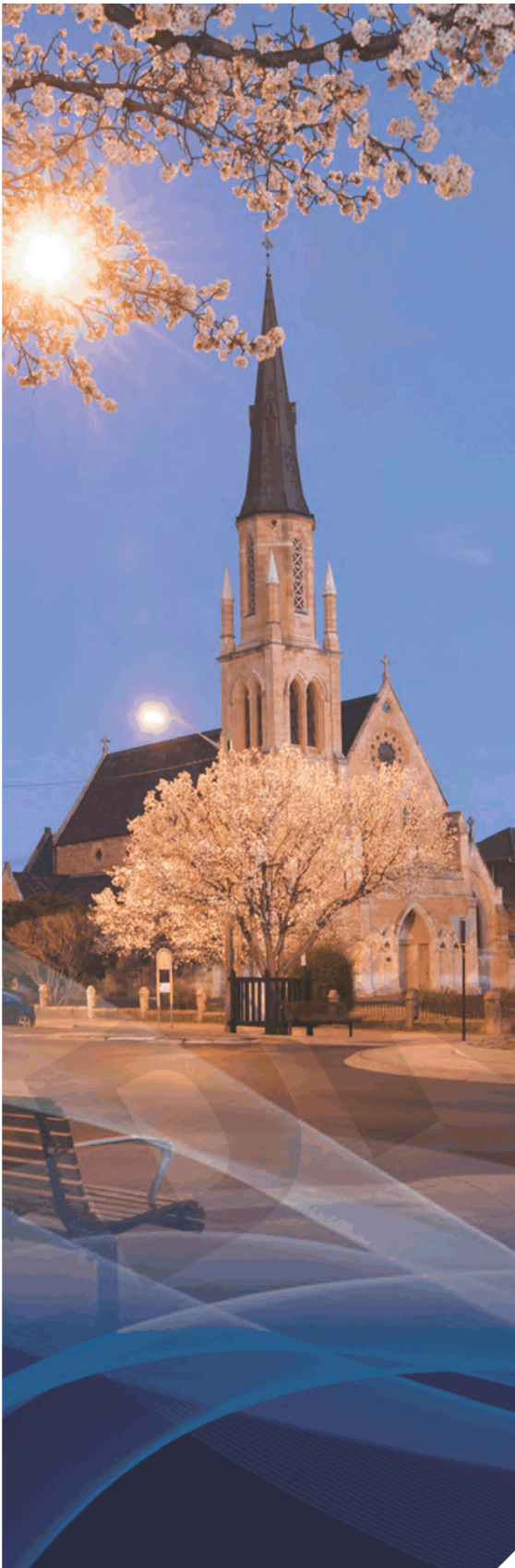


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MID-WESTERN REGIONAL COUNCIL

ADDRESS	86 Market Street, Mudgee NSW 2850
EMAIL	council@midwestern.nsw.gov.au
TELEPHONE	02 6378 2850
FAX	02 6378 2815
MAYOR	Cr Des Kennedy
GENERAL MANAGER	Brad Cam

MESSAGE FROM THE MAYOR

I am delighted to present Mid-Western Regional Council's 2019/20 Annual Report. This document captures what Council has achieved in the last 12 months through the goals set in our Towards 2030 Community Plan.

As you'll read, Council has achieved a great deal despite our community facing major challenges this financial year from drought, to bushfire and COVID-19. We are a resilient community though and have forged on with some of the highlights including:

Looking After Our Community

A number of major projects are well underway including the long-awaited Mudgee Regional Art Gallery and Cultural Precinct after Council secured \$5.3 million from the NSW and Australian Governments. I look forward to the opening of this modern purpose-built facility in June 2021. Glen Willow Stage 2 is full steam ahead after \$16.95 million in grant funding was delivered from the state and federal governments. In support of our community through COVID-19, Council also partnered with local GPs to establish a dedicated testing clinic at the Mudgee Showground and provided rate relief options.

Protecting Our Natural Environment

In response to major storm events that led to a Boil Water Alert in November 2019, Council installed new technology to help prevent future incidents of this kind. Meanwhile a new town water disinfection system was installed and the Charbon residential area was connected to Council's reticulated sewer network.

Building a Strong Local Economy

Prior to the outbreak of the pandemic, Council hosted some of its most successful events ever with Flavours of Mudgee 2019 attracting a record crowd and generating \$2.2 million in its eighth annual year, and the third annual Charity Shield at Glen Willow brought \$1.78 million to the local economy. In response to COVID-19, Council launched a dedicated website for the promotion and support of local business. The Local Business Booster Policy was also adopted, providing \$213,000 in financial assistance to

those local businesses that were financially impacted by COVID-19.

Connecting Our Region

The first section of a three-year project to upgrade 10km of Wollar Road through the Munghorn Gap National Park was completed and the remaining 17km of Wollar Road was sealed creating a completely sealed link from our region to the Hunter Valley via the Bylong Valley Way.

Good Government

Council undertook the first of its quarterly audits with great success in the areas of Procurement Framework, Contract Management, Work Health and Safety and Asset Management departments.

Council continues to work collaboratively with other organisations, including NSW Health and I was proud to be involved along with various other individuals and community groups in the development of the new \$70 million Mudgee Hospital which is now officially open.

I look forward to working with the community, Council staff and my fellow Councillors to achieve the best outcomes possible for our community into the future.



DES KENNEDY
MAYOR



MESSAGE FROM THE GENERAL MANAGER

Mid-Western Regional Council's 2019/20 Annual Report highlights the organisation's key deliverables and achievements for the financial year.

The region has faced considerable challenges this financial year beginning with ongoing drought followed by the Black Summer Bushfires that saw three major fire fronts cross into our Local Government Area and burn approximately 173,000 hectares. Sadly, a number of properties were destroyed as a result of these fires with hundreds more impacted. I'd like to commend our staff, many of whom cancelled their annual leave to work on the fire front assisting the RFS to build containments, protect property and man 24-hour road closures. Recognising the significant impact of these bushfires on the Olinda and Running Stream communities, Council appointed a Bushfire Liaison Officer to act as a conduit between affected residents and government agencies to ensure financial support was provided in a timely manner.

Sadly this natural disaster was immediately followed by the COVID-19 pandemic that has significantly impacted many residents and businesses within our region. Council has worked hard to support residents and businesses through this difficult period, offering payment extensions on two rates notices as well as a waiver of interest that would normally accrue on outstanding payments up to September.

A strategy was rolled out to support our business community that included the launch of a website allowing operators to market their services and connect with suppliers and customers, as well as providing a number of free online courses and webinars to adapt, upskill and diversify their offerings.

Council has again been hugely successful in attracting grants for our major projects and I am delighted to see construction underway for the Mudgee Regional Art Gallery and Stage 2 of the Glen Willow Regional Sporting Complex.

We've delivered on a number of key projects identified as high priority during community engagement activities including the new Rylstone Footbridge, providing safe access for pedestrians and cyclists over the Cudgegong River, and an Adventure Playground in Gulgong, for small children and families to enjoy.


Our teams continue to work on facility and service improvements including the rollout of Smart Water Meter technology and the installation of turbidity monitors in our town water catchments.

Roads remain a key priority for Council and ongoing improvements continue to be made to our 2,448km network including major upgrades to Wollar and Hill End roads.

Council is forging ahead with its strong financial position and achieved a \$5.3 million operating surplus in the 2019/20 financial year. This is achieved through prudent financial management and thoughtful investment with a view to achieving long term financial stability.

Local Government Elections that were due to be held in September this year have been postponed by the NSW Government to September 2021 due to COVID-19. The current nine Councillors will continue to serve a further 12 months.

I thank Council staff and volunteers for their ongoing commitment and dedication to deliver the best possible outcomes and service for our community.



BRAD CAM
GENERAL MANAGER



YOUR COUNCIL

Mid-Western Regional Council is represented by nine Councillors including a Mayor elected every two years from within.

Councillors are elected to a four year term, with the most recent elections occurring in September 2016. That election saw 34 candidates nominated to serve the Mid-Western Region, with Councillors Paul Cavalier, Des Kennedy, Esme Martens, Peter Shelley, Percy Thompson, Alex Karavas, Sam Paine, Russell Holden and John O'Neill elected.

The impact of the COVID-19 pandemic has resulted in the 2020 Local Council elections being postponed to 4 September 2021, which will see this current term of Council proceeding for a five year term.

Council elected Clr Kennedy as Mayor, and Clr Paine as Deputy Mayor for the period September 2020 through to September 2021.



Councillor
Des Kennedy
MAYOR



Councillor
Sam Paine
DEPUTY MAYOR



Councillor
Paul Cavalier



Councillor
Russell Holden



Councillor
Alex Karavas



Councillor
Esme Martens



Councillor
John O'Neill



Councillor
Peter Shelley



Councillor
Percy Thompson



CIVIC LEADERSHIP

THE ROLE OF COUNCIL

The role of the Councillors, as members of the body corporate are:

- to direct and control the affairs of the Council in accordance with the Local Government Act
- to provide effective civic leadership to the local community
- to ensure as far as possible the financial sustainability of the Council
- to ensure as far as possible that the Council acts in accordance with the principles set out in Chapter 3 of the Act and the plans, programs, strategies and policies of the Council
- to develop and endorse the Community Strategic Plan, delivery program and other strategic plans, programs, strategies and policies of Council
- to determine and adopt a rating and revenue policy and operational plans that support the optimal allocation of Council resources to implement the strategic plans (including the Community Strategic Plan) of Council and for the benefit of the local area
- to keep under review the performance of Council, including service delivery
- to make decisions necessary for the proper exercising of Council's regulatory functions
- to determine the process for appointment of the General Manager by Council and to monitor the General Manager's performance
- to determine the senior staff positions within the organisation structure of the Council
- to consult regularly with community organisations and key stakeholders and keep them informed of the Council's decisions and activities
- to be responsible for ensuring that the Council acts honestly, efficiently and appropriately, and
- the governing body is to consult with the General Manager in directing and controlling the Council

COUNCIL DECISIONS

Council is recognised as a single entity and Councillors only have the authority to make decisions as a group, when they are acting as Council, that is, in Council meetings.

Council meetings are held at the Chambers of the Mudgee Administration Centre on the third Wednesday of every month except for January (no meeting). Occasionally Council holds extraordinary meetings. These are Council meetings held outside the normal meeting cycle, most often to consider matters of an urgent nature.

Meetings are open to the public, and residents and businesses are actively encouraged to attend and participate in the decision-making process. Prior to the commencement of the formal Council meeting, Public Forum is held. This is an opportunity for members of the public to address Council on any issue of relevance to the Council.

Council also has advisory committees comprised of Councillors, members of the public and staff of the Council. These committees focus on specific narrow areas of expertise, and make recommendations for consideration by Council.

Council meetings are available to view live via webcast on the internet, giving the public access to Council decisions and debate without the need to attend meetings in a physical capacity. Archived videos from previous meetings are also available, as well as links to meeting schedules, agendas and minutes.

HAVING YOUR SAY

There are many ways for residents to have a say on the governing of the Mid-Western Region. Residents can:

- vote for Councillors every four years through the Local Government election for Mid-Western Regional Council
- arrange to speak at the Public Forum
- write to or telephone elected members of the Council
- get social and connect with Council on social media, including Facebook, Twitter and Instagram
- make a submission on Council's four year Delivery Plan including the one year Operational Plan when on exhibition each year
- participate in the review of the Community Strategic Plan every four years
- make submissions on items placed on public exhibition or notification, including major projects, development applications, strategic plans and policies

Mid-Western Regional Council is committed to engaging its residents, stakeholders and staff in the development of policies and plans and the delivery of services for the community. Council's Agency Information Guide will assist residents in having their say.

CODE OF CONDUCT

Councillors and staff are bound by a Code of Conduct, which sets the standards for ethical behaviour and decision making.

The Code states Councillor and staff roles and responsibilities and outlines steps to be followed when making and investigating allegations of breaches of the Code.

During 2019/20, there were six Code of Conduct complaints made against Councillors/staff. Code of Conduct matters are dealt with via the following means:

- referred to a Conduct reviewer
- referred to the various legislative authorities where required (Office of Local Government, Independent Commission Against Corruption)
- resolved in accordance with Council's Procedures for the Administration of the Code of Conduct

COUNCILLOR KEY STATISTICS

COUNCILLOR ATTENDANCE AT MEETINGS AND WORKSHOPS

11 Ordinary Council meetings and 4 Extraordinary meeting were held between 1 July 2019 and 30 June 2020.

Elected Member	Ordinary Meetings Attended		Extraordinary Meetings Attended	
	Number	%	Number	%
Cr Des Kennedy – Mayor	11/11	100%	4/4	100%
Cr Sam Paine – Deputy Mayor	11/11	100%	3/4	75%
Cr Paul Cavalier	9/11	82%	2/4	50%
Cr Russell Holden	9/11	82%	4/4	100%
Cr Alex Karavas	9/11	82%	3/4	75%
Cr Esme Martens	11/11	100%	4/4	100%
Cr John O’Neill	11/11	100%	3/4	75%
Cr Peter Shelley	10/11	91%	4/4	100%
Cr Percy Thompson	10/11	91%	4/4	100%

Delegating Decision Making

As provided for in the Local Government Act, the Council can delegate some of its decision making authority to the General Manager, allowing a more efficient operation in several areas such as enforcement of Council regulations and finalising or negotiating various matters within parameters set by Council.



ORGANISATION STRUCTURE



MID-WESTERN REGIONAL COUNCIL



MAYOR
Cr Des Kennedy



**GENERAL
MANAGER**
Brad Cam



**DIRECTOR
OPERATIONS**
Garry Hemsworth

- Roads and bridges
- Water and sewer
- Development engineering
- Stormwater
- Asset management
- Waste and recycling
- Weeds
- Facilities (saleyards, airport)
- Emergency management
- Environmental services
- Aboriginal consultation



**DIRECTOR
COMMUNITY**
Simon Jones

- Customer service
- Records
- Governance
- Rangers
- Libraries
- Community services
- Cultural development
- Recreation services
- Information technology
- Buildings
- Insurance



**DIRECTOR
DEVELOPMENT**
Julie Robertson

- Economic development
- Building control
- Town planning
- Strategic planning
- Public health
- Heritage
- Media and communications
- Events
- Grants



**EXECUTIVE
MANAGER HR**
Michele George

- Workforce planning
- Learning and development
- Culture and communications
- Employee relations
- Recruitment
- Workplace health and safety
- Injury management
- Risk management
- Internal audit



**CHIEF FINANCIAL
OFFICER**
Leonie Johnson

- Financial planning
- Financial services
- Treasury
- Asset accounting
- Payroll
- Rating and valuations
- Procurement and stores
- Property administration
- Workshop and fleet management

VISION AND VALUES

OUR VISION

A **prosperous** and **progressive** community
we **proudly** call home.

OUR VALUES

Respect



We respect ourselves, our team mates and our organisation as a whole.

When we talk or write to each other we show respect by being positive, polite and truthful; really listening; responding politely; and providing honest feedback.

We never tolerate bullying and discrimination in the workplace.

Integrity



We are all accountable for our own actions and also for assisting and supporting our fellow workers.

We seek solutions, we don't cast blame.

We work for the community and we are proud to show our care for the place in which we live.

We are committed to action – we do what we say we will do.

We are honest with each other in everything we say and do, and we are committed to open, two-way communication.

Recognition



We are committed to a healthy, safe and constructive working environment where everyone's well-being is our major focus.

We work together to develop employment policies and practices that are adaptable to individual circumstances.

We celebrate our achievements and recognise that everyone's contribution is essential to this Council's success.

In supporting each other and working together we create the right environment in which we all can achieve our very best.

We seek continuous improvement both individually and collectively.

We admit our mistakes and focus on getting better.

We strive to achieve our personal best and be industry leaders.

ABOUT THE MID-WESTERN REGION

Over 25,000 people call the Mid-Western Region home.

One of regional NSW's fastest growing areas, the region is the gateway to the Central West and Far West regions of the state. Just over three hours drive from Sydney and Newcastle, it is easily accessible and centrally located to other major regional centres.

Gulgong, Kandos, Mudgee and Rylstone townships are alive with visitors and families. The region has open spaces, parks and sporting facilities for activities and a large number of events held each year. Local markets celebrate culture by way of local produce and artisan creativity.

A key feature of the region's economy is its diversity. Business and investment is driven by five major industry sectors – agriculture, retail, construction, tourism and mining.

Each of these industries continues to provide job opportunities. The quality and diversity of the local labour force provides the region with a competitive edge.

Whilst the current labour force provides access to a wide range of skills and education levels, the future growth expected in the region will continue to increase the demand for new skills and qualifications.

Skilled workers such as engineers, builders, tradespeople, childcare and health professionals are likely to be in highest demand in the next three to five years.

Visitors to the region experience a real country community with heart, soul and spirit. Locals love the place they call home and are happy to share the surroundings with 655,000 visitors each year.



8,752km²	25,251	\$2.816bn	2,448km	10,095	2,599
Land Area	Population	Gross Regional Product	Roads Network	Jobs	Businesses



MAJOR Towns and Centres

Mudgee, Gulgong, Kandos, Rylstone



MAJOR Industries

Agriculture, Mining, Tourism, Retail, Construction



COMPETITIVE Advantages

- Diverse and growing economic base
- Centrally located to Sydney and Newcastle and major regional centres in NSW
- Regular coach and air services
- Skilled workforce
- Strong business services sector
- Great lifestyle benefits
- Thriving tourism, arts and cultural sectors
- Sustainable water supply



LOOKING AFTER
OUR COMMUNITY

KEY COMPLETED PROJECTS

Gulgong Adventure Playground

The purpose-built Gulgong Adventure Playground was completed in November 2019. Jointly funded by Council and the NSW Government through its Clubgrants Infrastructure Grants Program, the playground completes a recreational precinct in Gulgong within walking distance of the Gulgong Pool, Billy Dunn Oval and the Gulgong Skate Park. The playground design was selected following community consultation.

Public Art Program

Three new sculptures were installed in Lawson Park, Mudgee, bringing the public art collection to 17 installations. The installations are part of a partnership between Council and the annual Sculptures in the Garden event.

Playground upgrades

Council continues shade sail installation and upgrades to the region's 36 playgrounds, most recently with improvements to Rocket Park in Mudgee and Goolma Playground.

Local Strategic Planning Statement

Council developed and adopted the Mid-Western Regional Local Strategic Planning Statement (LSPS). The LSPS outlines the vision for land use planning in the Mid-Western Region and details Planning Priorities along with Land Use Actions to achieve the Planning Priorities. The Land Use Actions outline where Council will focus its strategic land use planning project work in the future.

Glen Willow Stage 2 funding and construction

One of two amenities buildings has been completed as part of Glen Willow Stage 2 construction which commenced after Council secured \$16.95 million in state and federal grant funding for the project. A second amenities building is under construction as well as six fields and internal roads. More than 4,000 additional games and training sessions can be played each year as a result of the expansion.

Respiratory Clinic partnership

Council partnered with local GPs to establish the Mudgee Respiratory and Fever Clinic at Mudgee Showground with funding provided by the Federal Government. In addition to being seen by a doctor, patients are tested for COVID-19. The clinic is intended to relieve pressure from local health services.

Bushfire Liaison Officer

In response to the Bushfire Emergency in the Mid-Western Region and the subsequent Recovery Operation, Council appointed a Bushfire Liaison Officer to be the central point of contact for those requiring assistance.

Defibrillators installed in sports grounds

Permanently based defibrillators were installed at the majority of sporting facilities. Council has defibrillators at 16 other sites throughout the region including its pools, libraries, administration buildings and works departments.

Gulgong Adventure Playground



Turbidity monitors installed

Advanced turbidity monitors have been installed in Mudgee, Gulgong and Rylstone catchments as a preventative measure to help avoid future Boil Water Alerts. The devices monitor changes in water quality, particularly additional sediment and run-off caused by storms, alerting treatment plant operators to cease collection until water quality improves.

Town Water disinfection system installed

Council commissioned a new town water disinfection system across the region in July 2019. The upgraded system will allow better control of the disinfection of drinking water and substantially reduce the possibility of pathogens in the water supply causing unsafe drinking water.

Smart Water Meter rollout continues

The two year rollout of Council's Smart Water Meter network continued throughout the region.

As part of the project, smart water meters were installed free of charge to all households connected to town water after Council secured \$1.2m through the Australian Government's Smart Cities and Suburbs Program. A customer portal is in development and will allow customers to manage their future usage by accessing real time data on the amount of water they are using daily.

Putta Bucca Wetlands extension

Putta Bucca Wetlands has been expanded, increasing habitat for more than 180 bird species. As part of a two year project, a nearby decommissioned sewerage treatment plant outlet pond was remediated with major earthworks, revegetated and incorporated into the wetlands reserve. The 2.5km walking track loop has also been extended, a new barbecue area constructed and educational signage installed around the reserve. Council secured \$89,250 through the NSW Government's Environmental Trust Restoration and Rehabilitation Grant Initiative for the jointly-funded project.

Charbon Sewer network complete

Council has expanded its reticulated sewer network to incorporate the Charbon residential area.

Historically, Charbon households have been connected to Onsite Sewer Management Systems (Septic Systems). The condition of these systems in Charbon was variable with a significant number not performing to health standards required in accordance with the Pollution of Environment Operations Act (POEO Act).

This infrastructure project was partially funded through the NSW Government's Safe and Secure Water Program.



Putta Bucca Wetlands Extension



**BUILDING A STRONG
LOCAL ECONOMY**

Flavours of Mudgee

Flavours of Mudgee recorded its largest ever crowd in September 2019 with 12,133 people attending the eighth annual event. Data captured on the night shows 45% of Flavours attendees were visitors to the region, injecting an estimated \$2.265 million into the local economy.

Festival of Snags

Mudgee secured the most votes in a national competition by online travel site Wotif to gift a regional town with a festival. With the support of Council, Wotif delivered the day-long Festival of Snags at Mudgee Showground in November 2019 attracting a crowd of more than 5,000.

Young Entrepreneurs Summit

Council successfully hosted the inaugural Central West Young Entrepreneurs Summit in July 2019 with the keynote address from entrepreneur and founder of Samantha Wills Jewellery, Samantha Wills. More than 121 Central West business owners heard from five successful Australian entrepreneurs on starting and growing their businesses.

Mudgee Region Business site launched

As part of its COVID-19 Business Recovery Strategy, Council developed and launched mudgeeregionbusiness.com.au. Local businesses can create a listing to increase their visibility through the site, network with other businesses, access business only events and find new customers and suppliers, completely free of charge. The site was delivered in partnership with Mudgee, Gulgong, Rylstone and Kandos Chambers of Commerce, as well as Mudgee Region Tourism and the Mudgee Wine Grape Growers Association.

Charity Shield

A crowd of 9,124 flocked to Glen Willow to see the South Sydney Rabbitohs defeat the St George Illawarra Dragons for the third annual Charity Shield. From post-event survey data, Council estimates approximately \$1.78 million was spent in the region over the February 2020 weekend, at restaurants and cafes, retailers and accommodation providers. Council will host the 2021 Charity Shield as part of a four year partnership with the clubs.

New Residents Guide published

Council published its 32 page introduction to the region for new residents. The New Residents Guide is a snapshot of the facilities and services Council provides to residents across the region. The guide has been distributed to real estate agents throughout the region to provide to prospective new residents interested in, or moving to the region.



Flavours of Mudgee 2019



Wollar Road Upgrade, Munghorn National Park

The first 1.6km of the 10km Wollar Road upgrade was completed through the Munghorn Gap National Park. The three year project includes road widening, pavement upgrades and further safety improvements to Wollar Road between Cooyal and Cumbo within the Munghorn Gap National Park. Council secured \$3.5 million for the project through the NSW Government's Restart for Regions and Saving Lives on Country Roads programs.

Wollar Road remaining 17km section sealed

Council sealed the remaining 17 kilometres of Wollar Road, creating a completely sealed link to the Hunter Valley via the Bylong Valley Way. Council secured \$14 million in grant funding from the NSW Government's Resources for Regions program whilst Council contributed \$1 million towards the project. The Wollar Road Upgrade commenced in 2016 and included 25 kilometres of works including widening Fitzpatrick Bridge and approaches at Wollar Village, sealing and widening 17 kilometres of previously unsealed roads, realigning the road through Currans Cutting away from the river and improving overall road safety, particularly in flood events.

Rylstone Footbridge

The new Rylstone Footbridge was completed, providing safe access for pedestrians and cyclists over the Cudgegong River, connecting East and West Rylstone. The footbridge ranked as the highest priority project among Rylstone, Kandos and Lue residents surveyed as part of Council Community Engagement in 2018. Council secured \$432,108 in grant funding for the project through Round Two of the NSW Government's Stronger Country Communities Fund.

Pitts Lane lighting installed

Three hundred metres of lighting was installed along Pitts Lane leading to Glen Willow. Fully funded by Council, the \$50,000 project is intended to improve pedestrian safety all year round as well as during major events at the stadium.

Goolma Road safety improvements \$350,000

Goolma Road received a series of upgrades near the township of Goolma including \$350,000 in safety improvements on behalf of the NSW Government. The improvements include a new safety barrier on the northern side of the road, widened road shoulders, new signs and the removal of trees on the northern side of the road to improve sight distances.



Wollar Road Upgrade



GOOD
GOVERNMENT

Audit, Risk and Improvement Committee

Council's Audit, Risk and Improvement Committee (ARIC) held its first meeting in May 2019. The committee endorsed a 12 month Internal Audit Plan and quarterly audits were undertaken in Procurement Framework, Contract Management, Work Health and Safety and Asset Management departments.

COVID-19 Rate Relief and Business Booster program

Council launched a raft of measures to assist individuals and businesses directly impacted by the COVID-19 pandemic. In May, Council launched its Business Booster Program with \$1000 offered to eligible businesses to provide immediate financial support to businesses that were struggling to meet their operating costs. Residents experiencing financial hardship due to the pandemic were offered a payment extension on their May and August rates.

Mudgee Valley Park

Council continues to pursue revenue growth through commercial property activities and purchased the Mudgee Valley Park, a caravan and camping park in Bell Street, Mudgee. This facility adds to a commercial property portfolio managed by Council.

Bushfire Rates Relief program

Council provided more than \$90,000 in rate relief to all property owners affected by the 2019/20 Black Summer Bushfires. This rate relief was an extension of the NSW Government initiative to provide rate relief to property, farm or business owners who had their property deemed damaged beyond repair by the Rural Fire Service (RFS) and/or Emergency Information Coordination Unit (EICU).

Sound financial sustainability management

It has been a challenging year for all businesses, and Council is no different, feeling the impact of bushfire response management, COVID-19 impacts, flood damage and ongoing infrastructure renewal burdens on its financial sustainability. Many Councils have struggled to meet their immediate payables and have not maintained sufficient cash reserves to be able to support their communities through these tough times. Council has continued to provide support, services and offer financial relief throughout the year, ensuring that it remains a conscientious entity by paying its employees and contractors on time, and adequately manages its cash reserves.

Council has also implemented an interim Local Preference Policy to stimulate the local economy by employing as many local businesses in the delivery of its services, as possible, throughout the pandemic.



AWARDS

Australian Army Certificate of Appreciation

Council was awarded a Certificate of Appreciation by the Australian Army for support rendered during the NSW Black Summer bushfire crisis and recovery.

The 5th Engineer Regiment Task Group presented the certificate to Mayor of Mid-Western Regional Council, Des Kennedy at the opening of the Rylstone Show in February 2019.

The certificate is in recognition of the *'outstanding support from Council personnel and management across the Mid-Western Region to all elements of the Task Group during Operation Bushfire Assist in February 2020.'*



Mayor Des Kennedy receiving Council's award from the 5th Engineer Regiment Task Group

COMMUNITY STRATEGIC PLAN

The Towards 2030 Community Plan sets out the community vision for the future - where we are, where we want to be, how we will get there and how we know that we are there.

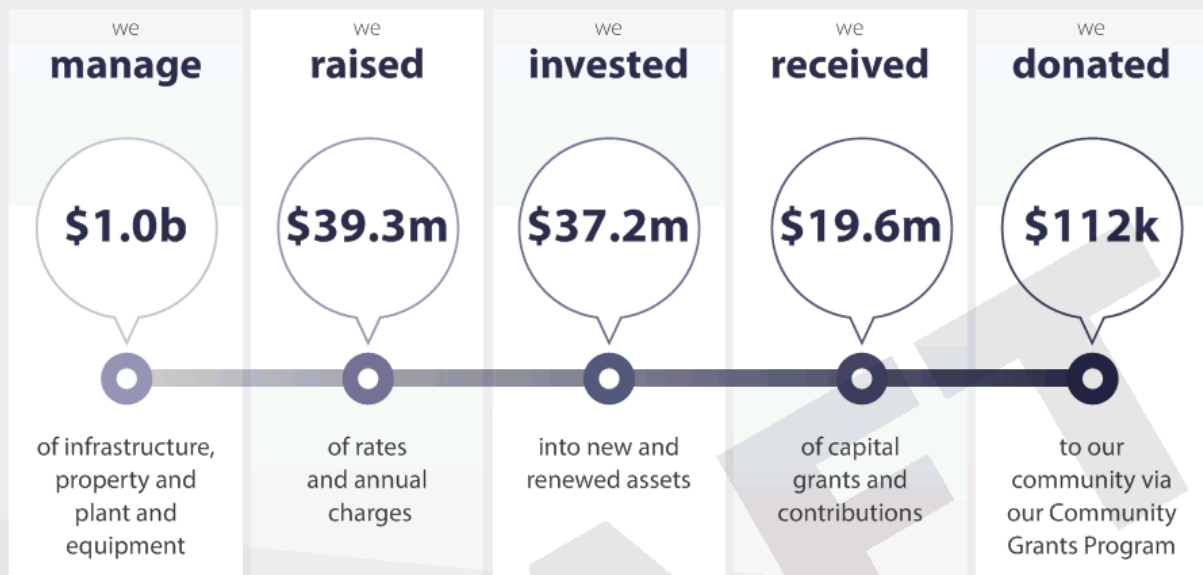
The plan represents an opportunity for Council and the community to strategically create and foster sustainable communities that reflect local values and aspirations. It allows the community to define and reconcile the economic, social, cultural and environmental priorities for the region.

The Towards 2030 Community Plan was developed following an extensive consultation process in which over 2,500 residents participated in varying forms. The key strategies and priorities identified are outlined here.






 <p>LOOKING AFTER OUR COMMUNITY</p>	<ul style="list-style-type: none"> 1.1 A safe and healthy community 1.2 Vibrant towns and villages 1.3 Effective and efficient delivery of infrastructure 1.4 Meet the diverse needs of the community and create a sense of belonging
 <p>PROTECTING OUR NATURAL ENVIRONMENT</p>	<ul style="list-style-type: none"> 2.1 Protect and enhance our natural environment 2.2 Provide total water cycle management 2.3 Live in a clean and environmentally sustainable way
 <p>BUILDING A STRONG LOCAL ECONOMY</p>	<ul style="list-style-type: none"> 3.1 A prosperous and diversified economy 3.2 An attractive business and economic environment 3.3 A range of rewarding and fulfilling career opportunities to attract and retain residents
 <p>CONNECTING OUR REGION</p>	<ul style="list-style-type: none"> 4.1 High quality road network that is safe and efficient 4.2 Efficient connection of the region to major towns and cities 4.3 An active travel network within the region
 <p>GOOD GOVERNMENT</p>	<ul style="list-style-type: none"> 5.1 Strong civic leadership 5.2 Good communications and engagement 5.3 An effective and efficient organisation



PROGRESS ON THE OPERATIONAL PLAN AND DELIVERY PROGRAM



Progress against delivery program targets

	No. of actions	100% complete	%
	66	65	98%
	42	39	93%
	20	20	100%
	22	22	100%
	66	61	92%
TOTAL PROGRESS	216	207	95%

A detailed review of the actions included in the Delivery Program for the 2019/20 year is provided on pages 21–52.

LOOKING AFTER OUR COMMUNITY



OUTCOME

Vibrant towns and villages with a rich history, a safe and healthy community, and a strong sense of community pride – a great place for families.

Goal 1.1

A safe and healthy community

Strategy 1.1.1

Maintain the provision of high quality, accessible community services that meet the needs of our community.

STRATEGY	ACTION	COMMENTS
Provide comprehensive community support programs and services that embrace social justice, access and equity	Provide Meals on Wheels service	Council continues to coordinate its Meals on Wheels service each Monday to Friday regardless of public holidays. A slight increase in meal requests and new clients this year was attributed to people wanting to remain self-isolating and avoiding highly populated areas due to COVID-19. Meals on Wheels NSW also worked with the service, providing free toilet paper and disinfectant to service clients to minimise the need to visit supermarkets. Volunteers provided approximately 14 hours per week service.
	Provide Community Transport service	Council continues to auspice the Mudgee Community Transport service which provides affordable transport options where public transport is not suitable. The service is funded largely through the Commonwealth Home Support Program and is largely intended to prevent premature institutionalisation of local residents. The service would not be possible without the assistance of a strong volunteer team, however outputs reduced from March 2020 as transport was restricted to essential services (medical and grocery shopping) only. A number of volunteers also temporarily stood down, as they were from a demographic deemed vulnerable to the COVID-19 pandemic. On average, the service provided approximately 137 volunteer hours per week across the year.
	Provide financial and in-kind support to MWRC Youth Council to deliver a range of youth oriented initiatives	Council provides a range of youth-orientated events and activities, including film screenings and school holiday activities. Council's Youth Services Officers make a dedicated effort to roll out those events and activities across a range of towns within the region to ensure access to and inclusion of geographically isolated youth. Youth Services programming also shifted to a largely online presence for the final quarter of the year as the community adapted to social distancing requirements associated with the COVID-19 pandemic.
	Provide Family Day Care service	Council's auspiced Family Day Care Scheme remains one of the preferred and most affordable childcare options for local families due to the flexibility of charged hours and the option for weekend and overnight care. Services auspiced by Council include Kandos, Gulgong, Mudgee and Wellington, with an ongoing campaign to recruit suitably qualified educators to open further services. The Scheme's educator numbers can fluctuate and changes to JobKeeper and Child Care Subsidy entitlements for families has made it a difficult period for recruitment.
Provide customer focused library and information services	Deliver high quality, modern library services at Mudgee, Kandos, Rylstone and Gulgong	Mid-Western Regional Council Library continues to provide residents with a comprehensive, current, visually inviting and accessible library service, enabling them to meet their information, recreation, education and cultural needs. The Library is administered through 4 library branches and a Mobile Library Service, and serviced through the provision of extensive print and online collections, which are freely available. The Library also runs a varied and interesting range of programs and events, designed to engage community interaction with the Library, and to encourage lifelong learning.



STRATEGY	ACTION	COMMENTS
Provide customer focused library and information services	Provide Mobile Library service	The Mobile Library continues to be an integral part of the Library's Outreach Service, visiting small schools, outlying communities and housebound customers in their own homes or care facilities. The Mobile Library travels across the region on a 3-week rotation, extending the Library's reach within the community, through the loan of physical items, and by promoting the use of the Library's online resources.
	Deliver children and youth library programs including pre-school Bookworms and school holiday reading program	The Library continues to encourage a lifelong love of books and reading through its 3 early literacy programs for small children (Born to Read, Toddler Tales and Bookworms), as well as hosting a wide range of children's craft and storytelling sessions during the school holidays. There is a continuous high demand for the Library's Children's Services and Programs, including the annual special events (Dad's Night In, Bookweek, National Simultaneous Storytime, The Reading Hour and the Summer Reading Program).
	Maintain an up to date library collection in accordance with Collection Policy	Mid-Western Regional Council Library continues to purchase items in line with the Collection Development Strategy. Items purchased include audio books, magazines, fiction and non-fiction for adults and children in both print and electronic formats, and DVDs.

Strategy 1.1.2

Work with key partners and the community to lobby for effective health services in our region.

STRATEGY	ACTION	COMMENTS
Explore funding opportunities for improved health services and work in partnership with Western Local Area Health Network to promote health projects	Lobby government and industry for funding including potential upgrade of Mudgee Hospital	Council representatives continue to participate in the working group for the redevelopment of Mudgee Hospital. The Mudgee Hospital was opened to the public on 27 May 2020, with demolition of the old hospital and car park still to be completed.
	Liaise with Western NSW Local Health District and work with local Medical Services Organisations through interagency meetings	Council works with the local health district through its interagency networks and also through the provision of Healthy Communities programming. Council has representation on the Mudgee Health Council and also works with local health clinics to ensure appropriate levels of medical staff are maintained through private rental arrangements (when appropriate) and also with the ongoing provision of flights to the region via Fly Pelican.
	Provide accommodation assistance for doctors in the region	Council sets aside funding to provide accommodation assistance in order to maintain acceptable levels of medical professionals across the region as and when needed. A need to utilise this funding for rental assistance was not identified this year.

LOOKING AFTER OUR COMMUNITY



Strategy 1.1.3 Support networks, programs and facilities which promote health and well-being and encourage healthy lifestyles.

STRATEGY	ACTION	COMMENTS
Provide financial assistance in accordance with Council's Community Grants Program Policy	Provide financial assistance for local and regional bodies in accordance with Community Grants Program Policy	Community grants totalling \$235,490 were approved in 2019/20. All planned reports to Council were completed. Council also provided an additional \$213,000 in grants under the Business Booster program to support local businesses with the impacts of COVID-19.
Promote and support programs aimed at increasing community health and wellbeing	Provide funding for Healthy Communities initiatives	Council funded a range of Healthy Communities programs across the region, including aqua fitness in Mudgee and Gulgong and low impact fitness classes in Rylstone. The COVID-19 pandemic saw the need to shorten the length of these programs, but one provider was able to adapt and, with the backing of a well considered risk assessment, offer classes to participants through an online platform.

Strategy 1.1.4 Work with key partners and the community to reduce crime, anti-social behaviour and improve community health and safety.

STRATEGY	ACTION	COMMENTS
Support and implement programs which aim to reduce anti-social behaviour	Maintain effective working relationship with NSW Police	Council continues to work closely with NSW Police on matters of community concern.
	Participate in the Liquor Accord as required	Council maintains contact with the Liquor Accord and provides advice and feedback when requested. Staff have attended meetings during the year to share information regarding Flavours of Mudgee, NRL Events and relevant Council activities.
	Maintain Alcohol Free Zones in town centres	There were no changes to the mapped Alcohol Free Zones in Town Centres during the year. The roll out of signage was completed for the new expiry date of 18 April 2023. The Mudgee AFZ was temporarily suspended for the 2019 Flavours of Mudgee event.
	Increase lighting and other safety initiatives in parks and gardens as per Capital Works Program 2019/20	New lighting has been installed along the Pitts Lane path at Glen Willow.
	Investigate options for CCTV cameras in town centres	The Community Safety Committee has not recommended proceeding with this project.



STRATEGY	ACTION	COMMENTS
Maintain clean and attractive streets and public spaces where people feel safe	Regular street cleaning and litter collection in town centres	Council's street sweeping and town litter cleaning programs are progressing as scheduled. Pressure washing of footpaths in Mudgee CBD was completed during the year.
Work effectively with State Agency partners to maintain and enhance public safety	Participate in review of Emergency Plan as required	The Local Emergency Management Committee meets quarterly. Plans are reviewed as required. An update is proposed for 2021 following the COVID-19 pandemic.
Effective public health regulation and continuing education	Work in partnership with the NSW Food Authority to address matters such as food premises inspections, safe food handling and food borne illness investigations	The 2019/20 food inspection program was suspended due to COVID-19. Council has maintained its regulatory function which involves handling and investigating complaints. The food inspection program will recommence in 2020/21 as normal or with a modified approach based on latest health orders depending on the COVID-19 situation.
	Continued support and promotion of Scores on Doors initiative	Council continues to support and promote the Scores on Doors initiative with fixed food premises, although this was suspended in Q3 along with the food inspection program due to the COVID-19 pandemic. Education and support information regarding the safe handling of food during COVID-19 was provided to local food businesses and the community.
	Onsite sewerage management registration and inspections	All new or amended On-Site Sewage Management (OSSM) systems are being assessed for compliance with Council's OSSM Plan and NSW Health guidelines. Existing systems are inspected on request from applicants and are generally aligned with the sale of a property. During 2019/20, 74 applications were approved for septic systems with subsequent inspections completed.
Effective animal control regulation	Utilise website to actively re-home animals	Council managed 483 dogs and 170 cats during the year. Council continues to maintain effective relationships with re-homing organisations across NSW.
	Encourage registration of dogs through Council media channels	Council continues to deal with a very high number of unregistered companion animals in the region. During the year Council engaged with 237 dogs and 133 cats that were not registered. Community compliance with companion animals registration is low despite ongoing education activities.
	Provide off leash dog areas	Council provides off leash dog areas in Mudgee, Gulgong and Rylstone. Continual improvements are made to these areas with an upgrade of the Mudgee facility due in 2020/21.

LOOKING AFTER OUR COMMUNITY



Goal 1.2

Vibrant towns and villages

Strategy 1.2.1

Respect and enhance the historic character of our region and heritage value of our towns and villages.

STRATEGY	ACTION	COMMENTS
Review of Development Control Plan	Conduct annual review of Development Control Plan	Council is continually reviewing the Development Control Plan and prioritising items to be considered as part of a house keeping amendment in Q1 2020/21.
Heritage advisory services and Heritage conservation	Access to heritage funding through Local Assistance Program	All projects were completed and funds allocated in accordance with the program. Acquittal lodged with the Heritage Office.
Support and assist preservation of important historical sites in the region	Maintain historical sites within the region, for example Red Hill Reserve	Historical sites within the region are being maintained to ensure their preservation and to enhance the heritage character of our towns and villages via the Capital Works program and maintenance works as required.
Maintain the 2017/19 Mid-Western Regional Heritage Strategy	Implement actions identified in the 2017/19 Heritage Strategy	Actions in the Heritage Strategy have been included in Council's Local Strategic Planning Statement (LSPS) which was adopted by Council in May 2020. Council has delivered on the actions in the 2017/19 strategy with the allocation of local heritage grants, engagement of heritage advisor and commencement of a project to update heritage listings in the LEP.

Strategy 1.2.2

Manage the impacts of mining operations in the region.

STRATEGY	ACTION	COMMENTS
Monitor employment and population growth	Provide updated population estimates based on building statistics and employment growth	Council continues to monitor relevant statistics and update documentation in conjunction with government agencies.
Meet regularly with mining companies	Hold quarterly meetings with mine managers	Quarterly meetings held with representatives of local mines.



Strategy 1.2.3 **Make available diverse, sustainable, adaptable and affordable housing options through effective land use planning.**

STRATEGY	ACTION	COMMENTS
Ongoing monitoring of land release and development	Review and release land for development as required	Council utilises a Land Use Monitoring tool to monitor building approvals, subdivision approvals, construction and subdivision certificates against Council's Urban Release Strategy.
Regular updating of the Comprehensive Land Use Strategy	Conduct annual review of Comprehensive Land Use Strategy	As part of the preparation of Council's Local Strategic Planning Statement, Council completed a 'health check' of the Mid-Western Regional Local Environmental Plan. The health check involved reviewing the consistency of the LEP and the Comprehensive Land Use Strategy with the Central West and Orana Regional Plan.
Promote affordable housing options within the region	Provide funding to lease emergency housing for women and children leaving family violence	Council worked in partnership with Barnardos and Housing Plus, who provided case management and property management respectively, to assist families escaping domestic violence situations. The predominant reasons for accessing support included financial difficulties, housing affordability stress, cessation of previous accommodation arrangements and relationship and family breakdowns.

Strategy 1.2.4 **Maintain and promote the aesthetic appeal of the towns and villages within the region.**

STRATEGY	ACTION	COMMENTS
Maintain and beautify civic open space and street access areas within towns and villages in the region	Implement program of street beautification and tree planting	Drought conditions required the program to be postponed until next financial year.
	Work in partnership with local groups to apply for grants to buy and install sculptures across the region	Installations of the latest three public art works have been finalised and installed within Lawson Park West and the pathway proposed to lead to the new art gallery.
Application of appropriate building and development controls to protect and enhance the natural and built environment in the region	Deliver planning functions and building regulation in accordance with relevant legislation and adopted planning instruments	Council continues to undertake planning and building regulatory functions. Monthly reports are provided to Council on the number of applications determined and processing.

LOOKING AFTER OUR COMMUNITY



Goal 1.3

Effective and efficient delivery of infrastructure

Strategy 1.3.1

Provide infrastructure and services to cater for the current and future needs of our community.

STRATEGY	ACTION	COMMENTS
Review asset management plans and underpin with financial strategy	Review, update and develop asset management plans for each major category of infrastructure in accordance with AMP review schedule	Asset Management Plans are up to date.
Manage and maintain sportsgrounds, parks, reserves and playgrounds across the region	Review and update Parks Management Plans	New management plans to be developed as a result of reforms to the Crown Land Management Act. A consultant has been engaged to develop new plans and undertake relevant consultation processes.
	Maintain and operate public open space in accordance with agreed service levels	Reactive and programmed works were completed throughout the year to ensure technical service levels were met. Council maintains appropriate inspection programs to ensure that real and perceived risks are adequately managed. Maintenance activities included garden beds maintenance, playgrounds/play spaces operations, open space tree maintenance, irrigation services and sports grounds maintenance/renovations.
	Passive parks and facilities upgrades as per Capital Works Program 2019/20	Passive parks were maintained throughout the year. A liberty swing was installed at Robertson Park Mudgee, Bellevue playground was replaced due to significant vandalism and major fencing improvements were made to Blackman playground Mudgee. The Adventure Playground Gulgong received security cameras and 2 new water drinking stations were installed in Lawson Park Mudgee. Safety improvements were made to Flirtation Hill Mudgee.
	Public toilet construction and refurbishment as per Capital Works Program 2019/20	Council has continued with the construction and improvements of public toilets within sports grounds, parks, reserves and playgrounds across the region.
	Playground installations and upgrades as per Capital Works Program 2019/20	Playgrounds were maintained throughout the year through Council's reactive and programmed maintenance program. A new liberty swing was installed at Robertson Park and the Bellevue playground was replaced due to significant vandalism.
	Active parks and facilities upgrades as per Capital Works Program 2019/20	Council continues to manage and maintain the region's sporting facilities. This includes maintaining playing surfaces in the best possible condition whilst achieving cost efficiency. Turf management annual maintenance plans were implemented. Fencing upgrades were completed for Waratah Park Kandos and Billy Dunn Oval Gulgong.
Manage and maintain cemeteries throughout the region	Maintain and operate town and rural cemeteries in accordance with adopted service levels and policy requirements	Funeral services and maintenance of the cemeteries continue throughout the year in accordance with service levels and policy requirements.



STRATEGY	ACTION	COMMENTS
Manage and maintain cemeteries throughout the region	GPS mapping of town cemeteries	Gulgong and Mudgee Lawn Cemetery extensions were completed. Maintenance activities were carried out throughout the financial year.
	Upgrades and extensions of cemeteries as per 2019/20 Capital Works Program	Gulgong and Mudgee lawn cemeteries have been extended to cater for future needs. Upgrade works completed during the year include additional memorial trees planted at Mudgee cemetery, new row markers installed in various sections at Mudgee cemetery and Rylstone cemetery information and niche wall signs updated.
Manage, plan and maintain buildings and other assets across the region	Building upgrades and refurbishments as per Capital Works Program 2019/20	Capital works have been completed in line with the Capital Works program and allocated budgets.
Maintain and operate swimming pool centres across the Region	Maintain and operate swimming pool facilities at Mudgee, Gulgong and Kandos in accordance with adopted service levels	All pools were maintained and operated within industry guidelines and compliance requirements to ensure the safety and enjoyment of patrons. NSW Department of Health inspected and passed the region's pools during the pool season which operated from September to mid-March (early closure occurred as a result of the COVID-19 pandemic).
	Undertake capital upgrades and renewals to swimming pool facilities as per Capital Works Program 2019/20	Projects completed include pool filter upgrades and new pool covers for Gulgong pool. A new shade structure was installed at the Mudgee pool diving boards.

Goal 1.4

Meet the diverse needs of the community and create a sense of belonging

Strategy 1.4.1

Support programs which strengthen the relationships between the range of community groups.

STRATEGY	ACTION	COMMENTS
Provide youth representation through the Youth Council	Provide secretarial support for Youth Council	Council's Youth Services Officers provide secretarial support and mentoring to the Mid-Western Regional Youth Council. Youth Councillors are educated on the processes of local government and provide a voice on youth opportunities across the region, including input into school holiday activities and other regular events facilitated for the region's youth.
	Provide funding for delivery of youth oriented initiatives	Funding for youth services ceased in January 2020 but Council was able to maintain a budget to continue its youth programming until the end of June 2020. Youth Services Officers coordinated a range of activities for youth and also facilitated the Mid-Western Regional Youth Council. In March 2020, Youth Services Officers delivered activities via online social media platforms in order to continue to engage with local youth throughout the COVID-19 pandemic. Council has secured a further two years of funding for its youth services programming through the Stronger Country Communities Fund.

LOOKING AFTER OUR COMMUNITY



STRATEGY	ACTION	COMMENTS
Provide meaningful employment to members of the disabled community	Maintain policies that support employment for people with disabilities at MWRC	Council continues its support for the employment of people with disabilities, including through the Ironed Out and Recycling facilities.
	Continued operations of Mudgee Recycling and Ironed Out	Both Ironed Out and Mudgee Recycling continue to provide high levels of employment and service to Council's supported workforce.
Work with lead agencies to ensure adequate provision of a range of services	Attend interagency meetings	Council regularly facilitates two interagency groups; one in Mudgee and one in Rylstone. Both meetings were combined and moved online during the COVID-19 pandemic as a broad range of organisations, including Council, discouraged face-to-face meetings. The interagency groups were still able to achieve goals of information sharing via the online platform.
Promote volunteering through the community	Run community services programs that encourage volunteering	Council auspices the Mudgee Meals on Wheels and Mudgee Community Transport services, which rely heavily on volunteer time. Volunteers provided roughly 150 hours of service per week throughout the year. This is a decrease on past years as a broad range of volunteers were required to temporarily step down from the services, given they were of a demographic deemed vulnerable to the global pandemic.

Strategy 1.4.2

Support arts and cultural development across the region.

STRATEGY	ACTION	COMMENTS
Arts and cultural events promotion	Provide financial and in-kind support to events in accordance with Events Assistance Policy	35 events were supported through Council's Events Assistance Program. 7 events were cancelled due to COVID-19.
	Promote the use of Council facilities for significant events	A number of major events were held at Council venues in 2019/20 including the NRL Charity Shield which was broadcast nationally. Macquarie Sports utilised Glen Willow Regional Sports Complex for their 20th Anniversary Multi-sport Clinic. WOTif.com held a national festival at Mudgee Showground, supported by national media. The inaugural Young Entrepreneurs Summit was held at Mudgee Town Hall theatre. A number of events scheduled for 2020 were cancelled due to COVID-19.
Provision of meeting and exhibition space	Promote the use of community buildings and make available at reasonable cost	Stage 1 of implementing Council's new facilities booking software "Bookable" has been completed and all internal and public venue bookings now use this system (by trained Council staff). The next stage will allow customers to view, book and cancel bookings directly and check availability of a particular venue from any mobile device or PC, this is estimated for completion by end of 2020. Once fully implemented it is forecasted to increase patronage of community facilities through increased presence, accessibility and information.



STRATEGY	ACTION	COMMENTS
Provision of meeting and exhibition space	Promote the use of exhibition space provided at Mudgee Library	The Mudgee Library continues to exhibit artworks from Council's collection. There will be less of an expectation of exhibiting artworks at Mudgee Library when the new art gallery opens in 2021.
Coordinate and facilitate cultural and arts projects throughout the region	Liaise with Cultural Development Committee, Orana Arts and local arts and cultural groups to develop cultural and artistic projects within the region	Council has been working closely with the Cultural Development Committee this year as the design process for the new art gallery has been finalised. The Committee has also liaised with both Orana Arts and Arts Out West in order to consider the most effective regional arts development organisation for the region. Discussions on this matter remain ongoing.
	Support arts events and programs in the region	Council and its Cultural Development Committee work to support a range of arts events and programs across the region, including the annual Sculptures in the Garden event. Council is also a supporter of the region's arts societies and encourages use of the Mudgee Town Hall Theatre for productions and events by local community groups, such as the Mudgee Readers' Festival, dance schools and disability service providers. Council also rolled out a series of community arts workshops across the region (and accompanying exhibition), made possible via a Country Arts Support Program grant obtained in late 2018.

Strategy 1.4.3

Provide equitable access to a range of places and spaces for all in the community.

STRATEGY	ACTION	COMMENTS
Public facilities to be accessible	Continue to monitor existing buildings	Council continues to monitor its public buildings and upgrade through the 30 year asset maintenance plan and the works request system. All maintenance and upgrades are in accordance with the current accessibility standards.
	Deliver actions developed in the Disability Inclusion Action Plan	Council continues to coordinate its Section 355 Access Committee which provides feedback on a range of matters relating to accessibility and inclusion for residents of and visitors to the region. Committee members meet regularly to discuss and provide feedback on a range of development applications received by Council. The Committee also commented on pathways planned within the Mudgee Showground facility.
Coordinate the provision of local community centres and halls for community use	A variety of community facilities available for use	Stage 1 of implementing Council's new facilities booking software (Bookable) has been completed with all internal and public venue bookings made via Council trained staff using the system. The next stage will allow customers to view, book and cancel bookings directly and check availability of a particular venue from any mobile device or PC. This is planned for completion by the end of 2020. Once fully implemented, it is expected to increase patronage of community facilities through increased presence, accessibility and information.

PROTECTING OUR NATURAL ENVIRONMENT



OUTCOME

Conserving and promoting the natural beauty of our region.

Goal 2.1

Protect and enhance our natural environment

Strategy 2.1.1

Ensure land use planning and management enhances and protects biodiversity and natural heritage.

STRATEGY	ACTION	COMMENTS
Include biodiversity and heritage as key components in the development application process	Implement Development Control Plan (DCP) through the development assessment process	The Development Control Plan is considered during the assessment of development applications.
Manage environmental and cultural factors impacted by physical works on Council lands	Prepare Review of Environmental Factors for MWRC works	REF work is ongoing. All current REFs have been completed.
	Work with local Aboriginal groups to effectively plan works involving sites of cultural significance	Council worked with local Aboriginal groups to conduct an archaeological survey at the Lawson Creek Bridge site. Archaeologists provide onsite advice of cultural significance as part of REF process, with LAC involved if cultural items or areas are identified.

Strategy 2.1.2

Minimise the impact of mining and other development on the environment, both natural and built.

STRATEGY	ACTION	COMMENTS
Work with the community and government agencies to identify and address the issues and mitigate impacts associated with mining	Raise any issues as part of State Significant Development process	Council is actively engaged in the planning process for State Significant Development. This includes meeting with IPC representatives, making submissions and working with proponents to manage local impacts for the Wollar Solar Farm, Crudine Ridge Wind Farm, Bowdens Silver Mine, Liverpool Wind Farm, Valley of the Winds Wind Farm, Stubbo Solar Farm, Uungula Wind Farm and St Matt's High School projects.
	Represent MWRC on Community Consultative Committees	Councillors are represented on Community Consultative Committees for local State Significant Developments.



Strategy 2.1.3 **Raise community awareness of environmental and biodiversity issues.**

STRATEGY	ACTION	COMMENTS
Deliver projects which work towards protecting biodiversity and regeneration of native environment	Pursue grant funding for environmental projects	Grant funded work at Putta Bucca extension was completed.
Support National Tree Day	Facilitate National Tree Day activities	National Tree Day planting was carried out in Broadhead Reserve, July 2019.
Work with schools to promote environmental awareness amongst students	Support Green Day	Council provided financial assistance towards the event and Council's Environment Officer presented on the day.

Strategy 2.1.4 **Control invasive plant and animal species.**

STRATEGY	ACTION	COMMENTS
Effective weeds management	Effective monitoring and management of noxious weeds across region	Council's weeds management program is being delivered in accordance with expected levels. Over 2000 biosecurity weeds inspections were carried out.
	Ongoing community education on noxious weeds	Staff attended Mudgee Small Farms Field Days in July 2019 and hosted a weeds education display. Community information brochures have been developed for serrated tussock, blue heliotrope, coolatai grass, green cestrum, patersons curse, african boxthorn and spiny burr grass. Weeds information packs have been developed for new property owners in rural areas and are sent out when a property changes ownership.
	Undertake weed control on roadsides and MWRC land	Council's roadside spraying program was completed with over 2,000kms inspected and sprayed.
Collaborate with agencies to manage feral animals	Support relevant agencies with community education and awareness programs	Council has a biosecurity team working in accordance with the NSW Biosecurity Act, undertaking rural property inspections and advisory services to assist landowners with weed infestation.

PROTECTING OUR NATURAL ENVIRONMENT



Goal 2.2 Provide total water cycle management

Strategy 2.2.1 Identify and implement innovative water conservation and sustainable water usage management practices.

STRATEGY	ACTION	COMMENTS
Encourage reduced water consumption through Best Practice Pricing	Maintain Best Practice water supply, sewerage and trade waste tariffs	Best practice water pricing structure is being maintained. The implementation of liquid trade waste charges is in the third year of a four year staged implementation.
Implement water conservation and reuse programs	Ongoing community education on water conservation	Website content is available, however is currently being reviewed to enhance community education around water conservation measures. Education was provided throughout the year in relation to drought conditions and water restrictions.
Work to secure water for agriculture and urban use	Work with State Government to secure domestic water supply	Council maintains ongoing dialogue with the State Government regarding water security.
Play an active role in the implementation of the Murray Darling Basin Plan	Represent MWRC at Murray Darling Association meetings	Council is represented at the Murray Darling Association by Councillor Kennedy and Councillor Holden.
Play an active role in the Cudgegong Valley and Macquarie Valley User Group	Represent community at Customer Service Committee meetings for the Cudgegong Valley and Macquarie Valley User Groups	Council continues to represent community interests at meetings.

Strategy 2.2.2 Maintain and manage water quantity and quality.

STRATEGY	ACTION	COMMENTS
Achieve NSW Government Best Practice Management of Water Supply and Sewerage	Implement an Integrated Water Cycle Management Strategy	Council has been successful in obtaining a funding commitment of up to 50% of future costs associated with development of an IWCM Strategy via the NSW Government Safe and Secure Fund. IWCM tender brief document from Orana Water Utilities Alliance is with DPIE for concurrence. Once approved, this will form the template document to proceed with this project.
	Ongoing implementation and review of the Drinking Water Management System	Ongoing review of Drinking Water Management System (DWMS). Council is currently involved in a NSW Health funded project for reviewing 2014 Risk Assessment of Drinking Water Systems. A new Water Quality Officer has taken an active role in completing an internal review and assignment of tasks to be completed.



STRATEGY	ACTION	COMMENTS
Identify and plan future maintenance, renewals and upgrades for Council's water supply infrastructure	Water Supply infrastructure renewals and new works undertaken as per Capital Works Program 2019/20	Water mains replacement program has been completed in accordance with Quarterly Budget Review.

Strategy 2.2.3 Protect and improve catchments across the region by supporting relevant agencies.

STRATEGY	ACTION	COMMENTS
Support relevant agencies with implementation of regional plans	Represent MWRC interests as appropriate	Council is an active participant in the Central Tablelands Environment and Waterways Alliance including having access to regionally based programs and funding opportunities.
Continue riparian rehabilitation program along waterways	Continue riverbed regeneration	Weed control works and revegetation works have been carried out along Cudgegong River.
	Maintenance and promotion of Putta Bucca Wetlands	All scheduled maintenance has been completed at Putta Bucca Wetlands, including mowing and weed control.
Provide education to the community of the importance of waterways	Ongoing community education on protecting waterways	The Annual Carp Muster was postponed due to COVID-19.

Strategy 2.2.4 Maintain and manage waste water quality to meet Environmental Protection Agency standards.

STRATEGY	ACTION	COMMENTS
Identify and plan future maintenance, renewals and upgrades for Council's sewerage treatment infrastructure	Implement a system for the effective management of residential sewage at Charbon village	The new sewer reticulation system for Charbon was completed in December 2019.
	Sewer infrastructure renewals and new works undertaken as per Capital Works Program 2019/20	Works program for Sewer Relining projects identified. Capital Works Program has been completed in accordance with Quarterly Budget Review.
Improve and develop treatment options to ensure quality of waste water meets EPA standards	Continue to improve outgoing water quality at all sewerage treatment plants across the region	Continued testing and adjustment to treatment processes across the region to meet EPA licence requirements.
Achieve NSW Government Best Practice Management of Water Supply and Sewerage	Implement Liquid Trade Waste Policy and Pricing as per 4 year rollout program	Council is continuing to implement the Liquid Trade Waste Policy and rollout program in accordance with agreed schedule.

PROTECTING OUR NATURAL ENVIRONMENT



Strategy 2.2.5 Provide a water and sewer network that balances asset conditions with available resources and community needs.

STRATEGY	ACTION	COMMENTS
Identify and plan future maintenance, renewals and upgrades for Council's stormwater assets	Drainage renewal and new works undertaken as per Capital Works Program 2019/20	Stormwater projects identified in Capital Works Program were completed.
	Effectively maintain existing drainage network including built infrastructure and overland drainage reserves	Council continues to monitor and action Works Requests relating to drainage issues. Visual inspections undertaken of assets to identify any necessary and significant works requirements.
	Identify and undertake culvert replacement and causeway improvement program	Two causeways and numerous stormwater culverts were replaced during the year based on defects identified.
	Update Mudgee Flood Study and Flood Management Plan	Council continues to progress the development of the Mudgee Flood Study and Flood Management Plan, with the draft study in the review phase.

Goal 2.3 Live in a clean and environmentally sustainable way

Strategy 2.3.1 Educate, promote and support the community in implementing waste minimisation strategies.

STRATEGY	ACTION	COMMENTS
Promote a philosophy of Reduce, Reuse, Recycle	Provide education on waste minimisation	Recycling education is provided through the 3 Council group (Mid-Western, Dubbo and Narromine) and included production of TV commercials, brochures, short clips for social media, a schools waste education program and Plastic Free July promotion.
Provide a domestic recycling and waste services for all residents through kerbside collection and rural waste transfer stations	Provide kerbside services and local recycling facilities	Kerbside services and waste/recycling facilities have been provided at the agreed level of service.
Promote home composting initiatives for green waste	Provide education on managing green waste	Education continues on managing food organics and green waste. Council works with Dubbo Regional Council and Narromine Council to produce community education including TV advertisements, brochures, radio advertisements, short clips for social media. Over 1,700 tonnes of organics were diverted from landfill.



