



BUSINESS PAPER

Ordinary Meeting of Council

to be held at

Council Administration Centre

180 Mort Street, Lithgow

on

Monday 26 June 2023

at 7:00 PM

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1. Acknowledgement of Country

Acknowledgement of Country

Lithgow City Council acknowledges Wiradjuri Elders past and present of the Wiradjuri nation - the original custodians of the land on which the Lithgow's communities reside. The Council also extends our respects to our neighbouring nations.

Declaration of Webcasting

I inform all those in attendance at this meeting, that the meeting is being webcast and that those in attendance should refrain from making any defamatory statements concerning any person, Councillor or employee, and refrain from discussing those matters subject to Closed Council proceedings as indicated in clause 14.1 of the code of meeting practice.

2. Present

3. Apologies

4. Declaration of Interest

Under Clause 3.23 Statement of Ethical Obligations in the Code of Meeting Practice as adopted by Council at the Ordinary Meeting of Council held on 26 April 2022 (Min No 22-86),

3.23 Business papers for all ordinary and extraordinary meetings of the council and committees of the council must contain a statement reminding councillors of their oath or affirmation of office made under section 233A of the Act and their obligations under the council's code of conduct to disclose and appropriately manage conflicts of interest.

Councillors are reminded of the oath or affirmation which was taken at the Ordinary Meeting of Council held on 22 December 2021

Oath Of Councillor

I swear that I will undertake the duties of the office of Councillor in the best interests of the people of Lithgow local government area and the Lithgow City Council and that I will faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the Local Government Act 1993 or any other Act to the best of my ability and judgment.

Affirmation Of Councillor

I solemnly and sincerely declare and affirm that I will undertake the duties of the office of Councillor in the best interests of the people of Lithgow local government area and the Lithgow City Council and that I will faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the Local Government Act 1993 or any other Act to the best of my ability and judgment.

Councillors have the opportunity to declare any interests in items on the agenda and inform the Council and public if they will be leaving the Chambers during the debate, and if they will be voting on the item.

5. Confirmation of Minutes

Confirmation of the Minutes of the Ordinary Meeting of Council held 22 May 2023.

6. Commemorations and Announcements

On behalf of Lithgow City Council the Mayor expresses sincere sympathy and condolences to families who have lost loved ones since the last council meeting.

7. Public Forum

Any person registered to speak during Public Forum on a matters included in the business paper and registered via the Council website prior to 12 Noon on the day of the meeting will have the opportunity to speak. There will be only two speakers for and against, on each matter on the business paper.

Public forum will be allocated half an hour time in total with each speaker having 3 minutes to speak.

Speaker not registered for public forum will have an opportunity to speak on matters on the business paper if time permits.

8. Mayoral Minutes

The Mayor is able to table a Mayoral Minute at the meeting if required.

9. Notices of Motion

9.1. NOTICE OF MOTION - 27/06/2023 - Cr S McGhie - Renaming of Inch Street Lane

Report by Councillor Stuart M^cGhie

Reference

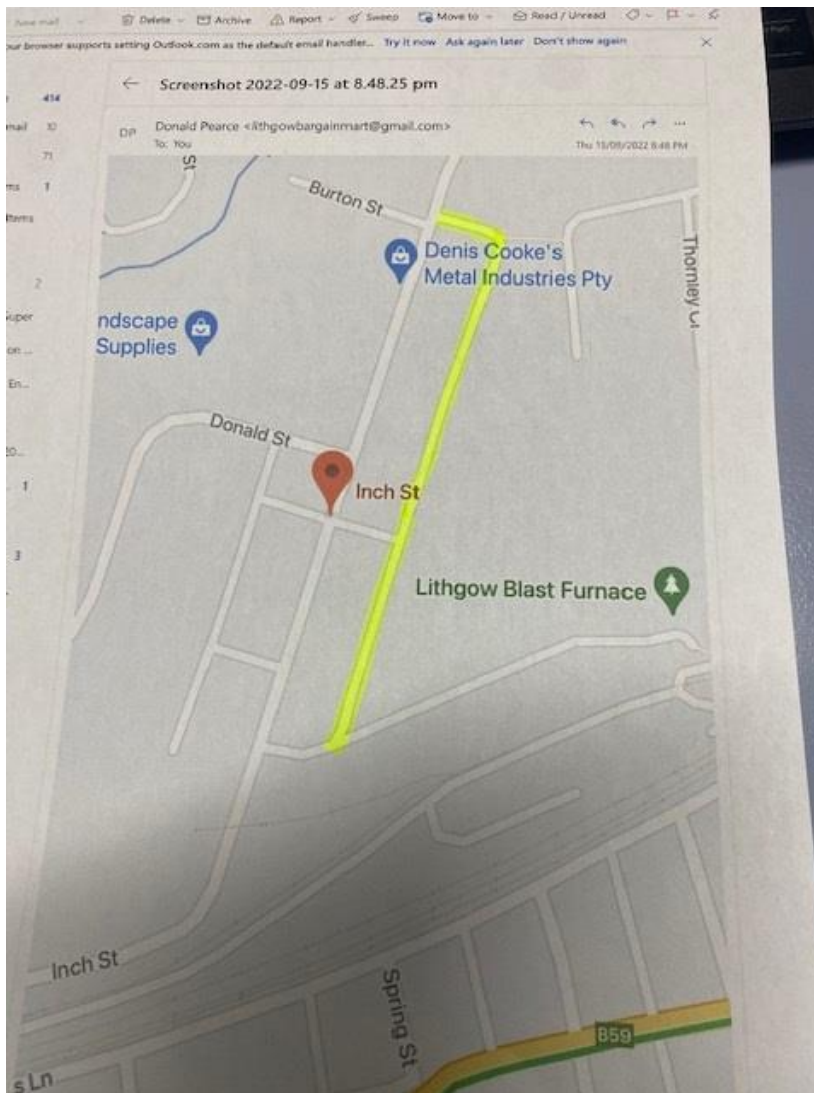
Notice of Motion was withdrawn at the Ordinary Meeting of Council 26 September 2022. Councillor S McGhie has requested that it be re-tabled.

No reason was given for withdrawing of the notice of motion from Councillor McGhie.

Commentary

That a currently unnamed lane running parallel to Inch Street in Lithgow City be named in honour of long term resident and local businessman George Pearce.

The Pearce family name has been synonymous with Lithgow for a very long time, with George Pearce and Co Earthmoving and Engineering Works still operating in Lithgow after sixty years. George's grandson Craig is currently managing the business after George's death in 2022.



Attachments

Nil

Recommendation

THAT the lane in question to be named George Pearce Lane would be appropriate as it was alongside this laneway that the operations have run for over sixty

Management Comment

The Council is able to make formal application for the naming of this lane.

The primary reason for naming road assets is for property identification purposes and property addressing. Previously, it was not suggested that a formal name be applied to this lane as it did not service any residential property frontages.

There are now property frontages along this road. While there is a standard naming convention for lanes that offer rear property access only (hence why this lane is known as Inch Street Lane), there is now good reason to properly name the road and signpost it accordingly.

The *NSW Addressing User Manual 2016* created by the NSW Geographical Names Board to complement the NSW Addressing Policy No. 2, 2015 states the following in relation to the naming of roads:

1. That all road naming be undertaken in accordance with the AUM and the Online Road Naming System.
2. When commemorating a person, only one of the person's names shall be used e.g. a given name or surname.
3. Commemorative Road Names: Acts of bravery, community service and exceptional accomplishments are typical grounds for this recognition. The name of persons who gave their lives in service for their country are often used as commemorative names. The person commemorated should have contributed significantly to the area. Ownership of land that has been developed is not considered as a significant reason for naming purposes.

The significance of the local contribution made is a matter for Council to consider. However, today's standards for road naming require that a single name be used for road naming purposes. While different rules have applied in the past, these contemporary requirements have been applied to several road naming requests in recent years. For this reason, either *George Lane* or *Pearce Lane* are recommended.

Lastly, any road naming request must be subject to a community consultation period of 28 days.

9.2. NOTICE OF MOTION - 26/06/2023 - Cr E Mahony - Great Western Highway Management

Report by Councillor Eric Mahony

Commentary

The Great Western Highway serves as the primary entry point to the township of Lithgow and the surrounding region, playing a crucial role in connecting us with the rest of the region and Sydney.

The highway serves visitors, commuters, and businesses, for their transport needs as well as providing the first impression of our town and the region. Its condition directly influences the perception of our community and its attractiveness to potential tourists, investors and residents.

Recent observations and representations from community members have highlighted the need for a clear plan to ensure the consistent maintenance and management of this vital transport infrastructure, both in the short and long term.

Therefore, it is essential that we prioritise its upkeep to create a positive and welcoming environment, that is also fit for our future transport needs within the urban setting and beyond

Attachments

Nil

Recommendation

THAT a report be provided outlining any road maintenance contracts existing between Transport for NSW and Lithgow City Council, proposed improvements in regards to landscaping and footpaths and intersection management in the short and medium term.

Management Comment

The observations about the poor impression that is being given of Lithgow because of inconsistent or inadequate maintenance of the GWH by the NSW Government have been taken up with the senior leadership of Transport for NSW. The Mayor, during this term, has requested an address of this situation and has been actively conveying the community concerns in meetings with senior staff from Transport for NSW. In discussions that have been had about this issue, requests have been made for enhanced maintenance as well as a complete review of the GWH medians and curtilages and the development of design improvements. Council has also been involved in analysis of the performance of intersections through work that is being conducted by Transport for NSW.

A report to Council can more significantly canvas all of the above.

9.3. Decision by the General Manager not to include an item of business within this Business Paper

Report by General Manager

Commentary

The Council's adopted Code of Meeting Practice (the Code) provides, in clause 3.10, that a councillor may give notice of any business they wish to be considered by the Council at its next Ordinary Meeting by way of a notice of motion.

Clause 3.20 of the Code provides that the General Manager must not include in the agenda for a meeting of the council any business of which due notice has been given if, in the opinion of the General Manager, the business is, or the implementation of the business would be, unlawful. The General Manager must report, without giving details of the item of business, any such exclusion to the next meeting of the council.

A notice of motion was received. After consulting with the Office of Local Government's governance area, the General Manager has formed the opinion that implementation of the business would be unlawful. The OLG's governance staff concurred with this decision. As such, the business has been excluded from the business paper.

Attachments

Nil

Recommendation

THAT the Council note the General Manager's decision to exclude a notice of motion for business to be considered at this meeting because implementation of the business would be unlawful.

10. Staff Reports

10.1. General Manager's Reports

10.1.1. GM - 26/6/2023 - Oath or Affirmation of by Councillor

Prepared by	Trinity Newton - Executive Assistant to the Office of the General Manager and Mayor
Department	The Office of the General Manager
Authorised by	General Manager

Summary

As a result of the resignation of an incumbent councillor, a countback has resulted in the election of a new person to fill that vacancy.

Procedurally, this requires that the new councillor take an oath or make an affirmation of office at or before the first meeting. This report has been created to provide the opportunity for this to occur, unless the step is satisfied ahead of the meeting.

Commentary

S233A (1) of the Act states that "a Councillor must take an oath of office or make an affirmation of office at or before the first meeting of the Council after the Councillor is elected".

S233A (2) of the Act states "the oath or affirmation may be taken or made before the General Manager of the Council, an Australian legal practitioner, or a justice of the peace."

Councillors need to be physically present before the General Manager, legal practitioner or justice of the peace when taking their oath or making their affirmation of office.

An oath or affirmation should be taken or made by each Councillor as the first item of business for the first meeting. The General Manager must ensure that a record is kept of the taking of the oath or making of the affirmation.

