

# Lithgow

*Our Place....Our Future*



## Annual Report 2012/2013

The Lithgow City council Annual Report was tabled at the Ordinary Meeting of council on the 25 November 2013

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# Message from The Mayor

**In a time of uncertainty for local government in NSW, Lithgow City Council has emerged triumphant through the first stages of the Local Government Review. A 'Sound' Financial Sustainability Rating offers Lithgow the security of being able to move forward with confidence.**

The Treasury Corp NSW report made particular mention of the many projects that Council has completed in recent years including:

- Stage 1 Lithgow Aquatic Centre upgrade.
- Road works to various rural roads under the Roads to Recovery Program for example: Glen Davis Road, Glen Alice Road, Browns Gap Road, Rydal/Hampton Road.
- Sewerage Treatment Plant Upgrades.
- Upgrades to sporting and recreational precincts (including the Tony Luchetti Sportsground, Civic Ballroom and Glanmire Oval Hockey Fields), and extensive Flood Mitigation work to Farmers Creek. And
- Improvements to the water and sewer mains, the Clarence Colliery water transfer scheme and construction of a new reservoir.

The Report highlighted some risks including an ageing population, economic growth and natural disaster. These are all areas Council has been working on with the implementation of an integrated suite of plans and strategies designed to increase economic growth, social wellbeing and the environmental health of the community.

By working collaboratively with a range of community, business and government stakeholders Council is able to provide services, facilities and community programs designed to ensure the long term sustainability of the Local Government Area (LGA).

During 2012/13 Council has worked on a regional level to:

- Develop and promote events to celebrate our history and heritage through the Bicentenary of the Crossings of the Blue Mountains. These events have increased tourism in the region, injecting income into local business as well as developing the social capital of the community by recognition of the significance of the crossing of the Blue Mountains.

- Council has worked together with the community and regional organisations to deliver environmental outcomes for the Lithgow region through participation in programs such as NetWaste's E-Waste collection service.
- Significant savings to Council has been recognised through the participation in training, planning, regional procurement contracts, grant funding applications and other services offered by CENTROC.

Lithgow City Council plays a significant role in encouraging a healthy and active community through the provision of quality infrastructure for active and passive recreation. In 2012/13 Council extended the children's playground at Queen Elizabeth Park to include a variety of outdoor gym apparatus. This multifunctional play area now caters to families, offering both children and parents/grandparents an opportunity to work-out and play together.

Council is pro-active in attracting quality sporting and recreation events to the area which provide a significant boost to our local economy and tourism industry. These events not only take advantage of our quality sporting facilities, but also national parks and state forests in and around the Lithgow LGA.

The revitalisation of the Lithgow, Wallerawang and Portland CBD's is a key driver of the implementation of Council's Economic Development Strategy. During 2012/13, Council developed a variety of initiatives which have proven to be popular with retailers and the community.

Council has worked closely with CBD Retailers providing valuable training in visual merchandising assisting retailers to improve the presentation and vibrance of their businesses and the Main Street. This program has been supported by two promotions aimed at driving shoppers into the CBD's; the Christmas Shopfront Competition and Mother's Day Shopfront Competition. Both have been driven through imagery on Council Facebook page and local media campaigns.

Lithgow Live @ Lunchtime was developed to encourage shoppers into the CBD during the lead up to Christmas through the provision of a lunchtime concert and market held each Thursday

The winner of the 2012 Shop Front Mothers Day competition Random Shopper Draw pictured with her grand children and proprietors of Bianca Villa Part of Council's Main Street Revitalisation Program.



over a seven week period. The concerts provided entertainment for local shopkeepers and business operators and encouraged local spend with market stall holders reporting record sales.

LithGlo and ShopGlo are two unique events developed to celebrate the Christmas spirit through the use of creative lighting. Local heritage icons were lit by lighting specialists over three nights with the jewel in the crown, Lithgow's Blast Furnace Ruins being lit with lighting effects augmented by smoke and a sound track that interpreted the blast furnace operation. The ShopGlo program was supported by Visual Merchandising Training with 30 Main Street businesses and retailers lighting up their shop windows for the enjoyment of evening window shoppers and visitors. This free event was extremely popular with local families and visitors to the area drawing large crowds of onlookers and photographers.

A new Destination Management Plan - Tourism Strategy has been developed as part of Council's suite of short to medium term planning instruments. The Plan provides a comprehensive framework to guide the development of tourism in the LGA so that the area can develop sustainable economic opportunities in addition to the traditional industries of mining and power.

Drought proofing the Lithgow local government area has been a long-term project which will be achieved through the upgrading of the Clarence Water Transfer Scheme to take advantage of surplus water from Clarence Colliery. Construction of two new pipelines will see an increase in water that can be drawn from the current 5.5ML/day to 14ML/day from the Colliery Dam to Farmers Creek Dam.

Council's most significant infrastructure program to commence in 2012/13 is the upgrading of 14.2km of Wolgan Road. The project, jointly funded by Emirates Resort and Spa and the NSW State Government will provide a 7m wide bitumen pavement from the foot of Wolgan Gap to the entrance of the Emirates Resort. The addition of this 6 star resort in the Wolgan Valley in recent years has seen many improvements to the quality of life for the residents of this previously secluded area including the extension of power lines to areas of the valley and now improved road conditions.

The Wolgan Valley has always been a popular tourist spot for campers and weekenders. With the increases to traffic on the road as a direct result of the resort, the road upgrade will provide improved safety and travel conditions for motorists.



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CITY EXPANSION

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# Community Strategic Plan

A Centre of Regional Excellence that:

- Encourages community growth and development
- Contributes to the efficient and effective management of the environment, community and economy for present and future generations.

Lithgow City Council's Community Strategic Plan consists of 5 key principle activity and priority areas.

## *Caring for our Community*

- To plan and provide quality community and recreational facilities and services for a healthy, vibrant and harmonious community.
- Working together to support, celebrate and expand the social and cultural diversity of our community, whilst promoting healthy, active lifestyles in a safe environment.

## *Strengthening our Economy*

- Providing for sustainable and planned growth that supports a range of lifestyle choices and employment opportunities.
- Exploring and discovering the richness in our society through the pursuit of educational, creative and cultural opportunities to diversify our economy, skills base and employment opportunities.

## *Developing our Built Environment*

- Planning for suitable infrastructure development to promote sustainable and planned growth, while enhancing the existing identity of the towns, villages and rural areas of the LGA.
- Ensuring sustainable and planned growth through the provision of effective public and private transport options and suitable entertainment and recreational facilities to enhance the lifestyle choices of the community.

## *Enhancing our Natural Environment*

- To conserve and preserve the natural environment whilst balancing the impact of development to ensure a sustainable and healthy community.

## *Responsible Governance and Civic Leadership*

- A Council that focuses on strong civic leadership, organisational development and effective governance with an engaged community actively participating in decision making processes affecting their future.

*Celebrating the cultural heritage of the LGA through the development of Cultural heritage programs.*



*Carson Williams  
handbuilt*



*Carson Williams  
handbuilt*



*Carson Williams*



*Carson Williams*



*Darion Williams  
wheelthrown*



# Caring for Our Community

## *Culture and Heritage Achievements for 2012-2013*

- Ongoing development of the Lithgow History Avenue Project.
- Provided exhibition space for local artists.
- Assisted the Mingaan Wiradjuri members and, the Hawkesbury Nepean Catchment Management Authority to finalise a plan of management for Maiyingu Marragu.
- Worked with Blue Mountains and Bathurst Councils, local and regional community groups to develop a series of events to celebrate the Bicentenary of the Crossings of the Blue Mountains.
- National Year of Reading - "Lithgow Reads....Jackie French".
  - Renewed network of contact between local School, TAFE and public Libraries creating the Local Library Network.
  - Increased public awareness of National Year of Reading.
  - Author visit by Jackie French included book signings, Authors talk and school visits.



## Interpreting our Heritage

As part of a progressive program to highlight Lithgow's heritage, Council has been working on two major projects which will showcase the areas proud industrial and social heritage.

The Lithgow History Avenue project involves the creation of a series of public sculptures to be installed along Inch Street Lithgow, between Tank Street and Blast Furnace Park. The aim is to create a walking route, linking a number of heritage sites including Eskbank Station, Eskbank House and Blast Furnace Park to raise awareness of the industrial heritage of Lithgow and to attract visitors to the town's attractions. The project also aims to link with a heritage rail project that is currently under development.

The sculpture project is designed to reflect the story of steel production in Lithgow and is based on industrial techniques of the late 19th and early 20th centuries involving angle iron, flat plate and hot rivets. It is proposed that the first piece of sculpture will be located at the corner of Inch and Tank Streets, the corner of the Workers Club. A series of guide posts will then be spaced at irregular intervals by the side of the footpath on the north side of Inch Street past Eskbank House to Blast Furnace Park. The guide posts lead the viewer

through a period of Lithgow's history from the first European settlement through the establishment of a large industrial centre. A website is also being created to provide more detailed historical information for visitors to history Avenue.

The project is scheduled for completion in early 2013/14.

Council's interpretive signage project recognises the contributions made to the development of the area by local entrepreneurs and significant figures in Australian history. Signage has been installed in Main Street and local parks recognising the contributions made to the development of the area by Sir Joseph Cook - a former Prime Minister; the Bracey family; Jim Robson; Thomas Brown and the Eskbank Estate, and; Robert and William Pitt.

Council has also been working with Community groups in the villages and environmental groups to develop interpretive signage as part of lookout upgrades and village enhancement.

## Eskbank House Museum

The Museum houses an extensive collection of objects related to the history of the Eskbank Estate and Lithgow as a whole. This collection is currently being conserved, catalogued, exhibited and interpreted. In 2012/13 the Book Collection was

catalogued, the Bracey Collection was cleaned and interpretive research and images for external and internal signage was completed.

In the grounds of the museum trees bordering the property were removed opening up the museum to its previous park like environment. Security lights were installed. A plan and Development Application (DA) were developed for renovating the rear of the house and returning it to its pre-museum state.

Eskbank House and Museum aims to be the heart of history, art and culture in the Lithgow Local Government Area by providing a museum of local history, a community art gallery and a space for performances, workshops and meetings.

In 2012/13 Eskbank House and Museum organised the following activities:

- Sir Joseph Cook, Richard Northey and Robert Pillans: Fraternal Lithgow 1890–1927 Exhibition
- Re-Imagining Histories (combined exhibition with University of Western Sydney)
- Grandparents Day
- Volunteers Thank You Afternoon Tea (combined museums event)
- Primary by Design – a Lithgow Primary Schools Exhibition
- Way Forward Thru Stories – Workshop Series

and Exhibition

- Waste2Art 2013

In addition the Museum provides a space for local and travelling artists, exhibitions and performers. During 2012/13 the following activities were hosted at Eskbank House:

- 1 in 5 Creative Arts Exhibition
- Mitchell Conservation Quartet Performance
- Youthworx Art4Youth Exhibition
- Wallerawang Primary School Pottery Exhibition
- "Atwick" 1838 Bonnets Exhibition
- International Women's Day Exhibition and Celebration
- Artists of the Vale Exhibition
- International Museums Day Open Day
- PCYC Lithgow Photography Group Exhibition

## Museums Group

As a member of the Lithgow Museums Group Council officers work collaboratively on programs which will develop the economic, interpretive and promotional potential of local museums. Meetings are attended regularly by the Cultural Development Officer, Tourism Officer, Economic Development Officer and Museums Advisor.



Lithgow City Council is a participating member of the Museums Network Group. with Council's Cultural Development Officer, Tourism Manager, Economic Development Officer and Museum's Advisor all attending regular meetings of the group held at alternating museum venues in the Lithgow local government area. The group actively works together to promote and develop our local museums.

- Lithgow Tourism is currently working with the group to develop a Combined Museums Brochure for the Lithgow LGA
- International Museums Day 2013
- Volunteer Thank You Afternoon 2012
- Promotional Stalls at Daffodils at Rydal, Back to Hartley, Ironfest

## Lithgow Library Learning Centre

The Lithgow Library Learning Centre provides a variety of programs and activities for the social health and wellbeing of the community.

- Weekly Story Times (Wed and Thurs) all year
- Books for Babies
- Homework Zone (Mon-Thurs) during term time
- Home Library Service commenced at Portland
- Monthly Book Club
- Monthly Tea & Talk
- Computer classes now to be extending with a Telstra Tec-Savvy Seniors grant for the new financial year.
- Book Week
- Seniors Week – with a ‘Super Seniors’ gallery honouring older unsung local heroes, morning tea and presentation; computer classes for seniors (M-T)
- Biggest Morning Tea run by staff and Friends of the Library

The Library participates in national events to promote the history and heritage of the Lithgow Local Government area including:

- **History Week Events** - In Sept 2012, the Lithgow Library Learning Centre held a month long exhibition of textiles titled, ‘Threads’. The exhibition, on the Lithgow Woollen Mills was a joint exhibition with Eskbank House Museum.
- **National Heritage Festival** - Held over two months in April-May, the Heritage Festival featured a series of guest speakers and mini exhibitions held on Friday evenings. The

speakers included: Prof. Ian Jack (Barton family and Coerwull), Prof. Greg Patmore (Local economy), Mark Langdon (history of fire fighting), Shannon Lyons (local glass), Tony Griffiths (Small Arms Factory) and an off-site visit to Bowenfels gun emplacement with Ian Rufus. The event drew more than 200 attendees over the two months with each speaker displaying original materials at the Library relevant to his topic.

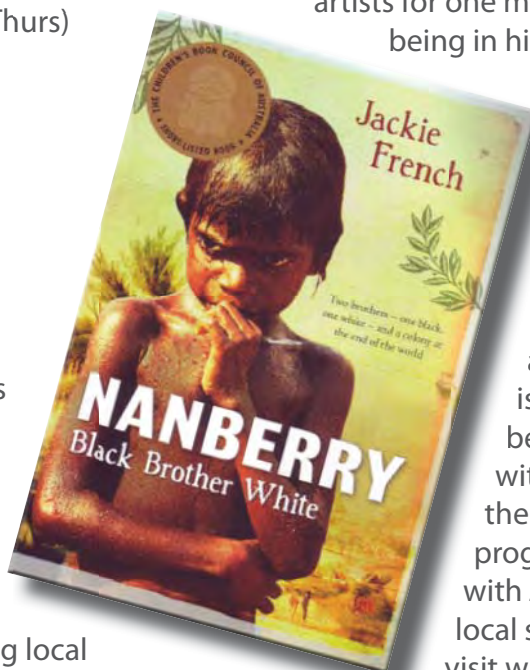
## **Art Exhibition Space**

The Lithgow Library Learning Centre and Eskbank House Museum both provide temporary exhibition space for local and regional artists. The Library Space offers rotational exhibition space to local artists for one month duration with the space being in high demand and booked months in advance.

### **Jackie French - Program**

To celebrate a National Year of Reading, the Lithgow Library Learning Centre encouraged the community to read books by author Jackie French. Over 400 issues of Jackie’s books were read between March and November 2012 with local schools and members of the local libraries participating. The program culminated in November with Jackie visiting the Libraries and local schools. Additional funding for the visit was provided by The Friends of the Library and a CBCA grant. Jackie spoke at

an evening book signing, conducted the regular library Story Time and visited most local schools, speaking to approx. 1800 children and many adults and one wombat (wombats are the subject of many of Jackie’s stories). This visit was among the most successful National Year of Reading activities held in NSW



## Housebound Library Service

In January 2013, Lithgow Library commenced the pilot of a Home Library Service (HLS) in the Portland area. The aim was to develop the service in line with current guidelines from the State Library of NSW and other relevant services in order to evaluate the need for such a service in the greater LGA area.

In the five months from January to May, the pilot service exceeded expectations and now provides a home delivery service to 15 regular housebound clients, with 2 additional temporary clients. A housebound library service is an integral element in any Public Library's goal to provide equitable access to information and resources. This is particularly relevant with Australia's ageing population. We must strive to ensure elderly and/or housebound clients continue to benefit from access to a public library's resources; the Home Library Service is key in achieving this goal. Council will shortly be expanding the service to other areas within the LGA.

## Working with our Indigenous Community

### **Way Forward Thru Stories – Workshops and Exhibition**

Working with Mingaan Wiradjuri Aboriginal Corporation, Lithgow Community Projects and Lithgow TAFE, a series of workshops on Aboriginal History and Culture were developed and presented at Eskbank House and Museum. Four workshops were conducted which involved the watching of a video related to Aboriginal contemporary history, a discussion and an art workshop in which participants expressed their feelings and thoughts. At the conclusion of these workshops a collection of the works created were exhibited in the Courtyard Gallery at Eskbank House in order to share what had been learned with the rest of the community.

### **Bicentenary of the Crossing of the Blue Mountains**

Lithgow City Council and the Hartley District Progress Association worked with the Mingaan Wiradjuri Aboriginal Corporation to include their perspective and support their activities in the bicentenary of the crossing of the Blue Mountains. This included attending a Wiradjuri Elders Meeting, hosting several meetings with visiting Wiradjuri Elders and inviting a representative of the Mingaan Wiradjuri Aboriginal Corporation to join the Section 355 Blue Mountains Crossing Bicentenary Committee.

The outcome included the Mingaan Wiradjuri Aboriginal Corporation logo being placed on one side of the Lithgow Crossings Commemorative Coin, Aunty Helen Riley doing

an acknowledgement to country at the opening of the Moment in Time Exhibition, Wiradjuri Elder, Aunty Flo Grant, speaking at the opening and a display on Wiradjuri history being included in the Moment in Time Exhibition.

### **Plan of Management for Maiyingu Marragu**

Council has worked with Mingaan Wiradjuri members and, the Hawkesbury Nepean Catchment Management Authority to finalise a plan of management for Maiyingu Marragu, an area of Crown Land under the control and management of Lithgow City Council. The site includes culturally significant rock shelters and stencil-art which provide a physical and spiritual link to ancestors



and provide a place where traditional culture can be sustained. The area is used by the Aboriginal community as a 'bush school room' where young people can hear stories from Elders and learn to collect and use bush food and natural medicine.

### **NAIDOC Celebrations**

NAIDOC celebrations were held at the Lithgow Showground and Civic Ballroom. The event included information, education and entertainment celebrating the culture, history and achievements of Indigenous people. This project provides Indigenous people and communities within the local area with a strengthened sense of culture and the opportunity to proudly share their culture with the wider community.

The NAIDOC celebration greatly benefits the wider community, raising awareness about Indigenous culture and promoting a positive image through education, recognition and celebration. It is a fantastic opportunity for the whole community to celebrate together and experience the many wonderful parts of the Indigenous heritage and culture.



*Working together to support, celebrate and expand the social and cultural diversity of our community, whilst promoting healthy, active lifestyles in a safe environment*

## Health & Community Services Achievements for 2012-2013

- Conducted Nightrider Maxi Taxi Service Trial a late night transport service for patrons of liquor venues in Lithgow.
- SKATEJAM 2K13 - Youth Week Festival held at the Lithgow Skate Park.
- Introduced fluoride into Lithgow's Water Scheme.
- Developed a long-term partnership with the Lithgow Men's Shed Group.
- Celebrated Volunteers Day and Grandparents Day.



## Crime Prevention

Council employed a crime prevention officer during the year whose focus was on implementation of strategies to address alcohol related violence and malicious damage. These strategies included a second trial of the Late Night Transport Service over a 7 week period in November/December 2013 in the lead up to the Christmas period. An 11 seater Maxi-Taxi operated between 12 midnight and 4am on Friday and Saturday nights picking patrons up from late night liquor venues and transporting them home.

The Nightrider Trial reflected the importance of the partnership between Council, licensed venues and taxis to address public safety. Local Police reviewed malicious damage incidents during the trial period and noted that incidents were lower compared to the period before and 12 months prior.

Further initiatives of the crime prevention officer included undertaking safety audits in high risk public areas and working with the Lithgow Liquor Accord to implement safe drinking initiatives.

## Volunteers Day Celebrations

On 5 December 2012, Lithgow Council and the Lithgow Museums Group hosted an afternoon tea at Eskbank House Museum to celebrate and recognise the hard work and dedication of our volunteers who run our heritage organisations and museums.

The event was held as part of International Museums Day and provided museum volunteers

and history enthusiasts an opportunity to socialise in the tranquil surrounds of Eskbank House Museum and grounds.

Volunteers from the Lithgow Small Arms Museum, Lithgow and District Family History Society, Lithgow State Mine Railway, The City of Greater Lithgow Mining Museums Inc. and Eskbank House Museum were presented with certificates of appreciation by Mayor Maree Statham.

## Youth Council Projects

The 2013 Lithgow Youth Week festival, SKATEJAM 2K13, was held on Saturday 13 April 2013 at the Lithgow Skate Park with live music, professional skate and BMX demonstrations and a free BBQ. This youth festival was organised and planned by the Lithgow Youth Council.

This exciting event was part of National Youth Week which was held between 5-14 April and is the largest annual celebration of young people in Australia. The theme for Youth Week 2013 was 'BE ACTIVE. BE HAPPY. BE YOU' and emphasizes the positive contributions young people make to our communities while providing young people with the opportunity to plan and organise their own event.

This special Youth Week event was attended by over 150 local young people and featured professional skate and BMX demonstrations and clinics by Newtons Nation. Some of the bands who were in the line up to perform on the day were Inelegance, Hand of the Architect, She's Taken Empires, Bayharbour, 40 Bends and Failure of Faith. The day was a great success and is the first of what is hoped to be an annual youth festival.

*Encouraging equitable access to services & facilities.*

# Promoting healthy lifestyles

## Lithgow Men's Shed

In 2012, over a nine month period the Lithgow Men's Shed Group converted a disused community hall into a functioning, community space providing social wellbeing, community pride and companionship to a group of like minded men. Council had estimated up to \$290,000 to renovate or replace the building. The group used local, state and federal grants valuing \$40,000 and provided free labour to convert a building in disrepair into a vibrant space for community use.

In 2012, the Group received recognition for their work and were jointly awarded Central West Volunteer Team of the Year with the Bathurst Seymour Centre Volunteer Team at the 2012 Central West Volunteer of the Year Awards.

The Men's Shed Group has become so successful that it quickly outgrew these premises. Council has worked closely with the group to identify alternative and larger premises. The completion of the new entrance and amenities block for the Lithgow Aquatic Centre has resulted in the old amenities block being vacant and surplus to Council use.

The Men's Shed Group will be relocating in 2013/14 to the Old Amenities Block and Council has allocated \$50,000 in funding for its upgrade.

## Grandparents Day

"Grandparents are custodians of the values, stories and histories of our families and our communities" ([www.grandparentsday.org.au](http://www.grandparentsday.org.au)). So when it came to celebrating Grandparents Day in Lithgow, there was no better place to do this than at Eskbank House Museum, the keeping place of Lithgow's social and industrial stories and ephemera.

An afternoon tea and entertainment was held at the Museum in October 2012, providing families with an opportunity to come together and celebrate the richness of their lives and relationships.

The afternoon included a welcoming address by Mayor Maree Statham, who reflected on stories of times with her Grandfather, small skits were performed by the Lithgow Theatre Group and the audience was entertained by a young classical violinist, Nancy Ismay from the Mitchell Conservatorium of Music.

The day was well received with over 50 guests enjoying the entertainment and beautiful surrounds of Eskbank House Museum. Many took the time to view the collection reminiscing their childhood years and passing on knowledge of a bygone era.

## Lithgow Fluoridation Project

The Health Impact Assessment Report undertaken by Sydney West Area Health Service in response to Council's Strategic Plan 2007 identified that "Lithgow Children had more cavities than the average for NSW of the same age" (2008:42). As part of a strategy to provide safe drinking water to the community, Council has installed dosing equipment at the Oakey Park Water

Treatment Plant. Fully funded by the NSW Health Centre for Oral Health Strategy the installation of the equipment has been undertaken in line with design advice from NSW Office of Water, consistent with the requirements of the Fluoridation of Public Water Supply Code of Practice.

Prior to commencement, council developed a promotional campaign to advise residents in the affected areas of the introduction of fluoride. This included advertising in the Council Column of the local paper, development of a webpage which included frequently asked questions and a two-sided DL letterbox flyer notifying of the date of commencement, areas affected, dosing concentration and frequently asked questions.

Although general objections were received from residents opposing fluoridation, overall the promotional campaign was well received by the community.





*Improving quality of life and social wellbeing in the  
Lithgow LGA.*



# Statements Against Reporting Requirements

## Programs that Promote Services and Access for People with Diverse cultural and Linguistic Backgrounds

The following activities and programs were undertaken or participated in by Council in 2012/13 to promote services and access for people with diverse cultural and linguistic backgrounds.

- Harmony Day 2013 musical events at the Union Theatre, Lithgow and Crystal Theatre, Portland.
- Naturalisation ceremonies were conducted throughout the year.

## Local Ethnic Affairs Priority Statement

The Social Plan 2006-2011 identified the development of a detailed Ethnic Affairs Priority Statement as an action and as such a Statement was prepared and adopted by the Council at its Ordinary Meeting of 17 December 2007. (Minute 07-546).

The Local Ethnic Affairs Priority Statement aims to:

- Create an environment where people from diverse cultural and linguistic backgrounds have equitable access to Council services and are encouraged to participate in Council's planning processes.
- Recognise value and promote the community of diverse cultural and linguistic backgrounds and its contribution to the community through increasing community awareness of cultural diversity and promoting community harmony.

## List of Multicultural Services

A link to the Bathurst Information & Neighbourhood Centre's Migrant Support Service is maintained on Council's community website.

## Activities to Develop and Promote services and Programs that Provide for the Needs of Children

The following activities were undertaken and supported by Council relating to the development and promotion of programs and services that provide for the needs of children during 2012/13:

- Council participated in Lithgow Child Protection Interagency and provided Financial Assistance to a number of children's programs.
- An online Children's Service Directory was developed and made available on Council's website.

## Children's Activities at the Lithgow Library Learning Centre

The following activities were held at the Lithgow Library Learning Centre for children during the year:

- 2 Story-time sessions per week, including school holidays, for preschoolers with book readings and craft activities.
- Special request story times were conducted, including for the Parenting Young Playgroup.
- Jack & Jill PreSchool made their yearly visit to the Lithgow Library with three storytime sessions held.
- 'Books for Babies' - every baby born in Lithgow receives a book to keep.
- Delta Homework Zone operates 4 afternoons per week during term time, with a qualified teacher.
- Book Week - class visits competitions, visits to schools.
- The local library networks of school, TAFE and public librarians met once each term to discuss the happenings in their organisations and the National Year of Reading Event.

*Supporting people from Aboriginal and CALD backgrounds*

# *Supporting community organisations through financial assistance.*

- During the National Year of Reading the Lithgow Library Learning Centre encouraged the community to participate in "Lithgow Reads...Jackie French". Residents from Lithgow, Wallerawang and Portland participated. Over 1800 children had access to the author through school visits. The author's visit also included book signings and authors talk at Lithgow Library Learning Centre, book reading at Children's storytime and Meet the Author Morning Tea at Portland Library.
- Activities for children were undertaken during the school holidays including Friday morning craft sessions in January and April, with the April sessions so well attended that other Library staff were co-opted to assist with the sessions.
- Council provides free online census information to the community to assist them in understanding the community's profile and needs.
- Establishment of a Council Disability Access Committee (DAC).

## Social Plan 2006-2011

The Social Plan 2006-2011 was adopted by Council on 20 November 2006 (Min No. 06-392) and nominates as target groups:

- Children
- Young People
- Women
- People with Disabilities
- Aboriginal and Torres Strait Islander People
- People from Culturally and Linguistically Diverse Backgrounds
- Older People
- Men
- Gay, Lesbian, Bisexual and Trans gender People
- Department of Housing Residents
- Sole Parents.

At its Ordinary Meeting of Council held on 27 May 2013 (Resolution Number 13-166) Council adopted the Community Strategic Plan 2013-2026 – Our Place...Our Future. All of the identified actions within the Social Plan have been incorporated into the Community Strategic Plan.

## Youth Council

7 meetings of the Youth Council were held during 2012/13.

## Financial Support for Youth Programs and Services

Council Financial Assistance Program for 2012/13 provided funding to the following organisations which provide programs and/or services for youth:

- Portland school/ Industry Links Program
- Union Rock Events
- PCYC

## Financial Support for Children's Programs

Council's Financial Assistance Program in 2012/13 provided funding to the following organisations which provide programs and/or services for children:

- White Ribbon Day
- School Presentations
- Mitchell Conservatorium
- Lithgow Information & Neighbourhood Centre (LINC) Communities and Kids
- Lithgow Legacy
- Lithgow Family Support
- Wallerawang Kids Club
- Matthew Sharp Scholarship Fund
- Lithgow Partnerships Against Domestic Violence
- Life Education Centre

## Access and Equity Activities

Activities undertaken or participated in by Council in relation to access and equity included the following during 2012/13:

- Provision of financial assistance to community organisations a number of which were for particular target groups including the aged, youth, women and children.

## Grants and Donations

During 2012/13, Council provided Financial Assistance under section 356 of the Local Government Act 1993 to the value of \$140,671. The organisations who received Financial Assistance included the following:

Organisations which Received Recurrent Financial Assistance	
Western Region Academy of Sport	White Ribbon Day
Portland Golf Club	Lithgow Golf Club
Lithgow School Presentations	LINC rental Assistance
Lithgow, Portland, Wallerawang and Cullen Bullen Tidy Towns	

Organisations which Received Non-Recurrent Financial Assistance	
Rydal A H & P	Nepean Blue Mountains Medicare Local
Lithgow Senior Citizens	Mingaan Aboriginal Corporation
LINC Community and Kids Program	LINC Matthew Sharpe Memorial Scholarship Program
Portland Development Corporation	Lake Wallace Community Boating Centre
Lithgow City Rangers Soccer Club	Rydal Showground Trust
NSW Rural Fire Service	Portland Central School Industry Links Program
PCYC	Mitchell Conservatorium of Music - Lithgow Branch
Lithgow Highland Pipe Band	Glen Alice Community Association
Lithgow District Kennel Club	Lithgow Owners and Trainers
Wallerawang Kids Club	Friends of St John's Church
Cullen Bullen Progress Association	Lithgow District Garden Club
Life Education Centre	Lithgow Community Orchestra
Lithgow Country Women's Association	First Australian Muzzeloding Rifle Club



The Lithgow and District Family History Society have been exclusive tenants of the Ewan Smith Memorial Hall for almost twenty years. During this time, the resources in the Society's archive system have vastly grown, and the building required an extension to provide more storage and workspace, allowing the Society's volunteers to continue to provide a valuable service to the community. The Extensions and re-roofing of the building were completed in September 2012 at a cost of \$35,000.

*Maintaining animal control in accordance with legislation and policy.*

## Companion Animals

The following information is provided on Council's activities during 2012/13 in relation to enforcing and ensuring compliance with the provisions of the Companion Animals Act 1998 and the Companion Animals Regulation 1999:

<b>Activity</b>	<b>Achievement</b>																
Lodgement of pound data collection returns with the Division of Local Government	The pound data collection return for 2012/13 has been provided to the Division of Local Government.																
Lodgement of data relating to dog attacks with the Division of Local Government	All dog attacks were reported on the Companion Animal Register Website.																
The use of funding from the Companion Animals Fund and the amount spent on Companion Animal Management and Activities.	<p>The following table shows income received in relation to companion animals and the amount of money expended on companion animal management and activities during 2012/13:</p> <table border="1"> <thead> <tr> <th><b>Budget Item</b></th> <th><b>Amount</b></th> </tr> </thead> <tbody> <tr> <td colspan="2" style="text-align: center;"><b>Income</b></td> </tr> <tr> <td>Division of Local Government</td> <td style="text-align: right;">\$11,756</td> </tr> <tr> <td>Impounding, sale, surrender and fines</td> <td style="text-align: right;">\$41,852</td> </tr> <tr> <td colspan="2" style="text-align: center;"><b>Expenditure</b></td> </tr> <tr> <td>Employee Costs</td> <td style="text-align: right;">\$172,238</td> </tr> <tr> <td>Pound Expenses</td> <td style="text-align: right;">\$14,780</td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: right;"><b>\$187,018</b></td> </tr> </tbody> </table> <p>Council collects income during the year from the microchipping and registration of companion animals and forwards this to the Division of Local Government which in turn reimburses Council a proportion of these fees. Council uses this income and income derived from the impounding, sale, surrendered and fines to undertake Companion Animal Management activities.</p>	<b>Budget Item</b>	<b>Amount</b>	<b>Income</b>		Division of Local Government	\$11,756	Impounding, sale, surrender and fines	\$41,852	<b>Expenditure</b>		Employee Costs	\$172,238	Pound Expenses	\$14,780	<b>Total</b>	<b>\$187,018</b>
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Companion animal community education programs	During 2012/13, education focused on visiting schools and educating children on interacting with dogs and responsible ownership.																
Strategies to promote and assist the de-sexing of dogs and cats	No active strategies were pursued in the reporting period.																
Strategies to see alternatives to euthanasia for unclaimed animals	Rangers actively sought re-housing suitable dogs through rescue agencies where possible.																
Off leash areas provided	A total of 4 off leash areas are provided in the Local Government Area, being 2 in Lithgow and 1 in each of Portland and Wallerawang.																

## 2012-2016 Program of Works for Our Community

**Planning and providing quality community and recreational facilities and services for a healthy, vibrant and harmonious community.**

### 1.1 Planning Our Community

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Quarterly Achievement
1.1.1	<b>To provide social and cultural planning that will lead to the enhancement of the quality of life of the community.</b>	<b>Review and monitor current plans and strategies.</b>			
		Consider Social Plan actions in Council's Strategic Planning instruments.	Priority items included in 2013-2017 Management Plan and 2013-2014 Operations Plan.	Community and Culture	Completed.
		Implement the following Plans and Strategies: <ul style="list-style-type: none"> <li>• Disability Action Plan</li> <li>• Ageing Strategy</li> <li>• Crime Prevention Plan</li> <li>• Cultural Plan</li> <li>• Cultural Precinct Study</li> <li>• Eskbank House Museum Conservation Management Plan</li> </ul>			
		<b>Identify and develop new plans and strategies in line with the community's needs.</b>			
Update Community Profile with 2011 Census Data.	Community Profile updated	Community and Culture	Online community profile updated with 2011 Census data.		
Prepare a Family Friendly Community Strategy	Family Friendly Community strategy developed and adopted by Council.	Community and Culture	Commenced in 4 <sup>th</sup> Quarter and due for completion in 2 <sup>nd</sup> Quarter 2013/14		

		Crime Prevention through Environmental Design principles for development control plans and design/upgrade of public spaces.	CPTED principles incorporated in development control plans and design/upgrade of public places.	Community and Culture Development	<ul style="list-style-type: none"> <li>This is undertaken as part of the development and approvals process.</li> <li>A Safety Audit using crime prevention through Environment design principles (CPTED) were undertaken of: <ul style="list-style-type: none"> <li>Read Street Lane and Tank Street.</li> <li>Queen Elizabeth Park following concerns raised over malicious damage occurring within the park.</li> <li>A night time Safety Audit was also undertaken of Queen Elizabeth Park.</li> <li>Lithgow Visitor Information Centre,</li> <li>Gas Works Lane</li> <li>Cook Street Plaza Taxi Rank</li> <li>Eskbank House &amp; Museum</li> </ul> </li> <li>Recommendations were made on safety improvements to these locations.</li> </ul>
		Comprehensive Tobacco Control Policy	Policy developed and adopted by Council.	Community and Culture	New smoking legislation banning smoking in a number of public places came into effect at the beginning of the 3rd quarter.
		Disaster Management Plan for Eskbank House Museum.	Disaster Management Plan developed and adopted by Council.	Community and culture.	Commenced during the 4th quarter.
		Local Emergency Management Plan/s	Consider the needs of vulnerable groups of older people in LEM Plans.	Operations	Completed
		Village Improvements Plan	Village Improvements Plans for Capertee and Rydal developed and adopted by Council.	Policy and Planning	Community Survey was undertaken of Capertee and its surrounding service area. 107 completed surveys were returned.  Data from the survey has been used to support grant applications for toilet facilities in Clarence Pirie Park.
		Youth Strategy	<ul style="list-style-type: none"> <li>Youth Issues Paper developed</li> <li>Youth Strategy Consulted upon and adopted by council.</li> </ul>	Community and Culture	Work commenced in 4 <sup>th</sup> Quarter and to be completed in 2 <sup>nd</sup> Quarter 2013/14.

## 2012-2016 Program of Works for Our Community

Working together to support, celebrate and expand the social and cultural diversity of our community.  
Whilst promoting healthy, active lifestyles in a safe environment.

### 1.2 Our Community Programs

#### 1.2.1 Aboriginal, Cultural and Linguistically Diverse Communities

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Quarterly Achievement
1.2.1.1	To support people from Aboriginal and CALD backgrounds.	<p><b>Implement the Social and Cultural Plans in terms of the Following:</b></p> <p>Provide support to the activities of local aboriginal organisations including NAIDOC Day events.</p>	NAIDOC Day held each year with participation of Council and other organisations.	Community and Culture	<p>Council continued to maintain a good relationship with Mingaan Aboriginal Organisation through:</p> <ul style="list-style-type: none"> <li>• Regular attendance at working party committee meetings.</li> <li>• NAIDOC day events held in September 2012 by Mingaan Aboriginal Corporation in partnership with Council and other organisations.</li> <li>• Participation in the planning of NAIDOC 2013 events.</li> <li>• Worked in partnership with Mingaan and Lithgow Community Projects Aboriginal Support workers to hold 4 Aboriginal Art and Cultural Workshops and an exhibition: "Way Forward Thru Stories "at Eskbank House Museum.</li> <li>• Involvement of Mingaan in the Blue Mountains Bicentenary Crossing Committee.</li> <li>• Assistance provided to Mingaan with grant applications.</li> <li>• Assisted with the review of the Plan of Management for Black Fellows Hands and attended a site visit to look at signage.</li> </ul>

		Promote and support the activities of the local CALD Community through Participate in the Multicultural Interagency.	Regular attendance by the Community Development Officer at meetings and participation in events.	Community and Culture	Harmony Day 2013 musical events at the Union Theatre and Crystal Theatre were supported by the Community Development Officer.
		Conduct and celebrate Naturalisation Ceremonies as required.	Number of naturalisation ceremonies conducted annually.	Executive	Naturalisation ceremonies were conducted throughout the year.

## 1.2.2 Ageing Population

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Quarterly Achievement
1.2.2.1	To respond to the needs of an ageing population.	<p><b>Implement the Ageing Strategy in terms of the following:</b></p> <p>Implement High priority actions from the Ageing Strategy in relation to:</p> <ul style="list-style-type: none"> <li>• Preparation for ageing</li> <li>• Social Engagement</li> <li>• Volunteering</li> <li>• Flexible working arrangements</li> <li>• Information</li> <li>• Crime and Safety</li> <li>• Education</li> <li>• Transport</li> <li>• Access</li> <li>• Road Safety</li> <li>• Housing choice</li> <li>• Access to services</li> <li>• Increase Housing choice and affordability</li> <li>• Healthy lifestyles</li> <li>• Improved access to health services.</li> </ul>	High priority actions implemented.	Community and Culture	<p>The following activities were undertaken:</p> <ul style="list-style-type: none"> <li>• Grandparents Day event held at Eskbank House in October 2012.</li> <li>• Assisted Senior Citizen's Group to relocate from Hoskins building to alternative premises. Financial Assistance provided to assist with rental costs.</li> <li>• \$23,650 funding received for the installation of outdoor gym equipment</li> <li>• After community consultation, gym equipment to be installed at Lake Wallace Wallerawang in 1<sup>st</sup> Quarter 2013/14.</li> <li>• Ageing Expo held at Union Theatre in 3<sup>rd</sup> Quarter.</li> </ul>



### 1.2.3 Arts and Culture

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Quarterly Achievement
1.2.3.1	To provide a range of programs celebrating the cultural diversity and rich heritage of our local government area.	<p><b>Implement the Cultural Plan in terms of the following:</b></p> <p>Celebrate the cultural heritage of the LGA through the development of cultural/heritage programs including:</p> <ul style="list-style-type: none"> <li>Promotion of Eskbank House and its connections with other heritage sites.</li> <li>Establishment of John Wellings Award</li> </ul> <p>Provide support for cultural organisations in the development and promotion of cultural activities.</p>	<p>Eskbank House and its connections with other heritage sites promoted.</p> <p>John Wellings Award established.</p> <p>Regular networking undertaken with cultural organisations.</p>	<p>Community and Culture</p> <p>Community and Culture</p>	<p>The following activities have been undertaken:</p> <ul style="list-style-type: none"> <li>Involvement in the Lithgow Museum's Network Group activities.</li> <li>Participation in a combined museum's stall at Ironfest.</li> <li>Participation in International Museum's Day.</li> <li>Hosted a "Thank A Volunteer" Afternoon Tea for local heritage and museums group volunteers.</li> <li>The Cultural Development Officer was Guest Speaker at Lithgow Gardens Club talking on Eskbank House.</li> <li>Meetings held with the National Trust.</li> <li>Handed over the John Wellings Award to the National Trust who established a sub-committee to manage the award.</li> <li>John Wellings Award competition details sent to schools.</li> </ul> <p>The following activities have been undertaken:</p> <ul style="list-style-type: none"> <li>Involvement with Mingaan Aboriginal Cooperation.</li> <li>Attendance at Lithgow Museums Networking Group Meetings.</li> <li>Attendance at Blue Mountains Association of Cultural Heritage Organisations Committee Meetings.</li> <li>Working with Hartley District Progress Association and other Cultural Organisations on Blue Mountains Crossing Bicentenary Events and Projects.</li> <li>Attendance at Lithgow Arts Council Meetings.</li> <li>Presentation at Arts Out West AGM.</li> <li>Combined museum's exhibition with Library on Andrew Brown.</li> </ul>

					<ul style="list-style-type: none"> <li>Attendance at Sir Joseph Cook Commemorative Group meetings.</li> <li>Sourced funding for the Cox's Road Signage Project.</li> </ul>
		<b>To identify, preserve improve and promote the LGA's local history collections in terms of the following:</b>			
		Provide guidance in the identification, preservation and promotion of local history collections through the Museums Advisors Program.	Museums Advisor Program continuing to work with Eskbank house and other museums to preserve and promote local history collections.	Community and Culture	Museum Advisor visited museums in Lithgow LGA and provided specialist support during 2012/13.
		Subject to available resources develop the oral history program to capture the 'collective memories' of the area.	Oral History Project underway	Community and Culture	<p>The following activities were undertaken:</p> <ul style="list-style-type: none"> <li>Oral history recording equipment was made available for borrowing.</li> <li>4 oral history tapes were digitised and are now available for research.</li> </ul>
		<b>Implement the Cultural Precinct Study in terms of the following:</b>			
		Develop temporary programs and events within the Cultural Precinct.	Program of temporary programs and events developed.	Community and Culture	<p>The following activities have been undertaken:</p> <ul style="list-style-type: none"> <li>LithGlo lighting display in Hoskins Church, Union Theatre, Blast Furnace Park and the twin Rail Viaducts in December.</li> <li>Ongoing works on the Lithgow History Avenue project including research for the website.</li> <li>A program of events and exhibitions at Eskbank House.</li> <li>International Museums Day at Eskbank House.</li> <li>"Atwick" Bonnets Exhibition</li> <li>International Women's Day 2013 Exhibition.</li> <li>Way Forward Thru Stories: Aboriginal Art and Culture Workshops and Exhibition.</li> <li>Australia Day Celebrations.</li> </ul>

### 1.2.4 Children and Families

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Quarterly Achievement	
1.2.4.1	To develop the Lithgow LGA as a Family Friendly Community.	<b>Implement the Social Plan in terms of the Following:</b> Continue to participate in the Child Protection Interagency to develop and promote activities for children and families.			Community and Culture	<ul style="list-style-type: none"> <li>9 meetings of the Child Protection Interagency meetings were attended.</li> <li>4 meetings of the Domestic Violence Liaison Committee and support was given to anti-domestic violence initiatives.</li> </ul>

### 1.2.5 Community Information

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Quarterly Achievement
1.2.5.1	To increase community awareness of local services and facilities.	<b>Implement the Social Plan, Cultural Plan and Ageing Strategy in terms of the following:</b>			
		Provide community information on the Cook Street Plaza noticeboard and in branch libraries.	Noticeboards updated weekly	Community & Culture	The community noticeboard was updated weekly.
		Provide a Community Services Guide online.	Online Community Guide maintained and updated regularly.		A Community and Lifestyle sections is maintained on <a href="http://www.lithgow.com">www.lithgow.com</a>
		Maintain the online directory of Children's Services on Council's website.	Directory maintained and updated regularly.		An online Children's Services Directory is maintained on <a href="http://www.lithgow.com">www.lithgow.com</a>
		Finalise the transition to digital only television.	<ul style="list-style-type: none"> <li>Continue operation of Capertee and Glen Davis self-help transmission towers until 31 August 2012.</li> <li>Decommission and dispose of equipment from Hartley, Capertee and Portland towers in first half of 2012-2013.</li> <li>Decommission and dispose of equipment from Glen Davis tower in 2nd half of 2012-2013.</li> </ul>		<ul style="list-style-type: none"> <li>The Glen Davis tower was switched off on 31 August 2012.</li> <li>Council resolved during the 2<sup>nd</sup> Quarter not to participate in the digital upgrade of Megalong TV Service.</li> <li>Most remaining equipment was disposed of by June 2013. Capertee Tower still to be disposed of.</li> </ul>

## 1.2.6 Community Support

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Quarterly Achievement
1.2.6.1	To encourage equitable access to services and facilities.	<b>Implement the Social Plan in terms of the following:</b>			
		Provide support to community organisations through Council's financial assistance program.	<ul style="list-style-type: none"> <li>Program advertised and submissions received in April and November each year.</li> <li>Number of submissions received and amount provided.</li> </ul>	Community and Culture.	<p>Round 2 of the 2012/13 Non-Recurrent Financial Assistance Program was opened in October 2012.</p> <p>21 submissions to value of \$32,848 were received and 12 projects to value of \$10,740 were funded.</p> <p>Round 1 of 2013/14 Non-Recurrent Financial Assistance Program was opened in April 2013 and 24 projects to the value of \$41,500 were approved by Council in June 2013.</p> <p>Council also approved 16, 2013/14 Recurrent projects to the value of \$86,514 in the 4<sup>th</sup> Quarter.</p>
		Lobby Governments for equitable access to public transport, health, education, housing, recreational and other essential community services projects.	Use census and other need data to advocate for equitable access by Lithgow residents to community infrastructure and essential services.	Community and Culture	The Online Profile was updated with the 2011 Census data during the 2nd and 3rd quarters.
Promote and support Men's Shed projects and programs.	<ul style="list-style-type: none"> <li>Regular attendance by the Community Development Officer at Lithgow and Portland meetings.</li> </ul>	Community and Culture	<p>The following activities were undertaken:</p> <ul style="list-style-type: none"> <li>Ongoing contact was maintained with the Men's Shed Groups.</li> <li>A lease agreement was developed between Council and Lithgow Men's Shed for use of the old amenities block at Lithgow Aquatic Centre.</li> <li>Council has provided \$50,000 to Lithgow Men's shed for renovation of the amenities block.</li> </ul>		

## 1.2.7 Health

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Quarterly Achievement
1.2.7.1	To provide a range of health services which meet the needs of the community.	<b>Implement the Social Plan and Ageing Strategy in terms of the following:</b>			
		Advocate for equitable access to health services to meet community need.	<ul style="list-style-type: none"> <li>Council Health Committee established.</li> <li>Community consultation undertaken on health needs and needs advocated to the government.</li> </ul>	Community and culture	Council provided a submission on the Nepean Blue Mountains Local Health District Strategic Plan 2012-2017 on local health issues and needs.
		Participate in the Community Services Interagency.	Regular attendance by the Community Development Officer at meetings and participation in events.	Community and Culture	6 Community Services Interagency meetings were attended.
		Lobby for the reinstatement of a full-time Aged Care Assessment Team Service based in Lithgow.	Lobbying undertaken in conjunction with Lithgow community care Interagency.	Community and Culture.	Council lobbied for the reinstatement of a full-time ACAT service in its submission on the Nepean Blue Mountains Local Health District Strategic Plan 2012-2017.