Strategy 2.3.2 Work regionally and collaboratively to implement strategies that will enhance environmental outcomes in regard to waste management and minimisation.

STRATEGY	ACTION	COMMENTS
Participate in regional procurement contracts for waste services that provided added value	Provide regional scrap steel, green waste processing, used motor oil, household chemical collection and e-waste services	Council is an active participant in all NetWaste regional contracts.
Participate in regional investigations for collaborative solutions to problem wastes types	Participate in NetWaste steering committee for strategic direction of the group	Council actively participates in the NetWaste group and is involved in a number of regional contracts for recycling bulky and difficult items.
Apply for available grants under the NSW Government 'Waste Less Recycle More' package	Apply for grants to upgrade or introduce services to the community that reduce landfill tonnes and CO2 emissions	The Schools Waste Education Program is continuing. Education on waste minimisation, packaging and diverting organics from landfill aims to reduce landfill tonnage and CO2 emissions.

Strategy 2.3.3 Support programs that create environmental awareness and promote sustainable living.

STRATEGY	ACTION	COMMENTS
Build community awareness through environmental education	Provide education to the community on environmental issues	Council participated in National Tree Day, Green Day and Plastic Free July. In addition, Council provided community education on waste and recycling, including the schools education program where 2,000 students in the region attended a session on waste minimisation.
	Facilitate and promote community garden programs	No action currently due to a lack of community requests for the program. Council supported Landcare to establish a greenhouse for propagation of threatened species.

Strategy 2.3.4 Consider technologies in Council's facilities, infrastructure and service delivery to reduce ecological footprint.

STRATEGY	ACTION	COMMENTS
Implement alternative energy and sustainable technologies in physical works and service delivery	Consider opportunities for alternative energy and sustainable technologies (such as green energy programs or solar panel installation) as part of the capital works program	Council has continued to develop a design for a 5MW solar array with a view to demonstrating feasibility which will allow the project to proceed.
	Work with Essential Energy to obtain funds for LED Street Lighting Retrofit	Council continues to work with Essential Energy to upgrade LED lighting in the Mudgee and Gulgong areas. Upgrades are anticipated to occur in 2020/21.

BUILDING A STRONG LOCAL ECONOMY



OUTCOME

A prosperous and diversified economy delivering lifestyle benefits to the community through employment, income and sustainable economic growth.

Goal 3.1

A prosperous and diversified economy

Strategy 3.1.1

Support the attraction and retention of a diverse range of businesses and industries.

STRATEGY	ACTION	COMMENTS
Promote the region to target businesses that complement key local industries	Conduct 2-3 marketing activities, conferences or events where the region can be promoted	Council undertook a number of marketing initiatives to promote the region to live, work, invest and visit including a digital marketing campaign and social media marketing. In July 2019, Council's Events Team partnered with MRTI and other local businesses and held a pop-up Mudgee Region store at Westfield Miranda. In 2020, further activities were not held in person outside of the region due to COVID-19 restrictions.
Work with business and industry groups to facilitate business development workshops for existing businesses in the region	Support the business chambers and industry groups by attendance at meetings as required	Council representatives participated in meetings as required and continue to support initiatives of local business chambers.
Establish a process of capturing and monitoring relevant economic data to identify opportunities, trends and needs of local businesses	Produce annual update to Economic and Business Profile booklet	Economic and Business Profile annual update was completed in June 2020.
Work with the community to identify economic development opportunities	Be aware of new business investors coming to the region and work with them to promote benefits	Council utilises ABR data to track new businesses opening in the region and continues to provide information to encourage new investment including updating data in Economic and Business Profile.
	Conduct annual think tank forum to encourage business leaders to participate in local economic development	Annual Think Tank was delivered engaging a range of business leaders.
	Identify opportunities to invest in infrastructure which attracts new business investors to the region	Council engages with local business leaders and the broader community to identify infrastructure gaps and opportunities to support new investment. The community is able to put forward new ideas to Council as part of the annual budgeting process.



STRATEGY	ACTION	COMMENTS
Work with Mudgee Region Tourism Inc (MRTI) to identify target markets and promote the region	Work with MRTI to identify visitor trends and marketing initiatives	MRTI has a contract with Council to undertake tourism marketing on behalf of the region. Council staff meet with MRTI on a quarterly basis to ensure alignment between organisational objectives. Additional meetings are held to discuss joint initiatives and new opportunities.
Develop existing events in the region and attract new event proponents to hold major events and festivals in the region	Submit bids for new events and conferences and support event proponents holding or seeking to hold events in the region	Council submitted 14 bids or proposals for events in the region and assisted 8 new events coming to the region.
	Deliver Flavours of Mudgee in September 2019	Successfully delivered Flavours of Mudgee 2019 with an increase in crowd numbers to 12,500.

Strategy 3.1.2

Encourage the development of a skilled and flexible workforce to satisfy local industry and business requirements.

STRATEGY	ACTION	COMMENTS
Work with business and industry groups to identify the main skills shortage areas	Encourage business leaders to provide feedback on skills issues	Regular meetings undertaken with industry groups across the region.
Encourage workers to move to the region for employment opportunities where skills shortages exist	Conduct 2-3 marketing activities, conferences or events where the region can be promoted	Council undertook a number of marketing initiatives to promote the region to live, work, invest and visit including a digital marketing campaign and social media marketing. In July 2019, Council's Events Team partnered with MRTI and other local businesses and held a pop-up Mudgee Region store at Westfield Miranda. In 2020, further activities were not held in person outside of the region due to COVID-19 restrictions.

BUILDING A STRONG LOCAL ECONOMY



Goal 3.2 An attractive business and economic environment

Strategy 3.2.1 Promote the region as a great place to live, work, invest and visit.

STRATEGY	ACTION	COMMENTS
Provide brand leadership, market the region's competitive advantages and targeted marketing of investment opportunities	Conduct 2-3 marketing activities, conferences or events where the region can be promoted	Council undertook a number of marketing initiatives to promote the region to live, work, invest and visit including a digital marketing campaign and social media marketing. In July 2019, Council's Events Team partnered with MRTI and other local businesses and held a pop-up Mudgee Region store at Westfield Miranda. In 2020, further activities were not held in person outside of the region due to COVID-19 restrictions.

Strategy 3.2.2 Provide leadership on economic development initiatives and identify resources and infrastructure required to drive investment and economic growth in the region.

STRATEGY	ACTION	COMMENTS
Promote the development of infrastructure at the Mudgee Airport as an opportunity for business expansion in the aviation industry	Deliver infrastructure upgrades at Mudgee Airport Precinct in accordance with Restart NSW funding	All civil works relating to NSW Restart project completed. Telecom lines will be installed in 2020/21.
	Review airport development strategy and promotional opportunities in the future	The Mudgee Airport Master Plan was adopted in 2015. Council continues to pursue opportunities in accordance with the plan.

Lobby State and Federal Government on infrastructure needs of local businesses including transport and communications linkages	Lobby government agencies and departments on the provision of infrastructure to meet community needs	Council continues to identify issues with local MPs and relevant government ministers.
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Strategy 3.2.3 Support the expansion of essential infrastructure and services to match business and industry development in the region.

STRATEGY	ACTION	COMMENTS
Lobby State and Federal Government for expanded health and education services	Lobby government agencies and departments on the provision of infrastructure to meet community needs	Council continues to identify and raise issues with local MPs and relevant government ministers.



Strategy 3.2.4 **Develop tools that simplify development processes and encourage high quality commercial and residential development.**

STRATEGY	ACTION	COMMENTS
Provide information to assist potential investors understand local development controls and assessment processes	Provide an overview of local development controls and assessment processes in a fact sheet	Work has commenced on the development of fact sheets.

Goal 3.3 **A range of rewarding and fulfilling career opportunities to attract and retain residents**

Strategy 3.3.1 **Support projects that create new jobs in the region and help to build a diverse and multi-skilled workforce.**

STRATEGY	ACTION	COMMENTS
Work with lead agencies for employment to identify trends and discuss issues impacting employment	Work with major employers to identify trends and develop strategies to create employment opportunities across the region	Council continues to monitor workforce trends and identify regional projects which will lead to new job creation.

Strategy 3.3.2 **Build strong linkages with institutions providing education, training and employment pathways in the region.**

STRATEGY	ACTION	COMMENTS
Work with lead agencies for education in the region to identify opportunities for economic growth	Pursue opportunities to develop a university outreach campus with offerings aligned to local industries	Council continues to explore opportunity with Country Universities Campus to establish campus in region. Ongoing engagement with universities continues.
	Work with education providers on the provision of services to meet community needs	Council continues to work with education providers across the region including TAFE NSW, Skillset, and local schools.

CONNECTING OUR REGION



OUTCOME

Linking our towns and villages and connecting our region to the rest of NSW.

Goal 4.1

High quality road network that is safe and efficient

Strategy 4.1.1

Provide traffic management solutions that promote safer local roads and minimise traffic congestion.

STRATEGY	ACTION	COMMENTS
Work with the RMS to improve road safety	Liaise with the RMS on road safety matters	Council continues to raise road safety issues with Transport for NSW (formerly RMS) through regular meetings including the Local Traffic Committee. A road safety officer has been jointly funded to further improve this.
Regulate effective and appropriate user activities on the road network	Provide local assessments to the National Heavy Vehicle Regulator as required	Council continues to assess applications received through the NHVR for the movement of oversize and overmass vehicles through the region on the local and regional road network. Applications are reviewed as received.
	Review speed limits and traffic management	Speed and traffic management reviews are undertaken by Council in conjunction with Transport for NSW as required.
Participate in relevant regional transport committees and working parties	Facilitate the Local Traffic Committee	Regular Traffic Committee meetings were held throughout the year and attended by NSW Police, Transport for NSW, Councillor Karavas and Community representatives. Recommendations for traffic improvements are reported to and considered by Council.

Strategy 4.1.2

Provide a road network that balances asset conditions with available resources and community needs.

STRATEGY	ACTION	COMMENTS
Review the Roads Asset Management Plan	Update data for Asset Management Plans in line with Fair Value reporting requirements	Asset data continues to be updated and reviewed to ensure the most accurate information is available. Fair Value for Roads was also completed in 2019/20.
Implement the works program in accordance with the Roads Asset Management Plan	Manage State Roads in accordance with RMS contracts	Council continues to maintain the state road network under the Council Routine Maintenance Contract with Transport for NSW (formerly RMS). Council completed road widening projects on Goolma Road and the Castlereagh Highway under an ordered works arrangement.
	Ongoing maintenance and upgrades of Regional Roads network	Ongoing general maintenance and upgrades were completed during the year including the Hill End Road project (incorporating 2.4km of road widening and rehabilitation at Grattai), Bylong Valley Way rehabilitation work (incorporating 7km of road widening and rehabilitation) and the first stage of Wollar Road upgrade at the Munghorn.



STRATEGY	ACTION	COMMENTS
<p>Implement the works program in accordance with the Roads Asset Management Plan</p>	<p>Upgrade, renewal and extension of local roads in accordance with Capital Works Program 2019/20</p>	<p>Rural and urban reseals were completed as planned. Lue Road, Henry Lawson Drive, Ridge Road, Ulan-Wollar Road, Woodside Close, Hall Street, Stanley Street, Saville Row and Short Street rehabilitations were completed successfully, providing a widened and strengthened pavement. Pyramul Road seal extension was also completed successfully.</p>
	<p>Maintain local road network in accordance with established levels of service</p>	<p>General maintenance works performed across the sealed and unsealed local network. Maintenance grading and significant gravel re-sheeting was completed on the unsealed local road network in line with the program. The dry conditions followed by significant wet weather have made works challenging.</p>
	<p>Upgrade and renewal of local bridges in accordance with Capital Works Program 2019/20</p>	<p>No road bridge projects were budgeted for this financial year. Maintenance inspections continued during the year. Preliminary work for Dixons Long Point Bridge undertaken.</p>
	<p>Upgrade to Wollar Road in accordance with Restart NSW funding agreement</p>	<p>The Wollar Road upgrade project was completed in May 2020.</p>
	<p>Implementation of the Ulan Road Strategy</p>	<p>The major upgrade works for Ulan Road are complete. Other works completed during the year include shoulder widening at various locations and reseal at Turill.</p>
<p>Pursue additional funding for upgrading of roads infrastructure</p>	<p>Lobby for additional funding for roads</p>	<p>Council continues to identify and pursue new funding for additional road projects. Council was successful in obtaining grant funding under the Resources for Regions, Fixing Local Roads, Fixing Country Roads and Drought Relief Heavy Vehicle Access Program.</p>
	<p>Ensure major developers contribute to local road upgrades for the impact of additional development</p>	<p>Funding committed through Ulan Road Strategy and Resources for Regions program.</p>

CONNECTING OUR REGION



Goal 4.2

Efficient connection of the region to major towns and cities

Strategy 4.2.1

Develop a regional network in partnership with government agencies, that grows with the needs of residents and businesses.

STRATEGY	ACTION	COMMENTS
Support the continuation of commercial passenger services at Mudgee Airport	Work with operator to maintain regular passenger services to and from Sydney	FlyPelican commenced services in June 2015. In response to the significant impact of COVID-19 on the aviation sector, Council has provided a regional aviation support subsidy to support the continuation of the FlyPelican service. The service remained operational at 30 June 2020.
	Operation and maintenance of Mudgee Airport in accordance with agreed service levels	Mudgee Airport meets all current safety and security requirements.
Lobby for improved highway linkages along the Great Western Highway and Bells Line	Lobby for improved access to Western NSW from Sydney	Council continues to participate in transport infrastructure planning groups and meetings with relevant government agencies.

Strategy 4.2.2

Create a communication network that services the needs of our residents and businesses.

STRATEGY	ACTION	COMMENTS
Pursue improved broadband and mobile coverage with Government and major service providers	Lobby for improved internet speeds and mobile coverage throughout the region	Council continues to pursue grant opportunities and lobby for improved mobile coverage and internet speeds. Council receives regular updates and raises issues relating to NBN rollout and coverage.



Goal 4.2

An active travel network within the region

Strategy 4.3.1

Develop and enhance walking and cycling networks across the region.

STRATEGY	ACTION	COMMENTS
Implement the Pedestrian Access Mobility Plan	Upgrade and renewal of footpaths and cycleways in accordance with Capital Works Program 2019/20	Council has renewed numerous footpaths that were in poor condition and extended the footpath/cycle-way network in all four town centres during the year utilising both Council allocated funds and significant grant funding received.
	Maintain existing footpath and cycleway network in accordance with established levels of service	Council renewed numerous footpaths that were in poor condition as well as extending the footpath/cycle-way network in the four town centres during the year utilising Council allocated funds and significant grant funding. This included works identified in the PAMP.
	Extension of Cudgegong River shared pathway to Glen Willow/Putta Bucca	Council continues to develop the shared pathway.

Strategy 4.3.2

Support viable public transport options across the region.

STRATEGY	ACTION	COMMENTS
Examine opportunities to develop viable public transport options	Investigate the demand for public transport with the community	NSW Government is undertaking a trial of a Mudgee-Gulgong-Dubbo On Demand bus service.

GOOD GOVERNMENT



OUTCOME

A strong Council that is representative of our community and effective in meeting the needs of the community.

Goal 5.1

Strong civic leadership

Strategy 5.1.1

Provide clear strategic direction through the Community Plan, Delivery Program and Operational Plan.

STRATEGY	ACTION	COMMENTS
Ensure actions of the Operational Plan and Delivery Program are completed on time, on budget and meets performance criteria	Successful delivery of 2019/20 Operational Plan	95% of all actions identified in the 2019/20 Operational Plan were completed.
	Six monthly progress reporting against Delivery Program and comprehensive Quarterly Budget Reviews against Operational Plan	Six monthly progress reported to February Council meeting.

Strategy 5.1.2

Provide accountable and transparent decision making for the community.

STRATEGY	ACTION	COMMENTS
Ongoing review and enhancement of governance framework	Continue to hold <i>Open Day</i> prior to Council Meetings	During the year Council amended its procedures relating to the Public Forum held immediately prior to each meeting. Council resolved to limit the number of speakers for and against each subject and allow any topic to be raised by members of the public (no longer restricted to agenda items in the business paper). Due to COVID-19 restrictions, Public Forums were not held prior to May and June meetings with public submissions received in writing.
	Promotion of upcoming Council meetings	Council's meeting schedule is available on Council's website, with notices for each meeting published in local media in the weeks leading up to meeting dates. Amendments to the Code of Meeting Practice during the 2019/20 financial year included changes to the limitations of topics at Public Forums.
	Webcast of Council Meetings	Council webcasts all Council meetings and publishes the webcast on its website in accordance with legislative requirements.
Provide professional development opportunities to support elected members in fulfilling their obligations as Councillors	Provide access to professional development programs for elected members	Professional Development opportunities for Councillors were readily available during the reporting period.



STRATEGY	ACTION	COMMENTS
Hold awareness sessions for potential candidates in the six months leading up to each Council election and ensure information packages are available	Develop program for candidate awareness sessions (next election due in 2020, or in case of a by-election)	NSW Council elections scheduled for September 2020 were postponed to September 2021 due to the COVID-19 pandemic. The strategies developed for the 2020 election will be implemented in 2021.

Strategy 5.1.3 Provide strong representation for the community at Regional, State and Federal levels.

STRATEGY	ACTION	COMMENTS
Continue to lobby State and Federal Government on all matters that are of relevance to the region	Work with the Mayor to access Local Members and Ministers on relevant issues	Regular meetings held with local members and access provided to various ministers for specific issues.
	Strengthen relationships with local State and Federal members	Regular meetings held with local members and access provided to various ministers for specific issues.
	Engage with Regional Directors of State Government agencies	Regular meetings held with Regional Directors to discuss regional priorities.

Goal 5.2 Good communications and engagement

Strategy 5.2.1 Improve communications between Council and the community and create awareness of Council's roles and responsibilities.

STRATEGY	ACTION	COMMENTS
Publish monthly editions of Community News	Community News distributed monthly to every household in the region	Community News has been delivered monthly in print, EDM and video format.
Provide an up to date and functional web interface	Ensure web content is kept up to date and relevant	All planned actions were completed throughout the year. Council is developing a new website to assist in improving communications between Council and the community. The expected launch of the new website is late 2020.
Regularly report to the community in a variety of interesting ways	Increased use of all media avenues including social media, radio and television to communicate Council initiatives	During 2019/20, social media engagement increased by 43% and monthly reach of posts increased by 8% to 42,373 average monthly reach. Over 33,991 minutes of Council produced video content was viewed by the community and Facebook fans (followers) grew by 22%. Council undertook a number of campaigns and educational projects during the year to ensure the community is well informed across a range of issues.

GOOD GOVERNMENT



STRATEGY	ACTION	COMMENTS
Operate and maintain a community works request system that provides timely and accurate information and responses	Maintain works request system and produce regular reporting on response times	Continuing to review and refine options in the works request system via the Enterprise Resource Planning system which should improve accuracy and relevance. To provide Executive with a regular report on the works request 14+ day overdues. To provide training for new staff and remind existing staff/ department of best practice and use of system.
	Promote use of works request system for community to submit works requests	Council continues to maintain a website to support online works requests. A project team has been formed to design, review and implement a new website and intranet by the end of 2020 with a focus on enhancing the customer experience, providing a greater range of online services and improving access to current and accurate Council information. The new website will include a customer friendly and accessible work request system.
Ensure the community has clear information about who to contact in Council	Provide a customer focused website	Council continues to maintain a website to support communication activities. A project team has been formed to design, review and implement a new website and intranet by the end of 2020 with a focus on enhancing the customer experience, providing a greater range of online services and improving access to current and accurate Council information.
Educate the community on Council's roles and responsibilities	Provide access to Council's corporate documents both through the website and Administration Centres	Council continues to maintain a website to support communication activities. A project team has been formed to design, review and implement a new website and intranet by the end of 2020 with a focus on enhancing the customer experience, providing a greater range of online services and improving access to current and accurate Council information.

Strategy 5.2.2

Encourage community access and participation in Council decision making.

STRATEGY	ACTION	COMMENTS
Seek feedback on policy development and local issues	Ensure policies, strategies and proposals impacting the community are placed on exhibition for public comment	Utilised <i>yoursay.midwestern.nsw.gov.au</i> as a dedicated platform for community engagement across a range of issues and strategies.
	Utilise a range of formal and informal engagement tools to seek community feedback on a broad range of issues	Council continues to promote opportunities for the community to contribute to Council's decision making process through a range of platforms including <i>yoursay.midwestern.nsw.gov.au</i> , Council's website forms, social media and face to face contribution and feedback sessions.
Provide opportunities and make it easy for the community to participate in and influence decision making	Encourage attendance at Council Meetings in person and via webcast	Council completed its annual review of the Agency Information Guide in consultation with the NSW Information and Privacy Commission. The Agency Information Guide is published on Council's website providing easy access to the community about how they can engage with Council and request information.
	Investigate and consult with the community on high priority projects as defined in the community consultation report for the Community Strategic Plan	Council continues to promote opportunities for the community to contribute to Council's planning and budgeting process through a range of platforms including <i>yoursay.midwestern.nsw.gov.au</i> , Council's website forms, PR and advertising, social media and face to face contribution and feedback.



Goal 5.3

An effective and efficient organisation

Strategy 5.3.1

Pursue excellence in service delivery.

STRATEGY	ACTION	COMMENTS
Benchmark Council's service delivery against relevant organisations	Provide planning and building statistics to Department of Planning	Reports are completed and submitted to the NSW Department of Planning Industry and Environment as required.
	Participate in NSW LGPA, LGNSW, JO and other industry body surveys and benchmarking exercises	Staff continue to participate in relevant activities.
	Desktop analysis of annual financial results against other NSW councils	Desktop analysis of Council's financial results for the 2018/19 year has commenced including review of 2018/19 Annual Financial Statements assessment (including Note 27 Financial Review) and historical analysis of Council's performance through 2020/21 Operational Plan workshops.
	Report on OLG group comparative data	Comparative Group 4 Council reporting which was planned to be analysed and presented in the second half of the year, has been deferred due to the added administrative burden of bushfire and COVID-19 impacts. This work will be completed in 2020/21. Some ad-hoc assessments have been completed, as relevant.
Conduct biennial community surveys	Undertake community surveys in 2018/19 and 2020/21	Planning has commenced for the next community survey to determine Council's service delivery performance and identify areas of improvement.
Monitor community expectations regarding service delivery	Engage with the community on desired levels of service across Council functions	Continued use of <i>yoursay</i> communications tool to support community engagement activities and provide a forum to receive community feedback.
	Develop program of internal service reviews	The Audit, Risk and Improvement Committee has undertaken reviews of Council's contractor management and procurement management functions.
Provide a responsive customer service function	Reply to all correspondence within 14 days	Continue to provide training of new staff and communicating reminders and feedback to all staff on best practice and use of ELO records management software. In addition, ensuring the Records Policy is current and in line with State Records Act and all Records procedures are reviewed on an annual basis. Also in process of upgrading the ELO software which will improve process and effective capture of Council records - scheduled for September 2020.
	Review Customer Service Charter and deliver positive, informative, and professional front-of-house and phone customer service function	Service Level Agreements (SLAs) between Customer Service and all relevant departments were completed in 2019 and reviewed again in 2020. A Customer Service Charter will be completed in late 2020 in consultation with staff.

GOOD GOVERNMENT



Strategy 5.3.2

Provide a positive and supportive working environment for employees.

STRATEGY	ACTION	COMMENTS
Attract, retain and develop a skilled workforce	Implement a Leadership program that includes merit based recruitment, performance management and legal responsibilities	Leadership development training was undertaken during the year with external training providers covering topics such as contract essentials, improving communication and team building and managing vision, direction and projects.
	Develop a Learning and Development program targeted towards achievement of Delivery Program and areas of risk identified in Workforce Plan	The Learning and Development Program was implemented focussing on individual and group training opportunities, and targeted towards professional and regulatory training and addressing skill shortages in the Workforce Strategy.
	Provide a Leadership Capability Framework to develop current and future leaders which is linked to Learning and Development Plans	A Leadership Development Framework has been developed that links to position descriptions, performance appraisals and learning and development.
	Ensure all employees have clearly articulated accountabilities against which they will be assessed annually	All employees have position descriptions which detail key accountabilities. Performance reviews for employees were undertaken in September 2019.
Provide a safe, healthy and non-discriminatory working environment	Establish a culture of workplace safety which includes daily pre-start meetings for outdoor staff and monthly Safety Toolbox Talks	Daily pre-start meetings form part of the daily risk assessment process for outdoor workers. Monthly safety talks are forwarded to Department Managers for inclusion at Department meetings.
	Implement and embed a WHS Management System that reflects AS4801 requirements	Council's WHS Management System continues to be reviewed and updated where required to reflect Australian Standard requirements.
	Align workplace behaviour with core values of Respect, Integrity and Recognition	Behaviours aligned to core values are included in position descriptions, induction and orientation, and measured during annual performance reviews. They are promoted and reinforced via staff update meetings, department meetings and the fortnightly GM's newsletters.
	Implement and review the Equal Employment Opportunity Management Plan	The Equal Employment Opportunity Management Plan was reviewed and a new plan in place for 2019/20. Implementation of the plan was completed.



STRATEGY	ACTION	COMMENTS
Conduct biennial employee opinion survey	Seek staff feedback via Employee Opinion Survey 2018/19 and 2020/21	An Employee Opinion Survey was not scheduled for this financial year. The next survey will be in the 2020/21 financial year.
	Identify and implement improvement strategies based on feedback from Employee Opinion Survey	Improvement strategies from the last survey in 2019 have been implemented and are continuing. Further improvement strategies will be developed and implemented following the survey due to be undertaken in 2021.

Strategy 5.3.3 Prudently manage risks associated with all Council activities.

STRATEGY	ACTION	COMMENTS
Monitor and review Council's policies and strategies	Provide up to date Policy Register	Council's policy register is managed within the records management software ELO. Current policies are displayed on Council's website and PULSE software used to manage ongoing review processes.
	Identify and resolve existing policy gaps	Policy review activity has increased in the later part of 2019/20 year. Executive plans are in place to increase policy review activity.
	Education program to ensure staff understand policy requirements	Council's management team actively review Council's policy register monthly.
Monitor and review Council's risks	Develop an enterprise risk management (ERM) framework relevant to Council's activities	Council adopted its Enterprise Risk Management Framework in June 2020. The Audit Risk and Improvement Committee monitors the implementation of the framework. Operational risks have been identified, recorded and are regularly reviewed.
Provide long term financial sustainability through sound financial management	Examine opportunities to raise additional revenue	Council is pursuing commercial property and development opportunities to raise additional revenue. In the last 12 months, Council acquired the Mudgee Valley Park and has progressed the Saleyards Lane residential subdivision. Council continues to ensure Fees and Charges are appropriate for all services and has introduced new software to improve this process in the future.
	Explore a special rate variation with the community	A material increase in rating revenue has been achieved and budgeted for in the 2019/20 financial year through revised land valuations, especially in the mining category. A special rate variation is no longer required.
	Identify opportunities to increase revenue from property related investments	Council continues to identify and investigate commercial opportunities to support revenue growth.

GOOD GOVERNMENT



STRATEGY	ACTION	COMMENTS
Provide long term financial sustainability through sound financial management	Update Long Term Financial Plan	The Long Term Financial Plan for 2019/2029 was adopted on 11 December 2019. An updated plan is currently in progress following adoption of the 2020/21 Operational Plan.
	Monthly reporting against budget and schedule for major works programs/ strategic projects	All monthly budget reports were prepared for Council in accordance with the schedule.
	Comprehensive Quarterly Budget Review reporting	All Quarterly Budget Review Statements were completed within schedule and in accordance with the Office of Local Government Guidelines.
	Development of Rating Strategy to support LTFP	At the May 2017 Council meeting a Supplementary Motion concerning a proposal to adopt a Rating Strategy for the term of Council was put and lost.
	Integration of long term impacts on financial sustainability indicators incorporated into Council decision making process	A reporting template was introduced in August 2017 which includes Fit For The Future sustainability ratio impacts of Council recommendations and options, with Long Term Financial Planning and Asset Management impacts included.
Comply with relevant accounting standards, taxation legislation and other financial reporting obligations	To achieve a high standard of financial management	Council received an unqualified audit report for the financial year ended 30 June 2019 on 30 October 2019.
	All rating, taxation, statutory, and grant reporting obligations satisfied in an accurate and timely manner	All statutory reporting and obligations have been met.

Strategy 5.3.4

Pursue efficiencies and ongoing business improvement.

STRATEGY	ACTION	COMMENTS
Provide effective and efficient internal support functions	Conduct quarterly Council Staff Updates across all work sites	Staff meetings were held in August and November 2019. In person meetings were subsequently cancelled due to COVID-19 restrictions.
	Effective capture and management of corporate records	Records staff continue to ensure compliance with the State Records Act and provide training and support to all users of Council's record management system. A planned upgrade this year will improve efficiency and use of software.
	Ongoing enhancements to Council procurement including Roadmap Best Practice Procurement project	Procurement processes continue to be reviewed. Council is working on a new Procurement Framework to provide increased consistency and clarity to the purpose of all procurement activities.
	Provide effective Workshop services for Council fleet	Council continues to ensure that all fleet meets Transport for NSW requirements and that servicing and maintenance activities are up to date.



STRATEGY	ACTION	COMMENTS
<p>Enhance the information systems that support delivery of Council activities</p>	<p>Investigate options to increase speed and reliability of Council's network</p>	<p>Council has made significant progress in increasing the speed and reliability of its network. Virtual Private Networks have been configured as a redundancy for Gulgong and Rylstone Administration Centres and are currently undergoing testing. New long distance microwave radio links are being provisioned between Mudgee, Gulgong and Rylstone over the next few months.</p>
	<p>Continued investment in existing information systems to delivery productivity enhancements</p>	<p>Council continues to invest in systems and applications to increase productivity and create efficiencies. An electronic form solution is in the pilot stage of testing and is designed to assist with WHS and business workflows. In addition, a Mobile Device Management solution and a Corporate Software Management solution have been implemented to centralise the control and security of Council's fleet of end user devices (workstations, laptops, tablets and phones).</p>
	<p>Implementation of mobility solutions for integrated asset management</p>	<p>Asset management mobility is fully developed. Delays have been experienced with integration of the mapping system which is anticipated to be ready for field use in September 2020.</p>
<p>Ensure strategic and asset management plans are underpinned by sound financial strategies</p>	<p>Consider the full life cycle costs associated with the investment in new assets, with a focus on capital investment and existing assets</p>	<p>Full life cycle costs of new assets are considered through preparation of a business plan for new Community Plan Proposals, ratio reporting in Council Business Paper reports and Quarterly Business Reviews. Council exceeded the infrastructure renewals ratio benchmark in 2019/20.</p>
	<p>Review depreciation methodology and process</p>	<p>Depreciation methodology is reviewed as a part of the fair value process for assets each year. For 2019/20 the revaluation of roads, bridges and footpaths was completed.</p>
	<p>Ongoing improvements to asset data and asset system capabilities</p>	<p>Data cleansing was completed for roads, bridges, footpaths and stormwater infrastructure as part of the fair value process. Non-cash contributed assets were also reviewed and cleansed this year.</p>
	<p>Integrate long term asset management considerations into Council decision making process</p>	<p>A reporting template was introduced in August 2017, which includes Fit For Future sustainability ratio impacts of Council recommendations and options, with Long Term Financial Planning and Asset Management impacts included.</p>
	<p>Improved integration of Asset Management Plans and Long Term Financial Plan</p>	<p>Financial data within Asset Management Plans (AMPs) has been updated in line with Long Term Financial Plan (LTFP) data. Progress continues as AMPs are scheduled for review. Further work is to be completed linking AMP data into LTFP sensitivity analysis. The LTFP was adopted in December 2019.</p>

MANAGING THE MONEY

Mid-Western Regional Council receives money in the form of rates on residential, business, mining and farmland properties; interest on investments; government grants and subsidies; contributions from major industry; annual charges for services like water, sewer and waste; and user charges and fees.

Major cash outflows include construction of new assets and renewal of existing infrastructure; labour; materials and contractor payments; insurances; and contributions to local and regional bodies.

The following information provides a brief summary of Council's 2019/20 financial statements in a format that is readily understood by the community, customers, employees and other stakeholders.

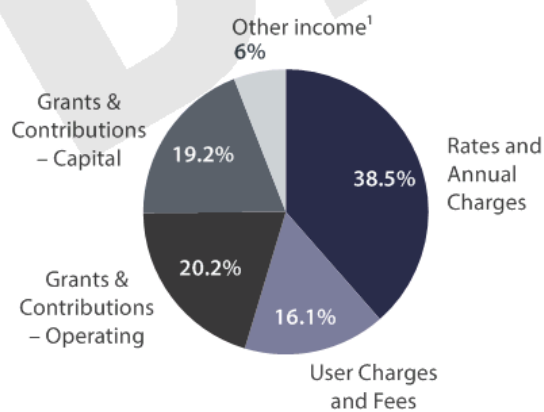
INCOME

This year, Council's primary source of income was from Rates and Annual Charges of \$39.2 million or 38.5% of total income (2018/19: \$31 million or 36.9%).

Council generates a significant portion of revenue from fees and charges associated with the provision of services and facilities such as swimming pools; contract works; planning and building regulation; water consumption; and waste management.

This amounted to \$16.4 million or 16.1% in 2019/20 (2018/19: \$15 million or 17.8%).

Grants and contributions from Government and Industry continue to be an important funding source for provision of services to, and maintenance and construction of infrastructure for the community. Council received a total of \$40.2 million or 39.4% in grants and contributions in 2019/20 (2018/19: \$32.3 million or 38.4%).



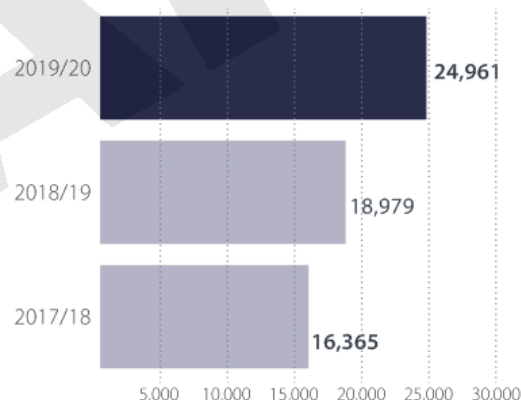
TOTAL INCOME 2019/20 **\$102M**

¹ Other income: Interest and investment income, Other revenues, Fair value increment on investment properties, Rental income

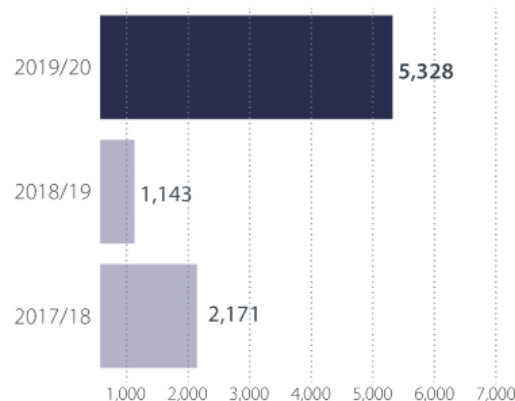
OPERATING RESULT

Council's operating result this year was \$24.9 million, this result is an indirect measure of Council's efficiency and ability to successfully cover its operating expenditure within operating revenue (2018/19: operating result was \$18.9 million).

OPERATING RESULT (\$000)



OPERATING RESULT BEFORE CAPITAL (\$000)

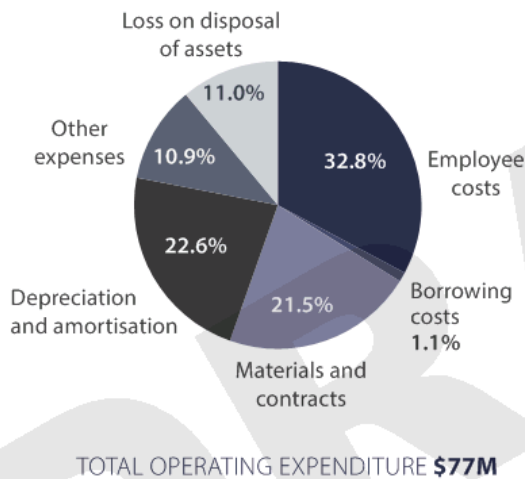




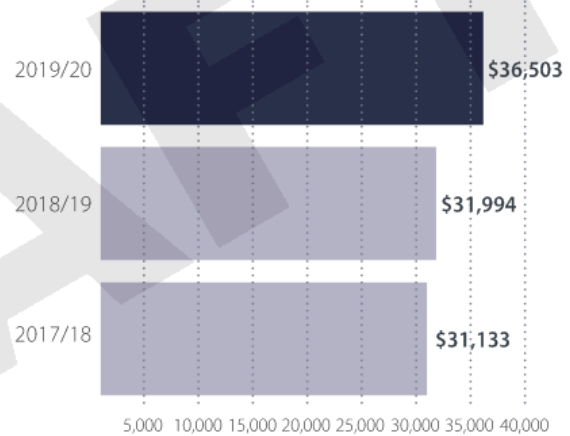
Council continues to invest as much money as possible into the renewal of existing infrastructure to ensure it is in a satisfactory and serviceable condition.

Council also continues to invest in new infrastructure to meet the demands of a growing community. Council delivered \$36.5 million of capital expenditure this year (2018/19: \$31.9 million).

OPERATING EXPENDITURE BEFORE CAPITAL



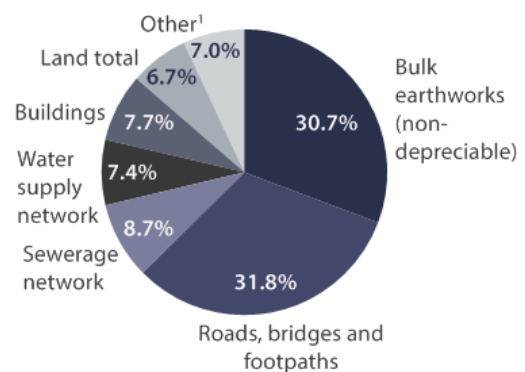
CAPITAL EXPENDITURE (\$000)



ASSET MANAGEMENT

Council owns and maintains over half a billion dollars' worth of infrastructure including roads, parks, buildings, swimming pools, sports grounds, stormwater drainage, water and sewer networks, footpaths, buildings, and waste management facilities. These assets, which are used by the community every day, deteriorate over time, and require ongoing maintenance and renewal or replacement to keep them in a satisfactory condition.

INFRASTRUCTURE, PROPERTY, PLANT AND EQUIPMENT 2019/20

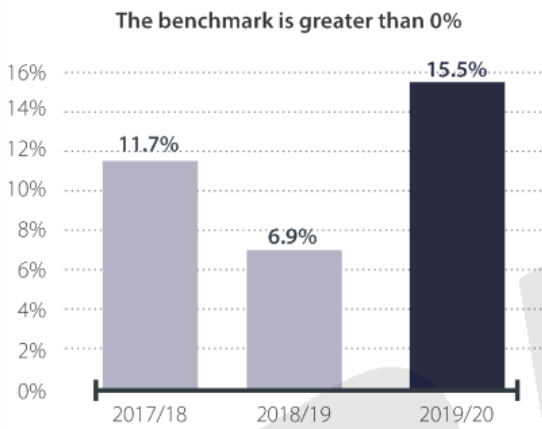


¹ Other: Stormwater drainage, plant and equipment, pools, open spaces, capital works in progress, reinstatement, rehabilitation and restoration assets, other assets - office equipment, library books

PERFORMANCE MEASURES

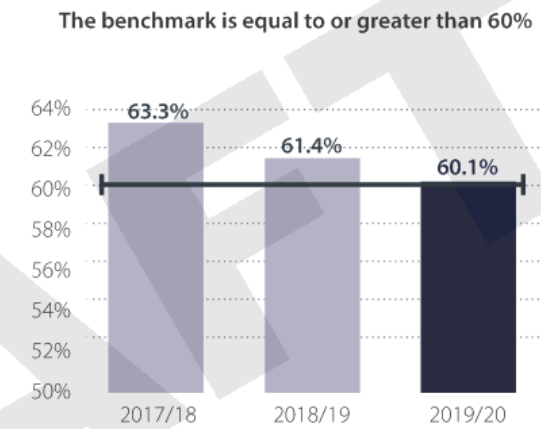
OPERATING PERFORMANCE RATIO

This ratio measures operating expenditure against operating revenue. It is important to distinguish that this ratio is focusing on operating performance and hence capital grants and contributions, fair value adjustments and reversal of revaluation decrements are excluded.



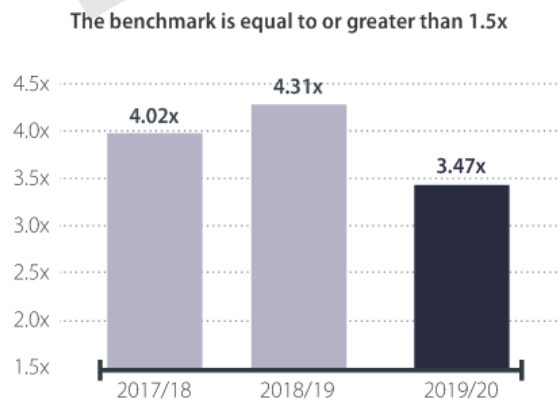
OWN SOURCE OPERATING REVENUE

This ratio measures fiscal flexibility. It is the degree of reliance on external funding sources such as operating grants and contributions. Council's financial flexibility is improved by a higher level of own source revenue.



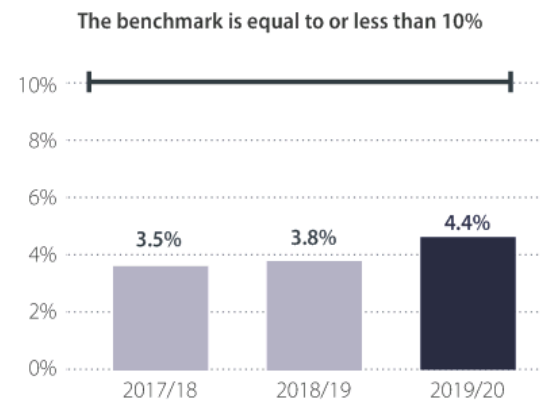
UNRESTRICTED CURRENT RATIO

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



RATES, ANNUAL CHARGES, INTEREST AND EXTRA CHARGES OUTSTANDING PERCENTAGE

This ratio is designed to assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

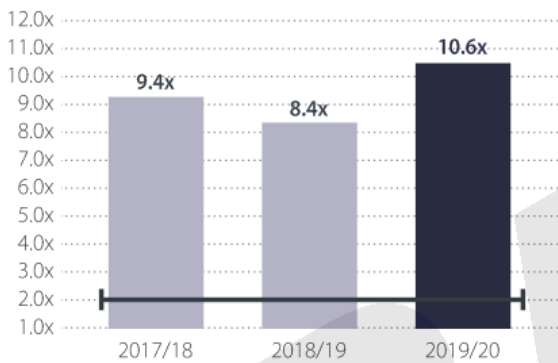




DEBT SERVICE COVER RATIO

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

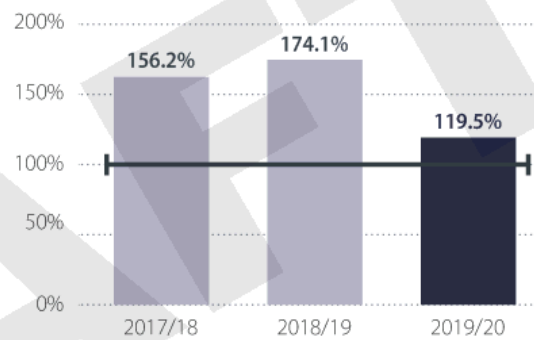
The benchmark for this ratio is greater than 2.0



BUILDINGS AND INFRASTRUCTURE ASSET RENEWAL RATIO

This ratio assesses the rate at which assets are being renewed against the rate at which they are depreciating.

The benchmark for this ratio is 100% or greater

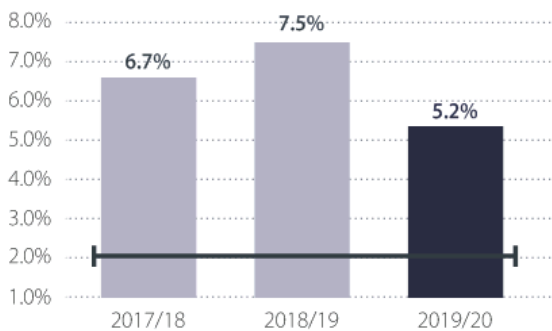


INFRASTRUCTURE BACKLOG RATIO

This ratio shows the backlog proportion against the total value of Council's infrastructure.

** There remains significant contention across the local government industry concerning both the benchmark being too low and the use of written-down value in the calculation itself.*

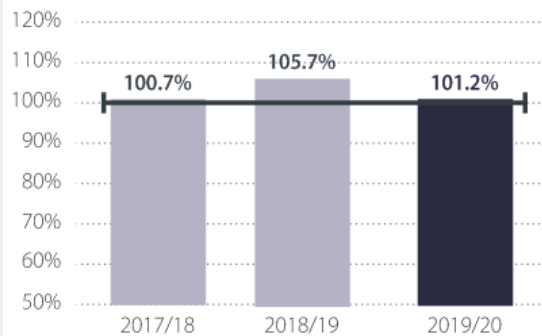
A benchmark of <2% was indicated as part of the Fit for the Future self-assessment tool



ASSET MAINTENANCE RATIO

This ratio compares actual versus required annual asset maintenance. A ratio above 1.0 indicates that Council is investing enough funds within the year to stop the infrastructure backlog from growing.

The benchmark for this ratio is equal to or greater than 1.0



STATUTORY INFORMATION

Local Government Act 1993 and Local Government (General) Regulation 2005

References to 'section' refer to the Local Government Act 1993, while references to 'clause' refer to the Local Government (General) Regulation 2005.

Council's general reporting requirements are set out in Section 428 of the Local Government Act 1993 and the Local Government (General) Regulation 2005 (Part 9, Division 7).

To access copies of the Acts and Regulations visit legislation.nsw.gov.au

AUDITED FINANCIAL REPORTS

Local Government Act 1993 – Local Government (General) Regulation 2005 Section 428 A

A summary of Council's financial performance for the year can be found in the 'Managing the Money' (page 53) and 'Performance Measures' (page 55) sections of this report.

A full copy of the Financial Reports are available on Council's website at midwestern.nsw.gov.au/council/Reports--Statements/

Hard copies of financial statements are available from Council upon request.

RATES AND CHARGES WRITTEN OFF

Local Government Act 1993 - Section 428, Local Government (General) Regulation 2005 Clause 132

During the year Council abandoned \$731,104 in rates and charges (including postponed rates).

Pensioner rebate	\$720,499
Postponed rates	\$4,851
Other rates and charges	\$5,754

OVERSEAS VISITS

Local Government Act 1993 - Section 428(4)(b), Local Government (General) Regulation 2005 - Clause 217(1)(a)

Council is required to disclose details of any overseas visits undertaken by any Council officers including Councillors and staff.

No overseas visits were undertaken by any Council officers including Councillors and staff in 2019/20.

COUNCILLOR EXPENSES AND PROVISION OF FACILITIES

Local Government Act 1993 – Section 428, Local Government (General) Regulation 2005 – Clause 217(1)(a1)

The Local Government Remuneration Tribunal is constituted under Sections 239 and 241 of the Local Government Act 1993 and is responsible for categorising Councils, County Councils and Mayoral Offices to determine the amounts of fees to be paid to Councillors, members of County Councils and Mayors in each category.

The Mayor and Councillors receive an annual fee established by Council and set within the approved range by the Local Government Remuneration Tribunal.

The Mayor's Fee for 2019/20 was \$44,250 plus a Councillor Fee of \$20,280. The Mayor served the entire 2019/20 financial year.

The Councillor's Fee for 2019/20 was \$20,280 for each Councillor who served the entire 2019/20 financial year.



COUNCILLOR EXPENDITURE 2019/20

Local Government Act 1993 - Section 428, Local Government (General) Regulation 2005 - Clause 217(1)(a1)(i-viii)

	Councillor Fees	Mayoral Fees	Council meeting expenses ¹	Seminar expenses ²	Provision of Vehicle	Memberships and subscriptions	Misc expenses ³	Office equipment ⁴	Training ⁵	Total
General Operations	-	-	9,038.06	-	57.04	69,561.71	418.19	376.08	-	68,121.79
Cr Cavalier	20,280.00	-	-	-	-	-	-	5,502.68	-	25,782.68
Cr Holden	20,126.36	-	-	2,634.20	-	-	-	2,614.18	8,168.00	33,542.74
Cr Karavas	20,280.00	-	-	-	-	-	-	483.49	-	20,763.49
Cr Kennedy	20,280.00	44,250.00	-	2,214.57	6,499.14	-	382.91	1,532.32	-	75,687.76
Cr Martens	20,280.00	-	1,222.27	1,856.28	-	-	545.59	1,140.10	-	25,044.24
Cr O'Neill	20,280.00	-	-	-	-	-	-	483.49	-	20,763.49
Cr Paine	20,280.00	-	-	450.00	-	-	-	376.08	700.00	21,806.08
Cr Shelley	20,280.00	-	-	2,442.66	-	-	2,034.54	1,524.76	-	26,281.96
Cr Thompson	20,280.00	-	1,341.60	1,165.32	-	-	-	1,298.29	-	24,085.21
Total	182,366.36	44,250.00	11,601.93	10,763.03	6,556.18	69,561.71	3,381.23	15,331.47	8,868.00	352,679.91

¹ Council meeting expenses (accommodation, travel and meals)

² Conferences, seminars and representational/lobbying expenses (accommodation, travel and meals)

³ Miscellaneous expenses (meals, sundries, stationery etc)

⁴ Provision of office equipment, such as laptop computer and telephones

⁵ Training and provision of skill development for Councillors

No expenses were incurred for the provision of care for a child, or an immediate family member of a Councillor to allow the Councillor to undertake his or her civic functions.

No overseas or interstate visits were undertaken by elected members in 2019/20.

STATUTORY INFORMATION

CONTRACTS AWARDED

Local Government Act 1993 - Section 428, Local Government (General) Regulation 2005 - Clause 217(1)(a2)

In accordance with the Local Government Act 1993 and Council's Procurement Policy, Council calls for tenders for the supply of various goods and services where the estimated spend under that contract exceeds \$150,000. The requirement to tender excludes the purchase or sale of land; purchases at public auction; contracts for employees of Council; purchase of goods and services under State Government or Commonwealth procurement contracts; emergency contracts; or where because of extenuating circumstances, remoteness of locality or the unavailability of competitive or reliable tenderers, Council decides by resolution (which states the reasons for the decision) that a satisfactory result would not be achieved by inviting tenders.

The following contracts were awarded during 2019/20:

Contractor	Goods / Services Provided	Amount payable under the contract (ex GST)
Pressure Sewer Service Australia Pty Ltd	Construction of Charbon Village Sewer System	\$1,206,526
BKA Architecture Pty. Ltd.	Design for Art Gallery & Tourist Information Centre	\$340,452
Hines Constructions Pty. Ltd.	Contract for the Provision of design and Construct Glen Willow Junior Rugby League Amenities	\$1,615,558
Ross Lomax	Lease of Kandos Swimming Pool 2019-20 Swimming Season	\$493,800
AquaManage Group	Cudgegong Water Treatment Plant	\$239,538
Waeger Construction	Rylstone Pedestrian Bridge	\$766,150
Fulton Hogan Industries	Bitumen Spray Seal	\$2,720,871
Ocwen Energy (Loves)/OilsPlus Holdings Australia	Supply & Delivery of Bulk Fuel	\$1,500,000
Custom Commercial Services Pty Ltd	Contract - VP 123262 Supply of Debt Management and Recovery Services - Rates, General Debtors and Water Usage Charges	\$240,000
Accurate Asphalt & Road Repairs Pty Ltd	Stabilisation Services (short term contract)	\$270,000
Scania	Supply of hooklift	\$372,900
Isuzu	Supply of compactor	\$443,080
TracServe	Supply of maintenance truck	\$155,257
Absolute Cleaning	Provision of Cleaning Services - Schedules 2, 4, 5, 6, 7	\$260,318
Mudgee Contract Cleaning	Provision of Cleaning Services - Schedules 1 & 3	\$234,552
Dubbo Regional Council	Education Contribution for FOGO contract t16-036	\$282,000
Max Walkers Earthmoving P/L	Putta Bucca Pathway Extension	\$609,500
GHD Pty Ltd	Dixons Long Point Development Phase Consultancy Services	\$432,289
Buildique P/L	Kandos/Rylstone Preschool Extension	\$180,911
REES Electrical	Victoria Park Gulgong - Lighting	\$565,180
Constructive Energy Pty Ltd	Project and Contract management of solar array and MWRC 'generator - retailer' mechanism	\$339,700
Origin Energy Retail Limited	Small sites electricity contract	\$412,186
Thompsons Irrifab	Provision of Design and Construct, Ulan Rd Trunk Main Extension	\$614,350



LEGAL EXPENSES

Local Government Act 1993 - Section 428, Local Government (General) Regulation 2005 - Clause 217(1)(a3)

Council expended \$434,784 on legal costs during 2019/20. A total of \$340,013 related to the cost of obtaining legal advice or opinion in relation to various matters, and also includes the amounts incurred by Council in relation to legal proceedings as listed below.

Matter	Amount (ex GST)	Status
LEC Case 2018/27118: Regent Theatre DA	\$81,374.59	Complete
Supreme Court/District Court/Local Court – Impounding of Alpaca	\$89,301.54	Proceeding

In addition, Council expended \$94,771 during the period in recovering outstanding rates and charges. These costs are debited as a charge against individual rate assessments. Council recovered \$90,373 of such costs during the period.

STATEMENT OF PROPOSED CHARGES FOR THE CARRYING OUT OF WORK ON PRIVATE LAND

Local Government Act 1993 - Section 428, Local Government (General) Regulation 2005 - Clause 217(1)(a4)

By agreement with owners or occupiers of private land, Council carried out works such as paving and roadmaking, traffic control for private events and water, sewerage and drainage connections.

Council undertook private works in 2019/20 to the value of \$111,912 resulting in a profit of \$48,899. This represents a profit margin of 44%.

No subsidies were provided, and all work was intended to be carried out on a for profit basis in accordance with Council's Private Works Policy.

CONTRIBUTIONS AND DONATIONS

Local Government Act 1993 - Section 356, Local Government (General) Regulation 2005 - Clause 217(1)(a5)

The total amount contributed or otherwise granted by Council under Section 356 of the Local Government Act, 1993 was \$846,162.

Significant contributions are listed below.

Recipient	Amount
Housing Plus (Crisis Accommodation)	\$85,000
COVID-19 Business Booster program	\$213,000
Pelican Airline Air Service	\$70,620
Bushfire Recovery – Rating relief and community programs	\$131,187
Gulgong Holtermann Museum	\$123,438

DELEGATES TO EXTERNAL COMMITTEES AND OTHER BODIES

Local Government Act 1993 - Section 428, Local Government (General) Regulation 2005 - Clause 217(1)(a6)

During 2019/20 Council resolved the delegates to external committees and other bodies.

These committees provide advice and feedback to Council on key issues that impact on the residents of the Mid-Western Regional Council LGA.

These are:

- Cudgegong Bushfire Management Committee
- Rural Fire Service District Liaison Committee
- Mudgee Region Tourism Inc
- Ulan Coal Mine Community Consultative Committee
- Wilpinjong Coal Community Consultative Committee
- Moolarben Coal Community Consultative Committee
- Charbon Colliery & Inglebrook Community Consultative Committee
- Western Joint Regional Planning Panel
- Murray Darling Association
- Local Traffic Committee
- Bowdens Silver Project Community Consultative Committee
- Crudine Ridge Wind Farm Consultative Committee
- Orana Arts
- Public Libraries NSW

STATUTORY INFORMATION

ADVISORY COMMITTEES

Audit Risk and Improvement Committee (ARIC)

Councillor Representative: Cr O'Neill

This committee was created under section 428A of the Local Government Amendment (Governance and Planning) Act 2016, to review a variety of Council's operations, such as risk management, fraud control and governance etc. It will also provide information to Council to assist with improvement of these functions.

Local Government (General) Regulation 2005 - Clause 217(1)(a6)

These committees are established by Council to exercise specific functions. They comprise of local community members and Council representatives. Both these committees also provide advice and feedback to Council on key issues.

For 2019/20 there were 12 Advisory Committees operating within the region. Further information on these committees, including minutes and terms of reference, can be found on Council's website.

Australia Day Selection Committee

Councillor Representative: Mayor, (Cr Kennedy), Deputy Mayor (Cr Paine), Cr Shelley

The Australia Day Selection Committee selects the recipients of Council's annual Australia Day Awards.

Botobolar Community Committee

Councillor Representative: Cr O'Neill

This committee assists Council in community engagement and events, and maintenance of the grounds for the rural fire shed.

Cultural Development Committee

Councillor Representative: Cr Paine

The Cultural Development Committee provides advice to Council on the implementation of recommendations from the Cultural Plan.

Gulgong Memorial Hall Committee

Councillor Representative: Cr Thompson

The Gulgong Memorial Hall Committee assists Council with the management and promotion of the Gulgong Memorial Hall.

Gulgong Sports Council Sub Committee

Councillor Representative: Cr Thompson

The Gulgong Sports Council Sub Committee assists Council to manage active recreational facilities in Gulgong.

Mid-Western Regional Council Access Committee

Councillor Representative: Cr Karavas, Cr Paine

The Mudgee & Gulgong Access Committee and the Rylstone & Kandos Access Committee merged during this financial year to create the MWRC Access Committee. This committee provides advice to Council on matters relating to accessibility in the Mudgee, Gulgong, Rylstone and Kandos areas.

Mid-Western Regional Council Heritage Committee

Councillor Representative: Cr Paine, Cr Holden

The Heritage Committee advises Council about the preservation and enhancement of items and places within the Mid-Western Region that are of heritage significance.

Mid-Western Regional Youth Council

Councillor Representative: Cr Karavas, Cr Paine, Cr Holden

The Mid-Western Regional Youth Council provides consultation with and advocacy for youth.

Mudgee Showground Management Committee

Councillor Representative: Cr Karavas, Cr Holden

The Mudgee Showground Management Committee assists Council to manage the showground facility.

Mudgee Sports Council Sub Committee

Councillor Representative: Cr O'Neill

The Mudgee Sports Council Sub Committee assists Council to manage active recreational facilities in Mudgee.

Red Hill Committee

Councillor Representative: Cr Thompson, Cr Cavalier

The Red Hill Committee provides advice to Council on the development of a precinct master plan, and management of the site.

Rylstone and Kandos Sports Council Sub Committee

Councillor Representative: Cr Shelley

The Rylstone and Kandos Sports Council Sub Committee assists Council to manage active recreational facilities in Rylstone and Kandos.



STATEMENT OF CONTROLLING INTEREST

Local Government Act 1993 - Section 428, Local Government (General) Regulation 2005 - Clause 217(1) (a7)

Council does not hold a controlling interest in any company, partnership, trust, joint venture or syndicate.

STATEMENT OF PARTICIPATION – CORPORATIONS, PARTNERSHIPS, CO-OPERATIVES, JOINT VENTURES, SYNDICATES OR OTHER BODIES

Local Government Act 1993 - Section 428, Local Government (General) Regulation 2005 - Clause 217(1) (a8)

Council was a party to the following partnerships, Co-operatives, Joint Ventures and other bodies throughout 2019/20:

- State Cover
- Orana Regional Organisation of Councils
- Orana Joint Organisation
- Mudgee Region Tourism Inc
- Orana Water Utilities Alliance (OWUA)

EQUAL EMPLOYMENT OPPORTUNITY

Local Government Act 1993 - Section 428, Local Government (General) Regulation 2005 - Clause 217(1) (a9)

Council aims to provide an environment where employees and others in the workplace are treated fairly and with respect, and are free from unlawful discrimination, harassment, vilification and bullying.

Council aims to ensure that when employment decisions are made, they are based on merit, not on irrelevant attributes or characteristics that an individual may possess. The Council also aims to create a work environment which promotes good working relationships.

In order to achieve this objective, Council will:

- develop and implement an Equal Employment Opportunity (EEO) Management Plan

- incorporate Council's core values of respect, integrity and recognition and the principles of diversity, equality and merit into all relevant policies and procedures
- base all selection decisions on merit and the individual's ability to meet the requirements of the position
- provide training and development that is consistent with the principles of equity and that supports Council's EEO objectives
- provide a workplace free from bullying, harassment and discrimination
- promote EEO and workplace diversity throughout Council to ensure that every employee is aware of and understands Council's policies on EEO related matters
- provide those who work at Council with the Anti-Discrimination and Equal Employment Opportunity Policy which provides guidance on what is acceptable behaviour and establishes what may constitute discrimination, vilification, harassment and bullying at work
- provide effective mechanisms to resolve complaints

The achievements for 2019/20 were:

- **Position descriptions**
 - reviewed position descriptions for new and vacant positions to ensure that essential and desirable criteria are non-discriminatory
- **Communication and awareness-raising**
 - ensured all staff involved with recruitment and selection processes are trained in merit based selection and new staff complete the online learning module
 - the Anti-Discrimination and Equal Employment Opportunity Policy, Workplace Bullying Policy, Workplace Environment Statement and Code of Conduct are accessible on Council's intranet and given to new employees
 - an overview of EEO, discrimination and harassment is included in Council's induction program. Wherever possible, all staff attend induction within three months of commencement with Council

STATUTORY INFORMATION

- **Training**
 - training needs were reviewed to align with Council’s capability framework to ensure all staff have access to training opportunities
- **Recruitment and selection**
 - successfully appointed a local high school student to participate in the School Based Aboriginal Trainee program
 - reviewed and monitored Council’s recruitment procedures to ensure compliance with EEP principles and merit based recruitment
 - ensured all advertisements for vacant positions include Council’s commitment to EEO and workplace diversity and use non-discriminatory language
- **Leadership**
 - training and mentoring provided to all new supervisors and managers on workplace bullying, sexual harassment and EEO principles during induction and orientation
- **EEO target groups**
 - **women:** 2019/20 financial year saw an increase of 50% of women joining the Council in comparison to the previous year
 - **carers:** ensured that all employees with carer responsibilities were provided with the provision of flexible working arrangements whilst ensuring that operational needs and service delivery is met.
- **People with a disability**
 - ensured ongoing support and commitment to the recruitment and employment of people with disabilities

SENIOR STAFF

Local Government Act 1993 - Section 428, Local Government (General) Regulation 2005 - Clause 217(1)(b-c)(i-v)

Council’s organisation structure included four Senior Staff positions for 2019/20. Those positions were:

- General Manager
- Director Community

- Director Development
- Director Operations

The remuneration package for the General Manager totalled \$339,734, and included:

Salary component	\$280,474
Bonuses	NIL
Superannuation component	\$28,348
Non-cash benefits	\$23,558
Fringe Benefits Tax on non-cash benefits	\$7,353

The combined remuneration packages for all Directors for 2019/20 totalled \$639,332, and included:

Salary component	\$537,490
Bonuses	NIL
Superannuation component	\$61,337
Non-cash benefits	\$34,535
Fringe Benefits Tax on non-cash benefits	\$5,970

STORMWATER MANAGEMENT

Local Government (General) Regulation 2005 - Clause 217(1)(e)

Council has not levied an annual charge for stormwater management services during the year.