The oath or affirmation can be done by way of a signed statement containing the oath or affirmation or by recording the taking of the oath or making of the affirmation by each Councillor in the minutes of the Council meeting.

If a Councillor is not able to attend the first Council meeting, they may take the oath or affirmation of office at another location in front of the General Manager.

As noted above, the oath or affirmation of office may also be taken before an Australian legal practitioner or a justice of the peace. The taking of the oath or making an affirmation of office outside a Council meeting must be publicly recorded by the Council.

Where an oath or affirmation is taken or made outside a Council meeting, a Council staff member should also be present to ensure that an accurate record can be kept by the Council.

A Councillor who fails, without a reasonable excuse, to take the oath or make an affirmation of office, will not be entitled to attend Council meetings until they do so and will be taken to be absent without leave.

The prescribed words of the oath and affirmation are provided below:

Oath

"I [name of Councillor] swear that I will undertake the duties of the office of Councillor in the best interests of the people of Lithgow local government area and the Lithgow City Council and that I will faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the Local Government Act 1993 or any other Act to the best of my ability and judgment."

Affirmation

"I [name of Councillor] solemnly and sincerely declare and affirm that I will undertake the duties of the office of Councillor in the best interests of the people of Lithgow local government area and the Lithgow City Council and that I will faithfully and impartially carry out the functions, powers, authorities and discretions vested in me under the Local Government Act 1993 or any other Act to the best of my ability and judgment."

Policy Implications

The requirements of the oath and affirmation for Councillors are found in S233A of the Local Government Act 1993.

Financial Implications

- Budget approved - N/A
- Cost centre - N/A
- Expended to date - N/A
- Future potential impact - N/A

Legal and Risk Management Implications

A Councillor who fails to take the oath or affirmation of office, will not be entitled to attend Council meetings until they do so and will be taken to be absent without leave.

Attachments

Nil

Recommendation

THAT the Council note the Oath or Affirmation of Office taken by the new Councillor.

10.1.2. LATE REPORT - GM - 26/06/2023 - National General Assembly of the Australian Local Government Association 2023

Authorised by General Manager

Summary

Between 13 – 15 June the Mayor, Deputy Mayor and the General Manager attended the National General Assembly of the Australian Local Government Association (the NGA). This was followed on 16 June by the Australian Council of Local Government (the ACLG).

Commentary

The NGA brings together the 537 councils from across Australia. Discussions focus on the significant contemporary issues facing local government. Presentations are received from a range of speakers including Federal Government bureaucrats, politicians, subject experts from local government and thought leaders. Typically, each presentation is followed by question and answer sessions, and these provide the opportunity for two way communication (with the speakers receiving the perspective of local government, or hearing of the nuanced challenge of governing – for example in regional and rural locations or in places that are more vulnerable to disruption or suffering inequity or entrenched disadvantage). The agenda and priorities of local government's key representative body (the Australian Local Government Association) are also shaped at the conference through the consideration of motions that are brought forward by councils. A copy of the program for the NGA is attached to this report.

It was pleasing to see Lithgow Council's motion to the conference endorsed. This occurred by the motion being bundled with many other that related to the same topic. The call from these councils was for –

- trust in local government by reducing the tying of grants - define objectives or outcomes and then allocate funds to councils trusting in their ability to determine the most important local projects to achieve the objective or outcome
- policy driven grant funding, or put another way a move away from politically driven grants,
- consideration of recurrent operating costs being recoverable from grants,
- reduced requirement for co-contributions to a maximum of 10% for rural and regional councils as these disadvantage smaller councils who are financially constrained.

The NGA heard about the latest national survey of the key risks being faced by Australian councils. These are financial sustainability, cyber security, assets and infrastructure, disasters/catastrophes and business continuity. These risks challenge the ability of councils' to deliver their strategic direction and to achieve the outcomes that communities require or request. Of course, all of these risks inter-connect and bear on the other. Their address requires capacity. Capacity is heavily influenced by financial sustainability, which has been the number one challenge since 2018. While councils have the benefit of the stability of revenue from rates, with modest annual increases, costs escalate faster and ageing assets require modernisation – at great expense. The pattern of cost shifting from other levels of government continues, yet this is not matched through funding. In 1996, 1% of Commonwealth taxation revenue was returned to local government through the Federal Assistance Grants. Today this amount has dropped to just 0.5%. Unsurprisingly, the financial sustainability of councils was a matter that was constantly aired and debated throughout the NGA, and the ACLG.

In the case of assets, it was acknowledged that councils are responsible for more than \$133bn of infrastructure assets. Sector-wide, most Councils reported that they do not have the capacity to finance the management of these assets. This is exacerbated by inflation, supply chain issues and disaster impacts. It is also being recognised that some assets have a much shorter lifecycle and

replacing these with new assets will be costly and challenging. Unless firm action is taken to equip councils with the financial capacity to maintain these assets, community well-being, safety and liveability will diminish, and this will occur more rapidly and more significantly in rural and regional localities than metropolitan areas.

The NGA and ACLG brought Lithgow Council's peers together. The opportunity was taken for collaboration through meetings with councillors and officers from Central West councils, as well as those from regions which are mining or power generation dependent in their local economy. Lithgow has a shared "community of interest" with these other localities and councils and collaboration can only assist in solving the "wicked problems" we all face.

The ACLG has been re-established after more than a decade of not being offered. It is a step to local government being recognised more significantly as a partner alongside of the Australian Government. The ACLG saw the Prime Minister and Federal Ministers present to speak to their interest in engaging with councils, and to field questions. Elected representatives from the councils raised their community's concerns, challenges and aspirations with the PM and Ministers.

The NZAB had been formally announced in the week of the ACLG. It is an interim body until such time as the Government legislates the establishment of a Net Zero Authority. The NZAB will give advice to the Government and will work with state, territory and local governments, existing regional bodies, unions, industry, investors and First Nations groups to help key regions, industries, employers and others proactively manage the transformation to a clean energy economy. It is timely that Lithgow Council has undertaken the development of the Lithgow Emerging Economy Plan. This strategic document will guide Lithgow's diversification of the local economy as new energy takes the place of coal mining and thermal power generation in the future. The insight that the Plan gives to the most important actions for Lithgow will be valuable in informing the work of the NZAB. One of the key findings of the Plan is that best practice involves three levels of government working proactively and in impactful ways (with good levels of funding, program and policy alignment) – but with a particularly local focus. There is a considerable body of expertise being assembled from within the councils that are preparing for economic disruption as coal mining and thermal power generation reduce in value. This supports the case for local government being closely integrated into the work of the NZAB.

In the question and answer section of the ACLG, the Mayor stood to encourage that local government have a place on the recently established Net Zero Advisory Board (the NZAB). This was consistent with a motion that had been carried the day before at the NGA. As it worked out another speaker asked the same question of the Minister. The Minister undertook to facilitate dialogue between the Chair of the NZAB and relevant councils to canvas the opportunities for collaboration.

The consistent message from the Government at the ACLG was that they recognised the direct impact that local government has on well-being for all Australians, economic productivity, housing supply, delivering and managing infrastructure and addressing climate change and its effects. There were many statements made from both local councillors and the federal politicians about the desire for greater collaboration between these two spheres of government.

Policy Implications

Nil

Financial Implications

- Budget approved - Nil
- Cost centre - Nil
- Expended to date - Nil
- Future potential impact - Nil

Legal and Risk Management Implications

Nil

Attachments

Nil

Recommendation

THAT the report relating to the recent attendance by the Mayor, Deputy Mayor and General Manager at the ALGA National General Assembly and the Australian Council of Local Government be received.

10.2. People and Places Reports

10.2.1. People and Places Reports

Nil

10.2.2. Development Reports

Nil

10.3. Infrastructure and Economy Reports

Nil

10.4. Water, Wastewater and Waste Reports

Nil

10.5. Finance, Assets and Legal Reports

10.5.1. FIN - 26/06/2023 - Local Government Remuneration Tribunal Determination 2023

Prepared by Ross Gurney - Chief Financial & Information Officer

Authorised by Chief Financial & Information Officer

Reference

Min No 22-106: Ordinary Meeting of Council of 23 May 2022.

Summary

The Local Government Remuneration Tribunal (the Tribunal) is established under Chapter 9, Part 2, Division 4 of the Local Government Act. The Tribunal's role is to determine categories of Councils then to determine the maximum and minimum amounts of fees to be paid to Mayors and Councillors in each of the categories.

The Tribunal has recently determined the Mayoral and Councillor fees for the 2023/24 financial year. This report recommends the Mayoral and Councillor fees be set for the 2023/24 year as per the determination.

Commentary

At the Ordinary Meeting of Council of 23 May 2022, Council resolved:

22 -106 RESOLVED

THAT Council:

1. Set the remuneration in 2022/23 for Councillors at \$11,567.
2. Set the remuneration in 2022/23 for the Mayor \$24,495.
3. Set the 2022/23 car lease payable by the Mayor at nil.

Allocation of Councils into Categories

Section 239 of the Local Government Act (LG Act) requires the Tribunal to determine the categories of councils and mayoral offices at least once every 3 years.

In accordance with the LG Act the Tribunal undertook a review of the categories and allocation of councils into each category as part of this review.

The revised categories of general purposes councils are determined as follows:

Metropolitan	Non-Metropolitan
Principal CBD	Major Regional City
Major CBD	Major Strategic Area
Metropolitan Major	Regional Strategic Area
Metropolitan Large	Regional Centre
Metropolitan Medium	Regional Rural
Metropolitan Small	Rural Large
	Rural

Under the revised classifications, Lithgow remains classified as Regional Rural.

The current population criteria thresholds for non-metropolitan councils are outlined in the table below:

Category	Population Criteria
Rural	<20,000
Regional Rural	>20,000
Regional Centre	>40,000
Regional Strategic Area	>200,000
Major Strategic Area	>300,000

Submissions made to the 2023 review and the Tribunal's own conclusions from evidence it has examined, suggest that there are significant issues underlying concerns raised about Mayor and Councillor remuneration. It is apparent to the Tribunal that those issues, which include a lack of diversity in representation, changing nature of work required to be undertaken and changed community expectations cannot be easily resolved under the existing framework. In the Tribunal's view, there would be merit in a comprehensive review of the framework for Mayor and Councillor remuneration.

The criteria under which the Tribunal makes these determinations has been in existence since 1994 and at that time NSW had 177 Councils. Much has changed over the past 30 years, however, the criteria have not altered.

Determination of Fees

The Industrial Relations Regulation provides that public sector wages cannot increase by more than 3% per annum and the tribunal therefore has the discretion to determine an increase of up to 3% per annum.

The Tribunal has considered key economic indicators, including the Consumer Price Index and Wage Price Index, and has determined that the **full 3% increase** will apply to the minimum and maximum fees applicable to existing categories.

Minimum and maximum fees are set out in the table below:

General Purpose Councils - Non-Metropolitan

Councillor/Member Annual Fee (\$) effective 1 July 2023

Category	Minimum	Maximum
Major Regional City	19,760	34,330
Major Strategic Area	19,760	34,330
Regional Strategic Area	19,760	32,590
Regional Centre	14,810	26,070
Regional Rural	9,850	21,730
Rural Large	9,850	17,680
Rural	9,850	13,030

Mayor/Chairperson Additional Fee* (\$) effective 1 July 2023

Category	Minimum	Maximum
Major Regional City	41,960	106,960
Major Strategic Area	41,960	106,960
Regional Strategic Area	41,960	94,950
Regional Centre	30,820	64,390
Regional Rural	20,980	47,420
Rural Large	15,735	37,925
Rural	10,490	28,430

Setting of Fees

The LG Act requires:

248 Fixing and payment of annual fees for councillors

(1) A council must pay each councillor an annual fee.