## 1.2.8 Library Programs

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Quarterly Achievement																								
1.2.8.1	To provide learning opportunities and quality library facilities which meet the needs of the community.	Operate the Lithgow Library Learning Centre, Portland, Rydal and Wallerawang Libraries	<ul style="list-style-type: none"> <li>Total number of library loans.</li> <li>Number of people using the Library service.</li> <li>Number of new members.</li> <li>Number of children attending story time activities.</li> <li>Number of bookings for the technology centre, meeting and video conferencing room compared with 2011/12 statistics.</li> </ul>	Community and Culture	<table border="1"> <thead> <tr> <th></th> <th>2011/12</th> <th>2012/13</th> </tr> </thead> <tbody> <tr> <td>No. of Library Loans</td> <td>78,230</td> <td>75,130</td> </tr> <tr> <td>No. people using Library (estimated)</td> <td>113,230</td> <td>115,159</td> </tr> <tr> <td>No. new members</td> <td>984</td> <td>941</td> </tr> <tr> <td>No. children at story time activities</td> <td>2,135</td> <td>2,417</td> </tr> <tr> <td>No. children at homework centre</td> <td>1,137</td> <td>276</td> </tr> <tr> <td>No. of people utilising the technology centre</td> <td>23,215</td> <td>26,737</td> </tr> <tr> <td>No. bookings for meeting room.</td> <td>150</td> <td>175</td> </tr> </tbody> </table>		2011/12	2012/13	No. of Library Loans	78,230	75,130	No. people using Library (estimated)	113,230	115,159	No. new members	984	941	No. children at story time activities	2,135	2,417	No. children at homework centre	1,137	276	No. of people utilising the technology centre	23,215	26,737	No. bookings for meeting room.	150	175
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Maintain membership of the Australian Learning Community Network.	Payment of membership.	Community and Culture.	Annual membership paid in February.																										
Provide outreach programs for housebound and isolated residents within the LGA	2011-2012 Pilot program evaluated and ongoing program implemented..	Community and Culture	A Temporary Home Library Officer was appointed and commenced in January 2013 for a period of six months. The Pilot program commenced during the 3 <sup>rd</sup> quarter with 6 patrons which had increased to 16 by the end of the fourth quarter.																										

		Enhance the adult, children, DVD, talking book, Large print, language and teenage sections of the Library collection and provide kits for the Books for Babies Program.	Purchase additional book and other reading resources.	Community and Culture	<p>The following purchases were made during the 4th quarter (figures include donated items):</p> <table border="1"> <thead> <tr> <th colspan="2">2012/13</th> </tr> </thead> <tbody> <tr> <td>Adult Books</td> <td>4,031</td> </tr> <tr> <td>Children's Books</td> <td>919</td> </tr> <tr> <td>Large Print Books</td> <td>394</td> </tr> <tr> <td>Language Books</td> <td>22</td> </tr> <tr> <td>Teenage Books</td> <td>246</td> </tr> <tr> <td>DVD's</td> <td>894</td> </tr> <tr> <td>No. of Books for Babies Kits Distributed</td> <td>360</td> </tr> </tbody> </table>	2012/13		Adult Books	4,031	Children's Books	919	Large Print Books	394	Language Books	22	Teenage Books	246	DVD's	894	No. of Books for Babies Kits Distributed	360
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		Share library resources with other communities.	The number of inter-library loans and reciprocal borrowers compared with 2011/12.	Community and Culture.	<table border="1"> <thead> <tr> <th></th> <th>2011/12</th> <th>2012/13</th> </tr> </thead> <tbody> <tr> <td>No. Inter-Library loans (requests able to be met)</td> <td>355</td> <td>301</td> </tr> <tr> <td>No. reciprocal borrowers</td> <td>1,161</td> <td>1,242</td> </tr> </tbody> </table>		2011/12	2012/13	No. Inter-Library loans (requests able to be met)	355	301	No. reciprocal borrowers	1,161	1,242							
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		Conduct exhibitions and displays.	4 exhibitions/displays per year.	Community and Culture	<table border="1"> <thead> <tr> <th></th> <th>2011/12</th> <th>2012/13</th> </tr> </thead> <tbody> <tr> <td>No. of Exhibitions</td> <td>12</td> <td>13</td> </tr> <tr> <td>Title of Exhibitions 2012/13</td> <td colspan="2"> <ul style="list-style-type: none"> <li>• Paintings by Kay Ross</li> <li>• Life drawings by Kerry Clemens</li> <li>• Works by David Newman-White</li> <li>• Seniors' Exhibition</li> <li>• Atwick Convict Bonnets</li> <li>• Bob Green, Paintings</li> <li>• Martin Kudrfalec, Paintings</li> <li>• Antony Symonds, Sculpture,</li> <li>• Threads – They Wore What, History Week.</li> <li>• Peter Floyd, Paintings</li> </ul> </td> </tr> </tbody> </table>		2011/12	2012/13	No. of Exhibitions	12	13	Title of Exhibitions 2012/13	<ul style="list-style-type: none"> <li>• Paintings by Kay Ross</li> <li>• Life drawings by Kerry Clemens</li> <li>• Works by David Newman-White</li> <li>• Seniors' Exhibition</li> <li>• Atwick Convict Bonnets</li> <li>• Bob Green, Paintings</li> <li>• Martin Kudrfalec, Paintings</li> <li>• Antony Symonds, Sculpture,</li> <li>• Threads – They Wore What, History Week.</li> <li>• Peter Floyd, Paintings</li> </ul>								
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						<ul style="list-style-type: none"> <li>• Artworks by Peter Lee</li> <li>• Lewin Travelling Exhibition</li> <li>• Community Milestones Exhibition for Heritage Week</li> </ul>	
					No. of Displays	29	16
					Title of Displays	<ul style="list-style-type: none"> <li>• 3 Christmas</li> <li>• Australia Day</li> <li>• Crafts</li> <li>• Stroke Prevention</li> <li>• University Annex Plans (UWS)</li> <li>• Hats &amp; Shoes</li> <li>• Library Photographs</li> <li>• Save Our Swamps</li> <li>• Beyond Blue</li> <li>• Rocking Horses</li> <li>• Christmas</li> <li>• Local Schools Book Week Entries.</li> <li>• University of Western Sydney (foyer display)</li> <li>• Display of Draft Local Environment Plans</li> <li>• Lithgow glass bottles - Heritage Festival</li> <li>• Andrew Barton – Heritage Festival</li> <li>• Pioneer Wall display (Portland)</li> </ul>	



		Develop the Local History Collection	<ul style="list-style-type: none"> <li>• Photo digitising of the collection.</li> <li>• Improved storage and access to Local Studies Collection.</li> <li>• Map indexing.</li> <li>• Mercury indexing of Lithgow Mercury holdings.</li> </ul>	Community and Culture	<p>The following activities were undertaken:</p> <ul style="list-style-type: none"> <li>• A volunteer undertook annotation of photographs for digitization and approximately 15% of the Photo digitization. This activity is under review.</li> <li>• Updating of vertical files completed by a volunteer.</li> <li>• Indexing of Council minute books undertaken by a volunteer.</li> <li>• Cooperative research project and grant proposal in conjunction with Lithgow Local District and Family History Society.</li> <li>• Work continued on Stack storage area.</li> <li>• Map collection indexing and labelling completed.</li> <li>• Volunteer indexing Council minutes.</li> <li>• Volunteer maintaining vertical files.</li> <li>• 9 new items catalogued to collection.</li> <li>• Lithgow Mercury indexing suspended to lack of resources.</li> <li>• Recommended staffed public access hours in Local History, 12 hours per week.</li> </ul>
		Provide a community and education information service through events, displays and the Learning Shop.	<ul style="list-style-type: none"> <li>• Community and education information areas are updated weekly.</li> </ul>	Community and Culture	<p>The community and education displays were updated twice weekly.</p>
		Provide quality community programs that offer educational and social opportunities for all members of the community.	<ul style="list-style-type: none"> <li>• Lithgow Forum to meet 4 times per year.</li> <li>• Monthly meetings of the Book club.</li> <li>• Supervise external university exam students as required.</li> <li>• Craft lessons within the Thursday Knitters Group.</li> <li>• Undertake joint programs with TAFE and local Schools including class visits, displays etc.</li> </ul>	Community and Culture	<ul style="list-style-type: none"> <li>• 6 Book Club meetings held.</li> <li>• 28 external University exams supervised.</li> <li>• Monthly sessions of the Thursday Knitters held.</li> <li>• Lithgow Orchestra concerts hosted regular Saturday morning concerts.</li> </ul> <p>The following activities were undertaken during the school holidays:</p> <ul style="list-style-type: none"> <li>• Regular twice weekly story time and craft</li> <li>• 2 Holiday craft activity sessions held.</li> <li>• 2 story times at Wallerawang Library</li> <li>• 1 local librarians network meeting</li> <li>• 1 meeting with UWS Provost</li> <li>• Holiday craft sessions provided: Making Little Houses (Chris Woodcock), creating collages, paper airplanes, Angry Bird</li> </ul>

					<ul style="list-style-type: none"> <li>Pom-Pom Craft.</li> <li>Holiday Reading Program: Tangled Tales from 15 December to end of January when prizes were awarded.</li> <li>3 Untangled Tales Holiday Craft activity sessions were held.</li> <li>Meetings held with TAFE, UWS and Notre Dame University.</li> <li>Homework Zone Tutor visited local Schools and TAFE</li> <li>6 Computer Classes provided</li> <li>2 Seniors and the Internet Classes provided.</li> </ul>																												
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					Morning Tea	
					UWS Staff guided tour of the Library	4
					Peter Floyd Exhibition Launch	15
					Book Week activities coordinated with local schools.	22 Sessions in Lithgow Library, total attendance 700 kids. Prize-giving session 15 kids attended. Branch Librarians assisted at 2 local schools with judging and prize giving.
					National Year of Reading "Love 2 Read" program in conjunction with Lithgow TAFE	6 entries received in Library.
					External University Exams	6 Supervised.

## 1.2.9 Regulatory/Compliance Programs

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Quarterly Achievement																		
1.2.9.1	To ensure community safety and compliance.	Maintain animal control in accordance with legislation and policy.	Compare the following from 2011/12: <ul style="list-style-type: none"> <li>• Number of animals impounded.</li> <li>• Number of animals returned to owners.</li> <li>• Number of animals destroyed.</li> <li>• Number of animals sold.</li> <li>• Maintain the companion animals register.</li> </ul>	Environment	<table border="1"> <thead> <tr> <th></th> <th>2011/12</th> <th>2012/13</th> </tr> </thead> <tbody> <tr> <td>No. of animals impounded</td> <td>241</td> <td>208</td> </tr> <tr> <td>No. of animals returned to owners</td> <td>93</td> <td>47</td> </tr> <tr> <td>No. of animals destroyed</td> <td>91</td> <td>115</td> </tr> <tr> <td>No. of animals sold.</td> <td>7</td> <td>7</td> </tr> <tr> <td>No. of animals sent to rescue</td> <td>15</td> <td>38</td> </tr> </tbody> </table> <p>The Companion Animals Register was updated as necessary.</p>		2011/12	2012/13	No. of animals impounded	241	208	No. of animals returned to owners	93	47	No. of animals destroyed	91	115	No. of animals sold.	7	7	No. of animals sent to rescue	15	38
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		Maintain the Lithgow Pound.	<ul style="list-style-type: none"> <li>• Daily feeding and exercise of animals and cleaning of the pound.</li> </ul>	Environment	Daily feeding, cleaning and exercising undertaken.																		
		Undertake community education on the care of and responsibility of companion animals.	Implement Community Education Strategy Action Plan.	Environment	Primary School Education Program and media release through Facebook and Council website is ongoing.																		
		Investigate non-compliance with the Environmental Planning and Assessment Act and Local Government Act.	Number of actions taken.	Environment	The following actions were taken: <ul style="list-style-type: none"> <li>• 35 actions were taken during the July to December period.</li> <li>• EP&amp;A -3</li> <li>• LGA -32</li> </ul>																		

## 1.2.10 Safety

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Quarterly Achievement
1.2.10.1	To facilitate a safe community.	<b>Implement the Crime Prevention Plan in terms of the following:</b>			
		Maintain Street Lighting	Complaints referred to Endeavour on the day received if a working day.	Operations	All complaints were forwarded on day of receipt.
			Audit and enhance where necessary, street lighting in areas of high pedestrian activity.	Operations	Regular audits are undertaken by Endeavour Energy. Council meets 6 monthly with Endeavour Energy to discuss any outstanding issues.
		Remove graffiti from public places and liaise with Police.	All graffiti removed within 5 working days.	Operations	All graffiti is removed within 5 working days of being notified.
		Participate in the Local Liquor Accord	Attend meetings regularly.	Community and Culture	2 meetings of the Liquor Accord were attended.
		Conduct regular meetings of the Crime Prevention Committee	Meetings held 6 weekly.	Community and Culture.	3 meeting of the Crime Prevention Committee were conducted
			Priority crime prevention strategies in relation to assault and harassment implemented.		The following activities were undertaken during the 4th quarter: <ul style="list-style-type: none"> <li>Lighting audit of Main Street, Mort Street, Gas Works Lane, Eskbank Street and Bridge Street and replacement of blown street lights.</li> <li>Evaluation of CCTV Placement in Lithgow CBD undertaken.</li> <li>Alcohol free zones in Lithgow, Wallerawang and Portland extended for a further 4 years.</li> <li>Council facilitated a "Get Out of Debt Day" to assist people to find ways of meeting their obligations to pay fines.</li> <li>Late night taxi zone installed in Main Street.</li> </ul>
Implement crime prevention grant for late night transport to address assault and malicious damage.	Late night transport service successfully implemented and evaluated.	Community and Culture	The second part of the pilot operated from 16 November to 29 December 2012. This service aimed to address alcohol related violence and malicious damage within the Lithgow CBD by giving patrons a safe method of transport home. A total of 52 passengers' utilised this service over the 12 days it ran on the Friday and Saturday		

					nights. Of these passengers, 26 were female and 26 were male.
		Continue participation and support for Child Protection Interagency and Domestic Violence Liaison Committee.	Regular attendance by the Community Development Officer at meetings and participation in its events.	Community and Culture	<ul style="list-style-type: none"> <li>9 meetings of the Child Protection Interagency were attended.</li> <li>10 meetings of the Lithgow Partnerships against Domestic Violence Committee were attended and support was given to anti domestic violence initiatives.</li> </ul>
		Address violence against women in the community.	Conduct International Women's Day activities with the Domestic Violence Liaison Committee.	Community and Culture	Involvement in initiatives developed to raise awareness and reduce cases of domestic and family violence i.e. Lithgow Cares Campaign.
		Provide CCTV monitoring in the Lithgow Central Business District.	Maintain the CCTV System	Development	CCTV Cameras are being maintained within funding limits
			Install security cameras at the following locations: <ul style="list-style-type: none"> <li>Main/Eskbank Street intersection</li> <li>Upgrade the wireless system</li> </ul>		Information Technology
			To be undertaken during 2013/14		
		Participate in emergency services committees including the bushfire Advisory committee and Local Emergency Management committee in accordance with their terms of reference.	Attend meetings regularly.	Operations	<ul style="list-style-type: none"> <li>4 meetings of the Bushfire Advisory Committee were attended.</li> <li>4 meetings of the Local Emergency Management Committee were attended.</li> </ul>
		Provide annual and discretionary contributions to the NSW Rural Fire Service and fulfil responsibilities under the Memorandum of Understanding.	Contributions made and all responsibilities of the Memorandum of Understanding fulfilled.	Operations.	Payments paid as per the Operations Plan.
Impound abandoned articles from public places.	Number of articles impounded in accordance with the Impounding Act.	Environment	11 articles were impounded in accordance with the Impounding Act.		

### 1.2.11 Volunteering

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Quarterly Achievement
1.2.11.1	To celebrate and grow volunteering	<b>Implement the Social Plan in terms of the following:</b>			
		Work with community and sporting organisations to develop a volunteer's network to promote and facilitate volunteering in the community.	Volunteer's network established.	Community and Culture	Not Achieved
		Implement a recognition program for volunteering in association with International Volunteers Day.	Recognition program established.	Community and Culture	Not Achieved
		Encourage younger people to volunteer.	Increase in number of younger people volunteering.	Community and Culture	Volunteering issues were raised at Youth Council to encourage participation by Youth Council members and other young people.

### 1.2.12 Youth

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Quarterly Achievement
1.2.12.1	To improve the quality of life of the LGA's youth.	<b>Implement the Social and Cultural Plans in terms of the following:</b>			
		Continue to support Lithgow Youth Council to provide a voice for young people to Council.	Youth Council to meet 8 times per year.	Community and Culture	8 meetings of the Lithgow Youth Council were convened and attended.
		Engage with young people to plan activities and cultural programs to meet their needs.	Annual program of youth events developed Including: <ul style="list-style-type: none"> <li>Youth Week,</li> <li>Cinema Under the Stars,</li> <li>Rock-Up</li> </ul>	Community and Culture	The following activities were undertaken: <ul style="list-style-type: none"> <li>Union Rock at the Union Theatre</li> <li>Cinema Under the Stars in conjunction with the Community Drug Action Team.</li> <li>Youth Week Music Festival and Skate Day</li> <li>Cinema Under the Stars</li> </ul>
		Investigate the development of a major Youth Festival for Lithgow.		Community and Culture Tourism	The following activities were undertaken: <ul style="list-style-type: none"> <li>Consultation and Planning with the Youth Council to hold a Youth Festival in April 2013 at the Lithgow Showground/Skate Park.</li> <li>Establishment of annual Youth week Music Festival and Skate Day</li> </ul>

		Work with young people to develop appropriate recreational facilities that meet their needs.	Recommendations of young people in relation to recreational facilities considered in Strategic Asset Management Plan.	Community and Culture Operations	Matters are discussed with the Youth Council when they arise.
		Advocate for appropriate services to meet the broad range of youth needs.	Regular attendance at Youth Services Network Meetings and participation in its events by the Community Development Officer	Community and Culture.	Council was involved in the development of a work plan for the Youth Services Network and regular participation in all meetings, initiatives and events.
		Continue to provide the homework centre at the Lithgow Library Learning Centre.	<ul style="list-style-type: none"> <li>• Homework Zone to operate 4 days per week during school term.</li> <li>• Number of children attending the homework centre.</li> </ul>	Community and Culture	Due to the resignation of the Homework Zone Teacher this activity was suspended until a new Teacher was appointed during 4th Quarter.
		Sports/Cultural Scholarship developed for youth from low income/disadvantaged families.	<ul style="list-style-type: none"> <li>• Scholarship models investigated.</li> <li>• Liaison with Sporting and Cultural organisations to ascertain need.</li> <li>• Scholarship developed and adopted by Council.</li> </ul>	Community and Culture	<p>The following activities were undertaken:</p> <ul style="list-style-type: none"> <li>• The Scholarship concept was developed by the Youth Council.</li> <li>• Liaison was undertaken with the PCYC.</li> <li>• Council allocated funds for the commencement in the 3<sup>rd</sup> quarter.</li> <li>• Planning was undertaken by the Youth Council on advertising, selection process and other details.</li> <li>• Promotion of scholarship program and Nominations were called for during 4<sup>th</sup> Quarter.</li> </ul>



## 2012/13 Financial Assistance – Our Community

Financial Assistance	Timeframe	Quarterly Achievement
<b>Recurrent Financial Assistance</b>		
Western Region Academy of Sport	2012-2016	Paid 1st Quarter
White Ribbon Day	2012-2016	Paid 1st Quarter
Portland Golf Club	2012-2016	Paid 1st Quarter
Lithgow Golf Club	2012-2016	Paid 1st Quarter
Tidy Towns, Lithgow, Portland, Wallerawang and Cullen Bullen	2012-2016	Lithgow, Wallerawang and Cullen Bullen Tidy Towns paid 1st Quarter. Portland Tidy Towns paid in 4 <sup>th</sup> Quarter
Local School Presentations	2012-2016	12 payments made in the July to December period. One payment made in 3rd quarter.
LINC Rental Assistance	2012-2016	One payment made in 4 <sup>th</sup> quarter.
<b>Non-Recurrent financial Assistance</b>		
Payment was made to the following Non-Recurrent Financial Assistance requests in the July to December period in accordance with Council's Financial Assistance Policy	2012-2013	<ul style="list-style-type: none"> <li>• Tarana Tanker Trailers</li> <li>• Lithgow Men's Shed</li> <li>• Portland Men's Shed</li> <li>• Legacy</li> <li>• Lithgow Cares Campaign</li> <li>• Lithgow Family Support Homework Centre</li> <li>• Lithgow Community Projects "Love Bites" Program</li> <li>• Lithgow State Mine</li> <li>• Hampton Cricket Club</li> <li>• Rydal A H &amp; P</li> <li>• Nepean Blue Mountains Medicare Local</li> <li>• Lithgow Senior Citizens</li> <li>• Mingaan Aboriginal Corporation</li> <li>• Lithgow Community Private Hospital Prostate Cancer Awareness Campaign.</li> <li>• Lithgow Information and Neighbourhood Centre "Community &amp; Kids" Program</li> <li>• Lithgow Information and Neighbourhood Centre "Matthew Sharpe Scholarship Program</li> <li>• Portland Development Corporation</li> <li>• Lake Wallace Community Boating</li> </ul>

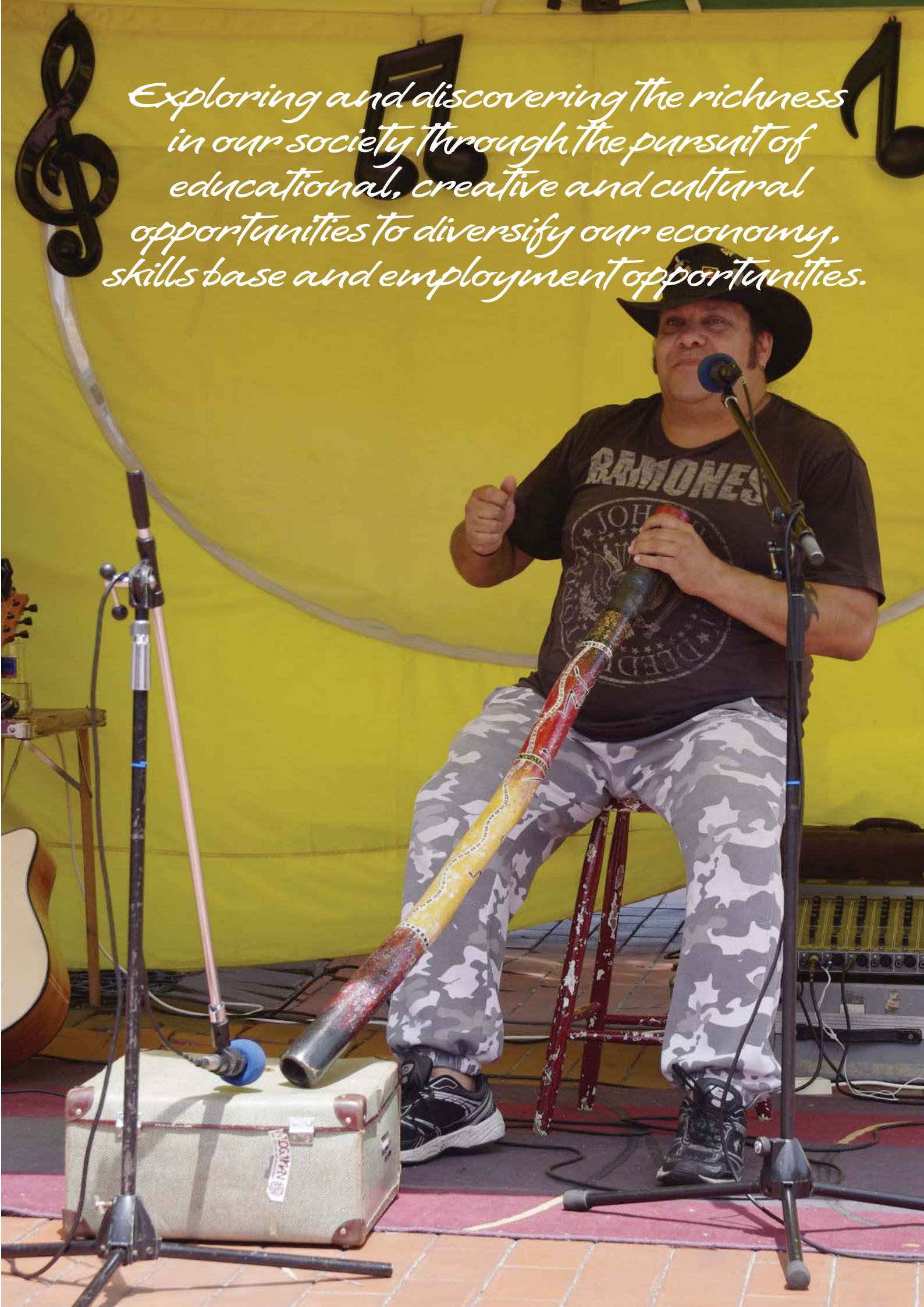
		<ul style="list-style-type: none"> <li>• Centre.</li> <li>• Lithgow City Rangers Soccer Club</li> <li>• Rydal Showground Trust</li> <li>• NSW Rural Fire Service</li> <li>• Portland Central School Industry Links Program</li> <li>• PCYC</li> <li>• Mitchell Conservatorium</li> <li>• Lithgow Highland Pipe Band</li> <li>• Glen Alice Community Association</li> <li>• Lithgow District Kennel Club</li> <li>• Lithgow Owners and Trainers</li> <li>• Wallerawang Kids Club</li> <li>• Friends of St John's Church</li> <li>• Cullen Bullen Progress Association</li> <li>• Lithgow District Garden Club</li> <li>• Life Education Centre</li> <li>• Lithgow Community Orchestra</li> <li>• Lithgow CWS</li> <li>• First Australian Muzzelloading Rifle Pistol Club</li> </ul>
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## 2012/13 – Recommended Variations to Program of Works – Our Community

There are three variations to the Program of Works for Our Community as detailed in the Operations Plan adopted by Council on 4 June 2012 (Min No. 12-182).

Project Name	Description of Works Program/Key Performance Indicator	Proposed Variation	Reason
Disaster Management Plan for Eskbank House Museum.	Disaster Management Plan developed and adopted by Council.	To be completed 2 <sup>nd</sup> Quarter 2013/14	Not achieved in 4 <sup>th</sup> Quarter 2013/14 due to demands of capital works and interpretative signage projects.
Work with community and sporting organisations to develop a volunteer's network to promote and facilitate volunteering in the community.	Volunteer's network established.	To be completed 2 <sup>nd</sup> Quarter 2013/14	Demands of other projects
Implement a recognition program for volunteering in association with International Volunteers Day.	Recognition program established.	To be completed 2 <sup>nd</sup> Quarter 2013/14	Demands of other projects

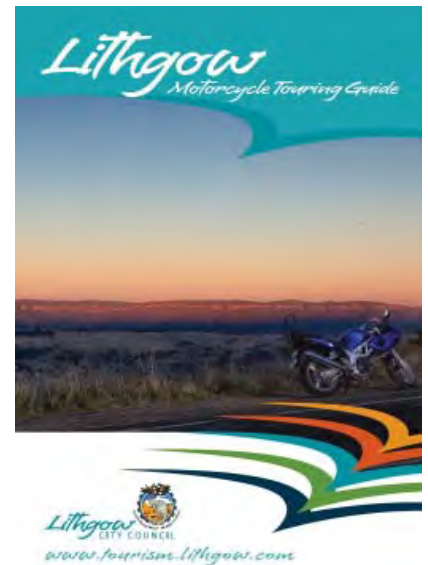
*Exploring and discovering the richness  
in our society through the pursuit of  
educational, creative and cultural  
opportunities to diversify our economy,  
skills base and employment opportunities.*



# Strengthening Our Economy

## Achievements for 2012-2013

- Adopted the Destination Management Plan - A Tourism Strategy for Lithgow.
- Lit up local iconic buildings at Christmas with a three-day lighting spectacular - Lithglo.
- Re-packaged the Main Street Facades Improvements program delivering \$15,000 in facade improvement works.
- Partnering with Uniting Care Lithgow to provide Transition to Work Program for people with a Disability.
- Commenced a Housebound Library Service Program in Portland with 15 regular members.



## Main Street Program - Facades

During 2012/13 Council reinvigorated the Main St façade Improvement Program by repackaging the adopted Council policy into a user friendly brochure, undertaking media promotions and by direct awareness raising interactions with Main St business operators, building owners and real estate agents.

This resulted in an increase in the number of applications from zero during 2011/12 to 6 in 2012/13. In total Council was able to facilitate and partner the delivery of facade improvement works to the value of \$15,000. This has directly resulted in noticeable improvements to the streetscape amenity and increased community pride.

## Lithgow Creative's Website Project

The Lithgow Creative's webpage has been developed to promote a creative practitioner cluster within the Lithgow LGA. The free web page service enables creative practitioners across all sectors to list their business name, address and goods or services provided. An additional feature is the incorporation of an online gallery where each creative practitioner can visually showcase their particular goods or service. Members can also share their news and receive information about grants, training and business development opportunities. <http://www.lithgow.com/creatives>.

## Destination Management Plan – A Tourism Strategy for Lithgow

Following a lengthy period of consultation with operators and the community, the Destination Management Plan – A Tourism Strategy for Lithgow was finalised and adopted by Council in May 2013. The strategy provides an extensive audit of the tourism infrastructure and facilities within the LGA, combined with an analysis of trends in the tourism sector and how they may impact. Based on this information the Destination Management Plan lays out a strategic plan of works and improvements to maximise the potential of tourism in the Lithgow LGA.

The purpose of the Tourism Strategy/Destination Management Plan is to provide Lithgow City Council, government agencies, tourism organisations, the tourism industry and associated businesses, with a comprehensive framework to guide the development of tourism within the Lithgow LGA. In particular, the Plan focuses on:

- Product and market development opportunities and how they can be realized.
- Determining the tourism infrastructure, facilities and services needed to meet the existing and likely future needs and expectations of visitors to the LGA.
- Gaps in supply of products and infrastructure.
- The implications for land use planning.

## LithGlo

During 2012/13 Council created a brand new event to celebrate the Christmas spirit in a special and unique way. A number of iconic cultural and architectural destinations in Lithgow were creatively lit by lighting specialists over 3 nights in December 2012. Destinations included the Blast Furnace ruins, Hoskins Church, Lithgow Courthouse, Union Theatre, and twin heritage railway viaducts at Bowenfels.

The event drew thousands of local residents and visitors from across NSW into Lithgow town centre. It was particularly popular with families and also photographers who took advantage of the unique opportunity.

The most popular destination was the Blast Furnace ruins where the lighting effects were augmented with smoke and a sound track that interpreted the original blast furnace operation. This event is now a fixture on Lithgow's event calendar with the Lithglo 2013 event currently being planned.

## ShopGlo

In December 2012 Council partnered with around 30 Main St businesses and retailers to decorate their shopfronts for Christmas. Council supported the project by providing visual merchandising training followed by in store mentoring sessions. With a Facebook competition format the Lithgow community was invited to "like" individual images of each shopfront posted on Council's Facebook page. The competition was very well supported by the local community driving visitation to both Council's Facebook page as well as foot traffic into each participating business.

## Lithgow Live @ Lunchtime

In the Lead up to Christmas, Council coordinated a series of lunchtime concerts in Cook Street Plaza. The concerts created a festive atmosphere in the CBD for the lunch time crowd, drawing people into the Main Street, invigorating our public spaces and encouraging people to shop locally. The program had a direct economic effect on the community with Council engaging a local musician to engage the performers and provide sound equipment. Market stall holders also reaped the benefits promoting local products and patronage of local cafes increased.

## Mothers Day Shop Front Competition

In May 2013, Council again partnered with around 30 Main St businesses and retailers to decorate their shopfronts in celebration of Mothers Day. Additional visual merchandising training was provided to participating business operators followed by in store critiques. Building on the success of ShopGlo local businesses banded together to sponsor prizes to the most popularly voted shopfront as well as to a lucky draw customer who voted in store for a particular shopfront.

As a result of these competitions and the training provided a large number of Main St shopfront retailers are now regularly dressing their shopfront displays to a far greater standard than before helping to drive visitation to Lithgow's Main St and adding considerably to its destination appeal.

## Lithgow Ageing Expo

An Ageing Expo was held at the Union Theatre in March 2013 which celebrated the contribution that seniors make to our families and communities and highlighted the Seniors Week theme of 'Live Life'!

The day provided local seniors with the opportunity to come together and meet new people, or catch up with friends while developing their knowledge of the services and products available to support ageing well. The expo featured many guest speakers who presented information on a variety of areas that affect seniors such as health, community care, recreation and healthy lifestyles, education, employment, retirement, financial management, housing and accommodation.

This special event was a great opportunity to join together and appreciate seniors in our community and emphasize the services available to them. Over 150 people attended the expo and enjoyed afternoon tea and some wonderful entertainment throughout the day.

## Lithgow Region Motorcycle Touring Guide

Lithgow Tourism continues to seek out new opportunities in niche tourism sectors to increase visitation of overnight and day visitors to the region. In 2012 Lithgow Tourism received funding

from the Motor Accident Authority of NSW to produce a Motorcycle Touring Guide for the region in partnership with the Motorcycle Council of NSW. The objectives of the guide is to increase the awareness of the Lithgow region as a destination for motorcycle tourism and to provide information on motorcycle rider safety with riding tips, motorcycle protective gear and riding defensively.

The Lithgow Motorcycle Touring Guide has been acknowledged as setting a new benchmark in motorcycle touring guides, has received wide spread print media coverage and has been supported by Tourism operators in the Lithgow region.

Motorcyclists have a very broad demographic with many riders working in executive professional positions with a high level of disposable income ready to spend. Lithgow Tourism saw this as an opportunity and acknowledged the fact that motorcycle riders both men and women will check out a destination while travelling with a group of riders and will then return later with their partner or family for a longer holiday stay.

## Australia Day Festivities

In 2013 Council coordinated a variety of Australia Day Celebrations which catered to the diverse needs and interests of the community.

The official ceremony took place at 9 am in Queen Elizabeth Park with the announcement of the Local Citizen and Community Event of the Year Awards, Naturalisation Ceremony and Australia Day Address by Ambassador, Actor Max Cullen.

Following the ceremony the celebrations continued in the park with entertainment by local musicians Phil and Gaye Avery, the Lithgow Highland Pipe Band and community markets.

The morning's festivities wrapped up at 1pm at the Park allowing time to prepare the venue for an evening concert and picnic in the park with rock band "Sons of Mercury". The Lions Club provided a free sausage sizzle and a coffee cart was available for drinks and desserts.

An open day was held at Lithgow Aquatic Centre with a giant slide, music and entertainment.

## Commemoration of the Blue Mountains Crossing Bicentenary Committee

Over the last twelve months Lithgow City Council has been instrumental in planning and providing assistance to community groups for the celebration for the Bicentenary of the Crossing of the Blue Mountains by the first Europeans in 1813. The Crossings event is a two year program (2013-2015) coordinated by Blue Mountains, Lithgow, Oberon and Bathurst Council's in conjunction with community groups and non-government organisations.

The Blue Mountains Crossing Bicentenary celebration events held in the Lithgow LGA were conducted by various community groups with a Section 355 Committee formed by Lithgow City Council to assist and providing financial and in-kind support.

The events brought increased visitation to the region, injecting additional income into locals businesses as well developing the social capital of the community by the recognition of the significance of the crossing of the Blue Mountains and the development of agriculture and industry in the region.

Celebrations ranged from theatrical performances, historical exhibitions to guided interpretive walks along the original Cox's Road.

- A Moment in Time Exhibition – in association with Hartley District Progress Association
- Walk the Journey, Guided walks along the Cox's Road route in the Hartley Valley - in association with Hartley District Progress Association
- Music, Markets and Plane Spotting – in association with Hartley District Progress Association and Lithgow RSL
- Mt York Civic Event – in association with Blue Mountains City Council
- Lithgow Crossings Bicentenary Commemorative Coins (distributed free to all Primary School Students in the LGA)
- Crossing's the Play by Blaxland's descendants.
- 'Crossing the Barrier' Exhibition at the Lithgow Library Learning Centre.

## **'A Moment in Time'**

A heritage exhibition that examines the celebrated crossing of the Blue Mountains by Europeans in 1813, and the consequences of that crossing. Curated by retired professional historian Joan Kent, now a resident in the Hartley Valley, 'A Moment in Time' examines much more than the crossing by Blaxland, Lawson and Wentworth and their party. It begins with a consideration of the rich and ancient geology of the landscape into which the explorers intruded, where ancient sedimentary rocks lie juxtaposed with igneous granite.

## **Walk the Journey**

The guided walks along the original Coxs Road from Mt York to Glenroy gave participants an in-depth understanding of the nature of the landscape that confronted the earlier explorers and the first European settlers to reach the western side of the Great Dividing Range.

## **Crossing**

A theatrical performance examining the first crossing of the Blue Mountains by Europeans in 1813. Through song and movement you are taken on a journey through your own past – from the 40,000 years of Aboriginal crossings to the Blaxland, Wentworth and Lawson crossing in 1813 to the early free settlers like Elizabeth Hawkins and her eight children. The performance is based on true tales of terror, courage and humour as our forebears brave crossing the wild, wonderful Blue Mountains. See the genuine historical diaries and lives of these early settlers come to life in songs and movement to celebrate our unique Australian history.

## **Crossing the Barrier Exhibition**

A joint Commonwealth Heritage grant to Penrith, Blue Mountains and Lithgow Libraries produced the 'Crossing the Barrier' exhibition which toured our three libraries and is now moving around other LGAs connected to the first journeys across the mountains. Dr. Tracy Bradford from the State Library spoke at each library, bringing original artefacts belonging to the explorers.

The State Library's exhibition of John Lewin's paintings done during Governor Macquarie's 1815 trip across the mountains was on loan to the Library at the same time.

## **Sporting events attracted**

The **Lithgow Flash Carnival** supports local youth athletics and provided financial assistance to hold a junior athletics clinic conducted by four professional coaches from NSW Little Athletics in September 2012. The clinic was well attended and the registration for the Lithgow Little Athletics has increased since the clinic was held.

Lithgow has hosted a number of **major hockey carnivals** in the last year with the Western Conference under 13, 15 and 17 boy's carnival held in March 2013. The Mothers Day under 11, 13 and 15 years carnival attracted over 40 teams and was conducted over all of the Lithgow Hockey fields in May 2013.

*Celebrating and embracing our cultural heritage*

Riders at the Suzuki Dirt Bike Classic 9 at Wallerawang - This event attracted 1,500 visitors (including 500+ competitors) to the area, injected \$750,000 into the local economy with Wallerawang businesses saying that it was their "Best Weekend Ever!"



The **Glow Worm Tunnel Trail running weekend** was held for the second year at Newnes in the Wolgan Valley on the weekend of 15 and 16 of June 2013 and attracted over 600 competitors including some of the top ultra marathon runners from across Australia and New Zealand.

The Glow Worm Tunnel Trail running weekend has become a weekend of running fitness and exploring in a spectacular setting. Other Events over the weekend included fun activities for the whole family and fitness levels.

Wallerawang and Lithgow featured in the December 2012 VMX Magazine following the **9th Suzuki Dirt Classic held in Wallerawang**. The three day event attracted over 500 riders and a large spectator audience, with many local businesses and supplier's commenting that they had their best ever weekend.

The VMX magazine is distributed in over 30 countries including America, Europe and the United Kingdom. Mr Ken Smith, Editor, part owner of VMX Magazine and organiser of the Suzuki Classic Dirt 9 event said "Lithgow Council were indeed part of the reason for the success of the event, they were helpful right from the word go - with the development application, with contacts for local service providers, with advice on pretty much everything local actually, they were a joy to deal with from go to whoa. Other local governments should take a leaf out of Lithgow's of really helping the local community"

These events have attracted competitors and spectators to the Lithgow area where they may have not previously visited the region and has a significant increase on local businesses in the Lithgow LGA.



Competitors at the starting line for the Glow Worm Tunnel Trail Run. Approx. 1,400 visitors to the area with an injection of \$500,000 into the local economy.



*LithGlo attracted local and regional visitors providing opportunities for photographic enthusiasts to capture magical images of iconic sites dramatically lit against the night sky.*



## 2012-2016 Program of Works for Our Economy

**Providing for sustainable and planned growth that supports a range of lifestyle choices and employment opportunities.**

### 2.1 Planning for Economic Growth

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
2.1.1	<b>To plan and manage growth in a sustainable manner with emphasis on creating a diversified economy underpinned by sound local environmental planning.</b>	<b>Review and monitor current plans and strategies that support economic growth including:</b>			
		Implement the following plans and strategies: <ul style="list-style-type: none"> <li>• Economic Development Strategy</li> <li>• Business and Retail Strategy</li> <li>• Wallerawang Industrial Park Feasibility Study</li> <li>• Cultural Plan</li> <li>• Cultural Precinct Study</li> <li>• Open Space and Recreational Needs Study</li> <li>• Land Use Strategy.</li> </ul>	Priority items included in 2013-2017 Management Plan and 2013-2014 Operations Plan.	Economic Development  Community & Culture  Development	Priority actions arising from the Economic development Strategy and Business and retail Strategy for Lithgow town centre continue to be implemented, this included shop local and public domain activation initiatives such as ShopGlo for the Christmas trading period, Lithgow Live @ Lunchtime, LithGlo and Mothers Day Competition. Planning also commenced for Halloween 2013 Main Street Festivities.  Investigations commenced in relation to Main Street Revitalisation opportunities such as car parking, accessibility and place making processes.  Draft Planning Proposal for the new Draft Local Environmental Plan publicly exhibited.
		Develop a new Comprehensive Local Environmental Plan.	Plan prepared, consulted upon, adopted and gazetted.	Development	The following activities were undertaken: <ul style="list-style-type: none"> <li>• Draft Planning Proposal placed on public exhibition</li> <li>• Series of Open House and Councillor Information Sessions held to explain the Draft Plan and its provisions.</li> </ul>
		Develop new Development control Plans in line with the new Local Environmental Plan.	Plan prepared, consulted upon and adopted.	Development	Scheduled to be undertaken following completion of the Comprehensive Local Environmental Plan.
		Complete the Tourism Development Strategy	Strategy Completed	Tourism	Strategy adopted by Council

## 2012-2016 Program of Works for Our Economy

Exploring and discovering the richness in our society through the pursuit of educational, creative and cultural opportunities to diversity our economy, skills base and employment opportunities.

### 2.2 Our Economic Growth Programs

#### 2.2.1 Arts and Culture

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
2.2.1.1	To promote, develop and utilise the creative talents of the Lithgow region.	<b>Implement the Cultural Plan and cultural Precinct Study in terms of the following:</b>			
		Promote networks and resource sharing locally and regionally.	Support and respond to requests from local artists in response to Networking programs.	Community and Culture.	<ul style="list-style-type: none"> <li>The following activities were undertaken:                             <ul style="list-style-type: none"> <li>Continued membership of Arts Out West – passed on all workshop and exhibitions information for promotion.</li> <li>Establishment, ongoing promotion and maintenance of the Lithgow Creative's Website.</li> <li>Exhibition at Eskbank House of the Artists of the Vale and PCYC Lithgow Photographic Group.</li> </ul> </li> </ul>
		Identify gaps for economic development and employment opportunities within the creative arts and heritage management sectors.	<ul style="list-style-type: none"> <li>Attend meetings of the Creative Cluster Network.</li> <li>Monitor and update Creative Cluster Network</li> <li>Monitor and Update Creative Industries Trail</li> <li>'Open Weekend' scheme for local artists and artisans.</li> </ul>	Economic Development	<ul style="list-style-type: none"> <li>The following activities were undertaken:                             <ul style="list-style-type: none"> <li>Ongoing liaison undertaken between creative practitioners and relevant Council staff to maintain and update Lithgow Creative's webpage.</li> </ul> </li> </ul>
Encourage a whole of community approach to supporting the growth of cultural industries.	Respond to and engage with community organisations and individuals engaged in cultural activity.	Community and Culture	<ul style="list-style-type: none"> <li>The following activities were undertaken:                             <ul style="list-style-type: none"> <li>Lithgow Live @ Lunchtime events promoting local entertainers and creative industries markets.</li> <li>Attendance at Lithgow Art Council</li> </ul> </li> </ul>		

					<ul style="list-style-type: none"> <li>meeting</li> <li>Attendance at Lithgow Museums Networking Group meetings</li> <li>Presentation at Arts Out West AGM and Council Economic Development Advisory Committee workshop on the Cultural precinct and Creative Industry projects.</li> </ul>
		Plan for future expansion of the Lithgow Cultural Precinct.	Investigate opportunities for the establishment of a shopfront gallery/s	Economic Development	<p>Subject to shopfront availability and landowner consent. Limited by lack of shopfront vacancies between Bridge St and Eskbank St along Main St however:</p> <ul style="list-style-type: none"> <li>Ongoing liaison was held with potential business operators regarding relocation into the Precinct.</li> <li>Vacant shopfront activation projects were undertaken including pop up gallery as part of LithGlo.</li> <li>Ongoing work on the Lithgow History Avenue Project.</li> <li>Investigations undertaken with UWS to identify vacant shopfronts suitable for "Artist in Residence" concept.</li> </ul>

## 2.2.1 Branding and Marketing

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
2.2.2.1	To establish an effective integrated branding and marketing identity to promote Council, Tourism, Economic Development and the LGA.	<b>Implement the Brand Manual, Marketing and Promotional, Economic Development and Festival and Events Strategies in terms of the following:</b>			
		Develop and implement an integrated and effective marketing and branding strategy for the Council, tourism, Economic development and the Local Government Area.	Marketing collateral developed and distributed, e.g. displays, brochures, prospectus, banners, and corporate publications etc. (as per available resources).	Policy and Planning Economic Development Tourism	The Investment Prospectus and Economic Development Summary were made available at Council Offices and Tourism Trade Shows.
			Provide professional corporate and promotional and informational publications for the community Strategic Plan and associated documents.	Policy and Planning	The Community Strategic Plan was reviewed and adopted.  All media releases identify key messages within the CSP that are being achieved.
		Upgrade and install signage brown and white signs and tourism signs in accordance with the Interpretive Signage Program and within budget.		Tourism	Brown and white tourism signs were installed at: <ul style="list-style-type: none"> <li>Blast Furnace Park</li> <li>Lake Pillan's Wetlands</li> </ul>
		Develop Christmas displays and activities throughout the LGA: <ul style="list-style-type: none"> <li>Mayors Christmas Appeal</li> <li>Christmas Decorations/Banners</li> </ul>		Policy and Planning  Tourism	The following activities were undertaken: <ul style="list-style-type: none"> <li>The LithGlo pilot lighting project was delivered involving the Christmas period lighting of iconic Lithgow landmarks such as the Blast Furnace ruins, Buildings within the Hoskins Precinct, Railway Viaducts and vacant shopfronts along Main Street.</li> <li>The ShopGlo project resulted in 29 shopfronts in Lithgow and Portland participating in a Christmas Shopfront Competition.</li> <li>Christmas banners were installed in Lithgow, Wallerawang and Portland.</li> <li>The Mayor's Christmas Appeal was conducted and proved to be highly successful with the overflow of gifts being donated to the Lithgow Christmas lunch.</li> </ul>
		Welcome banners replaced annually as per resourcing and budget.		Tourism	Welcome banners were installed throughout Lithgow, Portland and Wallerawang.