COASTAL PROTECTION SERVICES

Local Government (General) Regulation 2005 - Clause 217(1)(e1)

Council has not levied an annual charge for coastal protection services during the year.

STATE OF THE ENVIRONMENT

Local Government Act 1993 - Section 428A(1)

A snapshot of the State of Environment report is provided as part of this report. A full copy of the State of Environment report can be found on Council’s website midwestern.nsw.gov.au



CAPITAL WORKS PROJECTS

OLG Capital Expenditure Guidelines

Council has completed a capital expenditure review in accordance with the NSW OLG Capital Expenditure Guidelines for the below projects.

\$000	2019/20 Budget	2019/20 Actuals	Project Status at 30 June 2020
Glen Willow Stage 2	2,500,000.00	2,351,071.16	<p>Commencing in 2019 this project involves the senior rugby union/league facilities, multi-purpose playing fields, junior rugby league facilities and new access roads, bridge, pathway and parking. The total project cost is \$17.35 million funded by \$16.9 million in grants from State and Federal governments.</p> <p>It is anticipated that the project has another 15 months before completion. The project continues to progress well with significant works planned over the next nine months, in line with the signing of contracts for the construction of the Rugby Union building and the field construction. The major achievement to date has been the completion of the Junior Rugby League building.</p>
Mudgee Art Gallery and Cultural Precinct	500,000.00	398,048.11	<p>Commencing in 2019 this project involves the refurbishment of the existing building at 90 Market Street and construction of a new building. The completed gallery will include gallery spaces for permanent and visiting collections, tourism office, art store, sculpture garden, café, and workshop space. The Cultural Precinct would provide for the gallery/tourism facility as well as the cultural workshop/meeting room building and associated car parking, pathways and landscaped areas.</p> <p>It is anticipated that the project has another 12 months before completion. The project continues to progress well with the successful tenderers having now commenced construction.</p> <p>The total project cost is \$8.8 million funded by \$5.3 million in grants from State and Federal governments.</p>

REPORTING REQUIREMENTS UNDER THE DISABILITY INCLUSION PLAN

Disability Inclusion Act 2014 - Section 13(1)

Supporting an **inclusive workforce**

Action	Expected outcome	Key stakeholders	Reporting	2019/20 Progress report
Facilitate opportunities for people with disability or volunteer within Council	Increased diversity of Council workforce	People with disability	Workforce strategy	Volunteer opportunities exist within Council's Meals on Wheels and Community Transport services. In the past, people with disability have opted to volunteer with the Meals on Wheels service and continue to be welcome to do so.
Review recruitment and selection processes to develop inclusive employment opportunities	Increased diversity of Council workforce	People with disability	Equal employment opportunity strategy	The Recruitment and Selection procedure was reviewed during the calendar year. The procedure is designed to ensure that recruitment standards are consistent, appropriate, inclusive and free from discrimination or bias.
Engage with local disability service providers to identify strategies to enhance employment opportunities for people with a disability	Increase knowledge sharing between Council and local disability service providers.	People with disability	Annual report	Council teams work with local disability service providers in terms of negotiating supported employment opportunities and access to Council auspiced Community Services.
Develop and implement an EEO and Diversity Strategy within the Workforce Strategy	Council continues to be an inclusive employer, including recruiting, retaining and supporting people with disability.	Community	Annual report	Council has an Anti Discrimination and Equal Employment Opportunity policy. Specific training is provided to staff involved in recruitment on Council's Recruitment and Selection procedure with a focus on merit based recruitment.

STATUTORY INFORMATION

Providing **effective and efficient** governance and leadership

Action	Expected outcome	Key stakeholders	Reporting	2019/20 Progress report
Review and amend the Access Committee's Terms of Reference to broaden its focus and purpose	Access Committee is provided with Terms of Reference that clearly outlines Access Committee's purpose, roles, responsibilities and processes to Council and the community. This will not be exclusive to issues of physical access.	Council/Access Committees	Updated Terms of Reference	The Access Committee Terms of Reference were updated and endorsed by Council at its September 2018 meeting. The Access Committee will be reviewing Council's Disability Inclusion Action Plan shortly.
Enhance community and visibility between Access Committees and Council	Provide Access Committees with more visibility about Council's decision-making processes.	Council/Access Committees	Updated Terms of Reference	Council now has a single Access Committee that meets monthly to discuss and provide advice to Council on operational and strategic issues affecting physical access and inclusion for all residents and visitors to the region. The Committee has ongoing interactions with Council staff across various fields of responsibility.
Support better collaboration between Advisory (355) Committees	Improved collaboration between Advisory committees for youth, recreation and inclusion so that all Council Advisory (355) Committees have a disability inclusion agenda.	Council/Advisory Committees/Access Committees	DIAP 2020	Disability Inclusion is a standing agenda item for Council's Interagency meetings going forward.

Supporting the community **to promote and celebrate diversity and inclusion**

Action	Expected outcome	Key stakeholders	Reporting	2019/20 Progress report
As appropriate, incorporate disability awareness and inclusion across key Council activities and events	Encourage outreach, awareness and education about disability. Encourage people with disability to interact, showcase their talents and ability alongside people without disability.	Community/People with disability/Disability service providers	Annual report	Events and activities facilitated by Council's Community Development and Youth Services Officers welcome participation by a broad range of community members and do not discriminate against people with disability. Council's libraries work with local disability services and provide regular study support for people with disability. Council has also provided workshops to people with disability for annual community art competition and exhibitions. Regular interagency meetings and communications also promote disability awareness and opportunities (such as grant funding and access to the NDIS) for people with disability. Council also collaborates with Rotary clubs to facilitate monthly accessible movie screenings.



Action	Expected outcome	Key stakeholders	Reporting	2019/20 Progress report
Establish collaboration between Council's Access Committees and all Council departments	Cross collaboration and education of Council staff. Increased understanding of accessibility and inclusion in all Council areas.	All of Council/ Community	Annual report	Internal staff training includes topics such as anti-discrimination and disability inclusion.
Develop and implement a media campaign (hashtags; Facebook; Twitter) to encourage understanding of people with disability	Encourage outreach, awareness and education about disability	Council corporate team	Annual report	Council delivered a 'Waste to Art' program whereby disability workers created artwork that was exhibited publicly. Activities to promote and support this included PR activities, web content and social media.
Provide Disability Awareness Training for frontline Council staff to promote accessible Council services	Increased understanding of disability.	Council frontline staff	Annual report	All new staff have included in their induction, information on disability inclusion and Council's DIAP.
Increase avenues for young people to support and promote an inclusive and diverse community	Council seeks to include initiatives within programs and events that enable young people to be involved in activities that promote disability inclusion.	Youth/ Community	Annual report	Council proudly supports initiatives such as annual Disability Inclusion Sports Awards, which includes the category 'Junior Athlete with a Disability Sportsmanship Award'. Disability services are also encouraged to participate in annual art competitions and exhibitions with related workshops.

STATUTORY INFORMATION

Council **actively promotes meaningful communication and engagement** with the community

Action	Expected outcome	Key stakeholders	Reporting	2019/20 Progress report
Develop and implement Communication Policy for better engaging with people with disability	Improved processes for engaging with people with a disability.	Council corporate team/Council community service staff/ People with disability	Annual report	Increased options of Council communications, such as Facebook videos with spoken narrative, and audio, video and visual versions of Community News are now available via Council's website.
Continue to provide Council information in multiple formats	Improved access to Council information	Community	Annual report	Increased options of Council communications, such as Facebook videos with spoken narrative, and audio, video and visual versions of Community News are now available via Council's website.
Council seeks to provide local services and businesses with information on how to appropriately engage with people with disability and how their business could be more inclusive	Businesses are aware of Council's commitment and resources to assist with disability inclusion.	Local businesses	Annual report	<p>Council is a proud supporter of local business 'Clock Awards', which includes awards for excellence in community services and disability access.</p> <p>Council also proudly supports initiatives such as annual Disability Inclusion Sports Awards, which includes the categories 'Disability Inclusive Sports Club Award' and 'Disability Inclusive Sports Volunteer Award'.</p> <p>Council has a broad range of accessible facilities and services, including local swimming pools with accessibility ramps and accessible change facilities, and accessible parks and playgrounds.</p>
Investigate the opportunity to provide a 'one-stop-shop' on Council's website that provides people with disability access to essential information e.g. accessible and appropriate services and facilities	Improved processes for engaging with people with a disability.	Council/People with disability	Annual report	<p>Accessible services for which Council is responsible are listed on Council's website, including Meals on Wheels and Community Transport services, and accessible playground and bathroom facilities. Council also regularly updates its listings on the National Public Toilet register, which notes accessible facilities. Accessibility is always considered when updating or constructing new Council facilities.</p>
Council develops and implements Awards and criteria for local businesses who drive and practice disability inclusion	Businesses are rewarded and promoted for driving change in disability inclusion	Local businesses	Annual reporting	<p>Council is a proud supporter of local business 'Clock Awards', which includes awards for excellence in community services and disability access.</p> <p>Council also proudly supports initiatives such as annual Disability Inclusion Sports Awards, which includes the categories 'Disability Inclusive Sports Club Award' and 'Disability Inclusive Sports Volunteer Award'.</p>



Supporting **improved physical access** in the community

Action	Expected outcome	Key stakeholders	Reporting	2019/20 Progress report
Continue to implement the Pedestrian Access and Mobility Plan (PAMP)	Increase pathway infrastructure to improve physical access of public space	Community/ Council	Pathways inspected every four years and PAMP is updated every two years	<p>Nine PAMP projects were completed:</p> <ul style="list-style-type: none"> ▪ Robertson Street West (Spring Road heading north for 60m) ▪ Robertson Road West - Maher Place (existing path in reserve - 104m) ▪ Robertson Road West - Spring Road to Maher Place (85m) ▪ Winter Street North (corner in seg 40 through drainage reserve to Bellevue cycleway - 92m) ▪ Bellevue Pathway (Fairrydale Lane - Bellevue Park) ▪ Douro Street West (pedestrian refuge and build-out between Inglis Street and the railway line) ▪ Inglis Street North (Douro and Court Streets) ▪ Mayne and Tallawang Streets (pedestrian refuge and build-out) ▪ Rylstone Pedestrian Footbridge over the Cudgegong River
Auditing physical accessibility of Council owned buildings to consider leading practice prioritisation of upgrades	Physical accessibility of Council owned facilities is reviewed with priority upgrades identified.	Council	DIAP 2020	<p>Council's building network comprises over 200 buildings and its Asset Management Plan establishes condition inspection program.</p> <p>Council's Asset Management Plan acknowledges greater demand for accessibility and services for an ageing cohort. It also notes that renewal plans are to include increased access at facilities.</p>
Inclusion objectives to be referred to and considered when allocating community grants	Increase consideration of disability and inclusion in awarding Council grants	Community/ Council	Annual report	<p>Council's Community Grants Program closely aligns with its Towards 2030 Community Plan, including strategies on providing equitable access to a range of places and spaces for all in the community, providing infrastructure and services to cater for the current and future needs of our community and maintaining the provision of high quality, accessible community services that meet the needs of our community.</p>

STATUTORY INFORMATION

REPORTING REQUIREMENTS – INSPECTION OF PRIVATE SWIMMING POOLS

Swimming Pools Act 1992 (SP Act), s224F(2) Swimming Pools Regulation 2018 (SP Reg) cl23



COMPANION ANIMALS

Local Government (General) Regulation 2005 - Clause 217(1)(f), Companion Animals Act 1988 (CA Act), Companion Animals Regulation 2018, and Companion Animals Guidelines (CA Guidelines)

Council undertakes companion animal management functions and activities in accordance with the Companion Animals Act 1998 and the associated Regulations.

Council's pound collection data for the 2019/20 reporting period has been lodged with the Department.

Lodgement of data relating to dog attacks with OLG

Data relating to dog attacks is required to be lodged by Council with the Office of Local Government.

During the 2019/20 period, there were 127 separate dog attack incidents in the region, with a number of animal (primarily stock) and human victims. This is a significant increase to last year.

Actions taken following dog attacks can include infringement notices, animal seizure, police action, and euthanasia of the attacking dog.

Animal management/activities expenditure

During 2019/20, Council spent \$185,935 on companion animal management activities.

Council employs three full time Law Enforcement Officers to enforce the provisions of the Companion Animal legislation.

These Law Enforcement Officers also attend to after-hours stock impounding. As part of running an animal pound facility, Council utilises additional staff resources to ensure 7 day a week animal care and coverage.

The Office of Local Government provided \$27,329 of revenue to Council in 2019/20 for Animal Management Services.

A further \$55,604 was received from stock impounding fees, animal release fees, fines, animal sales and other related revenue, helping to partially offset the total cost of companion animal management to the community.



Companion Animal and Desexing Community Education Programs

Council strongly encourages residents to have their dogs and cats micro-chipped. Micro-chipping is quick, painless and easy. It is the easiest way a pet can be returned home, so it should be top priority for every pet owner. Council has a micro-chipping service, and charged \$35 for the service in 2019/20. During 2019/20, 272 companion animals were registered through Council.

During the 2019/20 period Council conducted two micro-chipping days, where Council's Law Enforcement Officers administered free microchipping and members of the community were encouraged to bring in their cats or dogs. These days were held during October in Mudgee and March in Gulgong.

Strategies to comply with S64(5) - euthanasia alternatives for unclaimed animals

Council works with a number of organisations regarding foster care of impounded animals, including the RSPCA. Council's website links to the Friends of Mudgee Pound Facebook page with the advertising of impounded animals who are lost or looking for a new home.

Across 2019/20, Council compiled Pound Data Collection Returns for the Office of Local Government. 288 animals were seized. Of those, 154 dogs and 13 cats were able to be released to their owners. Unfortunately due to the low identification rate for cats, returning these animals to their owners is more difficult

Of all the companion animals seized or surrendered during the 2019/20 period, 173 were rehomed through rehoming organisations or sold directly to the public.

A total of 135 animals were required to be euthanased as they were either unsuitable or unable to be rehomed.

Off-Leash Area

Council has three off-leash areas for companion dogs, located at Glen Willow Regional Sports Complex in Mudgee, Peoples Park in Gulgong, and the Rylstone Showground.

Summary of Pound Data	Cats	Dogs	Total
Seized and transferred to Council's facility	169	119	288
Abandoned/Stray	169	226	395
Surrendered by Owners	20	102	122
Returned to Owners	1	112	113
Released to Owners	13	154	167
Euthanased	77	58	135
Sold	19	61	80
Released to Organisations for re-homing	29	64	93
Died at Council Facility	0	0	0
Stolen or escaped from Council's Facility	2	1	3
Holding pending Court Action	0	0	0

STATUTORY INFORMATION

REPORTING REQUIREMENTS UNDER THE GOVERNMENT INFORMATION (PUBLIC ACCESS) ACT 2009

Government Information (Public Access) Act 2009 – Section 125(1) Government Information (Public Access) Regulation 2018 – Clause 8, Schedule 2

Under Section 7 of the GIPA Act agencies must review their programs for the release of government information to identify the kinds of information that can be made publicly available. Council's program for the proactive release of information involved providing as much information as possible on Council's website and where proactive making other information available free of charge in accordance with Council's Information Guide.

During the 2019/20 reporting period, Council received a total of 36 formal access applications as detailed in the table below.

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

	Access Granted in Full	Access Granted in Part	Access Refused in Full	Information not Held	Information Already Available	Refuse to Deal with Application	Refuse to Confirm/ Deny Whether Information is Held	Application Withdrawn	Total	% of Total
Media	0	0	0	0	0	0	0	0	0	0%
Members of Parliament	0	0	0	0	0	0	0	0	0	0%
Private sector business	11	1	0	0	1	1	0	3	17	44%
Not for profit organisations or community groups	0	0	0	0	0	0	0	0	0	0%
Members of the public (by legal representative)	0	0	0	0	0	0	0	0	0	0%
Members of the public (other)	11	1	0	1	1	0	0	8	22	56%
Total	22	2	0	1	2	1	0	11	39	
<i>% of Total</i>	<i>56%</i>	<i>5%</i>	<i>0%</i>	<i>3%</i>	<i>5%</i>	<i>3%</i>	<i>0%</i>	<i>28%</i>		

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



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

	Access granted in full	Access granted in part	Access refused in full	Information not held	Information already available	Refuse to deal with Application	Refuse to confirm/deny whether information is held	Application withdrawn	Total	% of Total
Personal information applications*	0	0	0	0	0	0	0	0	0	0%
Access applications (other than personal information applications)	20	2	0	1	2	1	0	11	37	95%
Access applications that are partly personal information applications and partly other	2	0	0	0	0	0	0	0	2	5%
Total	22	2	0	1	2	1	0	11	39	
<i>% of Total</i>	56%	5%	0%	3%	5%	3%	0%	28%		

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

Table C: Invalid applications

Reason for invalidity	Number of applications	% of Total
Application does not comply with formal requirements (section 41 of the Act)	0	0%
Application is for excluded information of the agency (section 43 of the Act)	0	0%
Application contravenes restraint order (section 110 of the Act)	0	0%
Total number of invalid applications received	0	0%
Invalid applications that subsequently became valid applications	0	0%

STATUTORY INFORMATION

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

	No. times consideration used*	% of Total
Overriding secrecy laws	0	0%
Cabinet information	0	0%
Executive Council information	0	0%
Contempt	0	0%
Legal professional privilege	0	0%
Excluded information	0	0%
Documents affecting law enforcement and public safety	0	0%
Transport safety	0	0%
Adoption	0	0%
Care and protection of children	0	0%
Ministerial code of conduct	0	0%
Aboriginal and environmental heritage	0	0%
Privilege generally – Sch 1(5A)	0	0%
Information provided to High Risk Offenders Assessment Committee	0	0%
Total	0	

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

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

	No. of times consideration used*	% of Total
Responsible and effective government	0	0%
Law enforcement and security	0	0%
Individual rights, judicial processes and natural justice	0	0%
Business interests of agencies and other persons	2	100%
Environment, culture, economy and general matters	0	0%
Secrecy provisions	0	0%
Exempt documents under interstate Freedom of Information legislation	0	0%
Total	2	

Table F: Timeliness

	No. of applications*	% of Total
Decided within the statutory timeframe (20 days plus any extensions)	38	97%
Decided after 35 days (by agreement with the applicant)	1	3%
Not decided within time (deemed refusal)	0	0%
Total	39	



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

	Decision varied	Decision upheld	Total	% of Total
Internal review	0	0	0	0%
Review by Information Commissioner*	0	0	0	0%
Internal review following recommendation under section 93 of Act	0	0	0	0%
Review by NCAT	0	0	0	0%
Total	0	0	0	
<i>% of Total</i>	<i>0%</i>	<i>0%</i>		

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

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

	No. of Applications for review	% of Total
Applications by access applicants	0	0%
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0	0%
Total	0	

Table I: Applications transferred to other agencies

	No. of Applications transferred	% of Total
Agency-Initiated Transfers	0	0%
Applicant-Initiated Transfers	0	0%
Total	0	

PUBLIC INFORMATION DISCLOSURES

Public Interest Disclosures Act 1994 – Section 31 Public Interest Disclosures Regulation 2011, Clause 4

Council has received one public interest disclosure during the 2019/20 financial year. This matter was referred and taken up by another agency for investigation.

PLANNING AGREEMENTS

Environmental Planning and Assessment Act 1979 – Section 7.5(5)

Company	Effective	Purpose	Amount	Due Date	Paid
Caerleon	Sep-13	Fairydale Lane Contribution	\$500,000	Lump sum payment on connection of Fairydale Lane to the spine road, based on \$500 per lot of registered plans for the subdivision. Thereafter a per lot contribution upon registration	No
		Community Open Space Network	Land for parks, recreation, stormwater and sewer	As stages are released	Yes – for stages released

STATUTORY INFORMATION

Company	Effective	Purpose	Amount	Due Date	Paid
Charbon Coal	Sep-10	Annual Contribution - Road Maintenance	\$0.05 per tonne per kilometre	Due by 31 July each year for coal hauled in previous year	No
		Annual Contribution - Road Maintenance	\$0.77 per tonne	\$75,000 paid as bond. To be charged with calculated contribution on an annual basis until \$75,000 exhausted. A further \$75,000 shall then be paid to Council, with annual charges payable whilst mining continues	Yes – completed
		Lump Sum - Carwell Creek Bridge Upgrade	\$210,000	\$210,000 due within 30 days of commencement of construction works by Council	Yes - completed
		Annual Contribution - Community Facilities	\$0.01 per Run of Mine tonnes per annum	Due by 31 July each year for coal hauled in previous year	No
		Lump Sum - Community Facilities	\$50,000	\$50,000 payable within one month of receipt of project approval for a community project in Rylstone, Kandos, Charbon and/ or Clandulla	Yes - completed
		Moolarben Coal Stage 1	Aug-08	Lump Sum - Open Cut Coal	\$1,000,000
Lump Sum - Underground Coal	\$300,000			Payable in three equal annual instalments, with the first payment due within 7 days of first loading and dispatch of coal produced from the underground operation	No
Lump Sum - Road Maintenance	\$1,000,000			Payable in three equal annual instalments, with the first payment due within 7 days of the commencement of construction	Yes – completed
Jan-15	Annual Contribution - Road Maintenance		\$1,250,000	\$62,500 per annum for 20 years, with the first instalment due on the anniversary of the first loading and dispatch of coal	11 of 20
	Annual Contribution - Community Infrastructure		\$1,000,000	\$100,000 per annum for 10 years, with the first instalment due on the anniversary of the first loading and dispatch of coal	Yes – completed
	Ulan Coal Mines Limited		Mar-11	Lump Sum - Community Infrastructure	\$3,475,000
Annual Contribution - Road Maintenance Cope Road		\$1,050,000		\$50,000 per annum for 21 years, with the first instalment due within 30 days of date of agreement. Subsequent annual payments due on anniversary date of first contribution	10 of 21



Company	Effective	Purpose	Amount	Due Date	Paid
Wilpinjong Coal Pty Ltd	Mar-06	Lump Sum - Coal Shipment	\$450,000	Payable prior to the first shipment of coal from the land	Yes – completed
		Annual Contribution - Community Infrastructure	\$800,000	\$40,000 per annum for 20 years, with the first instalment due on the anniversary of the first loading and dispatch of coal	13 of 20
		Annual Contribution - Road Maintenance	\$30,000 per annum	\$30,000 per annum for the life of the mining operation, with the first instalment due on the anniversary of the first loading and dispatch of coal	13 of life
		Annual Contribution - Bus Routes	\$60,000	\$20,000 per annum for three years	Yes – completed
Wilpinjong Coal Pty Ltd	Jan-11	Lump Sum - Ulan-Wollar Road	\$50,000	Non cash contribution of \$50,000 of gravel to be used for upgrading of the Ulan-Wollar Road	Yes – completed
		Lump Sum - Ulan-Wollar Road Upgrade	\$600,000	\$600,000 payable by instalments within 14 days of invoices as issued by Council at each stage of the primary road works	Yes – completed
		Annual Contribution - Community Infrastructure	\$600 per annum per permanent employee contractor in excess of 100 for 20 year consent period	31 March each year	8 of 15
	Oct-16	Annual Contribution - Community Infrastructure	\$600 per annum per permanent employee contractor for extended project life	Per annum starting in 2028 for approximately 7 years (end of project)	No
Crudine Ridge Wind Farm Pty Ltd	Aug-17	Annual Contribution	\$1,250 pa multiplied by the name plate megawatt (MW) capacity of the wind turbine generators multiplied by the number of wind turbine generators installed	Payment to commence on the first anniversary of the operation date	No
Moolarben Coal Stage 2	Jan-15	Community Enhancement	\$515 per annum for each full-time equivalent employe in excess of 320 employees	Payable from commencement of construction until mining operations under this approval cease	4 of life
		Cope Road Maintenance	\$480,000	Payable in 4 instalments of \$120,000 plus CPI, with the first payment to be made on the commencement of mining	Yes – completed
Crudine Ridge Wind Farm Pty Ltd	Aug-17	Annual Contribution	\$1,250 per annum multiplied by the name plate megawatt capacity of the wind turbine generators multiplied by the number of wind turbine generators installed	Payment to commence on the first anniversary of the operation date	No

STATE OF THE ENVIRONMENT REPORT

A State of the Environment (SoE) Report is an important management tool which aims to provide the community and Local Council with information on the condition of the environment in the local area to assist in decision-making.

Since 2007, the Councils of the Greater Central West Region of NSW (see map) have joined to produce Regional SoE Reports as part of Council reporting requirements.

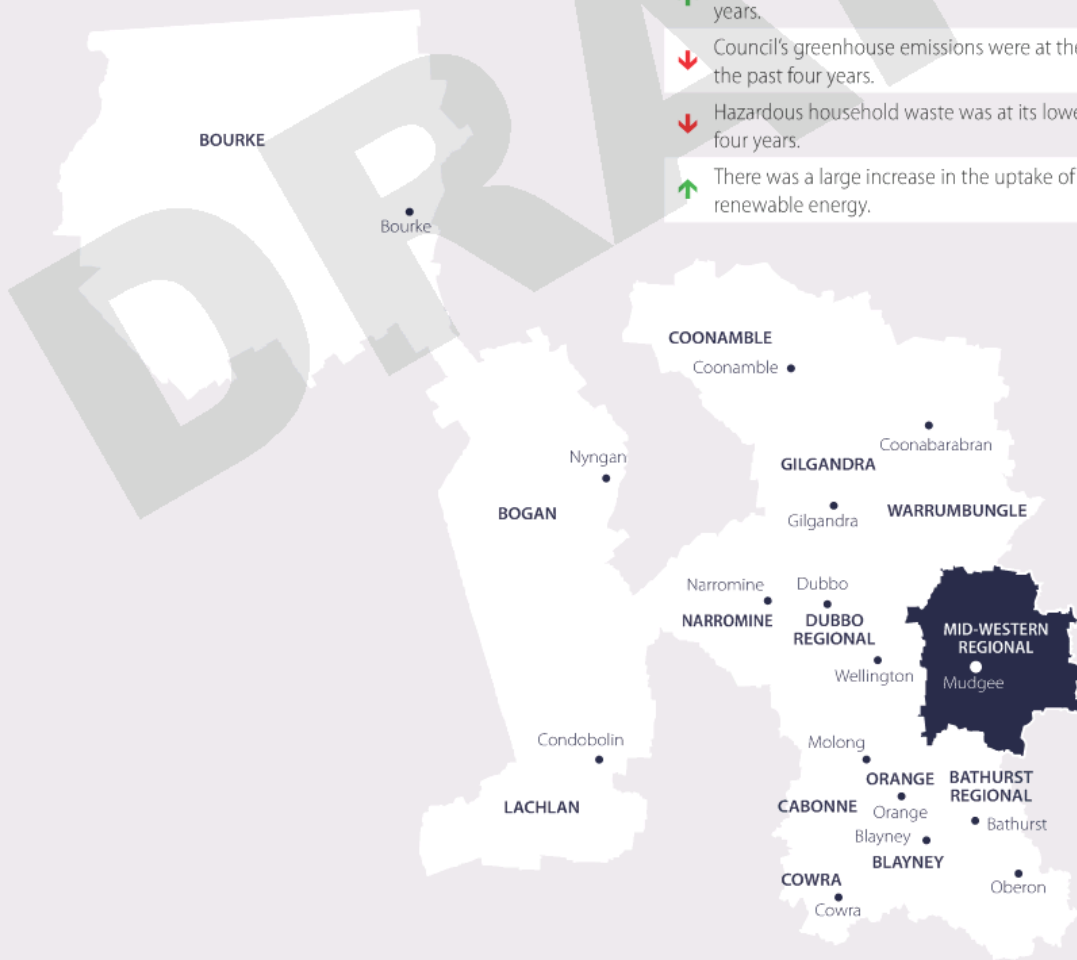
Changes to NSW legislation mean that Councils are no longer required to produce SoE Reports each year, but only once every four years, in the year of the Council

election. However, the participating Councils have decided to continue reporting on an annual basis so that they can provide a detailed Regional SoE report that covers trends in the intervening years. It should be noted that the planned 2020 NSW Council elections were postponed until 2021.

This is a brief snapshot of data for the Mid-Western Local Government Area in 2019-20 across a range of environmental indicators as shown in the tables below. The tables provide an understanding of trends by comparing this year's data with an average of previous years.

2019/20 highlights

- ↑ The number of drinking water complaints to Council dropped to its lowest level in the past four years.
- ↑ Consumption of town water fell in comparison to the last two years.
- ↓ Council's greenhouse emissions were at their highest level in the past four years.
- ↓ Hazardous household waste was at its lowest level in the past four years.
- ↑ There was a large increase in the uptake of small-scale renewable energy.





LAND

Issue	Indicator	2016-17	2017-18	2018-19	2019-20	Trend
Contamination	Contaminated land sites - Contaminated Land Register (number)	1	1	1	1	→
	Contaminated land sites - potentially contaminated sites (number)	31	0	0	0	↑
	Contaminated sites rehabilitated (number)	0	0	0	0	→
Erosion	Erosion affected land rehabilitated (ha)	0	0	0	0	→
Land use planning and management	Number of development consents and building approvals	281	266	439	409	↓
	Land use conflict complaints (number)	36	30	39	44	↓
	Loss of primary agricultural land through rezoning (ha)	0	0	0	0	→
Minerals and petroleum	Number of mining and exploration titles	149	16		627	↓
	Area covered by mining and exploration titles (ha)	682,000	650,000	593,000	606,000	↑

↑ Improvement → No or little change ↓ Worsening trend

Note: the trend is based on comparing the average of the previous three years of reporting with 2019/20

BIODIVERSITY

Issue	Indicator	2016-17	2017-18	2018-19	2019-20	Trend
Habitat loss	Total area in the National Parks Estate (ha)	100K	100K	101K	101K	↑
	Total area of State Forests (ha)	16,841	16,841	16,841	16,841	→
	Total area Protected in Wildlife Refuges (ha)	5,689	8,253	8,253	8,253	↑
	Area protected in conservation reserves and under voluntary conservation agreements (ha)	1,657	2,204	2,294	4,651	↑
	Extent of Travelling Stock Reserves in LGA (ha)	1,301		1,378	1,463	→
	Proportion of Council reserves that is bushland/remnant vegetation	73%	75%	75%	75%	↑
	Habitat areas revegetated (ha)	100	2	1	1	↓
	Roadside vegetation management plan	Yes	Yes	Yes	Yes	→
	Roadside vegetation rehabilitated (ha)	0	15	0	0	↓
	Threatened species	Threatened species listed (number)				181
Threatened species actions implemented (e.g. PAS, recovery plans) (number)		2	1	1	1	↓
Fish restocking activities: native species (number)		124K	55,005	39,750	47,500	↓
Priority weeds and feral animals	Fish restocking activities: non-native species (number)	38,334	27,667	29,000	30,000	↑
	Number of declared priority weeds	95	95	96	98	↓
	Invasive species (listed priority or WONS) under active management (number)	24	19	21	17	↓

↑ Improvement → No or little change ↓ Worsening trend

STATE OF THE ENVIRONMENT REPORT

WATER AND WATERWAYS

Issue	Indicator	2016-17	2017-18	2018-19	2019-20	Trend
Surface and ground water quality	Average salinity levels in selected streams (EC)	486	585	614	610	↓
	E.coli remote from wastewater treatment plants (per 100ml)	0	0	0	0	→
Riparian	Riparian vegetation recovery actions (number)	1	2	2	2	↑
	Riparian vegetation recovery area (ha)	50	4	5	5	↓
Industrial/agricultural pollution	Load Based Licencing volume (kg)	14,567	12,012	10,605	24,172	↓
	Exceedances of license discharge consent recorded (number)	4	0	0	0	↑
	Erosion & Sediment Control complaints received by council (number)	20	5	7	5	↑
Stormwater pollution	Number of gross pollutant traps installed	4	4	4	4	→
	Total catchment area of GPTs (ha)	118	118	118	118	→
	Water pollution complaints (number)	0	1		5	↓
Town water quality	Number of instances drinking water guidelines not met	77	34	26	27	↑
	Number of drinking water complaints	67	94	48	36	↑
Dam levels	Average dam levels	48.0%	45.0%	37.0%	29.0%	↓
Water extraction	Number of Water Supply Work Approvals from surface water sources	335			284	↑
	Volume of surface water permissible for extraction under licences (GL)	38			28	↑
	Number of Water Supply Work Approvals from groundwater resources	2,307			2,583	↓
	Volume of groundwater permissible for extraction under licences (GL)	35			29	↑
	Actual volume extracted through groundwater licences (GL)				3.7	
Council water consumption	Area of irrigated Council managed parks, sportsgrounds, public open space (ha)	70	71	72	159	↓
	Water used by Council for irrigation (including treated and untreated) (ML)	175	236	192	209	↓
Town water consumption	Annual metered supply (ML)	1,931	2,190	2,019	2,104	↓
	Annual consumption (Total from WTP) (ML)	2,280	2,554	2,484	2,439	↑
	Average annual household mains potable water usage (kL)	192	214	198	200	↑
	Average level of water restrictions implemented	0	0	0	2	↓
	Water conservation programs (number)	0	0	0	1	↑

↑ Improvement → No or little change ↓ Worsening trend



TOWARDS SUSTAINABILITY

Issue	Indicator	2016-17	2017-18	2018-19	2019-20	Trend
Waste generation	Total waste entombed at primary landfill (tonnes)	22,639	21,783	19,789	20,617	↑
	Total waste entombed at other landfills (excl recyclables) (tonnes)	0	0	0	0	→
	Average total waste generated per person (tonnes)	0.92	0.88	0.79	0.82	↑
	Average cost of waste service per residential household	\$375	\$383	\$500	\$517	↓
Hazardous / liquid waste	DrumMuster collections (number of drums)	1,732	1,705	3,009	2,605	↑
	Household Hazardous Wastes collected (kg)	6,284	4,948	13,288	2,519	↓
Reduce	Organics collected (diverted from landfill) (tonnes)	3,363	2,277	3,330	3,031	↑
	E-Waste collected (diverted from landfill) (tonnes)	39	35	58	36	↑
Recycle	Volume of material recycled (tonnes)	3,113	4,222	1,680	3,090	↑
	Volume of material recycled per person (kg)	127	170	67	122	↑
Littering and illegal dumping	Number of illegal waste disposal complaints to Council	25	48	8	30	↓
Engineering, infrastructure and civil works	New road construction (km)	1	0.25	0.55	0	↑
	Road upgrades (km)	83	71	55	59	↑
Risk management	Flood management plans / flood mapping – increase in area covered	710	0	0	0	↓
	Hazard reduction burns	11	11	11	4	↑
Climate change mitigation	Office paper used by Council (A4 & A3 reams)	1,956	1,817	1,980	1,916	↑
	Council sustainability initiatives (number)	0	1	3	1	↓
	Council mitigation initiatives (number)	1	0	0	0	↓
Council greenhouse gas emissions	Annual electricity consumption for Council controlled facilities (MWh)	5,867	6,315	6,100	5,938	↑
	Annual natural gas consumption for Council controlled facilities (GJ)	0	0	0	0	→
	Annual bottled gas consumption for Council controlled facilities (L)	7,863		9,003	6,604	↑
	Total fuel consumption (KL)	708	971	1,022	1,242	↓
	Proportion of Council's electrical energy demand met from Council-owned renewable energy infrastructure	0.0%	0.0%	0.0%	1.7%	↑
	Council total operational greenhouse gas emissions (tCO ₂ -e/year)	24,215	24,401	25,978	27,067	↓
Community greenhouse gas emissions	Small scale renewable energy uptake (kW installed)	1,216	1,889	3,219	3,710	↑
	Number of solar water heaters and heat pumps installed	15	18	36	9	↓

↑ Improvement → No or little change ↓ Worsening trend

STATE OF THE ENVIRONMENT REPORT

PEOPLE AND COMMUNITIES

Issue	Indicator	2016-17	2017-18	2018-19	2019-20	Trend
Active community involvement	Environmental volunteers working on public open space (hrs)	186	272	141	171	↓
	Number of environmental community engagement programs	6	4	4	4	↓
	Number of growers markets/local food retailers specialising in local food	3	3	3	3	→
Indigenous heritage	Number of indigenous sites on AHIMS register	4,328	4,566	4,856	5,097	↑
	Inclusion in DCPs & rural strategies	Yes	Yes	Yes	Yes	→
	Extent of liaison with indigenous communities (self-assessed from 0= none to 3=high)	2.0	2.0	2.0	2.0	→
	Development approvals on listed indigenous sites (number)	1	0	0	0	↑
	Number of indigenous heritage management actions/responses	0	0	1	0	↓
Non-Indigenous heritage	NSW Heritage items (number)	14	14	15	15	↑
	Locally listed heritage items (number)	526	526	526	482	↓
	Actions to protect non-indigenous heritage (including management plans) (number)	1	0	1	1	↑
	Heritage buildings on statutory heritage lists demolished/degraded in past year (number)	1	2	0	2	↓
	Heritage buildings on statutory heritage lists renovated/improved in past year (number)	41	9	29	61	↑

↑ Improvement → No or little change ↓ Worsening trend



CASE STUDY: WASTE EDUCATION (MID-WESTERN LGA)

During 2019, Impact Environmental Education developed and delivered waste and sustainability education modules to children around Mudgee, Dubbo and Narromine. These workshops educated and empowered teachers and students in primary schools and preschools to take action regarding reducing the amount of waste they consume. The program also encompassed site tours of local waste facilities for schools.

A total of 6,036 primary school students and 215 preschool students took part in sustainability education workshops across Mid-Western Regional Council, Dubbo Regional Council and Narromine Shire Council. These students came from 31 schools, this represents 76% of schools within the three local government areas being engaged.

The three preschools engaged were all from the Mid-Western Regional Council area.

There were 212 students who took part in tours of the Waste and Recycling Facilities where they were able to experience waste management beyond the bin first-hand.

The workshops were developed, administered and delivered by Impact Environmental Education trained teachers. The workshops raised awareness of local waste management processes, the facilities now utilised locally and regionally for our waste, issues involving waste recycling and disposal, and the need to reduce waste and optimise the use of the local collection systems and recycling initiatives. Workshops engaged students with activities to enable maximum absorption of information and to inspire environmental and natural resource conservation within the community.

The workshops also engaged 250 teachers. Teachers commented that the workshop made them think about their own habits in packing lunches and some were very passionate to follow up the sessions with actions to promote the 'waste-free lunch' message.

Teachers were surveyed after the sessions. When asked if they had learnt anything from the session 87% of responders answered 'yes' and over 97% of respondents indicated that they were likely to follow-up on the workshop content.



Primary school students attending a tour of the Mudgee Waste Facility

midwestern.nsw.gov.au

MID-WESTERN REGIONAL COUNCIL	:	86 Market Street MUDGEE	:	Ph: 1300 765 002 or (02) 6378 2850
	:	109 Herbert Street GULGONG	:	Fax: (02) 6378 2815
PO Box 156, Mudgee NSW 2850	:	77 Louee Street RYLSTONE	:	email: council@midwestern.nsw.gov.au



The background of the cover is a photograph of a church with a tall, dark spire, illuminated at dusk. In the foreground, there are cherry blossom trees with white flowers, a dark metal fence, and a wooden bench. The sky is a deep blue. A white banner with a dark blue border on the left side is overlaid on the top left of the image.

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020

Mid-Western Regional Council

GENERAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2020

*A prosperous and progressive community
we proudly call home.*



General Purpose Financial Statements

for the year ended 30 June 2020

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Overview

Mid-Western Regional Council is constituted under the Local Government Act 1993 (NSW) and has its principal place of business at:

86 Market Street
Mudgee NSW 2850

Council's guiding principles are detailed in Chapter 3 of the LGA and includes:

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

A description of the nature of Council's operations and its principal activities are provided in Note 2(b).

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

Mid-Western Regional Council

Financial Statements 2020

General Purpose Financial Statements

for the year ended 30 June 2020

Understanding Council's Financial Statements

Introduction

Each year, individual Local Governments across NSW are required to present a set of audited financial statements to their council and community.

What you will find in the Statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2020.

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

About the Councillor/Management Statement

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

About the Primary Financial Statements

The financial statements incorporate five "primary" financial statements:

1. The Income Statement

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

2. The Statement of Comprehensive Income

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

3. The Statement of Financial Position

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

4. The Statement of Changes in Equity

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

5. The Statement of Cash Flows

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

About the Notes to the Financial Statements

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

About the Auditor's Reports

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

In NSW the auditor provides 2 audit reports:

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

Who uses the Financial Statements?

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

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

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

Mid-Western Regional Council

General Purpose Financial Statements

for the year ended 30 June 2020

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

The attached General Purpose Financial Statements have been prepared in accordance with:

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

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

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

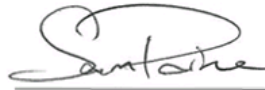
We are not aware of any matter that would render these statements false or misleading in any way.

Signed in accordance with a resolution of Council made on 16 September 2020.



Des Kennedy
Mayor

~~16 September 2020~~
9 October



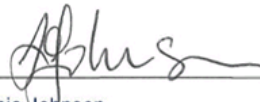
Sam Paine
Deputy Mayor

~~16 September 2020~~
12 October



Brad Cam
General Manager

~~16 September 2020~~
1 October



Leonie Johnson
Chief Financial Officer

~~16 September 2020~~
12 October

Mid-Western Regional Council

Financial Statements 2020

Income Statement

for the year ended 30 June 2020

Original unaudited budget 2020	\$ '000	Notes	Actual 2020	Restated Actual 2019
Income from continuing operations				
40,481	Rates and annual charges	3a	39,281	31,043
11,717	User charges and fees	3b	16,442	15,018
1,413	Other revenues	3c	1,942	3,443
13,760	Grants and contributions provided for operating purposes	3d,3e	20,643	14,465
31,345	Grants and contributions provided for capital purposes	3d,3e	19,633	17,836
1,667	Interest and investment income	4	1,650	2,373
–	Fair value increment on investment properties	11	1,168	–
1,789	Rental income	14e	1,409	–
102,172	Total income from continuing operations		102,168	84,178
Expenses from continuing operations				
25,798	Employee benefits and on-costs	5a	25,321	23,759
867	Borrowing costs	5b	832	926
12,767	Materials and contracts	5c	16,631	12,723
15,243	Depreciation and amortisation	5d	17,480	16,514
7,035	Other expenses	5e	8,418	7,297
2,439	Net losses from the disposal of assets	6	8,525	3,980
64,149	Total expenses from continuing operations		77,207	65,199
38,023	Operating result from continuing operations		24,961	18,979
38,023	Net operating result for the year		24,961	18,979
38,023	Net operating result attributable to council		24,961	18,979
6,678	Net operating result for the year before grants and contributions provided for capital purposes		5,328	1,143

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

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

Statement of Comprehensive Income

for the year ended 30 June 2020

\$ '000	Notes	2020	Restated 2019
Net operating result for the year (as per Income Statement)		24,961	18,979
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of IPP&E	10(a)	40,113	6,010
Total items which will not be reclassified subsequently to the operating result		40,113	6,010
Amounts which will be reclassified subsequently to the operating result when specific conditions are met			
Asset Remediation provision movements		(300)	(2,375)
Other movements		-	663
Total items which will be reclassified subsequently to the operating result when specific conditions are met		(300)	(1,712)
Total other comprehensive income for the year		39,813	4,298
Total comprehensive income for the year		64,774	23,277
Total comprehensive income attributable to Council		64,774	23,277

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

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

Mid-Western Regional Council

Financial Statements 2020

Statement of Financial Position

as at 30 June 2020

\$ '000	Notes	2020	Restated 2019	Restated 1 July 2018
ASSETS				
Current assets				
Cash and cash equivalents	7(a)	6,029	5,121	6,481
Investments	7(b)	70,150	67,727	55,824
Receivables	8	8,468	8,606	6,435
Inventories	9a	1,372	1,314	1,197
Contract assets	13a	6,542	–	–
Other	9b	26	146	–
Total current assets		92,587	82,914	69,937
Non-current assets				
Investments	7(b)	10,800	5,000	10,000
Receivables	8	–	123	181
Infrastructure, property, plant and equipment	10(a)	1,002,780	951,854	934,483
Investment property	11	7,440	6,272	6,272
Intangible Assets	12	271	239	346
Right of use assets	14a	150	–	–
Total non-current assets		1,021,441	963,488	951,282
Total assets		1,114,028	1,046,402	1,021,219
LIABILITIES				
Current liabilities				
Payables	15	9,293	6,916	5,267
Income received in advance	15	68	8	950
Contract liabilities	13b	6,113	–	–
Lease liabilities	14b	38	–	–
Borrowings	15	1,482	2,009	1,693
Provisions	16	7,850	7,301	6,501
Total current liabilities		24,844	16,234	14,411
Non-current liabilities				
Lease liabilities	14b	111	–	–
Borrowings	15	10,441	10,971	12,976
Provisions	16	5,507	4,987	2,899
Total non-current liabilities		16,059	15,958	15,875
Total liabilities		40,903	32,192	30,286
Net assets		1,073,125	1,014,210	990,933
EQUITY				
Accumulated surplus	17	467,189	442,808	419,079
Revaluation reserves	17	605,936	571,402	571,854
Council equity interest		1,073,125	1,014,210	990,933
Total equity		1,073,125	1,014,210	990,933

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

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

Statement of Changes in Equity
for the year ended 30 June 2020

\$ '000	Notes	as at 30/06/20				as at 30/06/19 ¹			
		Accumulated surplus	IPP&E revaluation reserve	Available for sale reserve	Total equity	Accumulated surplus	IPP&E revaluation reserve	Available for sale reserve	Total equity
Opening balance		429,261	575,382	–	1,004,643	405,443	575,625	209	981,277
Correction of prior period errors ¹	17b	13,547	(3,980)	–	9,567	13,636	(3,980)	–	9,656
Changes due to AASB 9 adoption ²	17c	–	–	–	–	209	–	(209)	–
Changes due to AASB 1058 and AASB 15 adoption	17	(5,859)	–	–	(5,859)	–	–	–	–
Restated opening balance		436,949	571,402	–	1,008,351	419,288	571,645	–	990,933
Net operating result for the year		24,961	–	–	24,961	19,068	–	–	19,068
Correction of prior period errors ³	17b	–	–	–	–	(89)	–	–	(89)
Net operating result for the period		24,961	–	–	24,961	18,979	–	–	18,979
Other comprehensive income									
– Gain (loss) on revaluation of IPP&E	10(a)	–	40,113	–	40,113	–	6,010	–	6,010
– Other reserves movements (rounding)		–	–	–	–	(7)	(107)	–	(114)
– Other reserves movements (credit to retained earning)		–	–	–	–	777	–	–	777
– Other movements (Asset remediation provision movement)		–	(300)	–	(300)	–	(2,375)	–	(2,375)
Other comprehensive income		–	39,813	–	39,813	770	3,528	–	4,298
Total comprehensive income		24,961	39,813	–	64,774	19,749	3,528	–	23,277
Transfers between equity items		5,279	(5,279)	–	–	3,771	(3,771)	–	–
Equity – balance at end of the reporting period		467,189	605,936	–	1,073,125	442,808	571,402	–	1,014,210

(1) Found stormwater assets, less prior year revaluation movement for investment properties - see note 17.

(2) Initial application of AASB 9 Financial Instruments.

(3) Depreciation expense was adjusted for stormwater assets

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

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

Mid-Western Regional Council

Financial Statements 2020

Statement of Cash Flows

for the year ended 30 June 2020

Original unaudited budget 2020	\$ '000	Notes	Actual 2020	Actual 2019
Cash flows from operating activities				
<i>Receipts:</i>				
40,131	Rates and annual charges		40,026	31,197
13,000	User charges and fees		16,853	14,825
1,880	Investment and interest revenue received		1,871	1,779
44,345	Grants and contributions		34,567	30,883
–	Bonds, deposits and retention amounts received		984	467
2,901	Other		8,121	6,505
<i>Payments:</i>				
(25,061)	Employee benefits and on-costs		(24,559)	(23,102)
(7,070)	Materials and contracts		(16,374)	(16,925)
(824)	Borrowing costs		(852)	(919)
–	Bonds, deposits and retention amounts refunded		(1,315)	(400)
(13,184)	Other		(13,157)	(8,630)
	Net cash provided (or used in) operating activities	18b	46,165	35,680
56,118				
Cash flows from investing activities				
<i>Receipts:</i>				
8,880	Sale of investment securities		69,614	63,200
563	Sale of infrastructure, property, plant and equipment		543	2,054
13	Deferred debtors receipts		–	–
<i>Payments:</i>				
(4,282)	Purchase of investment securities		(77,792)	(69,560)
–	Purchase of investment property		–	(6,272)
(61,359)	Purchase of infrastructure, property, plant and equipment		(36,392)	(24,768)
(73)	Purchase of intangible assets		(137)	(5)
(56,258)	Net cash provided (or used in) investing activities		(44,164)	(35,351)
Cash flows from financing activities				
<i>Receipts:</i>				
1,681	Proceeds from borrowings and advances		1,000	–
<i>Payments:</i>				
(2,053)	Repayment of borrowings and advances		(2,057)	(1,689)
–	Lease liabilities (principal repayments)		(36)	–
(372)	Net cash flow provided (used in) financing activities		(1,093)	(1,689)
(512)	Net increase/(decrease) in cash and cash equivalents		908	(1,360)
6,841	Plus: cash and cash equivalents – beginning of year	18a	5,121	6,481
6,329	Cash and cash equivalents – end of the year	18a	6,029	5,121
–	plus: Investments on hand – end of year	7(b)	80,950	72,727
6,329	Total cash, cash equivalents and investments		86,979	77,848

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

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

Notes to the Financial Statements

for the year ended 30 June 2020

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Mid-Western Regional Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 1. Basis of preparation

These financial statements were authorised for issue by Council on 16 September 2020. Council has the power to amend and reissue these financial statements in cases where critical information is received from public submissions or where the OLG directs Council to amend the financial statements.

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

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

Council is a not for-profit entity.

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

(a) Historical cost convention

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

(b) Significant accounting estimates and judgements

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

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

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future.

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

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

- (i) estimated fair values of infrastructure, property, plant and equipment – refer Note 10
- (ii) estimated tip remediation provisions – refer Note 16
- (iii) employee benefit provisions – refer Note 16

Significant judgements in applying the council's accounting policies

- (i) Impairment of receivables

Council has made a significant judgement about the impairment of a number of its receivables – refer Note 8.

Monies and other assets received by Council

(a) The Consolidated Fund

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

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

- General purpose operations
- Water service
- Sewerage service
- Waste management

Notes to the Financial Statements

for the year ended 30 June 2020

Note 1. Basis of preparation (continued)

- Mudgee Sports Council (s355)
- Gulgong Sports Council (s355)
- Rylstone Sports Council (s355)

(b) The Trust Fund

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

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

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

Goods and Services Tax (GST)

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

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

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

Volunteer services

Council makes use of volunteers for the Community Transport program, and Meals on Wheels program. The estimated value of these services has been included in the financial statements with a value estimated at \$265,000, based on an average salary and on costs council would be required to pay if the services were not donated.

COVID-19 Impacts

Covid 19 has caused a disruption to council's business practices with a number of staff working remotely from home or at other council facilities away from the main administration building. Whilst this has caused some inconvenience it has not resulted in significant additional cost. Some costs have been incurred for additional equipment and staff salaries for employees required to isolate.

Council has provided some rent relief to commercial lessee's to compensate for lost income due to the compulsory lockdown and some additional costs have been incurred in cleaning of council facilities. Rate collections are marginally less than the previous year's, with an increase in rates receivable at year end of about \$575,000 and other receivables have not been impacted.

Overall the financial impact has not been significant and is not anticipated to increase in future years.

Council is of the view that physical non-current assets will not experience substantial declines in value due to Covid. Fair value for the majority of Council's non-current assets is determined by replacement cost where there is no anticipated material change in value due to Covid.

For assets where fair value is determined by market value Council has no evidence of material changes to these values. With Covid emerging late in the financial reporting cycle it is not practical to obtain external valuations of these assets at 30 June 2020.

Bushfire Impacts

In December 2019, through to February 2020 three large bushfires burnt approximately 210,000 hectares in the Mid-Western Regional Local Government Area. Council continues to assist property owners impacted by the fire, but has also continued recovery works in these areas to make safe roadsides and Council reserves and assets.

Bushfire Impacts

Council received \$625,510 in Section 44 bushfire reimbursements for the initial bushfire response costs, \$2,765,354 in Natural Disaster funding for road reserve recovery works in the locations of Kerry's Ridge and Upper Turon and \$1,142,646 in Federal Relief funding which has been used in the recovery and resilience building for local communities including the temporary

continued on next page ...

Mid-Western Regional Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 1. Basis of preparation (continued)

employment of a bushfire liaison officer and the waiver of developer fees and charges, and some rating instalments. Fair value for the majority of Council's non-current assets is determined by replacement cost where there was no material change in value due to bushfire, and no recorded impairment at 30 June 2020.

New accounting standards adopted during the year

During the year Council adopted the following accounting standards and interpretations (as issued by the Australian Accounting Standards Board) which were mandatorily effective from 1 July 2019:

- AASB 16 Leases
- AASB 15 Revenue from contracts with customers and associated amending standards.
- AASB 1058 Income of Not-for-profit entities

Further information on the newly adopted standards which had a material impact on Council's reported financial position, financial performance and/or associated financial statement disclosures can be found at Note 17.

Notes to the Financial Statements
for the year ended 30 June 2020

Note 2(a). Council functions/activities – financial information

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

	Income from continuing operations		Expenses from continuing operations		Operating result from continuing operations		Grants included in income from continuing operations		Carrying amount of assets	
	2020	2019	2020	2019 Restated	2020	2019 Restated	2020	2019	2020	2019 Restated
\$ '000										
Functions or activities										
Looking after our community	8,704	6,320	14,547	13,356	(5,843)	(7,036)	6,785	3,926	90,668	87,053
Protecting our natural environment	21,490	19,531	21,627	20,671	(137)	(1,140)	1,774	1,373	202,758	205,951
Building a strong local economy	1,891	1,369	1,917	1,921	(26)	(552)	624	293	21,992	18,323
Connecting the region	27,219	23,784	26,234	19,210	985	4,574	11,796	10,209	652,924	600,872
Good government	42,864	33,174	12,882	10,041	29,982	23,133	4,392	4,136	145,686	134,203
Total functions and activities	102,168	84,178	77,207	65,199	24,961	18,979	25,371	19,937	1,114,028	1,046,402

Mid-Western Regional Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 2(b). Council functions/activities - component descriptions

Details relating to the Council's functions/activities as reported in Note 2(a) are as follows:

As a result of moving to the Integrated Planning & Reporting framework from 1 July 2012, Council now reports on its activities under the 5 broad themes set out below (Governance forms part of the Good Government theme). Prior year actuals have been restated to correspond to the new Themes.

Includes costs relating to Council's role as a component of democratic government, including elections, members' fees and expenses, subscriptions to local authority associations, meetings of Council and policymaking committees, public disclosure (e.g. GIPA) and legislative compliance.

Looking after our community

Fire protection, animal control, public order & safety, emergency services, food control, health, community services, family day care, childcare, youth services, aged & disabled services, housing, town planning, public cemeteries, public toilets, libraries, museums, community centres, public halls, swimming pools, sporting grounds, parks & gardens, building control, and urban streetscaping.

Protecting our natural environment

Noxious plants, domestic waste management, other solid waste management, street cleaning, stormwater drainage, environmental protection, water supply, sewerage services.

Building a strong local economy

Caravan parks, tourism & area promotions, industrial development, saleyards, real estate development.

Connecting the region

Urban roads local, urban roads regional, sealed rural roads local, sealed rural roads regional, unsealed rural roads local, unsealed rural roads regional, bridges, footpaths & cycleways, aerodromes, car parking areas, state roads, street lighting.

Good government

Corporate support, Mid-Western Operations, plant operations, private works, general purpose revenue, developer contributions.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations

\$ '000	AASB	2020	2019
(a) Rates and annual charges			
Ordinary rates			
Residential	1058 (1)	10,600	10,226
Farmland	1058 (1)	4,744	4,619
Mining ¹	1058 (1)	9,348	2,225
Business	1058 (1)	1,503	1,340
Less: pensioner rebates (mandatory)	1058 (1)	(332)	(336)
Rates levied to ratepayers		25,863	18,074
Pensioner rate subsidies received	1058 (1)	184	184
Total ordinary rates		26,047	18,258
Special rates			
Hunter Valley catchment special rate	1058 (1)	17	15
Rates levied to ratepayers		17	15
Total special rates		17	15
Annual charges			
<small>(pursuant to s.496, s.496A, s.496B, s.501 & s.611)</small>			
Domestic waste management services	15 (1)	2,264	2,140
Water supply services	15 (1)	1,545	1,520
Sewerage services	15 (1)	6,430	6,212
Waste management services (non-domestic)	1058 (1)	3,150	3,069
Less: pensioner rebates (mandatory)	1058 (1)	(388)	(382)
Annual charges levied		13,001	12,559
Pensioner subsidies received:			
– Water	1058 (1)	67	65
– Sewerage	1058 (1)	61	60
– Domestic waste management	1058 (1)	88	86
Total annual charges		13,217	12,770
TOTAL RATES AND ANNUAL CHARGES		39,281	31,043

The **AASB** notation (above) identifies the revenue recognition pattern for material items of Council revenue:

15 (1) indicates income recognised under AASB 15 “at a point in time”,

15 (2) indicates income recognised under AASB 15 “over time”,

1058 (1) indicates income recognised under AASB 1058 “at a point in time”, while

1058 (2) indicates income recognised under AASB 1058 “over time”.

Council has used 01/07/2018 year valuations provided by the NSW Valuer General in calculating its rates.

Accounting policy for rates and charges

Rates and annual charges are recognised as revenue when the Council obtains control over the assets comprising these receipts which is the beginning of the rating period to which they relate.

Prepaid rates are recognised as a financial liability until the beginning of the rating period.

Pensioner rebates relate to reductions in rates and certain annual charges for eligible pensioners' place of residence in the local government council area that are not subsidised by the NSW Government.

Pensioner rate subsidies are received from the NSW Government to provide a contribution towards the pensioner rebates and are in substance a rates payment.

Mid-Western Regional Council

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

2019 accounting policy

Control over assets acquired from rates and annual charges is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

(1) Mining rates increased by about \$7 million due to a material increase in land values

\$ '000	AASB	2020	2019
(b) User charges and fees			
Specific user charges			
(per s.502 - specific 'actual use' charges)			
Water supply services	15 (2)	6,042	5,469
Sewerage services	15 (2)	683	723
Total specific user charges		6,725	6,192
Other user charges and fees			
(i) Fees and charges – statutory and regulatory functions (per s.608)			
Planning and building regulation	15 (1)	824	747
Private works – section 67	15 (1)	110	221
Total fees and charges – statutory/regulatory		934	968
(ii) Fees and charges – other (incl. general user charges (per s.608))			
Aerodrome	15 (2)	93	113
Aged care	15 (2)	138	147
Cemeteries	15 (1)	250	258
Leaseback fees – Council vehicles (2019 Only)	15 (1)	–	93
Library and art gallery	1058 (1)	1	4
RMS (formerly RTA) charges (state roads not controlled by Council)	15 (2)	5,681	5,106
Saleyards	15 (1)	333	304
Swimming centres	1058 (1)	246	223
Water connection fees	15 (1)	195	81
Children services	15 (1)	100	114
Parks and sports grounds	15 (1)	183	183
Waste depot	1058 (1)	1,436	1,167
Waste water services	1058 (1)	127	65
Total fees and charges – other		8,783	7,858
TOTAL USER CHARGES AND FEES		16,442	15,018

The **AASB** notation (above) identifies the revenue recognition pattern for material items of Council revenue:

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1058 (1) indicates income recognised under AASB 1058 “at a point in time”, while

1058 (2) indicates income recognised under AASB 1058 “over time”.

Accounting policy for user charges and fees

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

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

Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

Where an upfront fee is charged such as membership fees for the leisure centre the fee is recognised on a straight-line basis over the expected life of the membership.

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

2019 accounting policy

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

\$ '000	AASB	2020	2019
(c) Other revenues			
Rental income – other council properties (2019 only)	15 (1)	–	1,035
Fines	1058 (1)	94	83
Legal fees recovery – rates and charges (extra charges)	1058 (1)	93	132
Commissions and agency fees	1058 (1)	30	29
Diesel rebate	1058 (1)	202	240
Insurance claims recoveries	1058 (1)	116	240
Recycling income (non-domestic)	1058 (1)	374	478
Sales – general (Glen Willow)	1058 (1)	7	40
Sales – events	15 (1)	297	333
Sales – ironed out	1058 (1)	31	49
Sales – mudgee town hall cinema	15 (1)	39	49
Sales - library	1058 (1)	14	28
Litigation Settlement and Claimed Bank Guarantee	1058 (1)	100	483
Volunteer services income (Community Transport & Meals on Wheels)	1058 (1)	264	–
Other	1058 (1)	281	224
TOTAL OTHER REVENUE		1,942	3,443

The **AASB** notation (above) identifies the revenue recognition pattern for material items of Council revenue:

15 (1) indicates income recognised under AASB 15 “at a point in time”,

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1058 (2) indicates income recognised under AASB 1058 “over time”.