(2) A council may fix the annual fee and, if it does so, it must fix the annual fee in accordance with the appropriate determination of the Remuneration Tribunal.

(3) The annual fee so fixed must be the same for each councillor.

(4) A council that does not fix the annual fee must pay the appropriate minimum fee determined by the Remuneration Tribunal.

In addition to the above fees Council also provides the Mayor with a motor vehicle which is available for private use. No lease fee is currently payable for this.

Councils set Councillor and Mayoral fees for each financial year based on the Tribunal's determination. The level of fees accords with each Council's category as set by the Tribunal.

Lithgow City Council's mayoral and councillor fees have historically been set at the lower end of the annual fee range. In past years, Council has set fees based on the current year's fees with the addition of the Tribunal's determination.

Since 1 July 2022, Councillors have received superannuation contributions as determined by Council (Min. No. 22-42 Ordinary Meeting of Council held on 2 March 2022). From 1 July 2023, the superannuation guarantee percentage increases to 11%.

Below are the current Councillor and Mayoral fees and the amounts with the addition of a 3% increase:

- Councillors fees - 2022/23 being \$11,567 and 3% increase being \$11,914.
- Mayoral fee - 2022/23 being \$24,495 and 3% increase being \$25,230.
- Car lease payable by the Mayor - 2022/23 being nil.

Policy Implications

Nil.

Financial Implications

- Draft 2023/24 budget - \$132,456 which includes a 3% increase on 2022/23 fees.
- Cost centre - PJ 800154 Governance.
- Expended to date - nil for 2023/24
- Future potential impact - N/A

Legal and Risk Management Implications

Council is required under the Local Government Act 1993 to pay the remuneration in accordance with the limits set by the Tribunal.

Attachments

1. 2023 Annual Determination - April 2023 [**10.5.1.1** - 47 pages]

Recommendation

THAT Council:

1. Set the remuneration in 2023/24 for Councillors (2022/23 is \$11,567).
2. Set the remuneration in 2023/24 for the Mayor (2022/23 is \$24,495).
3. Set the 2023/24 car lease payable by the Mayor (2022/23 is nil).

10.5.2. LATE REPORT - FIN - 26/06/2023 - Delivery Program 2022-2026 and Operational Plan 2023-2024

Prepared by Deborah McGrath - Corporate Planning and Communications Officer
Ross Gurney - CFIO

Department Corporate Planning and Communications

Authorised by Chief Financial & Information Officer

Summary

The Draft 2023/24 Operational Plan document suite was placed on exhibition for public comment from 25 April to 23 May. The Draft Operational Plan consists of the following documents:

- Combined 2022/23 - 2025/26 Delivery Program and Draft 2023/24 Operational Plan (including the draft 2023/24 operational budget and Capital Works Program);
- Draft Schedule of Fees and Charges 2023-2024; and
- Draft Statement of Revenue Policy 2023-2024.

This report provides a summary of the results of the community engagement program and submissions received for the Draft 2023/24 Operational Plan.

Extensive commentary is provided about the Council's proposal to increase rates above the rate peg. The significant measures that Council has taken to reduce the impact of the increase are detailed. These measures mean that the increase for the residential, farmland and business general categories (which capture more than 99% of rateable properties) will increase by 27.7%. The long term improved financial sustainability that Council will derive is also canvassed. So too are the outcomes that will be delivered.

The final documents are presented to Council for adoption.

Commentary

IPART (Independent Pricing and Regulatory Tribunal) SRV Determination

The significant aspect of the Operational plan and budget for the year ahead (and going forward in the case of the budget) is the proposal for an increase to the revenue that Council derives from land rates. This proposal is known as a Special Rate Variation (SRV) because it seeks an increase above the level which is regulated by the NSW Government (the rate peg).

An SRV is subject to particularly close examination by the Independent Pricing and Regulatory Tribunal, who assess such applications against the six criteria that have been set by the NSW Government. The criteria are –

- Financial need
- Community awareness
- Reasonable impact on ratepayers
- Integrated planning and reporting documentation
- Productivity improvement and cost containment, and,
- Other matters

On 15 June 2023, IPART announced that it had decided to approve the proposed Special Rate Variation (SRV) in full. IPART determined that the Council's application met all of the criteria.

The approved overall increase to land rates for the 2023/24 year is 45.78% (including the 3.7% rate peg). During the extensive exhibition and community consultation processes for the SRV, the Council is constrained in how it explains the SRV to the community. Significant emphasis must be placed on the total increase in revenue that is being requested (45.78%). But most responsibly, the Council committed to limiting the increase that will be carried by the general community. Council did this by limiting the residential, farming and business (general) rating categories to a 27.7% increase (including the 3.7% rate peg), with the balance of the increase to be levied against the business power generation sub-category, mining category and a new quarrying business sub-category or sub-categories.

From the above, it is very important to highlight that the effect of Council's regard for the impact of a rate increase and the policy approach it has taken, is that more than 99% of rateable properties (residential, farmland and business general) will be in those categories where the average increase is 27.7%. It is noted that many of the other councils approved this year have actual increases of more >50% and in some cases much higher.

In its determination, IPART stated that it agreed with Council's forecasts. Without the SRV, Council was facing a deteriorating financial position and requires a more sustainable financial base to enable it to renew infrastructure and continue delivering the services the community needs.

IPART determined that the impact of the increase is reasonable. IPART and Council acknowledge that there are some ratepayers that are more vulnerable to increases in rates under the SRV. IPART was satisfied that Lithgow City Council is aware of the impacts on its community, considered other funding sources available to it, and undertook actions to reduce the impact of the proposed SRV on vulnerable ratepayers where possible in preparing its application. Council will increase the level of subsidy provided for pensioners.

Council's average rates with the SRV will be similar to those of neighbouring and comparable Councils. Council recognises the impact of the SRV increase on the community at a time of cost of living pressures. Council will carefully monitor any hardship sustained by any ratepayer and work with them to achieve a satisfactory outcome.

A summary of 2023/24 permissible general income is shown in the table below:

Table 5.3 Permissible general income in 2023-24

	Increase approved (%)	Cumulative increase approved (%)	Increase in PGI above rate peg(\$'000)	Total increase in PGI (\$'000)	PGI ^d (\$'000)
2023-24	45.78	45.78	6,240.1	6,811.9	21,669.3
Total above rate peg	45.78		6,240.1		

Source: Lithgow City Council Application Part A Worksheets 1 and 4 and IPART calculation

The SRV was approved subject to the following conditions:

- 1) The Council use the Additional Income for the purpose of funding the Proposed Program.
- 2) The Council report in its annual report for each Year from Year 2023-24 to Year 2027-28 (inclusive):
 - i. the program of expenditure that was actually funded by the Additional Income, and any differences between this program and the Proposed Program;
 - ii. any significant differences between the Council's actual revenues, expenses and operating balance and the projected revenues, expenses and operating balance as outlined in its Long-Term Financial Plan, and the reasons for those differences;
 - iii. the outcomes achieved as a result of the Additional Income;

- iv. the productivity savings and cost containment measures the Council has in place, the annual savings achieved through these measures, and what these savings equate to as a proportion of the Council's total annual expenditure; and
- v. whether or not the Council has implemented the productivity improvements identified in its application, and if not, the rationale for not implementing them.

A copy of IPART's Special Variation Determination Report is included as an attachment.

Endorsement of the Approved SRV – Financial Sustainability / Capacity to Pay – a comment from the General Manager

In her foreword to Council's SRV determination, IPART Chair Carmel Donnelly stated "We note that, within the total rates revenue approved by IPART, it remains the responsibility of councillors to set rates in a way that takes into account the circumstances of their constituents. Councillors also have the authority to provide hardship programs that lessen the impact on people who cannot afford increased rates."

The Rating Review Technical Paper stated that *as most of the more significant impact falls in business categories (including mining) for which staggered implementation would not be purposeful, we recommend introducing the full increase to the Notional General Income in the 2023/2024 financial year.*

Morrison Low's assessment of capacity to pay found that Lithgow Council's residential rates, when compared with similar regional city councils (OLG group 4 classification), are currently the lowest, on average. The review also found that residential rates are estimated to be an average of **\$4.01 per week** higher than they would be under normal rate increases (rate peg). This would mean that average residential rates will still rank towards the lowest amongst similar regional city Councils.

Further, compared to similar Councils, Lithgow has low levels of rates income as a percentage of operating expenses, indicating capacity of ratepayers to absorb rises. Council also has low levels of outstanding rates (in 2021, despite the impact of COVID-19, only climbing as high as 7%, and in 2022 it was 5%), and has been consistently below regional benchmarks (10%), indicating strong capacity and willingness to pay.

To reduce the impact of the SRV on vulnerable ratepayers, Council will increase the pensioner rebate from \$250 to \$300 to offset most of the impact of the increase for pensioners. Ratepayers can utilise Council's Hardship Policy if they require assistance with meeting their payment obligations.

Any delay to introducing the full approved 45.78% overall increase will impact Council's Financial Sustainability Plan with the structural deficit growing by an estimated \$6M per annum without the SRV or equivalent service reductions. Council would also miss the compounding improvement in its financial position and the ability to clear asset maintenance and renewal backlogs without the full \$6.2M SRV. There would be an immediate imperative to cut services, and in a higher inflation environment the Council will likely be unable to close the gap between the deterioration of assets and the level of funding needed to arrest this. As a result, service cuts would need to be increased every year. Even then, unacceptable levels of debt would flow to future generations necessitating higher increases to rates above those now being advanced.

For all of the above reasons, as well the bases outlined in the preceding section of this report, I firmly recommend that Council take up the full SRV approved amount commencing in the 23/24 year.

Financial Sustainability Plan

Before considering applying for an SRV, Council's administration developed a Financial Sustainability Plan to identify the key actions Council will undertake to achieve its objective of delivering sustainable best value to the community. The broad suite of actions in the plan ensures that a cross-organisational commitment is made, and sustained, for continuous responsible financial management and improvement.

The SRV was also informed by a Technical Paper. This identified an initial target that \$1.3M in productivities and improvements be implemented with an SRV. The planned productivity improvements have been modelled in full, in the Long Term Financial Plan.

The 2023/24 budget actually includes **\$3.7M** of savings and additional income strategies, to be implemented as part of the Financial Sustainability Plan.

Ongoing Rating Review Actions – Harmonisation of Rating Categories

There are other ongoing actions planned in the year ahead to ensure that rating policy is always contemporary and that there are not disparities between categories and locations. The Rating Review report recommended that further harmonisation of Council rating sub-categories be considered. The administration will develop a range of multi-year rates harmonisation options during the 2023/24 year for presentation to Council. The review recommendations include:

- Each of the **urban residential** sub-categories of general rating should be harmonised – preferably by introducing a single new sub-category.
- The **urban business** sub-categories should be harmonised into a new 'Business – Urban' sub-category.
- The ad valorem amount for the '**Residential – Other**' sub-category should be harmonised with the new '**Residential – Urban**' sub-category.
- A Farmland Category Application form should be introduced to improve Council's categorisation assessment process (to be implemented in 2023/24).

Proposed SRV Funded Program

Due to the limited time to finalise a program for adoption as part of the 2023/24 Operational Plan, some specific SRV funded projects require further development to ensure that best value is achieved. Further details of specific projects will be included in quarterly budget review reports to Council.

The table below provides details of the proposed 2023/24 SRV Program. A simple description of the outcomes is provided at the base of the table. The total for the SRV Program is \$6,251,863.