### 2.2.3 Business and Industry Development and Support

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
2.2.3.1	To expand Lithgow's economic base and encourage local employment opportunities through the promotion and facilitation of business and industry development and support services.	<p><b>Implement the Economic Development Strategy and Retail Strategy in terms of the following:</b></p> <p>Encourage the increase of business activities in the CBDs of Lithgow, Wallerawang and Portland.</p>	<p>Implement the Main Street Program.</p> <ul style="list-style-type: none"> <li>• Work with Portland Development Association, Wallerawang Lidsdale Progress Association and Lithgow Business Association to promote the CBDs and joint marketing opportunities.</li> <li>• Investigate opportunities for corporate sponsorship to support marketing and public domain projects.</li> <li>• Develop and implement the 'Plugging the Leaks' and buy local program.</li> </ul>	Economic Development	<p>The following activities were undertaken:</p> <ul style="list-style-type: none"> <li>• Meetings undertaken with the Lithgow Business Association, Wallerawang Lidsdale Progress Association, Capertee Valley Alliance, Capertee Village Association in regard to the installation of tourism signage and joint promotional and marketing opportunities.</li> <li>• Westfund major sponsor for LithGlo Christmas lighting show.</li> <li>• Support provided for the establishment of the Village Markets in Queen Elizabeth Park.</li> <li>• Establishment of Lithgow Live @ Lunchtime markets and creative's.</li> <li>• ShopGlo Christmas Shopfront Competition to support shop local in the Christmas Trading period.</li> <li>• Visual merchandising training delivered to independent business operators for Christmas window displays</li> <li>• Research was undertaken into the development of the Lithgow App with costs and membership processes identified.</li> <li>• Investigations commenced in relation to Main Street, Lithgow revitalisation opportunities relating to car parking, accessibility and place making processes.</li> <li>• Mothers Day shopfront competition delivered with 20 business operators participating.</li> <li>• Planning for comprehensive program of Main St business development, marketing and promotions undertaken.</li> </ul>
		Ensure the provision of a range of business support services.	Provide opportunities for business through the leasing of council owned retail and office space.	Economic Development	Ongoing. Council provides floor space at commercial rates subject to vacancy

		Promote sustainable production and consumption practices through a 'Made in Lithgow' promotion.	<ul style="list-style-type: none"> <li>Explore opportunities for regular local and regional markets.</li> <li>Create a register of local independent businesses and promote through social media applications.</li> </ul>	Economic Development	<p>The following activities were undertaken:</p> <ul style="list-style-type: none"> <li>Lithgow Live @ Lunchtime provided opportunities for local producers and artisans to have market stalls.</li> <li>Exploration and grant application submitted for development of Lithgow App.</li> <li>Ongoing support was provided to Lithgow Village Markets to operate at Civic Ballroom</li> <li>Opportunities to incorporate Lithgow Village markets within Lithgow 13 explored with stakeholders</li> <li>Research was undertaken into the development of the Lithgow App with costs and membership processes identified</li> <li>Continued development of the Lithgow App which will identify and comprehensively promote independent producers, artisan and retailers.</li> </ul>
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#### 2.2.4 Leadership and Communication

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
2.2.4.1	<b>To provide leadership and communications that foster collaboration to maximise Lithgow's economic potential.</b>	<b>Implement the Economic Development Strategy in terms of the following:</b>			
		Ensure sound communications across the community and with Council to assist with encouraging growth.	Regularly meet with and coordinate economic programs with the Economic Development Advisory Committee, Lithgow business Association and other stakeholders as required.	Economic Development	<ul style="list-style-type: none"> <li>Regular meetings held with Lithgow Business Association to coordinate business development initiatives and activities.</li> <li>Meetings and discussions held with business groups to identify business development opportunities including Enterprise Connect, LBA, NSW Trade and Investment and Regional Development Association.</li> <li>Economic Development Advisory Committee Work Planning session held in June 2013.</li> </ul>
			Organise the Sister City Advisory Committee meetings in accordance with the terms of reference.	Economic Development	No meetings of the Sister City Advisory Committee were held.

		Encourage cooperation between business and industry sectors, and with the Council.	Business forums and business development initiatives supported.	Economic Development	<p>The following activities were undertaken:</p> <ul style="list-style-type: none"> <li>• Specialist training in Visual Merchandising along with a hands-on follow-up session for some retailers in the lead up to Christmas to develop Christmas window displays was coordinated and delivered by Council.</li> <li>• The Economic Development Advisory Committee conducted a special facilitated work planning session with presentations from major economic sectors in order to raise awareness and promote co-operation</li> <li>• Council facilitated a Visual Merchandising training session with follow up mentoring for main St independent retailers</li> <li>• Council facilitated a Main St Mothers Day shopfront competition with 20 business operators participating</li> <li>• Planning commenced for proposed Main St Halloween promotion</li> <li>• Council facilitated the visit of the Small Business NSW Small Biz Bus to Lithgow and assisted with media promotion and business participation</li> </ul>
		Market and promote Lithgow as a place to do business, work, live and recreate.	Develop promotional material to attract investors and residents and participate in relevant exhibitions.	Economic Development	<p>The following activities were undertaken:</p> <ul style="list-style-type: none"> <li>• Investment Prospectus and Economic Development Strategy included in displays at Tourism Trade Shows.</li> <li>• Review and updating of Investment Prospectus commenced with due regard to draft LEP process and outcomes</li> </ul>
			Business prospectus kept updated.	Economic Development	Review and updating of Investment Prospectus commenced with due regard to draft LEP process and outcomes
			Continue to update the Creative/cultural Industry Cluster website.	Economic Development	Regular updates of website completed as new members, information and news come to hand.
			Continue to update the Economic Development Website.	Economic Development	Draft redesign of ED website prepared with IT



			Continue to update the New resident information on website.	Economic Development	This is to be included in redesign of ED website.
		Encourage expansion and attraction of businesses.	Conduct local business workshops.	Economic Development	<ul style="list-style-type: none"> <li>Visual merchandising training provided to 20 participants from Lithgow businesses as well as in store mentoring outcomes in the lead up to Christmas.</li> <li>A second visual merchandising workshop and in store mentoring to be provided in the lead up to Mothers Day.</li> </ul>
			Investor forums held.	Economic Development	No investor forums were conducted.
			Appropriate conferences attended to encourage investment.	Economic Development	Experience Planning workshop attended in Canberra to guide the development of Lithglo 13.
			Regular assistance provided to potential investors.	Economic Development	Regular advice and liaison provided to developers and business operators in association with Councils Environment and Development area.

### 2.2.5 Education and Training

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
2.2.5.1	To encourage and support learning opportunities in the LGA that aligns with our needs for skilled workers and retention of young people and families.	<b>Implement the Economic Development Strategy, Ageing Strategy and Cultural Plan in terms of the following:</b>			
		Lobby for increased range of educational and training providers to support post secondary school and life long learning opportunities.	Assist in the establishment of the University of Western Sydney College Campus in Lithgow.	Economic Development	Ongoing liaison as required including assistance with development of Main St temporary office.
		Promote to attract occupations and industries where skills shortages have been identified.	Liaison with local businesses, developers and employment agencies to identify skills gaps.	Economic Development	Ongoing liaison as required.
			Liaison with local and external training providers to help develop programs to address gaps.		Liaison with Enterprise Connect and development of Entrepreneurs Scheme.
			Encourage the presence of additional education providers.		Ongoing liaison with UWS to assist in their establishment in Lithgow.
		Encourage international students to participate in local educational courses.	Work with universities to promote Lithgow to overseas students.	Economic Development	Opportunities are being explored with UWS to look at facilitating take up of new course offer.

## 2.2.6 Local Environmental Planning and Development

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
2.2.6.1	To ensure the long-term sustainability of infrastructure and land that underpins and supports LGA growth	<b>Implement the Land Use Strategy, Local Environmental Plan and Economic Development Strategy in terms of the following:</b>			
		Assess all applications including: <ul style="list-style-type: none"> <li>• Development Applications</li> <li>• Construction Certificates</li> <li>• Complying development Certificates</li> <li>• Section 68 Applications</li> </ul>	Undertake a full review and update the Automated Planning Certificate System and ensure it is ready to go live to coincide with gazettal of the Principal LEP.	Development	Procedures implemented to ensure a smooth transition to the new LEP.
			80% of applications be processed within 21 working days of receipt calculated exclusive of the 'stop the clock' period.	Development	80% of applications were processed within 21 working days exclusive of the 'stop the clock' period.
			Undertake all development related inspections within 48 hours of request where Council is the consent authority and/or principal certifying authority.	Development	Inspections undertaken within 48 hours of request.

		Process and issue in accordance with regulatory requirements: <ul style="list-style-type: none"> <li>• Building Certificates</li> <li>• Planning Certificates</li> </ul>	Development	<table border="1"> <thead> <tr> <th></th> <th>2011/12</th> <th>2012/13</th> </tr> </thead> <tbody> <tr> <td colspan="3" style="text-align: center;">No. of Applications received</td> </tr> <tr> <td>Planning Certificates 149 (2)</td> <td>587</td> <td>479</td> </tr> <tr> <td>Planning Certificates 149 (5)</td> <td>208</td> <td>324</td> </tr> <tr> <td>Building Certificates</td> <td>55</td> <td>30</td> </tr> <tr> <td colspan="3" style="text-align: center;">Median Processing Days</td> </tr> <tr> <td>Planning Certificates 149 (2)</td> <td>15</td> <td>9</td> </tr> <tr> <td>Planning Certificates 149 (5)</td> <td>14</td> <td>13</td> </tr> <tr> <td>Building Certificates</td> <td>33</td> <td>26</td> </tr> <tr> <td>Subdivision Certificates</td> <td>25</td> <td>42</td> </tr> </tbody> </table>		2011/12	2012/13	No. of Applications received			Planning Certificates 149 (2)	587	479	Planning Certificates 149 (5)	208	324	Building Certificates	55	30	Median Processing Days			Planning Certificates 149 (2)	15	9	Planning Certificates 149 (5)	14	13	Building Certificates	33	26	Subdivision Certificates	25	42
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	Implement conditions of development consent and enforce compliance.	Number of actions taken.	Development	No Land and Environment Court action has been instigated.																														
	Investigate non compliance with the Environmental Planning and Assessment Act and Local Government Act.	Number of actions taken	Development	No Land and Environment Court action has been instigated.																														
	To provide street and rural numbers to premises upon request and at subdivision stage.	Street and rural numbers issued upon request.	Development	8 street and 28 rural numbers were provided during the 4th quarter.																														

## 2.2.7 Tourism

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement																																							
2.2.7.1	To create a strong tourism industry that maximises benefits from visitors to the LGA.	<p><b>Implement the Tourism Strategy, Festival and Events Strategy and Cultural Plan in terms of the following:</b></p> <p>Operate the Visitor Information Centre to</p> <ul style="list-style-type: none"> <li>Provide quality visitor information services</li> <li>Sale of LGA Souvenirs.</li> <li>Accommodation Bookings.</li> <li>Membership services.</li> </ul>	<ul style="list-style-type: none"> <li>Number of people visiting the Lithgow visitor Information Centre compared to the 2011/12 statistics.</li> <li>Number of accommodation and tour bookings made at the Lithgow Visitor Information Centre compared to 2011/12 statistics.</li> </ul>	Tourism	<table border="1"> <thead> <tr> <th></th> <th>June Quarter 2011/12</th> <th>June Quarter 2012/13</th> </tr> </thead> <tbody> <tr> <td>No. of visitors to the Information Centre.</td> <td>47,293</td> <td>42,355</td> </tr> <tr> <td>Value of retail sales</td> <td>\$59,738.85</td> <td>\$55,118.55</td> </tr> </tbody> </table>		June Quarter 2011/12	June Quarter 2012/13	No. of visitors to the Information Centre.	47,293	42,355	Value of retail sales	\$59,738.85	\$55,118.55																														
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			<ul style="list-style-type: none"> <li>Retail sales of Lithgow LGA souvenirs compared to the 2011/12 statistics.</li> </ul>	Tourism	<p><b>Visitors who booked accommodation through the VIC during the June Quarter 2012/13</b></p> <table border="1"> <thead> <tr> <th>Month</th> <th>Total accommodation booked</th> <th>Commission</th> </tr> </thead> <tbody> <tr><td>Jul 2012</td><td>\$600.00</td><td>\$60.00</td></tr> <tr><td>Aug 2012</td><td>\$420.00</td><td>\$42.00</td></tr> <tr><td>Sept 2012</td><td>\$160.00</td><td>\$16.00</td></tr> <tr><td>Oct 2012</td><td>\$770.00</td><td>\$77.00</td></tr> <tr><td>Nov 2012</td><td>\$1,880.00</td><td>\$188.00</td></tr> <tr><td>Dec 2012</td><td>\$130.00</td><td>\$13.00</td></tr> <tr><td>Jan 2013</td><td>\$295.00</td><td>\$29.50</td></tr> <tr><td>Feb 2013</td><td>\$310.00</td><td>\$31.00</td></tr> <tr><td>Mar 2013</td><td>\$130.00</td><td>\$13.00</td></tr> <tr><td>April 2013</td><td>\$1,910.00</td><td>\$191.00</td></tr> <tr><td>May 2013</td><td>\$1,565.00</td><td>\$156.50</td></tr> <tr><td>June 2013</td><td>\$760.00</td><td>\$76.00</td></tr> </tbody> </table>	Month	Total accommodation booked	Commission	Jul 2012	\$600.00	\$60.00	Aug 2012	\$420.00	\$42.00	Sept 2012	\$160.00	\$16.00	Oct 2012	\$770.00	\$77.00	Nov 2012	\$1,880.00	\$188.00	Dec 2012	\$130.00	\$13.00	Jan 2013	\$295.00	\$29.50	Feb 2013	\$310.00	\$31.00	Mar 2013	\$130.00	\$13.00	April 2013	\$1,910.00	\$191.00	May 2013	\$1,565.00	\$156.50	June 2013	\$760.00	\$76.00
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	June Quarter 2011/12	June Quarter 2012/13									
Operator Membership of Lithgow Tourism.	76	58									
		<p>Participate in the activities of the Blue Mountains Tourism Ltd which promote the LGA including:</p> <ul style="list-style-type: none"> <li>• Participation in Board meetings, Promotional Target Team for the domestic and international markets and Education Network Target Team.</li> <li>• Attendance at trade shows.</li> <li>• Participation in the visiting journalist program.</li> <li>• Advertising in the Blue Mountains Experience and Holiday Guide 2012/13.</li> <li>• Promotion of local events through BMLOT.</li> <li>• Marketing campaign with Tourism NSW and FORTO.</li> </ul>	<ul style="list-style-type: none"> <li>• Membership paid and LGA strategy actions implemented by 30 June 2012.</li> <li>• Number of Board meeting attended.</li> <li>• Number of tradeshows attended.</li> <li>• Advertising in key guides carried out subject to funding.</li> </ul>	Tourism	<p>The following Blue Mountains Tourism Limited meetings were attended:</p> <ul style="list-style-type: none"> <li>• 6 - BMTL Board Meetings are now held bi-monthly.</li> <li>• 3 Promotional Target Team Meeting.</li> </ul> <p>The following activities were undertaken in conjunction with Blue Mountains Tourism Limited:</p> <ul style="list-style-type: none"> <li>• Advertising in BMLOT Regional Guide</li> <li>• Attended Canberra Time Home, Leisure, Caravan, 4WD and Camping show on the 26-28 October 2012.</li> <li>• Attended the South Coast Caravan, Camping and Holiday expo on the 2-4 November 2012.</li> <li>• Advertising in Internal Planner</li> <li>• Advertising and consulting</li> <li>• Advertising in the regional guide and international planner</li> <li>• Editing and proof reading of regional guide.</li> <li>• Participated in post ATE famil which included 6 inbound operators.</li> </ul>						
		Continue to develop tourism opportunities within the LGA and with neighbouring areas.	Provide input into community tourism development initiatives e.g.: Capertee Valley, Hartley Valley and other groups/activities.	Tourism	<p>The following activities were undertaken:</p> <ul style="list-style-type: none"> <li>• Attended Museums Network Meetings</li> <li>• Attended Lithgow Business Association Meetings</li> <li>• Bicentennial anniversary celebrations at Hartley.</li> <li>• Liaised with Wallerawang Lidsdale progress association and Portland Development Association about the Wallerawang Portland Discovery Trail</li> <li>• Attended Museums Network group meetings.</li> </ul>						

					<ul style="list-style-type: none"> <li>Met with Capertee Progress Association and Capertee Valley Alliance regarding Pearsons Lookout Upgrade.</li> </ul>
			Promotion of the LGA through the development of combined marketing with Oberon and Bathurst.	Tourism	<p>The following activities were undertaken:</p> <ul style="list-style-type: none"> <li>Attended Canberra Time Home, Leisure, Caravan, 4WD and Camping show on the 26-28 October 2012.</li> <li>Attended the South Coast Caravan, Camping and Holiday expo on the 2-4 November 2012.</li> <li>Attended Rosehill Caravan and Camping Supershow.</li> <li>Attended the Newcastle Caravan and Camping Show.</li> <li>Coordinating the Lithgow Oberon Bathurst Villages Booklet.</li> <li>Reprint and redesign of Making Tracks map</li> <li>Submitted expressions of interest to attend the caravan and camping show at Canberra.</li> </ul>
			Organise the Tourism Advisory Committee meetings	Tourism	4 meetings of the Tourism Advisory Committee was convened.
			<p>Participate in the activities of CENTROC's Screen Central:</p> <ul style="list-style-type: none"> <li>Number of filming enquiries.</li> <li>Number of filming activities carried out.</li> </ul>	Tourism	<p>The following films were made in the LGA:</p> <ul style="list-style-type: none"> <li>"Cooee"- Glen Davis</li> <li>"A day in the life of the Ruin"- Blast Furnace Park</li> <li>"Coming Home Again" – Court House Hotel</li> <li>"Christmas Appeal"- Main Street, Lithgow</li> <li>"Wolverine "was also filmed in the state forests.</li> <li>2 Filming enquiries.</li> <li>2 Filming activities carried out.</li> </ul>
		Celebrate the 2013 Bi-Centenary of the Blue Mountains Crossing.	Participation in Bi-Centenary of the Blue Mountains Crossing meetings and planning of events.	Tourism Community and Culture	<p>The following activities were undertaken:</p> <ul style="list-style-type: none"> <li>Attendance at Blue Mountains Crossing Committee meetings.</li> <li>Attendance at Crossings Workshop</li> <li>Provision of funding by Council to support Bi-Centenary events.</li> <li>Commemorative Events were uploaded to the Official Crossings Website</li> <li>Information on events was included in</li> </ul>

					<p>Council Connections, on Councils Facebook page and in media releases.</p> <ul style="list-style-type: none"> <li>• Hartley District Progress Association 1813 Committee meetings were attended by Council staff.</li> <li>• Council staff assisted organisations with Traffic Management Plans and other logistical queries.</li> <li>• Distribution of commemorative coins to local schools.</li> <li>• Update event information on crossing of Blue Mountains website and Lithgow Tourism website.</li> </ul> <p>Marketing collateral to promote all events of the festival. Support to organisations engaged in projects and events related to the Crossings including: funding for projects, organisation of in-kind support, advertising, advice and on ground support</p>
		Strengthen Lithgow's brand identity.	<p>Promotion of the LGA in a range of media.</p> <ul style="list-style-type: none"> <li>• Promotional activities in the media and within budget.</li> <li>• Visitors Guide updated.</li> <li>• Continue to develop DVD and Photographic Library.</li> <li>• Other marketing activities completed.</li> </ul>	Tourism	<p>The following activities were undertaken:</p> <ul style="list-style-type: none"> <li>• TV commercial produced and aired on Prime TV</li> <li>• Advertisement in BMLot Regional Guide</li> <li>• Advertising in IMAG, BM Tourist Newspaper</li> <li>• Advertising in the following publications</li> <li>• Imag</li> <li>• Discover Blue Mountains</li> <li>• Discover Central NSW</li> <li>• Blue Mountains Tourist Newspaper</li> <li>• Blue Mountains Wonderland Magazine</li> <li>• Australian Seniors Newspaper</li> <li>• Caravanning Australia Magazine</li> <li>• Obtained Quotes for the printing of the Lithgow Visitors Guide</li> <li>• Liaised with IT developers to create a Lithgow Smartphone and Tablet 'app'</li> <li>• Obtained images for the DVD and photographic library off local photographers</li> <li>• Early negotiations took place with a local film maker in relation to events and conferencing.</li> </ul>

			Shade Shelter made available for use at community events.	Tourism	During the July to December period the shade shelter was purchased.
		Continue to establish tourism drives.	Implement collaborative partnership strategies across LGA's for: <ul style="list-style-type: none"> <li>The Tablelands Way.</li> </ul>	Tourism	No meetings were convened.
		Identify and support the delivery of a diverse range of quality festivals and events.	Implement the Festivals and Events Strategy.	Tourism	<p>The following activities were undertaken:</p> <ul style="list-style-type: none"> <li>Implement the Street Poster for upcoming feature events.</li> <li>Support local and community events with promotion of events through regional magazine, Lithgow Tourism website and Street Posters.</li> <li>Up-date the Managing your Event Guide</li> <li>Conduct site inspections with event organisers at Council venues and private land.</li> <li>Provide assistance and convene meetings with BMX Dirt Bike event organisers and Council to develop the DA for the event.</li> <li>Organise meeting with Q-Dance and Destination NSW to stage a large music event in the Lithgow LGA.</li> <li>Convened meetings with Destination NSW &amp; Q-Dance for a major music/arts festival for 2014.</li> <li>Convened meeting with Council Officers and the mayor for major event (Q-Dance).</li> <li>Coordinated Australia Day activities at the Lithgow Swimming Pool and Queen Elizabeth Park.</li> <li>Obtain quotations for the upgrade of the Civic Ballroom technical and rigging equipment.</li> <li>Completed and launched the Lithgow Motorcycle Guide</li> <li>Assisted with the Lions Club Convention in November 2012.</li> <li>Supported local and community events with promotion of events through regional magazine Lithgow Tourism website and street posters.</li> <li>Submitted the Managing Your Event guide</li> </ul>



					<ul style="list-style-type: none"> <li>• for approval.</li> <li>• Conducted site inspections with event organisers at Council venues and private land.</li> <li>• Liaised with event organisers for future major events.</li> <li>• Convened meetings with production companies and Council officers for Lithglo 2013.</li> <li>• Meeting with Blue Mountains International Hotel School to engage students as volunteers and students gain experience in the Tourism and Events.</li> <li>• Attended meetings with Blue Mountains Road Safety Officer and Motorcycle Council of NSW for the 2013 Motorcycle Awareness Week events.</li> <li>• Attended meetings for the Sir Joseph Cook events.</li> </ul>
			Coordinate Events Management meetings with event organisers to ensure compliance.	Tourism	<p>The following activities were undertaken:</p> <ul style="list-style-type: none"> <li>• Attended a meeting with Lithgow Show Society and Delta Electricity to address the security concern for the 2013 Show.</li> <li>• Attended meetings with the Lithgow Show Society to ensure compliance with regulations.</li> <li>• Convene meetings with Lithgow Show Society regarding security plans for the Lithgow Show</li> <li>• Attended Hartley Progress Association meetings and give advice on Traffic Management Plans and Insurance requirement for the Blue Mountains Crossing Bicentenary events</li> <li>• Provided Risk assessment plan templates and give advice to Ironfest and Lithgow Village Market operators</li> <li>• Attending Premiers Department Special Event agency meetings for the Blue Mountains Crossing Bicentenary events.</li> <li>• Attend meetings for NAIDOC celebrations</li> </ul>

			<p>Organise and stage the Lithgow Flash Gift to ensure a comparative increase from 2011/12 in:</p> <ul style="list-style-type: none"> <li>• Sponsorship levels</li> <li>• Participation</li> <li>• Visitation</li> <li>• Competition Events</li> <li>• Supporting Events/Activities.</li> </ul>	Tourism	<p>The following activities were undertaken:</p> <ul style="list-style-type: none"> <li>• Successful with the application for Regional Flagship Events Program for Destination NSW (\$10,000).</li> <li>• Secure major sponsorship from Centennial Coal, Coal Services, Delta Electricity and Henry Plant Hire.</li> <li>• Conduct research on other athletics carnivals to evaluate the operation and viability of the Lithgow Flash Gift.</li> <li>• Coordinate athletes clinics with NSW Lithgow Athletics for Lithgow Little A's.</li> <li>• Lithgow Flash Gift was postponed due to bad weather conditions.</li> <li>• Liaise with NSW Athletic League and Athletics NSW for the rescheduling of the Lithgow Flash Gift.</li> <li>• Liaise with Lithgow Flash Gift sponsors regarding the new date for the Carnival and the sponsorship donations.</li> </ul>
			<p>Identify and support local tourism events including:</p> <ul style="list-style-type: none"> <li>• Daffodils at Rydal</li> <li>• Rally of Lithgow</li> <li>• Hartley's Big Backyard</li> <li>• Celebrate Lithgow</li> <li>• Portland Spring Fair</li> <li>• KTM Sunny Corner trail Bikes</li> <li>• Ironfest</li> </ul>	Tourism	<p>The following support was provided to local events.</p> <ul style="list-style-type: none"> <li>• Provide assistance and tourist information to event organisers.</li> <li>• Promotion of events in Blue Mountains and Central West magazines, ArtsOut West IMAG, Lithgow Calendar of Events print and website</li> <li>• Provide assistance and Tourism information to event organisers</li> <li>• Provide advice to event organisers for Traffic Management plans and risk assessments.</li> <li>• Liaise with Local Police regarding events regarding Traffic Control Plans</li> <li>• Coordinate radio interview with Hartley Progress Association and ABC Radio for the Moment in Time exhibition and other crossing events</li> </ul>

			Coordinate Australia Day activities within the LGA to ensure a comparative increase in participation and activities from 2011/12.	Community and Culture	<p>The following activities were undertaken:</p> <ul style="list-style-type: none"> <li>• Australia Day Activities were run at Queen Elizabeth Park. They included a Citizenship Ceremony, Local Citizen of the Year Award Ceremony, live music and markets.</li> <li>• Children's activities were held at Lithgow Swimming Pool.</li> <li>• Coordinated security for the Queen Elizabeth Park night time music event.</li> <li>• Developed street poster and advertisement for Australia Day activities in the region.</li> </ul>									
<b>Implement the Economic Development Strategy, Cultural Plan, Cultural Precinct Study, Eskbank House Conservation Management Plan and Eskbank House Preservation Needs Study in terms of the following:</b>														
		Operate Eskbank House Museum	An increase in visitation from 2011/12.	Community and Culture	<table border="1"> <thead> <tr> <th></th> <th>2011/12</th> <th>2012/13</th> </tr> </thead> <tbody> <tr> <td>Visitation</td> <td>2,568</td> <td>2,396</td> </tr> </tbody> </table>		2011/12	2012/13	Visitation	2,568	2,396			
	2011/12	2012/13												
Visitation	2,568	2,396												
		Conduct exhibitions, public programs and displays	<ul style="list-style-type: none"> <li>• Events and activities developed to promote Eskbank House Museum and its collections.</li> <li>• 4 exhibitions/displays per year (including travelling exhibitions form major institutions).</li> </ul>	Community and Culture	<p>The following activities were undertaken:</p> <ul style="list-style-type: none"> <li>• Grandparents Day Concert</li> <li>• Volunteer Thankyou Day</li> <li>• Rotating exhibitions of Eskbank's Collections in the Foyer</li> <li>• Exhibition of Eskbanks 'Lithgow Woollen Mills collection at the Library during Heritage month – September</li> <li>• Participation in the Lithgow Museums Network Group information stall at Daffodils@Rydal and back to Hartley events.</li> </ul> <table border="1"> <thead> <tr> <th></th> <th>2011/12</th> <th>2012/13</th> </tr> </thead> <tbody> <tr> <td>No. of Exhibitions</td> <td>10</td> <td>12</td> </tr> <tr> <td>Title of Exhibitions</td> <td colspan="2"> <ul style="list-style-type: none"> <li>• "Atwick" 1838 Bonnets Exhibition.</li> <li>• International Women's Day Exhibition.</li> <li>• Way Forward Thru Stories Workshops and Exhibition.</li> </ul> </td> </tr> </tbody> </table>		2011/12	2012/13	No. of Exhibitions	10	12	Title of Exhibitions	<ul style="list-style-type: none"> <li>• "Atwick" 1838 Bonnets Exhibition.</li> <li>• International Women's Day Exhibition.</li> <li>• Way Forward Thru Stories Workshops and Exhibition.</li> </ul>	
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					<ul style="list-style-type: none"> <li>• LithgowFoto2012 – Lithgow Photographic Group</li> <li>• Where is the Art? – commercial Exhibition</li> <li>• Re-imagining Histories – UWS</li> <li>• 1 in 5 Creative Arts Exhibition</li> <li>• Primary by Design – Lithgow City Council</li> <li>• Art4Youth – Youthworx.</li> <li>• Waste2Art 2013</li> <li>• Artists of the Vale</li> <li>• PCYC Lithgow Photographic Group</li> </ul>
		Undertake Capital Improvements to Eskbank House Museum from the Eskbank House Trust Reserves.	<p>Program of capital improvements based on the Conservation Management Plan and Landscape Strategy progressively implemented.</p> <ul style="list-style-type: none"> <li>• Establish a Heritage Orchard.</li> </ul>	Community and Culture	<p>The following activities were undertaken:</p> <ul style="list-style-type: none"> <li>• Upgrade to porch attached to the Garden House</li> <li>• Plan developed for upgrade to car park and mobility access to house.</li> <li>• Fence bordering Inch &amp; Bennett Streets removed.</li> <li>• Plans developed for upgrade to rear of house and kitchen garden.</li> <li>• Planning underway for restoration of rear veranda</li> <li>• Plans and quotes for renovations to the rear of Eskbank House obtained.</li> <li>• Security lighting upgraded</li> </ul>
		Upgrade display and exhibition equipment at Eskbank House Museum	Display and exhibition equipment upgraded.	Community and Culture	<p>5 activities were undertaken:</p> <ul style="list-style-type: none"> <li>• New displays in the foyer area.</li> <li>• Cleaning of furniture collection.</li> <li>• Cleaning of Blacksmiths area.</li> <li>• New display equipment installed for the Pottery collection'</li> <li>• Research and design of exterior signage.</li> </ul>

		Develop marketing for Eskbank House Museum	Eskbank House Museum promoted in accordance with Council's Branding and Marketing Strategy	Community and Culture	<p>The following activities were undertaken:</p> <ul style="list-style-type: none"> <li>• New brochure for Eskbank House completed and distributed.</li> <li>• Participation in promotional stall for combined museums at Ironfest.</li> <li>• Participation in International Museums Day.</li> <li>• Posters developed for Way Forward Thru Stories and Waste 2 Art 2013 Exhibitions.</li> </ul>
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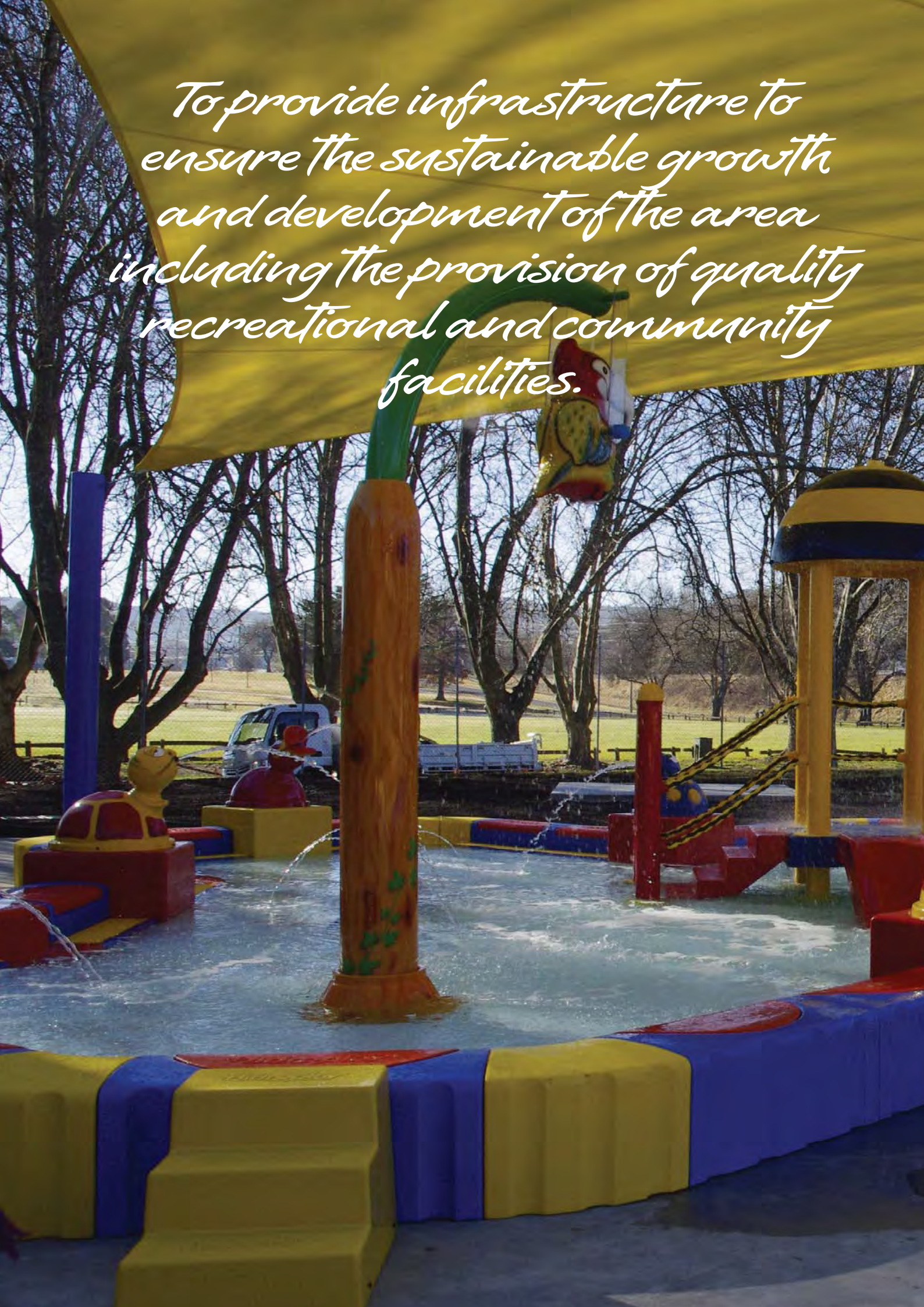
### 2012/13 Financial Assistance – Economy

Financial Assistance	Timeframe	Annual Achievement
<b>Recurrent Financial Assistance</b>		
Lithgow Business Association	2012-2016	Final payment made in 3rd quarter
Portland Art Show	2012-2016	Paid 3 <sup>rd</sup> quarter
Arts OutWest	2012-2016	Paid 2nd Quarter
Ironfest	2012-2016	Paid 4 <sup>th</sup> Quarter
Lithgow Show	2012-2016	Paid in 3rd quarter
<b>Non-Recurrent financial Assistance</b>		
Payment was made to the following Non-Recurrent Financial Assistance requests in the 4th Quarter in accordance with Council's Financial Assistance Policy	2012-2013	Lithgow Musical Society

### 2012/13 – Recommended Variations to Program of Works – Our Economy

There are no variations to the Program of Works for Our Economy as detailed in the Operations Plan adopted by Council on 4 June 2012 (Min No. 12-182).

*To provide infrastructure to ensure the sustainable growth and development of the area including the provision of quality recreational and community facilities.*



# Developing our Built Environment

## *Sport and Recreation Achievements for 2012-2013*

- Installation of solar heating at the Lithgow Aquatic Centre.
- New play equipment at Lake Wallace Children's Play area providing a range of play experiences.
- Provision of additional outdoor gym equipment at Queen Elizabeth Park.



## Lithgow Aquatic Centre Development – Stage 1

Council opened the newly completed Lithgow Aquatic Centre in August 2012. This is one of the most significant projects undertaken in 2011/12 with the total cost of the project being approximately two million dollars. The Federal Government provided \$700,000 funding towards this project.

Located within the Lithgow Sporting Precinct, Stage 1 of the Lithgow Aquatic Centre project has entailed the redevelopment of the current Lithgow War Memorial Olympic Pool site. The original pool site and grounds was split-level with the entry and amenities block being on top of the hill above the pool area. The demolition of two small pools has enabled Council to reposition the entry, public amenities and kiosk/cafe to the same level as the 50 metre pool. The public amenities and kiosk will now also be available to users of other facilities in the Sporting Precinct such as the Skatepark and adjacent ovals making it a multi-use facility.

This project provides the community with a vibrant and modern facility and includes a state of the art solar heated hydro play area to cater for young families. Further stages will include the construction of a 25 metre pool and its enclosure. Further improvements to the existing 50 metre pool will also be carried out.

In 2012/13 solar heating was installed for the Splash park component replacing the current

gas fired heating system and solar heating was extended to heat the 50 metre outdoor pool replacing gas as the principle method of heating. A combination of federal funds and Council funds was utilised to finance these projects. The total cost being \$130,000

Car parking at ground level incorporating disabled parking and access has been provided to the Stage 1 development during 2012/13.

The Lithgow Aquatic Centre Committee continues to meet and work towards attracting funding for the development of the Centre.

## Lake Wallace Foreshores

Council continues to implement its ten year programme of upgrading its play equipment to meet Australian Standards whilst providing improved experiences for its young users. During 2012/13 the equipment at Lake Wallace received a major face-lift with over \$40,000 of new equipment being installed. The Lake Wallace Foreshores is a popular recreation area and picnic area for residents and visitors to the Council area. Recreational facilities are further enhanced by the provision of free barbecues, toilet and shower amenities, shelter areas, open space, baseball diamond, sailing and swimming.

This area is leased from Delta Electricity by Council for the benefit of the community. Council is proposing to further develop this area for short overnight stays by recreational vehicles.

Council has also received funding for the installation of outdoor gym equipment to be installed as part of the walking circuit around the foreshores during 2013/14 further enhancing the range of activities available and catering to all age groups.

## Queen Elizabeth Park

The other major drawcard in Council's recreational assets is Queen Elizabeth Park located in the Lithgow Town centre.

The playground has been developed to provide a range of play experiences for children of all ages and abilities and includes a 'Liberty Swing' for wheelchair bound children. It has now been

further enhanced by the installation of exercise equipment designed for older users.

The new equipment has been installed as part of the playground to provide families with an opportunity to work-out and play together.

Council acknowledges the need to develop its parks and gardens and recreational facilities to meet the changing needs of the community now and into the future. There are two locations in Lithgow with outdoor gym equipment and Council will be extending its programme for further installation of this type of equipment with new equipment to be installed at Lake Wallace Wallerawang in 2013/14.

The Outdoor Gym Equipment adjoining the children's playground in Queen Elizabeth Park, Lithgow



*Developing quality recreational facilities that will meet the needs of our community now and into the future.*



*To identify, preserve, improve and promote the LGA's indigenous, built and natural heritage.*



**THE ENVIRONMENT**

**LITHGOW - AN INLAND INDUSTRIAL CENTRE**

**BRACEY'S LTD - "BEST BY TEST"**

*Lithgow*

## *Built Environment Achievements for 2012-2013*

- Adopted the Destination Management Plan - A Tourism Strategy for Lithgow.
- Commenced exhibition of the Draft Local Environmental Plan 2013.
- Commenced exhibition of the Draft Generic Community Lands Plan of Management.
- Constructed a new public amenities block for Queen Elizabeth Park.
- Commenced an upgrades program for public lookouts.
- Installed an electronic Weighbridge at Lithgow Solid Waste Facility.



## **Draft Local Environmental Plan 2013**

Council has prepared a Planning Proposal for the Draft Principal Lithgow City Local Environmental Plan and commenced the public exhibition process.

This Plan will implement a Standard Instrument LEP across the Lithgow Local Government Area that will repeal and replace the two current environmental planning instruments that apply to the area: Lithgow Local Environmental Plan 1994 and Rylstone Local Environmental Plan 1996.

This Draft LEP seeks to implement Council's key strategic directions arising from the Lithgow Land Use Strategy 2010-2030 adopted by Council in October 2011 and endorsed by the NSW Department of Planning and Infrastructure May 2012. More specifically the Draft LEP will:

- Provide a suite of land use zones to accord with the Standard Instrument LEP and support the strategic directions of the LUS;
- Provide 50 ha of new industrial land at Marrangaroo and 104ha of heavy industrial land at the Minerals Processing Site, Wallerawang;
- Identify a 310 ha urban release area at Marrangaroo to provide for future growth in residential and allied urban land use and to ensure potential further growth is not compromised in the short term;
- Provide a suite of land use zones to replace the Village Zone in the towns of Portland and Wallerawang;

- Consolidate the commercial centre of Lithgow and differentiate the role of the commercial core and out of centre commercial areas;
- Modify the zoning of land in the villages of Capertee, Rydal, Tarana and Lidsdale to consolidate village zoned lands and provide for large lot residential growth to support each village commensurate with its role in the settlement hierarchy;
- Retain existing provisions in relation to rural minimum lot size and the erection of dwellings in the rural areas;
- Retain existing areas available for un-sewered large lot residential land use with the exception of the area to the northeast of Lidsdale;

## **Generic Community Lands Plan of Management 2013**

Following completion of Council's Public Land Register in 2012, Council has prepared a Draft Generic Community Lands Plan of Management for all Council's public community land assets. This Plan is in the public exhibition phase of its development.

The Plan of Management outlines the values and features of Council's "community" land assets, and clarifies how Council intends to manage, use or develop the land in the future.

The purpose of the Plan of Management is to:

- Contribute to the City's broader strategic goals and functions

- Ensure compliance with the Local Government Act 1993; and
- Provide clarity in the future development, use and management of community land.

For the first time all Council's "community" land assets have been identified and mapped to enable full and transparent governance of the community's public land assets.

This is also an important first step towards strategic asset management to be carried out in partnership with the community.

## Destination Management Plan – A Tourism Strategy for Lithgow

Council adopted its Destination Management Plan/ Tourism Strategy in May 2013. The strategy provides an extensive audit of the tourism infrastructure and facilities within the LGA, combined with an analysis of trends in the tourism sector and how they may impact.

Based on this information the Destination Management Plan lays out a strategic plan of works and improvements to maximise the potential of tourism in the Lithgow LGA.

The purpose of the Plan is to provide Lithgow City Council, government agencies, tourism organisations, the tourism industry and associated businesses, with a comprehensive framework to guide the development of tourism within the Lithgow LGA. In particular, the Plan focuses on:

- Product and market development opportunities and how they can be realized.
- Determining the tourism infrastructure,

facilities and services needed to meet the existing and likely future needs and expectations of visitors to the LGA.

- Gaps in supply of products and infrastructure.
- The implications for land use planning.

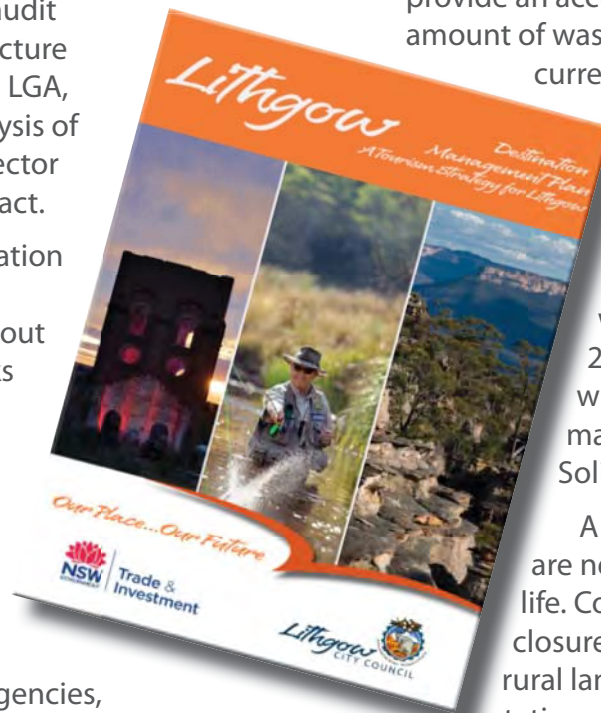
## Responsible Waste Management

Council operates six landfills and four transfer stations. Lithgow Solid Waste Facility is the primary landfill for the Local Government Area. In response to issues identified in the Waste Management Strategy, Council is installing an electronic weighbridge system that will operate at the Lithgow Waste Facility.

The implementation of the weighbridge will provide an accurate system to calculate the amount of waste being disposed of into the current landfill.

To further reduce waste going into our landfills, Council has recently adopted its preferred tenderer for the introduction of a new kerbside recycling system which will commence in November 2013. The kerbside recycling system will reduce the amount of recyclable materials currently going to Lithgow Solid Waste Facility.

A number of the current rural landfills are nearing the end of their operational life. Council has developed a planned closure program for the remaining rural landfills and installation of transfer stations which includes recycling facilities. Through careful monitoring and discussion with affected communities in the vicinity of the rural landfills, Council has been able to adjust the closure time frames extending the life of the landfills.



*Working and Planning Together to  
build a brighter future*



## New amenities block for Queen Elizabeth Park

Council has introduced an improvement program to upgrade existing public toilet facilities within its area. The first stage of this program commenced in 2012/13 with the construction of a new public toilet block in Queen Elizabeth Park Lithgow. Queen Elizabeth Park is a jewel in Lithgow's crown and is extremely popular with by both locals and travellers.

The old toilet block was constructed in the 1960's and no longer met community or council expectations. It had been modified a number of times but was also non compliant with the new requirements for the Premises Code for Accessibility for People with Disabilities.

It was decided because of the prominent location of the facility in the park adjacent to a potential heritage precinct and its high level of use by visitors to our area that the design of any replacement building was critical. A heritage architect was engaged to design a building that is complimentary to its surroundings, functional, energy efficient and met all legislative requirements for accessibility.

The end result is a building that has received praise for its design and includes:

- Electronic controlled water saving devices for flushing and hand washing,

- Energy efficient internal and external sensor lights,
- Full accessibility for persons with disabilities.

This building has set the standard in Council's ongoing program for improvements to its public toilet facilities.

## Bracey Lookout Upgrade

During 2012 Council completed significant works at the lookout including landscaping, fencing, picnic tables and interpretive signage. Bracey Lookout is named after the Bracey family who made a major and lasting contribution to the town over many years, is an iconic lookout that holds a central place in the proud history of Lithgow.

Hassans Walls and Bracey Lookout are an important part of the modern development of Lithgow. Interpretive signage at the lookout points out that when Governor Macquarie travelled along the newly constructed Western Road in 1815 he noted this spectacular line of cliffs that reminded him of the hill forts of northern India. He named them Hassans Walls in recognition of this resemblance.

Bracey lookout was constructed by volunteers in the early 1950's to provide panoramic views of the Lithgow Valley.