Accounting policy for other revenue

Where the revenue relates to a contract with customer, the revenue is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

Where the revenue relates to a contract which is not enforceable or does not contain sufficiently specific performance obligations then revenue is recognised when an unconditional right to a receivable arises or the cash is received, which is earlier.

2019 accounting policy:

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

Miscellaneous sales are recognised when physical possession has transferred to the customer which is deemed to be the point of transfer of risks and rewards.

Litigation settlement and claimed bank guarantees have been realised through managing external construction contracts. Revenue has been recognised when litigation was settled.

Mid-Western Regional Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

\$ '000		Operating 2020	Operating 2019	Capital 2020	Capital 2019
(d) Grants					
General purpose (untied)					
Current year allocation					
Financial assistance – general component	1058 (1)	2,054	2,020	–	–
Financial assistance – local roads component	1058 (1)	1,232	1,245	–	–
Payment in advance - future year allocation					
Financial assistance – general component	1058 (1)	2,175	2,126	–	–
Financial assistance – local roads component	1058 (1)	1,308	1,259	–	–
Total general purpose		6,769	6,650	–	–
Specific purpose					
Water supplies	15 (2)	–	–	696	640
Sewerage services	15 (2)	–	–	583	1
Aged care	1058 (1)	846	832	–	–
Bushfire and emergency services	1058 (1)	4,958	438	–	9
Heritage and cultural	1058 (1)	29	61	–	–
Library	1058 (1)	121	85	–	–
Library – special projects	15 (2)	–	–	119	25
LIRS subsidy	15 (1)	68	86	–	–
Noxious weeds	1058 (1)	169	185	–	–
Recreation and culture	15	–	13	3,452	1,916
Street lighting	15 (1)	37	36	–	–
Transport (roads to recovery)	15 (2)	2,387	1,717	–	–
Transport (other roads and bridges funding)	15	–	–	3,663	5,860
Children's services	1058 (1)	659	649	–	–
Environmental programs	15 (2)	–	–	42	–
Waste management	1058 (1)	–	57	–	–
Youth services	1058 (1)	2	3	–	–
Other	1058	184	56	587	618
Total specific purpose		9,460	4,218	9,142	9,069
Total grants		16,229	10,868	9,142	9,069
Grant revenue is attributable to:					
– Commonwealth funding		9,105	9,634	4,058	1,702
– State funding		7,122	1,228	5,084	7,292
– Other funding		2	6	–	75
		16,229	10,868	9,142	9,069

The **AASB** notation (above) identifies the revenue recognition pattern for material items of Council revenue:

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1058 (1) indicates income recognised under AASB 1058 "at a point in time", while

1058 (2) indicates income recognised under AASB 1058 "over time".

Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

\$ '000	Notes	AASB	Operating 2020	Operating 2019	Capital 2020	Capital 2019
(e) Contributions						
Developer contributions:						
(s7.4 & s7.11 - EP&A Act, s64 of the LGA):						
Cash contributions						
S 7.4 – contributions using planning agreements		1058 (1)	–	–	885	1,112
S 7.11 – contributions towards amenities/services		1058 (1)	–	–	729	336
S 7.12 – fixed development consent levies		1058 (1)	–	–	43	95
S 64 – water supply contributions		1058 (1)	–	–	1,052	349
S 64 – sewerage service contributions		1058 (1)	–	–	314	164
Total developer contributions – cash			–	–	3,023	2,056
Total developer contributions	27		–	–	3,023	2,056
Other contributions:						
Cash contributions						
Community services		1058 (1)	–	–	12	4
Roads and bridges		15 (2)	655	655	5,152	5,158
RMS contributions (regional roads, block grant)		15 (2)	3,307	2,493	1,437	500
Occupational health and safety		15 (1)	77	166	–	–
Other		15	375	283	85	–
Total other contributions – cash			4,414	3,597	6,686	5,662
Non-cash contributions						
Dedications – subdivisions (other than by s7.11)		1058 (1)	–	–	782	1,049
Total other contributions – non-cash			–	–	782	1,049
Total other contributions			4,414	3,597	7,468	6,711
Total contributions			4,414	3,597	10,491	8,767
TOTAL GRANTS AND CONTRIBUTIONS			20,643	14,465	19,633	17,836

The **AASB** notation (above) identifies the revenue recognition pattern for material items of Council revenue:

15 (1) indicates income recognised under AASB 15 "at a point in time",

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1058 (1) indicates income recognised under AASB 1058 "at a point in time", while

1058 (2) indicates income recognised under AASB 1058 "over time".

Accounting policy for grants and contributions**Accounting policy from 1 July 2019****Grant income under AASB 15**

Where grant income arises from an agreement which is enforceable and contains sufficiently specific performance obligations then the revenue are recognised when control of each performance obligations is satisfied.

Mid-Western Regional Council

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

The performance obligations are varied based on the agreement but can include performance obligations such as events, completion of a project or delivery of specified program. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

Each performance obligation is considered to ensure that the revenue recognition reflects the transfer of control and within grant agreements there may be some performance obligations where control transfers at a point in time and others which have continuous transfer of control over the life of the contract.

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

Grant income

Assets arising from grants in the scope of AASB 1058 is recognised at the assets fair value when the asset is received. Councils considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

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

Capital grants

Capital grants received to enable Council to acquire or construct an item of infrastructure, property, plant and equipment to identified specifications which will be under Council's control and which is enforceable are recognised as revenue as and when the obligation to construct or purchase is completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project as there is no profit margin.

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

Contributions

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

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

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

Accounting policy prior to 1 July 2019

Control over grants and contributions is normally obtained upon their receipt (or acquittal) and revenue is recognised at this time and is valued at the fair value of the granted or contributed asset at the date of transfer.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner, or used over a particular period, and those conditions were un-discharged at reporting date, the unused grant or contribution is disclosed below.

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

Notes to the Financial Statements

for the year ended 30 June 2020

Note 3. Revenue from continuing operations (continued)

\$ '000	2020	2019
(f) Unspent grants and contributions – external restrictions		
Certain grants and contributions are obtained by Council on condition that they be spent in a specified manner due to externally imposed restrictions.		
Operating grants		
Unexpended at the close of the previous reporting period	4,035	3,773
Add: operating grants recognised as income in the current period but not yet spent (2019 only)	–	474
Add: operating grants received for the provision of goods and services in a future period	1,843	3,385
Less: operating grants recognised in a previous reporting period now spent (2019 only)	–	(3,597)
Less: operating grants received in a previous reporting period now spent and recognised as income	(3,783)	–
Operating grants unspent at 30 June 2020 include bushfire recovery grants and youth services grant. These grants relate to ongoing projects that will be completed in future years.		
Capital grants		
Unexpended at the close of the previous reporting period	1,862	462
Add: capital grants recognised as income in the current period but not yet spent (2019 only)	4,792	1,689
Less: capital grants recognised in a previous reporting period now spent (2019 only)	–	(289)
Less: capital grants received in a previous reporting period now spent and recognised as income	(1,220)	–
Unspent capital grants at 30 June 2020, include amounts for:		
<ul style="list-style-type: none"> • Art gallery facility; • Ulan Road Strategy funding; • Victoria Park Gulgong lighting; • Rural Customer Water Filling Stations • Ulan Wollar Road upgrade; and • Other minor works. 		
These grants relate to ongoing projects that will be completed in future years.		
Contributions		
Unexpended at the close of the previous reporting period	16,557	16,368
Add: contributions recognised as income in the current period but not yet spent	3,192	2,986
Less: contributions recognised in a previous reporting period now spent	(2,367)	(2,797)
Unexpended contributions include developer contributions, and other minor contribution to capital and operating projects.		

Mid-Western Regional Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 4. Interest and investment income

\$ '000	2020	2019
Interest on financial assets measured at amortised cost		
– Overdue rates and annual charges (incl. special purpose rates)	102	91
– Cash and investments	1,499	1,734
– Other	4	5
Fair value adjustments		
– Movements in investments at fair value through profit and loss	45	543
Total Interest and investment income	1,650	2,373

Accounting policy for interest and investment revenue

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

Note 5. Expenses from continuing operations

\$ '000	2020	2019
(a) Employee benefits and on-costs		
Salaries and wages	21,446	19,529
Employee termination costs	141	14
Employee leave entitlements (ELE)	4,624	4,527
Superannuation – defined contribution plans	2,123	1,925
Superannuation – defined benefit plans	331	359
Workers' compensation insurance	477	404
Fringe benefit tax (FBT)	199	169
Payroll tax	100	122
Protective clothing	118	126
Other	18	14
Total employee costs	29,577	27,189
Less: capitalised costs	(4,256)	(3,430)
TOTAL EMPLOYEE COSTS EXPENSED	25,321	23,759
Number of 'full-time equivalent' employees (FTE) at year end	344	330
Number of 'full-time equivalent' employees (FTE) at year end (incl. vacancies)	357	337

Accounting policy for employee benefits and on-costs

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

Retirement benefit obligations

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

Superannuation plans

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

Council participates in a defined benefit plan under the Local Government Superannuation Scheme, however, sufficient information to account for the plan as a defined benefit is not available and therefore Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable – refer to Note 21 for more information.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 5. Expenses from continuing operations (continued)

\$ '000	Notes	2020	2019
(b) Borrowing costs			
(i) Interest bearing liability costs			
Interest on leases		14	–
Interest on loans		804	900
Other debts		3	–
Total interest bearing liability costs		821	900
Total interest bearing liability costs expensed		821	900
(ii) Other borrowing costs			
Amortisation of discounts and premiums			
– Remediation liabilities	16	11	26
Total other borrowing costs		11	26
TOTAL BORROWING COSTS EXPENSED		832	926

Accounting policy for borrowing costs

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

\$ '000	2020	2019
(c) Materials and contracts		
Raw materials and consumables	4,119	4,428
Contractor and consultancy costs	8,236	5,245
– Labour contracts	306	368
– Plant hire wet	1,990	938
– Road sealing contract	495	336
– Tourism contract	509	454
– Consultancy	217	145
Auditors remuneration ²	76	98
Legal expenses:		
– Legal expenses: planning and development	133	125
– Legal expenses: debt recovery	95	140
– Legal expenses: other	156	105
Expenses from leases of low value assets (2020 only)	299	–
Operating leases expense (2019 only):		
– Operating lease rentals: minimum lease payments ¹	–	341
Total materials and contracts	16,631	12,723
TOTAL MATERIALS AND CONTRACTS	16,631	12,723

Accounting policy for materials and contracts

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

Operating leases (2019 only)

Leases in which a significant portion of the risks and rewards of ownership are not transferred to Council as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Mid-Western Regional Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 5. Expenses from continuing operations (continued)

\$ '000	2020	2019
2. Auditor remuneration		
During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms		
Auditors of the Council - NSW Auditor-General:		
(i) Audit and other assurance services		
Audit and review of financial statements	70	63
Remuneration for audit and other assurance services	70	63
Total Auditor-General remuneration	70	63
Non NSW Auditor-General audit firms		
(i) Non-assurance services		
Other services	6	35
Remuneration for non-assurance services	6	35
Total remuneration of non NSW Auditor-General audit firms	6	35
Total Auditor remuneration	76	98

\$ '000	Notes	2020	2019 Restated
(d) Depreciation, amortisation and impairment of non-financial assets			
Depreciation and amortisation			
Plant and equipment		3,027	2,670
Office equipment		115	114
Furniture and fittings		41	40
Land improvements (depreciable)		20	14
Infrastructure:	10(a)		
– Buildings – non-specialised		729	511
– Buildings – specialised		610	316
– Other structures		336	308
– Roads		5,912	5,602
– Bridges		1,117	1,100
– Footpaths		142	138
– Stormwater drainage		325	323
– Water supply network		1,870	1,803
– Sewerage network		1,548	1,556
– Swimming pools		225	222
– Other open space/recreational assets		508	413
Right of use assets	14	35	–
Other assets:			
– Library books		69	79
Reinstatement, rehabilitation and restoration assets:			
– Tip assets	16,10(a)	743	1,150
– Quarry assets	16,10(a)	13	43
Intangible assets	12	95	112
Total depreciation and amortisation costs		17,480	16,514

continued on next page ...

Notes to the Financial Statements

for the year ended 30 June 2020

Note 5. Expenses from continuing operations (continued)

TOTAL DEPRECIATION, AMORTISATION AND IMPAIRMENT FOR NON-FINANCIAL ASSETS	17,480	16,514
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Accounting policy for depreciation, amortisation and impairment expenses of non-financial assets**Depreciation and amortisation**

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful lives are included in Note 10 for IPPE assets and Note 12 for intangible assets, and Note 14 for right of use assets.

Depreciation is capitalised where in-house assets have contributed to new assets.

Impairment of non-financial assets

Council assets held at fair value that are not held primarily for their ability to generate net cash flow, and that are deemed to be specialised, are no longer required to be tested for impairment under AASB 136. This is because these assets are assessed on an annual basis to ensure that the carrying amount is not materially different from fair value and therefore an impairment loss would be captured during this assessment.

Intangible assets that have an indefinite useful life, or are not yet available for use, are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets that do not meet the criteria above are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

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

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

\$ '000	2020	2019
(e) Other expenses		
Advertising	105	120
Bad and doubtful debts	20	5
Bank charges	125	120
Computer software charges	1,114	785
Contributions/levies to other levels of government		
– Emergency services levy (includes FRNSW, SES, and RFS levies)	39	33
– NSW fire brigade levy	61	56
– NSW rural fire service levy	693	551
– Other contributions/levies	168	145
Councillor expenses – mayoral fee	44	43
Councillor expenses – councillors' fees	182	178
Councillors' expenses (incl. mayor) – other (excluding fees above)	27	24
Donations, contributions and assistance	691	283
– Pelican Airline air service	71	58
– Housing plus crisis accommodation	85	85
Electricity and heating	1,309	1,411
Family day care centre	477	524
Recruitment costs	37	37
Insurance	1,331	1,226
Travel expenses (employee)	18	23
Postage	125	122

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for the year ended 30 June 2020

Note 5. Expenses from continuing operations (continued)

\$ '000	2020	2019
Printing and stationery	150	171
Street lighting	375	483
Subscriptions and publications	183	139
Telephone and communications	422	345
Training expenses (employee)	302	330
Volunteer services expenses (Community Transport & Meals on Wheels)	264	–
TOTAL OTHER EXPENSES	8,418	7,297

Accounting policy for other expenses

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

Note 6. Gain or loss from disposal of assets

\$ '000	Notes	2020	2019
Property (excl. investment property)			
Proceeds from disposal – property		–	884
Less: carrying amount of property assets sold/written off		(1)	(1,114)
Net gain/(loss) on disposal		(1)	(230)
Plant and equipment			
	10(a)		
Proceeds from disposal – plant and equipment		543	1,170
Less: carrying amount of plant and equipment assets sold/written off		(1,186)	(1,026)
Net gain/(loss) on disposal		(643)	144
Infrastructure			
	10(a)		
Less: carrying amount of infrastructure assets sold/written off		(7,871)	(3,894)
Net gain/(loss) on disposal		(7,871)	(3,894)
Investments			
	7(b)		
Proceeds from disposal/redemptions/maturities – investments		69,614	63,200
Less: carrying amount of investments sold/redeemed/matured		(69,614)	(63,200)
Net gain/(loss) on disposal		–	–
Intangible assets			
	12		
Less: carrying amount of intangible assets sold/written off		(10)	–
Net gain/(loss) on disposal		(10)	–
NET GAIN/(LOSS) ON DISPOSAL OF ASSETS		(8,525)	(3,980)

Accounting policy for disposal of assets

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Income Statement.

The gain or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer and the asset is de-recognised.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 7(a). Cash and cash equivalents

\$ '000	2020	2019
Cash and cash equivalents		
Cash on hand and at bank	–	12
Cash-equivalent assets		
– Deposits at call	3,777	3,379
– Managed funds (TCorp Cash Management Funds)	2,252	1,730
Total cash and cash equivalents	6,029	5,121

Accounting policy for cash and cash equivalents

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

Note 7(b). Investments

\$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
Investments				
a. 'Financial assets at fair value through profit or loss'	8,150	–	8,127	–
b. 'Financial assets at amortised cost'	62,000	10,800	59,600	5,000
Total Investments	70,150	10,800	67,727	5,000
TOTAL CASH ASSETS, CASH EQUIVALENTS AND INVESTMENTS	76,179	10,800	72,848	5,000
Financial assets at fair value through the profit or loss				
Managed funds	8,150	–	8,127	–
Total	8,150	–	8,127	–
Financial assets at amortised cost				
Long term deposits	62,000	10,800	59,600	5,000
Total	62,000	10,800	59,600	5,000

Accounting policy for investments

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

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

Financial assets

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

Classification

On initial recognition, Council classifies its financial assets into the following categories – those measured at:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income – equity instrument (FVOCI-equity)

Financial assets are not reclassified subsequent to their initial recognition.

Mid-Western Regional Council

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 7(b). Investments (continued)

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows, and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Council's financial assets measured at amortised cost comprise trade and other receivables, term deposits and cash and cash equivalents in the Statement of Financial Position.

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

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

Fair value through other comprehensive income – equity instruments

Council has a number of strategic investments in entities over which they do not have significant influence nor control. Council has made an irrevocable election to classify these equity investments as fair value through other comprehensive income as they are not held for trading purposes.

These investments are carried at fair value with changes in fair value recognised in other comprehensive income (financial asset reserve). On disposal any balance in the financial asset reserve is transferred to accumulated surplus and is not reclassified to profit or loss.

Other net gains and losses excluding dividends are recognised in Other Comprehensive Income.

Financial assets through profit or loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss.

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

Council's financial assets measured at fair value through profit or loss comprise investments in Managed Funds in the Statement of Financial Position.

Note 7(c). Restricted cash, cash equivalents and investments

\$ '000	2020		2019	
	Current	Non-current	Current	Non-current
Total cash, cash equivalents and investments	76,179	10,800	72,848	5,000
attributable to:				
External restrictions	45,726	6,483	48,337	3,318
Internal restrictions	17,890	2,536	15,560	1,068
Unrestricted	12,563	1,781	8,951	614
	76,179	10,800	72,848	5,000

Notes to the Financial Statements

for the year ended 30 June 2020

Note 7(c). Restricted cash, cash equivalents and investments

\$ '000	2020	2019
Details of restrictions		
External restrictions – included in liabilities		
Specific purpose unexpended grants – general fund (2020 only)	5,613	–
Trust deposits	703	1,034
Specific purpose unexpended grants – water fund (2020 only)	270	–
External restrictions – included in liabilities	6,586	1,034
External restrictions – other		
Developer contributions – general	8,115	7,614
Developer contributions – water fund	5,746	5,119
Developer contributions – sewer fund	3,369	3,022
Specific purpose unexpended grants (recognised as revenue) – general fund	1,645	5,783
Specific purpose unexpended grants (recognised as revenue) – water fund	1	114
Water supplies	9,476	9,334
Sewerage services	10,474	9,598
Domestic waste management	5,016	4,577
Bequest – Simpkins park	101	100
Community services	316	297
Community tenancy scheme	175	154
Family day care	176	124
Ulan road strategy	–	3,158
Other contributions	153	767
Public Road Closure Compensation	860	860
External restrictions – other	45,623	50,621
Total external restrictions	52,209	51,655
Internal restrictions		
Plant and vehicle replacement	5,467	4,343
Employees leave entitlement	2,895	2,795
Asset replacement	2,718	2,369
Capital program	667	693
Council elections	220	203
Future fund	520	500
Land development	1,044	4,162
Mudgee bicentenary	–	20
Saleyards	40	45
State roads warranty	400	305
Seal Extension Program	2,972	1,193
Financial Assistance Grant Received in Advance	3,483	–
Total internal restrictions	20,426	16,628
TOTAL RESTRICTIONS	72,635	68,283

Mid-Western Regional Council

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 8. Receivables

\$ '000	2020		2019	
	Current	Non-current	Current	Non-current
Purpose				
Rates and annual charges	1,594	–	1,019	–
Interest and extra charges	206	–	218	–
User charges and fees	4,101	–	4,209	–
Accrued revenues				
– Interest on investments	455	–	710	–
Government grants and subsidies	1,077	–	1,886	–
Loans to non-profit organisations	–	–	14	123
Net GST receivable	824	–	610	–
Other debtors	291	–	9	–
Total	8,548	–	8,675	123
Less: provision of impairment				
Rates and annual charges	(20)	–	(21)	–
Interest and extra charges	–	–	(1)	–
User charges and fees	(60)	–	(47)	–
Total provision for impairment – receivables	(80)	–	(69)	–
TOTAL NET RECEIVABLES	8,468	–	8,606	123

\$ '000	2020	2019
Movement in provision for impairment of receivables		
Balance at the beginning of the year (calculated in accordance with AASB 139)	69	101
+ new provisions recognised during the year	26	7
– amounts already provided for and written off this year	(15)	(39)
Balance at the end of the year	80	69

Accounting policy for receivables

Recognition and measurement

Receivables are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets.

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

Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Impairment

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

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, and when estimating ECL, the Council considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Council's historical experience and informed credit assessment, and including forward-looking information.

When considering the ECL for rates debtors, Council takes into account that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold. For non-rates debtors, Council uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 8. Receivables (continued)

The Council uses the presentation that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Council in full, without recourse by the Council to actions such as realising security (if any is held) or
- the financial assets (for non-rates debtors) are more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the entity in accordance with the contract, and the cash flows expected to be received. This is applied using a probability weighted approach.

On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

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

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Council writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when proceedings for the recovery of the debt have been unsuccessful.

None of the receivables that have been written off are subject to enforcement activity.

Where the Council renegotiates the terms of receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Rates and annual charges outstanding are secured against the property.

Note 9. Inventories and other assets

\$ '000	2020 Current	2020 Non-current	2019 Current	2019 Non-current
(a) Inventories				
(i) Inventories at cost				
Stores and materials	664	–	745	–
Gravel stockpile	708	–	569	–
Total inventories at cost	1,372	–	1,314	–
<u>TOTAL INVENTORIES</u>	<u>1,372</u>	<u>–</u>	<u>1,314</u>	<u>–</u>
(b) Other assets				
Prepayments	26	–	146	–
<u>TOTAL OTHER ASSETS</u>	<u>26</u>	<u>–</u>	<u>146</u>	<u>–</u>

Accounting policy for inventories and other assets**Raw materials and stores, work in progress and finished goods**

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Mid-Western Regional Council

Notes to the Financial Statements
for the year ended 30 June 2020

Note 10(a). Infrastructure, property, plant and equipment

	as at 30/06/19			Asset movements during the reporting period								as at 30/06/20		
	Gross carrying amount Restated	Accumulated depreciation Restated	Net carrying amount Restated	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation decrements to equity (ARR)	Revaluation increments to equity (ARR)	Gross carrying amount	Accumulated depreciation	Net carrying amount
\$ '000														
Capital work in progress	6,915	–	6,915	2,937	–	–	–	(4,765)	(1)	–	–	5,086	–	5,086
Plant and equipment	33,558	(13,701)	19,857	2,795	1,370	(1,150)	(3,027)	–	–	–	–	32,691	(12,846)	19,845
Office equipment	3,599	(3,241)	358	–	200	(19)	(115)	–	1	–	–	3,563	(3,138)	425
Furniture and fittings	913	(682)	231	17	24	(17)	(41)	–	–	–	–	878	(664)	214
Land:														
– Operational land	41,772	–	41,772	–	1,726	(1)	–	34	(100)	–	–	43,431	–	43,431
– Community land	7,142	–	7,142	–	39	–	–	–	100	–	–	7,281	–	7,281
– Crown land	11,162	–	11,162	–	175	–	–	–	–	–	–	11,337	–	11,337
– Land under roads (post 30/6/08)	2,634	–	2,634	–	–	–	–	38	(17)	–	–	2,655	–	2,655
Land improvements – non-depreciable	1,619	–	1,619	–	175	–	–	5	1	–	–	1,800	–	1,800
Land improvements – depreciable	617	(272)	345	7	23	–	(20)	11	1	–	–	628	(261)	367
Infrastructure:														
– Buildings – non-specialised	45,614	(15,682)	29,932	295	605	–	(729)	–	(47)	–	–	46,467	(16,411)	30,056
– Buildings – specialised	44,427	(9,876)	34,551	111	2,294	–	(610)	19	45	–	–	46,897	(10,487)	36,410
– Other structures	11,406	(3,043)	8,363	333	1,732	(124)	(336)	427	417	–	–	14,136	(3,324)	10,812
– Roads	378,963	(146,574)	232,389	9,871	1,438	(4,966)	(5,912)	1,133	(1,664)	–	16,885	380,460	(131,286)	249,174
– Bridges	105,878	(47,877)	58,001	–	715	(374)	(1,117)	18	1,981	–	3,594	115,499	(52,681)	62,818
– Footpaths	9,445	(3,953)	5,492	–	859	(24)	(142)	–	–	–	1,183	12,663	(5,295)	7,368
– Bulk earthworks (non-depreciable)	285,024	–	285,024	3,174	518	(1,714)	–	1,064	726	–	19,403	308,195	–	308,195
– Stormwater drainage	39,488	(11,806)	27,682	153	359	(461)	(325)	59	(1,038)	(2,796)	–	32,810	(9,177)	23,633
– Water supply network	114,716	(43,062)	71,654	2,099	292	(84)	(1,870)	1,665	(443)	–	697	119,083	(45,073)	74,010
– Sewerage network	114,530	(28,452)	86,078	40	1,639	–	(1,548)	123	(49)	–	846	117,430	(30,301)	87,129
– Swimming pools	9,652	(5,396)	4,256	25	19	(6)	(225)	–	–	–	–	9,625	(5,556)	4,069
– Other open space/recreational assets	16,111	(4,121)	11,990	77	1,026	(127)	(508)	169	72	–	–	17,170	(4,471)	12,699
Other assets:														
– Library books	1,415	(749)	666	–	83	–	(69)	–	–	–	–	1,498	(818)	680
Reinstatement, rehabilitation and restoration assets (refer Note 16):														
– Tip assets	5,092	(1,644)	3,448	–	–	–	(743)	–	–	–	267	5,359	(2,387)	2,972
– Quarry assets	515	(222)	293	–	–	–	(13)	–	–	–	34	549	(235)	314
Total Infrastructure, property, plant and equipment	1,292,207	(340,353)	951,854	21,934	15,311	(9,067)	(17,350)	–	(15)	(2,796)	42,909	1,337,191	(334,411)	1,002,780

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

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Notes to the Financial Statements
for the year ended 30 June 2020

Note 10(a). Infrastructure, property, plant and equipment (continued)

	as at 30/06/18			Asset movements during the reporting period							as at 30/06/19		
	Gross carrying amount Restated	Accumulated depreciation	Net carrying amount Restated	Additions renewals ¹	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Adjustments and transfers	Revaluation increments to equity (ARR)	Gross carrying amount Restated	Accumulated depreciation	Net carrying amount Restated
\$ '000													
Capital work in progress	12,728	–	12,728	4,752	–	–	–	(10,543)	(22)	–	6,915	–	6,915
Plant and equipment	31,715	(12,937)	18,778	3,844	931	(1,026)	(2,670)	–	–	–	33,558	(13,701)	19,857
Office equipment	3,582	(3,127)	455	13	4	–	(114)	–	–	–	3,599	(3,241)	358
Furniture and fittings	908	(643)	265	–	5	–	(40)	–	1	–	913	(682)	231
Land:													
– Operational land	40,766	–	40,766	–	1,006	–	–	–	–	–	41,772	–	41,772
– Community land	17,798	–	17,798	–	9	–	–	–	(10,665)	–	7,142	–	7,142
– Crown land	–	–	–	–	148	(91)	–	–	11,105	–	11,162	–	11,162
– Land under roads (post 30/6/08)	1,605	–	1,605	–	–	–	–	–	–	1,029	2,634	–	2,634
Land improvements – non-depreciable	1,602	–	1,602	13	–	–	–	4	–	–	1,619	–	1,619
Land improvements – depreciable	602	(257)	345	15	–	–	(14)	–	(1)	–	617	(272)	345
Infrastructure:													
– Buildings – non-specialised	45,001	(15,243)	29,758	121	711	(189)	(511)	43	(1)	–	45,614	(15,682)	29,932
– Buildings – specialised	44,306	(9,749)	34,557	342	23	(58)	(316)	–	3	–	44,427	(9,876)	34,551
– Other structures	11,427	(2,735)	8,692	119	59	–	(308)	5	(204)	–	11,406	(3,043)	8,363
– Roads	367,085	(146,306)	220,779	11,758	1,206	(2,669)	(5,602)	6,918	(1)	–	378,963	(146,574)	232,389
– Bridges	103,971	(47,158)	56,813	888	955	(157)	(1,100)	650	(48)	–	105,878	(47,877)	58,001
– Footpaths	9,151	(3,816)	5,335	125	169	–	(138)	–	1	–	9,445	(3,953)	5,492
– Bulk earthworks (non-depreciable)	282,824	–	282,824	837	–	(1,347)	–	2,710	–	–	285,024	–	285,024
– Stormwater drainage	39,448	(11,483)	27,965	8	–	–	(323)	33	(1)	–	39,488	(11,806)	27,682
– Water supply network	111,478	(40,715)	70,763	478	976	(29)	(1,803)	131	35	1,103	114,716	(43,062)	71,654
– Sewerage network	112,311	(26,838)	85,473	753	–	(371)	(1,556)	–	446	1,333	114,530	(28,452)	86,078
– Swimming pools	9,564	(5,174)	4,390	76	11	–	(222)	–	1	–	9,652	(5,396)	4,256
– Other open space/recreational assets	13,579	(3,830)	9,749	583	2,118	(97)	(413)	49	1	–	16,111	(4,121)	11,990
Other assets:													
– Library books	1,323	(670)	653	92	–	–	(79)	–	–	–	1,415	(749)	666
Reinstatement, rehabilitation and restoration assets (refer Note 16):													
– Tip assets	2,641	(494)	2,147	–	–	–	(1,150)	–	(1)	2,452	5,092	(1,644)	3,448
– Quarry assets	422	(179)	243	–	–	–	(43)	–	–	93	515	(222)	293
Total Infrastructure, property, plant and equipment	1,265,837	(331,354)	934,483	24,817	8,331	(6,034)	(16,402)	–	649	6,010	1,292,207	(340,353)	951,854

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

Notes to the Financial Statements

for the year ended 30 June 2020

Note 10(a). Infrastructure, property, plant and equipment (continued)

Accounting policy for infrastructure, property, plant and equipment

Infrastructure, property, plant and equipment are held at fair value. Independent comprehensive valuations are performed at least every five years, however the carrying amount of assets is assessed by Council at each reporting date to confirm that it is not materially different from current fair value.

Water and sewerage network assets are indexed at each reporting period in accordance with the Rates Reference Manual issued by Department of Industry (Dol) – Water.

Increases in the carrying amounts arising on revaluation are credited to the revaluation reserve. To the extent that the increase reverses a decrease previously recognising profit or loss relating to that asset class, the increase is first recognised as profit or loss. Decreases that reverse previous increases of assets in the same class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Income Statement during the financial period in which they are incurred.

When infrastructure, property, plant and equipment are acquired by Council for nil or nominal consideration, the assets are initially recognised at their fair value at the acquisition date.

Capitalisation thresholds

Items of infrastructure, property, plant and equipment are not capitalised unless their cost of acquisition exceeds the relevant below threshold, provided that the estimated useful life is longer than one year. An exception to this is where an item below the relevant threshold forms part of a larger asset.

Plant and equipment		Land	
Office equipment	\$5,000	Council land and land under road	100%
Office furniture	\$5,000		
Computer equipment	\$5,000	Buildings	
Other plant and equipment	\$2,000	Construction	100%
		Renovations	\$5,000
Water and wastewater network assets	\$10,000		
		Other infrastructure assets	
Transportation assets	\$10,000	Swimming pools	\$5,000
		Other open space/recreational assets	\$5,000
Stormwater assets	\$10,000	Other	\$5,000

Depreciation

Land is not depreciated. Property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Council will obtain ownership at the end of the lease term. Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Plant and equipment	Years	Building	Years
Office equipment	5 to 20	Buildings	5 to 195
Office furniture	5 to 20		
Computer equipment	5 to 10	Stormwater assets	
Vehicles	3 to 10	Drains	120
Heavy plant/road making equipment	8 to 12	Culverts	120
Other plant and equipment	5 to 15		

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 10(a). Infrastructure, property, plant and equipment (continued)

Water network assets		Wastewater network assets	
Dams and reservoirs	20 to 200	Pump stations	10 to 70
Bores	10 to 50	Reticulation mains	40 to 300
Reticulation pipes and mains delivery	80	Rising mains	40 to 300
Treatment plants	5 to 100	Treatment plants	5 to 100
Pumps and telemetry	20 to 80		
Transportation assets		Other infrastructure assets	
Sealed roads: surface	10 to 25	Bulk earthworks	infinite
Sealed roads: structure	60 to 250	Swimming pools	8 to 100
Unsealed roads	9 to 25	Other open space/recreational assets	7 to 100
Bridge: concrete	80 to 130	Other	4 to 150
Bridge: other	80 to 130		
Kerb, gutter and footpaths	30 to 75		

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Land under roads

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

Council has elected to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051 Land Under Roads.

Land under roads acquired after 1 July 2008 is recognised in accordance with AASB 116 Property, Plant and Equipment.

During 2018/19, Council revalued land under roads based on Valuer General's valuation of land in our council area as of 1 July 2018 and discounted 90 percent as undeveloped/Englobo land.

Crown reserves

Crown reserves under Council's care and control are recognised as assets of the Council. While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated.

Improvements on Crown reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating to the reserves are recognised within Council's Income Statement.

Rural Fire Service assets

Under Section 119 of the *Rural Fire Services Act 1997 (NSW)*, "all firefighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the firefighting equipment has been purchased or constructed".

Council has assessed during 2019/20 that it does not have control over Rural Fire Service plant and vehicles, and as such, they are no longer recognised in the financial statements. Council does have a level of control over Rural Fire Service land and buildings and continues to recognise these in the financial statements.

Note 10(b). Infrastructure, property, plant and equipment – current year impairments

\$ '000	Notes	2020	2019
(iii) Impairment losses recognised direct to equity (ARR):			
– Flood damage to Roads		745	–
Total impairment losses		745	–
IMPAIRMENT OF ASSETS – DIRECT to EQUITY (ARR)		745	–

Notes to the Financial Statements

for the year ended 30 June 2020

Note 11. Investment properties

\$ '000	2020	2019
Owned investment property		
Investment property - Building	3,528	3,797
Investment Property - Land	3,912	2,475
Total owned investment property	<u>7,440</u>	<u>6,272</u>

(a) Reconciliation – owned investment property

Reconciliation of annual movement:

Opening balance	6,272	6,272
– Net gain/(loss) from fair value adjustments	1,168	–
CLOSING BALANCE – OWNED INVESTMENT PROPERTY	<u>7,440</u>	<u>6,272</u>

(b) Valuation basis

Accounting policy for investment property

Investment property, principally comprising freehold office buildings, is held for long-term rental yields and is not occupied by NSW Council. Changes in fair values are recorded in the Income Statement as part of other income.

Properties that are under construction for future use as investment properties are regarded as investment properties. These are also carried at fair value unless the fair value cannot yet be reliably determined. Where that is the case, the property will be accounted for at cost until either the fair value becomes reliably determinable or construction is complete.

Valuation Basis

The basis of valuation of investment properties is fair value, being the amounts for which the properties could be exchanged between willing parties in arms length transaction, based on current prices in an active market for similar properties in the same location and condition and subject to similar leases.

The 2020 revaluations were based on independent assessments by Aspect Property Consultants Pty Ltd, Certified Practising Valuers.

Prior period error

A \$3.98 million prior year revaluation movement for investment properties was incorrectly allocated to the Asset Revaluation Reserve instead of the Income Statement in the 2018/19 financial year. For details see Note 17.

Note 12. Intangible assets

Intangible assets are as follows:

\$ '000	2020	2019
Software		
Opening values at 1 July		
Gross book value	1,524	1,519
Accumulated amortisation	(1,285)	(1,173)
Net book value – opening balance	<u>239</u>	<u>346</u>
Movements for the year		
– Other movements	(9)	–
– Purchases	136	5

Mid-Western Regional Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 12. Intangible assets (continued)

\$ '000	2020	2019
– Amortisation charges	(95)	(112)
Closing values at 30 June		
Gross book value	1,649	1,524
Accumulated amortisation	(1,378)	(1,285)
Total software – net book value	<u>271</u>	<u>239</u>
TOTAL INTANGIBLE ASSETS – NET BOOK VALUE	<u>271</u>	<u>239</u>

Accounting policy for intangible assets

IT development and software

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems.

Costs capitalised include external direct costs of materials and service, direct payroll, and payroll related costs of employees' time spent on the project. Amortisation is calculated on a straight line basis over periods generally ranging from three to five years. IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility, and where Council has an intention and ability to use the asset.

Note 13. Contract assets and liabilities

\$ '000	2020 Current	2020 Non-current
(a) Contract assets		
Grants and Contributions	6,542	–
Total Contract assets	<u>6,542</u>	<u>–</u>

\$ '000	Notes	2020 Current	2020 Non-current
(b) Contract liabilities			
Grants and contributions received in advance:			
Unexpended capital grants (to construct Council controlled assets)	(i)	5,353	–
Unexpended operating grants (received prior to performance obligation being satisfied)	(ii)	530	–
Total grants received in advance		<u>5,883</u>	<u>–</u>
User fees and charges received in advance:			
Other		230	–
Total user fees and charges received in advance		<u>230</u>	<u>–</u>
Total contract liabilities		<u>6,113</u>	<u>–</u>

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 13. Contract assets and liabilities (continued)

(i) Council has received funding to construct assets including roads, footpaths, sporting and recreational facilities and other infrastructure. The funds received are under an enforceable contract which require Council to construct an identified asset which will be under Council's control on completion. The revenue is recognised as Council constructs the asset and the contract liability reflects the funding received which cannot yet be recognised as revenue. The revenue is expected to be recognised in the next 12 months.

(ii) The contract liability relates to grants received prior to the revenue recognition criteria in AASB 15 being satisfied since the performance obligations are ongoing.

Significant changes in contract assets and liabilities

The contract assets have arisen on adoption of AASB 15 and AASB 1058 where Council has achieved a performance obligation as set out in the agreement, however Council must perform other obligations before being entitled to payment of a claim. These other obligations include but are not limited to documents such as acquittal reports, progress claims and evidence of project progress. In contrast a receivable represents a right to payment that is unconditional, except for the passage of time.

The contract liabilities have arisen on adoption of AASB 15 and AASB 1058. Previously income received in advance was recognised for reciprocal contracts. The increase in a contract liability is primarily due to grants in the scope of AASB 15 and capital grants received by Council to acquire or construct assets which will be under Council's control. Previously, revenue was recognised on receipt of the funds.

Accounting policy for contract assets and liabilities

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or before the payment is due, Council presents the work in progress as a contract asset, unless the rights to that amount of consideration are unconditional, in which case Council recognises a receivable.

When an amount of consideration is received from a customer / fund provider prior to Council transferring a good or service to the customer, Council presents the funds which exceed revenue recognised as a contract liability.

Note 14. Leases

The Council has applied AASB 16 using the modified retrospective (cumulative catch-up) method and therefore the comparative information has not been restated and continues to be reported under AASB 117 and related Interpretations.

Council has leases over a range of assets including Buildings and IT equipments. Information relating to the leases in place and associated balances and transactions is provided below.

(i) Council as a lessee

Buildings

Council leases buildings for their corporate offices and other buildings; the leases are generally between 1 and 3 years and some of them include a renewal option to allow Council to renew for the noncancellable lease term at their discretion.

The building leases contains an annual pricing mechanism based on either fixed increases or CPI movements at each anniversary of the lease inception.

Office and IT equipment

Leases for office and IT equipment are generally for low value assets. The leases are for between 1 and 3 years with no renewal option, the payments are fixed.

Extension options

Council includes options in the building leases to provide flexibility and certainty to Council operations and reduce costs of moving premises; and the extension options are at Council's discretion.

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 14. Leases (continued)

At commencement date and each subsequent reporting date, Council assesses where it is reasonably certain that the extension options will be exercised.

\$ '000	Land & Buildings	Total
(a) Right of use assets		
Opening balance at 30 June 2019	185	185
Depreciation charge	(35)	(35)
RIGHT OF USE ASSETS	150	150

\$ '000	2020 Current	2020 Non-current
(b) Lease liabilities		
Lease liabilities	38	111
TOTAL LEASE LIABILITIES	38	111

(i) The maturity analysis

The maturity analysis of lease liabilities based on contractual undiscounted cash flows is shown in the table below:

\$ '000	< 1 year	1 – 5 years	> 5 years	Total	Total per Statement of Financial Position
Cash flows	38	111	–	149	149

\$ '000 **2020**

(c) Income Statement

The amounts recognised in the Income Statement relating to leases where Council is a lessee are shown below:

Interest on lease liabilities	14
Depreciation of right of use assets	35
Expenses relating to low-value leases	299
	348

Notes to the Financial Statements

for the year ended 30 June 2020

Note 14. Leases (continued)

\$ '000	2020
(d) Statement of Cash Flows	
Total cash outflow for leases	348
	348

Leases at significantly below market value – concessionary / peppercorn leases

Council has a number of leases at significantly below market for land and buildings which are used for:

- visitor centre
- preschools
- community centres
- recreational reserves & facilities

The leases are generally between 1 and 5 years and require payments of a maximum amount of \$1,000 per year. The use of the right-to-use asset is restricted by the lessors to specified community services which Council must provide, these services are detailed in the leases.

Council does not believe that any of the leases in place are individually material from a statement of financial position or performance perspective.

Accounting policy**Accounting policies under AASB 16 – applicable from 1 July 2019**

At inception of a contract, Council assesses whether a lease exists – i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration?

Council has elected not to separate non-lease components from lease components for any class of asset and has accounted for payments as a single component.

At the lease commencement, Council recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where Council believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises: the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration, less any lease incentives. The right-of-use is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of asset accounting policy.

The lease liability is initially recognised at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Council's incremental borrowing rate for a similar term with similar security is used.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is re-measured when there is a lease modification, or change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI).

Where the lease liability is re-measured, the right-of-use asset is adjusted to reflect the re-measurement.

Exceptions to lease accounting

Council has applied the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. Council recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases at significantly below market value / concessionary leases

Council has elected to measure the right of use asset arising from the concessionary leases at cost which is based on the associated lease liability at initial recognition.

Accounting policy under AASB 117 and associated Accounting Interpretations (2019 only)

Refer to Note 5c and Note 15.

Mid-Western Regional Council

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 14. Leases (continued)

(ii) Council as a lessor

(e) Operating leases

Council leases out a number of properties and /or plant and equipment to community groups; these leases have been classified as operating leases for financial reporting purposes and the assets are included as investment property (refer note 11) and/or IPP&E (refer in this note part (v) below) in the Statement of Financial Position.

The amounts recognised in the Income Statement relating to operating leases where Council is a lessor are shown below:

\$ '000	2020
(i) Operating lease income	
Investment properties	
Lease income (excluding variable lease payments not dependent on an index or rate)	386
Other lease income	
Room/Facility Hire	893
Leaseback fees - council vehicles	130
Total income relating to operating leases	1,409
(ii) Operating lease expenses	
Investment properties	
Direct operating expenses that generated rental income	2
Direct operating expenses that did not generate rental income	2
Other leased assets	
Other	372
Total expenses relating to operating leases	376

(iii) Maturity analysis of lease receivable

Maturity analysis of lease receivable showing the undiscounted lease payments to be received after reporting date for finance leases:

< 1 year	551
1–2 years	470
2–3 years	117
3–4 years	43
4–5 years	43
> 5 years	43
Total lease payments receivable	1,267

Note 15. Payables and borrowings

\$ '000	2020		2019	
	Current	Non-current	Current	Non-current
Payables				
Goods and services – operating expenditure	2,701	–	2,386	–
Goods and services – capital expenditure	3,402	–	2,273	–
Accrued expenses:				
– Borrowings	124	–	144	–

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 15. Payables and borrowings (continued)

\$ '000	2020		2019	
	Current	Non-current	Current	Non-current
Prepaid rates	2,363	–	1,042	–
Security bonds, deposits and retentions	703	–	1,034	–
Other	–	–	37	–
Total payables	9,293	–	6,916	–
Income received in advance				
Payments received in advance	68	–	8	–
Total income received in advance	68	–	8	–
Borrowings				
Loans – secured ¹	1,482	10,441	2,009	10,971
Total borrowings	1,482	10,441	2,009	10,971
TOTAL PAYABLES AND BORROWINGS	10,843	10,441	8,933	10,971

(1) Loans are secured over the general rating income of Council.

Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note 22.

(a) Changes in liabilities arising from financing activities

\$ '000	as at 30/06/19		Non-cash changes				as at 30/06/20
	Opening Balance	Cash flows	Acquisition	Fair value changes	Acquisition due to change in accounting policy	Other non-cash movement	Closing balance
Loans – secured	12,980	(1,057)	–	–	–	–	11,923
Lease liabilities	–	149	–	–	–	–	149
TOTAL	12,980	(908)	–	–	–	–	12,072

\$ '000	as at 30/06/18		Non-cash changes			as at 30/06/19
	Opening Balance	Cash flows	Acquisition	Fair value changes	Other non-cash movement	Closing balance
Loans – secured	14,669	(1,689)	–	–	–	12,980
TOTAL	14,669	(1,689)	–	–	–	12,980

\$ '000	2020	2019
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(b) Financing arrangements

(i) Unrestricted access was available at balance date to the following lines of credit:

Bank overdraft facilities ¹	700	700
Credit cards/purchase cards	200	200
Operating lease facility	615	660
Total financing arrangements	1,515	1,560

Drawn facilities as at balance date:

– Credit cards/purchase cards	43	43
– Operating lease facility	271	606

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Notes to the Financial Statements

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Note 15. Payables and borrowings (continued)

\$ '000	2020	2019
Total drawn financing arrangements	314	649
Undrawn facilities as at balance date:		
– Bank overdraft facilities	700	700
– Credit cards/purchase cards	157	157
– Operating lease facility	344	54
Total undrawn financing arrangements	1,201	911

Additional financing arrangements information

Breaches and defaults

During the current and prior year, there were no defaults or breaches on any of the loans.

(1) The bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.

Accounting policy for payables and borrowings

Council measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Council comprise trade payables, bank and other loan.

Payables

These amounts represent liabilities for goods and services provided to the council prior to the end of financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Income Statement over the period of the borrowings using the effective-interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawdown occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or finance cost.

Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Note 16. Provisions

\$ '000	2020	2020	2019	2019
	Current	Non-current	Current	Non-current
Provisions				
Employee benefits				
Annual leave	1,922	–	1,640	–
Sick leave	1,378	–	1,304	–
Long service leave	4,427	560	4,168	483
Other leave (LIL)	70	–	–	–

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 16. Provisions (continued)

\$ '000	2020		2019	
	Current	Non-current	Current	Non-current
Sub-total – aggregate employee benefits	7,797	560	7,112	483
Asset remediation/restoration:				
Asset remediation/restoration (future works)	53	4,947	189	4,504
Sub-total – asset remediation/restoration	53	4,947	189	4,504
TOTAL PROVISIONS	7,850	5,507	7,301	4,987

\$ '000	2020	2019
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Current provisions not anticipated to be settled within the next twelve months

The following provisions, even though classified as current, are not expected to be settled in the next 12 months.

Provisions – employees benefits	5,721	5,310
	<u>5,721</u>	<u>5,310</u>

Nature and purpose of non-employee benefit provisions**Asset remediation**

The asset remediation provision represents the present value estimate of future costs NSW Council will incur to restore, rehabilitate and reinstate the tip and quarry as a result of past operations.

Accounting policy for provisions

Provisions are recognised when Council has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Employee benefits**Short-term obligations**

Liabilities for wages and salaries (including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service) are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Other long-term employee benefit obligations

The liability for long-service leave and annual leave that is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Mid-Western Regional Council

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 16. Provisions (continued)

On-costs

The employee benefit provisions include the aggregate on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include superannuation, payroll tax and workers compensation expenses which will be payable upon the future payment of certain leave liabilities which employees are entitled to at the reporting period.

The obligations are presented as current liabilities in the Statement of Financial Position if the Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

Provisions for close-down and restoration, and environmental clean-up costs – tips and quarries

Restoration

Close-down and restoration costs include the dismantling and demolition of infrastructure, and the removal of residual materials and remediation of disturbed areas. Estimated close-down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs.

Provisions for close-down and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The costs are estimated on the basis of a closure plan. The cost estimates are calculated annually during the life of the operation to reflect known developments, e.g. updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

Rehabilitation

Where rehabilitation is conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the estimated outstanding continuous rehabilitation work at each reporting date, and the cost is charged to the Income Statement.

Provision is made for the estimated present value of the costs of environmental clean-up obligations outstanding at the reporting date. These costs are charged to the Income Statement. Movements in the environmental clean-up provisions are presented as an operating cost, except for the unwinding of the discount which is shown as a borrowing cost. Remediation procedures generally commence soon after the time the damage, remediation process, and estimated remediation costs become known, but may continue for many years depending on the nature of the disturbance and the remediation techniques.

As noted above, the ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors, including changes to the relevant legal requirements, the emergence of new restoration techniques, or experience at other locations. The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production rates. As a result, there could be significant adjustments to the provision for close down and restoration and environmental clean-up, which would affect future financial results.

Other movements in the provisions for close-down and restoration costs, including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations, and revisions to discount rates, are capitalised within property, plant and equipment. These costs are then depreciated over the lives of the assets to which they relate. Close-down and restoration costs are a normal consequence of tip and quarry operations, and the majority of close-down and restoration expenditure is incurred at the end of the life of the operations. Although the ultimate cost to be incurred is uncertain, Council estimates the respective costs based on feasibility and engineering studies using current restoration standards and techniques.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 17. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors

(a) Nature and purpose of reserves

Infrastructure, property, plant and equipment revaluation reserve

The infrastructure, property, plant and equipment revaluation reserve is used to record increments / decrements of non-current asset values due to their revaluation.

(b) Correction of errors relating to a previous reporting period

Nature of prior-period error

A comprehensive internal revaluation of Stormwater assets was completed in the 2019/20 financial year. The revaluation identified a number of previously unrecorded Stormwater assets with a net carrying amount of \$9.478 million as at 30 June 2020 (\$10.68 million cost less \$1.202 million accumulated depreciation). The net carrying value of these assets was \$9.656 million at 1 July 2018. Associated depreciation expenses of \$89k in 2018/19 has also been amended.

In addition to this, a \$3.98 million prior year revaluation movement for investment properties was incorrectly allocated to the Asset Revaluation Reserve instead of the Income Statement in the 2018/19 financial year. Prior to 2018/19, investment property was reported under Infrastructure, property, plant and equipment. These properties were always investment property by nature and should have been classified as such in the Statement of Financial Position. These properties have been transferred from Infrastructure, Property, Plant and Equipment to Investment Property at 1 July 2018. The cumulative effect as at 30 June 2018 revaluation reflects a \$3.98 million increase in their fair value since the acquisition of these three properties. Council concluded that the fair value movement in the 2018/19 financial year was immaterial. As such, no adjustment has been allocated to 2019 and a re-allocation between ARR and accumulated surplus is shown below.

Comparatives have only been updated for the prior period error relating to Stormwater assets.

The errors identified above have been corrected by restating the balances at the beginning of the earliest period presented (1 July 2018) and taking the adjustment through to asset revaluation reserve or accumulated surplus (respectively) at that date.

Comparatives have been changed to reflect the correction of errors. The impact on each line item is shown in the tables below.

Statement of Financial Position

\$ '000	Original Balance 1 July, 2018	Impact Increase/ (decrease)	Restated Balance 1 July, 2018
Infrastructure, property, plant and equipment	931,099	3,384	934,483
Investment property	–	6,272	6,272
Total assets	1,011,563	9,656	1,021,219
Net Assets	981,277	9,656	990,933
Accumulated Surplus	405,443	13,636	419,079
Revaluation Reserves	575,834	(3,980)	571,854
Total equity	981,277	9,656	990,933

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 17. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

Adjustments to the comparative figures for the year ended 30 June 2019

Statement of Financial Position

\$ '000	Original Balance 30 June, 2019	Impact Increase/ (decrease)	Restated Balance 30 June, 2019
Infrastructure, property, plant and equipment	942,287	9,567	951,854
Total assets	1,036,835	9,567	1,046,402
Net assets	1,004,643	9,567	1,014,210
Accumulated surplus	429,261	13,547	442,808
Revaluation reserves	575,382	(3,980)	571,402
Total equity	1,004,643	9,567	1,014,210

Income Statement

\$ '000	Original Balance 30 June, 2019	Impact Increase/ (decrease)	Restated Balance 30 June, 2019
Depreciation and Amortisation	16,425	89	16,514
Total expenses from continuing operations	65,110	89	65,199
Net operating result for the year	19,068	(89)	18,979

Statement of Comprehensive Income

\$ '000	Original Balance 30 June, 2019	Impact Increase/ (decrease)	Restated Balance 30 June, 2019
Net operating result for the year	19,068	(89)	18,979
Total comprehensive income for the year	23,366	(89)	23,277

Notes to the Financial Statements

for the year ended 30 June 2020

Note 17. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

(c) Changes in accounting policies due to adoption of new accounting standards (not-retrospective)

During the year ended 30 June 2020, the Council has adopted AASB 15 *Revenue from Contracts with Customers*, AASB 1058 *Income of Not-for-profit Entities* and AASB 16 *Leases* using the modified retrospective (cumulative catch-up) method and therefore the comparative information for the year ended 30 June 2019 has not been restated and continues to comply with AASB 111 *Construction Contracts*, AASB 117 *Leases*, AASB 118 *Revenue*, AASB 1004 *Contributions* and associated Accounting Interpretations.

All adjustments on adoption of AASB 15 and AASB 1058 have been taken to retained earnings at 1 July 2019.

The impacts of adopting these standards and associated transition disclosures are provided below:

(ii) AASB 15 and AASB 1058

The following approach has been applied on transition to AASB 15 and AASB 1058:

- Council has not adopted the completed contract expedient and therefore has not excluded revenue which was fully recognised in previous years in accordance with the former accounting standards and pronouncements
- Council has retrospectively restated contracts for modifications that occurred before 1 July 2019 unless such contract modification were minor.

Council is required to outline the nature of any changes in accounting policies resulting from the adoption of AASB 15 and AASB 1058.

Transfer of control to a customer – over time or at a point in time

AASB 15 has specific criteria regarding whether control is transferred over time or at a point in time. The entity has reviewed its contracts and concluded that the criteria for recognition over time is not met in some circumstances. In such cases, revenue and related production costs will be recognised at the delivery of each separate performance obligation instead of over the contract using a single margin.

Principal v agent

Prior to adoption of AASB 15, the Council had assessed that they were a principal in transactions where another party was involved in providing the goods or services including pass-through grants.

Under AASB 15, the indicators of a principal have changed and there are now a number of performance obligations within grant agreements where the Council is acting as an agent since the only obligation is to transfer the funds to a third party. The result is that Council can only recognise the "commission" to which they are entitled rather than the gross revenue and expenses. There is no change to reported profit.

Licences

Council has reviewed the licences it grants and considers that all licences are either short-term or low value and elects to recognise all revenue from licences up-front rather than spreading them over the life of the licence.

Prepaid rates

Under AASB 1004, rates were recorded as revenue at the earliest of receipt of the funds from the ratepayer and the beginning of the rating period. Under AASB 1058, prepaid rates are recognised as a financial liability until the beginning of the rating period.

Grants – operating

Under AASB 1004, most grant income was recognised as revenue on receipt. Under AASB 15, where an agreement is enforceable and contains sufficiently specific performance obligations, the revenue is either recognised over time as the work is performed, or recognised at the point in time that the control of the services passes to the customer.

Grants – capital

Under AASB 1004, most grant monies were recorded as revenue on receipt. Under AASB 1058, where Council has received assets (including cash) to acquire or construct a non-financial asset, the asset is to be controlled by Council and the contract is enforceable, then the asset is recognised as a contract liability on receipt and recorded as revenue as the performance obligation to acquire or construct the asset is completed.

Mid-Western Regional Council

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 17. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

Changes in presentation

In addition to the above changes in accounting policies, the Council has also amended the presentation of certain items to align them with the requirements of AASB 15 and AASB 1058:

- Movement of balances between receivables and contract assets.
- Additional line items of contract assets, and contract liabilities have been created.

Opening contract balances at 1 July 2019

	Balance at 1 July 2019 \$'000
Contract assets	
- Under AASB 15	-
- Under AASB 1058	1,829
Total contract assets	1,829
Contract liabilities	
- Under AASB 15	42
- Under AASB 1058	5,817
Total contract liabilities	5,859

Notes to the Financial Statements

for the year ended 30 June 2020

Note 17. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

Comparison of financial statement line items under AASB 15 compared to previous standards for the current year

The following tables show the impact of adopting AASB 15 and AASB 1058 on the Council's financial statements for the year ended 30 June 2020.

Statement of Financial Position

\$ '000	Carrying amount Statement of Financial Position under AASB 15 and AASB 1058	Reclassific- ation	Remeasur- ement	Carrying amount under previous revenue standards
Current assets				
Cash and cash equivalents	6,029	-	-	6,029
Investments	70,150	-	-	70,150
Receivables	8,468	6,542	-	15,010
Inventories	1,372	-	-	1,372
Contract assets	6,542	(6,542)	-	-
Other	26	-	-	26
Total current assets	92,587	-	-	92,587
Current liabilities				
Payables	9,293	-	-	9,293
Income received in advance	68	-	-	68
Contract liabilities	6,113	-	(6,113)	-
Lease liabilities	38	-	-	38
Borrowings	1,482	-	-	1,482
Provisions	7,850	-	-	7,850
Total current liabilities	24,844	-	(6,113)	18,731
Non-current assets				
Investments	10,800	-	-	10,800
Infrastructure, property, plant and equipment	1,002,780	-	-	1,002,780
Investment property	7,440	-	-	7,440
Intangible assets	271	-	-	271
Right of use assets	150	-	-	150
Total non-current assets	1,021,441	-	-	1,021,441
Non-current liabilities				
Lease liabilities	111	-	-	111
Borrowings	10,441	-	-	10,441
Provisions	5,507	-	-	5,507
Total Non-current liabilities	16,059	-	-	16,059
Net assets	1,073,125	-	6,113	1,079,238
Equity				
Accumulated surplus	467,189	-	(6,113)	461,076
Revaluation reserves	605,936	-	-	605,936
Council equity interest	1,073,125	-	(6,113)	1,067,012
Total equity	1,073,125	-	(6,113)	1,067,012

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Mid-Western Regional Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 17. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

Income Statement

\$ '000	Income Statement and comprehensive income under AASB 15 and AASB 1058	Reclassification	Remeasurement	Income Statement and comprehensive income under previous revenue standards	Notes
<u>Income from continuing operations</u>					
Rates and annual charges	39,281	–	–	39,281	
User charges and fees	16,442	–	221	16,663	
Other revenues	1,942	–	9	1,951	
Grants and contributions provided for operating purposes	20,643	–	530	21,173	
Grants and contributions provided for capital purposes	19,633	–	5,353	24,986	
Interest and investment income	1,650	–	–	1,650	
Fair value increment on investment properties	1,168	–	–	1,168	
Rental income	1,409	–	–	1,409	
Total Income from continuing operations	102,168	–	6,113	108,281	
<u>Expenses from continuing operations</u>					
Employee benefits and on-costs	25,321	–	–	25,321	
Borrowing costs	832	–	–	832	
Materials and contracts	16,631	–	–	16,631	
Depreciation and amortisation	17,480	–	–	17,480	
Other expenses	8,418	–	–	8,418	
Net losses from the disposal of assets	8,525	–	–	8,525	
Total Expenses from continuing operations	77,207	–	–	77,207	
Total Operating result from continuing operations	24,961	–	6,113	31,074	
Net operating result for the year	24,961	–	6,113	31,074	
Total comprehensive income	64,774	–	–	64,774	

(iii) AASB 16 Leases

Council as a lessee

Under AASB 117, Council assessed whether leases were operating or finance leases, based on its assessment of whether the significant risks and rewards of ownership had been transferred to Council or remained with the lessor. Under AASB 16, there is no differentiation between finance and operating leases for the lessee and therefore all leases which meet the definition of a lease are recognised on the statement of financial position (except for short-term leases and leases of low-value assets).

Council has used the exception to lease accounting for short-term leases and leases of low-value assets, and the lease expense relating to these leases is recognised in the Income Statement on a straight-line basis.

Practical expedients used on transition

AASB 16 includes a number of practical expedients which can be used on transition. Council has used the following expedients:

- Contracts which had previously been assessed as not containing leases under AASB 117 were not re-assessed on transition to AASB 16.

continued on next page ...