Special Rate Variation Program 2023/24						
s508 (2) of the Local Government Act 1993						
General Asset Transport Maintenance				Measurement	Reporting	
Enhanced management	evidence-based	asset	\$162,954	Maintenance works completed.	Report on progress & works completed in the Six-Monthly Progress Report and Annual Report	
Transport management	maintenance	project	\$150,000			
Sealed Road Maintenance	Condition 2	Preventative	\$121,500			
Sealed Road Maintenance	Condition 3	Preventative	\$607,500			

Sealed Road Condition 4 Preventative Maintenance	\$486,000		
High risk road safety signage & barrier improvements	\$136,862		
Total General Asset Transport Maintenance Program	\$1,664,816		
Roads Renewal		Renewal completed.	works
Sunny Corner Road Portland- from Sofala to Falnash Street- 470m	\$196,000		
Corderoy Place, Wallerawang – Full length – 75m	\$105,000		
Brays Lane, Wallerawang – Blackberry Lane to No. 175 – 1200m	\$181,745		
Main Street, Wallerawang – blackberry Lane to Railway Line – 1120m	\$890,000		
Total Transport Renewal Program	\$1,372,745		
General Asset Stormwater Maintenance (Diverting water from roadways)		Maintenance works completed	
Urban kerb and gutter replacement (double the 2022/23 program)	\$150,000		
Rural roadside drain reformation	\$129,390		
Total General Asset Stormwater Maintenance	\$279,390		
Stormwater Drainage Renewal		Renewal completed.	works
Actions priorities of the Flood Plain Risk Management Plan	\$179,623		
General Other Asset Classes Maintenance		Maintenance works completed	Report on progress & works completed in the Six-Monthly Progress Report and Annual Report
Natural Area Management	\$117,392		
Natural Area Management Projects	\$93,410		
Fast track by 12 months of Asset Management Plans - Stormwater and Buildings	\$90,000		
Comprehensive building asset inspection (Condition and attributes)	\$95,000		
Total General Other Asset Classes Maintenance	\$395,802		
Other Asset Classes Renewal		Renewal completed	works
Playground Renewal and Safety	\$200,000		
Accelerate reduction of Plant replacement backlog (down from 10 years to 6 years)	\$317,487		
Total Other Asset Classes Renewal	\$517,487		

Governance & Strategy Capacity			Programs Implemented	Report on progress & works completed in the Six-Monthly Progress Report and Annual Report
Governance, risk and internal audit capacity improvement	\$250,000			
Capacity Building				
Business improvement - including service planning and other "budget bid" initiatives focused on improving productivity.	\$250,000			
Transitions Management			Programs Implemented	
Economic Development Management	\$276,872			
LEEP Priority Action Fund (Incl. Adaptive Skills Hub)	\$915,128			
Total Transitions Management Program	\$1,092,000			
Contingency – Transfer to Reserve			Transfer - completed	
Surplus operating result (before capital), funds to be held in a reserve for future shocks	\$250,000			

Outcomes from the above include -

- The SRV Transport maintenance program of \$1.665M will nearly double the cash budget for roads maintenance.
- The SRV Roads Renewal Program of \$1.373M will more than double the own source revenue allocation to roads renewal.
- The current kerb and gutter program will be doubled.
- A new program of proactively reforming the drains of rural roads will commence, preventing deterioration and increased later costs for repair.
- Works will be undertaken (\$180K) in the Lithgow flood plain to reduce risks to residents and properties – as guided by the floodplain risk management plan's actions.
- A new program of natural area management will be introduced – dealing with watercourses, roadside vegetation management, weeds control,
- Some asset management plans will be delivered earlier ensuring funds are better matched to the assets of greatest need.
- The playgrounds renewals and safety program will be increased by 75%.
- The plant replacement backlog will be overcome 4 years earlier, with workers having the correct, quality equipment they need for the job.
- There will be improvements to risk management, governance and audit – all of which assist ongoing financial sustainability.
- A \$250,000 revolving fund will be established to support productivity projects which achieve ongoing savings.
- There will be close to \$1.1m directed to the critical task of diversifying the local economy and attracting investment to the city.

Operational Plan - Updated Budget Consolidated Operating Result

The updated 2023/24 budget consolidated operating result (before capital) is **\$13.583M**.

Included in the budget consolidated income is **\$11.337M** of natural disaster income. Excluding this income, the 2023/24 budget consolidated operating result (before capital) is **\$2.246M**.

The Office of Local Government (OLG) considers a Council's operating result (before capital) to be a key indicator of financial sustainability. The OLG pays particular attention to the **General Fund** operating result (before capital) (i.e. excluding the water and sewer business units).

Included in the budget General Fund income is **\$11.337M** of natural disaster income. Excluding this income, the 2023/24 budget General Fund operating result (before capital) is **\$371K**. The budget operating result exceeds the OLG benchmark for both the General Fund and consolidated funds.

Natural disaster income is taken as operating income in Council's financial statements, although all of the 2023/24 expenditure is capital in nature. In other words, the manner in which these disaster income and expenses budgets must be presented in the financial statements is masking Council's true financial results.

The updated budget consolidated operating result is shown in the table below:

Lithgow City Council - Profit & Loss			
Description	2023/24 Budget @ April 2023	2023/24 Budget Final	Variance
Rates and annual charges	32,018	39,153	7,135
User charges and fees	7,921	8,911	990
Interest and investment revenue	1,662	1,662	0
Other revenues	1,389	1,388	(1)
Grants and contributions provided for operating purposes	12,283	20,690	8,407
Grants and contributions provided for capital purposes	17,766	20,623	2,857
Disposal of Assets	21	22	1
Revenue Total	73,060	92,449	19,389
Employee Benefits & On-costs	20,746	21,589	843
Borrowing Costs	552	552	0
Materials & Contracts	10,416	14,469	4,053
Depreciation & Amortisation	14,985	14,985	0
Other Expenses	7,622	6,648	(974)
Expenses Total	54,321	58,243	3,922
Operating Result	18,739	34,206	15,467
Operating Result before Capital	973	13,583	12,610

Details are provided below of key changes to revenue and expenditure categories since the 24 April 2023 meeting.

Revenue

- **SRV income:** \$6.2M of SRV rates income has been added.
- **Rates income:** \$139K increase due to supplementary valuations and rating team diligence in identifying discrepancies.
- **Annual fees and charges:** \$230K increase due to additional properties identified by the rating team.

- **FOGO service income:** \$1M additional fees & charges income due to \$50 per tonne waste levy, \$87K increase in Domestic Waste Charge income from \$10 extra per service.
- **Operating Grants:** \$8.4M increase in operating grants, mainly due to the rephasing of natural disaster projects.
- **Capital Grants:** \$2.8M increase in capital grants, mainly due to the rephasing of 2022/23 capital projects.

Expenditure

- **Employment costs:** allowance for a 4.5% award increase (original draft budget included 3%) - \$270K organisation-wide.
- **Emergency Service Levy:** \$270K increase due to the cessation of the NSW Government subsidy plus 9% increase in the levy.
- **SRV Expenditure:** \$3.5M additional expenditure for the SRV operational program (mainly materials and contract with some employment costs).
- **FOGO service expenditure:** \$591K.
- **Finance Officer – Rates & Revenue:** \$93K for new position, more than funded from additional rates and annual charges income.

Consolidated Operating Result

- The budget consolidated operating result has improved from **\$973K surplus** to **\$12.61M surplus** with the inclusion of natural disaster income. Excluding this income, the 2023/24 budget consolidated operating result (before capital) has improved to **\$2.246M**.

Proposed Amendments to the Draft 2023/24 Operational Plan – Capital Works Program

There have been a large number of changes to the draft 2023/24 Capital Works Program during the Operational Plan exhibition period.

\$10.9M of natural disaster projects have been added to the program, including the Rural Roads Rehabilitation Program (approved by Council at the 27 February 2023 meeting – Min. No. 23-30) and the Wolgan Gap Realignment Study.

The natural disaster works are being project managed with NSW Public Works. Staff will need to work closely with NSW Public Works to ensure that invoices are timed with claims approvals to maintain effective cashflow management.

In total, there have been \$3.5M of projects which have been fully or partly rephased between the 2022/23 and 2023/24 Capital Works Program. \$1.7M of projects have been deferred for 12 months due to the size and capacity to deliver the draft program.

Finally, \$2.07M of SRV funded projects has been added to the draft 2023/24 Capital Works Program.

The budget for the Capital Works Program has grown from **\$40.5M** to **\$52.5M**. This represents a exceedingly large capital works program for the year ahead – more commentary is provided about this later in this report.

The changes to the draft 2023/24 Capital Works Program are summarised in the table below:

Draft 2023/24 Capital Works Program Total - April	\$ 40,511,623	
Natural Disaster Works	\$ 10,906,884	Rephased from 2022/23

Addition of SRV Capital Program	\$ 2,069,855	New
South Bowenfels Link Road	\$ 481,075	New
Main Street CBD Footpath Revitalisation - Stage 2	\$ 478,230	Partly rephased from 2022/23
Coco Creek Bridge - Glen Davis Road, Glen Davis	\$ 434,246	Rephased from 2022/23
Sweeper Truck	\$ 426,339	Rephased from 2022/23
Rural Roads Rehabilitation Program - ARGN	\$ 355,180	Rephased from 2022/23
Airlie Creek Bridge - Glen Davis Road, Capertee	\$ 350,000	Rephased from 2022/23
Rydal Toilet Block	\$ 300,000	Rephased from 2022/23
Hartley Valley Road Path	\$ 250,000	Rephased from 2022/23
Maple Crescent Path	\$ 200,000	Rephased from 2022/23
High Street Portland Path	\$ 165,000	Rephased from 2022/23
Blast Furnace lighting and performance stage	\$ 156,774	Rephased from 2022/23
Asset Management & Asset Management Plans - General Other	\$ 110,000	Rephased from 2022/23
Barton Avenue Path	\$ 110,000	Rephased from 2022/23
Lake Pillans Upgrades	\$ 98,780	Rephased from 2022/23
Cullen Bullen Path	\$ 90,000	Rephased from 2022/23
Kremer Park Portland - Retaining wall renewal	\$ 71,390	Increase in amount rephased from 2022/23
Lithgow Store Construction	\$ 67,274	Restore Previous Amount to include inventory module
Cook Street Plaza Shade Structure	\$ 49,074	Rephased from 2022/23
Union Theatre Kitchen Upgrade	\$ 39,600	New
Pindari Place Path	\$ 39,000	Rephased from 2022/23
Tony Luchetti Showground Drainage Upgrades 22/23	\$ 30,280	Rephased from 2022/23
Red Hill Road Bridge Fixing Country Bridges - Round 2	\$ 5,025	Increase in amount rephased from 2022/23

Capital works related to Lithgow City Council Waste Strategy	-\$ 900,000	Projects partly deferred
Active Transport Plan - Walking and Cycling Projects	-\$ 854,000	Double up of 6 projects combined
Main Street / Cupro Street Stormwater Drainage improvement - R4R R9	-\$ 720,459	Reduce Project 100840
Glen Davis Detour & Construction - AGRN1012	-\$ 500,000	Project not feasible to proceed
Main St Footpaths - Resources for Regions	-\$ 450,000	Reduce Main St Project 30%
Ridge Street, Portland	-\$ 389,741	Returned to 2022/23 Program
Main Street CBD Footpath Revitalisation - Stage 2	-\$ 318,716	Reduce Main St Project 30%
Regravel of Jerrys Meadow Road	-\$ 291,867	Deferred to 2024/25
Portland Toilet Block Portland Central	-\$ 253,000	Deferred to 2024/25
Gravel resheeting of Anarel Road, Sodwalls	-\$ 238,721	Deferred to 2024/25
Asset Management & Asset Management Plans - General Other	-\$ 110,000	Moved to Operational Projects
Charles Street Bridge Fixing Country Bridges - Round 3	-\$ 94,973	Decrease in amount rephased from 2022/23
Lithgow Store Construction	-\$ 67,274	Decrease in amount rephased from 2022/23
Fixing Country Bridges - Round 2	-\$ 64,128	2022/23 expenditure
Cook Street Plaza Shade Structure	-\$ 49,074	Project deferred
R4R8 - Kremer Park - Grandstand Improvements	-\$ 16,800	Decrease in amount rephased from 2022/23
Draft 2023/24 Capital Works Program Total - June	\$ 52,476,875	

Size of Capital Works Program and Capacity to Deliver

At \$52.5M, the draft 2023/24 Capital Works Program is an ambitious program to deliver, compared with the scale and value of capital works projects completed in recent years.