*To provide road infrastructure  
that meets the needs of the  
residents.*

## Capital Works & Services Achievements for 2012-2013

- Commenced construction of the Clarence Water Transfer Scheme to secure Lithgow's water supply.
- Commenced a 14.2km upgrade of Wolgan Road, in the Wolgan Valley.
- Launched the Wallerawang Sewage Treatment Plant
- Replaced 2km of obsolete water mains in Wallerawang, Portland and Lithgow.
- Undertook \$530,000 restoration works to storm damaged roads.



### Clarence Water Transfer System

The objective of this project is to improve the security of the Lithgow City Council's water supply. This is being achieved through an upgrade of the Clarence Colliery Water Transfer System to allow increased use of surplus water from the Clarence Colliery to supplement Lithgow City Council's water supplies and reduce their reliance on the Fish River Water Supply (FRWS). The infrastructure upgrade is intended to increase the amount of water that can be drawn from the current 5.5ML/day up to a maximum of 14ML/day.

The Federal Government provided Lithgow Council with \$3.8 million dollars in 2006 towards increasing the security of the water supply from the Oakey Park Water Treatment Plant to Lithgow and Marrangaroo. The Water Treatment Plant is utilised to treat water from the Farmers Creek dam which receives input from the Clarence Transfer System.

Following an in depth review of environmental factors to ensure all environmental impacts were addressed to preserve the natural environment of the Newnes Plateau and incorporated into the design works, construction of this project commenced in March 2013. Part A, being the construction of a new pipeline from Council's Pump Station to Farmers Creek Dam was completed by June 2013. A contract was recently awarded for the construction of Part B, the construction of a new pipeline extending from the Colliery dam to Council's pump station and the upgrade of the pump station located on the Colliery Dam. Construction is expected to be

complete by December 2103.

The upgrade of the Clarence Water Transfer System will increase the amount of water Council may be able to take from the Clarence Colliery to Farmers Creek Dam, from 5ML/day to 14ML/day.

### Wolgan Road Upgrade

Following negotiations between the NSW State Government and the owners of the Emirates Resort and Spa located in the Wolgan Valley. Construction funding was provided for work on the upgrade of 14.2 kilometers of the unsealed section of Wolgan Valley Road. The project extended from the end of the sealed road on the Wolgan Gap to the entrance to the Emirates Resort.

Safety is paramount for all road users and whilst the provision 14.2km of new bitumen sealed road will ensure improved travel conditions for motorists, it will also eliminate the increasing maintenance burden to Council caused by the increasing traffic volumes into the Wolgan Valley.

The \$4.2 million project will provide a 7 meter wide bitumen pavement from the foot of the Wolgan Gap to the low level causeway near the entrance to the Emirates and Spa Resort. Associated works included minor improvements to horizontal and vertical alignment at select locations and improved drainage through the installation of new or increased capacity culverts.

The works were staged into sections, with Council's objective to achieve the first milestone of the project, being the completion of 5km of road pavement by 30 June 2013.

Pictured Left: Wolgan Road 14.2km Major Road Upgrade project. Cost \$4.2 million jointly funded by Emirates Resort and NSW State Government.

Pictured Above: Farmers Creek Dam part of the Clarence Water Transfer System upgrade..

At the location of the 'Burnt Bridge' the structure will be replaced with a new Hel-Core galvanized pipe system within the existing creek bed and realignment of the road and its approaches to the new bridge structure

During the installation of this work, all traffic will continue using the existing structure, whilst the new bridge and road are being constructed along side the existing bridge. This will minimise disruption to traffic during the course of the work. Work commenced on the new bridge in mid May 2013.

The upgrade project will take up to nine months to complete, weather permitting and during this time Council will continue landholder and resident consultation in order to minimize disruptions to both residents and visitor traffic to the Wolgan Valley.

## Roads and Ancillary Facilities

Council is responsible for maintaining approximately 956km of urban, rural sealed, regional and rural unsealed roads, 31 concrete bridges and 10 timber bridges. In 2009/10, Council implemented a 4.77% special variation to the ordinary rate for infrastructure improvements over 10 years. 75% of this funding is expended on road upgrades and maintenance. During 2012/13 council experienced severe storm damage in

February and the cost of restoration to the road network was \$530,000. Combined with previous storm damage in 11/12 and 10/11 Council's capital works programme has been delayed in its execution.

### **Major roadworks undertaken during 2012/13**

- Roads to Recovery Program - \$560,000. Which included rehabilitation of existing sealed road pavement, minor widening, alignment and drainage and resealing of Springvale lane, Mid Hartley Road, Glen Davis Road , Coxs River Road and Glen Alice Road.
- Bitumen reseals – Magpie Hollow Road, Mid Hartley Road Lithgow Streets, Brays lane, Back Cullen Road, laneways upgrade programme for Lithgow and Portland, and Wolgan Valley Road and Coxs River Road upgrades.
- Browns Gap road and Wolgan Gap road – stabilisation of steep embankments .
- Road safety works – reconstruction of Browns gap road and Fields Road with improved delineations and road furniture.



Road Safety Works being undertaken on Browns Gap.

The Project Team for the Wallerawang Sewage Treatment Plant pictured at the Launch held on 29 August 2012 with then Mayor, Neville Castle and the Hon. Katrina Hodgkinson, Minister for Primary Industries and Small Business.



## Water Infrastructure Renewal

Recognising that the physical network infrastructure is critical to delivering quality service to customers, Lithgow City Council has invested significant portions of the capital budget in water main replacement and renewal. With infrastructure in some areas dating back to 1912, this asset portfolio warrants significant investment of resources for its management. Council has adopted a total asset management approach for the scheme's management to ensure that assets are managed as effectively as possible i.e. optimisation of the whole of the asset lifecycle rather than focusing on asset creation alone.

In 2012/13 Council:

- Purchased Confirm Asset Management Software and is currently developing the Water Asset Module to ensure recording of the location of water mains, age, replacement and life cycle.
- Replaced 2km of obsolete water mains in Wallerawang, Portland and Lithgow.

## Wastewater Infrastructure Renewal

The upgrade of the Wallerawang Sewage Treatment Plant was completed during the year. The plant was constructed to service 3,300 "equivalent persons" allowing for population growth in the Wallerawang and Lidsdale catchment area.

This plant has been designed to achieve best practice requirements for environmental protection standards using state of the art technology including ultraviolet light to kill pathogens and destroy cryptosporidium and giardia, two organisms which have historically been a problem in the Sydney drinking water catchment.

The effluent discharged into Farmers Creek (and onto the Sydney Catchment) and Pipers Flat Creek has more than 95% of its pollution load removed. Constant checking is carried out to ensure high water quality standards are met and maintained.

The final stage of the process allows for the composting of the dewatered sludge to a consistency of soil. The dry solids are to be tested for use for agriculture or landscaping.



# Statements Against Reporting Requirements

## Condition of Public Works

A condition index has been used to describe the condition of each type of asset. The condition description is based on the following condition index:

Condition Description	Condition Index
Near perfect	1
Superficial deterioration	2
Deterioration evident	3
Requires major reconstruction	4
Asset unserviceable	5

Further details of the condition of particular assets are provided in Special Schedule 7 of the Financial Statements attached to this report. The following should be noted:

- The estimate of cost to bring public works up to a satisfactory standard is based on the condition of the asset and an adjustment for the Consumer Price Index.
- Council has adopted a strategic approach to the management of its varied and extensive assets. During 2012/13 Council continued to identify value and develop works programs for all its assets.

## Summary of Resolutions concerning work Carried Out on Private Land and any subsidies Related to the Work

There were no resolutions passed during 2012/13 in accordance with the provisions of section 67(2)(b) of the Local Government Act 1993 relating to Council subsidising the cost of any works carried out on private lands.



## 2012-2016 Program of Works for Our Built Environment

Planning for suitable infrastructure development to promote sustainable and planned growth, while enhancing the existing identity of the towns, villages and rural areas of the LGA.

### 3.1 Planning for Our Built Environment

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
3.1.1	To provide infrastructure to ensure the sustainable growth and development of the area including the provision of quality recreational and community facilities.	<p><b>Review and monitor current plans and strategies that support economic growth including:</b></p> <p>Implement the following plans and strategies:</p> <ul style="list-style-type: none"> <li>• Open Space and Recreation Needs Study.</li> <li>• Heritage Development Control Plan Study.</li> <li>• Integrated Water Cycle Management Plan.</li> <li>• Water Demand Management Plan.</li> <li>• Strategic Water and Sewerage Business Plans.</li> <li>• Portland Sewerage Treatment Plant Feasibility Study.</li> <li>• Development Servicing Plans.</li> <li>• Eskbank Bank House Conservation Management Plan</li> </ul>	Priority items included in 2013-2017 Management Plan and 2013-2014 Operations Plan.	<p>Operations</p> <p>Community and Culture</p> <p>Water and Wastewater</p>	The Water Demand Management Plan has been completed.

		<b>Review and monitor current Asset Management Plans including:</b>			
		<ul style="list-style-type: none"> <li>Strategic Asset Management Plan</li> <li>10 Year Strategic Building Plan.</li> <li>5 Year Building Maintenance Plan.</li> </ul>	Priority items included in 2013-2017 Management Plan and 2013-2014 Operations Plan.	Operations	Completed.
		<b>Identify and develop new plans and strategies in line with the community's needs including:</b>			
		Prepare a Housing Strategy	Strategy prepared, consulted upon and adopted.	Environment and Development	Scheduled to be undertaken in 2014 – 2015.
		Prepare a Disability Access Strategy.	Strategy completed.	Community and Culture.	Commenced in the 2nd quarter to be completed in the 2 <sup>nd</sup> quarter 2013/14.
		Prepare a Master Plan of major open space recreational precinct in and around Tony Luchetti Sportsground including: <ul style="list-style-type: none"> <li>Farmers Creek</li> <li>Aquatic Centre</li> <li>Watsford, Conran, Glanmire and Marjorie Ovals.</li> <li>Basketball Stadium</li> <li>Skatepark</li> <li>Cultural facilities</li> </ul>	<ul style="list-style-type: none"> <li>Master Plan prepared, consulted upon and adopted.</li> <li>Plan used to inform Council's relevant strategic planning process in particular the review of the Principal LEP.</li> </ul>	Environment and Development	Deferred to 2014-2015
		Investigate the feasibility of an Adventure Playground in Lithgow	Feasibility Study developed and reported to Council.	Community and Culture	Following feasibility study being reported to Council, Council resolved to consider further following completion of the Master Plan for the Major open space and recreational precinct.
		Prepare Plans of Management in accordance with an 2011 adopted priority program for: <ul style="list-style-type: none"> <li>"Community" classified lands.</li> <li>"Operational" classified lands.</li> <li>Crown Lands and other recreational facilities (e.g. Lake Wallace).</li> </ul>	Site specific Community/Crown Lands Plans of Management are prepared in accordance with all relevant legislation, result of community and stakeholder engagement and sustainability principles.  A Generic community Lands Plan of Management is prepared for all public land.	Environment and Development	The following activities were undertaken: <ul style="list-style-type: none"> <li>Draft Generic POM for community lands adopted by Council for public exhibition.</li> <li>Draft Plan publicly exhibited for a period of twenty eight days with a 42 day period for receipt of submissions.</li> <li>Public Hearing conducted.</li> </ul>
		Prepare a Floodplain Risk Management Plan.	The Floodplain Risk Management Plan is prepared to accord with the 2005 Floodplain Development Manual.	Operations	<ul style="list-style-type: none"> <li>Project deferred until the completion of the Flood Study review.</li> <li>The grant was secured for completion of the Flood Study Review during the July to</li> </ul>

					<ul style="list-style-type: none"> <li>December period.</li> <li>Commenced preparation of the Flood Study Review Brief in 3rd quarter.</li> </ul>
		Complete the Cullen Bullen On-Site Sewerage Investigation Report.	Completion of report.	Environment	The Draft Cullen Bullen Sewerage Study has been received but is deficient. Negotiating with the consultant.

## 2012-2016 Program of Works for Our Built Environment

Ensuring sustainable and planned growth through the provision of effective public and private transport options and suitable entertainment and recreational facilities to enhance the lifestyle choices of the community.

### 3.2 Our Built Environment Programs

#### 3.2.1 Cemeteries

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
3.2.1.1	To provide a respectful cemetery service.	Maintain and operate cemeteries at: <ul style="list-style-type: none"> <li>Capertee</li> <li>Cullen Bullen</li> <li>Dark Corner</li> <li>Glen Alice</li> <li>Hartley</li> <li>Lithgow (3 Cemeteries)</li> <li>Lowther</li> <li>Meadow Flat</li> <li>Palmers Oakey</li> <li>Portland</li> <li>Rydal</li> <li>Wallerawang</li> </ul>	Monitor and report on number of complaints received in comparison to 2011/12.  Ensure cemetery grounds are maintained.	Operations	1 complaint was received during the July to December period regarding maintenance at the Portland Cemetery.  Cemeteries were maintained and operated within budget.

		Implement 10-year Cemetery Improvements Program.	<ul style="list-style-type: none"> <li>• Capertee – Tree removal</li> <li>• Capertee – Fencing</li> <li>• Capertee - Columbarium</li> <li>• Portland – Tree removal</li> <li>• Portland – Drainage</li> <li>• Lithgow – Internal Road</li> </ul>	Operations	<ul style="list-style-type: none"> <li>• Tree removal and fencing at Capertee has been completed. The Columbarium will be installed in the 2013/14 financial year.</li> <li>• Internal road and new lawn cemetery and tree removal at Lithgow Cemetery has been completed.</li> <li>• Drainage at Portland Cemetery has been completed and an assessment of tree removal will be undertaken.</li> <li>• Columbarium installed at Hartley Cemetery.</li> </ul>
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### 3.2.2 Community Cultural Facilities

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
3.2.2.1	To develop cultural and recreational infrastructure that will meet the needs of the community now and into the future.	<b>Implement the Cultural Plan, Cultural Precinct Study, Festivals and Events Strategy and 10 Year Strategic Building Improvements Plan in terms of the following:</b>			
		Complete the Lithgow History Avenue Project.	History Avenue project completed.	Community and Culture.	The following activities were undertaken: <ul style="list-style-type: none"> <li>• Sculpture works 90% finished in 4<sup>th</sup> Quarter and to be installed in 1<sup>st</sup> Quarter 2013/14</li> <li>• Content for History Avenue website developed.</li> <li>• History Avenue project scheduled for completion in 1<sup>st</sup> Quarter 2013/14</li> </ul>
		Enhancement of Civic Spaces and Public Places within the Lithgow LGA through the development and promotion of public art and amenity.	Identify opportunities for integrating the UWS College Campus into the Cultural Precinct.	Community and Culture Operations	<ul style="list-style-type: none"> <li>• The following activities were undertaken Official opening of Bracey's Lookout including the installation of interpretive signage.</li> <li>• Investigations were undertaken with UWS to identify vacant shopfronts suitable for "Artists in Residence" Program.</li> <li>• Heritage signage recognising Thomas Brown, Sir Joseph Cook, Jim Robson and Robert and William Pitt installed in cultural precinct.</li> </ul>

### 3.2.3 Community Commercial/Industrial Buildings

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
3.2.3.1	Maintain community commercial and industrial buildings and structures to meet the needs of the community and service Council operations.	<b>Implement Council's 10 Year Building Improvements Program in terms of the following:</b>			
		Clean community buildings and structures.	Buildings and structures are cleaned to an acceptable standard and within budget. Civic Ballroom Public Halls	Operations	Buildings and structures are cleaned and maintained to an acceptable standard and within budget
		Maintain and upgrade community buildings and structures to meet the needs of the community and ensure commercial viability.	General asset building maintenance • Toilet facilities Clarence Pirie Park. • Installation of stainless steel toilet bowls in Lake Wallace Toilets.	Development	Works commenced. For completion 2013/14.
			Upgrade toilet facilities at: • Queen Elizabeth Park		Completed
		Upgrade the Council Administration Centre including: • Reservation of funds for future improvements	Development Finance	Funds were reserved during the July to December period.	
		• Fire hose reel installation.	Development	Funds reserved. Rescheduled for 2013/14.	
		Upgrade Wallerawang Memorial Hall • Door and security upgrade • Improvements to the floor		Works completed	
		Union theatre • change rooms and toilet facilities for performers • Maintenance		Funds Reserved. Project commenced to be completed by 31/12/13.	
162 mort Street, Lithgow – replacement of roof		Completed			

			Crystal Theatre, Portland – Stage curtains.		Completed						
			Implement the Special Rate Variation – Four year works program 2012/11 – 2015/16 <ul style="list-style-type: none"> <li>Lithgow Golf Club – Veranda works</li> <li>Lake Wallace Toilets – Refit interior and security</li> </ul>		Golf club works completed. Lake Wallace works commenced For completion 2013/14.						
			Family History Society, Tank Street, Lithgow - Roofing	Operations	Completed						
			Upgrade the Lithgow Dog Pound Including: <ul style="list-style-type: none"> <li>Office and staff amenities</li> </ul>	Environment	New office building has been installed						
		Ensure Depots are secure and maintained.	Provide depot buildings for the housing of stores, plant and workshop.	Operations	Depots maintained and secure.						
		Manage those community halls and theatres with advisory/management committees in conjunction with the community.	Hold meetings of hall and theatre advisory/management committees in accordance with the Terms of Reference: <ul style="list-style-type: none"> <li>Meadow Flat Hall</li> <li>Union Theatre</li> <li>Crystal Theatre</li> </ul>	Development	<ul style="list-style-type: none"> <li>1 meeting of the Meadow Flat Hall Committee was attended.</li> <li>1 meetings of the Union Theatre Committee was attended.</li> <li>2 meetings of the Crystal Theatre Committee were attended</li> </ul>						
			Operate the Union Theatre, Wallerawang Memorial Hall and Civic Ballroom to increase usage compared to 2011/12.	Finance	<table border="1"> <thead> <tr> <th colspan="2">Number of Bookings – Union Theatre</th> </tr> <tr> <th>2011/12</th> <th>2012/13</th> </tr> </thead> <tbody> <tr> <td>7</td> <td>4</td> </tr> </tbody> </table>	Number of Bookings – Union Theatre		2011/12	2012/13	7	4
Number of Bookings – Union Theatre											
2011/12	2012/13										
7	4										

### 3.2.4 Cycleways and Walkways

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
3.2.4.1	To establish a system of cycleways and pedestrian paths to provide links between major cultural and recreational facilities and town centres.	<b>Implement the Urban Sustainability Plan, Open Space and Recreation Needs Study and Pedestrian Access Mobility Plans in terms of the following:</b>			
		Undertake footpath construction as per 10 year program.	Geordie Street to Highway linking VIC to McDonalds	Operations	Awaiting advice as to whether an application to Roads & Maritime Services has been successful.

### 3.2.5 Environmental Health

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
3.2.5.1	<b>Provide an Environmental Health Inspection Program.</b>	Conduct inspections of food premises and provide ongoing education.	170 inspections per year including a minimum of 1 inspection of each high risk premises per year.	Environment	101 food inspections were undertaken.
		Conduct inspections of skin penetration premises and provide ongoing educational material.	All premises inspected once per year.	Environment	6 skin penetration premises were inspected.
		Conduct commercial swimming pool and spas inspections and provide ongoing education.	1 inspection of each pool/spa per year.	Environment	6 pools/spa were inspected.
		Conduct inspections of cooling towers and associated systems and respond to complaints.	<ul style="list-style-type: none"> <li>1 inspection per year.</li> <li>All complaints investigated and actions resolved or determined within 24 hours of receipt.</li> </ul>	Environment	7 cooling towers were inspected.
		Maintain a register of water cooling and warm water systems.	Compliance with Public Health (Microbial Control) Regulation at all times.	Environment	A register is maintained.
		Undertake inspections of Caravan Parks.	2 Inspections per year.	Environment	2 caravan parks inspections were undertaken.



### 3.2.6 Heritage

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement						
3.2.6.1	To identify, preserve, improve and promote the LGA's indigenous and non-indigenous built and natural heritage.	<b>Implement the Heritage Development Control Plan Study, Eskbank House Conservation Management Plan, Land Use Strategy, Cultural Plan and Cultural Precinct Study in terms of the following:</b>									
		Provide a Heritage Advisory Service.	Number of residents utilising the service compared to 2011/12	Development	<table border="1"> <thead> <tr> <th colspan="2">No. of people utilising this program.</th> </tr> <tr> <th>2011/12</th> <th>2012/13</th> </tr> </thead> <tbody> <tr> <td>25</td> <td>17</td> </tr> </tbody> </table>	No. of people utilising this program.		2011/12	2012/13	25	17
		No. of people utilising this program.									
		2011/12	2012/13								
		25	17								
		Continue the Heritage Fund Program	Number of projects funded.	Development	Inspections of buildings by the heritage Advisor were undertaken.						
Establish community education programs to assist in understanding built heritage issues.	Develop and implement the John Wellings Heritage Award.	Community and Culture	The project was handed over to the National Trust to organise the John Wellings Award.								
	Implement the Local Heritage Committee.	Development	Awaiting finalisation of LEP process.								
Assist with appropriate development of heritage items.	Undertake work identified within the Heritage Audit Gap Analysis to enable items to be listed in principal LEP in line with the priority program for improvement. <ul style="list-style-type: none"> <li>Items with sufficient information are listed in the principal LEP.</li> <li>Missing data and inventory sheets prepared.</li> <li>Conservation areas are identified in the principal LEP.</li> <li>Items identified for individual listing are listed in the principal LEP.</li> <li>Development Control Standards are included in the new comprehensive Development Control Plan.</li> </ul>	Environment and Development	<ul style="list-style-type: none"> <li>A total of 470 individual heritage items (380 of which are new) have been included in the Draft Local Environmental Plan 2013</li> <li>The Draft Local Environmental Plan 2013 also introduces 13 new conservation areas across the LGA.</li> </ul>								
		Development	Work is continuing on development of the new comprehensive Development Control Plan.								

			Develop Conservation Management and Management Planning for Council owned or controlled sites which include was to interpret, protect and conserve both European and Aboriginal Heritage in accordance with an adopted priority program.	Development	Deferred until the completion of the LEP/DCP.
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### 3.2.7 Housing and Development

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
3.2.7.1	To provide a range of housing opportunities to meet the diverse needs of the community.	<b>Implement the Economic Development Strategy, Land use Strategy and Ageing Strategy in terms of the following:</b>			
		Provide for higher density development around the transport and central business nodes.	Use a range of land use zones and provisions in principal LEP to differentiate areas of high density and mixed use.	Development	Draft LEP provisions developed that form part of the Draft Planning Proposal currently being considered.
		Identify sites for potential seniors living with easy access to services and facilities.	Liase with aged care service providers to facilitate site selection.	Development	Deferred until Draft LEP Planning Proposal is finalised.
		Ensure effective integration of new developments which do not adversely impact upon existing and/new residential/living environments.	Communicate desired character and standards of residential areas in a Development Control Plan.	Development	Deferred until Draft LEP Planning Proposal is finalised.
		Encourage adaptable and affordable housing in medium density development.	Provide educative material in a Development Control Plan.	Development	Deferred until Draft LEP Planning Proposal is finalised.
		Develop community capacity to provide housing and accommodation which is responsive to the needs of older people.			

### 3.2.8 On-site Sewage Management

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
3.2.8.1	To ensure that on-site sewage management systems comply with environmental and health requirements.	Undertake inspections of Septic Systems and Aerated Waste Water Systems.	<ul style="list-style-type: none"> <li>Prepare and undertake an inspection regime of systems.</li> <li>Monitor service records for aerated wastewater systems.</li> <li>Appropriate action taken where systems are failing.</li> </ul>	Environment	<ul style="list-style-type: none"> <li>581 Septic System inspections</li> <li>28 Aerated Waste Water Systems.</li> </ul>

### 3.2.9 Parks and Gardens

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
		<b>Implement the Open Space and recreation Needs Study in terms of the following:</b>			
		Maintain gardens, parks, reserves, street trees and other public space.	Maintained to an acceptable standard and within budget. Queen Elizabeth Park Endeavour Park Lake Wallace Recreation Area	Operations	Maintained to an acceptable standard and within budget
		Identify new open space/recreational areas as part of any re-zoning or development application process for new release areas and major subdivisions.	New open space and recreational areas are capable of conforming to the desired standards of service outlined in the Open Space and Recreational Needs Study.	Development	Undertaken as part of the approvals process for development applications for new release areas and major subdivisions.
		Upgrade playground equipment in local parks.	Install playground equipment and park furniture in QE Park and other major parks	Operations	<ul style="list-style-type: none"> <li>Additional adult exercise equipment was installed in Queen Elizabeth Park.</li> <li>Children's playground equipment was replaced and upgraded at Lake Wallace.</li> </ul>

### 3.2.10 Recreational Facilities

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Estimated cost of Operational Programs	Annual Achievement
3.2.10.1	To develop recreational facilities that will meet the needs of the community now and into the future.	<b>Implement the Open Space and recreation Needs Study, Economic Development Strategy and Asset Management Strategy in terms of the following:</b>			
		Develop and operate the Lithgow Aquatic Centre using Council resources and associated on costs.	<ul style="list-style-type: none"> <li>Aquatic Centre Advisory Committee meetings held on regular occasions.</li> <li>Construct Stage 2</li> <li>The Lithgow Swimming Pool/Aquatic Centre is open on all days during the swimming season.</li> </ul>	Operations	<p>There were 8 meetings held. The Lithgow Aquatic Centre was opened in the 2nd quarter. The Centre has been open on all days during the season except for one due to vandalism.</p> <ul style="list-style-type: none"> <li>Preliminary Designs for Stages 2 and 3 are complete.</li> <li>Development Application for Stages 2 and 3 is approved – awaiting Construction Certificate.</li> <li>Will be sourcing quotes for detailed engineering stages 2 and 3 through the architect in first quarter 2013/14.</li> </ul>
		Manage and prepare playing fields using Council resources and associated on costs.	<p>Playing fields available for use except in exceptional wet weather conditions.</p> <p>Tony Luchetti Sportsground</p> <p>Marjorie Jackson Oval</p> <p>Saville Park</p> <p>Zig Zag Oval</p> <p>Wallerawang Oval</p> <p>Kremer Park</p>	Operations	All playing fields were available for use except in exceptional wet weather conditions.
		Manage and prepare the Lithgow Golf Course using Council resources and associated on costs.	Maintained to an acceptable standard and within budget.	Operations	The course was available for play in a presentable condition, except during exceptional wet weather conditions.
		To provide support and a forum for sporting, recreational and community groups to discuss matters relating to local sport and recreational facilities and advise Council.	Review the role, function and communication protocols of the Sports Advisory Committee to widen its focus beyond structured sport.	Operations	Terms of Reference of the committee reviewed during the July to December period.

			<p>Organise the Sports Advisory Committee meetings in accordance with the Committee terms of reference.</p> <ul style="list-style-type: none"> <li>• Attend meetings regularly.</li> <li>• Develop and implement funding programs.</li> <li>• Review and implement actions identified in the Open Space and Recreation Needs Study and Sporting Precinct Master Plan.</li> </ul>	Operations	10 meetings of the Sports Advisory Committee were convened and attended.
		Regional and Local Community Infrastructure Program – Round 3	Upgrade Skate parks at Portland and Wallerawang	Operations	Completed
		Develop Hassans Walls Reserve	<ul style="list-style-type: none"> <li>• Undertake Geotechnical Study of Hassans Walls Lookout.</li> <li>• Complete the Hassans Walls Management Plan.</li> <li>• Implement a staged upgrade of Hassans Walls Lookout.</li> </ul>	Operations Development	<p>The following activities were undertaken:</p> <ul style="list-style-type: none"> <li>• Design has been completed.</li> <li>• Review of environmental factors completed.</li> <li>• Funds have been allocated in 2014/15 for preparation of Hassans Walls Management Plan.</li> </ul> <p><u>Hassans Walls Boardwalk Project.</u></p> <ul style="list-style-type: none"> <li>• Detailed design has been completed.</li> <li>• Manufacturing of the boardwalk components is now being undertaken offsite.</li> <li>• There has been a delay in the project due to issues with the structural capacity – a complete redesign was required.</li> <li>• Installation has been set back until November.</li> </ul>

### 3.2.11 Road Safety and Compliance

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
3.2.11.1	To promote the road safety message and enforce legislative requirements.	Ensure available parking for residents and visitors.	Conduct on-street parking enforcement in the Central Business District of Lithgow and School Zones. <ul style="list-style-type: none"> <li>• 200 parking patrols per year.</li> <li>• 24 school zone patrols per year.</li> </ul>	Environment	<ul style="list-style-type: none"> <li>• 151 parking patrols were undertaken.</li> <li>• 39 School zone patrols were undertaken.</li> </ul>
		To provide a forum for community and government authorities to discuss issues relating to local traffic and advise Council.	Organise the Traffic Authority Local committee in accordance with the terms of reference.	Operations	9 meetings of the Traffic Authority Local Committee meeting were attended.
		<b>To implement the Road Safety Strategic and Action Plans in terms of the following:</b>			
Develop and promote the road safety message to the community.	<ul style="list-style-type: none"> <li>• Bike Safety Sessions</li> <li>• Traffic Offender Intervention Program</li> <li>• Driver Fatigue Project</li> <li>• Gateway Speed Prevention Project.</li> <li>• 2 Learner Driver Workshops.</li> <li>• School Parking Education</li> </ul>	Operations	The following road safety activities were undertaken: <ul style="list-style-type: none"> <li>• Gateway Speed Prevention Project</li> <li>• Slow Your Speed Road Safety Project</li> <li>• Traffic Authority Local Committee</li> <li>• Keep Our Kids Safe Road Safety Project</li> <li>• Free Cuppa for the Driver</li> <li>• Helping Learning Drivers Become Safer Drivers Workshop</li> <li>• Fleet Safety</li> <li>• Check Your Childs Restraint</li> <li>• Motorcycle Booklet</li> <li>• Driver Fatigue Project</li> <li>• Community Road Safety Project</li> <li>• Winter Weather.</li> </ul>		

### 3.2.12 Sewage Infrastructure

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
3.2.12.1	To provide sewage infrastructure to allow for the sustainable growth and development of the area.	<b>Implement the Strategic Water and Sewerage Business Plans, Cullen Bullen Sewerage Study and Portland Sewerage Treatment Plant Feasibility Study in terms of the following:</b>			
		Provide a secure and reliable sewage reticulation system to residents of Lithgow, Lidsdale, Marrangaroo, Portland and Wallerawang.	Operations undertaken to an acceptable standard and within budget.	Water and Wastewater.	Operation undertaken to an acceptable standard and within budget. The following maintenance works were undertaken: <ul style="list-style-type: none"> <li>Routine inspection and maintenance is ongoing.</li> <li>CCTV inspection fo 5% of the reticulation network has been undertaken.</li> <li>Jet spray/cleaning of 5% of the reticulation network has been undertaken.</li> </ul>
		Renew sewer mains within the sewage reticulation system.	Completion of works	Water and Wastewater	Completed the relining of 800m of sewer mains in Oakey Park
		Upgrade the Sewerage Reticulation Network in the South Bowenfels/South Littleton area.	Completion of works	Water and Wastewater	The following works were undertaken : <ul style="list-style-type: none"> <li>Detailed design and pipeline route identified.</li> <li>Called for expressions of interest for Contractors interested in tendering for the construction works.</li> <li>Finalisation of design and specifications for the pump station and rising/gravity mains.</li> <li>Landholder issues resolved</li> <li>Environmental Assessment</li> </ul>
		Construct upgrades to pumping stations, including access, electrical, pump replacement, safety requirements and telemetry.	Completion of works	Water and Wastewater	The following works were undertaken: <ul style="list-style-type: none"> <li>Electrical Board replacement at the Hospital Pump Station</li> <li>Commence the installation of fall protection at pump stations</li> <li>Commencement of telemetry installation at 3 pump stations.</li> </ul>
		Provide sewer overflow protection to infrastructure.	Completion of works	Water and Wastewater	Completed the relining of 800m of sewer mains in Oakey Park.
		Upgrade the Portland Sewerage Treatment Plant.	Completion of works	Water and Wastewater	Not undertaken.
		Replace sewer vents within the sewerage reticulation system.	Completion of works	Water and Wastewater	Completed the replacement of 3 vents.

		Desludging Portland Sewerage Treatment Plant.	Completion of works	Water and Wastewater	Undertaken when required throughout the year.
		Reserve funds for the extension of the sewer main to Doctors Gap.	Funds placed in reserve	Water and Wastewater	Awaiting resolution of land ownership.
		Extend the sewerage main to Corney Town, Lithgow	Completion of works	Water and Wastewater	The sewerage main is already in place and no further works are required.
		Purchase a new jet spray unit	Purchase completed	Water and Wastewater	Completed

### 3.2.13 Transport

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Estimated cost of Operational Programs	Annual Achievement
3.2.13.1	To provide road infrastructure that meets the needs of the residents.	<b>Implement the Asset Management Strategy in terms of the following:</b>			
		Upgrade and maintain urban and rural roads, bridges, footpaths, cycleways, drainage, roadside vegetation, carparks and kerb and guttering to an acceptable standard in accordance with their level of traffic use.	Maintenance undertaken to provide safe and acceptable standards and within budget.	Operations	Maintenance undertaken to provide safe and acceptable standards and within budget.
			Drains – Maintenance and repair.		
			Rural roads – Maintenance and repair		
			Urban roads – Maintenance and repair		
			Street and gutter cleaning.		
		Undertake timber bridge improvements on rural roads as per the 10-year program.		Operations	Completed
		<ul style="list-style-type: none"> <li>Palmers Oakey</li> </ul>			
		Undertaken urban drainage projects in Lithgow, Portland and Wallerawang as per the 10 year program.		Operations	Deferred to 2013/14.
		<ul style="list-style-type: none"> <li>Falnash and Green Sts Portland</li> </ul>			



			Undertake village drainage improvements in Rydal and Capertee as per the 10-year program. <ul style="list-style-type: none"> <li>• Capertee</li> </ul>	Operations	Scheduled to be undertaken during 4th quarter.
		Continue to seek funding to upgrade and maintain state and regional roads within the LGA.	Roads to Recovery Program Upgrades: <ul style="list-style-type: none"> <li>• Glen Davis road</li> <li>• Dark Corner Road</li> <li>• Mid Hartley Road</li> <li>• Springvale Lane</li> </ul>	Operations	<ul style="list-style-type: none"> <li>• Glen Davis Road - Completed</li> <li>• Dark Corner Road,- Completed</li> <li>• Mid Hartley Road - Completed</li> <li>• Springvale Lane - completed.</li> </ul>
			Rural Sealed Roads Rehabilitation Program: <ul style="list-style-type: none"> <li>• Magpie Hollow Road</li> <li>• Glen Alice Road</li> <li>• Cox's River Road</li> </ul>	Operations	Completed
		Special Rate Variation – Four year works program 2010/11 – 2013/14	Lithgow and Portland Streets per annum. Mid Hartley Road Glen Davis Road Cox's River road	Operations	Scheduled to be undertaken during the 4th quarter <ul style="list-style-type: none"> <li>• Reconstruction of Mid Hartley Road completed.</li> <li>• Glen Davis and Cox's River Roads - completed.</li> <li>• Coxs River Road completed.</li> </ul>
		Urban roads improvements	Wallerawang Portland Main Street, Wallerawang Reserve Short Street, Lithgow Guy Street, Lithgow	Operations	Completed.
		Maintain traffic signs and other associated furnishings.	Maintained to an acceptable standard and within budget.	Operations	Undertaken throughout the year as required.
		Clean footpaths and streets in Lithgow, Wallerawang and Portland	Cleaning undertaken to an acceptable standard and within budget.	Operations	Undertaken throughout the year as required.
<b>3.2.13.2</b>	<b>To have improved transport linkages with Sydney.</b>	Support the Bells Line and M2 Extension.	Attend meetings of the Bells Line Expressway Group.	Executive	1 meeting of the Bells Line Expressway Group was attended.
		Lobby for the State Government to maximise the number of passenger train services that terminate at Lithgow.	Lobbying undertaken.	Executive	Lobbying undertaken.

### 3.2.14 Trade Waste

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
3.2.14.1	To Provide a Trade Waste Program	Undertake activities identified in the Trade Waste Policy.	<ul style="list-style-type: none"> <li>• Prepare and undertake an inspection regime of systems.</li> <li>• Assess applications.</li> <li>• Monitor records</li> <li>• Appropriate action is taken where systems are non-compliant.</li> </ul>	Environment	168 inspections undertaken.
		Install Grease Arrestors in Council Kitchens to achieve compliance.	Implement priority program in accordance with hall maintenance and refurbishment programs.	Development	Completed.

### 3.2.15 Water Infrastructure

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
3.2.15.1	To provide water infrastructure to allow for the sustainable growth and development of the area.	<b>Implement the Strategic Water and Sewerage Business Plans, Drought Management Plan, Integrated Water cycle Management Plan and Water Demand Management Plan in terms of the following:</b>			
		Maintain the Clarence Water Transfer System	Maintenance of supply into the Oakey Park Water Treatment Plant.	Water and Wastewater.	72.7 ML water pumping was necessary
		Undertake water mains renewal in accordance with program.	Completion of works predominantly in Portland and Wallerawang	Water and Wastewater.	Mains renewal was undertaken at <ul style="list-style-type: none"> <li>Eddy Street</li> <li>Jamieson Street, Portland</li> <li>Blackberry Lane, Wallerawang.</li> </ul>
		Upgrade reservoirs in accordance with program.	Completion of works	Water and Wastewater.	Works to be ongoing over the year.
		Oakey Park Water Treatment Plant.	<ul style="list-style-type: none"> <li>Undertake maintenance works.</li> <li>Desludge lagoons</li> <li>Backwash Return Project</li> </ul>	Water and Wastewater.	Filter media replacement investigation and options report complete. Actions from this report to be implemented. Expressions of Interest to be called for the completion of the works  Lagoons desludged during the 3 <sup>rd</sup> quarter
		Undertake safety works to Farmers Creek No. 2 Dam.	Completion of works.	Water and Wastewater.	<ul style="list-style-type: none"> <li>Seeking to engage suitably qualified engineers to undertake stability Analysis of Farmer Creek No. 2 Dam</li> <li>Surveillance Inspections and reports completed</li> </ul>
		Reserve funds for an extension of the water main to Doctor's Gap.	Reservation of funds.	Water and Wastewater Finance	Funds reserved during the 3 <sup>rd</sup> quarter.
		Design and construct water main extensions commencing at South Bowenfels to new subdivisions.	New reticulation main to subdivisions: <ul style="list-style-type: none"> <li>Design</li> <li>Landholder agreements</li> <li>Construction</li> </ul>	Water and Wastewater	To be undertaken 2013/14 financial year.
		Upgrade the Vickers Street Pump Station.	Completion of works.	Water and Wastewater	To be undertaken 2013/14 financial year.
Land acquisition for existing pumping stations.	Completion of acquisition	Water and Wastewater	Works to be ongoing over the year.		

### 3.2.16 Waste Infrastructure

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement																					
3.2.16.1	To provide a waste and recycling collection services that encourage a reduction in land filling.	<b>Implement the Waste and Recycling Strategy in terms of the following:</b>																								
		Provide garbage disposal facilities within the LGA at: <ul style="list-style-type: none"> <li>• Capertee</li> <li>• Cullen Bullen</li> <li>• Glen Davis</li> <li>• Lithgow</li> <li>• Portland</li> <li>• Wallerawang</li> </ul>	<ul style="list-style-type: none"> <li>• A decrease in garbage disposed from 2011/12.</li> </ul>	Environment	<table border="1"> <thead> <tr> <th></th> <th>2011/12 (tonnes)</th> <th>2012/13 (tonnes)</th> </tr> </thead> <tbody> <tr> <td>Capertee</td> <td>226</td> <td>209</td> </tr> <tr> <td>Cullen Bullen</td> <td>394</td> <td>499</td> </tr> <tr> <td>Glen Davis</td> <td>216</td> <td>140</td> </tr> <tr> <td>Lithgow</td> <td>40,819</td> <td>32,880</td> </tr> <tr> <td>Portland</td> <td>985</td> <td>1,507</td> </tr> <tr> <td>Wallerawang</td> <td>1,519</td> <td>1,477</td> </tr> </tbody> </table>		2011/12 (tonnes)	2012/13 (tonnes)	Capertee	226	209	Cullen Bullen	394	499	Glen Davis	216	140	Lithgow	40,819	32,880	Portland	985	1,507	Wallerawang	1,519	1,477
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Wallerawang	1,519	1,477																								
Close and rehabilitate the landfills	Completion of works at: <ul style="list-style-type: none"> <li>• Cullen Bullen</li> <li>• Rydal</li> </ul>	Environment	Rydal earthworks completed. More life has been found at Cullen Bullen so this has been deferred.																							
Construct Waste Transfer stations.	Completion of works at: <ul style="list-style-type: none"> <li>• Tarana</li> </ul>		This has been deferred but will be reprioritised. The works will occur within a timeframe to be determined.																							
Install remote surveillance cameras at rural landfills.	Cameras installed and monitored.	Environment	Some cameras have been deployed. Additional cameras are being purchased.																							
	Provide recycling facilities at existing waste transfer stations.	Completion of works at: <ul style="list-style-type: none"> <li>• Angus Place</li> <li>• Hampton</li> <li>• Meadow Flat</li> <li>• Tarana</li> </ul>	Environment	Investigate facility requirements for Angus Place and Tarana for recycling and will be implemented in 2013/14.																						

		Undertake preparations for the Blackmans Flat Waste Management Facility.	Completion of the following: <ul style="list-style-type: none"> <li>• Servicing loan and paying the interest.</li> </ul>	Environment	This happens as a matter of course. No works involved.
		Upgrade the Lithgow Solid Waste Facility.	Completion of the following: <ul style="list-style-type: none"> <li>• Rehabilitation planning of Stage 1 area.</li> <li>• Rehabilitate the State 1 area.</li> <li>• Leachate control</li> <li>• Road works</li> <li>• Hazardous waste storage.</li> </ul>	Environment	Leachate Control has been rectified. Rehabilitation of Stage 1 has been investigated for commencement in 2013/14.
		Undertake post closure monitoring of landfills.	Monitoring undertaken at: <ul style="list-style-type: none"> <li>• Angus Place</li> <li>• Cullen Bullen</li> <li>• Glen Davis</li> </ul>	Environment	The Life of Glen Davis and Cullen Bullen has been extended. Monitoring continues at Angus Place.
		Undertake an environmental audit of the Lithgow Solid Waste Facility and the Portland Garbage Depot.	Environmental Audit completed.	Environment	This is scheduled for 2013/14.

#### 4.2.8 Waste and Recycling

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement							
4.2.8.1	To implement the waste management hierarch of avoidance, reuse, recycle and dispose.	<b>Implement the Waste and Recycling Strategy in terms of the following:</b>										
		Collect street litter bins in Lithgow, Portland and Wallerawang.	Collection service provided to an acceptable standard and within budget.	Environment	Collection service provided to an acceptable standard and within budget.							
		Collect litter bins from parks, lookouts and recreation areas.		Operations								
		Provide kerbside garbage and recycling collection service to all residents within the collection service area.	<ul style="list-style-type: none"> <li>• Achieve a reduction in garbage material collected from 2011/12</li> <li>• Achieve an increase in recycling material collected from 2011/12.</li> </ul>	Environment	<table border="1"> <thead> <tr> <th></th> <th>2011/12</th> <th>2012/13</th> </tr> </thead> <tbody> <tr> <td>Kerbside garbage collected</td> <td>2,617</td> <td>2,686t</td> </tr> <tr> <td>Recycling collected.</td> <td>568.46t</td> <td>667t</td> </tr> </tbody> </table>		2011/12	2012/13	Kerbside garbage collected	2,617	2,686t	Recycling collected.
	2011/12	2012/13										
Kerbside garbage collected	2,617	2,686t										
Recycling collected.	568.46t	667t										
Tender for a new kerbside garbage and recycling contract.	Tenders considered by council.	Environment	<ul style="list-style-type: none"> <li>• The following activities were undertaken Assessment of tender and scoping of items requiring clarification.</li> <li>• Contract awarded during 4<sup>th</sup> quarter.</li> </ul>									

		Provide a green waste collection service to residents in Lithgow, Lidsdale, Marrangaroo, Portland, Rydal and Wallerawang.	4 services per year and an increasing number of green waste bookings from 2011/12.	Environment	1greenwaste collection services was provided to 40 participants.
		Provide a clean-up collection service to residents.	2 services per year and an increasing number of clean-up bookings.	Environment Operations	1 clean up collection service was provided to 140 participants.
		Assist in the provision of the chemical collection service.	Provide agreed assistance to the Sydney Catchment Authority with in-kind contributions.	Environment	A chemical collection has been undertaken.
		Attend meetings and participate in Netwaste activities.	Attend meetings as resources allow.	Environment	4 meetings of Netwaste were attended.
		Conduct annual e-waste recycling program in conjunction with Netwaste	Completion of the program.	Environment	e e-Waste recycling was undertaken. 4 new cages are available for E- waste collection at Lithgow Waste Facility.
		Undertake Waste Watchers Environmental Education Program targeting school aged children.	Waste Watchers program undertaken.	Environment	Waste Watchers Environmental Education program was not undertaken during the July to December period.

## 2012/13 Financial Assistance – Our Built Environment

Financial Assistance	Timeframe	Annual Achievement
<b>Non-Recurrent financial Assistance</b>		
Payment was made to the following Recurrent and Non-Recurrent Financial Assistance requests during 2012/13 in relation to the built environment in accordance with Council's Financial Assistance Policy	2012-2013	<ul style="list-style-type: none"> <li>6 Solid fuel rebates were paid in during 2012/13</li> <li>Hartley Recreation Reserve Trust</li> </ul>

## 2012/13 – Recommended Variations to Program of Works – Our Built Environment

There are four variations to the Program of Works for Our Built Environment as detailed in the Operations Plan adopted by Council on 4 June 2012 (Min No. 12-182).

Project Name	Description of Works Program/Key Performance Indicator	Proposed Variation	Reason
Upgrade the Vickers Street Pump Station.	Upgrade the Vickers Street Pump Station.	To be undertaken 2013/14 financial year	Hydraulic modelling has indicated that upgrades to Vickers Street pump station are not critical in supplying sufficient water to South Bowenfels/Littleton. Priority has been given to works to improve water pressure to the Hillcrest Estate.
Complete the Lithgow History Avenue Project.	History Avenue project completed.	To be completed 1 <sup>st</sup> Quarter 2013/14	Delays with sculpture pieces provided by sub-contractors.
Prepare a Disability Access Strategy.	Strategy completed.	To be completed 2 <sup>nd</sup> Quarter 2013/14	Demands of other projects.
Maintain and upgrade community buildings and structures to meet the needs of the community and ensure commercial viability.	Upgrade the Lithgow Dog Pound Including: <ul style="list-style-type: none"> <li>Office and staff amenities</li> </ul>	To be completed 1 <sup>st</sup> quarter 2013/14	Reporting to Council for development consent.

*To conserve and preserve  
the natural environment  
whilst balancing the impact  
of development to ensure  
a sustainable and healthy  
community*





# Enhancing Our Natural Environment

## *Achievements for 2012-2013*

- 4 people have replaced their Solid Fuel Heating Appliance with a Clean Air Alternative.
- Upgrade of the Lake Pillans Boardwalk.
- Participated in the NetWaste E-Waste Program.
- 5 people have received rebates through Council's Rainwater and Domestic Appliances Scheme.