Notes to the Financial Statements

for the year ended 30 June 2020

Note 17. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors (continued)

- Lease liabilities have been discounted using the Council's incremental borrowing rate at 1 July 2019.
- Right-of-use assets at 1 July 2019 have been measured at an amount equal to the lease liability adjustment by the any prepaid or accrued lease payments.
- A single discount rate was applied to all leases with similar characteristics.
- The right-of-use asset was adjusted by the existing onerous lease provision (where relevant) at 30 June 2019 rather than perform impairment testing of the right-of-use asset.
- Excluded leases with an expiry date prior to 30 June 2020 from the Statement of Financial Position, and lease expenses for these leases have been recorded on a straight-line basis over the remaining term.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

Note 18. Statement of cash flow information

\$ '000	Notes	2020	2019
(a) Reconciliation of cash and cash equivalents			
Total cash and cash equivalents per Statement of Financial Position	7(a)	6,029	5,121
Balance as per the Statement of Cash Flows		6,029	5,121
(b) Reconciliation of net operating result to cash provided from operating activities			
Net operating result from Income Statement		24,961	18,979
Adjust for non-cash items:			
Depreciation and amortisation		17,480	16,514
Net losses/(gains) on disposal of assets		8,525	3,980
Non-cash capital grants and contributions		–	(1,049)
Adoption of AASB 15/1058		(5,859)	–
Losses/(gains) recognised on fair value re-measurements through the P&L:			
– Investments classified as 'at fair value' or 'held for trading'		(45)	(543)
– Investment property		(1,168)	–
Unwinding of discount rates on reinstatement provisions		–	25
+/- Movement in operating assets and liabilities and other cash items:			
Decrease/(increase) in receivables		250	(2,081)
Increase/(decrease) in provision for impairment of receivables		11	(32)
Decrease/(increase) in inventories		(58)	(117)
Decrease/(increase) in other current assets		120	(146)
Decrease/(increase) in contract assets		(6,542)	–
Increase/(decrease) in payables		315	(479)
Increase/(decrease) in accrued interest payable		(20)	(18)
Increase/(decrease) in other liabilities		1,013	159
Increase/(decrease) in contract liabilities		6,113	–
Increase/(decrease) in provision for employee benefits		762	728
Increase/(decrease) in other provisions		307	(240)
Net cash provided from/(used in) operating activities from the Statement of Cash Flows		46,165	35,680

Mid-Western Regional Council

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 18. Statement of cash flow information (continued)

\$ '000	2020	2019
(c) Non-cash investing and financing activities		
Other dedications	–	1,049
Total non-cash investing and financing activities	–	1,049

Note 19. Interests in other entities

(a) Joint arrangements

(i) Joint ventures

The following information is provided for joint ventures that are individually material to the Council. Included are the total amounts as per the joint venture financial statements, adjusted for fair-value adjustments at acquisition date and differences in accounting policies, rather than the Council's share.

	Name of joint venture	
	Orana water Utilities Alliance	
	equity method	equity method
Measurement basis	2020	2019
	\$'000	\$'000
Summarised Statement of Financial Position		
Cash and cash equivalents	32	29
Net assets	32	29
Summarised Statement of Income and Other Comprehensive Income		
Revenue	123	152
Profit (/loss) from continuing operations	3	29
Summarised Statement of Cash Flows		
Cash flows from operating activities	3	29
Net increase (/decrease) in cash and cash equivalents	3	29
Council's share of % of net assets	9%	9%
Council's share of \$ of net assets	3	3

Notes to the Financial Statements

for the year ended 30 June 2020

Note 19. Interests in other entities (continued)

(ii) Joint operations

\$ '000	Principal activity	Place of business	Interest in ownership		Interest in voting	
			2020	2019	2020	2019
(a) Council is involved in the following joint operations (JO's)						
Name of joint operation:						
Orana Joint Organisation	Regional local government services	124 Dandaloo Street, Narromine, NSW 2821	17%	17%	17%	17%

Accounting policy for joint arrangements

The council has determined that it has both joint ventures and joint operations.

Joint operations:

In relation to its joint operations, where the Council has the rights to the individual assets and obligations arising from the arrangement, the Council has recognised:

- its assets, including its share of any assets held jointly
- its liabilities, including its share of any liabilities incurred jointly
- its share of the revenue from the sale of the output by the joint operation
- its expenses, including its share of any expenses incurred jointly.

These figures are incorporated into the relevant line item in the primary statements.

Joint ventures:

Interests in joint ventures are accounted for using the equity method in accordance with *AASB128 Investments in Associates and Joint Ventures*.

Under this method, the investment is initially recognised as a cost and the carrying amount is increased or decreased to recognise the Council's share of the profit or loss and other comprehensive income of the joint venture after the date of acquisition.

If the Council's share of losses of a joint venture equals or exceeds its interest in the joint venture, the Council discontinues recognising its share of further losses.

The Council's share in the joint venture's gains or losses arising from transactions between itself and its joint venture are eliminated.

Adjustments are made to the joint venture's accounting policies where they are different from those of the Council for the purposes of the consolidated financial statements.

(b) Unconsolidated structured entities

Council did not consolidate the following structured entities:

\$ '000	2020	2019
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Mudgee Region Tourism Inc

Mudgee Region Tourism Inc (MRT) is a not-for-profit independent incorporated tourism body funded by the Mid-Western Regional Council and its members. Our region encompasses the towns of Mudgee, Gulgong, Rylstone and Kandos (and small villages in between).

Mid-Western Regional Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 19. Interests in other entities (continued)

\$ '000	2020	2019
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Nature of risks relating to the Unconsolidated Structured Entity

Council and MRT held a four year contract, from 1 July 2017 to 30 June 2021, which was recently extended to 30 June 2022, whereby Council will contribute a set monthly amount. Members of MRT also provide financial support through membership payments. Losses of the entity would be borne by the entity or its members, with no set agreement in place for Council to fund losses.

Expenses incurred by Council relating to the Structured Entity		
- Tourism services contract	509	454
Income received by Council relating to the Structured Entity		
- IT support Income	3	2

Non-contractual financial support provided

MRT were provided \$100,000 in contributions, additional to the contractual arrangement. This funding was provided to contribute to additional promotional activities.

Current intention to provide financial support

The current intention is to continue to support MRT with monthly contributions to promote tourism within the LGA. MRT currently have a five year contract with Council, to provide tourism services.

\$ '000	2020	2019
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Fly Pelican

Fly Pelican is a regional airline and aircraft charter company based in Newcastle on the east coast of Australia operating a fleet of 19 seat British Aerospace Jetstream 32 aircraft. Currently operating regular scheduled passengers services between Newcastle and Canberra, Sydney and Mudgee and Newcastle and Sydney.

Nature of risks relating to the Unconsolidated Structured Entity

Council has a contract in place to provide support to Fly Pelican in order to establish an airline service from Mudgee to Sydney. This contract includes waiver of landing fees for the year.

Losses of the company would be borne by Fly Pelican and there is no agreement in place to provide additional support or cover any amount of loss from providing the airline service from Mudgee. There is a risk that the company will fail or the service will cease to be profitable, but if this occurs contributions to the service from Council would cease.

Expenses incurred by Council relating to the Structured Entity	71	58
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Non-contractual financial support provided

Council endorsed additional support for Fly Pelican this year, due to the impact of COVID-19 on the airline. Council has provided financial assistance in order to secure a minimum level of flight continuation per week. The value of this additional support was \$34,635.

Current intention to provide financial support

Council intends to continue to support Fly Pelican through the terms of the contract only, which ceases when Fly Pelican reach an agreed flight sales level.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 20. Commitments

\$ '000	2020	2019
(a) Capital commitments (exclusive of GST)		
Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:		
Property, plant and equipment		
Buildings	71	60
Plant and equipment	86	1,064
Drainage	24	81
Other assets	260	768
Recreational facilities	677	57
Roads and transport	1,222	459
Sewerage network	9	–
Water supply network	262	1,544
Land development	44	116
Waste assets	96	80
Total commitments	2,751	4,229
These expenditures are payable as follows:		
Within the next year	2,751	4,229
Total payable	2,751	4,229

Details of capital commitments

Capital commitments include:

- Plant & Equipment purchases;
- Construction (drainage, roads, buildings and other structures); and
- Water supply distribution works.

\$ '000	2020	2019
(b) Non-cancellable operating lease commitments (2019 only)		
a. Commitments under non-cancellable operating leases at the reporting date, but not recognised as liabilities are payable:		
Within the next year	–	279
Later than one year and not later than 5 years	–	423
Total non-cancellable operating lease commitments	–	702

b. Non-cancellable operating leases include the following assets:

Refer to Note 14 for information relating to leases for 2020.

Office Equipment is leased over 2 - 3 years.

Office space is leased over 3 years with an option to extend to a maximum lease term of 9 years.

Conditions relating to finance and operating leases:

- All finance agreements are secured only against the leased asset.
- No lease agreements impose any financial restrictions on Council regarding future debt etc.

Mid-Western Regional Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 21. Contingencies

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge and disclosure is considered relevant to the users of Council's financial report.

LIABILITIES NOT RECOGNISED

1. Guarantees

(i) Defined benefit superannuation contribution plans

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named The Local Government Superannuation Scheme – Pool B (the Scheme) which is a defined benefit plan that has been deemed to be a 'multi-employer fund' for purposes of AASB119 Employee Benefits for the following reasons:

- Assets are not segregated within the sub-group according to the employees of each sponsoring employer.
- The contribution rates have been the same for all sponsoring employers. That is, contribution rates have not varied for each sponsoring employer according to the experience relating to the employees of that sponsoring employer.
- Benefits for employees of all sponsoring employers are determined according to the same formulae and without regard to the sponsoring employer.
- The same actuarial assumptions are currently used in respect of the employees of each sponsoring employer.

Given the factors above, each sponsoring employer is exposed to the actuarial risks associated with current and former employees of other sponsoring employers, and hence shares in the associated gains and losses (to the extent that they are not borne by members).

Description of the funding arrangements.

Pooled employers are required to pay standard employer contributions and additional lump sum contributions to the fund.

The standard employer contributions were determined using the new entrant rate method under which a contribution rate sufficient to fund the total benefits over the working life-time of a typical new entrant is calculated. The current standard employer contribution rates are:

Division B	1.9 times employee contributions contributions for non-180 Point Members; Nil for 180 Point Members*
Division C	2.5% salaries
Division D	1.64 times employee contributions

*For 180 Point Members, Council was required to contribute 7% of salaries to these members' accumulation accounts, which are paid in addition to members' defined benefits.

The past service contribution for each Pooled Employer is a share of the total additional contributions of \$40 million for 1 July 2019 to 30 June 2021, apportioned according to each employer's share of the accrued liabilities as at 30 June 2019. These past service contributions are used to maintain the adequacy of the funding position for the accrued liabilities..

The adequacy of contributions is assessed at each triennial actuarial investigation and monitored annually between triennials.

Description of the extent to which Council can be liable to the plan for other Council's obligations under the terms and conditions of the multi-employer plan

As stated above, each sponsoring employer (Council) is exposed to the actuarial risks associated with current and former employees of other sponsoring employers and hence shares in the associated gains and losses.

However, there is no relief under the Fund's trust deed for employers to walk away from their defined benefit obligations. Under limited circumstances, an employer may withdraw from the plan when there are no active members, on full payment of outstanding additional contributions. There is no provision for allocation of any surplus which may be present at the date of withdrawal of the Council.

There are no specific provisions under the Fund's trust deed dealing with deficits or surplus on wind-up.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 21. Contingencies (continued)

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2020 was \$ 280,339. The last formal valuation of the Fund was undertaken by the Fund Actuary, Richard Boyfield, FIAA as at 30 June 2019.

Council's expected contribution to the plan for the next annual reporting period is \$285,454.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2020 is:

Employer reserves only *	\$millions	Asset Coverage
Assets	1,695.2	
Past Service Liabilities	1,773.2	95.6%
Vested Benefits	1,757.5	96.5%

* excluding member accounts and reserves in both assets and liabilities.

There is currently no deficiency in the coverage of the assets, and no liability has been recognised in Council's accounts. Council has a possible obligation that may arise should the Scheme require immediate payment to correct a deficiency.

The key economic long term assumptions used to calculate the present value of accrued benefits are:

Investment return	5.75% per annum
Salary inflation *	3.5% per annum
Increase in CPI	2.5% per annum

* Plus promotional increases

The contribution requirements may vary from the current rates if the overall sub-group experience is not in line with the actuarial assumptions in determining the funding program; however, any adjustment to the funding program would be the same for all sponsoring employers in the Pooled Employers group.

(ii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW local government industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

These future equity contributions would be required to maintain the company's minimum level of net assets in accordance with its licence requirements.

(iii) Other guarantees

Council has provided no other guarantees other than those listed above.

2. Other liabilities**(i) Third party claims**

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its insurance coverage and does not expect any material liabilities to eventuate.

Mid-Western Regional Council

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 21. Contingencies (continued)

ASSETS NOT RECOGNISED

Bank Guarantees

Council holds a number of bank guarantees to the value of \$808,664. Some of these guarantees are provided by various developers across the Mid-Western Region to secure performance of conditions of consent in relation to approved Developer Applications.

The guarantees will be returned once the associated conditions of consent have been satisfied.

Other guarantees relate to work performed for Council by contractors, such as construction works. The guarantees will be returned once the conditions of the contract have been satisfied.

Note 22. Financial risk management

Risk management

Council's activities expose it to a variety of financial risks including (1) price risk, (2) credit risk, (3) liquidity risk and (4) interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's finance section under policies approved by the Council.

A comparison by category of the carrying amounts and fair values of Council's financial assets and financial liabilities recognised in the financial statements is presented below.

\$ '000	Carrying value 2020	Carrying value 2019	Fair value 2020	Fair value 2019
Financial assets				
Measured at amortised cost				
Cash and cash equivalents	6,029	5,121	6,029	5,121
Receivables	8,468	8,729	14,932	8,729
Investments				
– 'Financial assets at amortised cost'	72,800	64,600	72,800	64,600
Fair value through profit and loss				
Investments				
– 'Held for trading'	8,150	8,127	8,150	8,127
Total financial assets	95,447	86,577	101,911	86,577
Financial liabilities				
Payables	9,293	6,916	6,976	5,874
Loans/advances	11,923	12,980	11,923	12,980
Lease liabilities	149	–	149	–
Total financial liabilities	21,365	19,896	19,048	18,854

Fair value is determined as follows:

- **Cash and cash equivalents, receivables, payables** – are estimated to be the carrying value that approximates market value.
- **Borrowings and held-to-maturity investments** – are based upon estimated future cash flows discounted by the current mkt interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 22. Financial risk management (continued)

- Financial assets classified (i) 'at fair value through profit and loss' or (ii) 'available-for-sale' – are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's finance area manages the cash and Investments portfolio.

Council has an investment policy which complies with the Local Government Act 1993 and Minister's investment order 625. This policy is regularly reviewed by Council and its staff and an investment report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance as required by Local Government regulations.

The risks associated with the instruments held are:

- Price risk** – the risk that the capital value of Investments may fluctuate due to changes in market prices, whether these changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- Interest rate risk** – the risk that movements in interest rates could affect returns and income.
- Liquidity risk** – the risk that Council will not be able to pay its debts as and when they fall due.
- Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

(a) Market risk – price risk and interest rate risk

The impact on result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date.

\$ '000	Increase of values/rates		Decrease of values/rates	
	Profit	Equity	Profit	Equity
2020				
Possible impact of a 10% movement in market values	815	815	(815)	(815)
Possible impact of a 1% movement in interest rates	728	728	(728)	(728)
2019				
Possible impact of a 10% movement in market values	813	813	(813)	(813)
Possible impact of a 1% movement in interest rates	646	646	(646)	(646)

(b) Credit risk

Council's major receivables comprise (i) rates and annual charges and (ii) user charges and fees.

Council manages the credit risk associated with these receivables by monitoring outstanding debt and employing stringent debt recovery procedures. Council also encourages ratepayers to pay their rates by the due date through incentives.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Mid-Western Regional Council

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for the year ended 30 June 2020

Note 22. Financial risk management (continued)

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

Council makes suitable provision for doubtful receivables as required.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

Credit risk profile

Receivables – rates and annual charges

Credit risk on rates and annual charges is minimised by the ability of Council to secure a charge over the land relating to the debts – that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates which further encourages the payment of debt.

\$ '000	Not yet overdue	< 1 year overdue	1 - 2 years overdue	2 - 5 years overdue	> 5 years overdue	Total
2020						
Gross carrying amount	–	1,318	165	70	41	1,594
2019						
Gross carrying amount	813	48	79	79	–	1,019

Receivables - non-rates and annual charges

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

The loss allowance provision as at 30 June 2020 is determined as follows. The expected credit losses incorporate forward-looking information.

\$ '000	Not yet overdue	0 - 30 days overdue	31 - 60 days overdue	61 - 90 days overdue	> 91 days overdue	Total
2020						
Gross carrying amount	4,365	1,151	1,047	13	378	6,954
Expected loss rate (%)	0.37%	1.50%	1.50%	1.50%	1.50%	0.79%
ECL provision	16	17	16	–	6	55
2019						
Gross carrying amount	5,851	1,559	32	7	330	7,779
Expected loss rate (%)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
ECL provision	–	–	–	–	–	–

(c) Liquidity risk

Payables and borrowings are both subject to liquidity risk – the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Payment terms can (in extenuating circumstances) also be extended and overdraft facilities utilised as required.

Borrowings are also subject to interest rate risk – the risk that movements in interest rates could adversely affect funding costs and debt servicing requirements. Council manages this risk through diversification of borrowing types, maturities and interest rate structures. The finance team regularly reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 22. Financial risk management (continued)

The timing of cash flows presented in the table below to settle financial liabilities reflects the earliest contractual settlement dates. The timing of expected outflows is not expected to be materially different from contracted cashflows.

The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the statement of financial position due to the effect of discounting.

\$ '000	Weighted average interest rate	Subject to no maturity	payable in:			Total cash outflows	Actual carrying values
			≤ 1 Year	1 - 5 Years	> 5 Years		
2020							
Trade/other payables	0.00%	703	6,228	–	–	6,931	6,930
Loans and advances	6.47%	–	2,069	5,639	6,308	14,016	11,923
Total financial liabilities		703	8,297	5,639	6,308	20,947	18,853
2019							
Trade/other payables	0.00%	1,034	4,840	–	–	5,874	5,874
Loans and advances	6.47%	–	2,826	6,790	8,830	18,446	12,980
Total financial liabilities		1,034	7,666	6,790	8,830	24,320	18,854

Loan agreement breaches

There were no Loan breaches during the reporting financial year

Note 23. Material budget variations

Council's original financial budget for 19/20 was adopted by the Council on 06/05/2019 and is unaudited.

While the Income Statement included in this General Purpose Financial Statements must disclose the original budget adopted by Council, the Local Government Act 1993 requires Council to review its financial budget on a quarterly basis, so that it is able to manage the various variations between actuals versus budget that invariably occur throughout the year.

This note sets out the details of **material variations** between Council's original budget and its actual results for the year as per the Income Statement – even though such variations may have been adjusted for during each quarterly budget review.

Material variations represent those variances between the original budget figure and the actual result that amount to **10%** or more.

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

\$ '000	2020	2020	2020	
	Budget	Actual	Variance	
REVENUES				
User charges and fees	11,717	16,442	4,725	40% F
<ul style="list-style-type: none"> \$1.3 million of unexpected RMS funded work on the state highway for extensive bushfire recovery and accidents \$2.3 million in additional RMS funded works on the state highway Water usage charges exceed budget by almost \$400,000 mostly due to bulk water usage due to drought conditions Waste facility tipping fees exceeded budget by \$352,000 				
Other revenues	1,413	1,942	529	37% F
<ul style="list-style-type: none"> Due to a change in accounting policy the value of volunteer services has been recognised at \$264,000. This was not included in the original budget. 				

Mid-Western Regional Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 23. Material budget variations (continued)

\$ '000	2020 Budget	2020 Actual	2020 ----- Variance -----	
				• Insurance claims received to the value of \$116,000 were not forecast in the original budget.
Operating grants and contributions	13,760	20,643	6,883	50% F
				• Bushfire fighting and bushfire recovery grants and contribution revenue \$2.2 million
				• Roads to Recovery drought relief supplementary grant received of \$762,000 and Council's allocation from the program exceeded initial estimates by \$523,000
				• Grant received for Tree Lopping local roads \$300,000
				• Unsealed Roads Natural Disaster Flood recovery claim \$450,000
Capital grants and contributions	31,345	19,633	(11,712)	(37)% U
				• Glen Willow Stage 2 Project capital grant was under the original budget by \$11.5 million. This is due to the project works being carried out over multiple financial years
Fair value increment on investment property	–	1,168	1,168	∞ F
				• This amount is due to a change in accounting policy and represents the fair value change in Investment Property owned by Council
Rental income	1,789	1,409	(380)	(21)% U
				• Unfavourable variance of \$381,000 mainly due to a delay in purchase of the new caravan park. The park was only operated for 7 months rather than the original budget of 10 months.
EXPENSES				
Materials and contracts	12,767	16,631	(3,864)	(30)% U
				• Bushfire fighting and bushfire recovery materials and contract payments exceed \$3.2 million
				• Additional State Highway works undertaken including bushfire related works \$2.3 million
				• Natural Disaster flood recovery materials and contracts \$377,000
				• The above additional expenditure is offset by savings in other projects including plant and equipment operations \$300,000 and reclassification of budgeted costs for caravan park operations from contracts to employee benefits and other expenses \$461,000.
Depreciation and amortisation	15,243	17,480	(2,237)	(15)% U
				• Depreciation was higher on the following asset classes:
				• Tip site restoration asset \$756,000
				• Buildings \$497,000
				• Plant and Equipment \$385,000
				• Roads \$282,000
Other expenses	7,035	8,418	(1,383)	(20)% U
				Expenditure exceeded budget in the following areas:
				• Donations and contributions exceeded budget due to Covid19 business booster program \$213,000, Bushfire recovery wwaives of rates, fees and charges \$131,000, waiver of loan to Gulgong Holtermann Museum \$123,000
				• Software \$287,000
				• RFS Emergency Services Levy additional \$127,000, however this was reimbursed shown in Operating Grants.
Net losses from disposal of assets	2,439	8,525	(6,086)	(250)% U
				• The variance is due to the write off of infrastructure replaced. The major variances are:
				• Transport network assets of Roads, Bulk Earthworks and Drainage \$4.2 million. The increased write off of assets is largely due to realignment of a road for mining purposes \$1.5 million, resheeting on unsealed roads \$743,000.
				• Plant & Equipment disposal value exceeded budget by \$786,000, mainly due to the write off of \$553,000 of Rural Fire Service plant assets following a change in accounting policy. This policy change resulted in the derecognition of RFS plant and equipment assets from Council's asset register as these assets are not under Council's control.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 23. Material budget variations (continued)

\$ '000	2020 Budget	2020 Actual	2020 ----- Variance -----	
STATEMENT OF CASH FLOWS				
Cash flows from operating activities	56,118	46,165	(9,953)	(18)% U
• Capital grants are under the original budget by \$11.7 million. This is due to capital project works being carried out over multiple financial years				
Cash flows from investing activities	(56,258)	(44,164)	12,094	(21)% F
• Cash payments for infrastructure, property plant and equipment were less than budget by \$26 million due to projects being deferred or works being carried out over multiple years such as Glen Willow Sportsground Stage 2 (\$11.2M), Sewer Augmentation Rylstone & Kandos (\$4M).				
Cash flows from financing activities	(372)	(1,093)	(721)	194% U
In the original budget Council was due to refinance the Mudgee Showground loan facility. In March 2020 it was instead determined that due to surplus cash Council would repay the remaining balance of \$681,000.				

Note 24. Fair Value Measurement

The Council measures the following asset and liability classes at fair value on a recurring basis:

– Infrastructure, property, plant and equipment – Investment property – Financial assets and liabilities

The fair value of assets and liabilities must be estimated in accordance with various accounting standards for either recognition and measurement requirements or for disclosure purposes. AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a 'level' in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The table below shows the assigned level for each asset and liability held at fair value by Council:

(1) Assets and liabilities that have been measured and recognised at fair values

2020	Date of latest valuation	Fair value measurement hierarchy			Total
		Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
Recurring fair value measurements					
Financial assets					
Investments – 'Held for trading'	30/6/20	–	8,150	–	8,150
Total financial assets		–	8,150	–	8,150
Investment property					
Buildings	30/06/20	–	3,528	–	3,528
Land	30/06/20	–	3,912	–	3,912
Total investment property		–	7,440	–	7,440
Infrastructure, property, plant and equipment					
Plant and equipment	30/06/18	–	–	19,845	19,845
Office equipment	30/06/16	–	–	425	425

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Note 24. Fair Value Measurement (continued)

2020	Date of latest valuation	Fair value measurement hierarchy			Total
		Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	
Furniture and fittings	30/06/16	–	–	214	214
Operational land	30/06/18	–	43,431	–	43,431
Community land (including crown land)	30/06/16	–	–	18,618	18,618
Land under roads	30/06/19	–	–	2,655	2,655
Land improvements – non-depreciable	30/06/16	–	–	1,800	1,800
Land improvements – depreciable	30/06/16	–	–	367	367
Buildings – market value/income approach	30/06/18	–	270	–	270
Buildings – replacement cost	30/06/18	–	–	66,196	66,196
Other structures	30/06/16	–	–	10,812	10,812
Roads	30/06/20	–	–	249,174	249,174
Bridges	30/06/20	–	–	62,818	62,818
Footpaths	30/06/20	–	–	7,368	7,368
Bulk earthworks	30/06/20	–	–	308,195	308,195
Stormwater drainage	30/06/20	–	–	23,633	23,633
Water supply network	30/06/17	–	–	74,010	74,010
Sewerage network	30/06/17	–	–	87,129	87,129
Swimming pools	30/06/16	–	–	4,069	4,069
Other open space/recreational assets	30/06/16	–	–	12,699	12,699
Library books	30/06/16	–	–	680	680
Tip assets	30/06/20	–	–	2,972	2,972
Quarry assets	30/06/20	–	–	314	314
Total infrastructure, property, plant and equipment		–	43,701	953,993	997,694

2019	Date of latest valuation	Fair value measurement hierarchy			Total Restated
		Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs Restated	

Recurring fair value measurements

Financial assets

Investments – ‘Held for trading’	30/06/19	–	8,127	–	8,127
Total financial assets		–	8,127	–	8,127

Investment property

Buildings	30/06/18	–	3,797	–	3,797
Land	30/06/18	–	2,475	–	2,475
Total investment property		–	6,272	–	6,272

Infrastructure, property, plant and equipment

Plant and equipment	30/06/18	–	–	19,857	19,857
Office equipment	30/06/16	–	–	358	358
Furniture and fittings	30/06/16	–	–	231	231
Operational land	30/06/18	–	41,772	–	41,772
Community land (including crown land)	30/06/16	–	–	18,304	18,304
Land under roads	30/06/19	–	–	2,634	2,634
Land improvements – non-depreciable	30/06/16	–	–	1,619	1,619
Land improvements – depreciable	30/06/16	–	–	345	345
Buildings – market value/income approach	30/06/18	–	288	–	288
Buildings – replacement cost	30/06/18	–	–	63,746	63,746
Other structures	30/06/16	–	–	8,353	8,353
Roads	30/06/15	–	–	232,381	232,381

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 24. Fair Value Measurement (continued)

2019	Date of latest valuation	Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs Restated	Total Restated
Bridges	30/06/15	–	–	58,001	58,001
Footpaths	30/06/15	–	–	5,492	5,492
Bulk earthworks	30/06/15	–	–	285,024	285,024
Stormwater drainage	30/06/15	–	–	27,682	27,682
Water supply network	30/06/17	–	–	71,654	71,654
Sewerage network	30/06/17	–	–	86,078	86,078
Swimming pools	30/06/16	–	–	4,256	4,256
Other open space/recreational assets	30/06/16	–	–	11,990	11,990
Library books	30/06/16	–	–	666	666
Tip assets	30/06/19	–	–	3,448	3,448
Quarry assets	30/06/19	–	–	293	293
Total infrastructure, property, plant and equipment		–	42,060	902,412	944,472

Note that capital WIP is not included above since it is carried at cost.

(2) Valuation techniques used to derive level 2 and level 3 fair values

Where Council is unable to derive fair valuations using quoted market prices of identical assets (ie. level 1 inputs) Council instead utilises a spread of both observable inputs (level 2 inputs) and unobservable inputs (level 3 inputs).

The fair valuation techniques Council has employed while utilising level 2 and level 3 inputs are as follows:

Financial assets**Managed Funds – Fair value through profit and loss (FVTPL)**

Valuation technique: The unit price of each fund is equal to the total fair value of the net assets held by the fund divided by the total number of units on issue for that fund. Unit prices are calculated and published daily.

Inputs Used (Level 2): Prices are observable, however, no active market exists for these funds as they are only accessible to government agencies.

Investment property**Operational land – Level 2**

Valuation Techniques – Market Value. This method involves the analysis of sales evidence of other properties within the region and adjustment for differences between key attributes of the properties. APV Valuers and Asset Management revalued operational land.

Observable inputs - Sales evidence of price per square metre of land.

Buildings market value/income approach – Level 2

Valuation Techniques – Market Value. This method involves the analysis of sales evidence and comparison with the subject taking into account matters such as method of construction, size, condition, age, land area and location. Aspect Property Consultants Pty Ltd, Certified Practising Valuers revalued investment properties.

Observable inputs - Inspection and analysis of sales evidence involving comparable assets.

Infrastructure, property, plant and equipment (IPP&E)**Plant and equipment, office equipment and furniture and fittings – Level 3**

Valuation Techniques – Depreciated historic cost. The nature and value of plant and equipment recognises that depreciated historic cost is a representation of fair value.

Observable inputs - Available market data to assess the replacement cost of the asset.

Unobservable inputs - Estimates of useful life and residual value.

Mid-Western Regional Council

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Notes to the Financial Statements

for the year ended 30 June 2020

Note 24. Fair Value Measurement (continued)

Community land and land under roads – Level 3

Valuation Techniques – Market value direct comparison and Valuer General's Valuation. This method involves the analysis of sales evidence of other properties within the region and adjustment for differences between key attributes of the properties.

Observable inputs - Sales evidence of price per square metre of land.

Operational land – Level 2

Valuation Techniques – Market Value. This method involves the analysis of sales evidence of other properties within the region and adjustment for differences between key attributes of the properties. APV Valuers and Asset Management revalued operational land.

Observable inputs - Sales evidence of price per square metre of land.

Land improvements - Level 3

Valuation Techniques – Depreciated historic cost.

Observable inputs - Available market data to assess the replacement cost of the asset.

Unobservable inputs - Estimates of useful life and residual value.

Buildings market value/income approach – Level 2

Valuation Techniques – Market Value. This method involves the analysis of sales evidence and comparison with the subject taking into account matters such as method of construction, size, condition, age, land area and location. APV Valuers and Asset Management revalued one building at market value approach.

Observable inputs - Inspection and analysis of sales evidence involving comparable assets.

Buildings replacement costs – Level 3

Valuation Techniques – Cost approach.

Due to the specialised nature of Local Government Assets, observable market inputs are often unavailable. The cost approach has been adopted for those buildings and deemed level 3.

This method is based on determining the Replacement Cost of the modern equivalent (or cost of reproduction where relevant) and then adjusting for the level of consumed future economic benefit and impairment.

To determine the Fair Value we applied the following process –

- Determine the Replacement Cost (Gross).
- Determining the components and where relevant split between short-life and long-life parts based on planned asset management strategies.
- Assessing the level of remaining service potential of the Depreciable Amount of each component (short-life and long-life parts).
 - o For the short-life part, this is based on a Consumption Rating that primarily considers the component specific factors (such as physical condition and maintenance history) as well as considering obsolescence. This is primarily aimed at estimating the cost to bring the part back to 'as new' (as a market participant would consider when pricing the asset).
 - o For the long-life part the valuer uses professional judgment to estimate the level of remaining service potential (RSP%). This effectively is an overall assessment of obsolescence (function, technical and economic) and the impact it may have on a market participants' view of price. For example – despite an asset being aged and part way through its lifecycle, providing the asset is expected to be operational for many years to come, the market impact of obsolescence may be insignificant or minor. Likewise, if there is an expectation that the asset has a limited remaining life the impact of obsolescence will be greater as the asset nears the end of life.
- Summing the calculated value of the short-life part and long-life part together to determine the value of each component
- Summing the value of each component together to determine the Fair Value (Current Replacement Cost)

Observable inputs - Available market data to assess the replacement cost of the asset.

Unobservable inputs - Estimates of useful life, and condition

Other structures, swimming pools, other open space/recreational assets – Level 3

Valuation Techniques – Cost Approach Method.

Due to the specialised nature of Local Government Assets observable market inputs are often unavailable. The cost approach has been adopted for other structures and deemed level 3. This involves the following process:

- The fair value is a reflection of gross value less accumulated depreciation. Published project and cost data applied to the asset's attributes is used to determine the gross value (replacement cost)
- Age and asset condition is applied to determine the level of depreciation.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 24. Fair Value Measurement (continued)

- Major assets were disaggregated into significant components which exhibit different patterns of consumption (useful lives).

Observable inputs - Available market data to assess the replacement cost of the asset.

Unobservable inputs - Estimates of useful life, and condition.

Roads, bridges, footpaths, bulk earthworks, stormwater – Level 3

Valuation Techniques – Depreciated Replacement Cost.

Due to the specialised nature of Local Government Assets observable market inputs are often unavailable. The cost approach has been adopted for Council Roads and deemed level 3 and were last valued at 30 June 2020. This involves the following process:

- The fair value is a reflection of gross value (replacement cost) less accumulated depreciation.
- Actual construction cost data was used to establish unit rates and applied to the asset's attributes to determine the gross value
- A sample of roads were inspected to arrive at a condition score. This is applied along with the road age to determine the remaining useful life.
- Roads were categorised into appropriate groupings such as:
 - * Sealed/Unsealed
 - * Urban/Local/Regional
 - * Urban major/Urban minor/Collector
- The network was broken into segments linked to defining geographical features
- Assets were disaggregated into significant components which exhibit different patterns of consumption (useful lives) i.e. seal, pavement, subbase, earthworks.

Observable inputs- Construction costs used to assess the replacement cost of the asset. For example Seal cost per m2, Pavement construction per m2, gravel cost

Unobservable inputs - Estimates of useful life, condition and residual value.

Water supply network and sewerage network – Level 3

Valuation Techniques – Cost Approach Method.

Due to the specialised nature of Local Government Assets observable market inputs are often unavailable. The cost approach has been adopted for Council Water and Sewer deemed level 3 and was applied as part of 30 June 2017 fair value process. This involves the following process:

- Council used data published in the NSW Reference Rates Manual for Valuation of Water & Sewerage Assets and CENTROC Regional Water & Sewer Asset Valuation Methodology to establish unit rates and applied to the asset's attributes to determine the gross value.
- A physical inspection of underground assets was impractical, therefore reference manual useful life was applied.
- A sample of aboveground assets were inspected to arrive at a condition score, with desktop assessments of other assets. This assessment was applied along with the reference manual average to determine the remaining useful life.
- Assets were disaggregated into significant components which exhibit different patterns of consumption (useful lives) i.e. civil/structural, electrical, mechanical.

Observable inputs are reference rate costs used to assess the replacement cost of the asset. For example \$/m for reticulation mains.

Unobservable inputs include estimates of useful life, condition and residual value.

Library books – Level 3

Valuation Techniques – Cost approach method. The cost approach has been adopted for other structures and deemed level 3.

Observable inputs - Available market data to assess the replacement cost of the asset.

Unobservable inputs - Estimates of useful life and residual value.

Tip and quarry assets – reinstatement, rehabilitation and restoration

Inputs Used (Level 3): Unit rates, useful life, asset condition, dimensions and specifications.

In the event that Council close a quarry or tip site, there are immense on-going costs associated with the rehabilitation of the land.

Mid-Western Regional Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 24. Fair Value Measurement (continued)

(3) Fair value measurements using significant unobservable inputs (level 3)

a. The following tables present the changes in level 3 fair value asset classes.

\$ '000	Work in progress	Plant and equipment	Office equipment	Furniture and fittings	Community Land	Land under Roads	Land improvements non-depreciable	Land improvements depreciable	Buildings replacement cost
2019									
Opening balance	12,719	18,778	455	265	17,798	1,605	1,602	345	64,485
Transfers from/(to) another asset class	(10,543)	-	-	-	-	-	4	-	43
Purchases (GBV)	4,761	4,775	17	5	157	-	13	15	748
Disposals (WDV)	-	(1,026)	-	-	(91)	-	-	-	(247)
Depreciation and impairment	-	(2,670)	(114)	(40)	-	-	-	(14)	(827)
FV gains – other comprehensive income	-	-	-	-	-	1,029	-	-	-
Other movement (rounding)	(1)	-	-	1	-	-	-	(1)	(7)
Other movement (had not commissioned)	(21)	-	-	-	440	-	-	-	-
Closing balance	6,915	19,857	358	231	18,304	2,634	1,619	345	64,195
2020									
Opening balance	6,915	19,857	358	231	18,304	2,634	1,619	345	64,195
Transfers from/(to) another asset class	(4,765)	-	-	-	100	21	5	11	35
Purchases (GBV)	2,937	4,165	200	41	214	-	175	30	3,305
Disposals (WDV)	-	(1,150)	(19)	(17)	-	-	-	-	-
Depreciation and impairment	-	(3,027)	(115)	(41)	-	-	-	(20)	(1,339)
Other movement (rounding)	(1)	-	1	-	-	-	1	1	-
Closing balance	5,086	19,845	425	214	18,618	2,655	1,800	367	66,196

Mid-Western Regional Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 24. Fair Value Measurement (continued)

\$ '000	Other structures	Roads	Bulk earthworks	Stormwater drainage Restated	Water supply network	Sewerage network	Bridges	Library books	Tip reinstatement asset
2019									
Opening balance	8,692	220,779	282,824	27,965	70,763	85,473	56,813	653	2,147
Transfers from/(to) another asset class	(199)	6,918	2,710	33	166	446	650	–	–
Purchases (GBV)	168	12,956	837	8	1,454	753	1,843	92	–
Disposals (WDV)	–	(2,669)	(1,347)	–	(29)	(371)	(157)	–	–
Depreciation and impairment	(308)	(5,602)	–	(324)	(1,803)	(1,556)	(1,100)	(79)	(1,150)
FV gains – other comprehensive income	–	–	–	–	1,103	1,333	–	–	2,452
Other movement (rounding)	–	(1)	–	–	–	–	(1)	–	(1)
Other movement (had not commissioned)	–	–	–	–	–	–	(47)	–	–
Closing balance	8,353	232,381	285,024	27,682	71,654	86,078	58,001	666	3,448
2020									
Opening balance	8,353	232,381	285,024	27,682	71,654	86,078	58,001	666	3,448
Transfers from/(to) another asset class	844	(467)	1,790	(979)	1,222	74	1,999	–	–
Purchases (GBV)	2,065	11,309	3,692	512	2,391	1,679	715	83	–
Disposals (WDV)	(124)	(4,966)	(1,714)	(461)	(84)	–	(374)	–	–
Depreciation and impairment	(336)	(5,912)	–	(325)	(1,870)	(1,548)	(1,117)	(69)	(743)
FV gains – other comprehensive income	–	16,821	19,403	(2,796)	697	846	3,594	–	267
Other movement (rounding)	10	8	–	–	–	–	–	–	–
Closing balance	10,812	249,174	308,195	23,633	74,010	87,129	62,818	680	2,972

Mid-Western Regional Council

Financial Statements 2020

Notes to the Financial Statements
for the year ended 30 June 2020

Note 24. Fair Value Measurement (continued)

\$ '000	Quarry reinstatement asset	Footpaths	Swimming pools	Other open space/ recreational	Total
2019					
Opening balance	243	5,335	4,390	9,749	893,878
Transfers from/(to) another asset class	-	-	-	49	277
Purchases (GBV)	-	294	87	2,701	31,684
Disposals (WDV)	-	-	-	(97)	(6,034)
Depreciation and impairment	(43)	(138)	(222)	(413)	(16,403)
FV gains – other comprehensive income	93	-	-	-	6,010
Other movement (rounding)	-	1	1	1	(8)
Other movement (had not commissioned)	-	-	-	-	372
Closing balance	293	5,492	4,256	11,990	909,776
2020					
Opening balance	293	5,492	4,256	11,990	909,776
Transfers from/(to) another asset class	-	-	-	241	131
Purchases (GBV)	-	859	44	1,103	35,519
Disposals (WDV)	-	(24)	(6)	(127)	(9,066)
Depreciation and impairment	(13)	(142)	(225)	(508)	(17,350)
FV gains – other comprehensive income	34	1,183	-	-	40,049
Other movement (rounding)	-	-	-	-	20
Closing balance	314	7,368	4,069	12,699	959,079

Mid-Western Regional Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 24. Fair Value Measurement (continued)

b. Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value.

The following table summarises the quantitative information relating to the significant unobservable inputs used in deriving the various level 3 asset class fair values.

	Valuation technique/s	Unobservable inputs
Infrastructure, property, plant and equipment		
Plant and equipment	Depreciated historic cost	Estimated useful life and residual value
Office equipment	Depreciated historic cost	Estimated useful life and residual value
Furniture and fittings	Depreciated historic cost	Estimated useful life and residual value
Community land	Market Approach & VG Valuation	Factors relevant to a market participants and/or embodied with the assets
Land under roads	Market Approach & VG Valuation	Factors relevant to a market participants and/or embodied with the assets
Land improvements – non depreciable	Cost Approach	Estimated useful life, cost, and condition
Land improvements – depreciable	Depreciated historic cost	Estimated useful life, cost, and condition
Buildings – replacement cost	Cost Approach	Estimated useful life and condition
Other structures	Cost Approach	Estimated useful life, condition and residual value
Roads, bridges, footpaths	Cost Approach	Estimated useful life, condition and residual value
Bulk earthworks	Cost Approach	Estimated useful life, condition and residual value
Stormwater drainage	Cost Approach	Estimated useful life, condition and residual value
Water supply network	Cost Approach	Estimated useful life, condition and residual value
Sewerage network	Cost Approach	Estimated useful life, condition and residual value
Swimming pools	Cost Approach	Estimated useful life, cost, and condition
Other open space/recreational assets	Cost Approach	Estimated useful life and condition
Library books	Cost Approach	Estimated useful life and condition
Tip and quarry reinstatement assets	Cost estimate of future liability	

continued on next page ...

Notes to the Financial Statements

for the year ended 30 June 2020

Note 24. Fair Value Measurement (continued)

(4) Highest and best use

All of Council's non-financial assets are considered as being utilised for their highest and best use.

Mid-Western Regional Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 25. Related party disclosures

(a) Key management personnel

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.

The aggregate amount of KMP compensation included in the Income Statement is:

\$ '000	2020	2019
Compensation:		
Short-term benefits	1,436	1,425
Other long-term benefits	24	23
Total	1,460	1,448

(b) Other transactions with KMP and their related parties

Council has determined that transactions at arm's length between KMP and Council as part of Council delivering a public service objective (e.g. access to library or Council swimming pool by KMP) will not be disclosed. Transactions will not be disclosed where a KMP has declared their interest and removed themselves from the decision making process.

Note 26. Events occurring after the reporting date

Council is aware of the following 'non-adjusting events' that merit disclosure:

- Council is currently involved in several ongoing court proceedings surrounding the impounding of livestock, which has been escalated to the Supreme Court of NSW. The plaintiff is seeking damages and costs, estimated at less than \$10,000.
- At the time of completing Council's financial statements, the COVID-19 pandemic was still an ongoing event. Council has allocated about \$400,000 in funds to the 2020/21 budget to allow for any sudden or ongoing costs required to manage pandemic requirements (eg staff paid pandemic leave). Council is not aware of any costs outstanding for the COVID-19 pandemic that are not previously disclosed in the statements.

Mid-Western Regional Council

Notes to the Financial Statements

for the year ended 30 June 2020

Note 27. Statement of developer contributions

Under the *Environmental Planning and Assessment Act 1979*, Council has significant obligations to provide Section 7.11 (contributions towards provision or improvement of amenities or services) infrastructure in new release areas.

It is possible that the funds contributed may be less than the cost of this infrastructure, requiring Council to borrow or use general revenue to fund the difference.

Summary of contributions and levies

	as at 30/06/19			as at 30/06/20				
	Opening Balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
\$ '000		Cash	Non-cash					
Drainage	129	26	–	2	–	–	157	–
Open space	1,488	408	–	15	(474)	–	1,437	–
Community facilities	633	61	–	7	(29)	–	672	–
Transport management	702	159	–	7	(130)	–	738	–
Car parking	258	–	–	3	–	–	261	–
Administration	372	68	–	4	(40)	–	404	–
Civic improvements	14	7	–	–	–	–	21	–
S7.11 contributions – under a plan	3,596	729	–	38	(673)	–	3,690	–
S7.12 levies – under a plan	765	43	–	6	(190)	–	624	–
Total S7.11 and S7.12 revenue under plans	4,361	772	–	44	(863)	–	4,314	–
S7.4 planning agreements	3,253	885	–	35	(373)	–	3,800	–
S64 contributions	8,141	1,366	–	87	(478)	–	9,116	–
Total contributions	15,755	3,023	–	166	(1,714)	–	17,230	–

Mid-Western Regional Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 27. Statement of developer contributions (continued)

\$ '000	as at 30/06/19						as at 30/06/20	
	Opening Balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
S7.11 Contributions – under a plan								
CONTRIBUTION PLAN: MID-WESTERN REGIONAL 2005 - 2021								
Drainage	129	26	–	2	–	–	157	–
Open space	1,488	408	–	15	(474)	–	1,437	–
Community facilities	633	61	–	7	(29)	–	672	–
Transport management	702	159	–	7	(130)	–	738	–
Car parking	258	–	–	3	–	–	261	–
Administration	372	68	–	4	(40)	–	404	–
Civic improvements	14	7	–	–	–	–	21	–
Total	3,596	729	–	38	(673)	–	3,690	–

S7.12 Levies – under a plan

CONTRIBUTION PLAN: MID-WESTERN REGIONAL 2005 - 2021

94A	765	43	–	6	(190)	–	624	–
Total	765	43	–	6	(190)	–	624	–

Notes to the Financial Statements

for the year ended 30 June 2020

Note 28. Result by fund

\$ '000	General ¹ 2020	Water 2020	Sewer 2020
Income Statement by fund			
Income from continuing operations			
Rates and annual charges	31,299	1,578	6,404
User charges and fees	9,277	6,563	602
Interest and investment revenue	1,099	285	266
Other revenues	1,902	1	39
Grants and contributions provided for operating purposes	20,643	–	–
Grants and contributions provided for capital purposes	16,790	1,783	1,060
Fair value increment on investment property	1,168	–	–
Rental income	1,409	–	–
Total income from continuing operations	83,587	10,210	8,371
Expenses from continuing operations			
Employee benefits and on-costs	22,102	1,775	1,444
Borrowing costs	205	105	522
Materials and contracts	14,652	1,215	764
Depreciation and amortisation	14,058	1,871	1,551
Other expenses	4,055	2,457	1,906
Net losses from the disposal of assets	8,437	87	1
Total expenses from continuing operations	63,509	7,510	6,188
Operating result from continuing operations	20,078	2,700	2,183
Net operating result for the year	20,078	2,700	2,183
Net operating result attributable to each council fund	20,078	2,700	2,183
Net operating result for the year before grants and contributions provided for capital purposes	3,288	917	1,123

NB. All amounts disclosed above are gross – that is, they include internal charges and recoveries made between the funds.

(1) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.

\$ '000	General ¹ 2020	Water 2020	Sewer 2020
Statement of Financial Position by fund			
ASSETS			
Current assets			
Cash and cash equivalents	4,180	1,041	808
Investments	46,330	12,524	11,296
Receivables	5,520	1,904	1,044
Inventories	1,150	202	20
Contract assets	6,542	–	–
Other	26	–	–
Total current assets	63,748	15,671	13,168
Non-current assets			
Investments	7,133	1,928	1,739

continued on next page ...

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Mid-Western Regional Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 28. Result by fund (continued)

\$ '000	General ¹ 2020	Water 2020	Sewer 2020
Infrastructure, property, plant and equipment	831,763	80,414	90,603
Investment property	7,440	–	–
Intangible assets	271	–	–
Right of use assets	150	–	–
Total non-current assets	846,757	82,342	92,342
TOTAL ASSETS	910,505	98,013	105,510
LIABILITIES			
Current liabilities			
Payables	8,153	970	170
Income received in advance	68	–	–
Contract liabilities	5,843	270	–
Lease liabilities	38	–	–
Borrowings	833	314	335
Provisions	7,850	–	–
Total current liabilities	22,785	1,554	505
Non-current liabilities			
Lease liabilities	111	–	–
Borrowings	1,803	1,145	7,493
Provisions	5,507	–	–
Total non-current liabilities	7,421	1,145	7,493
TOTAL LIABILITIES	30,206	2,699	7,998
Net assets	880,299	95,314	97,512
EQUITY			
Accumulated surplus	353,204	61,426	52,559
Revaluation reserves	527,095	33,888	44,953
Council equity interest	880,299	95,314	97,512
Total equity	880,299	95,314	97,512

NB. All amounts disclosed above are gross – that is, they include internal charges and recoveries made between the funds. Assets and liabilities shown in the water and sewer columns are restricted for use for these activities.

(1) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.

Notes to the Financial Statements

for the year ended 30 June 2020

Note 29(a). Statement of performance measures – consolidated results

\$ '000	Amounts 2020	Indicator 2020	Prior periods 2019 2018 Restated		Benchmark
1. Operating performance ratio					
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	12,640	15.54%	6.96%	11.69%	>0.00%
Total continuing operating revenue excluding capital grants and contributions ¹	81,322				
2. Own source operating revenue ratio					
Total continuing operating revenue excluding all grants and contributions ¹	60,679	60.10%	61.38%	63.29%	>60.00%
Total continuing operating revenue ¹	100,955				
3. Unrestricted current ratio					
Current assets less all external restrictions	36,204	3.47x	4.31x	4.02x	>1.50x
Current liabilities less specific purpose liabilities	10,447				
4. Debt service cover ratio					
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	30,952	10.58x	8.42x	9.36x	>2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	2,925				
5. Rates, annual charges, interest and extra charges outstanding percentage					
Rates, annual and extra charges outstanding	1,780	4.37%	3.76%	3.52%	<10.00%
Rates, annual and extra charges collectible	40,691				
6. Cash expense cover ratio					
Current year's cash and cash equivalents plus all term deposits	78,829	16.21	16.19	15.60	>3.00
Monthly payments from cash flow of operating and financing activities	4,862	mths	mths	mths	mths

(1) Excludes fair value increments on investment properties, reversal of revaluation decrements, reversal of impairment losses on receivables, net gain on sale of assets and net share of interests in joint ventures and associates using the equity method and includes pensioner rate subsidies

(2) Excludes impairment/revaluation decrements of IPPE, fair value decrements on investment properties, net loss on disposal of assets and net loss on share of interests in joint ventures and associates using the equity method

Mid-Western Regional Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 29(b). Statement of performance measures – by fund

\$ '000	General Indicators ³		Water Indicators		Sewer Indicators		Benchmark
	2020	2019 Restated	2020	2019 Restated	2020	2019 Restated	
1. Operating performance ratio							
Total continuing operating revenue excluding capital grants and contributions less operating expenses ^{1,2}	16.03%	5.82%	11.91%	8.10%	15.37%	13.53%	>0.00%
Total continuing operating revenue excluding capital grants and contributions ¹							
2. Own source operating revenue ratio							
Total continuing operating revenue excluding capital grants and contributions ¹	54.56%	53.83%	82.54%	87.29%	87.34%	97.81%	>60.00%
Total continuing operating revenue ¹							
3. Unrestricted current ratio							
Current assets less all external restrictions	3.47x	4.31x	7.19x	6.37x	18.25x	19.46x	>1.50x
Current liabilities less specific purpose liabilities							
4. Debt service cover ratio							
Operating result before capital excluding interest and depreciation/impairment/amortisation ¹	14.68x	15.71x	7.47x	4.25x	3.82x	2.89x	>2.00x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)							
5. Rates, annual charges, interest and extra charges outstanding percentage							
Rates, annual and extra charges outstanding	4.31%	3.92%	4.90%	3.52%	4.57%	3.19%	<10.00%
Rates, annual and extra charges collectible							
6. Cash expense cover ratio							
Current year's cash and cash equivalents plus all term deposits	12.38	12.40	40.56	33.01	42.25	44.99	>3.00
Payments from cash flow of operating and financing activities	mths	mths	mths	mths	mths	mths	mths

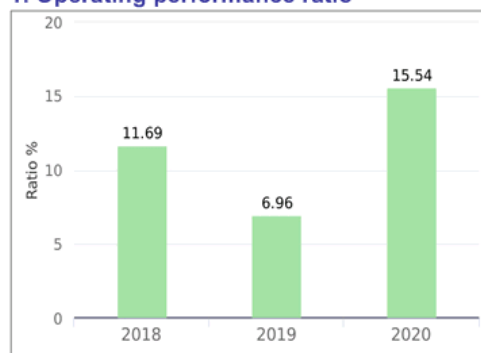
(1) - (2) Refer to Notes at Note 26a above.

(3) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.

Notes to the Financial Statements
for the year ended 30 June 2020

Note 29(c). Statement of performance measures – consolidated results (graphs)

1. Operating performance ratio



Purpose of operating performance ratio

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

Commentary on 2019/20 result

2019/20 ratio 15.54%

Council's operating revenue has increased by a larger amount than operating expenditure. The main variances to the previous year are:

- Rates and annual charges revenue has increased in the Mining category
- Some grants revenue received for the bushfire recovery response remained unspent at the end of financial year
- Roads to Recovery program provided additional grant for drought assistance

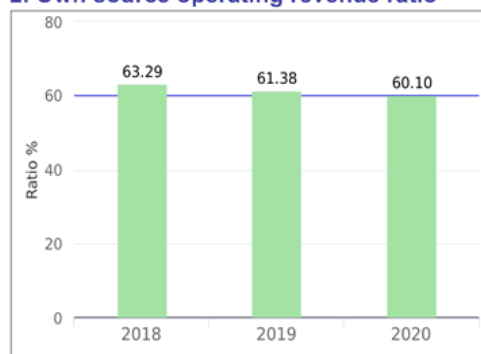
Benchmark: — > 0.00%

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio is outside benchmark

2. Own source operating revenue ratio



Purpose of own source operating revenue ratio

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

Commentary on 2019/20 result

2019/20 ratio 60.10%

Whilst Council's own source revenue from Rates and annual charges increased by more than \$8 million on the prior year, other external funding also increased. The largest increase in external revenue is due to funding received for natural disaster events of drought, bushfires and flood damage to roads. Council also secured some large capital grants to upgrade roads, footpaths and sporting infrastructure.

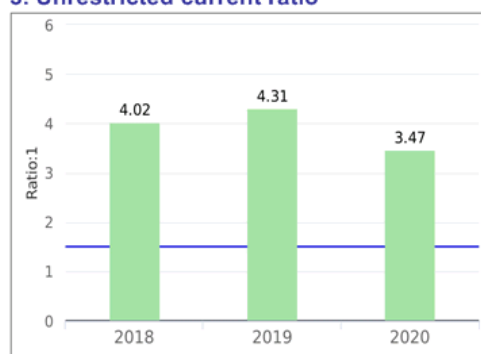
Benchmark: — > 60.00%

Ratio achieves benchmark

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio is outside benchmark

3. Unrestricted current ratio



Purpose of unrestricted current ratio

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

Commentary on 2019/20 result

2019/20 ratio 3.47x

Total cash, cash equivalents and investments increased by \$9.1 million on the previous year, however \$5.8 million of this is recorded as a non-current asset and therefore excluded in this ratio.

Despite this increase in cash, Council's unrestricted current Payables also increased due to high capital expenditure. Payments received in advance are also higher for rates received in advance.

Benchmark: — > 1.50x

Ratio achieves benchmark

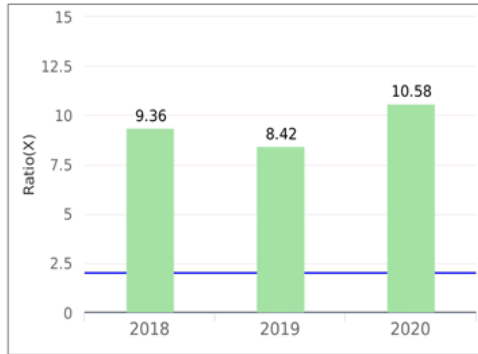
Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio is outside benchmark

Mid-Western Regional Council
Notes to the Financial Statements
for the year ended 30 June 2020

Note 29(c). Statement of performance measures – consolidated results (graphs)

4. Debt service cover ratio



Purpose of debt service cover ratio

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

Commentary on 2019/20 result

2019/20 ratio 10.58x

Debt servicing costs remain stable across the recent years. The increase in this ratio is due to an improvement in the operating result.

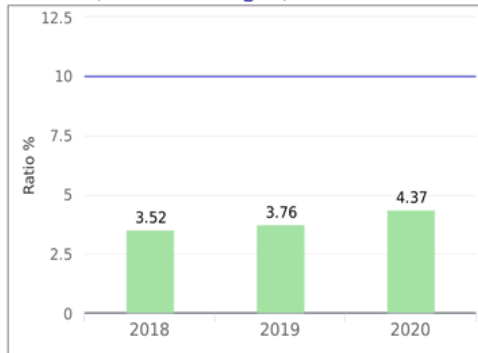
Benchmark: — > 2.00x

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio achieves benchmark

Ratio is outside benchmark

5. Rates, annual charges, interest and extra charges outstanding percentage



Purpose of rates, annual charges, interest and extra charges outstanding

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

Commentary on 2019/20 result

2019/20 ratio 4.37%

The increase in the ratio is mainly due to outstanding rates and annual charges increasing by \$575,000. Council's response to the Covid-19 pandemic was to cease debt recovery action in the last quarter of the financial year.

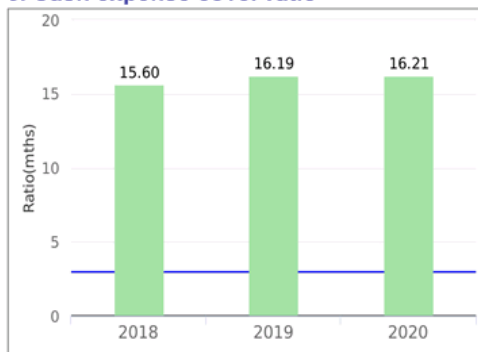
Benchmark: — < 10.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio achieves benchmark

Ratio is outside benchmark

6. Cash expense cover ratio



Purpose of cash expense cover ratio

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

Commentary on 2019/20 result

2019/20 ratio 16.21 mths

Council's cash, cash equivalents and term deposits increased by \$9.1 million, whilst cash payments from operating and financing activities increased by almost \$4.38 million.

Benchmark: — > 3.00mths

Source of benchmark: Code of Accounting Practice and Financial Reporting #28

Ratio achieves benchmark

Ratio is outside benchmark

Notes to the Financial Statements

for the year ended 30 June 2020

Note 30. Financial review

\$ '000	2020	2019	2018	2017	2016
Key financial figures of Council over the past 5 years					
Inflows:					
Rates and annual charges revenue	39,281	31,043	29,196	27,749	26,724
User charges revenue	16,442	15,018	18,629	13,256	15,634
Interest and investment revenue (losses)	1,650	2,373	1,693	1,698	1,735
Grants income – operating and capital	25,371	19,937	20,165	22,037	20,313
Total income from continuing operations	102,168	84,178	81,944	82,344	76,742
Sale proceeds from I,PP&E	543	2,054	1,810	758	611
New loan borrowings and advances	1,000	–	–	–	–
Outflows:					
Employee benefits and on-cost expenses	25,321	23,759	22,521	21,227	20,454
Borrowing costs	832	926	1,064	1,108	1,204
Materials and contracts expenses	16,631	12,723	14,181	12,860	11,772
Total expenses from continuing operations	77,207	65,199	65,579	62,694	66,306
Total cash purchases of I,PP&E	36,392	24,768	33,985	25,102	30,693
Total loan repayments (incl. finance leases)	2,091	1,689	1,589	1,502	1,409
Operating surplus/(deficit) (excl. capital income)	5,328	1,143	2,171	843	(4,427)
Financial position figures					
Current assets	92,737	82,914	69,937	75,795	63,013
Current liabilities	24,844	16,234	14,411	15,418	14,793
Net current assets	67,893	66,680	55,526	60,377	48,220
Available working capital (Unrestricted net current assets)	11,574	12,883	9,716	8,388	12,559
Cash and investments – unrestricted	14,344	9,565	10,614	7,583	12,453
Cash and investments – internal restrictions	20,426	16,628	14,816	14,921	8,980
Cash and investments – total	86,979	77,848	72,305	65,531	54,843
Total borrowings outstanding (Loans, advances and finance leases)	11,923	12,980	14,669	16,258	17,760
Total value of I,PP&E (excl. land and earthworks)	973,829	954,016	914,358	891,830	857,718
Total accumulated depreciation	334,411	340,353	330,330	339,421	353,941
Indicative remaining useful life (as a % of GBV)	66%	64%	64%	62%	59%

Source: published audited financial statements of Council (current year and prior year)

Mid-Western Regional Council

Financial Statements 2020

Notes to the Financial Statements

for the year ended 30 June 2020

Note 31. Council information and contact details

Principal place of business:

86 Market Street
Mudgee NSW 2850

Contact details

Mailing Address:

PO Box 156
Mudgee NSW 2850

Telephone: 02 6378 2850

Facsimile: 02 6378 2815

Opening hours:

8:00am - 4:30pm
Monday to Friday

Internet: www.midwestern.nsw.gov.au

Email: council@midwestern.nsw.gov.au

Officers

General Manager

Brad Cam

Chief Financial Officer

Leonie Johnson

Public Officer

Mr Tim Johnston

Auditors

NSW Auditor General
Level 15, 1 Margaret Street
Sydney NSW 2000

Elected members

Mayor

Des Kennedy

Councillors

Clr Paul Cavalier
Clr Esme Martens
Clr Peter Shelley
Clr Percy Thompson
Clr Sam Paine
Clr Russell Holden
Clr John O'Neill
Clr Alex Karavas

Other information

ABN: 96 149 391 332



INDEPENDENT AUDITOR'S REPORT
Report on the general purpose financial statements
Mid-Western Regional Council

To the Councillors of Mid-Western Regional Council

Opinion

I have audited the accompanying financial statements of Mid-Western Regional Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2020, the Statement of Financial Position as at 30 June 2020, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended and notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion:

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
 - have been prepared, in all material respects, in accordance with the requirements of this Division
 - are consistent with the Council's accounting records
 - present fairly, in all material respects, the financial position of the Council as at 30 June 2020, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Other Information

The Council's annual report for the year ended 30 June 2020 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the special purpose financial statements and Special Schedules (the Schedules).

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the special purpose financial statements and Special Schedule - Permissible income for general rates.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the *Local Government Act 1993*, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, and Note 23 Material budget variations
- on the Special Schedules. A separate opinion has been provided on Special Schedule - Permissible income for general rates
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Unaib Jeffrey

Delegate of the Auditor-General for New South Wales

6 November 2020
SYDNEY



Cr Des Kennedy
Mayor
Mid-Western Regional Council
PO Box 156
MUDGEE NSW 2850

Contact: Unaib Jeffrey
Phone no: 02 9275 7450
Our ref: D2025093/1760

6 November 2020

Dear Mayor

**Report on the Conduct of the Audit
for the year ended 30 June 2020
Mid-Western Regional Council**

I have audited the general purpose financial statements (GPFS) of Mid-Western Regional Council (the Council) for the year ended 30 June 2020 as required by section 415 of the *Local Government Act 1993* (the Act).