The table below shows the value of Capital Works budgets spent in the past three years.

Year	2019/20	2020/21	2021/22	2022/23 YTD
Amount Spent	\$12.873M	\$11.794M	\$10.193M	\$31.659M

The key reasons for the size of the draft 2023/24 Capital Works Program are:

- The draft program includes over \$13M of natural disaster recovery works. Much of these budgets will be cashflow managed with NSW Public Works.
- Excluding the natural disaster works, the program includes \$18.5M of other grant funded projects which need to progress in 2023/24.

- \$2.07M of SRV funded projects has been added to the draft 2023/24 Capital Works Program.

The 2023/24 Capital Works Program will be thoroughly reviewed at each quarterly budget review. Projects may need to be rephased to a future year if the 2023/24 budget is not likely to be spent in the financial year. Cashflow will need to be carefully managed to fund the program.

Community Engagement

Council, at the Ordinary Meeting of 24 April 2023, resolved to place the Draft 2023/24 Operational Plan and associated documents on public exhibition for a period of 28 days from 25 April to 24 May 2023.

The Framework consists of the following documents:

- Our Place, Our Future Combined 2022-2026 Delivery Program & 2023/24 Operational Plan;
- Our Place, Our Future 2023/24 Statement of Revenue Policy; and
- Our Place, Our Future 2023/24 Schedule of Fees & Charges.

Copies of the plan were made available at the following locations:

- Councils' Our Place Our Future website: www.ourplaceourfuture.lithgow.com/ipr/ with a direct link from the council website www.council.lithgow.com ;
- Council Administration Centre;
- Lithgow Library Learning Centre;
- Wallerawang Library; and
- Portland Library.

Council developed a comprehensive community engagement strategy which was designed to enable community members to make informed submissions to the Draft 2023/24 Operational Plan and associated documents.

- Four Media Releases were distributed to local and regional media.
 - Have your say on the 2023/24 Draft Operational Plan
 - \$42m Multi-year Transport Infrastructure Program
 - \$2.7m Water Infrastructure Program
 - \$7.8m Sewer Infrastructure Program
- Council Column in the Village Voice and Lithgow Mercury published weekending 12 and 26 May.
- Community Update (full page advert) in the Village Voice & Lithgow Mercury week ending 12 May.
- Promotion of media releases via:
 - Council Connections – weekly subscriber eNewsletter – 1,130 subscribers.
 - Lithgow Business & Tourism Matters – Monthly eNewsletter – 1, 422 subscribers (141 opens)
 - School Newsletter - 51 subscribers (141 opens)

Posts to Council's Facebook Page					
Post	Post Reach	Post Engagement	Reactions	Shares	Link Clicks
Council is inviting submissions to the Draft Operational Plan – 28 April – Pinned to top of page	1,837	101	2	2	15

Have you taken the opportunity to view the Draft 2023/24 Operational Plan – 17 May	534	1		1	
Don't miss your chance to have your say on the 2023/24 Draft Operational Plan – 22 May	323	5			1
\$2.7m Water Infrastructure Program	350	4		1	2
\$7.8m Sewer Infrastructure Program	384	4			3
\$42m Multi-Year Transport Program	302	8		1	5
Have your say in the 2023/24 Draft Operational Plan – 2 May	1,036	78	3	9	4

- **Reach** - The number of people who saw your post at least once. Reach is different from impressions, which may include multiple views of your post by the same people. This metric is estimated.
- **Facebook Post reactions** - The number of reactions on your post. The reactions button on a post allows people to share different reactions to its content: Like, Love, Haha, Wow, Sad or Angry.
- **Facebook post shares** - The number of shares of your post.
- **Link clicks** - The number of clicks on links within the ad that led to destinations or experiences, on or off Facebook. For ads promoting Instagram profile views, link clicks include clicks on the ad header or comments that led to the advertiser's profile.
- **Link clicks were to** www.ourplaceourfuture.lithgow.com

The Integrated Planning Framework document suite was included on Council's [Our Place Our Future website](#). Visitors to the site were able to view the documents of interest to them and make a submission relevant to the document this included the Major Projects and Programs excerpt from the Draft 2023/24 Operational Plan which was downloaded 64 times and the Agenda Item from the Ordinary Meeting of Council which was downloaded 44 times. During the exhibition period there the Draft Operational Plan Webpage received a total of 179 page views.

Summary of community submissions

The following table provides a summary of the submission received which is relevant to the Integrated Planning Framework and requires the consideration of Council. No other submissions were received.

Operational Plan (2022/23)	Action(s)	NE2 – To work together to enhance, manage and maintain the Lithgow region's distinct and exceptional natural environment for the enjoyment of current and future generations.
Summary of Community Submission		I am unable to find any expenditure on weed control along rural roads. Council has a legal requirement to undertake weed control and a Biosecurity duty to do so. This inaction is affecting farmers and is costing significant money. Council does not see farms as businesses that generate income. All the focus goes into creating business opportunities for businesses in Lithgow, whilst neglecting rural ratepayers

Officers Response	<p>The 2023/24 Operational Plan be updated to include:</p> <p>NE2.4.1- We will implement weed management strategies across our local government area.</p> <p>Deliverable</p> <ul style="list-style-type: none"> • Council work in partnership with Upper Macquarie County Council (UMCC) to: <ul style="list-style-type: none"> ○ Undertake a Gap Analysis to understand the scale of the problem across the Lithgow LGA. ○ Communicate relevant changes to the roadside spraying program with the broader Lithgow community. • A prioritised program be developed to address the backlog of Roadside Weed Management across the Lithgow LGA. • A three-year rotation program across the LGA be developed and identified in the Delivery Program. • Standard Working Procedure/s be developed/reviewed in accordance with Biosecurity obligations to ensure Machinery Hygiene, slashing and spraying protocols. (pp114-115) <p>NE2.4.1 – Weed Management Program – Membership – Upper Macquarie County Council - \$224,651 (p149)</p>
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Integrated Planning and Reporting Framework Documents

- Draft Combined Delivery Program 2022-2026 and Operational Plan 2023-2024
- Draft Schedule of Fees and Charges 2023-2024
- Draft Statement of Revenue Policy 2023-2024

Due to the short timeframe following the SRV approval, the Operational Plan 2023-2024 will have SRV Program projects and changes to the Capital Works Plan updated prior to the Operational Plan being uploaded to the website.

The making of Rates and Annual charges for the 2023/24 rating year and the adoption of the following IP&R documents is the subject of a separate report:

- a) Schedule of Fees & Charges 2023-2024,
- b) Statement of Revenue Policy 2023-2024, and
- c) Rating Maps 2023-2024.

Policy Implications

N/A

Financial Implications

As detailed in this report.

Legal and Risk Management Implications

N/A

Attachments

1. Delivery Program 2022 2026 Operational Plan 202324 v 1 [**10.5.2.1** - 148 pages]
2. L G- Determination- Lithgow- City- Council- Special-variation-application-2023-24 [**10.5.2.2** - 55 pages]

Recommendation

THAT Council:

1. Note that, in response to a community submission, the 2023/24 Operational Plan will be updated to include **NE2.4.1- We will implement weed management strategies across our local government area.**
 - a. Council work in partnership with Upper Macquarie County Council (UMCC) to:
 - i. Undertake a Gap Analysis to understand the scale of the problem across the Lithgow LGA.
 - ii. Communicate relevant changes to the roadside spraying program with the broader Lithgow community.
 - b. A prioritised program be developed to address the backlog of Roadside Weed Management across the Lithgow LGA.
 - c. A three-year rotation program across the LGA be developed and identified in the Delivery Program.
 - d. Standard Working Procedure/s be developed/reviewed in accordance with Biosecurity obligations to ensure Machinery Hygiene, slashing and spraying protocols. (pp114-115)
 - e. **NE2.4.1 – Weed Management Program** – Membership – Upper Macquarie County Council - \$224,651 (p149).
2. Adopt the 2023/24 Draft Operational Plan, including the full Special Rate Variation approved by IPART, consisting of the following documents:
 - Combined 2022/23 - 2025/26 Delivery Program and Draft 2023/24 Operational Plan; and;
 - The draft 2023/24 operational budget and Capital Works Program with the SRV Program included.
3. Note that the Operational Plan 2023-2024 will have the SRV Program projects and changes to the Capital Works Plan updated prior to the Operational Plan being uploaded to the website.
4. Approve the changes to the 2023/24 operating budget and capital works program.
5. Respond to the submission received, providing a copy of the Council report.
6. Note that the 2023/24 budget includes \$3.7M of savings and additional income strategies, to be implemented as part of the 5 Pillars for Financial Sustainability. Also, that there will be ongoing consideration of rates harmonisation opportunities.

10.5.3. FIN - 26/06/2023 - Making of Rates & Annual Charges for 2023/24

Prepared by Rhiannan Whiteley- Senior Finance Officer
Department Revenue

Authorised by Chief Financial & Information Officer

Reference

Min No 23-74 Ordinary Meeting of Council 24 April 2023

Summary

The purpose of this report is to make the rates and annual charges for the 2023/24 financial year in accordance with Section 535 of the Local Government Act 1993. The report encompasses the rates and annual charges, as well as the fees and charges that are included in the 2023/24 Revenue Policy, that require formal adoption by Council.

The full listing of rates, fees and charges, relevant statutory regulations and the proposed income generated is contained in the Revenue Policy and the Fees and Charges documents included as an attachment to this report.

Commentary

Public Exhibition

At its 24 April 2023 meeting, Council endorsed the Draft 2023/24 Revenue Policy to be placed on public exhibition as part of the Draft Operational Plan. This is an integral part of the Integrated Planning and Reporting (IPR) document suite. The documents outline Council's rating structure and the fees and charges to apply for the 2023/24 financial year.

The period of public exhibition was 24 April 2023 to 24 May 2023. No submissions were received on the Draft Revenue Policy.

Council received advice from the NSW Independent Pricing and Regulatory Tribunal's (IPART) on 15 June 2023 that Council's application for an overall 45.7% Special Rate Variation (SRV) had been approved. The Draft 2023/24 Revenue Policy has been updated on the basis of Council's endorsement of the approved SRV.

Fees and Charges

For 2023/24 Council has applied a **7.3%** minimum CPI related increase to all non-regulatory / non-legislated fees and charges.

The following changes were made to fees and charges during the public exhibition period:

- Addition of fees for Cullen Bullen Hall hire. The hall was transferred to Council's ownership in April 2023.
- \$10 increase in the Domestic Waste Charge for the new FOGO service.

There have been other minor changes to fees and charges, including an update of regulatory fees.