## **Improved Waste Management**

### **Kerbside Garbage and Recycling Service**

In response to the Waste and Recycling Strategy and community demand, Council has reviewed its current kerbside garbage and recycling service provision and has awarded a contract for Kerbside waste and recycling which will include recycling through a fortnightly collection of a 240 litre bin.

### **E-Waste Program**

Council has been conducting an annual E-Waste program for a number of years now, and accepts e-waste from local residents free of charge at the Lithgow Waste Facility.

In recognition of the increasing impacts of e-waste on the environment and landfill, Council has commenced in negotiation through NetWaste, to engage a company to provide an E- Waste collection service on a permanent basis.

Residents will be able to leave their E-waste at the Lithgow Waste Facility for removal all year round.

Lithgow Council is one of sixteen Councils in the NetWaste region participating in this important program to provide an e-waste recycling service. The material collected through this campaign

will be sent to the E-Recycling Facility in Sydney for recycling, where valuable components of the e-waste can be recovered for other uses.

### **Mobile Muster**

Collection points are provided at Council for residents to dispose of their mobile phones, batteries and accessories. These are collected and disposed of in an environmentally friendly manner that avoids the use of landfills.

### **Green Waste**

Council conducts four free green waste collection services to residents annually.

### **Clean Up Service**

Council provides 2 free bulk waste collections per year annually to residents.

### **Closure and rehabilitation of Rural Landfills**

Council continues to plan for the closure of rural landfills to be replaced by transfer stations.

## **Household Chemical Clean Out Program**

Council conducts an annual Household Chemical Collection Service at the Lithgow and Wallerawang Depots. By collecting and disposing of the chemicals in a controlled manner the environment is protected from illegal dumping.

## **Love Food, Hate Waste Program**

Lithgow Council has signed up to become a partner in the Love Food Hate Waste Program and will be implementing the program in 2013/14. The objectives of the program are to encourage the community to waste less food, save money and our environment.

Each NSW Household throws away more the \$1,000 of food per year and across the state that totals 800,000 tonnes per year this is a great opportunity for Council to work towards educating the community on ways to reduce waste and protect our environment. The program encourages people not to waste their food, take notice of packaging and what changes can be made in their buying habits that results in less waste and reducing the end products that go to landfill.

## **Clean Up Australia Day**

Clean Up Australia Day provides Lithgow City Council with an important opportunity to engage the local community and create positive outcomes for the environment. In addition supporting the Clean Up Australia Day campaign benefits Lithgow by:

- Helping to remove substantial amounts of rubbish from bushland areas and reserves not regularly serviced by Council Local Asset Services.
- Helping to identify problematic illegal dumping Sites.
- Helping identify problematic areas.
- Supporting established council and community group links, such as catchment groups.
- Conveying current council messages within Clean Up Australia media releases and materials.
- Improving the state of numerous local parks, reserves and waterways.

Council has assisted local environmental groups by providing a collection service of waste recovered and by providing additional bags for the clean up.

## **Cullen Bullen On Site Waste Water Study**

Council's Environmental Health Section is continuing to work with residents of Cullen Bullen through the On Site Sewage Management Program to ensure appropriate provision for sustainable on-site sewage management.

Council has been concerned that due to a mixture of poor soil types and small allotments that the potential exists at Cullen Bullen for effluent generated by households and businesses to not be adequately treated within the boundaries of individual properties.

In response to this, Council commissioned a report by a consultant into existing issues at Cullen Bullen and options for the future. The original report had a number of shortcomings that required review by the consultant, however as soon as the draft report was received Council immediately briefed NSW Health and the Environment Protection Authority. Council then ramped up its On Site Assessment program, which has to date found the current situation to be better than originally anticipated and at this stage no immediate issues of public health are apparent.

However, Council is concerned that this situation may not be sustainable over the longer term and to this end has provided funds in the 2013/2014 budget for further investigations. Council is also financially planning for the provision of reticulated sewerage to Cullen Bullen. However, realistically, this may take a number of years to come to fruition.

## **Routine Environmental Health Inspections**

Council also undertakes a variety of Routine Environmental Health Inspections to protect the environment and ensure the health of the community:

- Food Premises Inspections
- Drinking Water Monitoring

An ongoing Council and community partnership since 1994 has transformed an industrial wasteland into a beautiful wetland environment. The wetlands filter industrial pollutants urban and rural run-off prior to the water entering the Fish River.



- Water Sampling
- On-Site Sewage Management
- Trade Waste

## **Lake Pillans Boardwalk**

Lake Pillans Wetlands has been described as “A little treasure in the middle of town”. The wetlands are the result of a partnership between local community environmental groups and Lithgow City Council since 1994.

Lake Pillans was originally constructed in 1911 as a dam for the Hoskins Blast Furnace, part of Australia’s early iron and steel industry. While the locals enjoyed the lake for swimming, it was eventually deemed unsafe and the lake wall was blasted in 1928 when the works were moved to Port Kembla. (source Hawkesbury Nepean Catchment Fact Sheet).

The site had become an industrial wasteland with pollutants being carried from the site via Farmers Creek into the Cox’s River and Sydney Water Catchment.

Today the wetlands filter industrial, urban and rural run-off protecting Farmers Creek from pollutants and nutrients. They feature two large sedimentation ponds, a habitat island and open water areas, native vegetation for flora and fauna, meandering paths and boardwalks.

The wetlands are popular with walkers and provide opportunity for birdwatchers to view a variety of wetland and other bird species.

Council has also installed seating and outdoor gym equipment in this peaceful environment.

Works to replace and extend the Lake Pillans boardwalks and viewing areas have recently been completed ensuring the continued protection of the wetland habitats. The work included the:

- Replacement of rotten and unsafe timber slats.
- Replacement of the existing timber framework with a metal support frame.
- Extending the boardwalk from the viewing platform to enable walkers to stroll around the entire lake.

*Protecting our waterways*

The new boardwalk provides a pleasant, safe environment for residents to sit, observe and enjoy the wildlife that resides in and around the lake.

## Clean Air Initiatives

Council is continuing with the Solid Fuel Heating Appliance Replacement Scheme which supports Lithgow Councils commitment to improve air quality by providing opportunities for the community to replace coal fired fuel heaters with alternative clean heating sources through cash rebates to assist with the associated changeover costs. This scheme has traditionally focussed on coal fired appliances.

The rebate program was started by Council in response to community concerns about the threat coal smoke poses to community health and the environment and has been in operation for a number of years. Householders are encouraged to convert their coal fired heating system with more sustainable and healthier forms of heating such as gas or electric. This has resulted in residents of these areas noticing a marked improvement in air quality over recent years as more people replaced their coal fired heater with cleaner and more sustainable heating methods. Council has recently reviewed the rebate scheme and assessed the number of coal fired heaters in the area and resolved as a further incentive to make Lithgow LGA a coal smoke free area and to increase the standard rebate from \$500 to \$1,000 and from \$700 to \$1,400 for pensioners.

In 2013/14 Council will also be introducing a Wood Fired Heating Replacement Scheme to further reduce the impacts of fuel heating on our environment.

## Rainwater Tank and Domestic Appliances Rebate Scheme

This is one of the many ways Lithgow City Council is working with the community to create sensible solutions for people and the environment to ensure that clean, fresh drinking water doesn't become a luxury item. Council has implemented a rebate scheme for:

1. The installation of rainwater tanks.
2. The purchase of energy and water efficient domestic appliances.
3. In addition to this, Council has developed 'A Guide to Rainwater Tanks' to assist residents in selecting and installing a rainwater tank it includes information on Council's planning and building requirements. Furthermore, Council's rebate scheme which previously covered tanks 5,000 litres or more has recently been extended to cover 2,000 litre tanks.

# *Statements Against Reporting Requirements*

## Bushfire Hazard Reduction Activities

Council participated in several committees and provided support through the Service Level Agreement with Rural Fire Services

*Providing environmental leadership through responsible natural resource management, legislative compliance and working cooperatively with the community, relevant environmental authorities and alliances.*

5 Rebates have been issued in 2012/13 through Council's Rainwater and Domestic Appliances Rebate Scheme



## 2012-2016 Program of Works for Our Natural Environment

To conserve and preserve the natural environment whilst balancing the impact of development to ensure a sustainable and health community.

### 4.1 Planning for Our Natural Environment

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
4.1.1	To identify, preserve and improve our natural heritage and biodiversity whilst ensuring the water security and sewerage capacity of the region for sustainable growth and development.	<b>Review and monitor current plans and strategies that support economic growth including:</b>			
		Implement the following plans and strategies: <ul style="list-style-type: none"> <li>Integrated Water cycle Management Plan</li> <li>Drought Management Plan</li> <li>Demand and Water Conservation Plan</li> <li>Strategic Water and Sewer Business Plans</li> <li>Cullen Bullen Sewerage Study.</li> <li>Portland Sewerage Treatment Plant Feasibility Study.</li> <li>Port Macquarie Road Environmental Management Plan.</li> <li>Land Use Strategy</li> </ul>	Priority items included in 2013-2017 Management Plan and 2013-2014 Operations Plans.	Operations Environment Environment and Development	<ul style="list-style-type: none"> <li>Drought Management Plan Complete</li> <li>Demand and Water Conservation Management Plan Complete.</li> <li>Strategic Water and Sewer Business Plan commenced during the 3rd Quarter and completion due in 2013/14.</li> <li>Portland Sewerage Treatment Plant Feasibility Study commenced during 4th quarter.</li> <li>Port Macquarie Road Environmental Management Plan is complete.</li> <li>Draft LEP Planning Proposal placed on public exhibition</li> <li>The Draft Cullen Bullen Sewerage Study has been received, but is deficient. Negotiating with the consultant.</li> </ul>
		Completion of the Urban Sustainability Project	Actions included within Council's Delivery and Operations Plans.	Community and Culture	Project completed
		<b>Review and monitor current Asset Management Plans including:</b>			
Strategic Asset Management Plan	Priority items included in 2013-2017 Management Plan and 2013-2014 Operations Plans.	Operations	Completed		

## 2012-2016 Program of Works for Our Natural Environment

To conserve and preserve the natural environment whilst balancing the impact of development to ensure a sustainable and health community.

### 4.2 Our Natural Environment Programs

#### 4.2.1 Air

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement						
4.2.1.1	To improve local air quality.	Promote alternative heating sources to coal and wood heaters.	Provide the Alternate Fuel Rebate for the replacement of coal heaters with cleaner heating alternatives.	Environment	<table border="1"> <thead> <tr> <th></th> <th>2011/12</th> <th>2012/13</th> </tr> </thead> <tbody> <tr> <td>No. of rebates provided.</td> <td>4</td> <td>3</td> </tr> </tbody> </table> <p>The alternative Fuel Rebate was promoted on Council's website during the quarter.</p>		2011/12	2012/13	No. of rebates provided.	4	3
			2011/12	2012/13							
		No. of rebates provided.	4	3							
Provide education material on the correct operation of solid fuel heaters.	Promotion activities undertaken.	Environment	Promotional activities undertaken in response to complaints and available at the front counter.								
Lobby for the extension of natural gas to Portland.	Lobbying undertaken	Executive	Lobbying undertaken								

## 4.2.2 Biodiversity

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
4.2.2.1	<b>To protect and enhance biodiversity through consultation and development of partnerships.</b>	Protect Endangered Ecological communities and National Endangered Ecological Communities.	Participate in the Save Our Swamps Program with Blue Mountains City Council over 3 years.	Environment	3 meeting of the Save Our Swamps Program were attended.
4.2.2.2	<b>To responsibly manage natural resources through the control of environmental and noxious weeds.</b>	Control environmental and/or noxious weeds on public land through Council and/or service provided by the Upper Macquarie County Council.	Contribution made to the Upper Macquarie Council and program of works completed.	Operations	Monthly reports are provided to Council by the Upper Macquarie County Council.
		Environmental improvement projects undertaken at priority locations.	Completion of works	Environment	Completed
		Weed control of natural water courses.	Farmers Creek	Operations	Completed
		Install signage in Hassans Walls Reserve to prohibit the collection of wood.	Signage installed following completion of a comprehensive signage plan for Hassans Walls Reserve.	Policy and Planning Operations	Signage will be installed in the Reserve following completion of the Corporate Identity Style Guide.



### 4.2.3 Climate Change

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
4.2.3.1	To significantly reduce carbon emissions within the LGA.	<b>Implement the Urban Sustainability Program, Economic Development Strategy and Integrated Water Cycle Management Plan in terms of the following:</b>			
		Finalise the Urban Sustainability Project early September 2012.	Investigate a Carbon Credit scheme. Promote project activities to highlight the 'green credentials' of Lithgow.	Community and Culture Policy and Planning	Project completed
		Undertake energy audits of Council buildings and consider recommendations in the Delivery Program.	<ul style="list-style-type: none"> <li>Staff Sustainability Team continuing to meet and identify energy and water saving initiatives.</li> <li>Promote project activities to highlight the 'green credentials of Council</li> </ul>	Community and Culture	

## 4.2.4 Environmental Protection and Leadership

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
4.2.4.1	To provide environmental leadership through responsible natural resource management, legislative compliance and working cooperatively with the community, relevant environmental authorities and alliances.	<b>Implement the Urban Sustainability Program, Land use Strategy, Draft Water Quality Management Plan and Recycled Water Management Plan in terms of the following:</b>			
		Comply with the environment protection licences for: <ul style="list-style-type: none"> <li>Lithgow Sewage Treatment Plant.</li> <li>Lithgow Solid Waste Facility.</li> <li>Oakey Park Water Treatment Plant.</li> <li>Portland Garbage Depot</li> <li>Portland Sewage Treatment Plant.</li> <li>Wallerawang Sewage Treatment Plant.</li> </ul>	Compliance with licence conditions.	Water and Wastewater Environment	Some EPA water and wastewater licence conditions were not met and details can be found on the Council website.  No incidences of non-compliance have been identified by external authorities in relation to waste management facilities. Refer to Council website for details of non-compliances.
		To fulfil Council's appropriate regulatory authority responsibilities under the Protection of the Environment Operations Act.	Respond to pollution incidents within 24 hours.  To ensure compliance with Council's Environmental Management System for: <ul style="list-style-type: none"> <li>Sewage Management</li> <li>Water Treatment and Distribution.</li> </ul>	Environment Water and Wastewater	<ul style="list-style-type: none"> <li>All pollution incidents were responded to within 24 hours.</li> <li>Council does not have any environmental management systems for waste management however; landfill management plans for the Lithgow Solid Waste Facility and the Portland Garbage Depot guide the operation of these facilities.</li> <li>Council does not have any environmental management systems for sewerage management or water treatment and distribution. Several management plans which include the elements of an environmental management system are used for the operation of water and wastewater assets.</li> <li>Commissioning of the Wallerawang STP as required by the Environment Protection Licence</li> </ul>
		Work together to share information.	Participate in the activities of the Water Directorate.	Water and Wastewater	Subscription paid during the 1st quarter.

			Participate in the activities of the SaveWater Alliance	Water and Wastewater	Council is a member of Save Water. Save Water provide education information/activities via a link on Council's website.
		Provide a forum for environmental groups to discuss matters relating to the environment and advise Council.	Conduct the Environmental Advisory Committee meetings in accordance with the terms of reference.	Environment	3 meetings of the Environmental Advisory Committee were attended
		Improve the community's knowledge of environmental issues.	1 water and wastewater education campaign conducted.	Water and Wastewater	A summer water sustainability television campaign was conducted.
		Prepare grant applications for funding of environmental improvement works.	Grant applications prepared.	Environment Operations	1 grant for environmental improvement was obtained/completed

#### 4.2.6 Water

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement																											
4.2.9.1	To protect our waterways and provide safe drinking water.	<p><b>Implement the Land use Strategy, Draft Water Quality Management Plan and Recycled Water Management Plan in terms of the following:</b></p> <p>Protect the catchment around Farmers Creek Dam.</p> <ul style="list-style-type: none"> <li>Provide drinking water to residents within the Farmers creek reticulated supply system.</li> <li>Comply with the Australian Drinking Water Guidelines.</li> </ul>		Water and Wastewater	<table border="1"> <thead> <tr> <th colspan="3">Farmers Creek (Lithgow Water Supply)</th> </tr> <tr> <th>No. of times samples failed to meet guidelines values</th> <th>2011/12</th> <th>2012/13</th> </tr> </thead> <tbody> <tr> <td>pH</td> <td>0</td> <td>0</td> </tr> <tr> <td>Coliforms</td> <td>7</td> <td>2</td> </tr> <tr> <td>Aluminium</td> <td>1</td> <td>0</td> </tr> <tr> <th colspan="3">Fish River Water Supply</th> </tr> <tr> <td>Coliforms</td> <td>11</td> <td>2</td> </tr> <tr> <td>Turbidity</td> <td>0</td> <td>0</td> </tr> <tr> <td>True Colour</td> <td>0</td> <td>0</td> </tr> </tbody> </table>	Farmers Creek (Lithgow Water Supply)			No. of times samples failed to meet guidelines values	2011/12	2012/13	pH	0	0	Coliforms	7	2	Aluminium	1	0	Fish River Water Supply			Coliforms	11	2	Turbidity	0	0	True Colour	0	0
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		<p>Conduct routine monitoring of Council's reticulated drinking water supplies.</p>	<p>Number of samples per year:</p> <ul style="list-style-type: none"> <li>• 177 microbiological samples.</li> <li>• 16 chemical samples</li> <li>• 26 disinfection by-product samples.</li> <li>• 1 pesticide sample.</li> </ul>	<p>Environment</p>	<table border="1"> <thead> <tr> <th></th> <th>2011/12</th> <th>2012/13</th> </tr> </thead> <tbody> <tr> <td>Microbiological Samples</td> <td>157</td> <td>176</td> </tr> <tr> <td>Chemical Samples</td> <td>23</td> <td>19</td> </tr> <tr> <td>Disinfection by products samples</td> <td>21</td> <td>20</td> </tr> <tr> <td>Pesticide samples</td> <td>0</td> <td>0</td> </tr> </tbody> </table>		2011/12	2012/13	Microbiological Samples	157	176	Chemical Samples	23	19	Disinfection by products samples	21	20	Pesticide samples	0	0																														
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		<p>Undertake routine monitoring of Farmers Creek, Lake Lyell, Pipers Flat Creek and Lake Wallace for blue green algae.</p>	<p>18 samples from each sampling site per year and implement appropriate action.</p>	<p>Environment</p>	<p>Completed</p>																																													
		<ul style="list-style-type: none"> <li>• Cullen Bullen</li> <li>• Glen Davis</li> <li>• Lidsdale</li> <li>• Portland</li> <li>• Wallerawang</li> <li>• Marrangaroo</li> <li>• Rydal</li> </ul>	<p>Maintenance of supply to residents and payments made.</p>	<p>Water and Wastewater</p>	<table border="1"> <thead> <tr> <th colspan="3"><b>Total amount of water purchased from Fish River Water Supply (KI)</b></th> </tr> <tr> <th>Months</th> <th>2011/12</th> <th>2012/13</th> </tr> </thead> <tbody> <tr> <td>July</td> <td>38.88ML</td> <td>63.02ML</td> </tr> <tr> <td>August</td> <td>62.59ML</td> <td>49.36ML</td> </tr> <tr> <td>September</td> <td>59.18ML</td> <td>55.43ML</td> </tr> <tr> <td>October</td> <td>85.89ML</td> <td>65.75ML</td> </tr> <tr> <td>November</td> <td>71.08ML</td> <td>62.28ML</td> </tr> <tr> <td>December</td> <td>39.70ML</td> <td>83.84ML</td> </tr> <tr> <td>January</td> <td>102ML</td> <td>68ML</td> </tr> <tr> <td>February</td> <td>95ML</td> <td>65ML</td> </tr> <tr> <td>March</td> <td>67ML</td> <td>80ML</td> </tr> <tr> <td>April</td> <td>63ML</td> <td>106ML</td> </tr> <tr> <td>May</td> <td>49ML</td> <td>62ML</td> </tr> <tr> <td>June</td> <td>67ML</td> <td>70ML</td> </tr> <tr> <td><b>Total</b></td> <td><b>733.32ML</b></td> <td><b>830.68ML</b></td> </tr> </tbody> </table>	<b>Total amount of water purchased from Fish River Water Supply (KI)</b>			Months	2011/12	2012/13	July	38.88ML	63.02ML	August	62.59ML	49.36ML	September	59.18ML	55.43ML	October	85.89ML	65.75ML	November	71.08ML	62.28ML	December	39.70ML	83.84ML	January	102ML	68ML	February	95ML	65ML	March	67ML	80ML	April	63ML	106ML	May	49ML	62ML	June	67ML	70ML	<b>Total</b>	<b>733.32ML</b>	<b>830.68ML</b>
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## 2012/13 Financial Assistance – Our Natural Environment

Financial Assistance	Timeframe	Annual Achievement
<b>Recurrent Financial Assistance</b>		
Solid Fuel Incentive Program	2012-2016	6 rebates were provided.
<b>Non-Recurrent financial Assistance</b>		
Payment was made to the following Non-Recurrent Financial Assistance requests in 2012/13 in relation to the Natural Environment in accordance with Council's Financial Assistance Policy	2012-2013	Nil

## 2012/13 – Recommended Variations to Program of Works – Our Natural Environment

There are no variations to the Program of Works for Our Natural Environment as detailed in the Operations Plan adopted by Council on 4 June 2012 (Min No. 12-182).



*A Council that focuses on strong civic leadership, organisational development and effective governance with an engaged community actively participating in decision making processes affecting their future.*

# Responsible Governance & Civic leadership

## Achievements for 2012-2013

- Received a 'Sound' Financial Sustainability Rating in the TCorp Review.
- Worked as part of a Regional Team to improve council's capacity to deliver services and events.
- Commenced a Contractors Register and Induction Program.
- Continued to keep the community informed by developing an active social media presence.
- Held a Recognition of Service Award for employees.



## 'Sound' Financial Result

Lithgow City Council received a 'Sound' Financial Sustainability Rating in the recent Treasury Corp NSW Review into the financial capacity and sustainability of all 152 NSW Councils.

The Report by Treasury Corp NSW made particular mention of the many projects that Council has completed in recent years including:

- Stage 1 Lithgow Aquatic Centre upgrade. Construction of the Lithgow Aquatic Centre in 2012 involved redevelopment of the old Lithgow War Memorial Olympic Pool site and repositioning of the entry, public amenities and kiosk. The new centre has improved disabled access and will open its amenities to other facilities in the Sporting Precinct, making it a multi-use facility. \$2.1m was set aside for construction of Stage 1. Council's Long Term Financial Plan also provides for a Redevelopment Stage 2 in 2018 using loan borrowings of \$1.3m.
- Road works under the Roads to Recovery Program. In 2012, Council completed \$0.5m of bitumen upgrades to Cuthill Road, Glen Alice Road and Rydal Hampton Road under the Commonwealth funding program. Council's Roads to Recovery Allocation for 2013 is also \$0.5m, and Council plans to continue to seek funding to upgrade state

and regional roads within the LGA.

- Sewerage Treatment Plant Upgrades. Council has been undertaking significant work on upgrading of the Lithgow and Wallerawang Sewerage Treatment Plants during the last few years. The upgrades have increased capacity to service 23,000 and 3,300 "equivalent persons", respectively. Council funding for these projects was \$3.6m in 2012. Over the medium term, Council is investigating sewerage collection and disposal of sewer waste in Cullen Bullen.
- Other significant capital projects included works to its sporting and recreational precincts (including the Tony Luchetti Sportsground, Civic Ballroom and Glanmire Oval Hockey Fields), and extensive Flood Mitigation work to Farmers Creek.
- Improvements are being made to the water and sewer mains, the Clarence Colliery water transfer scheme and construction of a new reservoir.

The Report highlighted some risks including an ageing population, economic growth and natural disaster. Areas Council has been working on addressing through the development and implementation of the Ageing Strategy and a suite of Economic Development Strategies in recent years.

Pictured Left: Her Excellency, Professor Marie Bashir AC CVO, Governor of NSW with Mayor, Cr Maree Statham at the Official Opening of the 'Á Moment in Time' Exhibition at the Old Hartley School. Planning for the Bicentenary events commenced in 2011 and involves, Lithgow, Blue Mountains, Oberon and Bathurst Regional Council's along with numerous community organisations and indigenous organisations. Pictured Above: Councillors McAndrew & Hunter presenting commemorative coins to local students as part of the 'Crossings' event.

In addition the Report also outlines areas for improvement in Council's financial affairs but notes that Council has adequate capacity to meet its financial commitments in the short, medium and long term.

## Working as part of a Regional Team

### **Working with CENTROC**

Lithgow Council is committed to working with CENTROC to ensure that training and cost benefits are secured for the region.

During 2012/13, Lithgow Council staff participated in 18 courses delivered through the CENTROC Training Service. 185 Staff were trained by the service with Council saving \$12,477 on alternate training providers, travel, accommodation and coordination/research time. Council is also participating in an Online Training Tender. Nominated staff are able to undertake training courses online at Council. This can be undertaken during down times and reduces the need for staff to be away from Council for a full day involving time travel and costs for training providers. Courses currently on offer include:

- Bullying and Harassment
- EEO
- Privacy
- Code of Conduct

With courses in WHS and Alcohol and Other Drugs currently under development.

Other direct savings to Lithgow Council as a result of working with CENTROC include:

- \$39,603 in compliance and cost savings as a result of:
  - Telephone Audit
  - Diesel Tax Rebate Review
  - Corporate Express Stationery Contract.

CENTROC was successful in receiving funding under the Federal Governments Community Energy Efficiency Program (Round 1). Council received \$65,525 matched funding from this program to install solar pool heating at the new Aquatic Centre. The installation of the new solar heating system will reduce Council's gas energy bill and impacts on the environment.

## **Bicentenary of the Crossings of the Blue Mountains**

Over the last twelve months Lithgow City Council has been instrumental in planning and providing assistance to community groups for the celebration for the Bicentenary of the Crossings of the Blue Mountains by the first Europeans in 1813. The Crossings event is a two year program (2013-2015) coordinated by Blue Mountains Lithgow Oberon Tourism and Bathurst Council in conjunction with community groups and non-government organisations.

A number of Major events have been developed to draw visitors into the region providing an opportunity for each LGA to capitalise on promotional activities of the event by organising localised activities.

Events held in the Lithgow LGA were conducted by various community groups with a Section 355 Committee formed by Lithgow City Council to assist and providing financial and in-kind support.

The events held increased visitation to the region, injecting additional income into locals businesses as well developing the social capital of the community by the recognition of the significance of the crossing of the Blue Mountains and the development of agriculture and industry in the region.

## Contractors Register

Council is committed to the Work Health and Safety of its workforce, contractors, ratepayers and visitors to the area and has developed an online Contractor Registration and Assessment System to enable Council to have access to a range of contractors who have provided Work Health and Safety Insurance and WorkCover documentation to an acceptable standard to be retained on the register.

All potential contractors must be able to demonstrate that their Work Health & Safety System meets all the legislative requirements of the Work Health & Safety Act 2011 which are applicable to their type of business. All Lithgow City Council workers are expected to work within these safety guidelines and Lithgow City Council expects it's contractors and their workers to do the same.

The purpose in having a contractor register is to ensure that there is a pool of contractors, who are



able to provide a range of services, that staff are confident meet the appropriate Work Health and Safety, Insurance and WorkCover requirements.

An easy to follow Contractor Information Booklet has been developed to inform Contractors of their requirements under the WHS Act. This, along with the registration form is able to be downloaded from Council's Website.

Council's contractor register is listed on Council's Intranet Site for all Staff and has up to 100 contractors listed as at 30 June 2013.

## Keeping the community informed

In November 2012, Council launched its facebook site as a new means of communicating with the community and reaching new target audiences. Council's facebook page provides regular and up to date information on local events, Council activities and community programs.

Council has used its facebook presence to drive its Main Street Revitalisation Program with events such as LithGlo, ShopGlo, Lithgow Live@Lunchtime and the 2013 Mothers Day Competition providing visual and editorial promotion of these activities and driving people to the events and encouraging local spend during peak periods such as Christmas and Mothers Day.

Council's facebook page also provides an opportunity for Council to update the community

on roadworks and infrastructure upgrades in their area and encourages community input as part of community engagement activities.

Council recognises that the community no longer looks solely to traditional forms of media to receive information and that it is important to provide information through a variety of mechanisms including, but not limited to:

- Media releases distributed to local and regional media.
- Community noticeboards.
- Council Connections - Quarterly newsletter distributed electronically and via Australia Post to all householders.

## Recognition of Service Awards

Lithgow City Council is one of the largest employers in the area, with 85% of its current workforce recruited from the local government area. 65% of Council's employees are over 45 years of age with 14% of this group over 55 years of age. It has been recognised that the length of service for employees at Lithgow City Council is longer than in other Council's. In recognition of this and the valuable contribution made to the organisation by long-serving employees, Council holds a "Recognition of Service Award" in December each year. The Awards recognise length of service in 5 year increments with one staff member receiving an award for 30 years service in 2012.



Mayor Maree Statham presenting Gail Allen with her 10 years Service Award at the Staff Recognition and Service Awards Ceremony in December 2012.

# Statements Against Reporting Requirements

## Legal Proceedings

Lithgow City Council was not party to any legal proceedings during 2012/13.

## Fees, Expenses and Facilities provided to the Mayor and Councillors

Council at its meeting of 16 April 2007, adopted a policy regarding the payment of expenses and provision of facilities to Councillors. A copy of Policy 9.9 - Payment of Expenses and Provision of Facilities to Councillors is attached.

Fee, Expense or Facility	Amount
Mayoral allowance	\$30,892
Councillor Fees	\$71,296
Provision of a mobile phone for the Mayor	\$1,170
Provision of iPads for Councillors (including hardware)	\$12,235
Telephone calls	Nil
Mayoral Vehicle	\$2,000
Note: The Mayor paid \$2,255 lease fee for private use during the reporting period which is the amount applicable from the date Council adopted its policy on the payment of expenses and provision of facilities to Councillors.	
Attendance of councillors at conference and seminars	\$6,174
Training and skill development	\$3,122
Interstate visits	Nil
Overseas visits	Nil
Expenses of any spouse, partner or other person who accompanied a councillor	Nil
Note: includes service award, board membership, parking and meals.	

## Overseas visits

There were no overseas visits undertaken during 2012/13

## Senior Staff

Council had 1 senior staff position throughout the year. The total remuneration package of the senior staff are provided in the following table:

Item	General Manager
Total value of salary component of package	\$185,772
Total amount of any bonus payments, performance or other payments that do not form part of salary component.	Nil
Employer compulsory superannuation or salary sacrifice	\$35,141
Total value of non-cash benefits	\$21,900
Total payable fringe benefits tax	Nil

## Contracts Awarded over \$150,000

Council resolved to award the following contracts in 2012/13 which were over \$150,000:

<b>Contract Description</b>	<b>Contractor</b>	<b>Amount*</b>
Design and construction of Hassans Walls Boardwalk	Steelworks Engineering	\$164,159 (Inc. GST)
Purchase of a 12 Tonne Truck	Gilbert & Roach	\$170,570 (Inc. GST)
10/12 Upgrade to fuel storage facilities at Lithgow and Wallerawang Depots	Priority Fuel Management	\$284,930 (ex GST)
Clarence Colliery Water Transfer System Upgrade (Part A)	TWS Ted Wilson & Sons	\$1,817,772 (Inc. GST)
Clarence Colliery Water Transfer System Upgrade (Part B)	Allflow Systems and Solutions	\$988,229 (Inc. GST)
Waste Services - Garbage & Recycling Note: This contract is over a 10 year period and is subject to rise and fall and inclusion of optional components to be determined in 2013/2014.	J R Richards	\$11,842,250 (Inc. GST)
Queen Elizabeth Park Toilets - Construction of new toilet block to replace existing building.	Peter O'Brien Constructions P/L	\$289,033 (Inc. GST)

Note: \* the amount of the contract as awarded.

## Summary of Resolutions Concerning Work Carried out on Private Land and any Subsidies Related to the Work

There were no resolutions passed during 2012/13 in accordance with the provisions of section 67(2) (b) of the Local Government Act 1993 relating to Council subsidising the costs of any works carried out on private lands.

## Activities Undertaken to Implement Council's Equal Employment Opportunity Management Plan

The following activities were undertaken to implement Council's Equal Employment

### Opportunity Management Plan:

- The integration of equal employment opportunity principles in recruitment and selection, annual performance reviews, the development of position descriptions, the development of the Training Plan, the ongoing maintenance of Council's training database and requirements relating to progression through Council's Salary Management System.
- All new employees were inducted including training on equal employment harassment and bullying prevention.
- A review of employee work procedures continued to ensure that they conform to equal employment opportunity principles.

*Ensuring the operations of the Council are managed to achieve identified outcomes.*

## Partnerships, Co-operatives or Joint Ventures to which Council was a Party

Council was a party to the following partnerships, co-operatives or joint ventures:

<b>Name</b>	<b>Purpose</b>
Central West Regional Councils (CENTROC)	An organisation of councils for the sharing of knowledge, bulk purchasing, provision of human resource services such as training, promotion of the area for filming and driver for improvements to the region.
Delta Electricity	Provision of the tutor for the Homework Centre at the Lithgow Library Learning Centre and sponsor of Australia Day Celebrations.
Lithgow Community Health and Centrelink	Books for Babies Program which provides literacy material for each newborn.
NetWaste	An organisation of Councils for the purpose of sharing resources and knowledge, and co-ordinating the planning of waste issues at regional and sub -regional levels.
State Library of NSW	Provision of support service for the Lithgow Library Service.
Sydney Catchment Authority	Council entered into an agreement for the ongoing costs for the UV Disinfection Units at the Lithgow and Wallerawang Sewerage Treatment Plants.

## External Bodies Exercising Functions Delegated by Council

There were no functions delegated by Council to external bodies during 2012/13.

## Companies in which Council held a Controlling Interest

Council did not hold the controlling interest in any one company.

## Categorisation of Council Business and the Implementation of Competitive Neutrality Principles

Council operates the following businesses:

<b>Category 1</b>	<b>Category 2</b>
Wastewater	Land Development
Water	

Council has complied with the principles of competitive neutrality in relation to pricing, taxation equivalents, Council rates and charges and corporate taxation equivalents. No complaints have been received in relation to

competitive neutrality and Council, on 16 October 2006 resolved to adopt a policy to ensure that competitive neutrality complaints are dealt with in an efficient manner (Min No. 06-349). A copy of Policy 9.4 - Competitive Neutrality is attached to this document and is also provided on Council's website [www.lithgow.nsw.gov.au](http://www.lithgow.nsw.gov.au).

the Financial Statements for the Category 1 and 2 businesses are disclosed in the General Purpose Financial Statements attached.

## Stormwater Management Services

The following table details the amount of income received and expenditure on stormwater management services in 2012/13.

<b>Stormwater Management Services</b>	
Income from stormwater charge	241,149
Expenditure on stormwater management services	241,658

Further information on stormwater works is provided in the section of this report detailing Council's performance in terms of the functions listed in the Delivery Program 2012-2016 and Operational Plan 2012-2013.

# Planning Agreements

The following Planning Agreements were approved by Council in 2012/13

Development Application No.	Description of the Planning Agreement	Date of Endorsement	Name of the Parties	Land	Notes
62/06DA	<p>1. Map the wetland area adjoining the site (already completed at a cost of \$2,500) and rehabilitate that portion, including the buffer area that is on the site. The total area to be rehabilitated is 3,560m<sup>2</sup> at a unit rate of \$35/m<sup>2</sup>; total cost estimated \$127,750. Ongoing maintenance of the wetland area that is on the site will be undertaken by Treeview Estates Pty Ltd, unless Council wishes to take over the maintenance costs. (Now Completed)</p> <p>2. Contribute 50% of the cost (\$75,500) to construct a bus turnaround at the end of Col Drewe Drive partially on the site, at a total cost of \$151,000 including:</p> <ul style="list-style-type: none"> <li>• Turning circle (surfacing, kerbing, signage)</li> <li>• Passenger set down area and shelter, and</li> <li>• Landscaping (Now Completed)</li> </ul> <p>3. Provide a cash contribution to the Council for the purpose of the development of regional facilities and town improvements at a rate of \$660 per dwelling, payable to Council on issue of an occupation certificate or interim occupation certificate. (Payable in Stages)</p> <p>4. The total cost of the contributions proposed in this agreement is \$301,590</p>	5/2/13	Treeview Estates Pty Ltd and Lithgow City Council	Lot 50 DP1044978, 9 Col Drewe Drive, South Bowenfels NSW 2790	

Development Application No.	Description of the Planning Agreement	Date of Endorsement	Name of the Parties	Land	Notes												
Coalpac Consolidation Project Cullen Bullen	<p>If the Development is approved the contribution is to be used for public purposes determined by the Community Consultative Committee. Contributions:</p> <ul style="list-style-type: none"> <li>\$0.07 per tonne (Rate) of coal sold per annum for each financial year subject to the initial fixed payments and allocated percentages set below:</li> </ul> <table border="1" data-bbox="523 1240 884 1615"> <thead> <tr> <th data-bbox="523 1240 799 1317">Relevant Payment</th> <th data-bbox="523 1317 799 1393">Column A Capital Works Contribution Fixed Payment or Allocation %</th> <th data-bbox="523 1393 799 1469">Column B Public Purpose contribution Fixed Payment or Allocation %</th> <th data-bbox="523 1469 799 1545">Total Payment</th> </tr> </thead> <tbody> <tr> <td data-bbox="799 1240 938 1317">Within 60 days after the grant of a Project Approval</td> <td data-bbox="799 1317 938 1393">\$50,000</td> <td data-bbox="799 1393 938 1469">\$25,000</td> <td data-bbox="799 1469 938 1545">\$75,000</td> </tr> <tr> <td data-bbox="938 1240 1077 1317">Within 60 days of the first Financial year end that falls after the grant of the project</td> <td data-bbox="938 1317 1077 1393">\$75,000</td> <td data-bbox="938 1393 1077 1469">\$50,000</td> <td data-bbox="938 1469 1077 1545">\$125,000</td> </tr> </tbody> </table>	Relevant Payment	Column A Capital Works Contribution Fixed Payment or Allocation %	Column B Public Purpose contribution Fixed Payment or Allocation %	Total Payment	Within 60 days after the grant of a Project Approval	\$50,000	\$25,000	\$75,000	Within 60 days of the first Financial year end that falls after the grant of the project	\$75,000	\$50,000	\$125,000	14/11/12	Coalpac Pty Ltd and Lithgow City Council		
Relevant Payment	Column A Capital Works Contribution Fixed Payment or Allocation %	Column B Public Purpose contribution Fixed Payment or Allocation %	Total Payment														
Within 60 days after the grant of a Project Approval	\$50,000	\$25,000	\$75,000														
Within 60 days of the first Financial year end that falls after the grant of the project	\$75,000	\$50,000	\$125,000														

Welcome to  
**Rydal**  
heritage village

NSW Tidy Towns Award for 2006

# *Awards & Citations*

## **Robbie Park was awarded the Administrator of the Year for the Lithgow Flash Gift.**

Council's Events Coordinator, Robbie Park was awarded the Administrator of the Year Award by the NSW Athletics League Management Committee for his work on the Annual Lithgow Flash Gift® Carnival.

This award is made annually by the NSW Athletics League Management Committee which carefully considers all administrators from all local organising committees of all the events conducted under the auspices of the NSWAL in that calendar year, so it is won from a state-wide and very competent field of potential winners; moreover, administrators from within the NSWAL organisation are also considered.

It is indeed an honour for Robbie but it is an honour that is entirely appropriate and extremely well deserved given his effort in organising the 2011/12 Lithgow Flash Gift® carnival.

## **Lithgow City Council recognised Local Government Award in Tourism at the regional Blue Mountains, Lithgow and Oberon Tourism Awards of Excellence 2012**

Lithgow City Council was awarded the inaugural Local Government Award in Tourism at the regional Blue Mountains, Lithgow and Oberon Tourism Awards of Excellence 2012.

The award represents the achievements of both Council and local community groups throughout the area, which have helped to increase tourism in our region over the past 2 years.

Lithgow City Council received this award for hosting events such as Sydney World Masters Games (2009), Yamaha Australian 4 Day Enduro (2010), 100 year anniversary of the Ten Tunnels (2010), Regional Blue Mountains, Lithgow and Oberon Tourism Awards of Excellence (2011), Keep Australia Beautiful NSW Tidy Town Awards (2011) and U/13 Boys Australian Championships (2012).

Council was also acknowledged for its ongoing support for annual events including Ironfest, Lithgow Flash Gift Carnival, Daffodils at Rydal and Lithgow Show.

The development of infrastructure to enhance growth in tourism also contributed to Lithgow City Council winning this category. Infrastructure improvements included the development of Bracey's Lookout, the improvements to the Tony Luchetti Showground and Glanmire Oval.

Development of Lithgow Visitors Guide as part of Council's Tourism Marketing Collateral was also mentioned.

Lithgow City Council went on to become automatic finalist in the NSW Tourism Awards.

*Providing leadership and support to our community*



## 2012-2016 Program of Works for Our Council

A Council that focuses on strong civic leadership, organisational development and effective governance with an engaged community actively participating in decision making processes affecting their future.

### 5.1 Planning for Our Council

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
5.1.1	To ensure integrated corporate plans set the long term direction for the LGA and Council.	<b>Review and monitor Council's Integrated Planning and Reporting Framework in terms of the following:</b>			
		Implement the 10-year Community Strategic Plan for the LGA.	Community Strategic Plan implemented through the Delivery Program 2013-2017 and Operations Plan 2013-2014.	Policy and Planning	Completed
		Prepare the Delivery Program 2013-2017 and Operations Plan 2013-2014 in accordance with the requirements of the Local Government Act and Regulations.	Delivery Program 2013-2017 and Operations Plan 2013-2014 adopted by 30 June.	Finance Policy and Planning	Adopted by Council on 18 May 2013.
		Implement the 10 Year Asset Management Strategy.	Prepare Asset Management Plans in accordance with the Asset Management Strategy for: <ul style="list-style-type: none"> <li>Buildings and other assets.</li> <li>Roads, drainage, kerb and gutter and footpaths.</li> </ul>	Operations	Completed

			Implement the Corporate Asset IT Program in accordance with the Asset Management Strategy.	Information Technology	Council is currently working with the Consultant for Confirm Asset Management Program.
			Review and Implement Asset Management Policies in accordance with the Asset Management Strategy.	Operations.	Review completed.
		Implement the Workforce Plan.	Identify priority actions from Workforce plan outcomes.	Organisational Development	<ul style="list-style-type: none"> <li>Recruitment advertising aligned with corporate branding and "employer of choice" approach through use of improved electronic advertising.</li> <li>360 degree feedback on management styles for 6 managers and development of actions plans, goal setting and coaching.</li> <li>Introductory training for supervisors on constructive feedback techniques and performance management.</li> <li>Ongoing review of Standard Working Procedures and improvements made.</li> <li>Training targeted at skills gaps</li> <li>Revised Organisational Structure that is aligned to organisational need.</li> <li>Better targeted recruitment campaigns</li> <li>Integration of Corporate branding into recruitment campaigns.</li> <li>Flexible work practices developed in specific areas.</li> <li>Review of previous round of performance appraisals and strengths and weaknesses identified.</li> <li>Risk Management Plan actioned.</li> </ul>
		Implement the Long-term Financial Plan 2012-2022	Review the 10-year financial plan and include strategies to improve Council's current financial ratios.	Finance	Reported improvement in financial ratios in conjunction with the annual financial statements. Review of the 10-year plan will be ongoing with the development of the Operations Plan.
		<b>Develop and review Codes and Policies.</b>			
		Develop modern and legislatively compliant codes and policies.	Develop, review and implement codes and policies as required.	Policy and Planning.	Policies and Standard Working Procedures were developed and reviewed during the 4 <sup>th</sup> quarter.

		Develop and monitor Risk Management Plans.	<ul style="list-style-type: none"> <li>• Risk Management Plans developed to comply with legislative requirements.</li> <li>• Improve the annual score by 3% over 2012/13.</li> </ul>	Organisational Development	<p>Program timetable on track - see Risk Management Action Plan for details</p> <ul style="list-style-type: none"> <li>• Footpaths, nature Strips and Mediums document decisions making process for footpaths.</li> <li>• Signs as Remote Supervision – document decision making process.</li> <li>• Council Sporting Facilities – Improve Management of Council Sporting Facilities in the LGA through efficient maintenance and effective systems to manage use by the public.</li> <li>• Council swimming pool – Improve management of Council pool and aquatic centre through efficient maintenance and effective systems to manage use by the public.</li> <li>• Gathering Information – Document decision making process.</li> <li>• Ongoing review of Standard Working Procedures and improvements made.</li> <li>• Training targeted at skills gaps</li> <li>• Risk Action Management Plan actioned</li> </ul>
		Identify and develop new plans and strategies in line with the Council's needs.	<ul style="list-style-type: none"> <li>• Marketing Strategy</li> <li>• Branding Framework</li> <li>• Corporate Identity Guidelines</li> <li>• Communications Strategy</li> </ul>	Policy and Planning	<p>The following activities were undertaken:</p> <ul style="list-style-type: none"> <li>• Draft Branding Framework has been developed.</li> <li>• Draft Marketing Framework is being developed.</li> </ul>
<b>Ensure reporting on Corporate Matters are compliant with legislative requirements.</b>					
		Report the outcome of a quarterly performance review of the Delivery Program, Operational Plan and provide a budget review statement.	Reports to Council prior to 31 August, 30 November, 29 February and 31 May.	Finance Policy and Planning	Completed
		Prepare the annual report for 2011-2012.	Report submitted to the Department of Local Government by 30 November.	Finance Policy and Planning	Reported to Council in 2nd quarter.
		Prepare the State of Environment report for 2011-2012.	Undertake a State of Environment Gap Analysis and review interim reporting mechanisms.	Policy and Planning	Reported to Council in 2nd quarter.

## 2012-2016 Program of Works for Our Council

**A Council that focuses on strong civic leadership, organisational development and effective governance with an engaged community actively participating in decision making processes affecting their future.**

### 5.2 Our Council Programs

#### 5.2.1 Civic Leadership

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Estimated cost of Operational Programs	Annual Achievement
5.2.1.1	<b>To provide responsible leadership for the community.</b>	Conduct the business of council in an open and democratic manner.	Business papers, minutes for Council Meetings, Committee Meetings and Extraordinary Meetings produced and delivered in accordance with the Local Government Act and Regulations and the Code of Meeting Practice.	Executive.	Business papers and minutes were produced and delivered in accordance with the Local Government Act and Regulations and the Code of Meeting Practice.
		Conduct meetings of Council in an open and democratic manner.	Council and Committee Meetings are conducted regularly in accordance with the meeting scheduled.	Executive.	14 Ordinary Meetings of Council and 3 Extra Ordinary Meetings of Council were conducted.
		Support Councillors in their role.	Provide information to Councillors regularly in the form of briefing sessions, memos, email and meetings.	Executive	Information provided in the form of briefing sessions, memos, emails and meetings. 20 Councillor Information Sessions held.
			Provide Councillors with the payment of fees with the payment of fees, expenses and the provision of facilities and support in relation to discharging the functions of civic office.	Executive.	Provided in accordance with Council's policy.