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

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2020 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

SIGNIFICANT AUDIT ISSUES AND OBSERVATIONS

I identified the following significant audit issues and observations during my audit of the Council's financial statements. These issues and observations were addressed as part of my audit.

Correction of prior period misstatements

In 2019-20, Council completed comprehensive revaluation of Stormwater assets. As a result of the valuation process, Council identified found assets with a fair value of \$9.5 million as at 30 June 2020.

In 2017-18, Council incorrectly classified three investment properties of \$6.3 million to Infrastructure, Property, Plant and Equipment (IPPE) assets and also recognised valuation increment of \$3.9 million in the asset revaluation reserve which was not in accordance with the requirements of AASB 140. The increment should have been recognised in the Income Statement.

The impact of the misstatement of found assets was an understatement in IPPE pertaining to stormwater asset class at 1 July 2018 of \$9.6 million and for the year 30 June 2019 of \$9.5 million.





The impact of incorrect classification of investment properties as IPPE assets resulted in following misstatements at 1 July 2018 and for the year 30 June 2019:

- an overstatement in IPPE and understatement in investment properties of \$6.3 million
- an overstatement in asset revaluation reserves and corresponding understatement in accumulated surplus of \$3.9 million.

The misstatements were corrected by restating the prior year's IPPE balance, accumulated surplus and the asset revaluation reserve. The correction of above errors is disclosed in Note 17 of the financial statements.

INCOME STATEMENT

Operating result

	2020	2019*	Variance
	\$m	\$m	%
Rates and annual charges revenue	39.3	31.0	 26.8
Grants and contributions revenue	40.3	32.3	 24.8
Operating result for the year	25.0	18.9	 32.3
Net operating result before capital grants and contributions	5.3	1.1	 381.8

* The 2019 comparatives have been restated to correct a prior period error in the Infrastructure, Property, Plant and Equipment. Note 17 of the financial statements provides details of the prior period error.

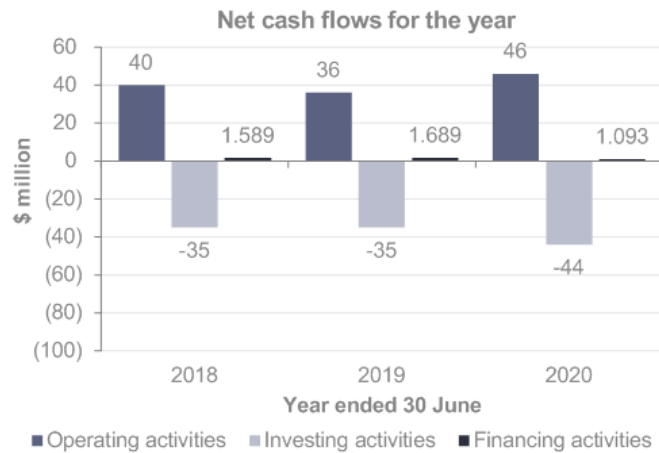
Council's operating result of \$25.0 million (including the effect of depreciation and amortisation expense of \$17.5 million) was \$6.1 million higher than the 2018–19 result. This increase was mainly attributable to:

- increase in rates and annual charges of \$8.2 million due to a material increase in the land values for the mining category
- increase in operating grants and contributions of \$6.2 million, mainly due to increased operating grants for bushfire and emergency services of \$4.5 million
- increase in capital grants and contributions of \$1.8 million mainly due to increased RMS contributions of \$1.7 million relating to regional roads and block grant
- the above increase was partially offset by an increase in total expenses \$12.1 million mainly attributable to materials and contracts and depreciation expense.

The net operating result before capital grants and contributions (\$5.3 million) was \$4.2 million higher than the 2018–19 result. This movement was primarily due to the increase in rates and annual charges of \$ 8.2 million outlined above.

STATEMENT OF CASH FLOWS

- The Council reported an increase in cash and cash equivalents from \$5.1 million at 30 June 2019 to \$6.0 million at 30 June 2020.
- Cash inflows from operating activities increased from 2018-19 as a result of higher cash receipts from rates and annual charges and grants and contributions.
- Cash flows used in investment activities have increased from \$35.3 million in 2019 to \$44.2 million in 2020, which was mainly attributable to increase in purchase of investment securities and IPPE.
- Cash flows from financing activities remained fairly consistent over the last three years.



FINANCIAL POSITION

Cash and investments

Cash and investments	2020	2019	Commentary
	\$m	\$m	
External restrictions	52.2	51.7	<ul style="list-style-type: none"> External restrictions primarily include developer contributions, water supply and sewerage services, domestic waste management charges and specific purpose unexpended grants.
Internal restrictions	20.4	16.6	
Unrestricted	14.3	9.5	
Cash and investments	86.9	77.8	<ul style="list-style-type: none"> Internal restrictions are due to Council policy or decisions for forward plans including the capital works program. These include funds for plant and vehicle replacement, land development, and Seal Extension Program etc. Unrestricted balances provide liquidity for day-to-day operations.

Debt

Council has total approved bank overdraft facilities with a maximum value of \$0.7 million. Council did not utilise its overdraft facilities in the 2020 financial year.

PERFORMANCE

Performance measures

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

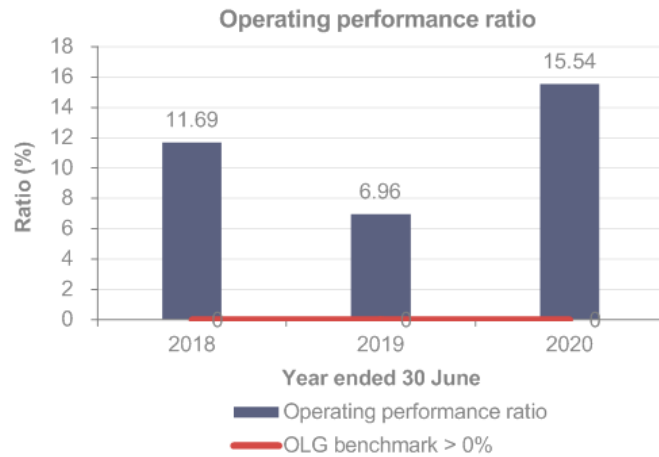
Operating performance ratio

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

Council's operating performance ratio exceeded the industry benchmark for the past three years.

The ratio increased in 2019-20 in line with the increase in Council's net operating result before capital grants and contributions, as noted above.

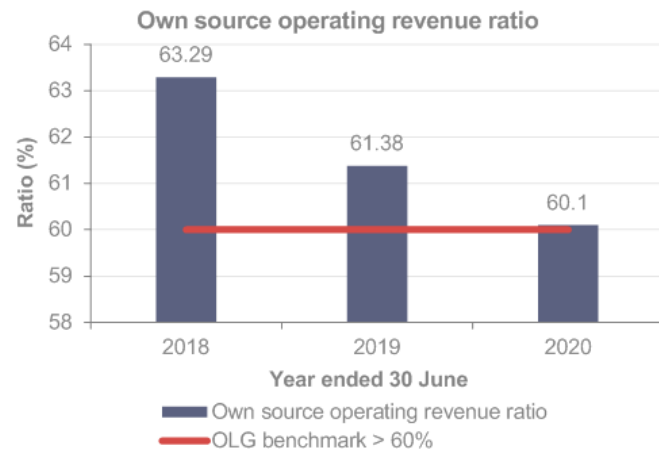
The 2019 ratio (7.10%) was restated (6.96%) to correct a prior period error.



Own source operating revenue ratio

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

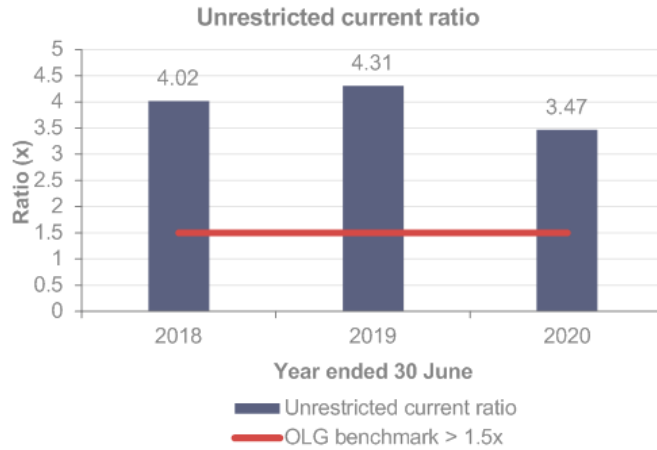
The Council met the OLG benchmark for the current reporting period.



Unrestricted current ratio

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

Council's unrestricted current ratio exceeded the industry benchmark for the past three years. This ratio indicates that Council currently has \$3.47 of unrestricted current assets available to service every \$1.00 of its unrestricted current liabilities.

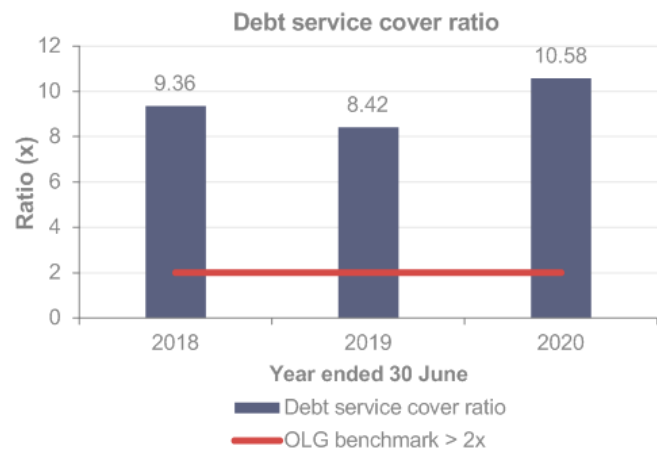


Debt service cover ratio

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

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

Council appears to be effectively monitoring its liquidity levels to ensure it can meet its borrowing costs when they fall due.

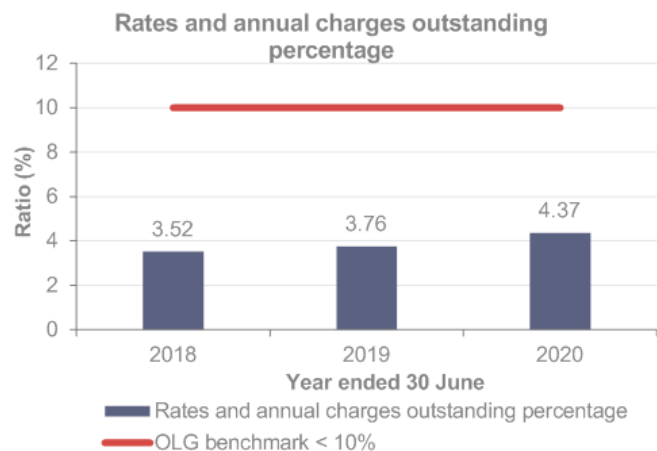


Rates and annual charges outstanding percentage

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

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

The percentage increased due to the impact of COVID-19 pandemic and the natural disasters events during the year 2019-20.

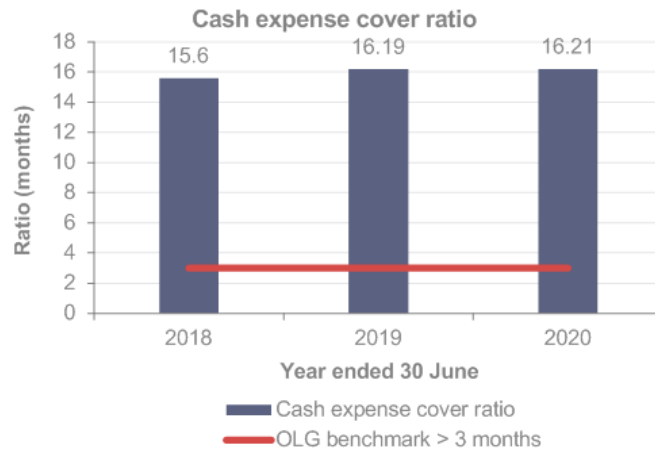


Cash expense cover ratio

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

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

This indicates that Council had the capacity to cover over 16 months of cash expenditure without additional cash inflows at 30 June 2020.



Infrastructure, property, plant and equipment renewals

Council spent \$21.9 million on asset renewals in 2019-20 compared to \$24.8 million in 2018-19. Asset renewals are defined as the replacement of existing assets as opposed to the acquisition of new assets.

A short-term benchmark of Council's strategic asset management is to assess the rate at which Council's assets are being renewed against the rate at which they are depreciating. In 2019-20, asset renewals of \$21.9 million represented 125 per cent of Council's \$17.5 million depreciation expense. This result was lower than the 2018-19 result of 152 per cent.

Asset renewals in 2019-20 were carried out in accordance with Council's capital works program and primarily related to road and plant and equipment assets.

OTHER MATTERS

Impact of new accounting standards

AASB 15 'Revenue from Contracts with Customers' and AASB 1058 'Income for Not-for-Profit Entities'

The Council adopted the new accounting standards AASB 15 'Contracts with Customers' and AASB 1058 'Income of Not-for-Profit Entities' (collectively referred to as the Revenue Standards) for the first time in their 2019-20 financial statements.

AASB 15 introduces a new approach to recognising revenue based on the principle that revenue is recognised when control of a good or service transfers to a customer. AASB 15 impacts the timing and amount of revenue recorded in a councils' financial statements, particularly for grant revenue. AASB 15 also increases the amount of disclosures required.

AASB 1058 prescribes how not-for-profit entities account for transactions conducted on non-commercial terms and the receipt of volunteer services. AASB 1058 significantly impacts the timing and amount of income recorded in a councils' financial statements, particularly for grant income and rates which are paid before the commencement of the rating period.

The Council recognised a \$5.8 million adjustment to opening accumulated surplus at 1 July 2019 on adoption of the new Revenue Standards.

The Council disclosed the impact of adopting the new Revenue Standards in Note 17.

AASB 16 'Leases'

The Council adopted the new accounting standard AASB 16 'Leases' for the first time in their 2019-20 financial statements.

AASB 16 changes the way lessees treat operating leases for financial reporting. With a few exceptions, operating leases will now be recorded in the Statement of Financial Position as a right-of-use asset, with a corresponding lease liability.

AASB 16 results in lessees recording more assets and liabilities in the Statement of Financial Position and changes the timing and pattern of expenses recorded in the Income Statement.

The Council recognised right-of-use assets of \$0.19million and lease liabilities of \$0.19 million at 1 July 2019 on adoption of AASB 16.

The Council disclosed the impact of adopting AASB 16 in Note 14 and Note 17.

Legislative compliance

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

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



Unaib Jeffrey

Delegate of the Auditor-General for New South Wales

cc: Mr Brad Cam, General Manager
Mr John Stuart, Chair of the Audit, Risk and Improvement Committee
Jim Betts, Secretary of the Department of Planning, Industry and Environment

Mid-Western Regional Council

SPECIAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2020

*A prosperous and progressive community
we proudly call home.*



Mid-Western Regional Council

Special Purpose Financial Statements 2020

Special Purpose Financial Statements

for the year ended 30 June 2020

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(1) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.

Background

- i. These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.
- ii. The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, state or local, should operate without net competitive advantages over other businesses as a result of their public ownership.

- iii. For Council, the principle of competitive neutrality and public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation, and **(b)** those activities with a turnover of more than \$2 million that Council has formally declared as a business activity (defined as Category 1 activities).

- iv. In preparing these financial statements for Council's self-classified Category 1 businesses and ABS-defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax-equivalent regime payments and debt guarantee fees (where the business benefits from Council's borrowing position by comparison with commercial rates).

Mid-Western Regional Council

Special Purpose Financial Statements

for the year ended 30 June 2020

Statement by Councillors and Management made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

The attached Special Purpose Financial Statements have been prepared in accordance with:

- the NSW Government Policy Statement 'Application of National Competition Policy to Local Government',
- the Division of Local Government Guidelines 'Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality',
- the Local Government Code of Accounting Practice and Financial Reporting,
- the NSW Office of Water Best-Practice Management of Water and Sewerage Guidelines.

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

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

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

Signed in accordance with a resolution of Council made on 16 September 2020.



Des Kennedy

Mayor

~~16 September 2020~~

9 October



Sam Paine

Deputy Mayor

~~16 September 2020~~

12 October



Brad Cam

General Manager

~~16 September 2020~~

1 October



Leonie Johnson

Chief Financial Officer

~~16 September 2020~~

12 October

Mid-Western Regional Council

Special Purpose Financial Statements 2020

Income Statement – Water Supply Business Activity

for the year ended 30 June 2020

\$ '000	2020	2019
Access charges	1,578	1,462
User charges	6,563	5,893
Interest	285	462
Grants and contributions provided for non-capital purposes	–	152
Other income	1	11
Total income from continuing operations	8,427	7,980
Employee benefits and on-costs	1,775	1,709
Borrowing costs	105	131
Materials and contracts	1,215	1,413
Depreciation, amortisation and impairment	1,871	1,803
Loss on sale of assets	87	29
Other expenses	2,457	2,278
Total expenses from continuing operations	7,510	7,363
Surplus (deficit) from continuing operations before capital amounts	917	617
Grants and contributions provided for capital purposes	1,783	988
Surplus (deficit) from continuing operations after capital amounts	2,700	1,605
Surplus (deficit) from all operations before tax	2,700	1,605
Less: corporate taxation equivalent (27.5%) [based on result before capital]	(252)	(170)
SURPLUS (DEFICIT) AFTER TAX	2,448	1,435
Plus accumulated surplus	58,755	57,137
Plus/less: Transfer to retained earnings for asset disposals	(29)	13
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	252	170
Return on capital %	1.3%	0.9%
Subsidy from Council	–	293
Calculation of dividend payable:		
Surplus (deficit) after tax	2,448	1,435
Less: capital grants and contributions (excluding developer contributions)	(1,783)	(639)
Surplus for dividend calculation purposes	665	796
Potential dividend calculated from surplus	332	398

Income Statement – Sewerage Business Activity

for the year ended 30 June 2020

\$ '000	2020	2019
Access charges	6,404	6,133
User charges	602	787
Liquid trade waste charges	–	22
Interest	266	391
Other income	39	38
Total income from continuing operations	7,311	7,371
Employee benefits and on-costs	1,444	1,370
Borrowing costs	522	550
Materials and contracts	764	790
Depreciation, amortisation and impairment	1,551	1,559
Loss on sale of assets	1	371
Other expenses	1,906	2,105
Total expenses from continuing operations	6,188	6,745
Surplus (deficit) from continuing operations before capital amounts	1,123	626
Grants and contributions provided for capital purposes	1,060	165
Surplus (deficit) from continuing operations after capital amounts	2,183	791
Surplus (deficit) from all operations before tax	2,183	791
Less: corporate taxation equivalent (27.5%) [based on result before capital]	(309)	(172)
SURPLUS (DEFICIT) AFTER TAX	1,874	619
Plus accumulated surplus	50,376	49,029
Plus/less: prior period adjustments	–	338
Plus/less: Transfer to retained earnings for asset disposals	–	217
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	309	172
Return on capital %	1.8%	1.3%
Subsidy from Council	–	9
Calculation of dividend payable:		
Surplus (deficit) after tax	1,874	619
Less: capital grants and contributions (excluding developer contributions)	(1,060)	(1)
Surplus for dividend calculation purposes	814	618
Potential dividend calculated from surplus	407	309

Mid-Western Regional Council

Special Purpose Financial Statements 2020

Statement of Financial Position – Water Supply Business Activity

as at 30 June 2020

\$ '000	2020	2019
ASSETS		
Current assets		
Cash and cash equivalents	1,041	958
Investments	12,524	12,673
Receivables	1,904	1,371
Inventories	202	202
Total current assets	15,671	15,204
Non-current assets		
Investments	1,928	936
Infrastructure, property, plant and equipment	80,414	78,870
Intangible assets	–	3
Total non-current assets	82,342	79,809
TOTAL ASSETS	98,013	95,013
LIABILITIES		
Current liabilities		
Contract liabilities	270	–
Payables	970	1,271
Borrowings	314	294
Total current liabilities	1,554	1,565
Non-current liabilities		
Borrowings	1,145	1,458
Total non-current liabilities	1,145	1,458
TOTAL LIABILITIES	2,699	3,023
NET ASSETS	95,314	91,990
EQUITY		
Accumulated surplus	61,426	58,755
Revaluation reserves	33,888	33,235
TOTAL EQUITY	95,314	91,990

Statement of Financial Position – Sewerage Business Activity
as at 30 June 2020

\$ '000	2020	2019
ASSETS		
Current assets		
Cash and cash equivalents	808	830
Investments	11,296	10,979
Receivables	1,044	379
Inventories	20	20
Total current assets	13,168	12,208
Non-current assets		
Investments	1,739	811
Infrastructure, property, plant and equipment	90,603	89,766
Total non-current assets	92,342	90,577
TOTAL ASSETS	105,510	102,785
LIABILITIES		
Current liabilities		
Payables	170	159
Borrowings	335	313
Total current liabilities	505	472
Non-current liabilities		
Borrowings	7,493	7,831
Total non-current liabilities	7,493	7,831
TOTAL LIABILITIES	7,998	8,303
NET ASSETS	97,512	94,482
EQUITY		
Accumulated surplus	52,559	50,375
Revaluation reserves	44,953	44,107
TOTAL EQUITY	97,512	94,482

Mid-Western Regional Council

Special Purpose Financial Statements 2020

Notes to the Special Purpose Financial Statements

for the year ended 30 June 2020

Note 1. Significant Accounting Policies

A statement summarising the supplemental accounting policies adopted in the preparation of the Special Purpose Financial Statements (SPFS) for National Competition Policy (NCP) reporting purposes follows.

These financial statements are SPFS prepared for use by Council and the Office of Local Government. For the purposes of these statements, the Council is a non-reporting not-for-profit entity.

The figures presented in these Special Purpose Financial Statements have been prepared in accordance with the recognition and measurement criteria of relevant Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

The disclosures in these Special Purpose Financial Statements have been prepared in accordance with the Local Government Act 2093 (NSW), the *Local Government (General) Regulation 2005*, and the Local Government Code of Accounting Practice and Financial Reporting.

The statements are prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, current values of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the National Competition Policy.

The Statement of Financial Position includes notional assets/liabilities receivable from/payable to Council's general fund. These balances reflect a notional intra-entity funding arrangement with the declared business activities.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' in its business activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government.

The framework for its application is set out in the June 1996 NSW government policy statement titled 'Application of National Competition Policy to Local Government'.

The *Pricing and Costing for Council Businesses, A Guide to Competitive Neutrality* issued by the Office of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to activities and provide a standard for disclosure requirements.

These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, return on investments (rate of return), and dividends paid.

Declared business activities

In accordance with *Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*, Council has declared that the following are to be considered as business activities:

Category 1

(where gross operating turnover is over \$2 million)

a. Mid-Western Regional Council Water Supply

Comprising the activities and net assets of the water supply operations servicing the towns of Mudgee, Gulgong, Rylstone, and Kandos.

b. Mid-Western Regional Council Waste Water Services

Comprising the activities and net assets of the sewerage reticulation and treatment operations servicing the towns of Mudgee, Gulgong, Rylstone, and Kandos.

Monetary amounts

Amounts shown in the financial statements are in Australian dollars and rounded to the nearest one thousand dollars.

Notes to the Special Purpose Financial Statements for the year ended 30 June 2020

Note 1. Significant Accounting Policies (continued)

(i) Taxation equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs.

However, where Council does not pay some taxes which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council-nominated business activities and are reflected in Special Purpose Financial Statements.

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

Notional rate applied (%)

Corporate income tax rate – 27.5%

Land tax – the first \$692,000 of combined land values attracts 0%. For the combined land values in excess of \$629,001 up to \$4,231,000 the rate is 1.6% + \$100. For the remaining combined land value that exceeds \$4,231,000 a premium marginal rate of 2.0% applies.

Payroll tax – 5.45% on the value of taxable salaries and wages in excess of \$850,000.

In accordance with the Department of Industry (DoI) – Water guidelines, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from water supply and sewerage business activities.

The payment of taxation equivalent charges, referred to in the DoI – Water guidelines as a 'dividend for taxation equivalent', may be applied for any purpose allowed under the *Local Government Act, 1993*.

Achievement of substantial compliance to the DoI – Water guidelines is not a prerequisite for the payment of the tax equivalent charges, however the payment must not exceed \$3 per assessment.

Income tax

An income tax equivalent has been applied on the profits of the business activities.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level - gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the corporate income tax rate, currently 27.5%.

Income tax is only applied where a gain/ (loss) from ordinary activities before capital amounts has been achieved.

Since the taxation equivalent is notional – that is, it is payable to Council as the 'owner' of business operations - it represents an internal payment and has no effect on the operations of the Council. Accordingly, there is no need for disclosure of internal charges in the SPFS.

The rate applied of 27.5% is/is not the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

Local government rates and charges

A calculation of the equivalent rates and charges payable on all category 1 businesses has been applied to all land assets owned or exclusively used by the business activity.

Loan and debt guarantee fees

The debt guarantee fee is designed to ensure that council business activities face 'true' commercial borrowing costs in line with private sector competitors.

Mid-Western Regional Council

Special Purpose Financial Statements 2020

Notes to the Special Purpose Financial Statements

for the year ended 30 June 2020

Note 1. Significant Accounting Policies (continued)

In order to calculate a debt guarantee fee, Council has determined what the differential borrowing rate would have been between the commercial rate and Council's borrowing rate for its business activities.

(ii) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed.

Subsidies occur when Council provides services on a less-than-cost-recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations.

Accordingly, 'subsidies disclosed' (in relation to National Competition Policy) represents the difference between revenue generated from 'rate of return' pricing and revenue generated from prices set by Council in any given financial year.

The overall effect of subsidies is contained within the Income Statement of each reported business activity.

(iii) Return on investments (rate of return)

The NCP policy statement requires that councils with Category 1 businesses 'would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field'.

Such funds are subsequently available for meeting commitments or financing future investment strategies.

The actual rate of return achieved by each business activity is disclosed at the foot of each respective Income Statement.

The rate of return is calculated as follows:

Operating result before capital income + interest expense

Written down value of I,PP&E as at 30 June

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 0.88% at 30/6/20.

(iv) Dividends

Council is not required to pay dividends to either itself (as owner of a range of businesses) or to any external entities.

Local government water supply and sewerage businesses are permitted to pay an annual dividend from its water supply or sewerage business surplus.

Each dividend must be calculated and approved in accordance with the Department of Industry – Water guidelines and must not exceed:

- 50% of this surplus in any one year, or
- the number of water supply or sewerage assessments at 30 June 2020 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with the Department of Industry – Water guidelines a Dividend Payment form, Statement of Compliance, Unqualified Independent Financial Audit Report and Compliance Audit Report are required to be submitted to the Department of Industry – Water.



INDEPENDENT AUDITOR'S REPORT
Report on the special purpose financial statements
Mid-Western Regional Council

To the Councillors of Mid-Western Regional Council

Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of Mid-Western Regional Council's (the Council) Declared Business Activities, which comprise the Statement by Councillors and Management, the Income Statement of each Declared Business Activity for the year ended 30 June 2020, the Statement of Financial Position of each Declared Business Activity as at 30 June 2020 and Note 1 Significant accounting policies for the Business Activities declared by Council.

The Declared Business Activities of the Council are:

- Sewerage Business Activity
- Water Supply Business Activity

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council's declared Business Activities as at 30 June 2020, and their financial performance for the year then ended, in accordance with the Australian Accounting Standards described in Note 1 and the Local Government Code of Accounting Practice and Financial Reporting – update number 28 (LG Code).

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Schedule' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to Note 1 to the financial statements which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the Council's financial reporting responsibilities under the LG Code. As a result, the financial statements may not be suitable for another purpose.

Other Information

The Council's annual report for the year ended 30 June 2020 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements and Special Schedules (the Schedules).

My opinion on the financial statements does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements and Special Schedule 'Permissible income for general rates'. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements and for determining that the accounting policies, described in Note 1 to the financial statements, are appropriate to meet the requirements in the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

- obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial statements.

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.

A handwritten signature in black ink, appearing to read 'Unaib Jeffrey', with a long, sweeping flourish extending to the right.

Unaib Jeffrey
Delegate of the Auditor-General for New South Wales

6 November 2020

SYDNEY

Mid-Western Regional Council

SPECIAL SCHEDULES
for the year ended 30 June 2020

*A prosperous and progressive community
we proudly call home.*



Special Schedules

for the year ended 30 June 2020

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Mid-Western Regional Council

Special Schedules 2020

Permissible income for general rates

\$ '000	Notes	Calculation 2020/21	Calculation 2019/20
Notional general income calculation ¹			
Last year notional general income yield	a	27,731	18,495
Plus or minus adjustments ²	b	137	8,508
Notional general income	c = a + b	27,868	27,003
Permissible income calculation			
Or rate peg percentage	e	2.60%	2.70%
Or plus rate peg amount	i = e x (c + g)	725	729
Sub-total	k = (c + g + h + i + j)	28,593	27,732
Less valuation objections claimed in the previous year	m	(1)	(2)
Sub-total	n = (l + m)	(1)	(2)
Total permissible income	o = k + n	28,592	27,730
Less notional general income yield	p	30,041	27,731
Catch-up or (excess) result	q = o – p	(1,449)	(1)
Plus income lost due to valuation objections claimed ⁴	r	1,483	1
Carry forward to next year ⁶	t = q + r + s	34	-

Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the Valuation of Land Act 1916.
- (4) Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer-General. Councils can claim the value of the income lost due to valuation objections in any single year.
- (6) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require ministerial approval by order published in the NSW Government Gazette in accordance with section 512 of the Local Government Act 1993. The OLG will extract these amounts from Council's Permissible income for general rates Statement in the financial data return (FDR) to administer this process.



INDEPENDENT AUDITOR'S REPORT

Special Schedule - Permissible income for general rates

Mid-Western Regional Council

To the Councillors of Mid-Western Regional Council

Opinion

I have audited the accompanying Special Schedule – Permissible income for general rates (the Schedule) of Mid-Western Regional Council (the Council) for the year ending 30 June 2021.

In my opinion, the Schedule is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting – update number 28 (LG Code), and is in accordance with the books and records of the Council.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Schedule' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants (including Independence Standards)' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the special purpose framework used to prepare the Schedule. The Schedule has been prepared for the purpose of fulfilling the Council's reporting obligations under the LG Code. As a result, the Schedule may not be suitable for another purpose.

Other Information

The Council's annual report for the year ended 30 June 2020 includes other information in addition to the Schedule and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements, special purpose financial statements and Special Schedule 'Report on infrastructure assets as at 30 June 2020.

My opinion on the Schedule does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the general purpose financial statements and the special purpose financial statements.

In connection with my audit of the Schedule, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Schedule or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Schedule

The Councillors are responsible for the preparation of the Schedule in accordance with the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

In preparing the Schedule, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Schedule

My objectives are to:

- obtain reasonable assurance whether the Schedule as a whole is free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the Schedule.

A description of my responsibilities for the audit of the Schedule is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar8.pdf. The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited Schedule on any website where it may be presented
- about any other information which may have been hyperlinked to/from the Schedule.

A handwritten signature in black ink, appearing to read 'Unaib Jeffrey', with a long, sweeping flourish extending to the right.

Unaib Jeffrey

Delegate of the Auditor-General for New South Wales

6 November 2020
SYDNEY

Mid-Western Regional Council

Special Schedules 2020

Report on Infrastructure Assets

as at 30 June 2020

Asset Class	Asset Category	Estimated cost		2019/20 Required maintenance ^a	2019/20 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		Estimated cost to bring assets to satisfactory standard \$ '000	to bring to the agreed level of service set by Council \$ '000					1	2	3	4	5
(a) Report on Infrastructure Assets - Values												
Buildings	Other	–	–	–	–	(4)	–	0.0%	0.0%	0.0%	0.0%	0.0%
	Art Gallery	–	–	13	2	445	449	0.0%	0.0%	100.0%	0.0%	0.0%
	Councils Offices / Admin Centres	71	71	327	396	8,095	12,272	0.1%	0.0%	98.0%	1.9%	0.0%
	Councils Works Depot	48	48	56	61	11,842	15,811	0.0%	1.4%	97.6%	0.9%	0.1%
	Council Halls	202	202	55	68	7,285	13,783	0.0%	0.8%	94.8%	3.5%	0.9%
	Council Houses	47	47	33	15	2,982	4,502	0.0%	0.8%	95.7%	3.5%	0.0%
	Museum	–	–	20	16	787	846	0.0%	0.0%	100.0%	0.0%	0.0%
	Library	–	–	65	71	4,876	7,577	0.0%	0.0%	100.0%	0.0%	0.0%
	Childcare Centre(s)	–	–	5	2	2,726	3,375	16.0%	2.7%	81.3%	0.0%	0.0%
	Amenities/Toilets	219	219	406	409	24,569	31,087	6.3%	0.1%	91.8%	0.9%	0.9%
	Rural Fire Service	8	8	–	–	2,863	3,662	0.0%	0.0%	99.3%	0.7%	0.0%
	Sub-total	595	595	980	1,040	66,466	93,364	2.7%	0.5%	94.9%	1.4%	0.4%
Other structures	Other structures	340	340	674	761	10,812	14,136	43.4%	18.2%	31.1%	6.7%	0.6%
	Sub-total	340	340	674	761	10,812	14,136	43.4%	18.2%	31.1%	6.7%	0.6%
Roads	Sealed roads	4,117	4,117	1,485	1,437	129,030	187,686	29.5%	33.3%	24.0%	10.6%	2.6%
	Unsealed roads	5,299	5,299	1,495	1,740	32,185	59,447	15.9%	30.8%	19.8%	21.1%	12.4%
	Bridges	366	366	48	28	37,917	66,368	12.5%	25.8%	57.7%	4.0%	0.0%
	Footpaths and Cycleways	153	153	59	61	7,368	12,663	41.0%	26.9%	22.3%	9.6%	0.2%
	Kerb and Gutter	2,420	2,420	12	15	13,287	26,419	13.0%	21.4%	9.4%	41.5%	14.7%
	Bulk Earthworks	–	–	–	–	308,195	308,195	0.0%	100.0%	0.0%	0.0%	0.0%
	Parking Areas	103	103	13	10	1,609	2,316	2.0%	38.9%	24.1%	27.9%	7.1%
	Culverts and Causeways	854	854	180	169	5,389	11,735	23.3%	15.2%	33.7%	13.9%	13.9%
	RMS Regional Roads	5,541	5,541	516	461	67,674	92,857	34.9%	22.7%	18.2%	19.3%	4.9%
	Regional Bridges	265	265	39	3	24,901	49,131	2.8%	23.5%	69.9%	3.8%	0.0%
	Sub-total	19,118	19,118	3,847	3,924	627,555	816,817	14.5%	55.2%	19.1%	8.5%	2.8%

Mid-Western Regional Council

Report on Infrastructure Assets (continued)
as at 30 June 2020

Asset Class	Asset Category	Estimated cost		2019/20 Required maintenance ^a	2019/20 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
		to bring assets to satisfactory standard \$ '000	to bring to the agreed level of service set by Council \$ '000					1	2	3	4	5
Water supply network	Dams and Weirs	396	396	–	–	8,523	12,746	2.5%	80.6%	6.5%	10.4%	0.0%
	Reservoirs	286	286	67	75	10,013	15,968	20.8%	57.1%	16.2%	5.9%	0.0%
	Pumping Stations	151	151	68	48	3,469	5,631	12.3%	56.9%	21.9%	8.9%	0.0%
	Treatment	1,015	1,015	557	538	13,541	23,828	13.8%	38.8%	33.8%	13.6%	0.0%
	Bores	111	111	106	104	710	1,147	0.0%	22.0%	45.7%	32.3%	0.0%
	Reticulation Mains	4,078	4,078	609	648	24,476	40,912	32.1%	18.2%	27.3%	6.3%	16.1%
	Mains Delivery	737	737	–	–	13,278	18,851	30.1%	45.4%	11.5%	13.0%	0.0%
Sub-total		6,774	6,774	1,407	1,413	74,010	119,083	22.2%	40.4%	22.3%	9.6%	5.5%
Sewerage network	Pump Stations	99	99	151	148	6,938	10,288	36.5%	22.9%	37.4%	3.2%	0.0%
	Treatment	366	366	562	619	20,148	29,716	16.7%	56.2%	23.2%	3.9%	0.0%
	Reticulation Mains	3,247	3,247	268	322	57,450	74,146	32.3%	21.3%	7.0%	33.2%	6.2%
	Rising Mains	59	59	–	–	2,593	3,280	69.7%	2.0%	15.7%	12.6%	0.0%
	Sub-total		3,771	3,771	981	1,089	87,129	117,430	29.8%	29.7%	14.0%	22.6%
Stormwater drainage	Stormwater drainage	118	118	392	466	23,633	32,810	22.6%	1.4%	75.2%	0.0%	0.8%
	Sub-total		118	118	392	466	23,633	32,810	22.6%	1.4%	75.2%	0.0%
Open space / recreational assets	Swimming pools	118	118	512	379	4,068	9,624	28.1%	43.8%	24.0%	4.1%	0.0%
	Open Space and Recreational Assets	407	407	1,853	1,699	12,700	17,170	44.8%	32.6%	14.9%	7.4%	0.3%
	Sub-total		525	525	2,365	2,078	16,768	26,794	38.8%	36.6%	18.2%	6.2%
TOTAL - ALL ASSETS		31,241	31,241	10,646	10,771	906,373	1,220,434	16.9%	44.8%	26.4%	9.1%	2.8%

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

Infrastructure asset condition assessment 'key'

- 1 **Excellent/very good** No work required (normal maintenance)
- 2 **Good** Only minor maintenance work required
- 3 **Satisfactory** Maintenance work required
- 4 **Poor** Renewal required
- 5 **Very poor** Urgent renewal/upgrading required

Report on Infrastructure Assets (continued)

as at 30 June 2020

	Amounts	Indicator	Prior periods		Benchmark
	2020	2020	2019	2018	
\$ '000			Restated		
Infrastructure asset performance indicators (consolidated) *					
Buildings and infrastructure renewals ratio ¹					
Asset renewals ²	15,923	119.52%	174.13%	156.22%	>=100.00%
Depreciation, amortisation and impairment	13,322				
Infrastructure backlog ratio ¹					
Estimated cost to bring assets to a satisfactory standard	31,241	5.22%	7.45%	6.70%	<2.00%
Net carrying amount of infrastructure assets	598,178				
Asset maintenance ratio					
Actual asset maintenance	10,771	101.17%	105.70%	100.70%	>100.00%
Required asset maintenance	10,646				
Cost to bring assets to agreed service level					
Estimated cost to bring assets to an agreed service level set by Council	31,241	2.56%	3.65%	3.21%	
Gross replacement cost	1,220,434				

(*) All asset performance indicators are calculated using classes identified in the previous table.

(1) Excludes Work In Progress (WIP)

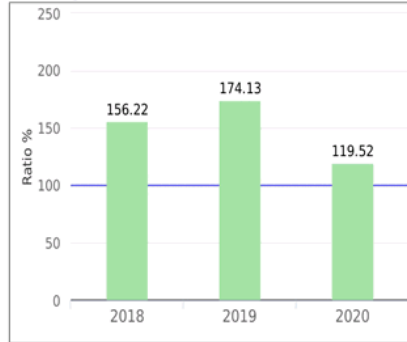
(2) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

Mid-Western Regional Council

Special Schedules 2020

Report on Infrastructure Assets (continued)
 as at 30 June 2020

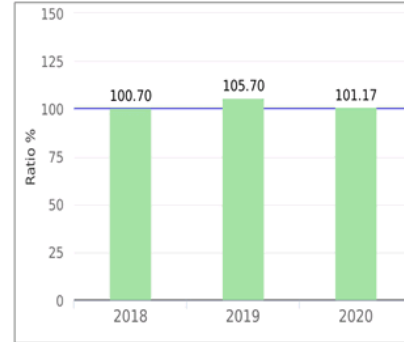
Buildings and infrastructure renewals ratio



Buildings and infrastructure renewals ratio	Commentary on result
	19/20 ratio 119.52%
To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.	

Benchmark: — $\geq 100.00\%$ ■ Ratio achieves benchmark
 Source of benchmark: Code of Accounting Practice and Financial Reporting #28 ■ Ratio is outside benchmark

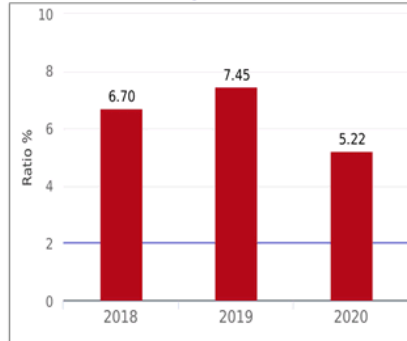
Asset maintenance ratio



Asset maintenance ratio	Commentary on result
	19/20 ratio 101.17%
Compares actual vs. required annual asset maintenance. A ratio above 1.0 indicates Council is investing enough funds to stop the infrastructure backlog growing.	Council's current asset maintenance ratio is 101.17% which is above the industry benchmark of greater than 100%.

Benchmark: — $> 100.00\%$ ■ Ratio achieves benchmark
 Source of benchmark: Code of Accounting Practice and Financial Reporting #28 ■ Ratio is outside benchmark

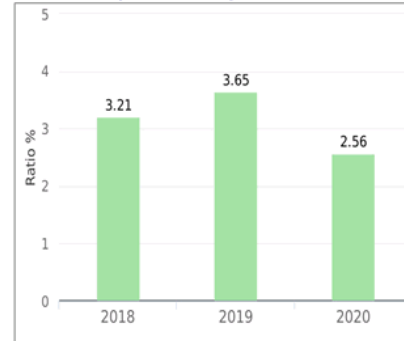
Infrastructure backlog ratio



Infrastructure backlog ratio	Commentary on result
	19/20 ratio 5.22%
This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.	Condition assessment is the main factor that results in changes in this ratio. The backlog amount increased for Other Structures, Sewerage Network, Water Assets and Open Space/Recreational Assets, while it decreased for the remaining infrastructure groups.

Benchmark: — $< 2.00\%$ ■ Ratio achieves benchmark
 Source of benchmark: Code of Accounting Practice and Financial Reporting #28 ■ Ratio is outside benchmark

Cost to bring assets to agreed service level



Cost to bring assets to agreed service level	Commentary on result
	19/20 ratio 2.56%
This ratio provides a snapshot of the proportion of outstanding renewal works compared to the total value of assets under Council's care and stewardship.	This ratio has reduced in 2020, as the Council is adequately renewing its existing assets.

Mid-Western Regional Council

Special Schedules 2020

Report on Infrastructure Assets (continued)
as at 30 June 2020

\$ '000	General fund		Water fund		Sewer fund		Benchmark
	2020	2019	2020	2019	2020	2019	
Infrastructure asset performance indicators (by fund)							
Buildings and infrastructure renewals ratio ¹							
Asset renewals ²							
Depreciation, amortisation and impairment	121.12%	225.14%	8.72%	29.89%	243.15%	48.39%	>=100.00%
Infrastructure backlog ratio ¹							
Estimated cost to bring assets to a satisfactory standard							
Net carrying amount of infrastructure assets	2.78%	4.95%	9.15%	9.50%	4.33%	1.37%	<2.00%
Asset maintenance ratio							
Actual asset maintenance							
Required asset maintenance	100.13%	106.44%	100.43%	99.79%	111.01%	108.70%	>100.00%
Cost to bring assets to agreed service level							
Estimated cost to bring assets to an agreed service level set by Council							
Gross replacement cost	2.10%	3.69%	5.69%	5.93%	3.21%	1.06%	

(1) Excludes Work In Progress (WIP)

(2) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.



*Good
Government*

QUARTERLY BUDGET
REVIEW STATEMENT
SEPTEMBER 2020

ATTACHMENTS

18 NOVEMBER 2020

MID-WESTERN REGIONAL COUNCIL
CORPORATE: FINANCE

■ ■ ■ ■ ■ TOWARDS 2030



CORPORATE: FINANCE |

THIS DOCUMENT HAS BEEN PREPARED BY NEIL BUNGATE, MANAGER FINANCIAL PLANNING FOR MID-WESTERN REGIONAL COUNCIL.

ANY QUESTIONS IN RELATION TO THE CONTENT OF THIS DOCUMENT SHOULD BE DIRECTED TO:
NEIL.BUNGATE@MIDWESTERN.NSW.GOV.AU OR (02) 6378 2850

DATE OF PUBLICATION: 18 NOVEMBER 2020

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13. Councillor Fees and Expenses Paid or Reimbursed as at 30 September 2020.....66

1. Proposed Budget Variations

Approval of the proposed budget variations in this report will have the following impact on Council's funding sources:

Fund	Funding Source	20/21	21/22	22/23	Grand Total	
General	ASSET REPLACEMENT RESERVE	824,972	(591,572)		233,400	
	CAPITAL PROGRAM RESERVE	200	(956,967)		(956,767)	
	COMMUNITY TRANSPORT VEHICLE REPLACEMENT	56,186			56,186	
	CONTRIBUTIONS	20,000			20,000	
	CONTRIBUTIONS FROM OTHER FUNDS	(46,000)			(46,000)	
	CONTRIBUTIONS & DONATIONS - CAPITAL	32,500			32,500	
	GRT - AERODROMES	(35,550)			(35,550)	
	GRT - BUSHFIRE & EMERGENCY SERVICES - CAPITAL	258,800			258,800	
	GRT - LIBRARY GRANT	(4,583)			(4,583)	
	GRT - OTHER GRANT INCOME	1,178,508			1,178,508	
	GRT - OTHER GRANT INCOME - CAPITAL	615,049	(500,000)		115,049	
	GRT - RECREATION - CAPITAL	4,447,912	(4,419,715)		28,197	
	GRT - ROADS & BRIDGES OTHER CAPITAL	861,998	(917,000)		(55,002)	
	GRT - ROADS TO RECOVERY	(35,860)			(35,860)	
	GRT - YOUTH SERVICES	(400)			(400)	
	OTHER INTERNAL RESTRICTIONS	(3,483,336)			(3,483,336)	
	OTR - RMS STATE ROADS - ORDERED WORKS	(1,065,018)			(1,065,018)	
	OTR - RMS STATE ROADS - SINGLE INVITATION CONT	(346,800)			(346,800)	
	RMS CONTRIBUTIONS - BLOCK	152,366	(50,000)		102,366	
	RMS CONTRIBUTIONS - OPERATING	1,819,809			1,819,809	
	ROADWORKS MAINTENANCE	485,726			485,726	
	S94	(1,153)			(1,153)	
	SEAL EXTENSION PROGRAM RESERVE	109,000			109,000	
	STATE ROADS WARRANTY RESERVE	(95,000)			(95,000)	
	ULAN ROAD STRATEGY RESERVE	(599,773)			(599,773)	
	Unrestricted Cash	26,735	(608,979)		(582,244)	
	UNSPENT GRANTS	3,192,200	(4,000)		3,188,200	
	General Total		8,368,488	(8,048,233)	0	320,255
						0
	Saleyards	LIVESTOCK EXCHANGE RESERVE	(834)			(834)
Unrestricted Cash		717			717	

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Fund	Funding Source	20/21	21/22	22/23	Grand Total
Saleyards					
Total		(117)			(117)
					0
Sewer	GRT - SEWER CAPITAL	776,250	(776,250)		0
	PROCEEDS FROM NEW BORROWINGS		2,000,000	(2,000,000)	0
	S64	1,175,000	(1,025,000)		150,000
	SEWER RESERVE	5,972,050	(3,404,750)	(2,000,000)	567,300
	Unrestricted Cash	(463,000)			(463,000)
Sewer					
Total		7,460,300	(3,206,000)	(4,000,000)	254,300
					0
Waste	PROCEEDS FROM NEW BORROWINGS	2,000,000	(100,000)	(1,900,000)	0
	Unrestricted Cash	70,749	182,879		253,628
	WASTE RESERVE	440,000	(440,000)		0
Waste					
Total		2,510,749	(357,121)	(1,900,000)	253,628
					0
Water	GRT - WATER CAPITAL	2,993,385	(2,548,385)	(715,000)	(270,000)
	PROCEEDS FROM NEW BORROWINGS		1,700,000	(1,700,000)	0
	S64	1,006,615	318,385	(1,000,000)	325,000
	Unrestricted Cash	(348,000)			(348,000)
	UNSPENT GRANTS	270,000			270,000
	WATER RESERVE	4,265,581	(1,798,281)	(2,285,000)	182,300
Water					
Total		8,187,581	(2,328,281)	(5,700,000)	159,300
					0
Grand					
Total		26,527,001	(13,939,635)	(11,600,000)	987,366

1.1 2020/2021

Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation\$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
General	Ow - Mr633 Two Mile Flat Widening 308.21.03 - RMS approved project	993,000	OTR - RMS STATE ROADS - ORDERED WORKS	(1,072,170)	-	0	-	0	-	0	79,170
General	Plant Purchases - \$640k Glen Willow Stage 2 equipment. \$15k grade control system for excavator. \$28k ATV and trailer to assist with weeds inspection during wet weather. \$46k for new ute in Water and Sewer fleet. \$40k new passenger vehicle	769,000	CONTRIBUTION FROM OTHER FUND	(46,000)	-	0	-	0	-	0	(723,000)
General	Ow - Mr54 Tara Loop Road Shoulder Widening 308.20.17 - Completed RMS works	483502	OTR - RMS STATE ROADS - ORDERED WORKS	(643,213)	-	0	-	0	-	0	159,711
General	Rm - Scheduled Maintenance - State Road maintenance budget increased by RMS	346,798	OTR - RMS STATE ROADS - SINGLE INVITATION CONT	(346,800)	-	0	-	0	-	0	2

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Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation \$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
General	Rural Unsealed Roads Grading Program - Reseal program fully committed, propose additional budget for grading and transfer in reactive grading budget	322,741	ROADWORKS MAINTENANCE	(4,047)	-	0	-	0	-	0	(318,694)
General	Resheeting - Budget transferred from sealed rehab and Razorback Road to continue resheeting works	254,000	-	0	-	0	-	0	-	0	(254,000)
General	Ulan Road - Holyoake Bridge To Lue Road Rehab - Bring forward future works to Ulan Road	110,000	ROADWORKS MAINTENANCE	(110,000)	-	0	-	0	-	0	0
General	Drainage Maintenance - Council is currently carrying out significant drainage maintenance across the unsealed network to avoid ongoing drainage issues such as shoulder scours	100,000	-	0	-	0	-	0	-	0	(100,000)
General	Culvert Installations - Council is currently installing a large number of small diameter culverts across the unsealed network to avoid ongoing drainage issues such as cross gutters and scours	100,000	-	0	-	0	-	0	-	0	(100,000)
General	Mudgee Showgrounds - Road Rehab And Fencing - Road rehabilitation required at the Douro Street entrance from road edge and down to the new disabled carparking, in	85,000	-	0	-	0	ASSET REPLACEMENT RESERVE	(85,000)	-	0	0

CORPORATE: FINANCE |

Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation \$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
	front of the Bridge Club, new amenities and Cudgegong cruisers. A small amount of fencing is required at the equestrian area										
General	Ow - Misc Accidents - Add a budget for accident response	80,000	OTR - RMS STATE ROADS - ORDERED WORKS	(80,000)	-	0	-	0	-	0	0
General	Ow - Hw18 Culvert Works 308.20.19 - Increase the scope and budget by RMS	72,140	OTR - RMS STATE ROADS - ORDERED WORKS	(75,747)	-	0	-	0	-	0	3,607
General	Property - Ex Saleyards Stage I - Budget required for cost of sale of land	60,000	-	0	-	0	-	0	-	0	(60,000)
General	Environment - Projects - Transfer Regional Transfer in budgets to consolidate projects and state of Environment report and alliance membership to admin project \$6k	59,069	-	0	-	0	-	0	-	0	(59,069)
General	Ow - Heavy Patching - RMS increase to heavy patching budget	50,000	OTR - RMS STATE ROADS - ORDERED WORKS	(65,000)	-	0	-	0	-	0	15,000
General	Tree Lopping Along Roads - Significant works identified on bus routes, propose increase to budget	50,000	-	0	-	0	-	0	-	0	(50,000)

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Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation \$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
General	Cudgegong Waters Park Internal Roads - Sealing of roads required as part of licence agreement	50,000	-	0	-	0	-	0	-	0	(50,000)
General	Ow - Resurfacing Improvements - RMS confirmed increase to resurfacing budget	45,000	OTR - RMS STATE ROADS - ORDERED WORKS	(45,000)	-	0	-	0	-	0	0
General	Seal Extension - Pyramul Rd - Allocate Roads to Recovery funding to overspend	35,860	GRT - ROADS TO RECOVERY	(35,860)	-	0	-	0	-	0	0
General	Property Purchase- 70 Court St - Revision of property purchase price based on independent valuation	35,000	-	0	-	0	CAPITAL PROGRAM RESERVE	(35,000)	-	0	0
General	Gravel Pit Remediation - Gravel pit remediation works required	30,000	-	0	-	0	-	0	-	0	(30,000)
General	Mudgee Stores Building - Reconfigure stores office for additional staff	23,900	-	0	-	0	-	0	-	0	(23,900)
General	Mudgee Shared Cycleway/Walking Loop - Additional costs required for subdivision, fencing and guardrail	21,800	-	0	-	0	-	0	-	0	(21,800)
General	Carmel Croan Building Capital - Replacement of carpet and minor overspend for painting and external works	15,000	-	0	-	0	ASSET REPLACEMENT RESERVE	(15,000)	-	0	0

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Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation\$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
General	Active Parks - Relamp Sports Lighting - Remediation works required at Victoria Park Mudgee. Currently less than 25% are operational which is affecting night activities.	15,000	-	0	-	0	-	0	-	0	(15,000)
General	Rylstone Kandos Preschool Extension - Construct shed and install hand rail	14,000	-	0	-	0	CAPITAL PROGRAM RESERVE	(14,000)	-	0	0
General	Kandos Library & Hall - Automatic doors and alarm	12,000	-	0	-	0	ASSET REPLACEMENT RESERVE	(12,000)	-	0	0
General	Airport Helicopter Landing Pad - The failed area around the helicopter pad has increased since first priced	12,000	-	0	-	0	CAPITAL PROGRAM RESERVE	(12,000)	-	0	0
General	Guttering Bylong Valley Way Kandos - Project costs higher than expected	11,200	-	0	-	0	-	0	-	0	(11,200)
General	Putta Bucca Wetlands Extension - Budget for a replacement fence. Existing fence has fallen over in many areas. This fence adjoins the newly constructed walking track and provide poor visual amenity and will cause a hazard for maintenance along the path due to loose wires	10,500	-	0	-	0	-	0	-	0	(10,500)

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Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation \$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
General	Pool Shade Program - Quotes to complete work are higher than budget	10,000	-	0	-	0	CAPITAL PROGRAM RESERVE	(10,000)	-	0	0
General	Robertson Park Pathway - Replace the existing pathway that is in poor condition with a concrete path to alleviate any potential of trip hazards.	10,000	-	0	-	0	ASSET REPLACEMENT RESERVE	(10,000)	-	0	0
General	Purchase Of Mobile Devices - Transfer unspent safety contributions to mobile device project	9,997	-	0	-	0	UNSPENT GRANTS	(9,997)	-	0	0
General	Public Halls - Kandos Preschool - Urgent tree works which were required due to high risk have exhausted existing budget and some minor maintenance costs	8,500	-	0	-	0	-	0	-	0	(8,500)
General	Cudgegong Waters - Water And Sewer Operations - Installation of rain water tank backflow prevention	7,500	-	0	-	0	-	0	-	0	(7,500)

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Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation \$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
General	Public Toilets - General Operations - Unexpected maintenance at Goolma and regular cleaning	6,500	-	0	-	0	-	0	-	0	(6,500)
General	Environment - Administration - Regional State of Environment report and alliance membership	6,000	-	0	-	0	-	0	-	0	(6,000)
General	Environment - Community Initiatives - Transfer from national tree day to consolidate budgets	5,097	-	0	-	0	-	0	-	0	(5,097)
General	Gulgong Pool Repaint - Modest price increase and reinstate FINA race lines	5,000	-	0	-	0	CAPITAL PROGRAM RESERVE	(5,000)	-	0	0
General	Property - Mellon St - Maintenance and cleaning required before a new tenant	5,000	-	0	-	0	-	0	-	0	(5,000)
General	Airport Ambulance Transfer Bay - Savings from terminal awning project to increase budget and correct revenue line to reflect new accounting standards	4,000	GRT - AERODROMES	(35,550)	-	0	UNSPENT GRANTS	35,550	CAPITAL PROGRAM RESERVE	(4,000)	0

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Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation \$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
General	Public Toilets - Rylstone - Additional regular cleaning service	3,100	-	0	-	0	-	0	-	0	(3,100)
General	Property - Income - Increase valuation budget due to potential property purchase	3,000	-	0	-	0	-	0	-	0	(3,000)
General	Rehab - Lue Rd Seg 100 To 110 - Final costs to complete work	2,830	-	0	-	0	-	0	-	0	(2,830)
General	Youth Week - Youth Week grant announcement	2,687	GRT - YOUTH SERVICES	(400)	-	0	-	0	-	0	(2,287)
General	Aged Care Units - Louee Street Rylstone - Tree removal was required due to a high level risk and minor maintenance	2,500	-	0	-	0	-	0	-	0	(2,500)
General	Buildings Major Projects Admin - Tools required for buildings project staff \$2k	2,000	-	0	-	0	-	0	-	0	(2,000)

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Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation\$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
General	Council Works Depots - Buildings - Regular service and minor maintenance will exceed the existing budget	2,000	-	0	-	0	-	0	-	0	(2,000)
General	Information Technology Operations - Upgrade of budget software test environment	1,700	-	0	-	0	-	0	-	0	(1,700)
General	Replace Depot Fuel Bowsers - Project complete, Installed better quality filters	1,450	-	0	-	0	ASSET REPLACEMENT RESERVE	(1,450)	-	0	0
General	Urban Reseals - Walkers Ln Seg 10 - Reseal complete, cost slightly higher than budget	1,200	-	0	-	0	-	0	-	0	(1,200)
General	Multiple Pedestrian Refuges & Buildouts - Minor overspend to complete project	1,153	-	0	-	0	S94	(1,153)	-	0	0
General	Library - Casp Fiction In A Flash - Correct revenue line to reflect new accounting standard	0	GRT - LIBRARY GRANT	(2,583)	-	0	UNSPENT GRANTS	2,583	-	0	0
General	Library - Beconnected - Correct revenue line to reflect new accounting standard	0	GRT - LIBRARY GRANT	(2,000)	-	0	UNSPENT GRANTS	2,000	-	0	0
General	Reseal - Queens Pinch Rd Seg 70,110-120 - Fully fund project from Roads to Recovery grant,	0	GRT - ROADS TO RECOVERY	(126,000)	-	0	-	0	-	0	126,000

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Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation \$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
	transferred from Barneys Reef Road										
General	Reseal - Queens Pinch Rd Seg 50 - Fully fund project from Roads to Recovery grant, transferred from Barneys Reef Road	0	GRT - ROADS TO RECOVERY	(68,000)	-	0	-	0	-	0	68,000
General	Mudgee Valley Park Upgrade - Correct revenue line to reflect new accounting standard	0	GRT - RECREATION - CAPITAL	(25,000)	-	0	UNSPENT GRANTS	25,000	-	0	0
General	Entrance Signage Project - Correct revenue line to reflect new accounting standards	0	GRT - OTHER GRANT INCOME - CAPITAL	(29,600)	-	0	UNSPENT GRANTS	29,600	-	0	0
General	Bushfire Recovery - Correct revenue line to reflect new accounting standard	0	GRT - OTHER GRANT INCOME	119,967	-	0	UNSPENT GRANTS	(119,967)	-	0	0
General	Cudgegong Rfs Donations - Correct revenue line to reflect new accounting standard	0	GRT - OTHER GRANT INCOME	125,000	-	0	UNSPENT GRANTS	(125,000)	-	0	0
General	Bushfire Recovery - Makesafe Program - Correct revenue line to reflect new accounting standard	0	GRT - OTHER GRANT INCOME	370,000	-	0	UNSPENT GRANTS	(370,000)	-	0	0
General	Rural Fire Service - Large Water Tanks - Correct revenue line to reflect new accounting standard	0	GRT - OTHER GRANT INCOME	196,409	-	0	UNSPENT GRANTS	(196,409)	-	0	0

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Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation\$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
General	Bushfire Recovery - Economic Stimulus - Correct revenue line to reflect new accounting standard	0	GRT - OTHER GRANT INCOME	90,000	-	0	UNSPENT GRANTS	(90,000)	-	0	0
General	Bushfire Recovery - Ilford Hall - Correct revenue line to reflect new accounting standard	0	GRT - OTHER GRANT INCOME	60,000	-	0	UNSPENT GRANTS	(60,000)	-	0	0
General	Bushfire Recovery - Running Stream Hall - Correct revenue line to reflect new accounting standard	0	GRT - OTHER GRANT INCOME	66,649	-	0	UNSPENT GRANTS	(66,649)	-	0	0
General	Bushfire Recovery - Olinda Hall - Correct revenue line to reflect new accounting standard	0	GRT - OTHER GRANT INCOME	137,400	-	0	UNSPENT GRANTS	(137,400)	-	0	0
General	Bushfire Recovery - Community Welfare - Correct revenue line to reflect new accounting standard	0	GRT - OTHER GRANT INCOME	13,083	-	0	UNSPENT GRANTS	(13,083)	-	0	0
General	Rural Rehab - Barneys Reef Rd - Transfer part of Roads to Recovery funding to Queens Pinch Road due to timing of works and funding must be before December	0	GRT - ROADS TO RECOVERY	194,000	-	0	-	0	-	0	(194,000)
General	Ulan Road Strategy - Correct revenue and reserve lines as new accounting treatment will place revenue as a contract liability	0	ROADWORKS MAINTENANCE	599,773	-	0	ULAN ROAD STRATEGY RESERVE	(640,000)	ULAN ROAD STRATEGY RESERVE	40,227	0