Rates & Annual Charges

The Ordinary Rates structure incorporates the increase in Council's General Rating Income of 45.7% for 2023/24 rating year as approved by IPART. Council has limited the increase in the residential, farming and business (general) rating categories to 27.7% (including the 3.7% rate

peg) with the balance of the increase to be levied against the business power generation sub-category, mining category and a new quarrying business sub-category or sub-categories.

The pensioner concession has been increased from \$250 to \$300 upon approval of the SRV.

The rates and annual charges structure in the Draft Revenue Policy that was placed on exhibition has some minor changes made following the announcement of the SRV approval.

Councils can choose how they calculate and distribute rates among categories of rateable properties in the Council area. For each category and/or subcategory, rates can be calculated in one of three ways. They are as follows:

- Option 1 – entirely on the land value of the property (known as an ad valorem rate);
- Option 2 – on a combination of the land value of the property and a fixed amount per property (known as a base amount plus ad valorem rate); or
- Option 3 – entirely on the land value, but subject to a minimum amount for land values under a certain threshold (known as ad valorem with minimum rate).

Each year, Council evaluates the impact of rates and seeks to ensure that the system we use to calculate rates is the most equitable for the whole LGA. The total amount of rates collected by Council remains the same regardless of changes to land values; it's the rating structure chosen that determines how rates are shared across all property owners.

Council uses **Option 2** as this is a fair and equitable method of rating. Under this option property owners are asked to pay their share of rates based on their individual property value. This is added to a base amount irrespective of where they are located within the LGA.

In accordance with Section 497 of the Local Government Act 1993, the structure of the Ordinary Rate consists of a base amount and an ad valorem amount:

- The ad valorem amount is set to recover the cost of infrastructure; and
- The base amount is set to recover the cost of services and operations.

It is a recommendation, at the conclusion of this report, that in accordance with the Local Government Act 1993 and using land values with a base date of 1 July 2022 that the Ordinary Rates in the table below be made for the 2023/24 rating year and that these charges commence on 1 July 2023.

The table below shows the rating categories and sub-categories that are proposed to be used from 1 July 2023 for rating purposes. Maps of each category and sub-category are included as an attachment to this report. The Mining Category map may differ slightly as the assessment boundaries provided to Council by the Office of the Valuer General do not precisely match the assessment boundaries made by it. It is intended that the land categorised for mining has an identical area to the actual assessment made by the Valuer General for each mine.

Rate Categorisation Table

Type	Category	Sub-Category	Basis
Ordinary	Residential	Lithgow Portland Wallerawang	Each parcel of rateable land valued as one assessment which can be categorised as Residential in accordance with the <i>Local Government Act, 1993</i> within the Lithgow, Portland & Wallerawang urban areas as set out

			in the Lithgow Rate Categorisation Map.
Ordinary	Residential	Other	Each parcel of rateable land valued as one assessment which can be categorised as Residential in accordance with the <i>Local Government Act, 1993</i> but cannot be categorised as 'Residential - Lithgow, Portland & Wallerawang'.
Ordinary	Farmland		Each parcel of rateable land valued as one assessment which can be categorised as Farmland in accordance with the <i>Local Government Act, 1993</i> .
Ordinary	Mining		Each parcel of rateable land valued as one assessment which can be categorised as Mining in accordance with the <i>Local Government Act, 1993</i> .
Ordinary	Business	Lithgow, Portland, Wallerawang	Each parcel of rateable land valued as one assessment which can be categorised as Business in accordance with the <i>Local Government Act, 1993</i> within the Lithgow, Portland & Wallerawang urban areas as set out in the Lithgow Rate Categorisation Map.
Ordinary	Business	Other	Each parcel of rateable land valued as one assessment which can be categorised as Business in accordance with the <i>Local Government Act, 1993</i> but cannot be categorised as either 'Business - Lithgow, Portland Wallerawang' or 'Business - Power Generation and Storage'.
Ordinary	Business	Power Generation and Storage	Each parcel of rateable land valued as one assessment which cannot be categorised as farmland, residential or mining and if its dominant use is as a centre for any of the following activities: a) the generation of, or capacity to generate, more than 15 megawatts of electricity; b) the storage of, or capacity to store, more than 50 megawatts of electricity.
Ordinary	Quarries	Quarries	Each parcel of rateable land valued as one assessment which cannot be categorised as farmland, residential or mining and if its dominant use is as a centre for quarrying or works ancillary or properly incidental to quarrying.

Estimated Yield

Residential				
Category/Sub-Category	Estimated Number of properties	Base Amount (\$)	Ad Valorem Amount (c in the \$)	Estimated Yield
Residential/Lithgow	5562.26	300.00	0.48340	6,831,319.80
Residential/Portland	929.91	300.00	0.31541	708,342.12
Residential/Wallerawang	832.69	300.00	0.27042	743,620.06
Residential/Other	2445.87	300.00	0.23487	2,957,097.73
Farmland				
Farmland	1268.00	567.45	0.17269	2,860,023.73
Business				
Business/Lithgow	293.74	600.00	2.14426	2,422,964.72
Business/Portland	40.09	600.00	0.92872	87,237.89
Business/Wallerawang	41.31	600.00	1.40545	169,057.45
Business/Other	118.13	380.00	0.24565	167,425.99
Business/Power Generation and Storage - Portland	1.00	13,034.55	12.85676	337,024.90
Quarry - Clarence	1.00	15,000.00	2.08614	91,769.95
Quarry - Newnes Junction	1.00	15,000.00	2.08614	36,487.24
Quarry - Wallerawang	1.00	15,000.00	2.08614	64,650.13
Quarry - Marrangaroo	1.00	15,000.00	2.08614	56,117.82
Quarry - Hartley	1.00	15,000.00	2.08614	181,265.36
Quarry - Round Swamp	1.00	15,000.00	2.08614	24,596.24
Quarry - Clarence - Lithgow	1.00	15,000.00	2.08614	19,693.82
Mining				
Mining	13.00	15,002.60	2.20536	4,303,919.41
Total Estimated Yield	11,553.00			22,062,614.35

Parking Special Rate

The special rate for parking for 151 CBD properties will continue within the designated area of Lithgow. At the Council meeting held on 26 November 2018 it was resolved:

THAT Council take the following action from the 2019/20 financial year:

1. Utilise the parking special rate for Lithgow CBD capital works and maintenance.
2. Determine a specific program of works and activities which will be funded from the parking special rate for inclusion in each year's Operational Plan.
3. Any parking special rate funds not utilised in a financial year be placed in an internally restricted reserve for future Lithgow CBD capital works and maintenance.
4. That the outcome of the program is reported to Council annually and that the program is reviewed in 5 years.

The 2023/24 Parking Special Rate program of works includes recurrent funding for CBD street sweeping, the Main Street Banner Program and maintenance of the "Made in Lithgow" Cook Street Plaza lighting installation. The remaining Parking Special Rate income will be allocated to the Main Street Footpaths project as a co-contribution for grant funded works.

The ad valorem rate and estimated yield is provided below.

Parking Special Rate Income		
	Ad Valorem Amount (\$)	Estimated Yield (\$ GST Exclusive)
Designated area of Lithgow	0.65782	277,673

Parking Special Rate – Program of Works	
Project	Budget (\$)
CBD Street Sweeping	95,737
Made in Lithgow Lighting Installation Maintenance	10,000
Main Street Banner Program	22,900

Interest on Overdue Accounts

In accordance with section 566(3) of the Local Government Act 1993, the Minister for Local Government determines the maximum rate of interest payable on overdue rates and charges. The maximum rate of interest payable on overdue rates and charges for the period 1 July 2023 to 30 June 2024 (inclusive) will be 9.0% per annum. It is recommended that Council adopt the maximum rate of interest payable of 9% as has been standard practice.

Domestic Waste Management Service Charges

The Domestic Waste Management Charges are determined in accordance with the Reasonable Cost guidelines issued by the Office of Local Government.

It is a recommendation, at the conclusion of this report, that in accordance with the provisions set out in Section 501 of the Local Government Act 1993 and as identified as part of Council's proposed Revenue Policy, that the following Annual Waste Management charges be made and that such charges be in respect to the 2023/24 rating year commencing on 1 July 2023.

The 2023/24 Domestic Waste Charges includes the introduction of a new FOGO service.

Waste Charges		
Type of Service	Charge (\$) (GST ex)	Estimated Yield (\$) (GST ex)
Residential	519	4,548,516
Business	519	323,337
Non-Rateable	519	66,432
Waste Disposal Urban (GST applies)	243.57	114,721.47
Waste Disposal Rural (GST applies)	198	467,874
Additional Waste and Recycling	519	4,671
Additional Waste	260	3,120
Additional Recycling	88.50	14,425.50
Additional Green Waste	130	-
Additional Business Waste	260	-
Total Estimated Yield		5,542,796.97

Water Charges

The residential or business water availability charge will be levied on all rateable and non-rateable properties which are connected to the Council's reticulated water supply system. Water usage charges will be levied to all properties using Council's reticulated water supply system.

The maximum annual concession rebate for eligible pensioner customers will remain at \$222.50 (additional \$135.00 rebate) for the 2023/24 year.

It is a recommendation, at the conclusion of this report, that in accordance with Sections 501 and 502, of the Local Government Act 1993 and as identified as part of Council's proposed Revenue Policy the following charges be made in respect to the 2023/24 rating year commencing 1 July 2023.

Water Charges - Rateable		
Annual Access Charge		
Type	Charge (\$)	Estimated Yield (\$)
20mm Connection	408	3,333,768
25mm Connection	458	47,174
32mm Connection	687	9,618
40mm Connection	1,155	34,650
50mm Connection	1,550	91,450
80mm Connection	2,970	2,970
100mm Connection	4,250	51,000
Unpotable Water	220	4,400
Vacant Land Water Access	408	9,792
Total Estimated Yield		3,548,918

Water Charges Non-Rateable		
Annual Access Charge		
Type	Charge (\$)	Estimated Yield (\$)
20mm Connection	408	23,664
25mm Connection	458	5,038
32mm Connection	687	-
40mm Connection	1,155	10,395
50mm Connection	1,550	41,850
80mm Connection	2,970	2,970
100mm Connection	4,250	42,500
Total Estimated Yield		126,417

Water Usage Charges - Residential	
Kilolitres Used	Charge (\$)
0 – 250 Residential	3.06 / kl
250+ Residential	5.40 / kl
Water Usage Charges – Business	
Kilolitres Used	Charge (\$)
0 – 500 Business	3.06 / kl
500+ Business	5.40 / kl

Sewerage/Wastewater Charges

Council levies sewerage charges to cover the cost of supplying sewerage services on all properties where there is a sewerage service either connected or available. There will be a minor increase in annual sewerage access charges and the discharge usage fee for businesses will increase from \$2.28 per KL to \$2.45 per KL.

It is a recommendation, at the conclusion of this report, that the following charges for be made in accordance with Sections 501, 502, 551, 552, 553 of the Local Government Act 1993 and as identified as part of Council's proposed Revenue Policy and that such charges be in respect to the 2023/24 rating year commencing on 1 July 2023.