			Identify Councillor's training requirement in the Training Plan and complete training.	Executive.	The following training activities were undertaken by Councillors: <ul style="list-style-type: none"> <li>• Media training</li> <li>• Local Government Induction</li> <li>• Council Induction</li> <li>• The Mayor attended the Annual Rural Women's conference in Canberra in February.</li> <li>• Councillor Higlett attended the Tourism Conference in Port Stephens in March.</li> </ul>
		Work together to interweave and optimise the sharing and coordination of resources and information.	Contribute to CENTROC and participate in its activities. 4 meetings of the Board per year. 4 meetings of GMAC per year.	Executive	<ul style="list-style-type: none"> <li>• 7 CENTROC meetings were attended:</li> <li>• 3 GMAC meeting was attended.</li> <li>• 1 CENTROC Summit was attended.</li> </ul>
			Participate in the activities of the Local Government and Shires Association: Subscription paid Participation and attendance at annual conferences.	Executive	<ul style="list-style-type: none"> <li>• The Local Government Association Conference was held in 2nd quarter.</li> <li>• The LGSA Conference was held in the 4th quarter.</li> </ul>

## 5.2.2 Communication

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
5.2.2.1	<b>To ensure effective communication between Lithgow City Council and the Community.</b>	Develop, monitor and implement Council's internal and external communications.	Implement and review the Community Engagement Policy as part of Council's Integrated Planning and Reporting Requirements.	Policy and Planning	Completed.
		Undertake an annual Community Satisfaction Survey	<ul style="list-style-type: none"> <li>Increased number of participants in survey.</li> <li>Improved levels of community satisfaction in comparison to 2011.</li> <li>Report results of survey to Council.</li> <li>Develop an action plan of priority items identified in the survey.</li> <li>Provide feedback to the community.</li> </ul>	Policy and Planning	The Community Satisfaction Survey was undertaken during November/December.
		Disseminate concise and effective information to the community about Council's programs, policies and activities.	Produce and deliver to residents Council Connections Newsletter, quarterly in September, December, March and June.	Policy and Planning Executive	Due to the Council elections, the September edition of Council Connections was delivered to the community in October.
			Provide information through the Council Column weekly in the Lithgow Mercury.	Executive	52 Council columns were produced.
			Provide information through the Mayors Monthly Column in the Lithgow Mercury.	Executive	4 Mayors Columns were produced.
			Produce and distribute Media Releases.	Executive	Media releases were produced on a weekly basis with 195 being forwarded to the local media and placed on Council's website.
			Provide information through the Mayor's radio spot on local and regional radio.	Executive	The Mayor regularly contributes to radio interviews on local radio.

			Maintain Council's website to accurately reflect Council's programs, policies and activities of the time.	Information Technology	The website was maintained and accessible during the quarter.  Council launched a Face book page which is updated daily.
		Celebrate Local Government Week	Undertake activities focusing on Council in the community.	Executive	Completed.

### 5.2.3 Corporate Management

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
5.2.3.1.	<b>To ensure the operations of the Council are managed to achieve identified outcomes.</b>	Implement the Long-Term Financial Plan to provide sound financial advice and management of Council's finances.	Management and monitor Council's finances: The financial Statements audited by 31 October and lodged with the Department of Local Government by 7 November.	Finance	The General Purpose Financial Report were received and reported to Council during 2nd quarter.  Council was advised at the meeting of 17 Dec 2012 that the Water revaluation report was to be amended and as such they were reported to the meeting of 25 February 2013 with the Audit presentation.
			Model, levy, issue and recover rates, annual charges and sundry debtors according to fees: Rate notices issued by 31 July and quarterly instalment notices by 31 October, 31 January, 30 April. Pursue 100% of outstanding debts to achieve improvement on the previous year's percentage of outstanding rates.	Finance	The 1 <sup>st</sup> Rate instalment notice was issued by 31 July 2012 for payment due on 31 August 2012.  The 2nd Rate instalment notice was issued by 31 October 2012 for payment due on 30 November 2012.  The 3rd Rate instalment notice was issued by 31 January 2013 for payment due on 28 February 2012.  The 4th Rate instalment notice was issued by 30 April 2013 for payment due on 31 May 2013.
			Finalise the revaluation and reporting of current assets at fair value as required by junction with the DLG:	Finance	Completed the revaluation of Operational Land and Buildings by 30 June 2016.

	Implement the Long-Term Financial Plan to provide sound financial advice and management of Council's finances.	Maximise and secure Councils Investment Portfolio through a variety of investment institutions, types and terms in accordance with legislation and Council's Policy.	Finance	Invest in accordance with legislation and Council's Policy. <ul style="list-style-type: none"> <li>Investments as at 30 June 2013 \$23,645,416. Interest to 30 June 2013 \$815,645.</li> </ul>
		Manage Council's loan portfolio to compliance with the Delivery Program and in accordance with Council resolutions.	Finance	Compliance with current Management Plan and in accordance with Council's resolutions.
		Assist with the external audit of Councils financial records: result: Full audit during 1st and 2nd Quarters. Interim audits during 3rd and 4th Quarters.	Finance	The following activities were undertaken during the 4th quarter: <ul style="list-style-type: none"> <li>Audit 12/13 GPFR, SPFR &amp; SS</li> <li>Revaluation of Operational Land and Buildings</li> <li>Interim Audit conducted Feb 2013.</li> </ul>
		Account for and ensure grants and approved applications are administered in accordance with grant conditions.	Finance	Grants administered in accordance with grant conditions.
	Provide insurance coverage of Council's activities and assets.	Secure adequate and cost effective insurance coverage which is current at all times.	Finance	Insurance renewals completed and submitted to broker JLT. Review of policies completed and policies received of which 100% are paid in 1st quarter.
		Liaise with the insurance company and process claims with in 14 days of receipt.	Finance	Insurance claims provided to insurance company upon receipt and additional information requested provided within Council standard correspondence.
	Implement internal auditing programs.	Undertake activities identified in the Internal Audit Plan and ensure completed by due date.	Finance	Internal Audit Activities 12/13 <ul style="list-style-type: none"> <li>Asset audit conducted by DLG</li> <li>DLG/TCorp Assessment</li> <li>Internal Audit Meeting 14.01.13 / 03.06.13</li> <li>IAB Records management Oct 2012.</li> </ul>
	Manage Council's statutory responsibilities.	Monitor and pursue legislative changes and ensure staff are aware of changes.	Finance	Staff were made aware of the following legislative changes to GST on Non Domestic Waste.
		Perform Council's legal responsibilities under applicable acts and regulations and ensure compliance.	Finance	Compliance with legislation.



		Maintain an adequate level of stock for internal supply to operational programs.	Order and issue stock items as required with stock takes undertaken mid to end of December and June.	Finance	Bi-annual stock takes conducted during 12-13 December 2012 and June 2013. <table border="1"> <thead> <tr> <th></th> <th>2011/12</th> <th>2012/13</th> </tr> </thead> <tbody> <tr> <td>Value of stock as at 30 June</td> <td>\$330,500</td> <td>\$514,095</td> </tr> </tbody> </table>		2011/12	2012/13	Value of stock as at 30 June	\$330,500	\$514,095
	2011/12	2012/13									
Value of stock as at 30 June	\$330,500	\$514,095									
		Ensure the integrity and security of Council's records.	Register, collate, archive and dispose of Council's records in accordance with legislation, policies and procedures.	Finance	During the quarter 100% of the incoming mail was tasked to officer by 2pm on the day of receipt and 97% of the mail was talks to officers within 4 hours.						
		Provide access to Council's records.	Asses determine and respond to requests for Council information in accordance with legislation, policies and procedures.	Finance	17 GIPPA requests were received and answered within the legislative timeframe.						
		Ensure information which Council collects is used lawfully and for the purpose it was collected.	Provide regular training to staff at induction sessions.	Finance	Training is provided to staff as part of Council's induction sessions.						
			Assess determine and respond to complaints in accordance with legislation, policies and procedures.	Finance	No privacy complaints were received.						
		To provide quotations and/or undertake private works.	A profit is made, in accordance with Council's Work at Owners Cost Policy, on private works and the customer is satisfied with the work.	Operations	A 20% profit margin listed in the fees is being charged accordingly unless the work is for a charity or a not for profit organisation.						

## 5.2.4 Customer Service.

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement		
5.2.4.1.	To ensure efficient customer service standards.	Operate the one stop customer service counter including: Works requests Bookings for community facilities Cashiering Certificate production Customer enquiries Daily mail and accounts Maintaining registers Registering of development applications, construction certificates and complying development applications.	Internal and external customer feedback. Completion of all certificates in 14 days. Register all applications in 2 days. Monthly reporting completed within 7 days.	Finance		<b>2011/12</b>	<b>2012/13</b>
					Action Requests Received	4,653	5,223
					Community Facilities Bookings	57	67
					Certificates Processed	2172	2,280
					Development applications Registered	133	289
					Construction Certificates Registered	106	243
					Complying Development Applications Registered	26	23
					<u>Sec 68 Applications</u>		
					Solid Fuel		
					Heater	38	33
					OSSM	6	44
					Water	2	23
					Sewer	9	44
					S96 Modification of Consent	26	49
Certificate Linen Release	12	17					
Quotes for Applications Issued	343	272					
<ul style="list-style-type: none"> <li>No shortages were recorded during this</li> </ul>							

					<ul style="list-style-type: none"> <li>period.</li> <li>Daily processing of mail was completed and the monthly bill paid on time.</li> <li>Registers were all maintained to date.</li> </ul>
		Provide responses to correspondence.	A response provided within 14 days for written correspondence.	Finance	During 2012/13 all correspondence was completed on time.
		Conduct Internal Service Committee to review the level of service provided to Council's internal and external customers.	Review and monitor Council's service levels and implement the Action Plan for improved service in the areas of: Compliance and Audit Finance Engineering (roads/water) Town Planning Promotion/Communication.	Executive	The following activities have been undertaken during the quarter: <ul style="list-style-type: none"> <li>Customer Service Review</li> <li>Update of DA process to Internal Audit Committee</li> <li>Records Management.</li> </ul>

### 5.2.5 Employer of Choice

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Estimated cost of Operational Programs	Annual Achievement
5.2.5.1	<b>To build and develop a high quality staff base so that Council is an employer of choice in Lithgow.</b>	Implement procedures and practices which foster a desirable place to work.	Attract and recruit staff on merit in accordance with relevant legislation, procedures and the principles of equal employment and opportunity.	Organisational Development	Staff recruited in accordance with relevant legislation, procedures and the principles of equal employment opportunity. Compliant.
			Provide salary, benefits and favourable working conditions in accordance with the relevant industrial legislation.	Organisational Development	Award salary increase paid in accordance with the Local Government (State) Award.
			Conduct annual performance appraisals of staff by 31 October.	Organisational Development	Appraisals completed by 31 October 2012. Completed on-time with significant improvement in the quality of Appraisals.
			Recognise longer serving employees through the recognition of service procedure.	Organisational Development	Annual presentation held in December 2012.
			Conduct an Employee Opinion Survey.	Organisational Development	To be undertaken in 2013/2014 possibly in conjunction with a CENTROC joint contract.
			Research design options for new Salary System.	Organisational Development	To be undertaken in 2013/2014.

		Provide a workplace that promotes the principles of equal employment and is free of discrimination.	Implement the equal employment opportunity management plan through: Communication of policies and programs. Collection and recording of appropriate information. Review of personnel practices. Evaluate and review.	Organisational Development	EEO principles are integrated into the day to day activities of Council in accordance with the Operations Plan.
		Provide a safe and healthy workplace.	Implement, monitor and review the Work Health and Safety, Rehabilitation and Environment Management System: Internal audits undertaken for each quarter. Implement WHS Action Plan.	Organisational Development	The following activities were undertaken <ul style="list-style-type: none"> <li>• Safe Work Method Statements (SWMs) created and relevant to Council operations.</li> <li>• Introduction of new/revised SWMs to staff has commenced and due to be completed by March 2013.</li> <li>• Information sessions on correct Incident Reporting for all relevant staff scheduled for next quarter.</li> <li>• Auditing of the Aquatic Centre.</li> <li>• Sewerage Treatment Plants review.</li> <li>• WHS Action Plan Implementation ongoing.</li> <li>• Aquatic Centre operation audit and training.</li> <li>• Drug &amp; Alcohol SWP and process.</li> <li>• Volunteer Management SWP.</li> <li>• Ongoing – Contractor Management.</li> <li>• Ongoing – Plant register.</li> <li>• Improved administration of Safe Work Method Statements, Job Demand Analysis &amp; Workplace checklists.</li> <li>• STP and WTP audit and action plans.</li> <li>• Commenced creation of WHS intranet resource.</li> <li>• Internal audit completed.</li> </ul>
			Provide access to external support and Counselling service through the Employee Assistance Program.	Organisational Development	Access to the Employee Assistance Program is maintained.
			Provide relevant immunisations to appropriate staff against: Hepatitis A and B The Flu	Organisational Development	<ul style="list-style-type: none"> <li>• Hepatitis A &amp; B Immunisations are conducted for relevant staff and are undertaken as required in accordance with the employee schedule.</li> <li>• Flu Immunisations conducted during 3<sup>rd</sup> quarter.</li> </ul>

			Undertake 8 meetings of the Occupational Health and Safety Committee each year and implement activities identified.	Organisational Development	The Health and Safety Committee is convened every 4 weeks.
			Undertake noise monitoring and hearing tests for employees: Testing undertaken on commencement and retirement of employment. Imperilment the triennial program for relevant employees.	Organisational Development	Hearing tests are undertaken as part of pre-employment medicals.
			Promote WHS within the workplace through Committee initiatives and staff newsletter.	Organisational Development	The safety newsletter is distributed monthly.
		Provide a safe and healthy workplace.	Priority actions identified and implemented from the WHS Management System and Work practices External Audit.	Organisational Development	The following activities were undertaken: <ul style="list-style-type: none"> <li>• Volunteer Management</li> <li>• Further progress on Safe Work Method Statements.</li> <li>• Incident reporting improvement.</li> <li>• Aquatic Centre operation audit and training.</li> <li>• Drug &amp; Alcohol SWP and process.</li> <li>• Volunteer Management SWP.</li> <li>• Ongoing – Contractor Management.</li> <li>• Ongoing – Plant register.</li> <li>• Improved administration of Safe Work Method Statements, Job Demand Analysis &amp; Workplace checklists.</li> <li>• STP and WTP audit and action plans</li> <li>• Commenced creation of WHS intranet resource.</li> <li>• Internal audit completed.</li> </ul>
		Enhance the skills and knowledge of the workforce.	Implement the training plan with all identified training completed by 30 June 2013.	Organisational Development	The following training was undertaken <ul style="list-style-type: none"> <li>• First Aid</li> <li>• Traffic control – various levels</li> <li>• Truck Driving</li> <li>• Chlorine Handling</li> <li>• Management Training</li> <li>• Professional Conferences</li> <li>• Managing Inappropriate Conduct &amp; Behaviour</li> <li>• Media Skills</li> <li>• Event Management</li> </ul>

					<ul style="list-style-type: none"> <li>• Chainsaw training</li> <li>• Heavy vehicle</li> <li>• Confined spaces</li> <li>• Improved business writing</li> <li>• WHS information sharing forum.</li> </ul>
			Prepare the draft training plan for 2013-2014 from training objectives identified in the annual performance appraisals of staff by 30 November.	Organisational Development	Training objectives identified in the annual performance appraisals for staff for inclusion in the draft training plan were completed by 30 November 2012.  Draft Training Plan has been prepared.
			Programs and materials for training purchased and within budget.	Organisational Development	Trial contract for on-line training with CENTROC Group of Councils was purchased.

### 5.2.6 Information Systems Management

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
5.2.6.1	To ensure effective management of information systems that complies with legislative requirements.	Ensure high service levels of Council's information and communications network.	Manage and maintain the communications networks ensuring they are operational and accessible greater than 98% of the year.	Information Technology	The following activities were undertaken <ul style="list-style-type: none"> <li>• Software licences were renewed as required.</li> <li>• One equipment lease was finalised.</li> <li>• Networks accessible greater than 98% with no major interruptions to services.</li> <li>• All software licences current.</li> </ul>
			<ul style="list-style-type: none"> <li>• Software maintenance</li> <li>• Equipment leasing</li> <li>• Hardware maintenance</li> <li>• Information Communication Technology maintenance</li> </ul>		
			Upgrade technology	Information Technology	The following activities were undertaken <ul style="list-style-type: none"> <li>• UPS Upgrade installed.</li> <li>• PC/Server renewal program continued.</li> <li>• Additional SAN commissioned.</li> <li>• Section 94A module developed for property &amp; rating system.</li> <li>• Implementation of Corporate Reporting Software has commenced.</li> <li>• 15 ipads distributed to Councillors and executive staff.</li> <li>• 23 new PCs distributed.</li> <li>• 1 virtual host server was purchased</li> </ul>
			<ul style="list-style-type: none"> <li>• Corporate Reporting Software</li> <li>• Pc/Server Replacements</li> <li>• Backup/Storage/DR</li> <li>• Section 94 Module</li> </ul>		

			Mange the leases for copiers, general computers and printers ensuring they are operational and accessible greater than 98% of the time.	Information Technology	Machines operational and accessible greater than 98%.
		Comply with current Information Technology licensing requirements.	<p>Ensure all software licensing is current.</p> <ul style="list-style-type: none"> <li>• Property System</li> <li>• Finance/Payroll system</li> <li>• Dataworks/ECM</li> <li>• Microsoft</li> <li>• Map Info/Exponaire</li> <li>• Spydus Library System</li> <li>• ID Profile/Atlas</li> <li>• Confirm Asset Management System</li> </ul>	Information Technology	All software licensing is current.
			Maintain current software through upgrades:	Information Technology	All software licensing is current.
			<ul style="list-style-type: none"> <li>• Finance System Review</li> </ul>	Information Technology	Scheduled to be undertaken 15/16.
			<ul style="list-style-type: none"> <li>• Electronic Document Management system Upgrade (Dataworks)</li> </ul>	Information Technology	Scheduled to be undertaken 14/15.
		To comply with current legislative requirements	Commence review of E-Planning requirements in accordance with legislation.	Information Technology	Stage 1 E tracking configuration completed.
			Implement changes to the automated 149 Certificate System in accordance with the Principal LEP once gazetted.	Information Technology	Interim changes to reflect current and draft LEPs completed.
		Enhance Council's geographical information system (GIS).	Maintain and continue development of the geographical information system to ensure integrity with Council's property system.	Information Technology	98% match of properties.

## 5.2.7 Local Environmental Planning and Development

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Responsible Department	Annual Achievement
5.2.7.1	To ensure the long-term sustainability of infrastructure and land that underpins and supports LGA growth	<b>Implement the Land Use Strategy, Local Environmental Plan and Economic Development Strategy in terms of the following:</b>			
		Manage Council's properties and assets to maximise economic benefit.			
		Seek developer contributions	Development contributions are collected and administered in accordance with adopted Contributions Plan. Planning agreements are negotiated and administered according to the adopted Policy.	Development	Development contributions were collected during the 1st quarter and administered in accordance with the adopted Contributions Plan.  All Planning Agreements are negotiated and administered according to the adopted Policy.
		Continued review of Internal Development Assessment Process for development under both Part IV and Part V and EP&A Act, 1979.	Undertake an internal audit of existing processes. Part 1V and Part V Development Process developed. Adoptions of Part 1V and Part V Development process by Council.	Development	Internal audit completed. Processes being reviewed annually.



## 5.2.8 Plant and Equipment

Community Strategic Plan Reference	Desired Outcome	Our Actions	Performance Indicators	Estimated cost of Operational Programs	Annual Achievement
5.2.8.1	To provide plant and equipment to undertake works.	Maintain Council's fleet of plant and equipment.	Maintained in accordance with manufacturer's specifications to the satisfaction of internal and external customers.	Operations.	<ul style="list-style-type: none"> <li>Plant serviced in accordance with manufacturer's recommendations and repairs conducted in a timely and efficient manner.</li> <li>Weekly reporting of plant off the road to Operations staff indicating less than 0.05%.</li> </ul>
		Provide an ongoing plant and vehicle replacement program suitable to Council's Operational needs.	Larger annual plant purchases to include: <ul style="list-style-type: none"> <li>Plant</li> <li>Trucks</li> <li>Mowers/Tractors</li> <li>Utilities/4WD</li> <li>Light Vehicles</li> <li>Minor Plant</li> </ul>	Operations	The following purchases were made: <ul style="list-style-type: none"> <li>Light vehicles</li> <li>2 Tonne Tipper</li> <li>Backhoe</li> <li>12 Tonne Tipper</li> <li>3 Cars</li> <li>Mowers</li> </ul>

## 2012/13 – Recommended Variations to Program of Works – Our Council

There are two variations to the Program of Works for Our Council as detailed in the Operations Plan adopted by Council on 4 June 2012 (Min No. 12-182).

Project Name	Description of Works Program/Key Performance Indicator	Proposed Variation	Reason
Employee Opinion Survey	Conduct an Employee Opinion Survey	To be undertaken in 2013/2014 possibly in conjunction with a CENTROC join contract.	To take advantage of cost savings achieved through a joint CENTROC contract and allow for comparisons with neighbouring councils.
Salary System	Research design options for a new Salary System	To be undertaken in 2013/2104	Many CENTROC Councils have expressed dissatisfaction with their Council's salary system therefore there is scope for pooling of resources to design a system that meets the needs of Central West Councils.

*To ensure Council processes are open and transparent.*



*• Policy 9.4*

*Competitive Neutrality*

*• Policy 9.9*

*Payment of Expenses and  
Provision of Facilities to  
Councillors Policy*



# LITHGOW CITY COUNCIL

## 9. GOVERNANCE

Policy 9.4

COMPETITIVE NEUTRALITY

Version 2

## 9. GOVERNANCE

### 9.4 COMPETITIVE NEUTRALITY

**OBJECTIVE:** To ensure Council deals with complaints regarding competitive neutrality in an efficient manner.

#### **POLICY:**

##### **INTRODUCTION**

In April 1995, the Council of Australian Governments (COAG) ratified the National Competition Policy. The Policy is aimed at increasing consumer and business choice, reducing production and transportation costs in an effort to lower prices for goods and services, and creating an overall business environment in which to improve Australia's international competitiveness.

One of the major components of the National Competition Policy is the principles contained in the *Competition Principles Agreement*. The Agreement is aimed at encouraging, efficient public sector (government) service provision by exposing public (government) business functions to competition, where appropriate. The Agreement provides a policy framework that facilitates the creation of competitive markets for public sector goods and services, where appropriate.

*The Competition Principles Agreement* requires the creation of an effective regime to deal with complaints that Council business activities are not competing in the market against private businesses on a "level playing field" and are operating with competitive advantage.

This document constitutes a formal mechanism established by Lithgow City Council for the handling and management of competitive neutrality complaints. By establishing clear guidelines and procedures for the handling and management of competitive neutrality complaints, the Council will be in stronger position to ensure:

- non regulatory service functions operate under similar competitive pressures to those experienced by the private sector; and
- Services provided are relevant, cost effective and operationally efficient.

This document has a threefold purpose.

- Firstly, it may be used by members of the public and the owners of businesses competing in the same market as Lithgow City Council to submit complaints to the Council alleging that the Council is operating with net competitive advantages as a result of the Council's ownership of a business activity or service.
- Secondly, it will provide a formal mechanism for the investigation, determination and advice of the outcome of a complainant alleging that non regulatory service functions discharged or business activities operated by the Council are operating with competitive advantage over other private businesses.
- Thirdly, it will serve to ensure that Council staff continuously monitor non regulatory services provided by the Council operate under the principles of Competitive Neutrality.

## THE COMPETITIVE NEUTRALITY PRINCIPLE

Competitive neutrality is one of the principles of National Competition Policy which is applied throughout Australia at all levels of Government, including Local Government. Competitive neutrality is based on the concept of a "level playing field" for competitors in a market, be they public or private sector competitors. Government business organisations, whether they are Commonwealth, State or Local Government, should operate without net competitive advantages over businesses as a result of their public ownership.

Where Lithgow City Council competes in the market place with other private businesses, the Council will do so on the basis that it does not utilise its public position to gain an unfair advantage over private businesses who may be in competition with the Council.

## WHAT IS A COMPETITIVE NEUTRALITY COMPLAINT?

A complaint regarding competitive neutrality **IS**:

- A complaint Lithgow City Council has not met its requirements under the National Competition Policy Statement of Pricing and Costing for Council Businesses - a Guide to Competitive Neutrality and includes concern that the Council has not established an effective Competitive Neutrality Complaints Management System.
- A complaint that Lithgow City Council has not abided by the spirit of competitive neutrality in the conduct of Council business activities.

A competitive neutrality complaint is **NOT**:

- A complaint regarding the level of service provided by a business activity such as water quality inadequate, a mobile garbage bin not collected or the condition of a road or footpath.
- A complaint regarding the cost of the service, unless it is that Lithgow City Council has not costed the service the service to take competitive neutrality into account.
- A complaint regarding the trade practices laws and their application to the Lithgow City Council.

## COUNCIL BUSINESS ACTIVITIES SUBJECT TO COMPETITIVE NEUTRALITY

### *Category 1 Business Activities*

The following Lithgow City Council owned and operated activities have been categorised as *Category 1 Businesses* and are subject to competitive neutrality. Each business activity has an annual gross operating income over \$2M per year.

- Water
- Sewerage

Council has adopted the following attributes in respect of Category 1 Business Activities:

- A Corporatisation Model

- Full cost attribution including:
  - tax equivalent regime payments
  - debt guarantee fees, where the business benefits from Council's borrowing position by comparison with commercial rates
  - return on capital invested
- Identified any subsidies paid to the business
- Operate within the same regulatory framework as private businesses

## **HOW TO LODGE A COMPETITIVE NEUTRALITY COMPLAINT**

A competitive neutrality complaint should be made in writing using a standard form available for that specific purpose from the Customer Service Centre at the Lithgow City Council Administrative Headquarters, 180 Mort Street Lithgow.

Complaints may also be made over the counter and by telephone. Council's Public Officer will provide advice and assistance with the preparation and submission of competitive neutrality complaints.

### **1. Time Limits**

Competitive neutrality complaints will be acknowledged within 7 days and responded to by Lithgow City Council within 30 days of the date of submission of the complaint.

If the competitive neutrality complaint requires detailed investigation, the complainant will be informed of progress at regular intervals.

### **2. Remedies**

Competitive neutrality complaints which establish that Lithgow City Council:

- (i) has not met its requirements under the National Competition Policy Statement or *Pricing and Costing for Council Businesses - a Guide to Competitive Neutrality*;

OR

- (ii) has not abided by the spirit of competitive neutrality in the conduct of Council business activities,

will result in changes to the Council's business practice to ensure future and continued compliance with the principle of competitive neutrality.

### **3. Alternatives**

Any complainant dissatisfied with Lithgow City Council's determination of a competitive neutrality complaint may refer the complaint to either the:

- NSW Department of Local Government; or
- NSW Ombudsman; or
- NSW Independent Commission Against Corruption (ICAC); or
- Australian Competition and Consumer Commission (ACCC).

Alternatively, the competitive neutrality complaint may be referred direct to one of these agencies and Lithgow City Council bypassed.

## WHO WILL BE DEALING WITH THE COMPETITIVE NEUTRALITY COMPLAINT?

The Lithgow City Council Public Officer will diligently, fairly and honestly investigate all competitive neutrality complaints. The Public Officer will submit an investigation report to the Council's General Manager within 21 days of the competitive neutrality complaint being received. Where the complaint is justified, such report will contain recommendations for changes to the Council's business activities practice to ensure future and continued compliance with the principle of competitive neutrality.

A response to the competitive neutrality complaint will be provided by the General Manager within 30 days of the date of submission of the complaint.

The Public Officer performs a role which is independent and separated from the management and control of Council business activities.

## CONFIDENTIALITY

All competitive neutrality complaints received will be determined by the Council in the strictest confidence.

## FURTHER INFORMATION

Further information or advice may be obtained by contacting the Lithgow City Council Public Officer between 8.15 am and 4.30 pm on telephone (02) 6354 9999. All enquiries or requests for further information will be maintained in the strictest confidence.

<b>Maintained by Department:</b>	Executive	<b>Approved by:</b>	Council		
<b>Reference:</b>	Dataworks: Policy Register	<b>Council Policy No:</b>	9.4	<b>Effective Date:</b>	21 Oct 2008
<b>Min No:</b>	V1 - 06-349 V2 - 008-165	<b>Version No:</b>	2	<b>Review Date:</b>	Oct 2009
<b>Attachments:</b>					





## **9. GOVERNANCE**

Policy 9.9

**PAYMENT OF EXPENSES AND PROVISION OF FACILITIES TO  
COUNCILLORS**

Version 5

## 9. GOVERNANCE

### 9.9 PAYMENT OF EXPENSES AND PROVISION OF FACILITIES TO COUNCILLORS

**OBJECTIVE:** To comply with the provisions of Section 252 of the Local Government Act, 1993 and adopt policy concerning the payment of expenses incurred or to be incurred by, and the provision of facilities to, the Mayor and Councillors in relation to discharging the functions of civic office.

**POLICY:**

Through their role councillors are entitled to be provided with the necessary resources and facilities including the reimbursement of expenses in order to enable them to fully perform the role of a Councillor.

Council's services, as detailed in this Policy, are available to Councillors while carrying out the functions of civic office. These services, unless specified, are not available for use by a spouse, partner or members of a Councillor's family.

Councillors are encouraged to pool or share facilities where possible in order to make the best use of Council's resources. Councillors are also encouraged to limit their use of the expenses and resources provided for in this Policy to the minimum required whilst still allowing them to effectively and efficiently discharge the functions of their civic office.

Expense limits apply to several categories of expenditure. If an expense limit applies it will be shown against that item. Councillors who exceed an annual limit will be required to reimburse Council. Please note that all expense limits are exclusive of GST.

Facilities supplied to Councillors are not to be converted or modified in any way and may only be used for carrying out the functions of civic office.

This Policy is to be read in conjunction with the Council's Code of Conduct.

#### PART 1 – PAYMENT OF EXPENSES

##### 1.0 Responsibility and Accountability

- 1.1 Councillors are responsible for providing original receipts to support claims for reimbursement of expenses and to complete any documentation in support of a claim for reimbursement. Only those expenses explicitly covered in this Policy will be reimbursed.
- 1.2 Requests for reimbursement must be received within two months of the cost being incurred. Receipts received outside of this time limit may be accepted in exceptional circumstances, subject to the approval of the Mayor and General Manager.
- 1.3 Any advance payment made for the cost of a service associated with a civic duty must be reconciled within two months of receiving such payment.

- 1.4 The Councillors' Expenses Policy must be submitted to the Division of Local Government by 30 November each year or at a time specified by the Division.
- 1.5 The Councillors' Expenses Policy is to be available on the Council's website.
- 1.6 The Finance Manager is responsible for providing a statement of the total amount expended on the provision of these facilities and resources in the Annual Report. This is a requirement of Section 428 of the Local Government Act 1993.

## **2. Travel (Outside the Lithgow City Council LGA)**

- 2.1 Councillors will be entitled to travel to State Government sponsored ad hoc committees and official engagements and functions, where the Councillor has been authorised by the Council by way of a resolution or is deputising for the Mayor or Deputy Mayor.
- 2.2 Where prior notice is given, Councillors will be provided with a motor vehicle when required to attend conferences, seminars, meetings and official engagements and functions.
- 2.3 The Councillor in charge of the vehicle at the time of any infringement notice shall be responsible for all traffic and parking fines incurred.

## **3. Overseas Travel**

- 3.1 Councillors may only undertake overseas travel where the Council has specifically authorised a councillor's itinerary and specifically authorised reimbursement by way of a Council resolution made prior to the trip being taken. The resolution must specifically:
  - name any Councillor(s) authorised to undertake overseas travel;
  - indicate the reason the travel has been deemed to be necessary; and
  - include a determination of any reimbursement of expenses.
- 3.2 Councillor/s must have successfully supplied to Council (in an open session of a council meeting) details via a written report that illustrates the nexus of their overseas trip with the policies and/or objectives of the Council and the report must illustrate the community benefit that will arise from the trip.
- 3.3 The lack of a resolution to reimburse expenses that specifically names the Councillor(s) will preclude the approval of the reimbursement of any travel expenses.
- 3.4 Reimbursements will be on items submitted as receipts or tax invoices only where proof of payment is provided and the appropriate claim form is completed.
- 3.5 Advance payments for any expenses expected to be incurred will not be provided.

- 3.6 Spouses, partners or accompanying persons shall NOT be entitled to any reimbursement of travelling expenses.
- 3.7 Reimbursement will be made available provided that travel is undertaken expediently, and by the shortest practicable route, and reimbursement is subject to a formal claim being lodged not later than two (2) months after the expense was incurred.

#### **4. Travel (Inside the Lithgow City Council LGA)**

- 4.1 Councillors will be reimbursed travel expenses in accordance with the Australian Taxation Office approved rates for use of private motor vehicles to attend the following:

- Council meetings;
- Council Committee meetings;
- Working Group meetings to which the Councillor is the nominated delegate;
- Section 355 Committee meetings;
- External Organisations/Committee Meeting, to which the Councillor is the nominated Delegate, except where fees are paid to the Councillor by the external organisation;
- Workshops convened by Council;
- Public Meetings convened by Council;
- Training programs relating to the role of the Council;
- Inspections within the area of the Council, undertaken according to a resolution of Council or arranged by Council;
- A formal function or meeting where a formal invitation to attend arises only as a result of their position as a Councillor.

- 4.2 Reimbursement will be made available provided that travel is undertaken expediently, and by the shortest practicable route, and reimbursement is subject to a formal claim being lodged not later than two (2) months after the expense was incurred.

- 4.3 Council shall not reimburse travelling expenses for distances of less than 10km.

- 4.4 Advance payments for any expenses expected to be incurred will not be provided.

- 4.5 Spouses, partners or accompanying persons shall not be entitled to any reimbursement of travelling expenses.

#### **5. Travel Expenses**

- 5.1 All travel should be undertaken by utilising the most direct route and the most practicable and economical mode of transport.

- 5.2 **Use of Private Car** - Where a Councillor uses their private vehicle, including car share and vehicle rental, to attend an approved conference or

seminar outside the Lithgow Local Government Area. The rate as prescribed by the NSW Local Government Award shall be applied.

- 5.3 **Train Travel** - Train travel may be first class, including sleeping berths where necessary.
- 5.4 **Transfers** – Taxis, coaches and other transfer transport expenses, including at the destination point, may be reimbursed for approved travel.
- 5.5 **Accommodation** - Council will pay reasonable accommodation including night before and/or after conferences, meetings, or seminars where it is impractical to travel. Accommodation selected shall be approved by the Mayor and General Manager.
- 5.6 **Sustenance** - Council will be responsible for the reasonable cost of meals where they are not otherwise provided e.g. at conferences.

## **6. Official Engagements and Functions**

Council will be responsible for the expenses of Councillors to attend meetings, official engagements and functions where the Councillor has been authorised by the Council; the Mayor and the General Manager; or is deputising for the Mayor within the LGA. Expenses relating to a Councillor's partner will be the responsibility of the Councillor.

## **7. Annual Councillor Professional Development Discretionary Vote**

- 7.1 All Councillors will be allocated the sum of \$2,000 annually, (subject to review by Council annually in conjunction with the Management Plan) to specifically provide for the professional development of Councillors.
- 7.2 Amounts remaining unexpended as at 30 June each year will expire and any unexpended amounts will not be carried over or available for expenditure in successive years.
- 7.3 The amount in the vote shall be reviewed annually as part of the creation of the budget and management plan. Council will purchase the tickets to the annual Lithgow Business Association Awards (if held) for Councillors and partners wishing to attend and payment shall be from this vote.

## **8. Expenses Associated with Councillors Attending, At Their Discretion, Conferences, (including the Annual Local Government Association or Shires Conferences) Seminars, Councillor Professional Development and Training Programs, Elected Member Courses and Local Government and Shires Associations Industry Working Groups.**

Councillors will be responsible for payment of expenses, from their annual Professional Development Discretionary Vote, which is identified in the annual Management Plan (see next point), incurred for attending and participation in the following:

- conferences (including the Annual LGA or Shires Conference) and seminars;

- Councillor professional development and training programs;
- elected member courses;
- Local Government and Shires Associations Industry Working Groups.

## **9. Legal and insurance expenses and obligations**

9.1 Councillors are covered under the following Council insurance policies on a 24 hour basis while discharging the duties of civic office, including attendance at meetings of external bodies as Council's representative:

- (a) Public Liability Insurance;
- (b) Professional Indemnity Insurance;
- (c) Councillors and Officers Liability Insurance;
- (d) Personal Accident Insurance, (accompanying partners are also covered); and

9.2 Council will pay the insurance policy excess in respect of any claim made against a Councillor arising from Council business where any claim is accepted by Council's insurers.

9.3 Where Council's insurance policies do not cover a Councillor's legal expenses in relation to a matter arising directly as a result of the Councillor's actions in the civic office, Council will determine, by resolution, if the Councillor is to be reimbursed for reasonable solicitor/client costs as long as they relate to:

- Where legal action has been brought against the councillor;
- Conduct arising from the execution of a councillor's civic duties;
- The matter is finalised;
- Council authorises by specific resolution naming the Councillor and determining the amount to be reimbursed; and
- The finding is not substantially unfavourable to the Councillor

## **PART 2 FACILITIES**

### **10. Stationery**

Council will provide, upon request, the following stationery to Councillors to be used only on Council business:

- Writing pads
- Letter Head stating "From the Desk of Councillor...."
- Envelopes
- Box Files
- Business cards
- Writing pens

- Diary
- Year Planner
- Educational and promotional material and gifts.

## **11. Postage**

Council will provide Councillors with postage facilities where the communication being posted is in discharge of the Councillor's functions of civic office.

## **12. Communication**

12.1 Councillors are to be reimbursed for Council related calls that are charged to their personal telephone accounts relating to their place of residency. Councillors are to submit a claim within three months following the payment of such accounts. An annual allocation of \$100 per Councillor per financial year is available.

12.2 Councillors will each be provided with iPads with a download limit of 2Gb each per month. iPads will be loaded with a range of information to assist councillors in their roles including:

- Lithgow City Council Code of Conduct.
- Copies of current consultancy reports and studies.
- Lithgow City Council Code of Meeting Practice.

Links will be provided to allow councillors to search the world wide web (www.) for relevant legislation.

## **13. Secretarial Services**

Council will provide a secretarial service to all Councillors to facilitate the discharge of functions of civic office. Such assistance shall be subject to staff availability and prior arrangement with the General Manager.

## **14. Training**

Council will conduct training programs for Councillors as is appropriate for the effective discharge of functions of civic office. Such training programs will be conducted by Council's own staff and external service providers will be engaged when and where required.

## **15. Resource Centre and Office Accommodation**

15.1 The Mayor's and/or Committee Room will be available to Councillors as a Resource Centre and to meet with residents and use telephone facilities where multiple calls may be necessary in the discharge of Councillors' functions of civic office.

15.2 Access to the Resource Centre will be available, subject to prior booking, during normal office hours and special arrangements may be made for access outside normal office hours.

## **16. Additional Expenses and Facilities for the Mayor**

16.1 The Mayor will be provided with a motor vehicle to discharge the functions of civic office and the performance of Council business. The vehicle will be made available to the Mayor for full private usage subject to the payment set by Council annually.

16.2 Council will provide the Mayor with a mobile phone or similar device for use directly associated with the role as Mayor of Lithgow City Council.

16.3 The Mayor will be provided with a corporate credit card with a limit of \$4,000.

The monthly statement is to be reconciled and provided, with corresponding receipts, to the General Manager for approval.

The card may be used for expenses such as travel, accommodation, sustenance, conferences etc in accordance with this policy.

## **17. Expenses and Facilities for Councillors with Disabilities**

For any Councillor with a disability, Council may resolve to provide reasonable additional facilities and expenses, in order to allow that Councillor to perform their civic duties.

## **18. Carer Expenses**

18.1 Council shall reimburse a councillor for carers fees where the Councillor is the primary care giver.

18.2 A carer is a person who cares for a dependent child or another immediate family member, such as a family member with a disability. Immediate family members include the carer's current or former spouse or domestic partner. Immediate family also includes a child, parent, grandparent or sibling of either the carer or the carer's spouse or domestic partner. Aboriginal or Torres Strait Islanders who care for a family member related according to Aboriginal or Torres Strait Islander kinship rules are protected as carers.

18.3 Expenses for alternative carer arrangements, including child care expenses and the care of elderly, disabled and/or sick immediate family members of Councillors, are payable when a Councillor attends:

- (a) Council meetings, committee meetings, sub-committee meetings, inspections, formal briefing sessions and civic or ceremonial functions convened by the Mayor or Council;
- (b) meetings scheduled by Council or the Mayor;



- (c) meetings necessary for the Councillor to exercise a delegation given by Council or meetings arising from their official role as chairperson of a standing committee;
- (d) meetings arising as a result of a Councillor being appointed by Council to an outside body or committee;
- (e) a meeting, function or other official role as a representative of the Mayor or Council; and
- (f) functions where the payment of carer expenses has been approved by the General Manager.

18.4 Carer expenses may consist of:

- (a) occasional child care centre fees;
- (b) hourly fees;
- (c) agency booking fees (if claimed); and
- (d) reasonable travelling expenses (if claimed by the carer).

18.5 Fees are payable per hour (or part of an hour) subject to any minimum period which is part of the care provider's usual terms, to a maximum hourly rate approved by the General Manager.

18.6 Travelling expenses cover the transport costs of the carer to and from the Councillor's residence or of the person to be cared for to and from the place of care.

18.7 Claims must be accompanied by a receipt from the care provider showing the date and time care was provided and details of the reason care was needed on each occasion.

18.8 An annual limit of \$2,000 per Councillor will apply to Carer Expenses.

**COUNCILLOR EXPENSES CLAIM FORM**

**COUNCILLOR EXPENSE REIMBURSEMENT FORM**

COUNCILLOR .....

To be completed for **ALL** Expense reimbursements- **RECEIPTS MUST BE ATTACHED**

I..... declare that the expense of \$.....  
dated .....was incurred by me for the following purpose (**specify details**)

**ACCOMMODATION/MEALS**

.....  
.....

**FUEL** KLMS Traveled..... Engine Capacity ( ) < 2.5 litres @ 65 c per km

KLMS Traveled..... Engine Capacity ( ) > 2.5 litres @ 74 c per km

**EDUCATIONAL**

.....  
.....

**PHONE**

.....

**OTHER**

.....  
.....  
.....

.....  
**COUNCILLOR SIGNATURE**

.....  
**DATE**

.....  
**GENERAL MANAGER  
APPROVAL**

Office Use  
Only:

CREDITOR NO.....

COST ACCOUNT NO.....

<b>Maintained by Department:</b>	Executive	<b>Approved by:</b>	Council	<b>Exhibition</b>	
<b>Reference:</b>	Dataworks: Policy Register	<b>Council Policy No:</b>	9.9	<b>Effective Date:</b>	November 2012
<b>Min No:</b>	06-349 (exhibition) 07-54 008-165 (V3) 12-447(V5)	<b>Version No:</b>	5	<b>Review Date:</b>	October 2013
<b>Attachments:</b>	Claim form				

# Lithgow City Council

GENERAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2013

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*“A centre of regional excellence that:  
- encourages community growth and development,  
- contributes to the efficient and effective management of the environment,  
community and economy for present and future generations.”*



# Lithgow City Council

## General Purpose Financial Statements

for the financial year ended 30 June 2013

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### Overview

(i) These financial statements are General Purpose Financial Statements and cover the consolidated operations for Lithgow City Council.

(ii) Lithgow City Council is a body politic of NSW, Australia - being constituted as a Local Government area by proclamation and is duly empowered by the Local Government Act (LGA) 1993 of NSW.

Council's Statutory Charter is detailed in Paragraph 8 of the LGA and includes giving Council;

- the ability to provide goods, services & facilities, and to carry out activities appropriate to the current & future needs of the local community and of the wider public,
- the responsibility for administering regulatory requirements under the LGA and
- a role in the management, improvement and development of the resources in the area.

A description of the nature of Council's operations and its principal activities are provided in Note 2(b).

(iii) All figures presented in these financial statements are presented in Australian Currency.

(iv) These financial statements were authorised for issue by the Council on 31 October 2013. Council has the power to amend and reissue these financial statements.

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## Lithgow City Council

### Notes to the Financial Statements for the financial year ended 30 June 2013

## Understanding Council's Financial Statements

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### Introduction

Each year, individual Local Governments across NSW are required to present a set of audited financial statements to their Council & Community.

### What you will find in the Statements

The financial statements set out the financial performance, financial position & cash flows of Council for the financial year ended 30 June 2013.

The format of the financial statements is standard across all NSW Councils and complies with both the accounting & reporting requirements of Australian Accounting Standards and requirements as set down by the NSW Division of Local Government.

### About the Councillor/Management Statement

The financial statements must be certified by Senior staff as "presenting fairly" the Council's financial results for the year, and are required to be adopted by Council - ensuring both responsibility for & ownership of the financial statements.

### About the Primary Financial Statements

The financial statements incorporate 5 "primary" financial statements:

#### 1. The Income Statement

Summarises Council's financial performance for the year, listing all income & expenses.

This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

#### 2. The Statement of Comprehensive Income

Primarily records changes in the fair values of Council's Infrastructure, Property, Plant & Equipment.

#### 3. The Statement of Financial Position

A 30 June snapshot of Council's financial position indicating its Assets, Liabilities & "Net Wealth".

#### 4. The Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "Net Wealth".

#### 5. The Statement of Cash Flows

Indicates where Council's cash came from and where it was spent.

This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

### About the Notes to the Financial Statements

The Notes to the financial statements provide greater detail and additional information on the 5 primary financial statements.

### About the Auditor's Reports

Council's financial statements are required to be audited by external accountants (that generally specialize in Local Government).

In NSW, the Auditor provides 2 audit reports:

1. An opinion on whether the financial statements present fairly the Council's financial performance & position, &
2. Their observations on the conduct of the Audit including commentary on the Council's financial performance & financial position.

### Who uses the Financial Statements ?

The financial statements are publicly available documents & must be presented at a Council meeting between 7 days & 5 weeks after the date of the Audit Report.

Submissions from the public can be made to Council up to 7 days subsequent to the public presentation of the financial statements.

Council is required to forward an audited set of financial statements to the Division of Local Government.

Lithgow City Council

General Purpose Financial Statements  
for the financial year ended 30 June 2013

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

The attached General Purpose Financial Statements have been prepared in accordance with:

- The Local Government Act 1993 (as amended) and the Regulations made thereunder,
- The Australian Accounting Standards and professional pronouncements, and
- The Local Government Code of Accounting Practice and Financial Reporting.

To the best of our knowledge and belief, these Financial Statements:

- present fairly the Council's operating result and financial position for the year, and
- accords with Council's accounting and other records.