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Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation \$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
General	Workshop Concrete Works - Budget of \$25k. Amend project scope to investigate appropriate design to ensure EPA compliance for workshop runoff	0	-	0	-	0	-	0	-	0	0
General	Weed Control - Council Roads - Transfer \$40k contractors budget to casual wages. We have been unable to source suitable contractors to carry out weed spraying. It is proposed to use a casual employee who can carry out the work using Council plant	0	-	0	-	0	-	0	-	0	0
General	Playground Shading Program - Budget \$170k. The amount of funds allocated will not cover the initial 10 playgrounds on the list. Scope of project to be revised down to 7. Investigating grant funding to complete full scope.	0	-	0	-	0	-	0	-	0	0
General	Rural Sealed Roads Administration - Correct revenue line for financial assistance grant received in advance	0	-	0	-	0	UNSPENT GRANTS	653,983	OTHER INTERNAL RESTRICTIONS	(653,983)	0

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Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation \$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
General	Rural Unsealed Roads Administration - Correct revenue line for financial assistance grant received in advance	0	-	0	-	0	UNSPENT GRANTS	653,983	OTHER INTERNAL RESTRICTIONS	(653,983)	0
General	General Purpose Revenue - Correct revenue line for financial assistance grant received in advance	0	-	0	-	0	UNSPENT GRANTS	2,175,370	OTHER INTERNAL RESTRICTIONS	(2,175,370)	0
General	Balance Sheet - Remove repayments as deferred borrowings for new tip cell	0	-	0	-	0	-	0	-	0	0
General	Youth Services Administration - Transfer to youth week budget to match grant funding	(2,287)	-	0	-	0	-	0	-	0	2,287
General	Gulgong Memorial Hall Roof - Project completed with savings	(3,700)	GRT - OTHER GRANT INCOME - CAPITAL	1,850	-	0	ASSET REPLACEMENT RESERVE	1,850	-	0	0
General	Airport Terminal Awning - Transfer savings to ambulance transfer bay project	(4,000)	-	0	-	0	CAPITAL PROGRAM RESERVE	4,000	-	0	0
General	Threatened Species Seed Bank - Transfer to Environment Projects to consolidate budgets	(4,532)	-	0	-	0	-	0	-	0	4,532
General	Env - National Tree Day - Transfer to Community Initiatives budget to consolidate	(5,097)	-	0	-	0	-	0	-	0	5,097

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Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation \$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
General	Mudgee Showgrounds - Bridge Club Kitchen - Project completed with savings	(7,430)	GRT - RECREATION - CAPITAL	3,705	-	0	CAPITAL PROGRAM RESERVE	3,725	-	0	0
General	Ulan Wollar Road - Stage 3A - Project complete under budget, transfer to seal extension reserve	(20,000)	-	0	-	0	SEAL EXTENSION PROGRAM RESERVE	20,000	-	0	0
General	Putta Bucca Wetlands Capital - Budget cancelled as mine contribution will not be received	(20,000)	CONTRIBUTIONS	20,000	-	0	-	0	-	0	0
General	Env - Urban Stream Weed Control - Transfer to Environment Projects to consolidate budgets	(22,689)	-	0	-	0	-	0	-	0	22,689
General	Hargraves Court House Building - External Works - Defer to 21/22 due to competing projects	(30,000)	-	0	-	0	ASSET REPLACEMENT RESERVE	30,000	-	0	0
General	Razorback Rd Passing Bays - Passing bays completed last financial year, no opportunities for any more are available, transfer to resheeting	(32,416)	-	0	-	0	-	0	-	0	32,416
General	Mudgee Skate Park - Shadesails & Seating * - Unable to source grant funding. Defer to 21/22	(34,442)	GRT - RECREATION - CAPITAL	17,000	-	0	CAPITAL PROGRAM RESERVE	17,000	-	0	442
General	Env - Riverbed Regeneration - Transfer to Environment Projects to consolidate budgets	(37,848)	-	0	-	0	-	0	-	0	37,848

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Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation \$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
General	Mudgee Pound - Cage Repairs - Consolidate to pound upgrade budget	(38,800)	-	0	-	0	ASSET REPLACEMENT RESERVE	38,800	-	0	0
General	Stables Complex - Capital - Defer works to 21/22 due to competing projects	(40,503)	-	0	-	0	ASSET REPLACEMENT RESERVE	40,503	-	0	0
General	Town Hall - External Brickwork - Defer to 21/22 due to completing projects	(50,000)	-	0	-	0	ASSET REPLACEMENT RESERVE	50,000	-	0	0
General	Comm. Transport- Vehicle Purchase - Remove budget as the new TfNSW policy will required leasing of vehicles instead of purchasing	(56,186)	-	0	-	0	COMMUNITY TRANSPORT VEHICLE REPLACEMENT	10,250	COMMUNITY TRANSPORT VEHICLE REPLACEMENT	45,936	0
General	Recovery Kerry Ridge Fire - Project complete	(58,800)	GRT - BUSHFIRE & EMERGENCY SERVICES - CAPITAL	58,800	-	0	-	0	-	0	0
General	Rural Unsealed Roads Grading Reactive - Consolidate grading reactive budget into grading program	(62,741)	-	0	-	0	-	0	-	0	62,741
General	Weeds Inspection - \$28k Full drone training is not required. Propose that savings be used to purchase an ATV and trailer to assist with. Inspection during wet weather. \$41k transfer admin support to Waste	(69,200)	-	0	-	0	-	0	-	0	69,200

CORPORATE: FINANCE |

Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation \$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
General	Ow - Reseals - RMS reduction to State Road reseals budget	(70,000)	OTR - RMS STATE ROADS - ORDERED WORKS	27,500	-	0	-	0	-	0	42,500
General	Ow - Hw18 Culvert Works 308.20.20 - Project cancelled by RMS	(72,140)	OTR - RMS STATE ROADS - ORDERED WORKS	75,747	-	0	-	0	-	0	(3,607)
General	Ulan Wollar Road - Moolarben Intersection - Project complete with savings, transfer to seal extension reserve	(89,000)	-	0	-	0	SEAL EXTENSION PROGRAM RESERVE	89,000	-	0	0
General	Operational Salary adjustments	(104,304)	-	0	-	0	-	0	-	0	(104,304)
General	Capital Upgrade-Community Building - Allocate budget to Kandos Library \$12k and return remaining funds due to resources required for grant funded projects	(140,000)	-	0	-	0	ASSET REPLACEMENT RESERVE	140,000	-	0	0
General	Buildings Master Key System - Defer to 21/22 due to competing projects	(150,000)	-	0	-	0	ASSET REPLACEMENT RESERVE	150,000	-	0	0
General	Mudgee Pound Upgrade - Renovation & Extension - This financial year Council will undertake design and some initial works. Defer remaining budget to 21/22 to match timing of works and consolidate with cage repairs budget	(175,459)	-	0	-	0	ASSET REPLACEMENT RESERVE	175,459	-	0	0

CORPORATE: FINANCE |

Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation\$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
General	Clandulla Mountain Bike Trail Development * - Consultant and design work planned for 20/21. Remaining budget defer to 21/22	(195,000)	GRT - RECREATION - CAPITAL	95,000	-	0	CAPITAL PROGRAM RESERVE	100,000	-	0	0
General	Recovery Upper Turon Road Fire - Project nearing completion, reduction in budget required	(200,000)	GRT - BUSHFIRE & EMERGENCY SERVICES - CAPITAL	200,000	-	0	-	0	-	0	0
General	Goulburn River Bridge Ulan Road - Council is currently tendering for a bridge contractor. Budget required this years is reduced to reflect construction program.	(200,000)	RMS CONTRIBUTIONS - BLOCK	50,000	GRT - ROADS & BRIDGES OTHER CAPITAL	150,000	-	0	-	0	0
General	Drainage Capital Improvements - The priority for drainage capital works are not finalised due to flood study ongoing, reallocation suggested to utilise budget in drainage areas of need	(215,000)	-	0	-	0	ASSET REPLACEMENT RESERVE	215,000	-	0	0
General	Rural Sealed Road Rehab & Widening - - Construction program full, reallocate to resheeting as highly beneficial work occurring through this budget	(221,883)	-	0	-	0	-	0	-	0	221,883
General	IT Corporate Software - As business processes have changed and improved, a new TechnologyOne	(230,000)	-	0	-	0	CAPITAL PROGRAM RESERVE	230,000	-	0	0

CORPORATE: FINANCE |

Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation \$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
	Roadmap will need to be created. This year will allow Council to complete the outstanding TechnologyOne projects that have already started and future projects will be scoped through the annual budget process.										
General	Rural Sealed Roads Reseals - Reseal program fully committed, budget required for grading and tree lopping	(309,999)	-	0	-	0	-	0	-	0	309,999
General	Red Hill Capital Works - Design and initial structural investigation this financial year. Remaining budget defer to 21/22 to match timing of works	(325,000)	GRT - RECREATION - CAPITAL	150,000	-	0	ASSET REPLACEMENT RESERVE	25,000	-	0	150,000
General	Ow - Galambine Shoulder Widening - Completed RMS works	(342,411)	OTR - RMS STATE ROADS - ORDERED WORKS	25,147	-	0	-	0	-	0	317,264
General	Dixons Long Point Crossing - Upgrade Plan - Defer part of budget to 21/22 to match revised timing of works	(367,000)	GRT - ROADS & BRIDGES OTHER CAPITAL	367,000	-	0	-	0	-	0	0
General	Munghorn Gap Realignment & Upgrade - Defer \$200k to 21/22 and recognise unspent block grant brought forward	(400,000)	RMS CONTRIBUTIONS - BLOCK	102,366	GRT - ROADS & BRIDGES OTHER CAPITAL	344,998	UNSPENT GRANTS	(47,364)	-	0	0

CORPORATE: FINANCE |

Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation \$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
General	Ow - - Budget only project - allocate out to approved projects	(428,846)	OTR - RMS STATE ROADS - ORDERED WORKS	787,718	-	0	STATE ROADS WARRANTY RESERVE	(95,000)	-	0	(263,872)
General	Rylstone Caravan Park - Capital - Defer budget to match timing of works	(449,492)	GRT - RECREATION - CAPITAL	142,207	-	0	ASSET REPLACEMENT RESERVE	81,810	CAPITAL PROGRAM RESERVE	225,475	0
General	Concept Plans For Main Admin Building - Defer part of budget to 21/22	(500,000)	-	0	-	0	-	0	-	0	500,000
General	Art Gallery Facility - Correction to funding as new grant funds and removal of capital reserve transfer duplicated. Defer \$1m to 21/22 to match timing of works, With \$7k correction to budget	(992,799)	GRT - OTHER GRANT INCOME - CAPITAL	642,799	-	0	UNSPENT GRANTS	850,000	CAPITAL PROGRAM RESERVE	(500,000)	0
General	Local Unsealed Rds Natural Disaster - Repairs required are not as significant as the original estimates	(1,819,809)	RMS CONTRIBUTIONS - OPERATING	1,819,809	-	0	-	0	-	0	0
General	Glen Willow Sports Ground Upgrades - Multi-year project with grant income due to be completed by December 2021	(4,000,000)	GRT - RECREATION - CAPITAL	4,000,000	-	0	-	0	-	0	0

CORPORATE: FINANCE |

Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation\$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
Saleyards	Saleyards Bull Pen Shade - Bull pen shade structure	10,500	-	0	-	0	LIVESTOCK EXCHANGE RESERVE	(10,500)	-	0	0
Saleyards	Saleyards - Post And Rail Replacement - Condition of post and rails is reasonable, transfer budget to Bull Pen Shade	(10,383)	-	0	-	0	LIVESTOCK EXCHANGE RESERVE	9,666	-	0	717
Sewer	Sewer Management Studies - Integrated Water Cycle Management study	440,000	-	0	-	0	-	0	-	0	(440,000)
Sewer	Sewer Management & Administration - New single cab ute	23,000	-	0	-	0	-	0	-	0	(23,000)
Sewer	Mudgee Stp Sludge Dewatering Improvements - Project completed, small over spend.	700	-	0	-	0	SEWER RESERVE	(700)	-	0	0
Sewer	Recycled Water Management System - Modelling and design are required to be completed with management studies	(90,000)	-	0	-	0	SEWER RESERVE	90,000	-	0	0
Sewer	Sewer Pump Station - Racecourse Mudgee - Defer project to 21/22 pending land matters	(125,000)	-	0	-	0	S64	125,000	-	0	0
Sewer	Sewer Augmentation - Mudgee - Budget for project modelling and design to be transferred to sewer management studies for Integrated	(150,000)	-	0	-	0	S64	150,000	-	0	0

CORPORATE: FINANCE |

Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation\$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
	Water Cycle Management study										
Sewer	Sewer Mains - Capital - Sewer relining pending contractor availability	(378,000)	-	0	-	0	SEWER RESERVE	378,000	-	0	0
Sewer	Rising Main Ulan Rd To Putta Bucca - Project pending land matters. Defer to 21/22	(400,000)	-	0	-	0	SEWER RESERVE	400,000	-	0	0
Sewer	Sewer Pump Station - Capital Renewals - Defer Gulgong hospital project pending land matters	(1,056,000)	-	0	-	0	S64	900,000	SEWER RESERVE	156,000	0
Sewer	Sewer Augmentation - Charbon - The Charbon component of the project is complete, we were successful in gaining a change request to divert remaining grant funds towards a scoping study for the Rylstone/Kandos Treatment plant upgrade/replacement to satisfy an EPA requirement	(1,725,000)	GRT - SEWER CAPITAL	776,250	-	0	SEWER RESERVE	948,750	-	0	0
Sewer	Sewer Augmentation - Rylstone & Kandos - Safe and secure grant funding not available for this project. Defer to 21/22 and adding savings and grant transfer from Charbon sewer	(4,000,000)	-	0	-	0	SEWER RESERVE	4,000,000	-	0	0

CORPORATE: FINANCE |

Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation \$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
Waste	Waste - General Operations - Transfer of administration and technical support from weeds to waste. Remove loan interest as borrowing for tip deferred.	(70,749)	-	0	-	0	-	0	-	0	70,749
Waste	Leachate Pond Enlargement - 0	(440,000)	-	0	-	0	WASTE RESERVE	440,000	-	0	0
Waste	New Tip Cell Construction - Defer design until 21/22 and construction to 22/23 Financial year due to some redesign work completed on the existing cell which has maximised the filling volumes in that cell	(2,000,000)	-	0	-	0	PROCEEDS FROM NEW BORROWINGS	2,000,000	-	0	0
Water	Water Management Studies - Integrated Water Cycle Management study	325,000	-	0	-	0	-	0	-	0	(325,000)
Water	Reservoirs - Rylstone, Kandos, Charbon, Clandulla - Full realisation of Charbon reservoir upgrade project	44,000	-	0	-	0	WATER RESERVE	(44,000)	-	0	0
Water	Water Mains - Moonlight Street - Project cost over budget due to rock excavation	41,500	-	0	-	0	WATER RESERVE	(41,500)	-	0	0

CORPORATE: FINANCE |

Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation \$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
Water	Water Management & Administration - New single cabinet	23,000	-	0	-	0	-	0	-	0	(23,000)
Water	Water Treatment Rylstone Upgrades - Shortfall for upgrade works	8,000	-	0	-	0	WATER RESERVE	(8,000)	-	0	0
Water	Raw Water Systems - Mudgee And Gulgong Disinfection Upgrades - Final project costs	2,200	-	0	-	0	WATER RESERVE	(2,200)	-	0	0
Water	Rural Customer Fill Stations - Correct revenue line to reflect new accounting standards	0	GRT - WATER CAPITAL	(270,000)	-	0	UNSPENT GRANTS	270,000	-	0	0
Water	Rylstone Dam Ps Pac Dosing System - Project savings transfer to Charbon reservoir upgrade	(6,000)	-	0	-	0	WATER RESERVE	6,000	-	0	0
Water	Water Treatment Plant - Renewals - Allocate to Rylstone treatment upgrade and Charbon reservoir	(20,000)	-	0	-	0	WATER RESERVE	20,000	-	0	0
Water	Water Pump Station - Capital Renewals - Transfer to Charbon reservoir upgrade	(27,000)	-	0	-	0	WATER RESERVE	27,000	-	0	0
Water	Water Mains - Bowman Street - Defer to 21/22 due to resourcing limitations	(50,000)	-	0	-	0	WATER RESERVE	50,000	-	0	0

CORPORATE: FINANCE |

Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation \$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
Water	Water Mains - Flirtation Hill Road - Defer to 21/22 due to resourcing limitations	(55,000)	-	0	-	0	WATER RESERVE	55,000	-	0	0
Water	Water Mains - Bayly Street - Defer to 21/22 due to resourcing limitations	(100,000)	-	0	-	0	WATER RESERVE	100,000	-	0	0
Water	Water Mains - Bulga Street - Defer to 21/22 due to resourcing limitations	(110,000)	-	0	-	0	WATER RESERVE	110,000	-	0	0
Water	Water Mains - Wenonah Street - Defer to 21/22 due to resourcing limitations	(110,000)	-	0	-	0	WATER RESERVE	110,000	-	0	0
Water	Water Mains - Herbert Street - Defer to 21/22 due to resourcing limitations	(110,000)	-	0	-	0	WATER RESERVE	110,000	-	0	0
Water	Water Meter Replacement - Project completed with cost savings	(225,000)	-	0	-	0	WATER RESERVE	225,000	-	0	0
Water	Water Reservoir - Flirtation Hill Gulgong - Defer to 21/22 pending outcome of Gulgong water modelling project	(250,000)	-	0	-	0	WATER RESERVE	250,000	-	0	0
Water	Water Augmentation - West Mudgee Extension - This budget was intended for water modelling and design. Transfer to Water Management Studies budget	(325,000)	-	0	-	0	S64	325,000	-	0	0

CORPORATE: FINANCE |

Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation\$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
Water	Water Augmentation - Rylstone & Kandos - Safe and secure program funding not available this financial year for this project. Defer to 21/22	(1,728,281)	GRT - WATER CAPITAL	500,000	-	0	WATER RESERVE	1,228,281	-	0	0
Water	Water Augmentation - Mudgee Headworks - Budget left is for PLC upgrade as this needs to be completed in Autumn of 2021. Defer Mudgee river pumpstation upgrade to 21/22	(1,952,000)	GRT - WATER CAPITAL	1,063,385	-	0	S64	681,615	WATER RESERVE	207,000	0
Water	Water Rylstone Dam Upgrade* - Defer to 21/22 and 22/23 pending detailed design cost	(3,563,000)	GRT - WATER CAPITAL	1,700,000	-	0	WATER RESERVE	1,863,000	-	0	0
Total		(26,527,001)		11,580,594		527,498		18,444,406		(3,312,698)	(712,799)

CORPORATE: FINANCE |

1.2 2021/2022

Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation \$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
General	Glen Willow Sports Ground Upgrades - Multi-year project with grant income due to be completed by December 2021	4,000,000	GRT - RECREATION - CAPITAL	(4,000,000)	-	0	-	0	-	0	0
General	Art Gallery Facility - Correction to funding as new grant funds and removal of capital reserve transfer duplicated. Defer \$1m to 21/22 to match timing of works, With \$7k correction to budget	1,000,000	GRT - OTHER GRANT INCOME - CAPITAL	(500,000)	-	0	CAPITAL PROGRAM RESERVE	(500,000)	-	0	0
General	Concept Plans For Main Admin Building - Defer part of budget to 21/22	500,000	-	0	-	0	-	0	-	0	(500,000)
General	Rylstone Caravan Park - Capital - Defer budget to match timing of works	449,492	GRT - RECREATION - CAPITAL	(92,715)	-	0	ASSET REPLACEMENT RESERVE	(81,810)	CAPITAL PROGRAM RESERVE	(274,967)	0
General	Munghorn Gap Realignment & Upgrade - Defer \$200k to 21/22 and recognise unspent block grant brought forward	400,000	GRT - ROADS & BRIDGES OTHER CAPITAL	(400,000)	-	0	-	0	-	0	0
General	Dixons Long Point Crossing - Upgrade Plan - Defer part of budget to 21/22 to match revised timing of works	367,000	GRT - ROADS & BRIDGES OTHER CAPITAL	(367,000)	-	0	-	0	-	0	0

CORPORATE: FINANCE |

Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation\$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
General	Red Hill Capital Works - Design and initial structural investigation this financial year. Remaining budget defer to 21/22 to match timing of works	325,000	GRT - RECREATION - CAPITAL	(150,000)	-	0	ASSET REPLACEMENT RESERVE	(25,000)	-	0	(150,000)
General	Mudgee Pound Upgrade - Renovation & Extension - This financial year Council will undertake design and some initial works. Defer remaining budget to 21/22 to match timing of works and consolidate with cage repairs budget	218,259	-	0	-	0	UNSPENT GRANTS	(4,000)	ASSET REPLACEMENT RESERVE	(214,259)	0
General	Goulburn River Bridge Ulan Road - Council is currently tendering for a bridge contractor. Budget required this years is reduced to reflect construction program.	200,000	RMS CONTRIBUTIONS - BLOCK	(50,000)	GRT - ROADS & BRIDGES OTHER CAPITAL	(150,000)	-	0	-	0	0
General	Clandulla Mountain Bike Trail Development * - Consultant and design work planned for 20/21. Remaining budget defer to 21/22	195,000	GRT - RECREATION - CAPITAL	(95,000)	-	0	CAPITAL PROGRAM RESERVE	(100,000)	-	0	0
General	Buildings Master Key System - Defer to 21/22 due to competing projects	150,000	-	0	-	0	ASSET REPLACEMENT RESERVE	(150,000)	-	0	0

CORPORATE: FINANCE |

Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation \$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
General	Gulgong Tennis Courts * - Unable to source a grant yet. Defer to 21/22 and increase council contribution to 50%	130,000	GRT - RECREATION - CAPITAL	(65,000)	-	0	CAPITAL PROGRAM RESERVE	(65,000)	-	0	0
General	Town Hall - External Brickwork - Defer to 21/22 due to completing projects	50,000	-	0	-	0	ASSET REPLACEMENT RESERVE	(50,000)	-	0	0
General	Stables Complex - Capital - Defer works to 21/22 due to competing projects	40,503	-	0	-	0	ASSET REPLACEMENT RESERVE	(40,503)	-	0	0
General	Mudgee Skate Park - Shadesails & Seating * - Unable to source grant funding. Defer to 21/22	34,000	GRT - RECREATION - CAPITAL	(17,000)	-	0	CAPITAL PROGRAM RESERVE	(17,000)	-	0	0
General	Hargraves Court House Building - External Works - Defer to 21/22 due to competing projects	30,000	-	0	-	0	ASSET REPLACEMENT RESERVE	(30,000)	-	0	0
General	Balance Sheet - Remove repayments as deferred borrowings for new tip cell	0	-	0	-	0	-	0	-	0	0
General	Weeds Inspection - \$28k Full drone training is not required. Propose that savings be used to purchase an ATV and trailer to assist with. Inspection during wet weather. \$41k transfer admin support to Waste	(41,021)	-	0	-	0	-	0	-	0	41,021

CORPORATE: FINANCE |

Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation\$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
Sewer	Sewer Augmentation - Rylstone & Kandos - Safe and secure grant funding not available for this project. Defer to 21/22 and adding savings and grant transfer from Charbon sewer	1,625,000	GRT - SEWER CAPITAL	(776,250)	-	0	PROCEEDS FROM NEW BORROWINGS	2,000,000	SEWER RESERVE	(2,848,750)	0
Sewer	Sewer Pump Station - Capital Renewals - Defer Gulgong hospital project pending land matters	1,056,000	-	0	-	0	S64	(900,000)	SEWER RESERVE	(156,000)	0
Sewer	Rising Main Ulan Rd To Putta Bucca - Project pending land matters. Defer to 21/22	400,000	-	0	-	0	SEWER RESERVE	(400,000)	-	0	0
Sewer	Sewer Pump Station - Racecourse Mudgee - Defer project to 21/22 pending land matters	125,000	-	0	-	0	S64	(125,000)	-	0	0
Waste	Leachate Pond Enlargement - 0	440,000	-	0	-	0	WASTE RESERVE	(440,000)	-	0	0
Waste	New Tip Cell Construction - Defer design until 21/22 and construction to 22/23 Financial year due to some redesign work completed on the existing cell which has	100,000	-	0	-	0	PROCEEDS FROM NEW BORROWINGS	(100,000)	-	0	0

CORPORATE: FINANCE |

Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation\$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
	maximised the filling volumes in that cell										
Waste	Waste - General Operations - Transfer of administration and technical support from weeds to waste. Remove loan interest as borrowing for tip deferred.	(182,879)	-	0	-	0	-	0	-	0	182,879
Water	Water Rylstone Dam Upgrade* - Defer to 21/22 and 22/23 pending detailed design cost	2,063,000	GRT - WATER CAPITAL	(985,000)	-	0	WATER RESERVE	(1,078,000)	-	0	0
Water	Water Augmentation - Mudgee Headworks - Budget left is for PLC upgrade as this needs to be completed in Autumn of 2021. Defer Mudgee river pumpstation upgrade to 21/22	1,952,000	GRT - WATER CAPITAL	(1,063,385)	-	0	S64	(681,615)	WATER RESERVE	(207,000)	0
Water	Water Mains - Bulga Street - Defer to 21/22 due to resourcing limitations	110,000	-	0	-	0	WATER RESERVE	(110,000)	-	0	0
Water	Water Mains - Wenonah Street - Defer to 21/22 due to resourcing limitations	110,000	-	0	-	0	WATER RESERVE	(110,000)	-	0	0

CORPORATE: FINANCE |

Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation \$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
Water	Water Mains - Herbert Street - Defer to 21/22 due to resourcing limitations	110,000	-	0	-	0	WATER RESERVE	(110,000)	-	0	0
Water	Water Mains - Bayly Street - Defer to 21/22 due to resourcing limitations	100,000	-	0	-	0	WATER RESERVE	(100,000)	-	0	0
Water	Water Mains - Flirtation Hill Road - Defer to 21/22 due to resourcing limitations	55,000	-	0	-	0	WATER RESERVE	(55,000)	-	0	0
Water	Water Mains - Bowman Street - Defer to 21/22 due to resourcing limitations	50,000	-	0	-	0	WATER RESERVE	(50,000)	-	0	0
Water	Water Augmentation - Rylstone & Kandos - Safe and secure program funding not available this financial year for this project. Defer to 21/22	(471,719)	GRT - WATER CAPITAL	(500,000)	-	0	PROCEEDS FROM NEW BORROWINGS	1,700,000	WATER RESERVE	(728,281)	0
Water	Water Reservoir - Flirtation Hill Gulgong - Defer to 21/22 pending outcome of Gulgong water modelling project	(1,750,000)	-	0	-	0	S64	1,000,000	WATER RESERVE	750,000	0
Total		13,939,635		(9,061,350)		(150,000)		(622,928)		(3,679,257)	(426,100)

CORPORATE: FINANCE |

1.3 2022/2023

Fund	Variation	Expenditure Budget Variation \$	Revenue Funding Source 1	Revenue Funding Source 1 Variation \$	Revenue Funding Source 2	Revenue Funding Source 2 Variation \$	Restricted Funding Source 1	Restricted Funding Source 1 Variation\$	Restricted Funding Source 2	Restricted Funding Source 2 Variation \$	Unrestricted Cash Variation \$
Sewer	Sewer Augmentation - Rylstone & Kandos - Safe and secure grant funding not available for this project. Defer to 21/22 and adding savings and grant transfer from Charbon sewer	4,000,000	-	0	-	0	PROCEEDS FROM NEW BORROWINGS	(2,000,000)	SEWER RESERVE	(2,000,000)	0
Waste	New Tip Cell Construction - Defer design until 21/22 and construction to 22/23 Financial year due to some redesign work completed on the existing cell which has maximised the filling volumes in that cell	1,900,000	-	0	-	0	PROCEEDS FROM NEW BORROWINGS	(1,900,000)	-	0	0
Water	Water Augmentation - Rylstone & Kandos - Safe and secure program funding not available this financial year for this project. Defer to 21/22	2,200,000	-	0	-	0	PROCEEDS FROM NEW BORROWINGS	(1,700,000)	WATER RESERVE	(500,000)	0
Water	Water Reservoir - Flirtation Hill Gulgong - Defer to 21/22 pending outcome of Gulgong water modelling project	2,000,000	-	0	-	0	S64	(1,000,000)	WATER RESERVE	(1,000,000)	0
Water	Water Rylstone Dam Upgrade* - Defer to 21/22 and 22/23 pending detailed design cost	1,500,000	GRT - WATER CAPITAL	(715,000)	-	0	WATER RESERVE	(785,000)	-	0	0
Total		11,600,000		(715,000)		0		(7,385,000)		(3,500,000)	0

2. Cash and Investment Summary

RESERVE	Opening Balance	Current Budgeted Movement	Proposed Budgeted Changes	Revised Budget Movement	Revised Budget Closing Balance	Actual Balance Year To Date
Internal Reserves						
Employee Leave Entitlements	2,895	500	0	500	3,395	3,020
Land Development	1,044	1,074	0	1,074	2,117	1,044
Election	220	(183)	0	(183)	37	225
Plant Replacement	5,467	(1,849)	0	(1,849)	3,618	5,608
Asset Replacement	2,718	(1,597)	825	(772)	1,946	2,986
Capital Program	667	4,568	0	4,568	5,235	2,467
Livestock Exchange	40	(10)	(1)	(11)	30	40
State Roads Warranty	400	95	(95)	0	400	400
Future Fund	520	300	0	300	820	595
Community Plan	0	0	0	0	0	0
Seal Extension Program	2,972	(280)	109	(171)	2,801	2,972
Other Internal Restrictions	3,483	0	(3,483)	(3,483)	0	3,483
TOTAL INTERNAL RESERVES	20,427	2,619	(2,645)	(26)	20,400	22,839

CORPORATE: FINANCE |

RESERVE

	Opening Balance	Current Budgeted Movement	Proposed Budgeted Changes	Revised Budget Movement	Revised Budget Closing Balance	Actual Balance Year To Date
External Reserves						
Waste	3,909	(1,088)	440	(648)	3,260	3,932
Sewer	8,430	(5,014)	5,972	958	9,388	8,792
Water	7,119	(5,063)	4,266	(798)	6,321	7,192
Community Services	77	0	0	0	77	77
Community Tenancy Scheme	175	45	0	45	220	175
Family Day Care	176	(84)	0	(84)	92	79
Bequest - Simpkins Park	101	0	0	0	101	101
Community Transport Vehicle Replacement	238	38	56	95	333	250
Public Road Closure Compensation	860	0	0	0	860	860
Other External Restrictions	0	0	0	0	0	0
Developer Contributions (VPA)	3,800	(633)	0	(633)	3,167	4,390
Developer Contributions (7.11 & 7.12)	4,314	(106)	(1)	(107)	4,207	4,409
Developer Contributions (S64 Water)	5,746	(772)	1,007	235	5,981	5,799
Developer Contributions (S64 Sewer)	3,369	(933)	1,175	242	3,611	3,418
Unspent Grants	1,799	(4,853)	3,462	(1,391)	408	3,240
Waste Fund Unrestricted Cash	1,107	22	71	93	1,200	1,783

CORPORATE: FINANCE |

RESERVE	Opening Balance	Current Budgeted Movement	Proposed Budgeted Changes	Revised Budget Movement	Revised Budget Closing Balance	Actual Balance Year To Date
Sewer Fund Unrestricted Cash	2,043	(272)	(463)	(735)	1,308	2,714
Water Fund Unrestricted Cash	2,358	312	(348)	(36)	2,322	1,951
Contract Liabilities	5,883	0	0	0	5,883	5,883
Trust Deposits	703	0	0	0	703	859
TOTAL EXTERNAL RESERVES	52,207	(18,401)	15,636	(2,765)	49,442	55,804
TOTAL RESERVES	72,634	(15,783)	12,991	(2,791)	69,842	78,644
Unrestricted Cash	14,344	(6,446)	27	(6,419)	7,925	15,439
TOTAL RESTRICTED CASH, CASH EQUIVALENTS AND INVESTMENTS	86,978	(22,229)	13,018	(9,210)	77,767	94,083

3. Unrestricted Cash by Fund

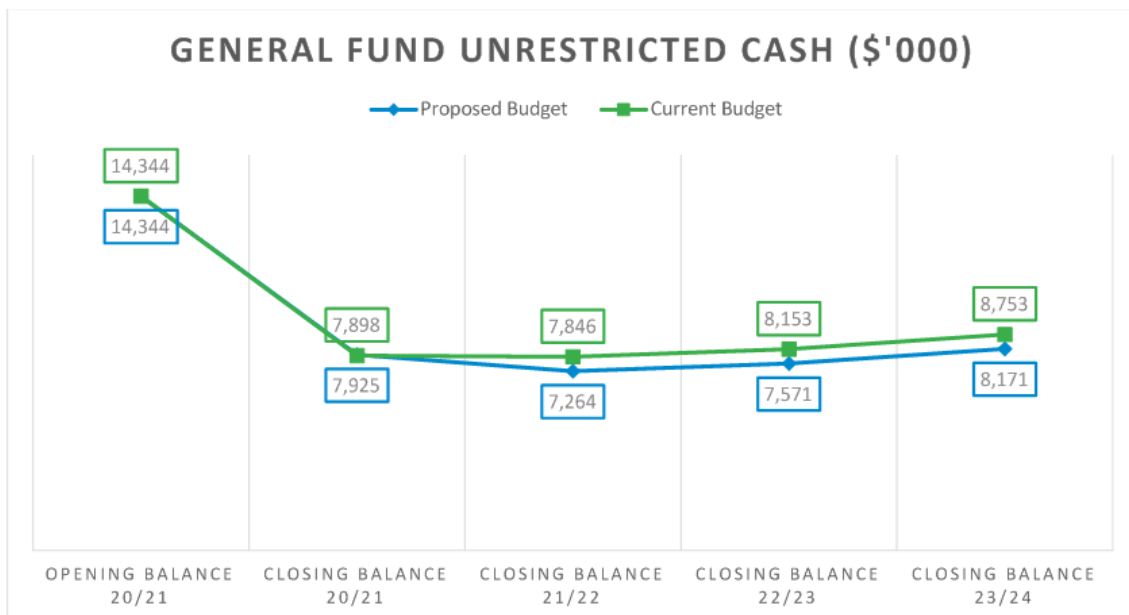
3.1 General Fund

Council finished the 2019/20 financial year with an unrestricted cash balance of \$14.344 million. As adopted by Council the Original Budget projected a decrease to 30 June 2021 of \$5.074 million. Council has since adopted the following budget movements, summarised below.

Variation	Amount (\$'000)	Movement
Original Budget	(5,074)	Decrease
Revotes	(907)	Decrease
Approved variations	(465)	Decrease
QBR proposed variations	27	Increase
Estimated movement to 30 June 2021	(6,419)	Decrease
Projected balance at 30 June 2021	7,925	

A projected unrestricted cash balance of \$7.925 million represents about 7 weeks of Council's 2020/21 operating expenditure budget. This is a high level of unrestricted cash and is adequate to ensure Council is able to meet its debts and obligations as they fall due.

The General Fund projected unrestricted cash balance over the next four years is shown below.



3.2 Water Fund

Council finished the 2019/20 financial year with a Water fund unrestricted cash balance of \$2.358 million. As adopted by Council the Original Budget projected an increase to 30 June 2021 of \$412k. The budget movements are summarised below.

Variation	Amount (\$'000)	Movement
Original Budget	412	Increase
Revotes	0	Decrease
Approved variations	(100)	Decrease
QBR proposed variations	(348)	Decrease
Estimated movement to 30 June 2021	(36)	Decrease
Projected balance at 30 June 2021	2,322	

3.3 Sewer Fund

Council finished the 2019/20 financial year with a Sewer Fund unrestricted cash balance of \$2.043 million. As adopted by Council the Original Budget projected a decrease to 30 June 2021 of \$172k. The budget movements are summarised below.

Variation	Amount (\$'000)	Movement
Original Budget	(172)	Decrease
Revotes	0	Decrease
Approved variations	(100)	Decrease
QBR proposed variations	(463)	Decrease
Estimated movement to 30 June 2021	(735)	Decrease
Projected balance at 30 June 2021	1,308	

3.4 Waste Fund

Council finished the 2019/20 financial year with a Waste Fund unrestricted cash balance of \$1.107 million. As adopted by Council the Original Budget projected an increase to 30 June 2021 of \$22k. The budget movements are summarised below.

Variation	Amount (\$'000)	Movement
Original Budget	22	Increase
Revotes	0	Decrease
Approved variations	0	Decrease
QBR proposed variations	71	Increase
Estimated movement to 30 June 2021	93	Increase
Projected balance at 30 June 2021	1,200	

3.5 Other Funds

Council maintains a number of other funds including:

- Private Works
- Saleyards
- Mudgee Sports Council
- Gulgong Sports Council
- Rylstone Sports Council

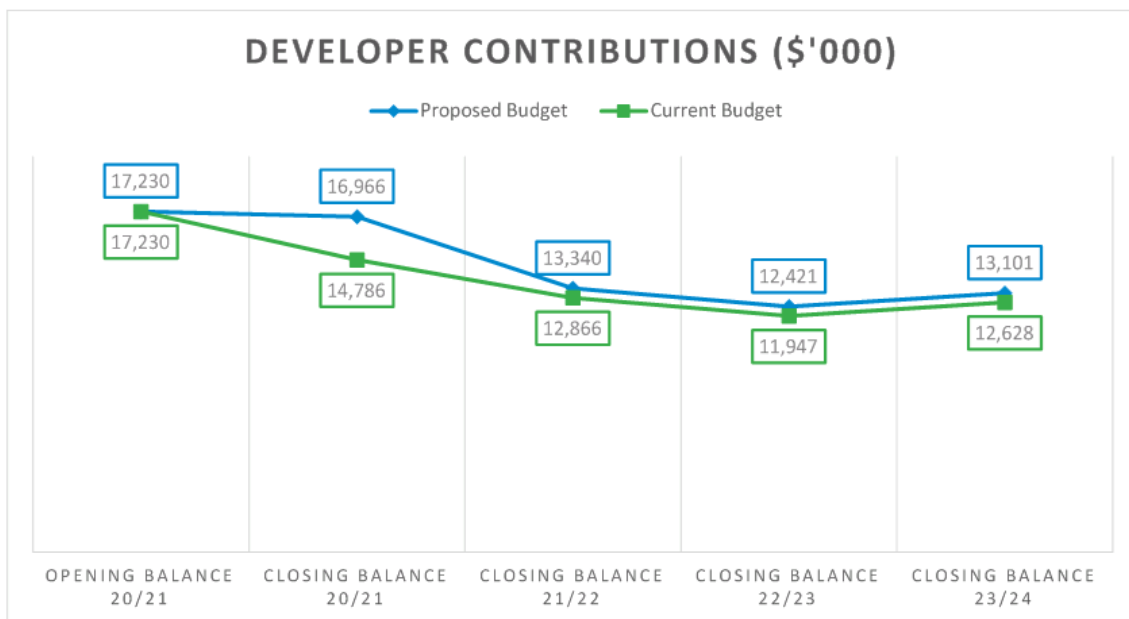
At 30 June of each financial year, the cash balance held in the above Funds forms part of the overall General Fund Unrestricted Cash Balance.

4. Developer Contributions – Section 64, 7.11 and 7.12

Council finished the 2019/20 financial year with a Developer Contributions balance of \$17.23 million. As adopted by Council the Original Budget projected a decrease to 30 June 2021 of \$2.493 million. The budget movements are summarised below.

Variation	Amount (\$'000)	Movement
Original Budget	(2,493)	Decrease
Revotes	(79)	Decrease
Approved variations	128	Increase
QBR proposed variations	2,180	Increase
Estimated movement to 30 June 2021	(264)	Decrease
Projected balance at 30 June 2021	16,966	

The following chart shows the projected balances over a four year period.



Detailed Section 64, 7.11 & 7.12 movements and current balances are as follows:

Plan Item	Opening Balance	Budget Transfers To	Budget Transfers From	Budget Closing Balance	Current Balance
Traffic Management	738	13	20	731	772
Open Space Community Facilities	1,437	193	85	1,545	1,480
Administration Civic Improvements	672	32	12	692	677
	402	45	40	407	404
	22	-	-	22	22
Car Parking	261	-	-	261	261
S94A Levies	623	51	310	364	634
Drainage – 2A	157	26	-	183	159
Total S94 Contributions	4,312	360	467	4,205	4,409
S64 Sewer	3,369	240	-	3,609	3,418
S64 Water Voluntary Planning Agreements	5,747	480	245	5,982	5,799
Total Developer Contributions	3,801	896	1,527	3,170	4,390
	17,229	1,976	2,239	16,966	18,016

5. Loan Borrowings

Council's 2020/21 Operational Plan includes the proposed borrowings below.

Project	Fund	Original Budget \$'000	Current Budget \$'000	Proposed Variations \$'000	Proposed Budget \$'000	Actual YTD \$'000
New Tip Cell Construction	Waste	2,000	2,000	(2,000)	0	0

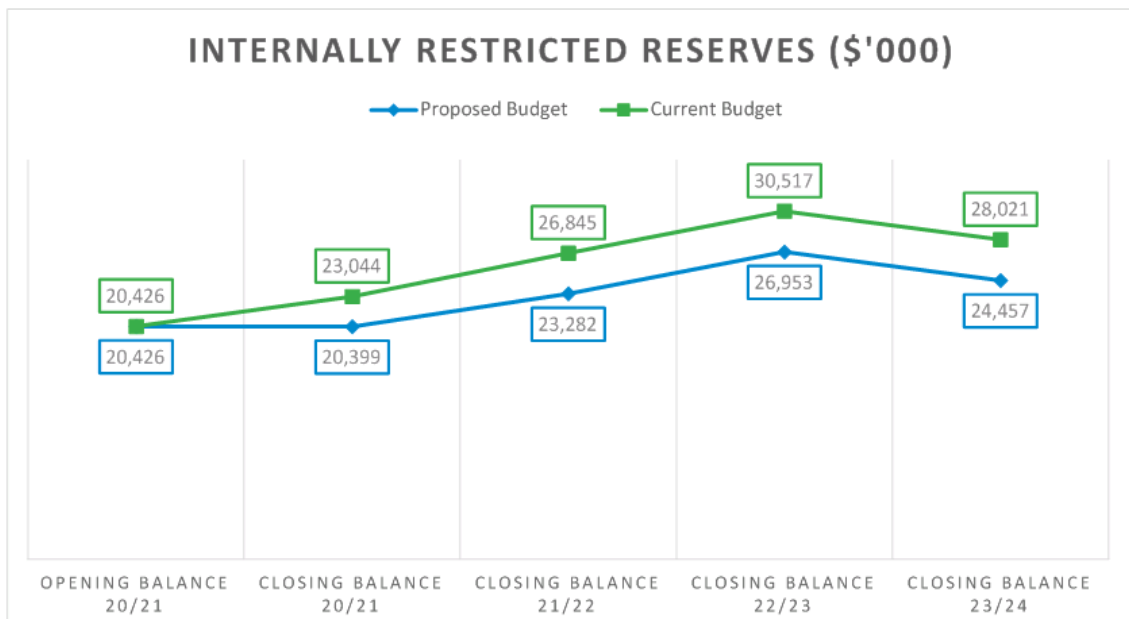
6. Reserves

6.1 Internally Restricted Reserves

Council finished the 2019/20 financial year with an Internally Restricted Reserve balance of \$20.426 million. As adopted by Council the Original Budget projected an increase to 30 June 2021 of \$3.634 million. The budget movements are summarised below.

Variation	Amount (\$'000)	Movement
Original Budget	3,634	Increase
Revotes	(187)	Decrease
Approved variations	(829)	Decrease
QBR proposed variations	(2,645)	Decrease
Estimated movement to 30 June 2021	(27)	Decrease
Projected balance at 30 June 2021	20,399	

The following chart shows the projected balances over a four year period.

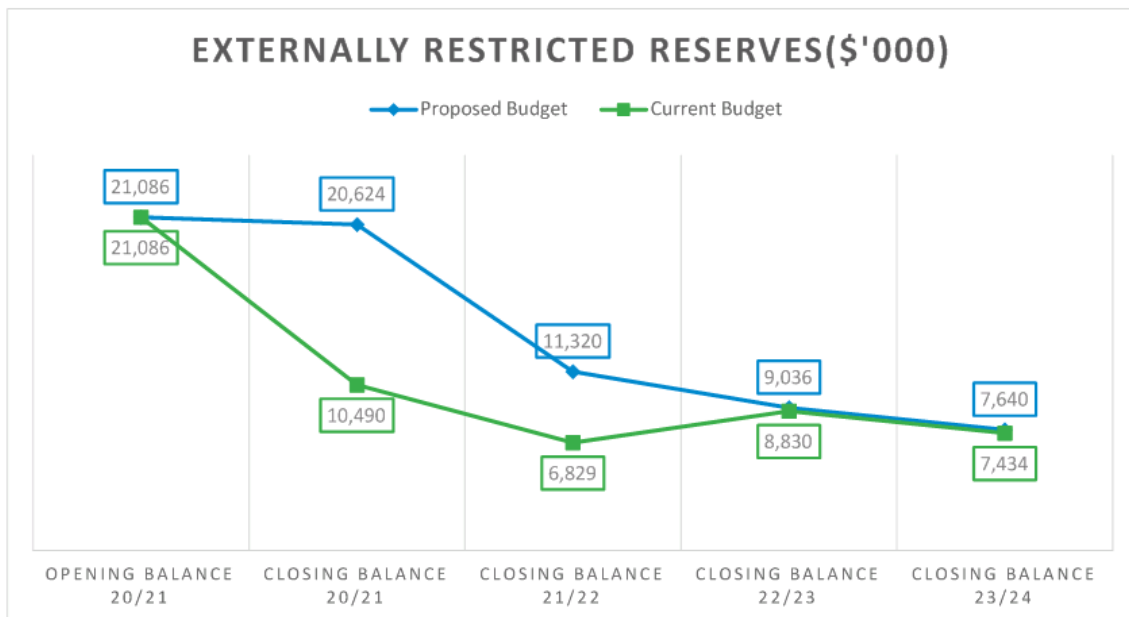


6.2 Externally Restricted Reserves

Council finished the 2019/20 financial year with an Externally Restricted Reserve balance of \$21.086 million. As adopted by Council the Original budget projected a decrease to 30 June 2021 of \$10.65 million. The budget movements are summarised below.

Variation	Amount (\$'000)	Movement
Original Budget	(10,650)	Decrease
Revotes	(496)	Decrease
Approved variations	550	Increase
QBR proposed variations	10,134	Increase
Estimated movement to 30 June 2021	(462)	Decrease
Projected balance at 30 June 2021	20,624	

The following chart shows the projected balances over a four year period.



7. Unspent Grants and Contributions

Council finished the 2019/20 financial year with unspent grants and contributions of \$1.8 million. As adopted by Council the Original Budget projected a decrease of \$1.37 million to 30 June 2021. The budget movements are summarised below.

Variation	Amount (\$'000)	Movement
Original Budget	(1,370)	Decrease
Revotes	0	Nil
Approved Variations	(3,483)	Decrease
QBR proposed variations	3,462	Increase
Estimated movement to 30 June 2021	(1,391)	Decrease
Projected balance at 30 June 2021	409	

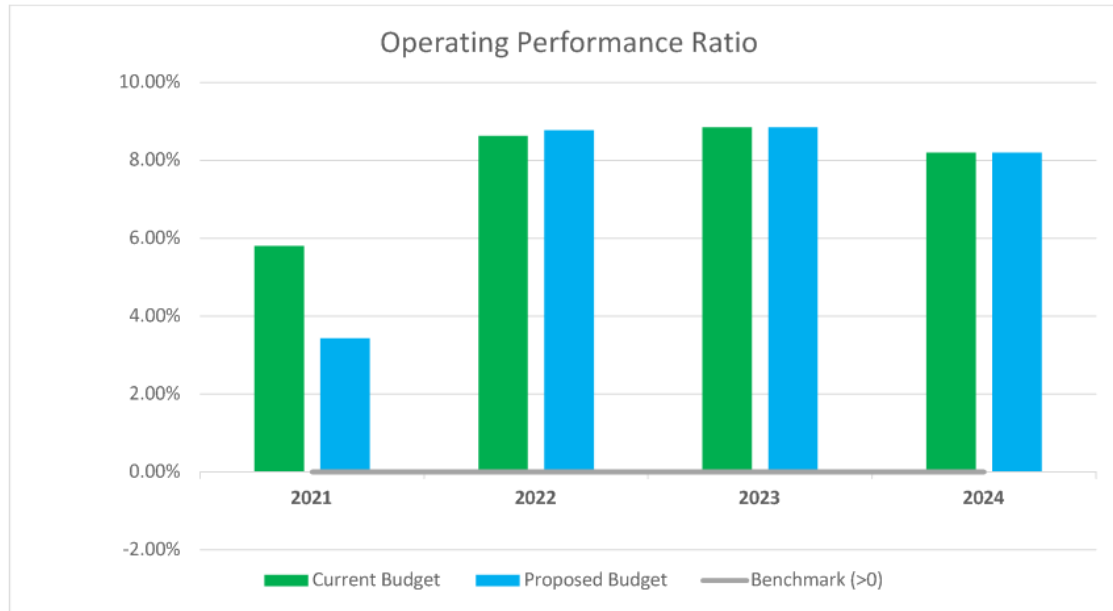
8. Consolidated Balance Sheet and Income Statement

Balance Sheet		
\$'000	ACTUAL YTD	ACTUAL 30 JUNE 2020 (UNAUDITED)
ASSETS		
Current Assets		
Cash & Cash Equivalents	5,862	6,029
Investments	69,791	70,150
Receivables	25,935	8,468
Inventories	1,521	1,372
Contract Assets	6,542	6,542
Other	26	26
Total Current Assets	109,677	92,587
Non-Current Assets		
Investments	18,600	10,800
Receivables	-	-
Infrastructure, Property, Plant & Equipment	1,007,702	1,002,780
Investment Property	7,440	7,440
Intangible Assets	271	271
Right of use assets	150	150
Total Non-Current Assets	1,034,163	1,021,441
TOTAL ASSETS	1,143,840	1,114,028
LIABILITIES		
Current Liabilities		
Payables	2,740	9,293
Income received in advance	68	68
Contract liabilities	6,113	6,113
Lease liabilities	38	38
Borrowings	1,482	1,482
Provisions	7,844	7,850
Total Current Liabilities	18,285	24,844
Non-Current Liabilities		
Lease liabilities	111	111
Borrowings	10,441	10,441
Provisions	5,507	5,507
Total Non-Current Liabilities	16,059	16,059
Total LIABILITIES	34,344	40,903
Net Assets	1,109,496	1,073,125
EQUITY		
Retained Earnings	503,560	467,189
Revaluation Reserves	605,936	605,936
Other Reserves	-	-
Total Equity	1,109,496	1,073,125

Income Statement								
\$'000	ORIGINAL ANNUAL BUDGET	APPROVED VARIATIONS	REVISED ANNUAL BUDGET	ACTUAL YTD	% REVISED BUDGET	PROPOSED VARIATIONS	PROJECTED ANNUAL BUDGET	% PROJECTED ANNUAL BUDGET
INCOME								
Rates & Annual Charges	43,639	-	43,639	43,269	99%	-	43,639	99%
User Charges & Fees	12,819	1,137	13,956	3,005	22%	1,412	15,368	20%
Interest & Investment Revenue	2,097	-	2,097	416	20%	-	2,097	20%
Other Revenues	1,596	47	1,643	252	15%	-	1,643	15%
Grants & Contributions Operating	18,033	(1,212)	16,821	372	2%	(3,580)	13,241	3%
Grants & Contributions Capital	32,513	10,023	42,536	1,685	4%	(9,986)	32,550	5%
Rental Income	2,010	-	2,010	600	30%	-	2,010	30%
Total Income	112,707	9,995	122,702	49,599	40%	(12,154)	110,548	45%
EXPENDITURE								
Employee Benefits & Oncosts	28,984	82	29,066	6,681	23%	(55)	29,011	23%
Borrowing Costs	777	-	777	184	24%	(22)	755	24%
Materials & Contracts	16,053	4,133	20,186	3,402	17%	384	20,570	17%
Depreciation & Amortisation	15,931	-	15,931	-	0%	-	15,931	0%
Other Expenses	8,572	62	8,634	2,363	27%	(18)	8,616	27%
Loss on Disposal of Assets	654	(48)	606	(421)	0%	-	606	-69%
Total Expenditure	70,971	4,229	75,200	12,209	16%	289	75,489	16%
Net Result	41,736	5,766	47,502	37,390		(12,443)	35,059	
Net Result before Capital Items	9,223	(4,257)	4,966	35,705		(2,457)	2,509	

- Note depreciation is currently being finalised as part of annual financial statements and has not yet been posted for quarter 1.

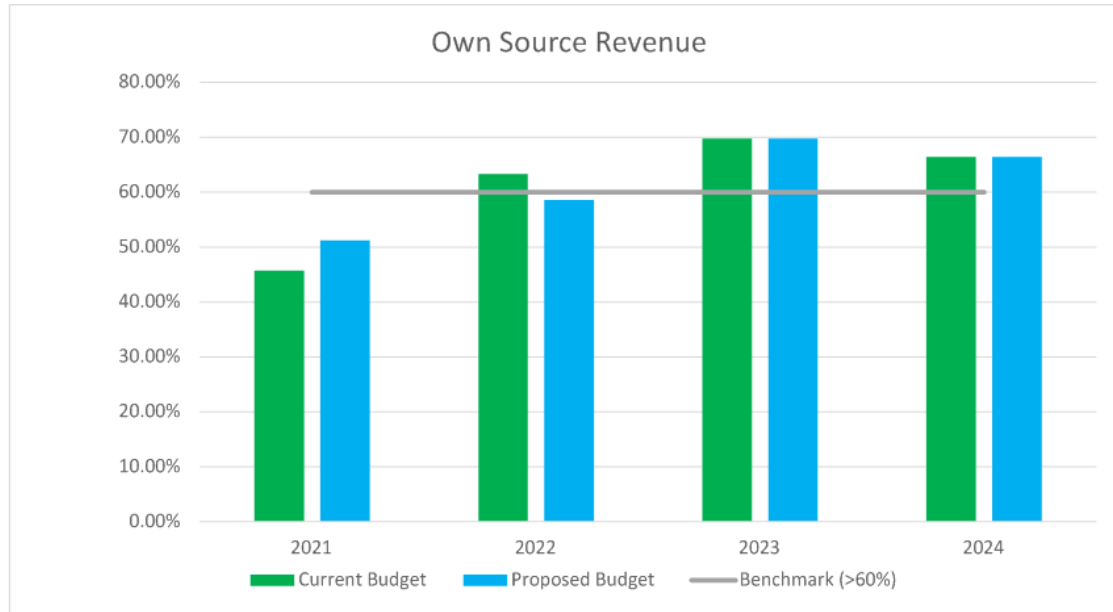
9. Key Financial Indicators



Note: Excludes Water & Sewer Fund

Measures Council's ability to keep operating expenses, including depreciation, within its continuing revenue.

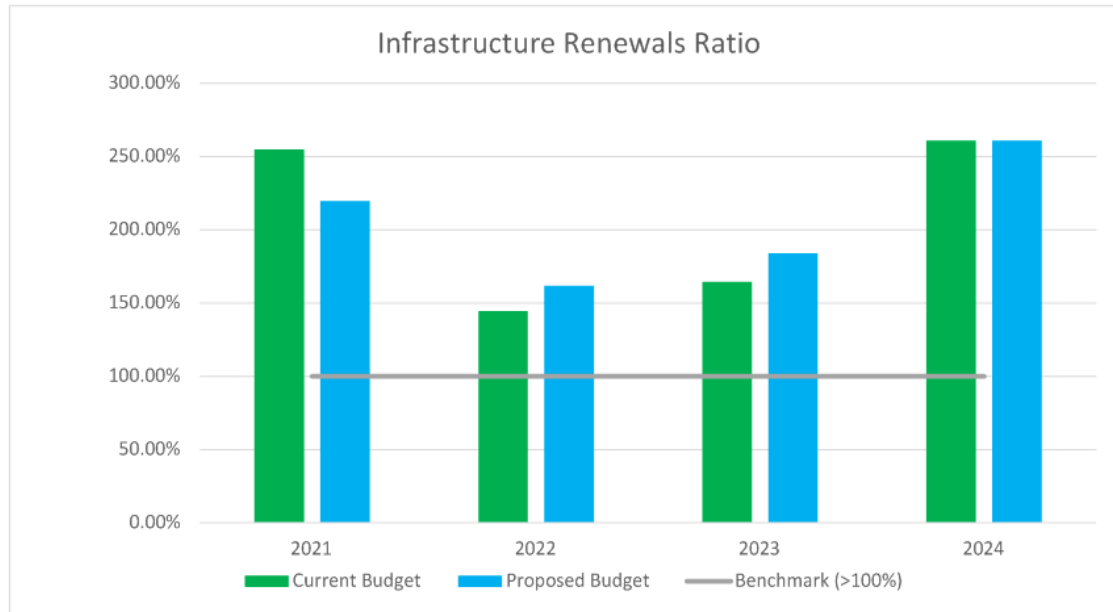
The main reason for a decline in this ratio is due Bushfire recovery grant income budget being reversed as grant income was recognised last financial year in accordance with Australian Accounting Standards.



Note: Excludes Water & Sewer Fund

Measures Council's degree of reliance on external funding

Deferral of grant income related to capital works is the main driver for improvement in this ratio in 20/21, however this also deteriorates in 21/22.



Note: Excludes Water & Sewer Fund

The rate at which assets are being renewed against the rate of depreciation

Deferral of capital works to 2021/22 is the main driver for deterioration in this ratio in 20/21, however this improves 21/22 and 22/23.