Sewerage Charges Rateable Properties		
Annual Sewerage Access Charge		
Type	Charge (\$)	Estimated Yield (\$)
Residential	1,005	7,408,860
Non-Residential 20mm	558	156,798
Non-Residential 25mm	558	18,414
Non-Residential 32mm	613	6,130
Non-Residential 40mm	667	10,672
Non-Residential 50mm	745	35,760
Non-Residential 80mm	882	0
Non-Residential 100mm	876	6,132
Total Estimated Yield		7,642,766
Sewerage Usage Charges		
Type	Charge (\$)	
Business (most commonly 95% of water usage)	2.45	

Sewerage Charges Non-Rateable Properties		
Annual Sewerage Access Charge		
Type	Charge (\$)	Estimated Yield (\$)
Non-Rateable 20mm	520	27,560
Non-Rateable 25mm	520	2,600
Non-Rateable 32mm	571	0
Non-Rateable 40mm	622	6,220
Non-Rateable 50mm	745	16,390
Non-Rateable 80mm	822	822
Non-Rateable 100mm	876	7,008
Total Estimated Yield		60,600
Sewerage Usage Charges		
Type	Charge (\$)	
Non-Residential (most commonly 95% of water usage)	2.45	

Sewerage Trade Waste Charges

The annual trade waste charges for commercial premises have increased to reflect the actual cost of treating the liquid trade waste. The annual trade waste charge appears on the annual Rates Notice, while the usage charge is issued with the quarterly water accounts

It is a recommendation, at the conclusion of this report, and as detailed in Council's proposed Revenue Policy that the following Trade Waste Charges be made and that such charges be in respect to the 2023/34 rating year commencing on 1 July 2023.

Sewerage Trade Waste Charges		
Trade Waste Charge		
Fee description	Charge (\$)	Category
Application Fee – category A / A2	49.48	Low risk - Includes commercial premises not preparing hot food
Application Fee – category B	74.50	Medium risk - Includes commercial premises preparing hot food
Application Fee – category C	152.33	High risk – less complex pre-treatment
Annual Charge – category A / A2	169.50	Low risk - Includes commercial premises not preparing hot food
Annual Charge – category B	251.85	Medium risk - Includes commercial premises preparing hot food
Annual Charge – category C	462.58	High risk – less complex pre-treatment
Discharge Fee – category A	2.10	Discharger with approved pre-treatment
Discharge Fee – category A	10.00	Discharger without approved pre-treatment
Discharge Fee – category B	2.10	Discharger with approved pre-treatment
Discharge Fee – category B	22.00	Discharger without approved pre-treatment
Discharge Fee – category C	2.10	Discharger with approved pre-treatment
Discharge Fee – category C	22.00	Discharger without approved pre-treatment
Total Estimated Yield		\$80,000

On-Site Sewerage Management

Properties with an on-site sewerage management system will receive an annual charge based on the risk of the system. All on-site sewage management systems will be allocated a risk rating according to their type, location and proximity to waterways and property boundaries. Specific criteria are detailed in Council's Revenue Policy.

It is a recommendation, at the conclusion of this report, in accordance with the provisions of Section 608 of the Local Government Act 1993 and as identified as part of Council's proposed Revenue Policy, the following on-site sewage management charges be made and that such charges be in respect to the 2023-2024 rating year commencing on 1 July 2023.

Septic Tank Charges		
Type	Charge (\$)	Estimated Yield (\$)
High Risk Systems	114.50	39,388.00
Medium Risk Systems	76.50	55,615.50
Low Risk Systems	51.50	63,293.50
Initial AWTS Administration Fee (1 st two years)	114.50	801.50
AWTS Annual Administration Fee	51.50	27,913.00
Commercial AWTS Administration Fee	346.00	11,764.00
Total Estimated Yield		198,775.50

Stormwater

The stormwater levy will remain at \$25 per residential assessment, \$12.50 per strata unit and \$25 per 350 square metres or part thereof for businesses with a cap on business properties of \$1,500 for 2023/2024 (no increase on the current year charges).

It is a recommendation, at the conclusion of this report, that all urban properties except vacant land that are in the residential and business categories for rating purposes, for which Council provides a stormwater management service will be charged an annual stormwater levy under Local Government Amendment (Stormwater) Act 2005 and the Local Government (General) Amendment (Stormwater) Regulation 2006, these charges will be in respect to the 2023/24 rating year commencing on 1 July 2023.

Stormwater Charges		
Type	Charge (\$)	Estimated Yield (\$)
Residential	25.00	158,000
Strata Unit (Residential)	12.50	2,137.50
Business	25.00 per 350sq metres (\$1,500 Cap)	87,125
Total Estimated Yield		247,262.50

Policy Implications

This report meets Council's legislative obligations and the requirements of the NSW Integrated Planning and Reporting Framework.

Financial Implications

The making of the rate and adoption of the fees and charges will allow Council to raise the income that is required to undertake the works included in the 2023/2024 Operational Plan.

Legal and Risk Management Implications

It is a statutory requirement that Council adopt its Integrated Planning and Reporting suite of documents by 30 June 2023.

Council is required to pass a resolution to make the rates before it can levy rates and charges on properties each year. The resolution must be passed by 31 July each year which is the last date that a Council can 'make' a rate or charge for the 2023/24 financial year.

The recommendations follow the statutory requirements as set out in the Local Government Act 1993. In conjunction with this report another item in this Council Agenda recommends the adoption of the Operational Plan, Revenue Policy and the Fees and Charges for 2023/24.

Attachments

1. Bus Lithgow [**10.5.3.1** - 1 page]
2. Bus Other [**10.5.3.2** - 1 page]
3. Bus Portland [**10.5.3.3** - 1 page]
4. Bus Powerstation [**10.5.3.4** - 1 page]
5. Bus Wallerawang [**10.5.3.5** - 1 page]
6. Res Lithgow [**10.5.3.6** - 1 page]
7. Res Other [**10.5.3.7** - 1 page]
8. Res Portland [**10.5.3.8** - 1 page]
9. Res Wallerawang [**10.5.3.9** - 1 page]
10. Special Parking [**10.5.3.10** - 1 page]
11. Mining [**10.5.3.11** - 1 page]
12. 2023/24 Fees and Charges - Final [**10.5.3.12** - 99 pages]
13. Revenue Policy 2023-24 [**10.5.3.13** - 25 pages]

Recommendation

THAT Council:

1. Adopt the maximum rate of interest payable on overdue rates and charges for the period 1 July 2023 to 30 June 2024 (inclusive) as 9.0% per annum.
2. Adopt the following Integrated Planning and Reporting (IPR) documents:
 - a) Fees & Charges 2023/24,
 - b) Revenue Policy 2023/24, and
 - c) Rating Maps 2023/24
3. Declares a category and sub-category of ordinary rate for each proposed category and sub-category set out in columns 2 and 3 of the Rates Categorisation Table in this Report on the corresponding basis set out in column 4 of the Table.
4. Make the following Rates and Annual charges for the 2023/24 rating year as detailed in the 2023/24 Revenue Policy and as listed in the tables below:

Rates & Charges

Residential				
Category/Sub-Category	Estimated Number of properties	Base Amount (\$)	Ad Valorem Amount (c in the \$)	Estimated Yield
Residential/Lithgow	5562.26	300.00	0.48340	6,831,319.80
Residential/Portland	929.91	300.00	0.31541	708,342.12
Residential/Wallerawang	832.69	300.00	0.27042	743,620.06
Residential/Other	2445.87	300.00	0.23487	2,957,097.73
Farmland				
Farmland	1268.00	567.45	0.17269	2,860,023.73
Business				
Business/Lithgow	293.74	600.00	2.14426	2,422,964.72
Business/Portland	40.09	600.00	0.92872	87,237.89
Business/Wallerawang	41.31	600.00	1.40545	169,057.45
Business/Other	118.13	380.00	0.24565	167,425.99
Business/Power Generation and Storage - Portland	1.00	13,034.55	12.85676	337,024.90
Quarry - Clarence	1.00	15,000.00	2.08614	91,769.95
Quarry - Newnes Junction	1.00	15,000.00	2.08614	36,487.24
Quarry - Wallerawang	1.00	15,000.00	2.08614	64,650.13
Quarry - Marrangaroo	1.00	15,000.00	2.08614	56,117.82
Quarry - Hartley	1.00	15,000.00	2.08614	181,265.36
Quarry - Round Swamp	1.00	15,000.00	2.08614	24,596.24
Quarry - Clarence - Lithgow	1.00	15,000.00	2.08614	19,693.82
Mining				
Mining	13.00	15,002.60	2.20536	4,303,919.41
Total Estimated Yield	11,553.00			22,062,614.35

Parking Special Rate Income		
	Ad Valorem Amount (\$)	Estimated Yield (\$ GST Exclusive)
Designated area of Lithgow	0.63434	267,763.79

Waste Charges

Waste Charges		
Type of Service	Charge (\$ (GST ex))	Estimated Yield (\$) (GST ex)
Residential	519	4,548,516
Business	519	323,337
Non-Rateable	519	66,432
Waste Disposal Urban (GST applies)	243.57	114,721.47
Waste Disposal Rural (GST applies)	198	467,874
Additional Waste and Recycling	519	4,671
Additional Waste	260	3,120
Additional Recycling	88.50	14,425.50
Additional Green Waste	130	-
Additional Business Waste	260	-
Total Estimated Yield		5,542,796.97

Water Charges

Water Charges - Rateable		
Annual Access Charge		
Type	Charge (\$)	Estimated Yield (\$)
20mm Connection	408	3,333,768
25mm Connection	458	47,174
32mm Connection	687	9,618
40mm Connection	1,155	34,650
50mm Connection	1,550	91,450
80mm Connection	2,970	2,970
100mm Connection	4,250	51,000
Unpotable Water	220	4,400
Vacant Land	408	9,792
Total Estimated Yield		3,548,918

Water Charges Non-Rateable		
Annual Access Charge		
Type	Charge (\$)	Estimated Yield (\$)
20mm Connection	408	23,664
25mm Connection	458	5,038
32mm Connection	687	-
40mm Connection	1,155	10,395
50mm Connection	1,550	41,850
80mm Connection	2,970	2,970
100mm Connection	4,250	42,500
Total Estimated Yield		126,417

Water Usage Charges - Residential	
Kilolitres Used	Charge (\$)
0 – 250 Residential	3.06 / kl
250+ Residential	5.40 / kl
Water Usage Charges – Business	
Kilolitres Used	Charge (\$)
0 – 500 Business	3.06 / kl
500+ Business	5.40 / kl

Sewerage/Wastewater Charges

Sewerage Charges Rateable Properties		
Annual Sewerage Access Charge		
Type	Charge (\$)	Estimated Yield (\$)
Residential	1,005	7,408,860
Non-Residential 20mm	558	156,798
Non-Residential 25mm	558	18,414
Non-Residential 32mm	613	6,130
Non-Residential 40mm	667	10,672
Non-Residential 50mm	745	35,760
Non-Residential 80mm	882	0
Non-Residential 100mm	876	6,132
Total Estimated Yield		7,642,766
Sewerage Usage Charges		
Type	Charge (\$)	
Business (most commonly 95% of water usage)	2.45	

Sewerage Charges Non-Rateable Properties		
Annual Sewerage Access Charge		
Type	Charge (\$)	Estimated Yield (\$)
Non-Rateable 20mm	520	27,560
Non-Rateable 25mm	520	2,600
Non-Rateable 32mm	571	0
Non-Rateable 40mm	622	6,220
Non-Rateable 50mm	745	16,390
Non-Rateable 80mm	822	822
Non-Rateable 100mm	876	7,008
Total Estimated Yield		60,600
Sewerage Usage Charges		
Type	Charge (\$)	
Non-Residential (most commonly 95% of water usage)	2.45	