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

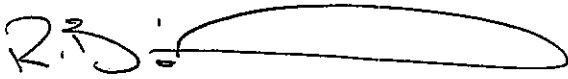
Signed in accordance with a resolution of Council made on 30 September 2013



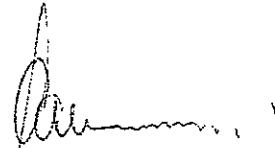
Mr M Statham  
MAYOR



Mr R Thompson  
COUNCILLOR



Mr R Bailey  
GENERAL MANAGER



Mrs C Farnsworth  
RESPONSIBLE ACCOUNTING OFFICER

## Lithgow City Council

## Income Statement

for the financial year ended 30 June 2013

Budget <sup>(1)</sup> 2013	\$ '000	Notes	Actual 2013	Actual 2012
<b>Income from Continuing Operations</b>				
<b>Revenue:</b>				
21,134	Rates & Annual Charges	3a	21,523	20,019
5,330	User Charges & Fees	3b	5,342	4,799
671	Interest & Investment Revenue	3c	969	944
229	Other Revenues	3d	588	653
6,363	Grants & Contributions provided for Operating Purposes	3e,f	6,715	8,379
1,353	Grants & Contributions provided for Capital Purposes	3e,f	12,449	5,470
<b>Other Income:</b>				
-	Net gains from the disposal of assets	5	98	46
<u>35,080</u>	<b>Total Income from Continuing Operations</b>		<u>47,684</u>	<u>40,310</u>
<b>Expenses from Continuing Operations</b>				
13,916	Employee Benefits & On-Costs	4a	14,430	13,227
1,395	Borrowing Costs	4b	1,572	1,680
8,829	Materials & Contracts	4c	8,736	8,531
8,548	Depreciation & Amortisation	4d	8,086	8,247
3,957	Other Expenses	4e	4,164	3,733
<u>36,645</u>	<b>Total Expenses from Continuing Operations</b>		<u>36,988</u>	<u>35,418</u>
<u>(1,565)</u>	<b>Net Operating Result for the Year</b>		<u>10,696</u>	<u>4,892</u>
<u>(2,918)</u>	<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>		<u>(1,753)</u>	<u>(578)</u>

(1) Original Budget as approved by Council - refer Note 16



## Lithgow City Council

## Statement of Comprehensive Income

for the financial year ended 30 June 2013

\$ '000	Notes	Actual 2013	Actual 2012
<b>Net Operating Result for the year</b> (as per Income statement)		<b>10,696</b>	<b>4,892</b>
<b>Other Comprehensive Income:</b>			
Amounts which will not be reclassified subsequently to the Operating Result			
Gain (loss) on revaluation of I,PP&E	20b (ii)	<u>17,033</u>	<u>7,483</u>
<b>Total Other Comprehensive Income for the year</b>		<b>17,033</b>	<b>7,483</b>
<b>Total Comprehensive Income for the Year</b>		<u><b>27,729</b></u>	<u><b>12,375</b></u>

## Lithgow City Council

Statement of Financial Position  
as at 30 June 2013

\$ '000	Notes	Actual 2013	Actual 2012	Actual 2011
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash & Cash Equivalents	6a	20,812	10,535	13,358
Investments	6b	2,833	8,310	2,409
Receivables	7	3,104	3,707	3,606
Inventories	8	514	331	743
Other	8	181	175	97
<b>Total Current Assets</b>		<b>27,444</b>	<b>23,058</b>	<b>20,213</b>
<b>Non-Current Assets</b>				
Inventories	8	738	738	378
Infrastructure, Property, Plant & Equipment	9	370,290	347,517	335,057
<b>Total Non-Current Assets</b>		<b>371,028</b>	<b>348,255</b>	<b>335,435</b>
<b>TOTAL ASSETS</b>		<b>398,472</b>	<b>371,313</b>	<b>355,648</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Payables	10	4,127	3,266	5,345
Borrowings	10	988	901	1,180
Provisions	10	4,053	3,494	3,218
<b>Total Current Liabilities</b>		<b>9,168</b>	<b>7,661</b>	<b>9,743</b>
<b>Non-Current Liabilities</b>				
Payables	10	-	1,338	606
Borrowings	10	16,973	18,010	15,823
Provisions	10	11,125	10,827	5,974
<b>Total Non-Current Liabilities</b>		<b>28,098</b>	<b>30,175</b>	<b>22,403</b>
<b>TOTAL LIABILITIES</b>		<b>37,266</b>	<b>37,836</b>	<b>32,146</b>
<b>Net Assets</b>		<b>361,206</b>	<b>333,477</b>	<b>323,502</b>
<b>EQUITY</b>				
Retained Earnings	20	244,837	234,141	231,649
Revaluation Reserves	20	116,369	99,336	91,853
Council Equity Interest		361,206	333,477	323,502
<b>Total Equity</b>		<b>361,206</b>	<b>333,477</b>	<b>323,502</b>

## Lithgow City Council

Statement of Changes in Equity  
for the financial year ended 30 June 2013

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Interest	Non- controlling Interest	Total Equity
<b>2013</b>						
<b>Opening Balance</b> (as per Last Year's Audited Accounts)		236,541	99,336	335,877	-	335,877
a. Correction of Prior Period Errors	20 (c)	(2,400)	-	(2,400)	-	(2,400)
<b>Revised Opening Balance</b> (as at 1/7/12)		<b>234,141</b>	<b>99,336</b>	<b>333,477</b>	-	<b>333,477</b>
<b>c. Net Operating Result for the Year</b>		<b>10,696</b>	-	<b>10,696</b>	-	<b>10,696</b>
d. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Rsve	20b (ii)	-	17,033	17,033	-	17,033
<b>Total Comprehensive Income</b> (c&d)		<b>10,696</b>	<b>17,033</b>	<b>27,729</b>	-	<b>27,729</b>
<b>Equity - Balance at end of the reporting period</b>		<b>244,837</b>	<b>116,369</b>	<b>361,206</b>	-	<b>361,206</b>

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Interest	Non- controlling Interest	Total Equity
<b>2012</b>						
<b>Opening Balance</b> (as per Last Year's Audited Accounts)		240,705	91,853	332,558	-	332,558
a. Correction of Prior Period Errors	20 (c)	(11,456)	-	(11,456)	-	(11,456)
<b>Revised Opening Balance</b> (as at 1/7/11)		<b>229,249</b>	<b>91,853</b>	<b>321,102</b>	-	<b>321,102</b>
<b>c. Net Operating Result for the Year</b>		<b>4,892</b>	-	<b>4,892</b>	-	<b>4,892</b>
d. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Rsve	20b (ii)	-	7,483	7,483	-	7,483
<b>Total Comprehensive Income</b> (c&d)		<b>4,892</b>	<b>7,483</b>	<b>12,375</b>	-	<b>12,375</b>
<b>Equity - Balance at end of the reporting period</b>		<b>234,141</b>	<b>99,336</b>	<b>333,477</b>	-	<b>333,477</b>

## Lithgow City Council

## Statement of Cash Flows

for the financial year ended 30 June 2013

Budget 2013	\$ '000	Notes	Actual 2013	Actual 2012
<b>Cash Flows from Operating Activities</b>				
<b>Receipts:</b>				
21,134	Rates & Annual Charges		21,473	19,948
5,330	User Charges & Fees		5,449	4,650
671	Investment & Interest Revenue Received		1,061	881
7,716	Grants & Contributions		15,629	13,579
-	Bonds, Deposits & Retention amounts received		-	89
229	Other		353	1,164
<b>Payments:</b>				
(13,916)	Employee Benefits & On-Costs		(13,871)	(12,951)
(8,829)	Materials & Contracts		(8,090)	(9,789)
(1,395)	Borrowing Costs		(1,082)	(1,104)
-	Bonds, Deposits & Retention amounts refunded		(86)	(187)
(3,957)	Other		(4,105)	(3,811)
<b>6,983</b>	<b>Net Cash provided (or used in) Operating Activities</b>	11b	<b>16,731</b>	<b>12,469</b>
<b>Cash Flows from Investing Activities</b>				
<b>Receipts:</b>				
18,565	Sale of Investment Securities		20,812	36,288
451	Sale of Infrastructure, Property, Plant & Equipment		371	213
<b>Payments:</b>				
(13,627)	Purchase of Investment Securities		(15,335)	(42,189)
(9,235)	Purchase of Infrastructure, Property, Plant & Equipment		(11,160)	(11,279)
<b>(3,846)</b>	<b>Net Cash provided (or used in) Investing Activities</b>		<b>(5,312)</b>	<b>(16,967)</b>
<b>Cash Flows from Financing Activities</b>				
<b>Receipts:</b>				
-	Proceeds from Borrowings & Advances		-	3,131
<b>Payments:</b>				
(901)	Repayment of Borrowings & Advances		(1,142)	(1,314)
<b>(901)</b>	<b>Net Cash Flow provided (used in) Financing Activities</b>		<b>(1,142)</b>	<b>1,817</b>
<b>2,236</b>	<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>		<b>10,277</b>	<b>(2,681)</b>
13,368	plus: <b>Cash &amp; Cash Equivalents - beginning of year</b>	11a	10,535	13,216
<b>15,604</b>	<b>Cash &amp; Cash Equivalents - end of the year</b>	11a	<b>20,812</b>	<b>10,535</b>
	plus: <b>Investments on hand - end of year</b>	6b	2,833	8,310
	<b>Total Cash, Cash Equivalents &amp; Investments</b>		<b>23,645</b>	<b>18,845</b>

Please refer to Note 11 for information on the following:

- Non Cash Financing & Investing Activities.
- Financing Arrangements.
- Net cash flow disclosures relating to any Discontinued Operations

## Lithgow City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

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## Lithgow City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted by Council in the preparation of these consolidated financial statements are set out below in order to assist in its general understanding.

Under Australian Accounting Standards (AASBs), accounting policies are defined as those specific principles, bases, conventions, rules and practices applied by a reporting entity (in this case Council) in preparing and presenting its financial statements.

##### (a) Basis of preparation

###### (i) Background

These financial statements are general purpose financial statements which have been prepared in accordance with;

- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board,
- the Local Government Act (1993) & Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

For the purpose of preparing these financial statements, Council has been deemed to be a not-for-profit entity.

###### (ii) Compliance with International Financial Reporting Standards (IFRSs)

Because AASBs are sector neutral, some standards either:

- (a) have local Australian content and prescription that is specific to the Not-For-Profit sector (including Local Government) which are not in compliance with IFRS's, or
- (b) specifically exclude application by Not for Profit entities.

Accordingly in preparing these financial statements and accompanying notes, Council has been unable to comply fully with International Accounting Standards, but has complied fully with Australian Accounting Standards.

Under the Local Government Act (LGA), Regulations and Local Government Code of Accounting Practice & Financial Reporting, it should be noted that Councils in NSW only have a requirement to comply with AASBs.

###### (iii) New and amended standards adopted by Council

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2013 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

###### (iv) Early adoption of Accounting Standards

Council has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2013.

Refer further to the relevant paragraph relating to a summary of the effects of Standards with future operative dates.

###### (v) Basis of Accounting

These financial statements have been prepared under the **historical cost convention** except for:

- (i) financial assets and liabilities at fair value through profit or loss, available-for-sale financial assets and investment properties which are all valued at fair value,
- (ii) the write down of any Asset on the basis of Impairment (if warranted) and
- (iii) Certain classes of Infrastructure, property, plant & equipment that are accounted for at fair valuation.

The accrual basis of accounting has also been applied in their preparation.

###### (vi) Changes in Accounting Policies

Council's accounting policies have been consistently applied to all the years presented, unless otherwise stated.

## Lithgow City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

There have also been no changes in accounting policies when compared with previous financial statements unless otherwise stated [refer Note 20(d)].

##### **(vii) Critical Accounting Estimates**

The preparation of financial statements requires the use of certain critical accounting estimates (in conformity with AASBs).

Accordingly this requires management to exercise its judgement in the process of applying the Council's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

##### **Critical accounting estimates and assumptions**

Council makes estimates and assumptions concerning the future.

The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below.

- (i) Estimated fair values of investment properties
- (ii) Estimated fair values of infrastructure, property, plant and equipment.
- (iii) Estimated tip remediation provisions.

##### **Critical judgements in applying the entity's accounting policies**

- (i) Impairment of Receivables - Council has made a significant judgement about the impairment of a number of its receivables in Note 7.
- (ii) Projected Section 94 Commitments - Council has used significant judgement in determining future Section 94 income and expenditure in Note 17.

##### **(b) Revenue recognition**

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Council's activities as described below.

Council bases any estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is measured at the fair value of the consideration received or receivable.

Revenue is measured on major income categories as follows:

##### **Rates, Annual Charges, Grants and Contributions**

Rates, annual charges, grants and contributions (including developer contributions) are recognised as revenues when the Council obtains control over the assets comprising these receipts.

Control over assets acquired from rates and annual charges is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

A provision for the impairment on rates receivables has not been established as unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and is valued at their fair value at the date of transfer.

Revenue from Contributions is recognised when the Council either obtains control of the contribution or the right to receive it, (i) it is probable that the economic benefits comprising the contribution will flow to the Council and (ii) the amount of the contribution can be measured reliably.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the

## Lithgow City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

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unused grant or contribution is disclosed in Note 3(g).

Note 3(g) also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

The Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of S94 of the EPA Act 1979.

Whilst Council generally incorporates these amounts as part of a Development Consents Order, such developer contributions are only recognised as income upon their physical receipt by Council, due to the possibility that individual Development Consents may not be acted upon by the applicant and accordingly would not be payable to Council.

Developer contributions may only be expended for the purposes for which the contributions were required but the Council may apply contributions according to the priorities established in work schedules.

A detailed Note relating to developer contributions can be found at Note 17.

#### User Charges, Fees and Other Income

User charges, fees and other income (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

A provision for the impairment of these receivables is recognised when collection in full is no longer probable.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided as at balance date.

#### Sale of Infrastructure, Property, Plant and Equipment

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

#### Interest and Rents

Rents are recognised as revenue on a proportional basis when the payment is due, the value of the payment is notified, or the payment is received, whichever first occurs.

Interest Income from Cash & Investments is accounted for using the Effective Interest method in accordance with AASB 139.

#### (c) Principles of Consolidation

These financial statements incorporate (i) the assets and liabilities of Council and any Entities (or operations) that it **controls** (as at 30 June 2013) and (ii) all the related operating results (for the financial year ended the 30th June 2013).

The financial statements also include Council's share of the assets, liabilities, income and expenses of any **Jointly Controlled Operations** under the appropriate headings.

In the process of reporting on Council's activities as a single unit, all inter-entity year end balances and reporting period transactions have been eliminated in full between Council and its controlled entities.

#### (i) The Consolidated Fund

In accordance with the provisions of Section 409(1) of the LGA 1993, all money and property received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund.

The Consolidated Fund and other entities through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this report.

The following entities have been included as part of the Consolidated Fund:

- General Purpose Operations
- Water Supply
- Sewerage Service
- Other



## Lithgow City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 1. Summary of Significant Accounting Policies

### (ii) The Trust Fund

In accordance with the provisions of Section 411 of the Local Government Act 1993 (as amended), a separate and distinct Trust Fund is maintained to account for all money and property received by the Council in trust which must be applied only for the purposes of or in accordance with the trusts relating to those monies.

Trust monies and property subject to Council's control have been included in these statements.

Trust monies and property held by Council but not subject to the control of Council, have been excluded from these statements.

A separate statement of monies held in the Trust Fund is available for inspection at the Council office by any person free of charge.

### (iii) Joint Ventures

Council has no interest in any Joint Venture Entities, Assets or Operations.

### (iv) Associated Entities

Where Council has the power to participate in the financial and operating decisions (of another entity), ie. where Council is deemed to have "significant influence" over the other entities operations but neither controls nor jointly controls the entity, then Council accounts for such interests using the equity method of accounting – in a similar fashion to Joint Venture Entities & Partnerships.

Such entities are usually termed Associates.

### (v) County Councils

Council is a member of the following County Councils (which are bodies corporate under the Local Government Act);

- Upper Macquarie County Council

Weed Control in the Local Government area.

The governing body of each County Council is responsible for managing its own affairs.

Council is of the opinion that it neither controls nor significantly influences the above County Councils and accordingly these entities have not been consolidated or otherwise included within these financial statements.

### (d) Leases

All Leases entered into by Council are reviewed and classified on inception date as either a Finance Lease or an Operating Lease.

#### Finance Leases

Leases of property, plant and equipment where the Council has substantially all the risks and rewards of ownership are classified as finance leases.

Finance leases are capitalised at the lease's inception at the lower of the fair value of the leased property and the present value of the minimum lease payments.

The corresponding rental obligations, net of finance charges, are included in borrowings.

Each lease payment is allocated between the liability outstanding and the recognition of a finance charge.

The interest element of the finance charge is costed to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Property, plant and equipment acquired under finance leases is depreciated over the shorter of each leased asset's useful life and the lease term.

#### Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

Lease income from operating leases is recognised in income on a straight-line basis over the lease term.

## Lithgow City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

##### (e) Cash and Cash Equivalents

Cash and cash equivalents includes;

- cash on hand,
- deposits held **at call** with financial institutions,
- other short-term, highly liquid investments **with original maturities of three months or less** that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and
- bank overdrafts.

Bank overdrafts are shown within borrowings in current liabilities on the balance sheet but are incorporated into Cash & Cash Equivalents for presentation of the Statement of Cash Flow.

##### (f) Investments and Other Financial Assets

Council (in accordance with AASB 139) classifies each of its investments into one of the following categories for measurement purposes:

- **financial assets at fair value through profit or loss,**
- **loans and receivables,**
- **held-to-maturity investments,** and
- **available-for-sale financial assets.**

Each classification depends on the purpose/intention for which the investment was acquired & at the time it was acquired.

Management determines each Investment classification at the time of initial recognition and re-evaluates this designation at each reporting date.

##### (i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets that are “held for trading”.

A financial asset is classified in the “held for trading” category if it is acquired principally for the purpose of selling in the short term.

Assets in this category are primarily classified as current assets as they are primarily held for trading &/or are expected to be realised within 12 months of the balance sheet date.

##### (ii) Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market.

They arise when the Council provides money, goods or services directly to a debtor with no intention (or in some cases ability) of selling the resulting receivable.

They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets.

##### (iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council’s management has the positive intention and ability to hold to maturity.

In contrast to the “Loans & Receivables” classification, these investments are generally quoted in an active market.

Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

##### (iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

Investments must be designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Accordingly, this classification principally comprises marketable equity securities, but can include all types of financial assets that could otherwise be classified in one of the other investment categories.

## Lithgow City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

They are generally included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date or the term to maturity from the reporting date is less than 12 months.

##### Financial Assets – Reclassification

Council may choose to reclassify a non-derivative trading financial asset out of the held-for-trading category if the financial asset is no longer held for the purpose of selling it in the near term.

Financial assets other than loans and receivables are permitted to be reclassified out of the held-for-trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near term.

Council may also choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if it has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made.

Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

##### General Accounting & Measurement of Financial Instruments:

###### (i) Initial Recognition

Investments are initially recognised (and measured) at fair value, plus in the case of investments not at "fair value through profit or loss", directly attributable transactions costs

Purchases and sales of investments are recognised on trade-date - the date on which the Council commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

###### (ii) Subsequent Measurement

**Available-for-sale financial assets** and **financial assets at fair value through profit and loss** are subsequently carried at fair value.

**Loans and receivables** and **held-to-maturity** investments are carried at amortised cost using the effective interest method.

Realised and unrealised gains and losses arising from changes in the fair value of the financial assets classified as "**fair value through profit or loss**" category are included in the income statement in the period in which they arise.

Unrealised gains and losses arising from changes in the fair value of non monetary securities classified as "**available-for-sale**" are recognised in equity in the available-for-sale investments revaluation reserve.

When securities classified as "**available-for-sale**" are sold or impaired, the accumulated fair value adjustments are included in the income statement as gains and losses from investment securities.

###### Impairment

Council assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired.

A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

If there is evidence of impairment for any of Council's financial assets carried at amortised cost (eg. loans and receivables), the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have

## Lithgow City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

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not been incurred) discounted at the financial asset's original effective interest rate.

The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

As a practical expedient, the group may measure impairment on the basis of an instrument's fair value using an observable market price.

##### (iii) Types of Investments

Council has an approved Investment Policy in order to undertake its investment of money in accordance with (and to comply with) Section 625 of the Local Government Act and S212 of the LG (General) Regulation 2005.

Investments are placed and managed in accordance with the Policy and having particular regard to authorised investments prescribed under the Ministerial Local Government Investment Order.

Council maintains its investment Policy in compliance with the Act and ensures that it or its representatives exercise care, diligence and skill that a prudent person would exercise in investing Council funds.

Council amended its policy following revisions to the Ministerial Local Government Investment Order arising from the Cole Inquiry recommendations. Certain investments that Council holds are no longer prescribed (eg. managed funds, CDOs, and equity linked notes), however they have been retained under grandfathering provisions of the Order. These will be disposed of when most financially advantageous to Council.

##### (g) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques.

Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date.

Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held.

If the market for a financial asset is not active (and for unlisted securities), the Council establishes fair value by using valuation techniques.

These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

##### (h) Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less any provision for impairment.

Receivables (excluding Rates & Annual Charges) are generally due for settlement no more than 30 days from the date of recognition.

The collectibility of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off in accordance with Council's policy.

A provision for impairment (ie. an allowance account) relating to receivables is established when there is objective evidence that the Council will not be able to

## Lithgow City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

collect all amounts due according to the original terms of each receivable.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Impairment losses are recognised in the Income Statement within other expenses.

When a receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account.

Subsequent recoveries of amounts previously written off are credited against other expenses in the income statement.

##### (i) Inventories

##### Raw Materials and Stores, Work in Progress and Finished Goods

Raw materials and stores, work in progress and finished goods in respect of business undertakings are all stated at the lower of cost and net realisable value.

Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Costs are assigned to individual items of inventory on the basis of weighted average costs.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories held in respect of non-business undertakings have been valued at cost subject to adjustment for loss of service potential.

##### Land Held for Resale/Capitalisation of Borrowing Costs

Land held for resale is stated at the lower of cost and net realisable value.

Cost is assigned by specific identification and includes the cost of acquisition, and development and borrowing costs during development.

When development is completed borrowing costs and other holding charges are expensed as incurred.

Borrowing costs included in the cost of land held for resale are those costs that would have been avoided if the expenditure on the acquisition and development of the land had not been made.

Borrowing costs incurred while active development is interrupted for extended periods are recognised as expenses.

##### (j) Infrastructure, Property, Plant and Equipment (I,PP&E)

##### Acquisition of assets

Council's non current assets are continually revalued (over a 5 year period) in accordance with the fair valuation policy as mandated by the Division of Local Government.

At balance date, the following classes of I,PP&E were stated at their Fair Value;

- **Investment Properties** – refer Note 1(p),
- **Water and Sewerage Networks**  
(External / Internal Valuation)
- **Operational Land** (External Valuation)
- **Buildings – Specialised/Non Specialised**  
(External Valuation)
- **Plant and Equipment**  
(as approximated by depreciated historical cost)
- **Roads Assets incl. roads, bridges & footpaths**  
(Internal Valuation)
- **Drainage Assets** (Internal Valuation)
- **Bulk Earthworks** (Internal Valuation)
- **Community Land** (Internal Valuation)
- **Land Improvements**  
(as approximated by depreciated historical cost)

## Lithgow City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

- **Other Structures**  
(as approximated by depreciated historical cost)
- **Other Assets**  
(as approximated by depreciated historical cost)

##### Initial Recognition

On initial recognition, an assets cost is measured at its fair value, plus all expenditure that is directly attributable to the acquisition.

Where settlement of any part of an asset's cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of recognition (ie. date of exchange) of the asset to arrive at fair value.

The discount rate used is the Council's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Where infrastructure, property, plant and equipment assets are acquired for no cost or for an amount other than cost, the assets are recognised in the financial statements at their fair value at acquisition date - being the amount that the asset could have been exchanged between knowledgeable willing parties in an arm's length transaction.

##### Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably.

All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

##### Asset Revaluations (including Indexation)

In accounting for Asset Revaluations relating to Infrastructure, Property, Plant & Equipment:

- Increases in the combined carrying amounts of asset classes arising on revaluation are credited to the asset revaluation reserve.

- To the extent that a net asset class increase reverses a decrease previously recognised via the profit or loss, then increase is first recognised in profit or loss.
- Net decreases that reverse previous increases of the same asset class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset, with all other decreases charged to the Income statement.

Water and sewerage network assets are indexed annually between full revaluations in accordance with the latest indices provided in the NSW Office of Water - Rates Reference Manual.

For all other assets, Council assesses at each reporting date whether there is any indication that a revalued asset's carrying amount may differ materially from that which would be determined if the asset were revalued at the reporting date.

If any such indication exists, Council determines the asset's fair value and revalues the asset to that amount.

Full revaluations are undertaken for all assets on a 5 year cycle.

##### Capitalisation Thresholds

Items of infrastructure, property, plant and equipment are not capitalised unless their cost of acquisition exceeds the following;

<b>Land</b>	
- council land	100% Capitalised
- open space	100% Capitalised
- land under roads (purchases after 30/6/08)	100% Capitalised

<b>Plant &amp; Equipment</b>	
Office Furniture	> \$2,000
Office Equipment	> \$2,000
Other Plant & Equipment	> \$2,000

<b>Buildings &amp; Land Improvements</b>	
Park Furniture & Equipment	> \$2,000
Building	
- construction/extensions	100% Capitalised
- renovations	> \$10,000
Other Structures	> \$2,000

## Lithgow City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

##### Water & Sewer Assets

Reticulation extensions	> \$5,000
Other	> \$5,000

##### Stormwater Assets

Drains & Culverts	> \$5,000
Other	> \$5,000

##### Transport Assets

Road construction & reconstruction	> \$10,000
Reseal/Re-sheet & major repairs:	> \$10,000

Bridge construction & reconstruction	> \$10,000
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- Bridge : Other	50 years
- Road Pavements	60 years
- Kerb, Gutter & Paths	40 years

##### Water & Sewer Assets

- Dams and reservoirs	80 to 100 years
- Bores	20 to 40 years
- Reticulation pipes : PVC	80 years
- Reticulation pipes : Other	25 to 75 years
- Pumps and telemetry	15 to 20 years

##### Other Infrastructure Assets

- Bulk earthworks	Infinite
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#### Depreciation

Depreciation on Council's infrastructure, property, plant and equipment assets is calculated using the straight line method in order to allocate an assets cost (net of residual values) over its estimated useful life.

Land is not depreciated.

Estimated useful lives for Council's I,PP&E include:

##### Plant & Equipment

- Office Equipment	5 to 10 years
- Office furniture	10 to 20 years
- Computer Equipment	4 years
- Vehicles	5 to 8 years
- Heavy Plant/Road Making equip.	5 to 8 years
- Other plant and equipment	5 to 15 years

##### Other Equipment

- Playground equipment	5 to 15 years
- Benches, seats etc	10 to 20 years

##### Buildings

- Buildings : Masonry	50 to 100 years
- Buildings : Other	20 to 40 years

##### Stormwater Drainage

- Drains	80 to 100 years
- Culverts	50 to 80 years

##### Transportation Assets

- Sealed Roads : Surface	20 years
- Sealed Roads : Structure	50 years
- Unsealed roads	20 years
- Bridge : Concrete	100 years

All asset residual values and useful lives are reviewed and adjusted (where appropriate), at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount – refer Note 1(s) on Asset Impairment.

#### Disposal and De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Council's Income Statement in the year the asset is derecognised.

#### (k) Land

Land (other than Land under Roads) is in accordance with Part 2 of Chapter 6 of the Local Government Act (1993) classified as either Operational or Community.

This classification of Land is disclosed in Note 9(a).

## Lithgow City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

##### **(l) Land under roads**

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051.

Land under roads acquired after 1 July 2008 is recognised in accordance with AASB 116 – Property, Plant and Equipment.

##### **(m) Intangible Assets**

###### **IT Development and Software**

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of materials and service, direct payroll and payroll related costs of employees' time spent on the project.

Amortisation is calculated on a straight line bases over periods generally ranging from 3 to 5 years.

IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where Council has an intention and ability to use the asset.

##### **(n) Crown Reserves**

Crown Reserves under Council's care and control are recognised as assets of the Council.

While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated.

Improvements on Crown Reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating the

reserves are recognised within Council's Income Statement.

Representations are currently being sought across State and Local Government to develop a consistent accounting treatment for Crown Reserves across both tiers of government.

##### **(o) Rural Fire Service assets**

Under section 119 of the Rural Fires Act 1997, "*all fire fighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the fire fighting equipment has been purchased or constructed*".

At present, the accounting for such fire fighting equipment is not treated in a consistent manner across all Councils.

Until such time as discussions on this matter have concluded and the legislation changed, Council will continue to account for these assets as it has been doing in previous years, which is to incorporate the assets, their values and depreciation charges within these financial statements

##### **(p) Investment property**

Investment property comprises land &/or buildings that are principally held for long-term rental yields, capital gains or both that is not occupied by Council.

No investment property as defined is held by Council.

Annual changes in the fair value of Investment Properties are recorded in the Income Statement as part of "Other Income".

##### **(q) Provisions for close down, restoration and for environmental clean up costs – including Tips and Quarries**

Close down, Restoration and Remediation costs include the dismantling and demolition of infrastructure, the removal of residual materials and the remediation of disturbed areas.



## Lithgow City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs.

Provisions for close down and restoration costs do not include any additional obligations which are expected to arise from future disturbance.

Costs are estimated on the basis of a closure plan.

The cost estimates are calculated annually during the life of the operation to reflect known developments, eg updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

Close down, Restoration and Remediation costs are a normal consequence of tip and quarry operations, and the majority of close down and restoration expenditure is incurred at the end of the life of the operations.

Although the ultimate cost to be incurred is uncertain, Council estimates the respective costs based on feasibility and engineering studies using current restoration standards and techniques.

The amortisation or 'unwinding' of the discount applied in establishing the net present value of provisions is charged to the income statement in each accounting period.

This amortisation of the discount is disclosed as a borrowing cost in Note 4(b).

Other movements in the provisions for Close down, Restoration and Remediation costs including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations and revisions to discount rates are capitalised within property, plant and equipment.

These costs are then depreciated over the lives of the assets to which they relate.

Where rehabilitation is conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the estimated outstanding continuous rehabilitation work at each

balance sheet date and the cost is charged to the income statement.

Provision is made for the estimated present value of the costs of environmental clean up obligations outstanding at the balance sheet date.

These costs are charged to the income statement.

Movements in the environmental clean up provisions are presented as an operating cost, except for the unwind of the discount which is shown as a borrowing cost.

Remediation procedures generally commence soon after the time the damage, remediation process and estimated remediation costs become known, but may continue for many years depending on the nature of the disturbance and the remediation techniques.

As noted above, the ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other locations.

The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production rates.

As a result there could be significant adjustments to the provision for close down and restoration and environmental clean up, which would affect future financial results.

Specific Information relating to Council's provisions relating to Close down, Restoration and Remediation costs can be found at Note 26.

#### **(r) Non-Current Assets (or Disposal Groups) "Held for Sale" & Discontinued Operations**

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of either (i) their carrying amount and (ii) fair value less costs to sell, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The exception to this is plant and motor vehicles which are turned over on a regular basis. Plant and

## Lithgow City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

motor vehicles are retained in Non Current Assets under the classification of Infrastructure, Property, Plant and Equipment - unless the assets are to be traded in after 30 June and the replacement assets were already purchased and accounted for as at 30 June.

For any assets or disposal groups classified as Non-Current Assets "held for sale", an impairment loss is recognised at any time when the assets carrying value is greater than its fair value less costs to sell.

Non-current assets "held for sale" are not depreciated or amortised while they are classified as "held for sale".

Non-current assets classified as "held for sale" are presented separately from the other assets in the balance sheet.

A Discontinued Operation is a component of the entity that has been disposed of or is classified as "held for sale" and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations are presented separately on the face of the income statement.

#### **(s) Impairment of assets**

All Council's I,PP&E is subject to an annual assessment of impairment.

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Where an asset is not held principally for cash generating purposes (for example Infrastructure Assets) and would be replaced if the Council was deprived of it then depreciated replacement cost is

used as value in use, otherwise value in use is estimated by using a discounted cash flow model.

Non-financial assets (other than goodwill) that suffered a prior period impairment are reviewed for possible reversal of the impairment at each reporting date.

Goodwill & other Intangible Assets that have an indefinite useful life and are not subject to amortisation are tested annually for impairment.

#### **(t) Payables**

These amounts represent liabilities and include goods and services provided to the Council prior to the end of financial year which are unpaid.

The amounts for goods and services are unsecured and are usually paid within 30 days of recognition.

#### **(u) Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred.

Borrowings are subsequently measured at amortised cost.

Amortisation results in any difference between the proceeds (net of transaction costs) and the redemption amount being recognised in the Income Statement over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

#### **(v) Borrowing costs**

Borrowing costs are expensed

## Lithgow City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

##### **(w) Provisions**

Provisions for legal claims, service warranties and other like liabilities are recognised when:

- Council has a present legal or constructive obligation as a result of past events;
- it is more likely than not that an outflow of resources will be required to settle the obligation; and
- the amount has been reliably estimated.

Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date.

The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

The increase in the provision due to the passage of time is recognised as interest expense.

##### **(x) Employee benefits**

###### **(i) Short Term Obligations**

Short term employee benefit obligations include liabilities for wages and salaries (including non-monetary benefits), annual leave and vesting sick leave expected to be settled within the 12 months after the reporting period.

Leave liabilities are recognised in the provision for employee benefits in respect of employees' services up to the reporting date with other short term

employee benefit obligations disclosed under payables.

These provisions are measured at the amounts expected to be paid when the liabilities are settled.

Liabilities for non vesting sick leave are recognised at the time when the leave is taken and measured at the rates paid or payable, and accordingly no Liability has been recognised in these reports.

Wages & salaries, annual leave and vesting sick leave are all classified as Current Liabilities.

###### **(ii) Other Long Term Obligations**

The liability for all long service and annual leave in respect of services provided by employees up to the reporting date (which is not expected to be settled within the 12 months after the reporting period) are recognised in the provision for employee benefits.

These liabilities are measured at the present value of the expected future payments to be made using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Expected future payments are then discounted using market yields at the reporting date based on national government bonds with terms to maturity and currency that match as closely as possible the estimated future cash outflows.

Due to the nature of when and how Long Service Leave can be taken, all Long Service Leave for employees with 4 or more years of service has been classified as Current, as it has been deemed that Council does not have the unconditional right to defer settlement beyond 12 months – even though it is not anticipated that all employees with more than 4 years service (as at reporting date) will apply for and take their leave entitlements in the next 12 months.

###### **(iii) Retirement benefit obligations**

All employees of the Council are entitled to benefits on retirement, disability or death.

## Lithgow City Council

### Notes to the Financial Statements for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

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Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

##### Defined Benefit Plans

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the balance sheet, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost.

The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

However, when this information is not reliably available, Council can account for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans – i.e. as an expense when they become payable.

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named the "Local Government Superannuation Scheme – Pool B"

This Scheme has been deemed to be a "multi employer fund" for the purposes of AASB 119.

Sufficient information is not available to account for the Scheme as a defined benefit plan (in accordance with AASB 119) because the assets to the scheme are pooled together for all Councils.

However the position is monitored annually and the Actuary has estimated that as at 30 June 2013 the prior period deficit still exists.

Effective from 1 July 2009, employers are required to contribute additional contributions to assist in extinguishing this deficit.

The share of this deficit that can be broadly attributed to Council is estimated to be in the order of \$ 990,729 as at 30 June 2013.

Council's share of that deficiency cannot be accurately calculated as the Scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils. For this reason, no liability for the deficiency has been recognised in these financial statements.

Council has, however, disclosed a contingent liability in Note 18 to reflect the possible obligation that may arise should the Scheme require immediate payment to correct the deficiency.

##### Defined Contribution Plans

Contributions to Defined Contribution Plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

##### (iv) Employee Benefit On-Costs

Council has recognised at year end the aggregate on-cost liabilities arising from employee benefits, and in particular those on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include Superannuation and Workers Compensation expenses which will be payable upon the future payment of certain Leave Liabilities accrued as at 30/6/13.

##### (y) Self insurance

Council does not self insure.

##### (z) Allocation between current and non-current assets & liabilities

In the determination of whether an asset or liability is classified as current or non-current, consideration is given to the time when each asset or liability is expected to be settled.

## Lithgow City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle.

##### Exceptions

In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months (such as vested long service leave), the liability is classified as current even if not expected to be settled within the next 12 months.

In the case of inventories that are "held for trading", these are also classified as current even if not expected to be realised in the next 12 months.

##### (aa) Taxes

The Council is exempt from both Commonwealth Income Tax and Capital Gains Tax.

Council does however have to comply with both Fringe Benefits Tax and Goods and Services Tax (GST).

##### Goods & Services Tax (GST)

Income, expenses and assets are all recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the revenue / expense.

Receivables and payables within the Balance Sheet are stated inclusive of any applicable GST.

The net amount of GST recoverable from or payable to the ATO is included as a current asset or current liability in the Balance Sheet.

Operating cash flows within the Statement of Cash Flows are on a gross basis, ie. they are inclusive of GST where applicable.

Investing and Financing cash flows are treated on a net basis (where recoverable from the ATO), ie. they are exclusive of GST. Instead, the GST component of investing and financing activity cash flows which are recoverable from or payable to the ATO are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from (or payable to) the ATO.

##### (ab) New accounting standards and UIG interpretations

Certain new (or amended) accounting standards and interpretations have been published that are not mandatory for reporting periods ending 30 June 2013.

**Council has not adopted any of these standards early.**

Council's assessment of the impact of these new standards and interpretations is set out below.

##### Applicable to Local Government with implications:

***AASB 9 Financial Instruments, associated standards, AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 and AASB 2012-6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and transitional disclosures (effective from 1 January 2015)***

AASB 9 Financial Instruments addresses the classification, measurement and de-recognition of financial assets and financial liabilities.

The standard is not applicable until 1 January 2015 but is available for early adoption.

When adopted, the standard will affect in particular Council's accounting for its available-for-sale financial assets, since AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held for trading.

Fair value gains and losses on available-for-sale debt investments, for example, will therefore have to be recognised directly in profit or loss although there is currently a proposal by the IASB to introduce a Fair value through Other Comprehensive Income category for debt instruments.

## Lithgow City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

There will be no impact on Council's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and Council does not have any such liabilities.

The de-recognition rules have been transferred from AASB 139 Financial Instruments: Recognition and Measurement and have not been changed.

***AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13 (effective 1 January 2013)***

AASB 13 explains how to measure fair value and aims to enhance fair value disclosures.

Council has yet to determine which, if any, of its current measurement techniques will have to change as a result of the new guidance.

It is therefore not possible to state the impact, if any, of the new rules on any of the amounts recognised in the financial statements.

However, application of the new standard will impact the type of information disclosed in the notes to the financial statements.

Council does not intend to adopt the new standard before its operative date, which means that it would be first applied in the annual reporting period ending 30 June 2014.

**Applicable to Local Government but no implications for Council;**

***AASB 2012-2 Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities [AASB 132 & AASB 7] (effective 1 January 2013)***

This Standard amends the required disclosures in AASB 7 to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.

This Standard also amends AASB 132 to refer to the additional disclosures added to AASB 7 by this Standard.

The adoption of this standard will not change the reported financial position and performance of the entity, there are no impact on disclosures as there are no offsetting arrangements currently in place.

AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132] (effective 1 January 2014).

This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.

The adoption of this standard will not change the reported financial position and performance of the entity, there are no impact on disclosures as there are no offsetting arrangements currently in place.

**Applicable to Local Government but not relevant to Council at this stage;**

***AASB 10 Consolidated Financial Statements, AASB 11 Joint Arrangements, AASB 12 Disclosure of Interests in Other Entities, revised AASB 127 Separate Financial Statements and AASB 128 Investments in Associates and Joint Ventures and AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (effective 1 January 2013)***

This suite of five new and amended standards address the accounting for joint arrangements, consolidated financial statements and associated disclosures.

AASB 10 replaces all of the guidance on control and consolidation in AASB 127 Consolidated and Separate Financial Statements, and Interpretation 12 Consolidation – Special Purpose Entities.

The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single

## Lithgow City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

economic entity remains unchanged, as do the mechanics of consolidation. However, the standard introduces a single definition of control that applies to all entities.

It focuses on the need to have both power and rights or exposure to variable returns.

Power is the current ability to direct the activities that significantly influence returns. Returns must vary and can be positive, negative or both.

Control exists when the investor can use its power to affect the amount of its returns.

There is also new guidance on participating and protective rights and on agent/principal relationships. Council does not expect the new standard to have a significant impact on its composition.

AASB 11 introduces a principles based approach to accounting for joint arrangements.

The focus is no longer on the legal structure of joint arrangements, but rather on how rights and obligations are shared by the parties to the joint arrangement.

Based on the assessment of rights and obligations, a joint arrangement will be classified as either a joint operation or a joint venture.

Joint ventures are accounted for using the equity method, and the choice to proportionately consolidate will no longer be permitted.

Parties to a joint operation will account their share of revenues, expenses, assets and liabilities in much the same way as under the previous standard.

AASB 11 also provides guidance for parties that participate in joint arrangements but do not share joint control.

Council's investment in the joint venture partnership will be classified as a joint venture under the new rules.

As Council already applies the equity method in accounting for this investment, AASB 11 will not have any impact on the amounts recognised in its financial statements.

AASB 12 sets out the required disclosures for entities reporting under the two new standards, AASB 10 and AASB 11, and replaces the disclosure requirements currently found in AASB 127 and AASB 128.

Application of this standard by Council will not affect any of the amounts recognised in the financial statements, but will impact the type of information disclosed in relation to Council's investments.

Amendments to AASB 128 provide clarification that an entity continues to apply the equity method and does not remeasure its retained interest as part of ownership changes where a joint venture becomes an associate, and vice versa.

The amendments also introduce a "partial disposal" concept.

Council is still assessing the impact of these amendments.

Council does not expect to adopt the new standards before their operative date.

They would therefore be first applied in the financial statements for the annual reporting period ending 30 June 2014.

***Revised AASB 119 Employee Benefits, AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) and AASB 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements (effective 1 January 2013)***

This revised standard on accounting for employee benefits requires the recognition of all re-measurements of defined benefit liabilities/assets immediately in other comprehensive income (removal of the so-called 'corridor' method) and the calculation of a net interest expense or income by applying the discount rate to the net defined benefit liability or asset.

This replaces the expected return on plan assets that is currently included in profit or loss.

The standard also introduces a number of additional disclosures for defined benefit liabilities/assets and could affect the timing of the recognition of termination benefits.

## Lithgow City Council

### Notes to the Financial Statements for the financial year ended 30 June 2013

#### Note 1. Summary of Significant Accounting Policies

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The amendments will have to be implemented retrospectively.

Council does not recognise defined benefit assets and liabilities so these changes will not have an impact on its reported results.

#### **Not applicable to Local Government per se;**

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

#### **(ac) Rounding of amounts**

Unless otherwise indicated, amounts in the financial statements have been rounded off to the nearest thousand dollars.

#### **(ad) Comparative Figures**

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

#### **(ae) Disclaimer**

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.



Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 2(a). Council Functions / Activities - Financial Information

Functions/Activities	Income, Expenses and Assets have been directly attributed to the following Functions / Activities. Details of these Functions/Activities are provided in Note 2(b).												
	Income from Continuing Operations			Expenses from Continuing Operations			Operating Result from Continuing Operations			Grants included in Income from Continuing Operations		Total Assets held (Current & Non-current)	
	Original Budget 2013	Actual 2013	Actual 2012	Original Budget 2013	Actual 2013	Actual 2012	Original Budget 2013	Actual 2013	Actual 2012	Actual 2013	Actual 2012	Actual 2013	Actual 2012
Governance	8	10	18	2,050	1,461	1,353	(2,042)	(1,451)	(1,335)	130	977	-	-
Administration	1,026	1,115	1,316	5,692	5,494	4,376	(4,666)	(4,379)	(3,060)	-	-	49,253	34,973
Public Order & Safety	456	285	528	1,156	1,228	1,330	(700)	(943)	(802)	-	-	2,696	2,376
Health	-	-	-	-	-	-	-	-	-	-	-	134	137
Environment	3,594	3,742	3,236	3,726	3,820	3,331	(132)	(78)	(95)	-	-	-	-
Community Services & Education	40	31	72	593	602	625	(553)	(571)	(553)	-	-	14,679	13,655
Housing & Community Amenities	178	209	204	1,747	1,741	1,813	(1,569)	(1,532)	(1,609)	367	-	5,345	5,833
Water Supplies	4,978	9,575	5,429	3,397	6,327	5,628	1,581	3,248	(199)	3,174	247	25,996	24,786
Sewerage Services	6,353	7,029	9,141	2,368	5,631	6,055	3,985	1,398	3,086	367	3,572	56,053	54,652
Recreation & Culture	320	3,441	254	3,930	4,106	4,071	(3,610)	(665)	(3,817)	53	14	38,635	26,059
Mining, Manufacturing & Construction	473	460	408	2,035	1,448	1,490	(1,562)	(988)	(1,082)	-	-	-	-
Transport & Communication	848	5,198	2,427	8,860	4,291	3,928	(8,012)	907	(1,501)	4,824	1,637	201,550	203,942
Economic Affairs	429	409	459	1,091	839	846	(662)	(430)	(387)	8	-	4,131	4,900
<b>Total Functions &amp; Activities</b>	<b>18,703</b>	<b>31,504</b>	<b>23,492</b>	<b>36,645</b>	<b>36,988</b>	<b>34,846</b>	<b>(17,942)</b>	<b>(5,484)</b>	<b>(11,354)</b>	<b>8,923</b>	<b>6,447</b>	<b>398,472</b>	<b>371,313</b>
General Purpose Income <sup>1</sup>	16,377	16,180	16,819	-	-	-	16,377	16,180	16,819	4,745	5,989	-	-
<b>Operating Result from Continuing Operations</b>	<b>35,080</b>	<b>47,684</b>	<b>40,311</b>	<b>36,645</b>	<b>36,988</b>	<b>34,846</b>	<b>(1,565)</b>	<b>10,696</b>	<b>5,465</b>	<b>13,668</b>	<b>12,436</b>	<b>398,472</b>	<b>371,313</b>

1. Includes: Rates & Annual Charges (incl. Ex-Gratia), Untied General Purpose Grants & Unrestricted Interest & Investment Income.

## Lithgow City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 2(b). Council Functions / Activities - Component Descriptions

**Details relating to the Council's functions / activities as reported in Note 2(a) are as follows:**

##### **GOVERNANCE**

Costs relating to the Council's role as a component of democratic government, including elections, members' fees and expenses, subscriptions to local authority associations, meetings of council and policy making committees, area representation and public disclosure and compliance.

##### **ADMINISTRATION**

Corporate Support and Other Support Services (not otherwise attributed to the listed functions / activities).

##### **PUBLIC ORDER & SAFETY**

Fire protection, animal control, beach control, enforcement of local government regulations, emergency services, other.

##### **HEALTH**

Inspection, immunisations, food control, health centres, other, administration.

##### **ENVIRONMENT**

Noxious plants and insect/vermin control, other environmental protection, solid waste management, street cleaning, drainage, stormwater management.

##### **COMMUNITY SERVICES & EDUCATION**

Administration, family day care, child care, youth services, other family and children, aged and disabled, migrant services, Aboriginal services, other community services, education.

##### **HOUSING & COMMUNITY AMENITIES**

Housing, town planning, street lighting, other sanitation and garbage, public cemeteries, public conveniences, other community amenities.

##### **WATER SUPPLIES**

##### **SEWERAGE SERVICES**

##### **RECREATION & CULTURE**

Public libraries, museums, art galleries, community centres, public halls, other cultural services, swimming pools, sporting grounds, parks and gardens (lakes), other sport and recreation.

##### **MINING, MANUFACTURING & CONSTRUCTION**

Building control, abattoirs, quarries & pits, other.

##### **TRANSPORT & COMMUNICATION**

Urban roads, sealed rural roads, unsealed rural roads, bridges, footpaths, aerodromes, parking areas, bus shelters and services, water transport, RTA works, other.