10. Capital Budget Funding

Capital Funding (\$ '000)	ORIGINAL ANNUAL BUDGET	APPROVED VARIATIONS	CURRENT ANNUAL BUDGET	PROPOSED VARIATIONS	PROPOSED ANNUAL BUDGET	ACTUAL YTD	ACTUAL YTD / PROPOSED ANNUAL BUDGET
Capital Grants & Contributions	(34,707)	(10,294)	(45,001)	9,914	(35,086)	(1,369)	4%
Loans	(2,000)	0	(2,000)	2,000	0	0	0%
External Restrictions							
S94 Developer Contributions - General	(347)	(70)	(417)	(1)	(418)	(14)	3%
S64 Developer Contributions - Water Fund	(1,380)	128	(1,252)	1,007	(245)	0	0%
S64 Developer Contributions - Sewer Fund	(1,175)	0	(1,175)	1,175	0	(12)	0%
S93F Developer Contributions	(1,463)	0	(1,463)	0	(1,463)	0	0%
Specific Purpose Unexpended Grants	(995)	0	(995)	696	(299)	(32)	11%
Specific Purpose Unexpended Grants - Water	(270)	0	(270)	270	0	0	0%
Reserves - Water	(6,595)	31	(6,563)	4,266	(2,298)	(305)	13%
Reserves - Sewerage Services	(7,206)	(8)	(7,214)	5,972	(1,242)	(136)	11%
Reserves - Domestic Waste Management	(1,146)	(142)	(1,288)	440	(848)	(27)	3%
Reserves - Ulan Road Strategy	(174)	174	0	0	0	0	0%
Internal Restrictions			0		0		0%
Reserves - Plant & Vehicle Replacement	(6,165)	(756)	(6,921)	0	(6,921)	(242)	4%
Reserves - Asset Replacement	(3,084)	(348)	(3,432)	825	(2,607)	(166)	6%
Reserves - Capital Program	(3,651)	711	(2,939)	0	(2,939)	(84)	3%
Reserves - Land Development	0	(726)	(726)	0	(726)	0	0%
Reserves - Saleyards	(10)	0	(10)	(1)	(11)	0	0%

Capital Funding (\$ '000)	ORIGINAL ANNUAL BUDGET	APPROVED VARIATIONS	CURRENT ANNUAL BUDGET	PROPOSED VARIATIONS	PROPOSED ANNUAL BUDGET	ACTUAL YTD	ACTUAL YTD/ PROPOSED ANNUAL BUDGET
Income from Sale of Assets			0		0		
General Purpose Revenue	(7,644)	(439)	(8,083)	209	(7,875)	(3,554)	45%
Total Capital Funding	(78,011)	(11,740)	(89,751)	26,772	(62,979)	(5,942)	9%

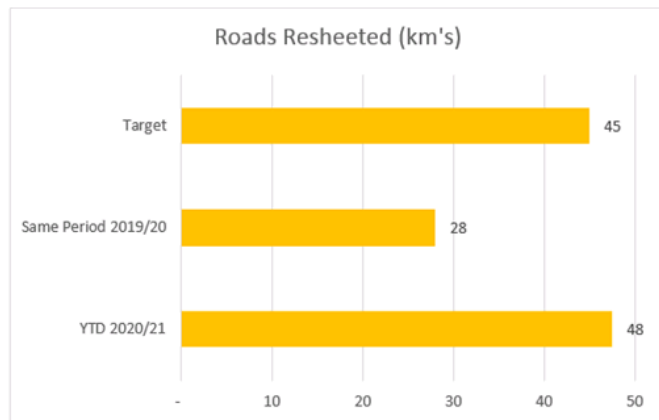
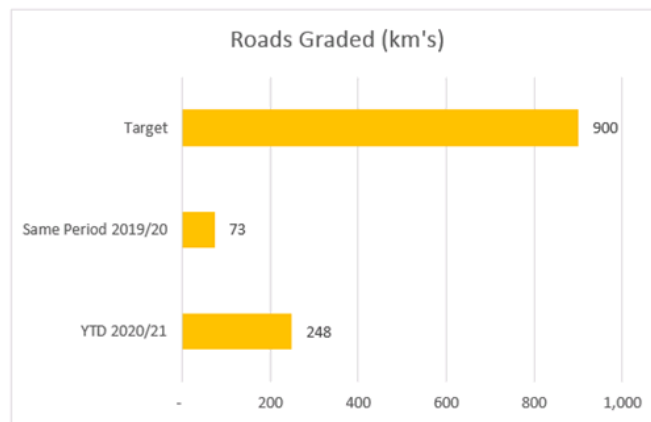
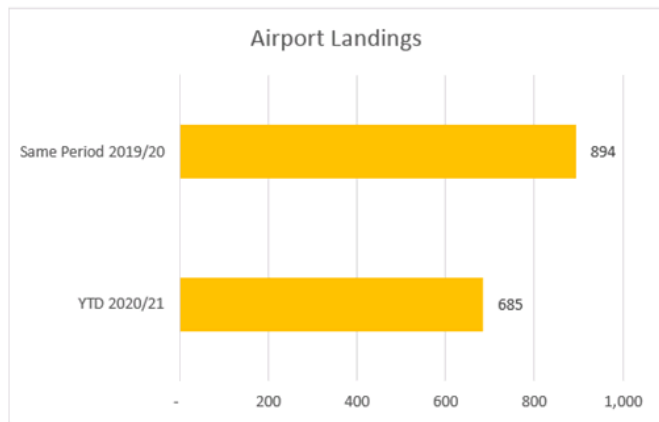
Capital Expenditure (\$ '000)	ORIGINAL ANNUAL BUDGET	APPROVED VARIATIONS	CURRENT ANNUAL BUDGET	PROPOSED VARIATIONS	PROPOSED ANNUAL BUDGET	ACTUAL YTD	ACTUAL YTD/ PROPOSED ANNUAL BUDGET
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New Assets	ORIGINAL ANNUAL BUDGET	APPROVED VARIATIONS	CURRENT ANNUAL BUDGET	PROPOSED VARIATIONS	PROPOSED ANNUAL BUDGET	ACTUAL YTD	ACTUAL YTD/ PROPOSED ANNUAL BUDGET
Buildings	7,621	2,707	10,328	(1,458)	8,870	26	0%
Roads	1,031	19	1,051	1	1,052	21	2%
Bridges	1,478	64	1,542	(367)	1,175	144	12%
Footpaths	200	1,051	1,251	22	1,272	91	7%
Water Network Assets	93	0	93	0	93	18	20%
Sewer Network Assets	643	0	643	(490)	153	133	87%
Open space and recreational assets	297	345	642	(229)	412	0	0%
Swimming Pools	70	0	70	10	80	0	0%
Other Structures	213	743	956	11	967	2	0%
Land for resale	0	200	200	0	200	4	2%
Office Equipment	20	0	20	0	20	0	0%

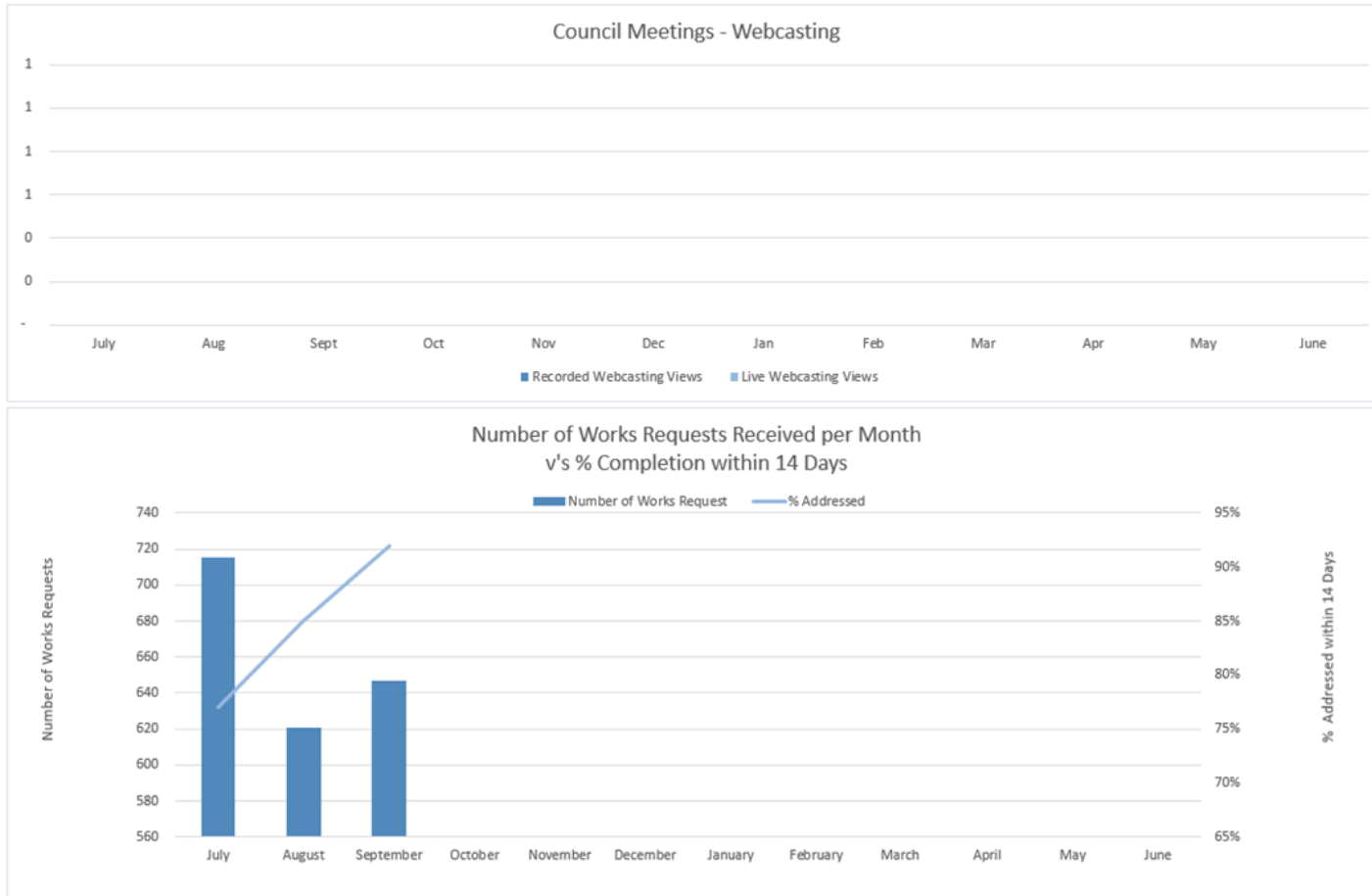
Capital Expenditure (\$ '000)	ORIGINAL ANNUAL BUDGET	APPROVED VARIATIONS	CURRENT ANNUAL BUDGET	PROPOSED VARIATIONS	PROPOSED ANNUAL BUDGET	ACTUAL YTD	ACTUAL YTD PROPOSED ANNUAL BUDGET
Total Capital Expenditure on New Assets	11,666	5,129	16,796	(2,501)	14,294	440	3%
Renewal & Upgrade							
Plant and Equipment	6,221	1,088	7,309	713	8,022	253	3%
Buildings	3,356	35	3,391	(1,345)	2,046	138	7%
Roads	14,724	2,965	17,689	(608)	17,080	2,756	16%
Bridges	600	3	603	(200)	403	18	4%
Footpaths	186	30	216	0	216	95	44%
Stormwater	508	859	1,367	(215)	1,152	40	3%
Culvert and causeways	65	0	65	0	65	0	0%
Water Network Assets	11,592	(159)	11,433	(8,536)	2,897	406	14%
Sewer Network Assets	8,538	8	8,547	(7,433)	1,113	21	2%
Open space and recreational assets	15,773	528	16,301	(4,120)	12,181	1,046	9%
Swimming Pools	286	0	286	5	291	1	0%
Other Structures	2,190	620	2,810	(591)	2,218	138	6%
Tip remediation	2,000	108	2,108	(2,000)	108	16	15%
Land for resale	0	526	526	60	586	539	92%
Library	91	0	91	0	91	35	38%
Intangible Assets	41	0	41	0	41	0	0%
Office Equipment	172	0	172	0	172	0	0%
Total Capital Expenditure on Renewal	66,344	6,611	72,955	(24,271)	48,684	5,502	11%
Total Capital Expenditure	78,011	11,740	89,751	(26,772)	62,979	5,942	9%

11. Key Performance Indicators

11.1 Connecting Our Region

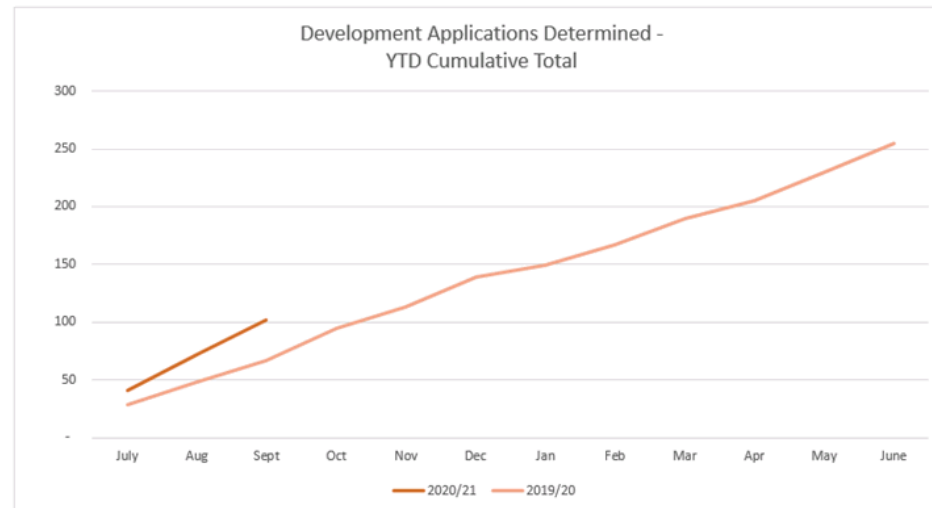
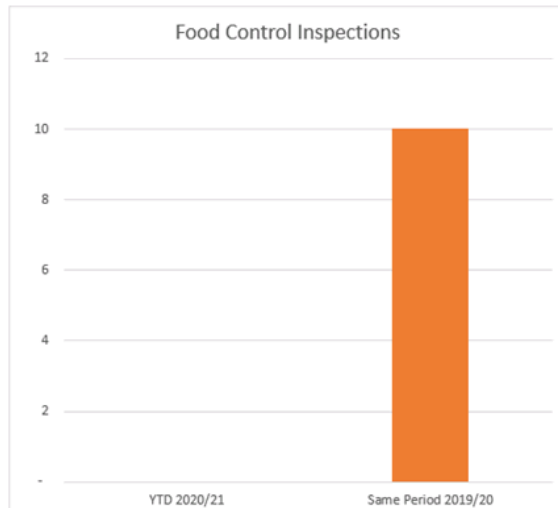
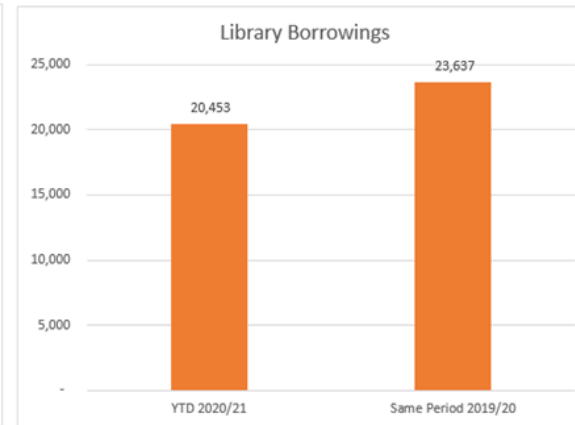
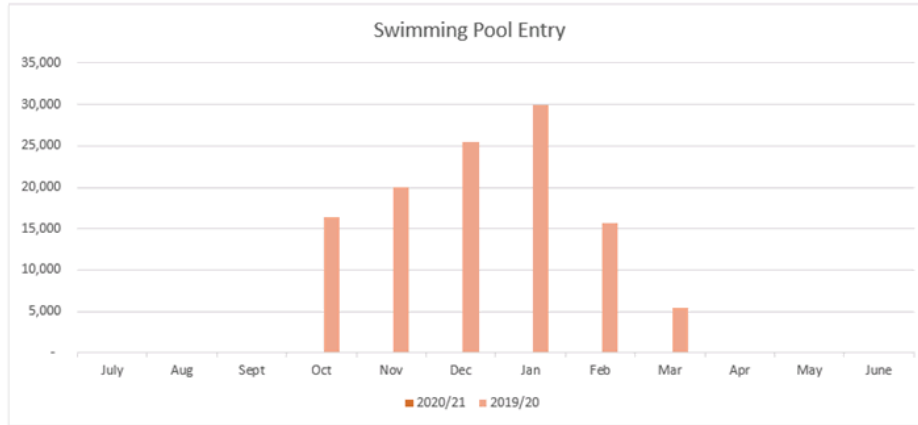


11.2 Good Government

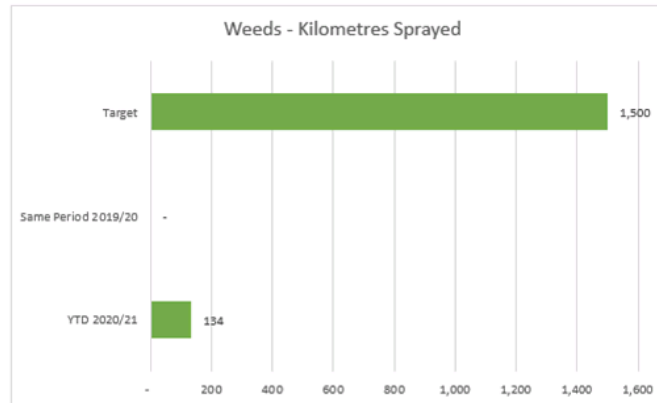
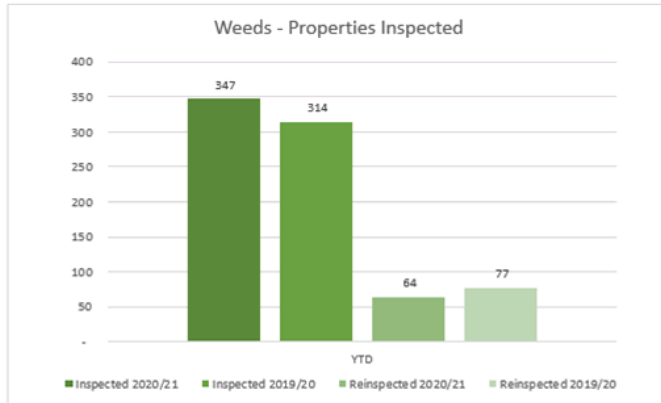
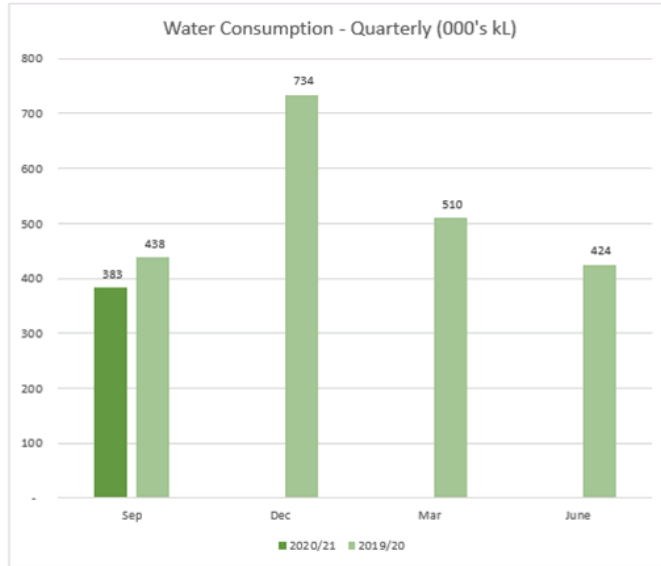


*Webcasting statistics were not available at the time of publishing

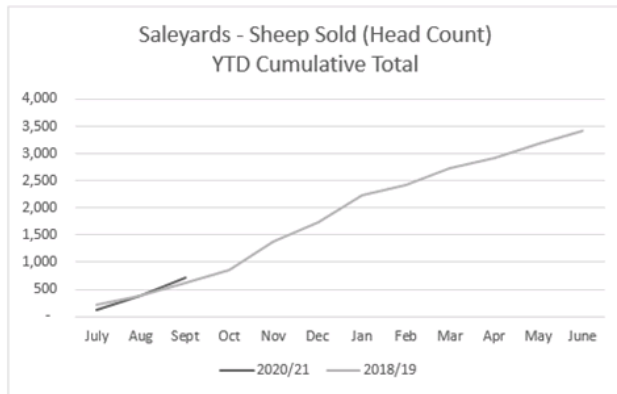
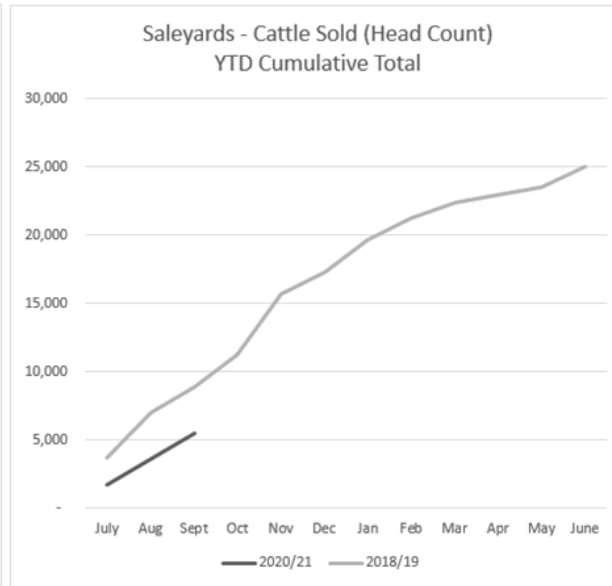
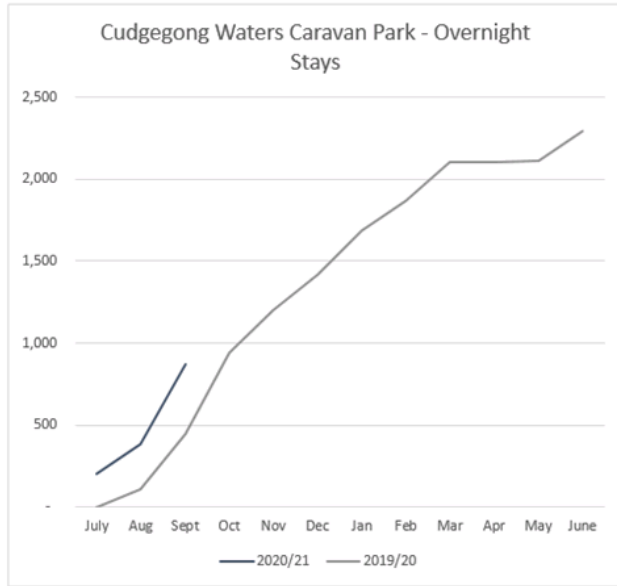
11.3 Looking after Our Community



11.4 Protecting our Natural Environment



11.5 Building a Strong Local Economy



12. Contract, Legal and Consultant Expenses

CONTRACTS > \$50,000

The following contracts with a value greater than \$50,000 were entered into during the period 1 July 2020 to 30 September 2020 and have yet to be fully performed.

Note that individual Panel Tender appointments are not included in the table below. For example, provision of general contractor services. Council creates panels of preferred suppliers from the tender responses received. Purchases are then made from the preferred supplier lists, and purchase decisions may vary for particular works depending upon availability and location.

Contractor	Contract Detail/Purpose	Contract Value (\$)	Commencement Date	Duration (Months)	Budgeted (Y/N)
Access Environmental Pty Ltd	For the supply of condition assessment of existing groundwater bores (Orana Water Utilities Alliance)	68,499	4/08/2020	6	Y
J Hutchinson Pty Ltd	For the provision of renovation and construction of art gallery and tourist information centre	7,065,094	1/09/2020	10	Y
T&K Jackson Pty Ltd	Supply and installation of concrete kerb, footpaths and disabled parking at Mudgee Showground	60,796	3/09/2020	2	Y
Local Government Procurement	LGP Procurement & Contract Management Hub	70,000	3/09/2020	36	Y
ICE Earthmoving Pty Ltd	Mudgee Valley Caravan Park Road Rehabilitation	86,851	30/09/2020	1	Y
Evergreen	Construction of Glen Willow Stage 2 Playing Fields	4,246,806	1/06/2020	10	Y
Cudgegong Plumbing Pty Ltd	Glen Willow Stage Two - Sewer, Water & Drainage	160,842	21/08/2020	4	Y

LEGAL EXPENSES

This financial year to date, Council has incurred \$44,858 of legal expenses. The primary areas of expenditure are:

- Road closures
- Companion animal dispute
- Property sales
- Water supply
- Development Control

CONSULTANCIES

A consultant is a person or organisation engaged under contract on a temporary basis to provide recommendations or high level specialist or professional advice to assist decision making by management. Generally, it is the advisory nature of the work that differentiates a consultant from other contractors.

This financial year to date, Council has incurred \$405,202 of consultancy expenses. The primary areas of expenditure are:

- Engineering services
- Bridge Inspections
- Parking Study
- Airport Runway Surface
- Flood Study
- Streetscape design

13. Councillor Fees and Expenses Paid or Reimbursed as at 30 September 2020

Councillor Expenses											
	General Operations	Cr Cavalier	Cr Holden	Cr Karavas	Cr Kennedy	Cr Martens	Cr O'Neill	Cr Paine	Cr Shelley	Cr Thompson	TOTAL
Councillor Fees	-	5,070.00	5,070.00	5,070.00	5,070.00	5,070.00	5,070.00	5,070.00	5,070.00	5,070.00	45,630.00
Mayoral Fees	-	-	-	-	11,062.50	-	-	-	-	-	11,062.50
Council Meeting Expenses (accommodation, travel and meals)	1,884.66	-	-	-	-	464.55	-	-	-	-	2,349.21
Conferences, Seminars and Representational/Lobbying Expenses (accommodation, travel and meals)	-	-	-	-	-	-	-	-	514.80	-	514.80
Provision of Vehicle	-	-	-	-	303.81	-	-	-	-	-	303.81
Memberships & Subscriptions	7,116.71	-	-	-	-	-	-	-	-	-	7,116.71
Miscellaneous expenses (meals, sundries, stationery, etc)	-	-	-	-	-	-	-	-	38.48	-	38.48
Provision of office equipment, such as laptop computer and telephones	62.68	125.34	-	80.59	1,394.83	62.68	80.58	62.68	419.83	62.68	2,351.89
Totals	-	2,265.24	5,195.34	5,070.00	5,150.59	18,359.96	5,597.23	5,150.58	5,132.68	6,043.11	69,367.40



POLICY Pesticide Use Notification Plan



ADOPTED		VERSION NO	2
COUNCIL MEETING MIN	[xx/xx]	REVIEW DATE	NOVEMBER 2023
DATE:	[INSERT DATE]	FILE NUMBER	GOV400038, A0130033

Objective

This pesticide notification plan has been prepared in accordance with the requirements of the Pesticides Regulation 2017 (the Regulation).

Commented [KS1]: Updated to current Regulation

The aim of this plan is to meet Council's obligation to notify the community when planning to use pesticides in public places that are owned or managed by Council. This plan allows members of the community to take action to avoid potential contact with pesticides, if they wish. The council ensures that pesticides are applied to public places in a safe, responsible manner minimising harm to the community and the environment.

The plan details how Mid-Western Regional Council will notify members of the community of pesticide applications made by the Council to public places.

The term 'pesticide' is applied to chemicals used to kill pests and minimise their impact on agriculture, health and other human interests. Pesticides are the general term given to herbicides, insecticides, fungicides, rodenticides etc.

The plan describes:

- The public places are covered by the plan.
- Who regularly uses these public places and an estimate of the level of use.
- How and when Council will provide the community with information on the pesticide applications in public places.
- Where the community can access the plan and get more information regarding Council's notification arrangements.
- How future reviews of the plan will be conducted.
- Contact details for anyone wishing to discuss this plan with Council.

The majority of pesticide use will comprise of applying herbicides for the control of weeds and applying insecticides to manage identified insect pests.

Further information on Council's pesticide use can be obtained by contacting Council's Operations Department on (02) 6378 2851 or by visiting the website www.midwestern.nsw.gov.au

Commented [KS2]: Updated contact details

1. Public Places Covered By This Plan

Mid-Western Regional Council proposes to use and/or allow the use of pesticides in the following public places within the Council's area of responsibility:

- Parks and public gardens
- Family Day Care playground facilities
- Playgrounds and BBQs
- Pools
- Sporting fields, ovals and facilities
- Council buildings, public conveniences, structures and surrounds
- Road verges, reserves and drains
- Laneways and pathways
- Easements accessible to the public
- Drainage reserves
- Cemeteries
- Showgrounds, saleyards and aerodrome
- Water treatment and sewerage plants/pump stations
- Pound
- Waste management facilities
- Tourists parks (Councils)
- Riparian Zones

Commented [KS3]: Added

Commented [KS4]: added

This plan will also provide information on how notice will be provided to the community of pesticide use in the interiors of the following council buildings: Council chambers, library and community halls/centres.

The Council's estimate of the level of community use, regular user groups and types of pesticide use in each of these categories of public places is summarised in the following table.

Although not required by the Regulation, a summary of the type of pesticide use in each category of public place is also provided.

POLICY: : PESTICIDE USE NOTIFICATI | V2, NOVEMBER 2020

PUBLIC PLACES OWNED OR CONTROLLED BY COUNCIL	REGULAR USER GROUPS	LEVEL OF USE OF PUBLIC PLACE	TYPE OF PESTICIDE USE
(A) PUBLIC PARKS AND GARDENS	<ul style="list-style-type: none"> ■ Children and young families ■ Elderly people ■ General recreational users (joggers, dog walkers, picnickers) ■ Council staff 	Very high, frequent use by multiple users with short to medium length stays	<ul style="list-style-type: none"> ■ Spot herbicides ■ Spot insecticides ■ Broadscale selective herbicides ■ Broadscale non-selective herbicides ■ Broadscale insecticides ■ Fungicides ■ Fruit fly baits
(B) FAMILY DAYCARE PLAYGROUND	<ul style="list-style-type: none"> ■ Children ■ Young families ■ Parents ■ Council staff 	low to medium	<ul style="list-style-type: none"> ■ Spot herbicides ■ Spot insecticides
(C) PLAYGROUNDS	<ul style="list-style-type: none"> ■ Children ■ Young families ■ Council staff 	High	<ul style="list-style-type: none"> ■ Spot herbicides ■ Spot insecticides
(D) POOLS	<ul style="list-style-type: none"> ■ Families ■ Social groups ■ Council staff ■ Tourists ■ Swimming club ■ Community groups 	High	<ul style="list-style-type: none"> ■ Spot herbicides ■ Spot insecticides ■ Broadscale selective herbicides ■ Broadscale non-selective herbicides
(E) SPORTING FIELDS, OVALS AND RELATED FACILITIES	<ul style="list-style-type: none"> ■ Sporting clubs and associations ■ School sports groups ■ General recreational use (joggers, dog walkers etc) ■ Council staff and contractors 	High	<ul style="list-style-type: none"> ■ Spot herbicides ■ Spot insecticides ■ Broadscale selective herbicides ■ Broadscale non-selective herbicides ■ Broadscale insecticides ■ Fruit fly baits ■ Fungicides
(F) ROAD VERGES AND RESERVES	<ul style="list-style-type: none"> ■ Local residents or visitors ■ Council staff 	Low for rural roads Medium to high for urban roads	<ul style="list-style-type: none"> ■ Spot herbicides ■ Broadscale non-selective herbicides
(G) LANEWAYS AND PATHWAYS	<ul style="list-style-type: none"> ■ Local residents ■ People in the vicinity ■ Visitors to the area ■ Children ■ Council staff 	Medium to high	<ul style="list-style-type: none"> ■ Spot herbicides ■ Broadscale non-selective herbicides

PUBLIC PLACES OWNED OR CONTROLLED BY COUNCIL	REGULAR USER GROUPS	LEVEL OF USE OF PUBLIC PLACE	TYPE OF PESTICIDE USE
H) EASEMENTS	<ul style="list-style-type: none"> ■ Local residents ■ People working in the vicinity ■ Children ■ Council staff 	Low to medium	<ul style="list-style-type: none"> ■ Spot herbicides ■ Broadscale non- selective herbicides
I) DRAINS	<ul style="list-style-type: none"> ■ Local residents living adjacent to the drain ■ Local residents or visitors walking or driving past drain ■ Council staff 	Low to medium	<ul style="list-style-type: none"> ■ Spot herbicides ■ Broadscale non- selective herbicides
J) CEMETERIES	<ul style="list-style-type: none"> ■ Funeral Directors ■ Residents ■ Relatives of deceased ■ Visitors ■ Council staff 	Medium to high, especially at certain times of year such as Christmas, Mother's Day, Father's Day	<ul style="list-style-type: none"> ■ Spot herbicides ■ Spot insecticides ■ Broadscale selective herbicides ■ Broadscale non- selective herbicides ■ Vermin Control (rabbit baits)
K) WATER TREATMENT WORKS, WASTEWATER TREATMENT WORKS AND SEWERAGE PUMPING STATIONS	<ul style="list-style-type: none"> ■ Inspectors ■ Auditors ■ Public walking or driving past ■ Council staff 	Low	<ul style="list-style-type: none"> ■ Spot herbicides ■ Broadscale non- selective herbicides
L) SHOWGROUNDS	<ul style="list-style-type: none"> ■ Local residents ■ Showtime users ■ Horse users ■ Visitors to the area ■ Children ■ Council staff ■ Community groups ■ Cleaners and contractors 	Low - medium	<ul style="list-style-type: none"> ■ Spot herbicides ■ Spot insecticides ■ Broadscale selective herbicides ■ Broadscale non- selective herbicides
M) AIRPORT FACILITIES	<ul style="list-style-type: none"> ■ Pilots ■ Passengers ■ Families ■ Aero sport clubs ■ Farmers ■ Council staff 	Medium	<ul style="list-style-type: none"> ■ Spot herbicides ■ Spot insecticides ■ Broadscale selective herbicides ■ Broadscale non- selective herbicides ■ Vermin control (rabbit baits)

POLICY: : PESTICIDE USE NOTIFICATI | V2, NOVEMBER 2020

PUBLIC PLACES OWNED OR CONTROLLED BY COUNCIL	REGULAR USER GROUPS	LEVEL OF USE OF PUBLIC PLACE	TYPE OF PESTICIDE USE
N) SALEYARDS	<ul style="list-style-type: none"> ■ Stock ■ Farmers ■ Auctioneers ■ Council staff and contractors ■ Truck drivers 	Low - medium	<ul style="list-style-type: none"> ■ Spot herbicides ■ Spot insecticides ■ Broadscale selective herbicides ■ Broadscale non-selective herbicides ■ Vermin control (rabbit baits)
O) WORKS DEPOT	<ul style="list-style-type: none"> ■ Council staff and contractors ■ visitors ■ company sales representative ■ couriers ■ delivery drivers ■ sporting club representatives 	Low	<ul style="list-style-type: none"> ■ Spot herbicides ■ Spot insecticides ■ Broadscale selective herbicides ■ Broadscale non-selective herbicides ■ Vermin control (rabbit baits)
P) ANIMAL SHELTER - POUND	<ul style="list-style-type: none"> ■ Council staff and contractors ■ Visitors 	Low - medium	<ul style="list-style-type: none"> ■ Spot herbicides ■ Spot insecticides ■ Broadscale selective herbicides ■ Broadscale non-selective herbicides ■ Vermin control (rabbit baits)
Q) NOMINATED COUNCIL BUILDINGS INTERNAL AND SURROUNDS	<ul style="list-style-type: none"> ■ Library users (including infants, children, school groups and the elderly) ■ Council Staff and contractors ■ Infants, Children and their carers ■ Parent groups / playgroups ■ Community groups ■ Members of the public 	High	<ul style="list-style-type: none"> ■ Spot insecticides ■ Bait rodenticides ■ Spray termiticides ■ Spray ant control ■ Bait termiticides ■ Bait ant control ■ Bait bird control ■ Spot herbicides
R) CARAVAN/TOURIST PARKS	<ul style="list-style-type: none"> ■ Permanent Residents ■ Council Staff ■ Contractors ■ Tenants ■ Visitors 	High	<ul style="list-style-type: none"> ■ Spot insecticides ■ Bait rodenticides ■ Spray termiticides ■ Spray ant control ■ Bait termiticides ■ Bait ant control ■ Broadscale selective herbicides ■ Broadscale non-selective herbicides

2. Notification Arrangements

This section of the plan describes how and when Mid-Western Regional Council will provide notice of pesticide use in public spaces. It includes special measures for sensitive places that are adjacent to public places, arrangements for emergency pesticide applications and circumstances where notification will not be given.

These notification requirements are based on Mid-Western Regional Council's assessment of;

- the level of usage of public places where pesticide may be used;
- the extent to which members of the public who are most likely to be affected by the pesticides (young children, sick, pregnant and elderly people) and are likely to use these areas regularly;
- the extent to which activities generally undertaken in these areas could lead to some direct contact with pesticides (such as picnic areas where food is consumed; sporting or other recreational activities that result in contact with the ground);
- the type of pesticide used.

Notice of pesticide use will be provided by one of the following or a combination of;

- signs;
- information on Council's website (which will describe programmed, reactive and emergency pesticide use in public places);
- social media (Facebook);
- letterbox drops;
- advertising in Mudgee Guardian;
- door knocks (in person);
- phone contact.

Mid-Western Regional Council will also have a central register whereby individuals or organisations can nominate to have their details listed which allow them to be notified when certain types of pesticides are going to be used in certain places.

This notification plan applies to all Council staff and contractors. Where Council uses contractors to apply pesticides on its behalf, Council will ensure that the contractor notifies the community in accordance with the notification requirements outlined in this plan. Where persons or organisations hold an existing lease on Council land that remains a public place and use pesticides in this area, Council will still require notification in accordance with the requirements of this plan.

Commented [K55]: Updated with regards to contractors

When baiting of vermin such as rabbits occurs, staff and contractors will adhere to all conditions (including signage and notification) for that pesticide.

2.1 Notice Exemptions

Council will not provide notice for the use of pesticides (such as chlorine) used for the purpose of water treatment in outdoor public spaces such as public swimming pools

The Council uses small-scale quantities of some pesticides that are widely available in retail outlets and ordinarily used for domestic purposes (including home gardening). The Council does not intend to provide notice for such pesticide applications other than by way of this description in this plan (or general information on Council's website). This will apply to minor control of indoor and outdoor insect pests using baits or aerosol spray cans and spot weed control using a wand, hand-held spray bottle or knap sack.

2.2 Outdoor Recreation Areas

The notification arrangements described below will apply to the following categories of public place owned or managed by Mid-Western Regional Council.

- public parks and gardens
- playgrounds barbeque areas
- pools
- sporting fields, ovals and related sporting facilities
- reserves and other natural areas

In these public places, signs will be provided to the general community near the application area or main entrances at least 48 hours prior to application and remain for at least 48 hours afterwards for the following pesticide uses:

- spot spraying herbicides (unless small scale than refer to 2.1 exemptions)
- broadscale selective herbicides
- broadscale non-selective herbicides
- broadscale insecticides
- fungicides
- fruit fly baiting (where part of ongoing program, first pesticide use only)

Additional signage will be attached to the vehicle for applications that a spray vehicle is utilized.

Where any of the above pesticide uses occur adjacent to **sensitive places** (*see definition of sensitive places under subsection 2.11 'Special measures for sensitive places'*), or are registered with Council on the **Pesticide Notification Central Register**, the occupiers will be provided 48 hours' prior notice by phone, letterbox drop or in person (whichever is most practicable).

For 'high use' outdoor recreation areas Council will endeavor to schedule spraying activities to coincide with interval periods of low use. In the event this is not possible, Council will deploy an employee to notify and direct pedestrian movements and prevent access to application areas (or as specified on chemical label instructions). This will be in addition to displaying appropriate signage.

For **sporting fields, ovals and related sporting facilities**, sporting groups and occupiers of adjacent sensitive places who register interest with Council can also have notice of the above pesticide uses by email, phone or in person, of pesticide use 48 hours prior to application of pesticides.

For **roadside rest areas**, signs will be provided near the application area at the time of application and remain for at least 48 hours afterwards.

2.3 Outdoor Public Thoroughfares and Easements Accessible to The Public

The notification arrangements described below will apply to the following categories of public place owned or controlled by Mid-Western Regional Council within the LGA:

- laneways and pathways
- road shoulders and verges
- road easements accessible or adjacent to public
- drains

Notification will only be given if the pesticide use will be adjacent to sensitive places or if the occupier has registered interest with Council on the Pesticide Notification Central Register.

2.4 Cemeteries

Information on the following types of pesticide use shall consist of signage placed at the entrance to each of the Council's cemeteries at least 48 hours prior to application and remain in place for 48 hours after application with the exception of baiting for vermin such as rabbits when staff and contractors will adhere to all conditions (including signage and notification) for that pesticide. These can involve the provision of at least 1-week notification, either by letterbox drop to all adjoining residents and users and/or signage placed around are of control, and to remain for at least 2 weeks after the application.

Commented [KS6]: added

- broadscale non-selective herbicides
- broadscale insecticides
- fungicides
- large vertebrate baiting (rabbit control)

2.5 Showground

Information on the following types of pesticide use shall consist of signage placed at each entrance to the showground at least 48 hours prior to application and remain in place for 48 hours after application with the exception of baiting for vermin such as rabbits when staff and contractors will adhere to all conditions (including signage and notification) for that pesticide. These can involve the provision of at least 1-week notification, either by letterbox drop to all adjoining residents and users and/or signage placed around are of control, and to remain for at least 2 weeks after the application.

Commented [KS7]: added

POLICY: : PESTICIDE USE NOTIFICATI | V2, NOVEMBER 2020

Application of pesticides shall be carried out when there is no user group booking the area:

- broadscale non-selective herbicides
- broadscale insecticides
- fungicides
- large vertebrate baiting (rabbit control)

2.6 Airport Facilities

Information on the following types of pesticide use shall consist of signage placed at each entrance to the aerodrome where application is near entrances, at least 48 hours prior to application and remain in place for 48 hours after application with the exception of baiting for vermin such as rabbits when staff and contractors will adhere to all conditions (including signage and notification) for that pesticide.

Where it is not near pedestrian areas, no notification will be provided unless required under the conditions for that pesticide.

- spot spraying herbicides
- broadscale non-selective herbicides
- broadscale insecticides
- fungicides
- large vertebrate baiting (rabbit control)

2.7 Saleyards

Information on the following types of pesticide use shall consist of signage placed at the entrance to the saleyards at least 48 hours prior to application and remain in place for 48 hours after application with the exception of baiting for vermin such as rabbits when staff and contractors will adhere to all conditions (including signage and notification) for that pesticide.

Timing of pesticide application should be so not to be carried out when saleyards are in use. Where it is not near pedestrian areas, no notification will be provided unless required under the conditions for that pesticide.

- spot spraying herbicides
- large vertebrate baiting (rabbit control)
- spot spraying of non-selective herbicide

2.8 Works Depot

Information on the following types of pesticide use shall consist of signage placed at each entrance to the depot where application is near entrances, at least 48 hours prior to application and remain in place for 48 hours after application with the exception of baiting for vermin such as rabbits when staff and contractors will adhere to all conditions (including signage and notification) for that pesticide.

Where it is not near pedestrian areas, no notification will be provided unless required under the conditions for that pesticide.

- spot spraying of non-selective herbicide
- large vertebrate baiting (rabbit control)

2.9 Water Treatment and Wastewater Plants/Sewerage Pump Stations

Information on the following types of pesticide use shall consist of signage placed at each entrance to the site where application is near entrances, at least 48 hours prior to application and remain in place for 48 hours after application. Where it is not adjacent to residential areas, no notification will be provided.

- spot spraying of non-selective herbicide

2.10 Animal Shelter/Pound and Waste Facilities

Information on the following types of pesticide use shall consist of signage placed at the entrance to the site where application is near the entrance, at least 48 hours prior to application and remain in place for 48 hours after application. Where it is not near pedestrian areas, no notification will be provided.

- spot spraying of non-selective herbicide
- broadscale insecticides

2.11 Nominated Council Buildings and Surrounds

For pesticide use in council chambers, council-owned libraries, community halls and centres and childcare facilities that are owned or controlled by Council, signs will be provided near the application area or main entrance at least 48 hours prior to application and remain for at least 48 hours afterwards for the following pesticide uses:

- spot use of insecticides
- bait rodenticides
- spray termiticides
- spray ant control
- spot use broad-scale herbicide

Information for the general community will be posted on Council's website and on social media about the above applications and on the following pesticide use in the above council buildings:

- bait termiticides
- bait ant control

2.12 Caravan and Tourist Parks

The notification arrangements described below will apply to the following categories of public place owned or managed by Mid-Western Regional Council.

- Caravan Parks
- Campgrounds
- All Buildings, amenities and facilities within Caravan Parks
- All recreational areas within Caravan Parks

In these public places, signs will be provided to the general community near the application area or main entrances at least 48 hours prior to application (where possible) and remain for at least 48 hours afterwards for the following pesticide uses:

- spot spraying herbicides (unless small scale than refer to 2.1 exemptions)
- broadscale selective herbicides
- broadscale non-selective herbicides
- broadscale insecticides
- fungicides

Signs will be provided near the application area or main entrance at least 48 hours prior to application and remain for at least 48 hours afterwards for the following pesticide uses:

- spot use of insecticides
- bait rodenticides
- spray termiticides
- spray ant control

Commented [KS8]: added

2.13 Special Measures for Sensitive Places

Part 5 Division 1 Clause 39 of the Regulation defines a sensitive place to be any:

- school or pre-school
- kindergarten
- childcare centre
- hospital
- community health centre
- nursing home
- place declared to be a sensitive place by the EPA

For broadscale applications notice will be provided 48 hours prior to date of application. Where pesticide application is required near vineyards, application will be timed to avoid damage to crop and carried out in appropriate weather conditions. For non-emergency reactive spot pesticide use

in outdoor public places adjacent to sensitive places, Council will provide 48 hours' notice before commencing spraying application, to the occupier/user by phone or in person, whichever is most practicable.

Persons and organisations who are sensitive to pesticides either for health reasons or because of organic status, may indicate to Council in writing, their need and reason to be included on a Pesticide Notification Central Register.

Commented [KS9]: added

For emergency pesticide application such as treating wasps or bees where the public may be harmed, 30 minutes notification, where practicable, by phone or in person will be provided so people are aware of the situation and why the pesticide must be used.

2.14 Emergency Pesticide Applications

In those cases, where emergency applications of pesticides must be carried out in outdoor public places, Mid-Western Regional Council will, where possible, give notice by way of signage nearby at the time of application and on social media. When this is not possible, information can be obtained by request to the staff applying the pesticide.

3. What Information Will Be Provided

In accordance with Part 5 Division 2 Clause 41(h) of the Regulation. Notices of pesticide use must include **all** of the following information:

- the full product name of the pesticide to be used
- the purpose for which the pesticide is to be used
- the proposed dates or date range for the pesticide use
- the place where the pesticide is to be used
- contact telephone number and email address of the Council officer who persons can contact to discuss the notice
- any warnings about limitations on the subsequent use or re-entry to the public place of application as specified on the product label or the Australian Pesticides and Veterinary Medicines Authority (APVMA) permit

Signs will be clearly recognisable to the general public and Council staff.

As already noted, Council's website will have a dedicated area that describes its programmed, reactive and, if practicable, emergency pesticide use in public places with a link to this notification plan.

4. How The Community Will Be Informed of This Plan

Mid-Western Regional Council will advise residents of the plan and its contents by:

- making a copy available for public viewing free of charge during office hours at all Council Offices:
 - 86 Market Street Mudgee
 - 109 Herbert Street Gulgong
 - 77 Louee Street Rylstone
- placing a copy of the plan on the Council website at www.midwestern.nsw.gov.au
- placing a notice in the Sydney Morning Herald, The Mudgee Guardian.
- placing a notice in the NSW Government Gazette

5. Future Reviews of the Plan

The notification plan will be reviewed every 3 years unless regulations change during that period in which it will be reviewed as directed. The review will include:

- placing the plan on public exhibition, with the proposed changes and calling for public submissions
- in the light of public submissions, make recommendations for alterations to the plan if applicable.


6. Contact Details

Anyone wishing to contact Council to discuss the notification plan or obtain specific details of pesticide applications in public places should contact:

Mid-Western Regional Council
PO Box 156
Mudgee NSW 2850

Phone (02) 6378 2850
Fax (02) 6378 2815
Email council@midwestern.nsw.gov.au

or access Council's website www.midwestern.nsw.gov.au

	POLICY	ADOPTED C/M 2/4/2014 MINUTE NO. 125/14
	PESTICIDE USE NOTIFICATION PLAN	FILE NO. GOV400038 A0130033

This pesticide notification plan has been prepared in accordance with the requirements of the Pesticides Regulation 2009 (the Regulation).

Commented [KS1]: Updated to Pesticides Regulation 2017

The aim of this plan is to meet the community's general right to know about pesticide applications undertaken by Mid-Western Regional Council in outdoor public places that are owned or managed by Council. This plan allows members of the community to take action to avoid potential contact with pesticides, if they wish. The council ensures that pesticides are applied to public places in a safe, responsible manner minimising harm to the community or environment.

The plan details how Mid-Western Regional Council will notify members of the community of pesticide applications made by the Council to public places.

The term 'pesticide' is applied to chemicals used to kill pests and minimise their impact on agriculture, health and other human interests. Pesticides are the general term given to herbicides, insecticides, fungicides, rodenticides etc.

The plan describes:

- What public places are covered by the plan
- Who regularly uses these public places and an estimate of the level of use
- How and when Council will provide the community with information on the pesticide applications in public places.
- Where the community can access the plan and get more information regarding Council's notification arrangements
- How future reviews of the plan will be conducted
- Contact details for anyone wishing to discuss this plan with Council.

The majority of pesticide use will comprise of applying herbicides for the control of weeds and applying insecticides to manage identified insect pests.

Further information on Council's pesticide use can be obtained by contacting Council's Noxious Weeds Administrator or Parks Technical Assistant on (02) 6378 2850 or by visiting the website www.midwestern.nsw.gov.au

Commented [KS2]: Contact details have been changed to operations.

1. PUBLIC PLACES COVERED BY THIS PLAN

Mid-Western Regional Council proposes to use and/or allow the use of pesticides in the following outdoor public places within the Council's area of responsibility:

- Parks and public gardens
- Child Care and Family Day Care Centres
- Playgrounds
- Pools
- Sporting Fields and Ovals
- Road verges and reserves
- Laneways and pathways
- Easements
- Drains
- Cemeteries
- Showground
- Saleyards
- Aerodrome
- Water treatment and sewerage plants/pump stations
- Animal Shelter/Pound
- Waste Management Facilities

This plan will also provide information on how notice will be provided to the community of pesticide use in the interiors of the following council buildings: Council chambers, library, community halls/centres and childcare facilities.

The Council's estimate of the level of community use, regular user groups and types of pesticide use in each of these categories of public places is summarised in the following table.

Although not required by the Regulation, a summary of the type of pesticide use in each category of public place is also provided.

Public places owned or controlled by Council	Regular user groups	Level of use of public place	Type of pesticide use
(a) Public parks and gardens	<ul style="list-style-type: none"> • Children and young families • Elderly people • General recreational users (joggers, dog walkers, picnickers etc) • Council staff 	Very high, frequent use by multiple users with short to medium length stays	<ul style="list-style-type: none"> • Spot herbicides • Spot insecticides • Broadscale selective herbicides • Broadscale non-selective herbicides • Broadscale insecticides • Fungicides • Fruit fly baits
b) Child Care Centres and Family Day Care	<ul style="list-style-type: none"> • Children • Young families • Parents • Council staff 	High	<ul style="list-style-type: none"> • Spot herbicides • Spot insecticides
c) Playgrounds	<ul style="list-style-type: none"> • Children • Young families • Council staff 	High	<ul style="list-style-type: none"> • Spot herbicides • Spot insecticides
d) Pools	<ul style="list-style-type: none"> • Families • Social groups • Council staff • Tourists • Swimming club • Community groups 	High	<ul style="list-style-type: none"> • Spot herbicides • Spot insecticides • Broadscale selective herbicides • Broadscale non-selective herbicides
e) Sporting Fields, ovals and related facilities	<ul style="list-style-type: none"> • Sporting clubs and associations • School sports groups • General recreational use (joggers, dog walkers etc) • Council staff 	High	<ul style="list-style-type: none"> • Spot herbicides • Spot insecticides • Broadscale selective herbicides • Broadscale non-selective herbicides • Broadscale insecticides • Fruit fly baits • Fungicides
f) Road verges and reserves	<ul style="list-style-type: none"> • Local residents or visitors • Council staff 	Low for rural roads Medium to high for urban roads	<ul style="list-style-type: none"> • Spot herbicides • Broadscale non-selective herbicides
g) Laneways and pathways	<ul style="list-style-type: none"> • Local residents • People in the vicinity • Visitors to the area • Children • Council staff 	Medium to high	<ul style="list-style-type: none"> • Spot herbicides • Broadscale non-selective herbicides

Public places owned or controlled by Council	Regular user groups	Level of use of public place	Type of pesticide use
h) Easements	<ul style="list-style-type: none"> Local residents People working in the vicinity Children Council staff 	Low to medium	<ul style="list-style-type: none"> Spot herbicides Broadscale non-selective herbicides
i) Drains	<ul style="list-style-type: none"> Local residents living adjacent to the drain Local residents or visitors walking or driving past drain Council staff 	Low to medium	<ul style="list-style-type: none"> Spot herbicides Broadscale non-selective herbicides
j) Cemeteries	<ul style="list-style-type: none"> Funeral Directors Residents Relatives of deceased Visitors Council staff 	Medium to high, especially at certain times of year such as Christmas, Mothers Day, Fathers Day	<ul style="list-style-type: none"> Spot herbicides Spot insecticides Broadscale selective herbicides Broadscale non-selective herbicides Vermin Control (rabbit baits)
k) Water Treatment works and sewerage pumping stations	<ul style="list-style-type: none"> Inspectors Auditors Public walking or driving past Council staff 	Low	<ul style="list-style-type: none"> Spot herbicides Broadscale non-selective herbicides
l) Showgrounds	<ul style="list-style-type: none"> Local residents Showtime users Horse users Visitors to the area Children Council staff Community groups 	Low - medium	<ul style="list-style-type: none"> Spot herbicides Spot insecticides Broadscale selective herbicides Broadscale non-selective herbicides
m) Aerodrome	<ul style="list-style-type: none"> Pilots Passengers Families Aero sport clubs Farmers Council staff 	Medium	<ul style="list-style-type: none"> Spot herbicides Spot insecticides Broadscale selective herbicides Broadscale non-selective herbicides Vermin control (rabbit baits)

Public places owned or controlled by Council	Regular user groups	Level of use of public place	Type of pesticide use
n) Saleyards	<ul style="list-style-type: none"> • Stock • Farmers • Auctioneers • Council staff • Truck drivers 	Low - medium	<ul style="list-style-type: none"> • Spot herbicides • Spot insecticides • Broadscale selective herbicides • Broadscale non-selective herbicides • Vermin control (rabbit baits)
o) Works Depot	<ul style="list-style-type: none"> • Council staff • visitors • company reps • couriers • delivery drivers • sports reps 	Low	<ul style="list-style-type: none"> • Spot herbicides • Spot insecticides • Broadscale selective herbicides • Broadscale non-selective herbicides • Vermin control (rabbit baits)
p) Animal Shelter - Pound	<ul style="list-style-type: none"> • Council staff • Visitors 	Low - medium	<ul style="list-style-type: none"> • Spot herbicides • Spot insecticides • Broadscale selective herbicides • Broadscale non-selective herbicides • Vermin control (rabbit baits)
q) Interior or certain council buildings	<ul style="list-style-type: none"> • Library users (including young children, school groups and the elderly) • Young children and their carers (childcare facilities) • Parents groups / playgroups • Community associations • Church groups • General members of the public 	High	<ul style="list-style-type: none"> • Spot insecticides • Bait rodenticides • Spray termiticides • Spray ant control • Bait termiticides • Bait ant control • Bait bird control

2. NOTIFICATION ARRANGEMENTS

This section of the plan describes how and when Mid-Western Regional Council will provide notice of pesticide use in public spaces. It includes special measures for sensitive places that are adjacent to public places, arrangements for emergency pesticide applications and circumstances where notification will not be given.

These notification requirements are based on Mid-Western Regional Council's assessment of:

- the level of usage of public places where pesticide may be used
- the extent to which members of the public who are most likely to be affected by the pesticides (young children, sick, pregnant and elderly people) and are likely to use these areas regularly
- the extent to which activities generally undertaken in these areas could lead to some direct contact with pesticides (such as picnic areas where food is consumed; sporting or other recreational activities that result in contact with the ground)
- the type of pesticide used

Notice of pesticide use will be provided by one of the following or a combination of:

- signs
- information on Council's website (which will describe programmed, reactive and emergency pesticide use in public places)
- social media (Facebook)
- letter box drops
- advertising in Mudgee Guardian and The Weekly newspapers
- door knocks (in person)
- phone contact

Mid-Western Regional Council will also have a central register whereby individuals or organisations can nominate to have their details listed which allow them to be notified when certain types of pesticides are going to be used in certain places.

The Council uses small quantities of some pesticides that are widely available in retail outlets and ordinarily used for domestic purposes (including home gardening). The Council does not intend to provide notice for such pesticide applications other than by way of this description in this plan (or general information on Council's website). This will apply to minor control of indoor and outdoor insect pests using baits or aerosol spray cans and spot weed control using a wand or hand-held spray bottle.

All staff and contractors are to apply the pesticides according to best management practice whilst taking into account the particular conditions of each site requiring the application of pesticide.

When baiting of vermin such as rabbits occurs, staff and contractors will adhere to all conditions (including signage and notification) for that pesticide.

2.1 Outdoor Recreation Areas

The notification arrangements described below will apply to the following categories of public place owned or controlled by Mid-Western Regional Council.

- public parks and gardens
- playgrounds
- pools
- sporting fields, ovals and related sporting facilities

In these public places, signs will be provided to the general community near the application area or main entrances at least 48 hours prior to application and remain for at least 48 hours afterwards for the following pesticide uses:

- spot spraying herbicides
- broadscale selective herbicides
- broadscale non-selective herbicides
- broadscale insecticides
- fungicides
- fruit fly baiting (where part of ongoing program, first pesticide use only)

Where any of the above pesticide uses occur adjacent to **sensitive places** (see definition of sensitive places under subsection 2.11 'Special measures for sensitive places'), or are registered with Council on the **Pesticide Notification Central Register**, the occupiers will be provided 48 hours prior notice by phone, letterbox drop or in person (whichever is most practicable)

For **playgrounds, picnic areas and pools**, where an application of spot pesticide is necessary, prior notice will be extended to 7 days by placing signs for all the above pesticide uses. For these areas only, signage will be placed at entrances or near play area for at least 48 hours after application of spot herbicide or insecticide use or placement of ant control baits.

Commented [K53]: Removed, for consistency with Regulation

For **sporting fields, ovals and related sporting facilities**, sporting groups and occupiers of adjacent sensitive places who register interest with Council can also have notice of the above pesticide uses by email, phone or in person, of pesticide use 48 hours prior to application of pesticides.

For **roadside rest areas**, signs will be provided near the application area at the time of application and remain for at least 48 hours afterwards.

2.2 Outdoor public thoroughfares and easements accessible to the public

The notification arrangements described below will apply to the following categories of public place owned or controlled by Mid-Western Regional Council within the LGA:

- laneways and pathways
- road shoulders and verges
- road easements accessible or adjacent to public
- drains

Notification will only be given if the pesticide use will be adjacent to sensitive places or if the occupier has registered interest with Council on the Central Register.

2.3 Cemeteries

Information on the following types of pesticide use shall consist of signage placed at the entrance to each of the Council's cemeteries at least 48 hours prior to application and remain in place for 48 hours after application with the exception of baiting for vermin such as rabbits when staff and contractors will adhere to all conditions (including signage and notification) for that pesticide.

- broadscale non-selective herbicides
- broadscale insecticides
- fungicides
- large vertebrate baiting (rabbit control)

2.4 Showground

Information on the following types of pesticide use shall consist of signage placed at the each entrance to the showground at least 48 hours prior to application and remain in place for 48 hours after application with the exception of baiting for vermin such as rabbits when staff and contractors will adhere to all conditions (including signage and notification) for that pesticide.

Application of pesticides shall be carried out when there is no user group booking the area:

- broadscale non-selective herbicides
- broadscale insecticides
- fungicides
- large vertebrate baiting (rabbit control)

2.5 Aerodrome

Information on the following types of pesticide use shall consist of signage placed at each entrance to the aerodrome where application is near entrances, at least 48 hours prior to application and remain in place for 48 hours after application with the exception of baiting for vermin such as rabbits when staff and contractors will adhere to all conditions (including signage and notification) for that pesticide.

Where it is not near pedestrian areas, no notification will be provided unless required under the conditions for that pesticide.

- spot spraying herbicides
- broadscale non-selective herbicides
- broadscale insecticides
- fungicides
- large vertebrate baiting (rabbit control)

2.6 Saleyards

Information on the following types of pesticide use shall consist of signage placed at the entrance to the saleyards at least 48 hours prior to application and remain in place for 48 hours after application with the exception of baiting for vermin such as rabbits when staff and contractors will adhere to all conditions (including signage and notification) for that pesticide.

Timing of pesticide application should be so not to be carried out when saleyards are in use. Where it is not near pedestrian areas, no notification will be provided unless required under the conditions for that pesticide.

- spot spraying herbicides
- large vertebrate baiting (rabbit control)
- spot spraying of non selective herbicide

2.7 Works Depot

Information on the following types of pesticide use shall consist of signage placed at the each entrance to the depot where application is near entrances, at least 48 hours prior to application and remain in place for 48 hours after application with the exception of baiting for vermin such as rabbits when staff and contractors will adhere to all conditions (including signage and notification) for that pesticide.

Where it is not near pedestrian areas, no notification will be provided unless required under the conditions for that pesticide.

- spot spraying of non selective herbicide
- large vertebrate baiting (rabbit control)

2.8 Water treatment and sewerage plants/pump stations

Information on the following types of pesticide use shall consist of signage placed at the each entrance to the site where application is near entrances, at least 48 hours prior to application and remain in place for 48 hours after application. Where it is not adjacent to residential areas, no notification will be provided.

- spot spraying of non selective herbicide

2.9 Animal Shelter/Pound

Information on the following types of pesticide use shall consist of signage placed at the entrance to the site where application is near the entrance, at least 48 hours prior to application and remain in place for 48 hours after application. Where it is not near pedestrian areas, no notification will be provided.

- spot spraying of non selective herbicide
- broadscale insecticides

2.10 Certain Council buildings

For pesticide use in council chambers, council-owned libraries, community halls and centres and childcare facilities that are owned or controlled by Council, signs will be provided near the application area or main entrance at least 48 hours prior to application and remain for at least 48 hours afterwards for the following pesticide uses:

- spot use of insecticides
- bait rodenticides
- spray termiticides
- spray ant control

Information for the general community will be posted on Council's website and on social media about the above applications and on the following pesticide uses in the above council buildings:

- bait termiticides
- bait ant control
- bait bird control

In addition, 7 days prior notice of all programmed pesticide use in Council childcare facilities will be given to operators of the facilities.

2.11 Special Measures for sensitive places

Clause 18 of the Regulation defines a sensitive place to be any:

- school or pre-school
- kindergarten
- childcare centre
- hospital
- community health centre
- nursing home
- vineyard
- place declared to be a sensitive place by the EPA

For broadscale applications notice will be provided 48 hours prior to date of application. Where pesticide application is required near vineyards, application will be timed to avoid damage to crop and carried out in appropriate weather conditions. For non-emergency reactive spot pesticide use in outdoor public places adjacent to sensitive places, Council will provide 48 hours notice before commencing spraying application, to the occupier/user by phone or in person, whichever is most practicable.

For emergency pesticide application such as treating wasps or bees where the public may be harmed, 30 minutes notification, where practicable, by phone or in person will be provided so people are aware of the situation and why the pesticide must be used.

2.12 Emergency pesticide applications

In those cases where emergency applications of pesticides must be carried out in outdoor public places, Mid-Western Regional Council will, where possible, give notice by way of signage nearby at the time of application and on social media. When this is not possible, information can be obtained by request to the staff applying the pesticide.

3. WHAT INFORMATION WILL BE PROVIDED

In accordance with clause 20(1)(h) of the Regulation. Notices of pesticide use must include all of the following information:

- the full product name of the pesticide to be used
- the purpose of the use, clearly stating what pests are being treated
- the proposed dates or date range for the pesticide use
- the place where the pesticide is to be used
- contact telephone number and email address of the Council officer who persons can contact to discuss the notice
- any warnings regarding re-entry to the public place of application as specified on the product label or the Australian Pesticides and Veterinary Medicines Authority (APVMA) permit

Signs will be clearly recognisable to the general public and Council staff.

As already noted, Council's website will have a dedicated area that describes its programmed, reactive and, if practicable, emergency pesticide use in public places with a link to this notification plan.

4. HOW THE COMMUNITY WILL BE INFORMED OF THIS PLAN

Mid-Western Regional Council will advise residents of the plan and its contents by:

- making a copy available for public viewing free of charge during office hours at all Council Offices:
 - 56 Market Street Mudgee
 - Herbert Street Gulgong
 - Louee Street Rylstone
 - Depot Road Mudgee
- placing a copy of the plan on the Council website at www.midwestern.nsw.gov.au
- placing a notice in the Sydney Morning Herald, The Mudgee Guardian and The Weekly newspapers
- placing a notice in the NSW Government Gazette
- include a leaflet in the annual rates notice advising residents of the plan and where they can view a copy of it

5. FUTURE REVIEWS OF THE PLAN

The notification plan will be reviewed every 3 years unless regulations change during that period in which it will be reviewed as directed. The review will include:

- placing the plan on public exhibition, with the proposed changes and calling for public submissions
- in the light of public submissions, make recommendations for alterations to the plan if applicable.

6. CONTACT DETAILS

Anyone wishing to contact Council to discuss the notification plan or obtain specific details of pesticide applications in public places should contact:

Susan Burns
Noxious Weeds Administrator
PO Box 156
Mudgee NSW 2850

Phone (02) 6378 2850
Fax (02) 6378 2815
Email council@midwestern.nsw.gov.au

or access Council's website www.midwestern.nsw.gov.au