Trade Waste Charges

Sewerage Trade Waste Charges		
Trade Waste Charge		
Fee description	Charge (\$)	Category
Application Fee – category A / A2	49.48	Low risk - Includes commercial premises not preparing hot food
Application Fee – category B	74.50	Medium risk - Includes commercial premises preparing hot food
Application Fee – category C	152.33	High risk – less complex pre-treatment
Annual Charge – category A / A2	169.50	Low risk - Includes commercial premises not preparing hot food
Annual Charge – category B	251.85	Medium risk - Includes commercial premises preparing hot food
Annual Charge – category C	462.58	High risk – less complex pre-treatment
Discharge Fee – category A	2.10	Discharger with approved pre-treatment
Discharge Fee – category A	10.00	Discharger without approved pre-treatment
Discharge Fee – category B	2.10	Discharger with approved pre-treatment
Discharge Fee – category B	22.00	Discharger without approved pre-treatment
Discharge Fee – category C	2.10	Discharger with approved pre-treatment
Discharge Fee – category C	22.00	Discharger without approved pre-treatment
Total Estimated Yield		\$80,000

Septic Tank/AWTS Charges

Septic Tank Charges		
Type	Charge (\$)	Estimated Yield (\$)
High Risk Systems	114.50	39,388.00
Medium Risk Systems	76.50	55,615.50
Low Risk Systems	51.50	63,293.50
Initial AWTS Administration Fee (1 st two years)	114.50	801.50
AWTS Annual Administration Fee	51.50	27,913.00
Commercial AWTS Administration Fee	346.00	11,764.00
Total Estimated Yield		198,775.50

Stormwater Charges

Stormwater Charges		
Type	Charge (\$)	Estimated Yield (\$)
Residential	25.00	158,000
Strata Unit (Residential)	12.50	2,137.50
Business	25.00 per 350sq metres (\$1,500 Cap)	87,125.00
Total Estimated Yield		247,262.50

10.6. Policies and Governance

10.6.1. GM - 26/06/2023 - Councillor Delegates for vacant positions on Committees

Prepared by	Trinity Newton - Executive Assistant to the Office of the General Manager and Mayor
Department	The Office of the General Manager
Authorised by	General Manager

Reference

Min 22-26: Ordinary Meeting of Council held on 2 March 2022.

Summary

Due to the recent resignation of a councillor, vacancies on Council's internal committees are required to be filled.

Commentary

There are two positions on internal committees that are requiring a delegate to be assigned as per the terms of reference for each committee (as attached):

Finance Committee

This committee meets every six weeks. The committee's current members are Cr Eric Mahony and Cr Stuart McGhie with one vacancy.

The next scheduled meetings are currently set at 5pm on:

Tuesday 8 August

Tuesday 12 September

Tuesday 10 October

Tuesday 14 November

Operations Committee

This committee meets bimonthly, the first Tuesday of the month at 5pm. The current members are Cr Stuart McGhie, Cr Stephen Lesslie and Cr Col O'Connor with one vacancy.

The next scheduled meetings are currently set at 5pm on:

Tuesday 6 June

Tuesday 1 August

Tuesday 3 October

Tuesday 5 December

Policy Implications

N/A

Financial Implications

- Budget approved - N/A
- Cost centre - N/A
- Expended to date - N/A
- Future potential impact - N/A

Legal and Risk Management Implications

N/A

Attachments

1. Operations Committee - Terms of Reference - 2019 [10.6.1.1 - 3 pages]
2. Finance Committee - Terms Of Reference - 2019 [10.6.1.2 - 3 pages]

Recommendation

THAT Council accept nominations from councillors and determine the delegates for each of the current vacancies on the Finance Committee and the Operations Committee.

10.6.2. WWW - 26/06/2023 - Policy 8.1 Excessive Water Usage Allowance for Breakages

Prepared by Matthew Trapp - Executive Manager Water & Wastewater

Department Water & Wastewater

Authorised by Executive Manager Water & Wastewater

Reference

Minute No. 23-20 Ordinary Meeting of Council held on 23 January 2023.

Summary

The purpose of this report is to provide Council with a revised Policy 8.1 Excessive Water Usage Allowance for Breakages and seek adoption of the policy following the completion of a 28-day exhibition period with no submissions being received.

Commentary

At the Ordinary Meeting of Council held on 23 January 2023, Council resolved:
23 -20 RESOLVED

THAT

1. Council endorse revised Policy 8.1 Excessive Water Usage Allowance for Breakages to be placed on public exhibition for 28 days.
 - a. Following the exhibition period, the policy be returned to Council to consider adoption.

To improve clarity and fairness related to the intent of the policy, Policy 8.1 – Excessive Water Usage and Allowances for Breakages was revised to improve its functional operation. The key changes are:

- Responsibility for oversight and application of the policy moved from Finance to Water Supply as Water & Wastewater control the revenue which may be impacted by the policy.
- Clarification that all requests must be in writing with sufficient details of the circumstances of the undetected leak.
- Clarification that a request for a rebate must be received within 30 days of receipt of the consumption account or from the date that the leak was discovered.
- Council officers with appropriate delegated authority may approve rebate applications in accordance with the criteria set out in Sections 2 and 3 of the policy.
- Where possible, Council will utilise its smart metering system to provide information to property owners for possible leak notification. As Council utilises an online platform for property owners to assess their usage information from the smart meters, Council does not
- accept liability in cases where there is no notification of a potential leak.
- Council will correspond with the property owner via written correspondence to notify of leaks wherever possible.
- Council will maintain records of correspondence to notify of leaks and provide this to the property owner upon request. A rebate will not be provided on the grounds of correspondence not being received or a leak notification not being received.
- Right of Review - property owners who are not satisfied with a rebate decision are entitled to one appeal of that decision.

Policy 8.1 'Excessive Water Usage Allowance for Breakages' was placed on exhibition for 28 days following the Council resolution of 23 January 2023. No submissions were received during the exhibition period.

Policy Implications

The revisions to Policy 8.1 – Excessive Water Usage and Allowances for Breakages will make the policy clearer to rebate applicants, as well as being a fairer process for both rebate applicants and all other water customers who bear the cost of rebates.

Financial Implications

- Budget approved - Nil
- Cost centre - N/A
- Expended to date - N/A
- Future potential impact - reduction in income when excessive water usage accounts are written off or reduced.

Legal and Risk Management Implications

Nil.

Attachments

1. Policy - 8.1 - Excessive Water Usage Allowance For Breakages - Draft [**10.6.2.1** - 4 pages]

Recommendation

THAT Council adopt revised policy 8.1 Excessive Water Usage Allowance for Breakages as exhibited.

11. Council Committee Reports

11.1. IS - 26/06/2023 - Sports Advisory Committee Meeting - 14th June 2023

Prepared by Kaitlin Cibulka - Executive Assistant

Department Infrastructure Services

Authorised by Director of Infrastructure & Services

Summary

This report details the minutes of the Sports Advisory Committee Meeting held on 14 June 2023.

Commentary

At the Sports Advisory Committee held on 14th June 2023, there were several items discussed by the Committee including:

- 2023 LJ Hooker Reg Cowden Memorial Sports Star of the Year Awards
- Booking Requests
- New Members

The following item was outside the Committee's delegation and requires Council to formally approve the recommendation:

- Item 6.1 - Financial Assistance Request
Recommendation that Council provide Lyndall Peychers with \$300.00 toward the cost of participating in the NSW National School Swimming in August 2023.

Policy Implications

Nil

Financial Implications

- Budget approved - \$2,500.00
- Cost centre - PJ 800158 – Governance – Section 356 Donations and Contributions
- Expended to date - \$800.00
- Future potential impact - if the request is approved for \$300, this would bring remaining funds to \$900.00.

Legal and Risk Management Implications

Nil

Attachments

1. DRAFT Minutes Sports Advisory Committee Meeting 14th June 2023 [11.1.1 - 9 pages]

Recommendation

THAT

1. Council note the minutes of the Sports Advisory Committee Meeting held on 14th June 2023; and
2. Council provide Lyndall Peychers with \$300.00 toward the cost of participating in the NSW National School Swimming in August 2023.

11.2. IS - 26/06/2023 - Seven Valleys Tourism Committee Minutes 6 June 2023

Prepared by Simon Francis – Tourism Manager

Department Tourism

Authorised by Director of Infrastructure & Services

Reference

Minutes of Seven Valleys Tourism Committee meeting 6th June 2023

Summary

Minutes of the Seven Valleys Tourism Committee meeting held on the 6th of June 2023

Commentary

The second meeting of the Seven Valleys Tourism Committee saw:

- A presentation of the Beatlesfest concept
- A discussion initiated by the Main Street Presentation Group
- Members were invited to comment on the new Visitor Guide.
- Multiple discussions about integrating Zig Zag Railway into events and networking with other local businesses.

Discussion also took place about the frequency of meetings, and it was agreed that bi-monthly was the best frequency.

The meeting was again held in good spirits of cooperation and genuine enthusiasm for the future of Tourism in the Lithgow/Seven Valleys area.

Policy Implications

Nil

Financial Implications

- Budget approved - Nil
- Cost centre - Nil
- Expended to date - Nil
- Future potential impact - Nil

Legal and Risk Management Implications

Nil

Attachments

1. Draft Seven Valleys Tourism Committee Meeting Minutes 6 June 2023 [**11.2.1** - 8 pages]
2. Seven Valleys Tourism Committee Terms of Reference June 2023 [**11.2.2** - 4 pages]

Recommendation

THAT Council:

1. Endorse the minutes of the Seven Valleys Tourism Committee meeting held on Tuesday 6th June 2023.
2. Note the change in meeting frequency from monthly to bi-monthly, as reflected in the updated Terms of Reference.

11.3. IS - 26/06/2023 - TALC Committee Meeting Minutes - 1st June 2023

Prepared by Kaitlin Cibulka – Executive Assistant

Department Infrastructure Services

Authorised by Director of Infrastructure & Services

Summary

This report details the Minutes of the TALC Committee Meeting held on 1st June 2023.

Commentary

At the TALC Committee Meeting held on 1st June 2023, there were numerous items discussed by the Committee including:

- Proposed High Pedestrian Activity Area (HPPA) - Portland
- Blue Mountains Grammar School Charity Walk
- Thompsons Creek Road, Pipers Flat – Speed Zone Review
- Crossing Request – Main Street Wallerawang

The recommendations of the abovementioned items discussed are required to be formally endorsed by Council.

Policy Implications

Nil

Financial Implications

- Budget approved - Nil
- Cost centre - N/A
- Expended to date - Nil
- Future potential impact – Nil

Legal and Risk Management Implications

Nil

Attachments

1. DRAFT Minutes TALC Committee Meeting 1st June 2023 [11.3.1 - 6 pages]

Recommendation

THAT

1. Council note the minutes of the TALC Committee meeting held on 1st June 2023;
2. The proposed 40km/h High Pedestrian Activity Area in the Portland Central Business District be placed on public exhibition for a period of twenty eight (28) days, and,
3. A report of all relevant submissions be presented to the next Traffic Advisory Local Committee meeting for determination and recommendation to Council.
4. Council support Blue Mountains Grammar School's (BMGS) Annual 45km Charity Walk through roads within the Kanimbla Valley, on Saturday, 7th October 2023, subject to acceptable clarification of risk, slow vehicle management and requirement of TGS, and approval through police and BMCC,
5. Council support the reduction in speed from 100km/h to 80km/h on Thompson's Creek Road, between Range Road and Pipers Flat Road, Portland,
6. Council investigate the feasibility and community support for installing a marked crossing in Main Street, between Black Bridge and 72 Main Street, Wallerawang.

12. Business of Great Urgency

In accordance with Clause 241 of the Local Government Act (General) Regulations 2005 business may be transacted at a meeting of Council even though due notice of the business has not been given to the Councillors. However, this can happen only if:

- a) A motion is passed to have the business transacted at the meeting; and
- b) The business proposed to be brought forward is ruled by the Chairperson to be of great urgency.