##### **ECONOMIC AFFAIRS**

Camping areas, caravan parks, tourism and area promotion, industrial development promotion, saleyards and markets, real estate development, commercial nurseries, other business undertakings.

## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 3. Income from Continuing Operations

\$ '000	Notes	Actual 2013	Actual 2012
<b>(a) Rates &amp; Annual Charges</b>			
<b>Ordinary Rates</b>			
Residential		5,795	5,537
Farmland		1,332	1,269
Mining		1,859	1,791
Business		1,522	1,464
<b>Total Ordinary Rates</b>		<b>10,508</b>	<b>10,061</b>
<b>Special Rates</b>			
Sewerage Services		5,559	4,872
Parking		222	214
<b>Total Special Rates</b>		<b>5,781</b>	<b>5,086</b>
<b>Annual Charges</b> (pursuant to s.496, s.496A, s.496B, s.501 & s.611)			
Domestic Waste Management Services		3,516	3,062
Stormwater Management Services		236	235
Water Supply Services		1,122	1,241
Sewerage Services		339	318
Gas Mains		21	16
<b>Total Annual Charges</b>		<b>5,234</b>	<b>4,872</b>
<b>TOTAL RATES &amp; ANNUAL CHARGES</b>		<b>21,523</b>	<b>20,019</b>

Council has used the 2010 year valuations provided by the NSW Valuer General in calculating its rates.

## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2013	Actual 2012
<b>(b) User Charges &amp; Fees</b>			
<b>Specific User Charges</b> (per s.502 - Specific "actual use" charges)			
Water Supply Services		4,082	3,695
Trade Waste		116	87
Septic Approval		10	10
Septic Inspections		14	14
<b>Total User Charges</b>		<b>4,222</b>	<b>3,806</b>
<b>Other User Charges &amp; Fees</b>			
<b>(i) Fees &amp; Charges - Statutory &amp; Regulatory Functions</b> (per s.608)			
Planning & Building Regulation		729	654
Private Works - Section 67		151	130
<b>Total Fees &amp; Charges - Statutory/Regulatory</b>		<b>880</b>	<b>784</b>
<b>(ii) Fees &amp; Charges - Other (incl. General User Charges)</b> (per s.608)			
Leaseback Fees - Council Vehicles		148	147
Swimming Centres		77	49
Other		15	13
<b>Total Fees &amp; Charges - Other</b>		<b>240</b>	<b>209</b>
<b>TOTAL USER CHARGES &amp; FEES</b>		<b>5,342</b>	<b>4,799</b>

## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2013	Actual 2012
<b>(c) Interest &amp; Investment Revenue (incl. losses)</b>			
<b>Interest &amp; Dividends</b>			
- Interest on Overdue Rates & Annual Charges (incl. Special Purpose Rates)		111	107
- Interest earned on Investments (interest & coupon payment income)		857	837
- Interest on Deferred Debtors		1	-
<b><u>TOTAL INTEREST &amp; INVESTMENT REVENUE</u></b>		<b><u>969</u></b>	<b><u>944</u></b>
<b>Interest Revenue is attributable to:</b>			
<b>Unrestricted Investments/Financial Assets:</b>			
Overdue Rates & Annual Charges (General Fund)		111	107
General Council Cash & Investments		816	769
<b>Restricted Investments/Funds - External:</b>			
Development Contributions			
- Section 94		42	68
<b><u>Total Interest &amp; Investment Revenue Recognised</u></b>		<b><u>969</u></b>	<b><u>944</u></b>
<b>(d) Other Revenues</b>			
Rental Income - Other Council Properties		451	512
Legal Fees Recovery - Rates & Charges (Extra Charges)		3	2
Esbank House		5	5
Inspections		11	18
Library Charges		23	17
Road Closures		-	12
Sales - Tourism		59	55
Other		36	32
<b><u>TOTAL OTHER REVENUE</u></b>		<b><u>588</u></b>	<b><u>653</u></b>

## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 3. Income from Continuing Operations (continued)

\$ '000	2013 Operating	2012 Operating	2013 Capital	2012 Capital
<b>(e) Grants</b>				
<b>General Purpose (Untied)</b>				
Financial Assistance	4,446	5,682	-	-
Pensioners' Rates Subsidies - General Component	299	307	-	-
<b>Total General Purpose</b>	<b>4,745</b>	<b>5,989</b>	<b>-</b>	<b>-</b>
<b>Specific Purpose</b>				
Pensioners' Rates Subsidies:				
- Water	98	99	-	-
- Sewerage	88	89	-	-
Water Supplies	-	-	3,076	230
Sewerage Services	53	-	226	3,557
Community Centres	-	-	183	14
Economic Development	8	98	-	-
Employment & Training Programs	-	16	-	-
Flood Restoration	-	-	120	150
Heritage & Cultural	23	11	-	-
Library - per capita	64	50	-	-
Library - special projects	-	16	-	-
Recreation & Culture	8	156	22	-
Street Lighting	49	47	-	-
Transport (Roads to Recovery)	560	560	-	-
Transport (Other Roads & Bridges Funding)	-	182	4,215	1,172
Other	130	-	-	-
<b>Total Specific Purpose</b>	<b>1,081</b>	<b>1,324</b>	<b>7,842</b>	<b>5,123</b>
<b>Total Grants</b>	<b>5,826</b>	<b>7,313</b>	<b>7,842</b>	<b>5,123</b>
<b>Grant Revenue is attributable to:</b>				
- Commonwealth Funding	5,014	6,242	3,000	-
- State Funding	745	978	4,493	5,119
- Other Funding	67	93	349	4
	<b>5,826</b>	<b>7,313</b>	<b>7,842</b>	<b>5,123</b>

## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 3. Income from Continuing Operations (continued)

\$ '000	2013 Operating	2012 Operating	2013 Capital	2012 Capital
<b>(f) Contributions</b>				
<b>Developer Contributions:</b>				
<b>(s93 &amp; s94 - EP&amp;A Act, s64 of the LGA):</b>				
S 93F - Contributions using Planning Agreements	-	-	9	69
S 94 - Contributions towards amenities/services	-	-	47	218
S 94A - Fixed Development Consent Levies	-	-	185	-
S 64 - Water Supply Contributions	-	-	20	17
S 64 - Sewerage Service Contributions	-	-	18	15
Other Developer Contributions	-	-	50	-
<b>Total Developer Contributions</b>	<b>-</b>	<b>-</b>	<b>329</b>	<b>319</b>
<b>Other Contributions:</b>				
EPA Fines	-	33	-	-
Events	-	28	-	-
Fire Contribution	300	407	-	-
Hazard Reduction	20	45	-	-
Heritage/Cultural UWS	-	-	2,940	-
Kerb & Gutter	-	-	-	28
Employment	35	29	-	-
Rebates	45	104	-	-
Recreation & Culture	23	1	-	-
Roads & Bridges	41	74	-	-
RMS Contributions (Regional Roads, Block Grant)	407	309	-	-
Sewerage PWD (excl. Section 64 contributions)	-	-	837	-
Tourism	5	28	-	-
Water Supplies PWD(excl. Section 64 contributions)	-	-	501	-
Other	13	8	-	-
<b>Total Other Contributions</b>	<b>889</b>	<b>1,066</b>	<b>4,278</b>	<b>28</b>
<b>Total Contributions</b>	<b>889</b>	<b>1,066</b>	<b>4,607</b>	<b>347</b>
<b>TOTAL GRANTS &amp; CONTRIBUTIONS</b>	<b>6,715</b>	<b>8,379</b>	<b>12,449</b>	<b>5,470</b>

## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 3. Income from Continuing Operations (continued)

\$ '000	Actual 2013	Actual 2012
<b>(g) Restrictions relating to Grants and Contributions</b>		
<b>Certain grants &amp; contributions are obtained by Council on condition that they be spent in a specified manner:</b>		
Unexpended at the Close of the Previous Reporting Period	1,616	2,275
<b>add:</b> Grants & contributions recognised in the current period but not yet spent:	3,374	239
<b>less:</b> Grants & contributions recognised in a previous reporting period now spent:	(210)	(898)
<b>Net Increase (Decrease) in Restricted Assets during the Period</b>	<b>3,164</b>	<b>(659)</b>
<b>Unexpended and held as Restricted Assets</b>	<b>4,780</b>	<b>1,616</b>
<b>Comprising:</b>		
- Specific Purpose Unexpended Grants	3,417	527
- Developer Contributions	1,347	1,063
- Other Contributions	16	26
	<b>4,780</b>	<b>1,616</b>



## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 4. Expenses from Continuing Operations

\$ '000	Notes	Actual 2013	Actual 2012
<b>(a) Employee Benefits &amp; On-Costs</b>			
Salaries and Wages		10,594	10,293
Employee Leave Entitlements (ELE)		2,139	1,902
Superannuation		1,520	1,225
Workers' Compensation Insurance		885	254
Fringe Benefit Tax (FBT)		17	36
Payroll Tax		102	83
Training Costs (other than Salaries & Wages)		252	210
Employee Medicals		15	12
Central West Group Apprentices		82	72
<b>Total Employee Costs</b>		<b>15,606</b>	<b>14,087</b>
less: Capitalised Costs		(1,176)	(860)
<b>TOTAL EMPLOYEE COSTS EXPENSED</b>		<b>14,430</b>	<b>13,227</b>
Number of "Equivalent Full Time" Employees at year end		180	182
<b>(b) Borrowing Costs</b>			
<b>(i) Interest Bearing Liability Costs</b>			
Interest on Overdraft		2	3
Interest on Loans		1,081	1,102
<b>Total Interest Bearing Liability Costs Expensed</b>		<b>1,083</b>	<b>1,105</b>
<b>(ii) Other Borrowing Costs</b>			
Discount adjustments relating to movements in Provisions (other than ELE)			
- Remediation Liabilities	26	297	342
Interest applicable on Interest Free (& favourable) Loans to Council		192	233
<b>Total Other Borrowing Costs</b>		<b>489</b>	<b>575</b>
<b>TOTAL BORROWING COSTS EXPENSED</b>		<b>1,572</b>	<b>1,680</b>

## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2013	Actual 2012
<b>(c) Materials &amp; Contracts</b>			
Raw Materials & Consumables		8,487	8,283
Contractor & Consultancy Costs		108	41
Auditors Remuneration <sup>(1)</sup>		52	43
Legal Expenses:			
- Legal Expenses: Planning & Development		19	30
- Legal Expenses: Other		70	114
- Operating Lease Rentals: Cancellable		-	20
<b>TOTAL MATERIALS &amp; CONTRACTS</b>		<b>8,736</b>	<b>8,531</b>
<b>1. Auditor Remuneration</b>			
During the year, the following fees were incurred for services provided by the Council's Auditor (& the Auditors of other Consolidated Entities):			
<b>(i) Audit and Other Assurance Services</b>			
- Audit & review of financial statements: Council's Auditor		52	43
<b>Total Auditor Remuneration</b>		<b>52</b>	<b>43</b>

\$ '000	Notes	Depreciation/Amortisation Actual 2013	Actual 2012
<b>(d) Depreciation &amp; Amortisation</b>			
Plant and Equipment		966	892
Office Equipment		164	132
Furniture & Fittings		3	2
Buildings - Specialised		2,112	2,373
Other Structures		335	335
Infrastructure:			
- Roads, Bridges & Footpaths		2,307	2,295
- Stormwater Drainage		427	426
- Water Supply Network		1,058	1,036
- Sewerage Network		1,021	1,006
Other Assets			
- Library Books		48	30
Asset Reinstatement Costs	9 & 26	168	168
<b>Total Depreciation &amp; Impairment Costs</b>		<b>8,609</b>	<b>8,695</b>
less: Capitalised Costs		(523)	(448)
<b>TOTAL DEPRECIATION COSTS EXPENSED</b>		<b>8,086</b>	<b>8,247</b>

## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2013	Actual 2012
<b>(e) Other Expenses</b>			
Other Expenses for the year include the following:			
Advertising		92	100
Bank Charges		111	105
Commissions		14	13
Councillor Expenses - Mayoral Fee		31	51
Councillor Expenses - Councillors' Fees		71	72
Councillors' Expenses (incl. Mayor) - Other (excluding fees above)		24	12
Donations, Contributions & Assistance to other organisations (Section 356)		125	134
- Contributions Portland Pool		30	30
- Contributions Emergency Services		435	395
- Contributions Weeds Inspections		160	154
Election Expenses		101	-
Electricity & Heating		685	548
Insurance		1,299	1,187
Office Expenses (including computer expenses)		98	124
Postage		78	70
Printing & Stationery		34	28
Street Lighting		448	401
Subscriptions & Publications		63	54
Telephone & Communications		179	179
Valuation Fees		73	68
Other		13	8
<b><u>TOTAL OTHER EXPENSES</u></b>		<b><u>4,164</u></b>	<b><u>3,733</u></b>

## Note 5. Gains or Losses from the Disposal of Assets

<b>Plant &amp; Equipment</b>			
Proceeds from Disposal - Plant & Equipment		371	213
less: Carrying Amount of P&E Assets Sold / Written Off		(273)	(167)
<b>Net Gain/(Loss) on Disposal</b>		<b>98</b>	<b>46</b>
<b>Financial Assets*</b>			
Proceeds from Disposal / Redemptions / Maturities - Financial Assets		20,812	18,144
less: Carrying Amount of Financial Assets Sold / Redeemed / Matured		(20,812)	(18,144)
<b>Net Gain/(Loss) on Disposal</b>		<b>-</b>	<b>-</b>
<b><u>NET GAIN/(LOSS) ON DISPOSAL OF ASSETS</u></b>		<b><u>98</u></b>	<b><u>46</u></b>

## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 6a. - Cash Assets and Note 6b. - Investments

\$ '000	Notes	2013 Actual Current	2013 Actual Non Current	2012 Actual Current	2012 Actual Non Current
<b>Cash &amp; Cash Equivalents (Note 6a)</b>					
Cash on Hand and at Bank		90	-	833	-
Cash-Equivalent Assets <sup>1</sup>					
- Deposits at Call		1,711	-	1,185	-
- Short Term Deposits		19,011	-	8,517	-
<b>Total Cash &amp; Cash Equivalents</b>		<b>20,812</b>	<b>-</b>	<b>10,535</b>	<b>-</b>
<b>Investments (Note 6b)</b>					
- Long Term Deposits		2,833	-	8,310	-
<b>Total Investments</b>		<b>2,833</b>	<b>-</b>	<b>8,310</b>	<b>-</b>
<b>TOTAL CASH ASSETS, CASH EQUIVALENTS &amp; INVESTMENTS</b>		<b>23,645</b>	<b>-</b>	<b>18,845</b>	<b>-</b>
<sup>1</sup> Those Investments where time to maturity (from date of purchase) is < 3 mths.					
<b>Cash, Cash Equivalents &amp; Investments were classified at year end in accordance with AASB 139 as follows:</b>					
<b>Cash &amp; Cash Equivalents</b>					
a. "At Fair Value through the Profit & Loss"		20,812	-	10,535	-
<b>Investments</b>					
b. "Held to Maturity" Investments	6(b-ii)	2,833	-	8,310	-
		2,833	-	8,310	-
<b>Note 6(b-i)</b>					
Additions		36,147	-	-	-
Disposals (sales & redemptions)		(36,147)	-	-	-
<b>Balance at End of Year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Note 6(b-ii)</b>					
<b>Reconciliation of Investments classified as "Held to Maturity"</b>					
Balance at the Beginning of the Year		8,310	-	2,409	-
Additions		(20,812)	-	(36,288)	-
Disposals (sales & redemptions)		15,335	-	42,189	-
<b>Balance at End of Year</b>		<b>2,833</b>	<b>-</b>	<b>8,310</b>	<b>-</b>
<b>Comprising:</b>					
- Other Long Term Financial Assets		2,833	-	8,310	-
<b>Total</b>		<b>2,833</b>	<b>-</b>	<b>8,310</b>	<b>-</b>

## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 6c. Restricted Cash, Cash Equivalents &amp; Investments - Details

\$ '000	2013	2013	2012	2012
	Actual Current	Actual Non Current	Actual Current	Actual Non Current
<b>Total Cash, Cash Equivalents and Investments</b>	<b>23,645</b>	<b>-</b>	<b>18,845</b>	<b>-</b>
<b>attributable to:</b>				
External Restrictions (refer below)	11,370	-	7,001	-
Internal Restrictions (refer below)	11,194	-	8,452	-
Unrestricted	1,081	-	3,392	-
	<b>23,645</b>	<b>-</b>	<b>18,845</b>	<b>-</b>

2013 \$ '000	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
-----------------	--------------------	------------------------------	--------------------------------	--------------------

## Details of Restrictions

**External Restrictions - Included in Liabilities**

Specific Purpose Unexpended Loans-General (A)	1,393	-	(238)	1,155
Specific Purpose Unexpended Loans-Sewer (A)	595	-	(284)	311
<b>External Restrictions - Included in Liabilities</b>	<b>1,988</b>	<b>-</b>	<b>(522)</b>	<b>1,466</b>

**External Restrictions - Other**

Developer Contributions - General (D)	1,063	284	-	1,347
RMS (formerly RTA) Contributions (E)	26	-	(10)	16
Specific Purpose Unexpended Grants (F)	442	1,290	-	1,732
Specific Purpose Unexpended Grants-Water Fund (F)	2	1,683	-	1,685
Specific Purpose Unexpended Grants-Sewer Fund (F)	83	-	(83)	-
Water Supplies (G)	2,317	161	-	2,478
Sewerage Services (G)	-	678	-	678
Domestic Waste Management (G)	1,080	930	(42)	1,968
<b>External Restrictions - Other</b>	<b>5,013</b>	<b>5,026</b>	<b>(135)</b>	<b>9,904</b>
<b>Total External Restrictions</b>	<b>7,001</b>	<b>5,026</b>	<b>(657)</b>	<b>11,370</b>

- A** Loan moneys which must be applied for the purposes for which the loans were raised.
- D** Development contributions which are not yet expended for the provision of services and amenities in accordance with contributions plans (refer Note 17).
- E** RMS Contributions which are not yet expended for the provision of services and amenities in accordance with those contributions.
- F** Grants which are not yet expended for the purposes for which the grants were obtained. (refer Note 1)
- G** Water, Sewerage, Domestic Waste Management (DWM) & other Special Rates/Levies/Charges are externally restricted assets and must be applied for the purposes for which they were raised.

## Lithgow City Council

Notes to the Financial Statements  
for the financial year ended 30 June 2013

## Note 6c. Restricted Cash, Cash Equivalents &amp; Investments - Details (continued)

2013 \$ '000	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
<b>Internal Restrictions</b>				
Plant & Vehicle Replacement	315	260	-	575
Employees Leave Entitlement	1,296	179	-	1,475
Deposits, Retentions & Bonds	734	-	(47)	687
Depot Fuel Browsers	415	-	(415)	-
Election	113	50	(101)	62
Land & Building	687	911	(480)	1,118
Works in Progress	4,892	5,838	(3,453)	7,277
<b>Total Internal Restrictions</b>	<b>8,452</b>	<b>7,238</b>	<b>(4,496)</b>	<b>11,194</b>
<b>TOTAL RESTRICTIONS</b>	<b>15,453</b>	<b>12,264</b>	<b>(5,153)</b>	<b>22,564</b>

## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 7. Receivables

\$ '000	Notes	2013		2012	
		Current	Non Current	Current	Non Current
<b>Purpose</b>					
Rates & Annual Charges		828	-	778	-
Interest & Extra Charges		219	-	212	-
User Charges & Fees		604	-	658	-
Accrued Revenues					
- Interest on Investments		74	-	173	-
Government Grants & Subsidies		767	-	1,509	-
Net GST Receivable		357	-	69	-
Other Debtors		266	-	319	-
<b>Total</b>		<b>3,115</b>	<b>-</b>	<b>3,718</b>	<b>-</b>
<b>less: Provision for Impairment</b>					
User Charges & Fees		(11)	-	(11)	-
<b>Total Provision for Impairment - Receivables</b>		<b>(11)</b>	<b>-</b>	<b>(11)</b>	<b>-</b>
<b><u>TOTAL NET RECEIVABLES</u></b>		<b><u>3,104</u></b>	<b><u>-</u></b>	<b><u>3,707</u></b>	<b><u>-</u></b>
<b>Externally Restricted Receivables</b>					
<b>Water Supply</b>					
- Specific Purpose Grants		304	-	213	-
- Rates & Availability Charges		634	-	682	-
- Other		3	-	11	-
<b>Sewerage Services</b>					
- Specific Purpose Grants		38	-	263	-
- Rates & Availability Charges		247	-	220	-
- Other		10	-	13	-
<b>Total External Restrictions</b>		<b>1,236</b>	<b>-</b>	<b>1,402</b>	<b>-</b>
<b>Internally Restricted Receivables</b>					
Nil					
<b>Unrestricted Receivables</b>		<b>1,868</b>	<b>-</b>	<b>2,305</b>	<b>-</b>
<b><u>TOTAL NET RECEIVABLES</u></b>		<b><u>3,104</u></b>	<b><u>-</u></b>	<b><u>3,707</u></b>	<b><u>-</u></b>

**Notes on Debtors above:**

- (i) Rates & Annual Charges Outstanding are secured against the property.
- (ii) Doubtful Rates Debtors are provided for where the value of the property is less than the debt outstanding. An allowance for other doubtful debts is made when there is objective evidence that a receivable is impaired.
- (iii) Interest was charged on overdue rates & charges at 10.00% (2012 11.00%). Generally all other receivables are non interest bearing.
- (iv) Please refer to Note 15 for issues concerning Credit Risk and Fair Value disclosures.

## Lithgow City Council

Notes to the Financial Statements  
for the financial year ended 30 June 2013

## Note 8. Inventories &amp; Other Assets

\$ '000	Notes	2013		2012	
		Current	Non Current	Current	Non Current
<b>Inventories</b>					
Real Estate for resale (refer below)		-	738		738
Stores & Materials		514	-	331	-
<b>Total Inventories</b>		<b>514</b>	<b>738</b>	<b>331</b>	<b>738</b>
<b>Other Assets</b>					
Prepayments		181	-	175	-
<b>Total Other Assets</b>		<b>181</b>	<b>-</b>	<b>175</b>	<b>-</b>
<b>TOTAL INVENTORIES / OTHER ASSETS</b>		<b>695</b>	<b>738</b>	<b>506</b>	<b>738</b>
<b>Externally Restricted Assets</b>					
<b>Water</b>					
Stores & Materials		129	-	113	-
<b>Total Water</b>		<b>129</b>	<b>-</b>	<b>113</b>	<b>-</b>
<b>Sewerage</b>					
Stores & Materials		19	-	14	-
<b>Total Sewerage</b>		<b>19</b>	<b>-</b>	<b>14</b>	<b>-</b>
<b>Total Externally Restricted Assets</b>		<b>148</b>	<b>-</b>	<b>127</b>	<b>-</b>
<b>Total Unrestricted Assets</b>		<b>547</b>	<b>738</b>	<b>379</b>	<b>738</b>
<b>TOTAL INVENTORIES &amp; OTHER ASSETS</b>		<b>695</b>	<b>738</b>	<b>506</b>	<b>738</b>
(i) Other Disclosures					
<b>(a) Details for Real Estate Development</b>					
Residential		-	738	-	738
<b>Total Real Estate for Resale</b>		<b>-</b>	<b>738</b>	<b>-</b>	<b>738</b>
(Valued at the lower of cost and net realisable value)					
<b>Represented by:</b>					
Acquisition Costs		-	738	-	738
<b>Total Costs</b>		<b>-</b>	<b>738</b>	<b>-</b>	<b>738</b>
<b>Total Real Estate for Resale</b>		<b>-</b>	<b>738</b>	<b>-</b>	<b>738</b>
<b>Movements:</b>					
Real Estate assets at beginning of the year		-	738	-	738
<b>Total Real Estate for Resale</b>		<b>-</b>	<b>738</b>	<b>-</b>	<b>738</b>



Notes to the Financial Statements  
for the financial year ended 30 June 2013

Note 9a. Infrastructure, Property, Plant & Equipment

\$ '000	as at 30/6/2012				Asset Movements during the Reporting Period				as at 30/6/2013			
	At	At	Accum	Carrying	Asset Additions	WDV of Asset Disposals	Depreciation Expense	Revaluation Increments to Equity (ARR)	At	At	Accum	Carrying
	Cost	Fair Value	Dep'n	Value					Cost	Fair Value	Dep'n	Value
Plant & Equipment	-	17,507	13,886	3,621	1,232	(273)	(966)	-	-	18,466	14,852	3,614
Office Equipment	-	3,498	2,913	585	121	-	(164)	-	-	3,619	3,077	542
Furniture & Fittings	-	260	249	11	9	-	(3)	-	-	269	252	17
<b>Land:</b>												
- Operational Land	-	5,678	-	5,678	157	-	-	1,886	-	7,721	-	7,721
- Community Land	-	14,679	-	14,679	-	-	-	-	-	14,679	-	14,679
Buildings - Specialised	-	78,296	40,272	38,024	5,269	-	(2,112)	13,217	-	106,431	52,033	54,398
Other Structures	-	13,844	8,632	5,212	119	-	(335)	-	-	13,963	8,967	4,996
<b>Infrastructure:</b>												
- Roads, Bridges, Footpaths	-	213,038	62,742	150,296	3,635	-	(2,307)	-	-	216,673	65,049	151,624
- Bulk Earthworks (non-depreciable)	-	30,694	-	30,694	1,159	-	-	-	-	31,853	-	31,853
- Stormwater Drainage	-	34,363	17,926	16,437	107	-	(427)	-	-	34,470	18,353	16,117
- Water Supply Network	-	79,358	54,572	24,786	1,676	-	(1,058)	590	-	83,015	57,021	25,994
- Sewerage Network	-	92,929	38,277	54,652	1,082	-	(1,021)	1,340	-	96,333	40,280	56,053
<b>Other Assets:</b>												
- Library Books	-	743	553	190	56	-	(48)	-	-	799	601	198
<b>Reinstatement, Rehabilitation &amp; Restoration Assets (refer Note 26)</b>												
- Tip Assets	-	3,996	1,344	2,652	-	-	(168)	-	-	3,996	1,512	2,484
<b>TOTAL INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIP.</b>	<b>-</b>	<b>588,883</b>	<b>241,366</b>	<b>347,517</b>	<b>14,622</b>	<b>(273)</b>	<b>(8,609)</b>	<b>17,033</b>	<b>-</b>	<b>632,287</b>	<b>261,997</b>	<b>370,290</b>

Additions to Depreciable Land Improvements, Buildings, Other Structures & Infrastructure Assets are made up of Asset Renewals and New Assets  
Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

## Lithgow City Council

Notes to the Financial Statements  
for the financial year ended 30 June 2013

## Note 9b. Externally Restricted Infrastructure, Property, Plant &amp; Equipment

\$ '000 Class of Asset	Actual 2013				Actual 2012			
	At Cost	At Fair Value	A/Dep & Impairm't	Carrying Value	At Cost	At Fair Value	A/Dep & Impairm't	Carrying Value
<b>Water Supply</b>								
Plant & Equipment	-	1,705	1,704	1	-	1,705	1,704	1
Office Equipment	-	56	55	1	-	56	55	1
Infrastructure	-	83,015	57,021	<b>25,994</b>	-	79,358	54,572	<b>24,786</b>
<b>Total Water Supply</b>	-	<b>84,776</b>	<b>58,780</b>	<b>25,996</b>	-	<b>81,119</b>	<b>56,331</b>	<b>24,788</b>
<b>Sewerage Services</b>								
Plant & Equipment	-	151	150	1	-	151	149	2
Office Equipment	-	8	7	1	-	8	7	1
Infrastructure	-	96,333	40,280	<b>56,053</b>	-	92,929	38,277	<b>54,652</b>
<b>Total Sewerage Services</b>	-	<b>96,492</b>	<b>40,437</b>	<b>56,055</b>	-	<b>93,088</b>	<b>38,433</b>	<b>54,655</b>
<b>Domestic Waste Management</b>								
Land								
- Operational Land'	-	706	-	<b>706</b>	-	549	-	<b>549</b>
- Community Land	-	210	-	<b>210</b>	-	210	-	<b>210</b>
<b>Total DWM</b>	-	<b>916</b>	-	<b>916</b>	-	<b>759</b>	-	<b>759</b>
<b>TOTAL RESTRICTED I,PP&amp;E</b>	-	<b>182,184</b>	<b>99,217</b>	<b>82,967</b>	-	<b>174,966</b>	<b>94,764</b>	<b>80,202</b>

## Note 9c. Infrastructure, Property, Plant &amp; Equipment - Current Year Impairments

Council has recognised no impairment losses during the reporting period nor reversed any prior period losses.

## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 10a. Payables, Borrowings &amp; Provisions

\$ '000	Notes	2013		2012	
		Current	Non Current	Current	Non Current
<b>Payables</b>					
Goods & Services - operating expenditure		2,823	-	1,994	-
Accrued Expenses:					
- Borrowings		17	-	17	-
Advances		521	-	468	-
Security Bonds, Deposits & Retentions		701	-	787	-
ATO - Net GST Payable		65	-	-	-
Department of Public Works		-	-	-	1,338
<b>Total Payables</b>		<b>4,127</b>	<b>-</b>	<b>3,266</b>	<b>1,338</b>
<b>Borrowings</b>					
Loans - Secured <sup>1</sup>		988	16,973	901	18,010
<b>Total Borrowings</b>		<b>988</b>	<b>16,973</b>	<b>901</b>	<b>18,010</b>
<b>Provisions</b>					
<b>Employee Benefits;</b>					
Annual Leave		1,353	-	1,213	-
Long Service Leave		2,700	-	2,281	-
Sub Total - Aggregate Employee Benefits		4,053	-	3,494	-
Asset Remediation/Restoration (Future Works)	26	-	11,125	-	10,827
<b>Total Provisions</b>		<b>4,053</b>	<b>11,125</b>	<b>3,494</b>	<b>10,827</b>
<b>Total Payables, Borrowings &amp; Provisions</b>		<b>9,168</b>	<b>28,098</b>	<b>7,661</b>	<b>30,175</b>
 (i) Liabilities relating to Restricted Assets					
		2013		2012	
		Current	Non Current	Current	Non Current
<b>Externally Restricted Assets</b>					
Water		544	1,619	338	2,562
Sewer		1,435	9,545	1,684	10,518
Liabilities relating to externally restricted assets		1,979	11,164	2,022	13,080
Nil					
<b>Total Liabilities relating to restricted assets</b>		<b>1,979</b>	<b>11,164</b>	<b>2,022</b>	<b>13,080</b>
<b>Total Liabilities relating to Unrestricted Assets</b>		<b>7,189</b>	<b>16,934</b>	<b>5,639</b>	<b>17,095</b>
<b>TOTAL PAYABLES, BORROWINGS &amp; PROVISIONS</b>		<b>9,168</b>	<b>28,098</b>	<b>7,661</b>	<b>30,175</b>

<sup>1</sup>. Loans are secured over the General Rating Income of Council

Disclosures on Liability Interest Rate Risk Exposures, Fair Value Disclosures & Security can be found in Note 15.

## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 10a. Payables, Borrowings &amp; Provisions (continued)

\$ '000	Actual 2013	Actual 2012
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## (ii) Current Liabilities not anticipated to be settled within the next 12 months

The following Liabilities, even though classified as current, are not expected to be settled in the next 12 months.

Provisions - Employees Benefits	2,975	2,554
	<u>2,975</u>	<u>2,554</u>

## Note 10b. Description of and movements in Provisions

Class of Provision	2012		2013			Closing Balance as at 30/6/13
	Opening Balance as at 1/7/12	Additional Provisions	Decrease due to Payments	Remeasurement effects due to Discounting	Unused amounts reversed	
Annual Leave	1,213	893	(783)	30	-	1,353
Long Service Leave	2,281	638	(244)	25	-	2,700
Asset Remediation	10,827	127	-	171	-	11,125
<b>TOTAL</b>	<b>14,321</b>	<b>1,658</b>	<b>(1,027)</b>	<b>226</b>	<b>-</b>	<b>15,178</b>

- a. Employees Leave Entitlements & On-Costs represents those benefits accrued and payable and an estimate of those that will become payable in the future as a result of past service.
- b. Asset Remediation, Reinstatement & Restoration Provisions represent the Present Value estimate of future costs Council will incur in order to remove, restore & remediate assets &/or activities as a result of past operations.

## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 11. Statement of Cash Flows - Additional Information

\$ '000	Notes	Actual 2013	Actual 2012
<b>(a) Reconciliation of Cash Assets</b>			
Total Cash & Cash Equivalent Assets	6a	20,812	10,535
<b>BALANCE as per the STATEMENT of CASH FLOWS</b>		<b>20,812</b>	<b>10,535</b>
<b>(b) Reconciliation of Net Operating Result to Cash provided from Operating Activities</b>			
<b>Net Operating Result from Income Statement</b>		<b>10,696</b>	<b>4,892</b>
<b>Adjust for non cash items:</b>			
Depreciation & Amortisation		8,086	9,096
Net Losses/(Gains) on Disposal of Assets		(98)	(46)
Non Cash Capital Grants and Contributions		(4,277)	-
Amortisation of Premiums, Discounts & Prior Period Fair Valuations			
- Interest Exp. on Interest Free Loans received by Council (previously Fair Valued		192	233
Unwinding of Discount Rates on Reinstatement Provisions		297	341
<b>+/- Movement in Operating Assets and Liabilities &amp; Other Cash Items:</b>			
Decrease/(Increase) in Receivables		603	(100)
Increase/(Decrease) in Provision for Doubtful Debts		-	(1)
Decrease/(Increase) in Inventories		(183)	52
Decrease/(Increase) in Other Assets		(6)	(78)
Increase/(Decrease) in Payables		830	(1,310)
Increase/(Decrease) in accrued Interest Payable		-	2
Increase/(Decrease) in Other Liabilities (Exc PWD)		32	(39)
Increase/(Decrease) in Employee Leave Entitlements		559	276
Increase/(Decrease) in Other Provisions		-	(849)
<b>NET CASH PROVIDED FROM/(USED IN) OPERATING ACTIVITIES from the STATEMENT of CASH FLOWS</b>		<b>16,731</b>	<b>12,469</b>
<b>(c) Non-Cash Investing &amp; Financing Activities</b>			
Other Non Cash Items: Hoskins Bld UWS		2,939	-
Other Non Cash Items: PWD Past Yrs		1,338	-
<b>Total Non-Cash Investing &amp; Financing Activities</b>		<b>4,277</b>	<b>-</b>
<b>(d) Financing Arrangements</b>			
<b>(i) Unrestricted access was available at balance date to the following lines of credit:</b>			
Bank Overdraft Facilities <sup>(1)</sup>		500	500
Credit Cards / Purchase Cards		25	20
<b>Total Financing Arrangements</b>		<b>525</b>	<b>520</b>

1. The Bank overdraft facility may be drawn at any time and may be terminated by the bank without notice. Interest rates on overdrafts are Interest Rates on Loans & Other Payables are disclosed in Note 15.

## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 12. Commitments for Expenditure

\$ '000	Notes	Actual 2013	Actual 2012
<b>(a) Capital Commitments (exclusive of GST)</b>			
Nil			
<b>(b) Finance Lease Commitments</b>			
Nil			
<b>(c) Operating Lease Commitments (Non Cancellable)</b>			
<b>a. Commitments under Non Cancellable Operating Leases at the Reporting date, but not recognised as Liabilities are payable:</b>			
Within the next year		65	68
Later than one year and not later than 5 years		28	66
<b>Total Non Cancellable Operating Lease Commitments</b>		<b>93</b>	<b>134</b>

**b. Non Cancellable Operating Leases include the following assets:**

Motor Vehicles, Heavy Plant, Office Rentals.....

Contingent Rentals may be payable depending on the condition of items or usage during the lease term.

**Conditions relating to Operating Leases:**

- All Operating Lease Agreements are secured only against the Leased Asset.
- No Lease Agreements impose any financial restrictions on Council regarding future debt etc.

**(d) Investment Property Commitments**

Nil

## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 13a(i). Statement of Performance Measurement - Indicators (Consolidated)

\$ '000	Amounts	Indicator	Prior Periods	
	2013	2013	2012	2011
<b>Local Government Industry Indicators - Consolidated</b>				
<b>1. Unrestricted Current Ratio</b>				
Current Assets less all External Restrictions <sup>(1)</sup>	<u>14,690</u>	<b>3.49 : 1</b>	4.83 : 1	2.07:1
Current Liabilities less Specific Purpose Liabilities <sup>(2,3)</sup>	<u>4,214</u>			
<b>2. Debt Service Ratio</b>				
Debt Service Cost	<u>2,033</u>	<b>6.11%</b>	7.53%	6.25%
Income from Continuing Operations (excl. Capital Items & Specific Purpose Grants/Contributions)	<u>33,265</u>			
<b>3. Rates &amp; Annual Charges Coverage Ratio</b>				
Rates & Annual Charges	<u>21,523</u>	<b>45.14%</b>	49.66%	47.94%
Income from Continuing Operations	<u>47,684</u>			
<b>4. Rates, Annual Charges, Interest &amp; Extra Charges Outstanding Percentage</b>				
Rates, Annual & Extra Charges Outstanding	<u>1,047</u>	<b>4.63%</b>	4.70%	4.58%
Rates, Annual & Extra Charges Collectible	<u>22,627</u>			
<b>5. Building &amp; Infrastructure Renewals Ratio</b>				
Asset Renewals <sup>(4)</sup>	<u>13,047</u>	<b>188.40%</b>	140.82%	332.09%
Depreciation, Amortisation & Impairment	<u>6,925</u>			

## Notes

<sup>(1)</sup> Refer Notes 6-8 inclusive.

Also excludes any Real Estate &amp; Land for resale not expected to be sold in the next 12 months

<sup>(2)</sup> Refer to Note 10(a).<sup>(3)</sup> Refer to Note 10(a)(ii) - excludes all payables & provisions not expected to be paid in the next 12 months (incl. ELE).<sup>(4)</sup> Asset Renewals represent the replacement &/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance. Asset Renewals include building and infrastructure assets only.

# Lithgow City Council

## Notes to the Financial Statements for the financial year ended 30 June 2013

### Note 13a(ii). Local Government Industry Indicators - Graphs (Consolidated)

<p><b>1. Unrestricted Current Ratio</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio : 1</th> </tr> </thead> <tbody> <tr> <td>2010</td> <td>3.94</td> </tr> <tr> <td>2011</td> <td>2.07</td> </tr> <tr> <td>2012</td> <td>4.83</td> </tr> <tr> <td>2013</td> <td>3.49</td> </tr> </tbody> </table>	Year	Ratio : 1	2010	3.94	2011	2.07	2012	4.83	2013	3.49	<p><b>Purpose of Unrestricted Current Ratio</b></p> <p>To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.</p>	<p><b>Commentary on 2012/13 Result</b></p> <p><b>2012/13 Ratio 3.49 : 1</b></p> <p>The ratio remains constant to the previous year</p>
Year	Ratio : 1											
2010	3.94											
2011	2.07											
2012	4.83											
2013	3.49											
<p><b>2. Debt Service Ratio</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2010</td> <td>2.88%</td> </tr> <tr> <td>2011</td> <td>6.25%</td> </tr> <tr> <td>2012</td> <td>7.53%</td> </tr> <tr> <td>2013</td> <td>6.11%</td> </tr> </tbody> </table>	Year	Ratio %	2010	2.88%	2011	6.25%	2012	7.53%	2013	6.11%	<p><b>Purpose of Debt Service Ratio</b></p> <p>To assess the impact of loan principal &amp; interest repayments on the discretionary revenue of council.</p>	<p><b>Commentary on 2012/13 Result</b></p> <p><b>2012/13 Ratio 6.11%</b></p> <p>The ratio reflects the repayment of debt in 12/13. No loans drawdown</p>
Year	Ratio %											
2010	2.88%											
2011	6.25%											
2012	7.53%											
2013	6.11%											
<p><b>3. Rates &amp; Annual Charges Coverage Ratio</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2010</td> <td>48.72%</td> </tr> <tr> <td>2011</td> <td>47.94%</td> </tr> <tr> <td>2012</td> <td>49.66%</td> </tr> <tr> <td>2013</td> <td>45.14%</td> </tr> </tbody> </table>	Year	Ratio %	2010	48.72%	2011	47.94%	2012	49.66%	2013	45.14%	<p><b>Purpose of Rates &amp; Annual Charges Coverage Ratio</b></p> <p>To assess the degree of Council's dependence upon revenue from rates and annual charges and to assess the security of Council's income.</p>	<p><b>Commentary on 2012/13 Result</b></p> <p><b>2012/13 Ratio 45.14%</b></p> <p>The ratio has remains constant from 2009</p>
Year	Ratio %											
2010	48.72%											
2011	47.94%											
2012	49.66%											
2013	45.14%											
<p><b>4. Rates, Annual Charges, Interest &amp; Extra Charges Outstanding Percentage</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2010</td> <td>4.64%</td> </tr> <tr> <td>2011</td> <td>4.58%</td> </tr> <tr> <td>2012</td> <td>4.70%</td> </tr> <tr> <td>2013</td> <td>4.63%</td> </tr> </tbody> </table>	Year	Ratio %	2010	4.64%	2011	4.58%	2012	4.70%	2013	4.63%	<p><b>Purpose of Rates &amp; Annual Charges Outstanding Ratio</b></p> <p>To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.</p>	<p><b>Commentary on 2012/13 Result</b></p> <p><b>2012/13 Ratio 4.63%</b></p> <p>The ration has remaind constant over the past four financial years due to a concentrated debt recovery process.</p>
Year	Ratio %											
2010	4.64%											
2011	4.58%											
2012	4.70%											
2013	4.63%											
<p><b>5. Building &amp; Infrastructure Renewals Ratio</b></p> <table border="1"> <thead> <tr> <th>Year</th> <th>Ratio %</th> </tr> </thead> <tbody> <tr> <td>2010</td> <td>308.00%</td> </tr> <tr> <td>2011</td> <td>332.09%</td> </tr> <tr> <td>2012</td> <td>140.82%</td> </tr> <tr> <td>2013</td> <td>188.40%</td> </tr> </tbody> </table>	Year	Ratio %	2010	308.00%	2011	332.09%	2012	140.82%	2013	188.40%	<p><b>Purpose of Asset Renewals Ratio</b></p> <p>To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.</p>	<p><b>Commentary on 2012/13 Result</b></p> <p><b>2012/13 Ratio 188.40%</b></p> <p>In 2009/10 &amp; 2010/11 Council commenced major upgrades to the Lithgow &amp; Wallerawang Sewerage Treatment Plants and in the following years Management Plans ensured continual upgrades to assets above annual depreciation each year. This is reflected in the ratios.</p>
Year	Ratio %											
2010	308.00%											
2011	332.09%											
2012	140.82%											
2013	188.40%											



## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 13b. Statement of Performance Measurement - Indicators (by Fund)

\$ '000	Water 2013	Sewer 2013	General <sup>1</sup> 2013
<b>Local Government Industry Indicators - by Fund</b>			
<b>1. Unrestricted Current Ratio</b>			
Current Assets less all External Restrictions <sup>(1)</sup>	<b>6.52 : 1</b>	<b>0.69 : 1</b>	<b>3.49 : 1</b>
Current Liabilities less Specific Purpose Liabilities <sup>(2,3)</sup>			
prior period:	9.87:1	0.33 : 1	4.83 : 1
<b>2. Debt Service Ratio</b>			
Debt Service Cost	<b>3.93%</b>	<b>23.52%</b>	<b>1.54%</b>
Income from Continuing Operations (excl. Capital Items & Specific Purpose Grants/Contributions)			
prior period:	4.07%	24.32%	4.05%
<b>3. Rates &amp; Annual Charges Coverage Ratio</b>			
Rates & Annual Charges	<b>11.72%</b>	<b>79.83%</b>	<b>47.59%</b>
Income from Continuing Operations			
prior period:	22.33%	53.95%	54.26%
<b>4. Rates, Annual Charges, Interest &amp; Extra Charges Outstanding Percentage</b>			
Rates, Annual & Extra Charges Outstanding	<b>34.53%</b>	<b>4.24%</b>	<b>1.11%</b>
Rates, Annual & Extra Charges Collectible			
prior period:	38.10%	4.31%	0.62%
<b>5. Building &amp; Infrastructure Renewals Ratio</b>			
Asset Renewals (Building & Infrastructure assets)	<b>158.41%</b>	<b>105.97%</b>	<b>212.32%</b>
Depreciation, Amortisation & Impairment			
prior period:	59.65%	453.88%	104.77%

## Notes

<sup>(1)</sup> General Fund refers to all of Council's activities except for its Water & Sewer activities which are listed separately.

## Lithgow City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 14. Investment Properties

\$ '000

Council has not classified any Land or Buildings as "Investment Properties"

#### Note 15. Financial Risk Management

##### Risk Management

Council's activities expose it to a variety of financial risks including (1) price risk, (2) credit risk, (3) liquidity risk and (4) interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's Finance Section under policies approved by the Council.

A comparison by category of the carrying amounts and fair values of Council's Financial Assets & Financial Liabilities recognised in the financial statements is presented below.

	Carrying Value		Fair Value	
	2013	2012	2013	2012
<b>Financial Assets</b>				
Cash and Cash Equivalents	20,812	10,535	20,812	10,535
Investments				
- "Held to Maturity"	2,833	8,310	2,833	8,310
Receivables	3,104	3,707	3,104	3,707
<b>Total Financial Assets</b>	<b>26,749</b>	<b>22,552</b>	<b>26,749</b>	<b>22,552</b>
<b>Financial Liabilities</b>				
Payables	4,127	4,604	4,127	4,604
Loans / Advances	17,961	18,911	17,961	18,911
<b>Total Financial Liabilities</b>	<b>22,088</b>	<b>23,515</b>	<b>22,088</b>	<b>23,515</b>

Fair Value is determined as follows:

- **Cash & Cash Equivalents, Receivables, Payables** - are estimated to be the carrying value which approximates mkt value.
- **Borrowings & Held to Maturity Investments** - are based upon estimated future cash flows discounted by the current market interest rates applicable to assets & liabilities with similar risk profiles, unless quoted market prices are available.
- Financial Assets classified (i) "**at fair value through profit & loss**" or (ii) **Available for Sale** - are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 15. Financial Risk Management (continued)

\$ '000

## (a) Fair Value Measurements

The fair value of financial assets and financial liabilities must be estimated in accordance with Accounting Standards for either recognition and measurement requirements or for disclosure purposes.

AASB 7 Financial Instruments: Disclosures, requires the disclosure of how fair valuations have been arrived at for all financial assets and financial liabilities that have been measured at fair value.

Arriving at fair values for financial assets & liabilities can be broken up into 3 distinct measurement hierarchies:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities

**Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices)

**Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The following table presents the financial assets and financial liabilities that have been measured & recognised at fair values:

<b>2013</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial Assets</b>				
Investments				
- "Held for Trading"	2,833	-	-	2,833
- "Available for Sale"	20,812	-	-	20,812
- Recievables	3,104	-	-	3,104
<b>Total Financial Assets</b>	<b>26,749</b>	<b>-</b>	<b>-</b>	<b>26,749</b>
<b>Financial Liabilities</b>				
- Payables	4,127	-	-	4,127
- Loans	17,961	-	-	17,961
<b>Total Financial Liabilities</b>	<b>22,088</b>	<b>-</b>	<b>-</b>	<b>22,088</b>
<b>2012</b>				
<b>Financial Assets</b>				
Investments				
- "Held for Trading"	8,310	-	-	8,310
- Receivables	3,707	-	-	3,707
- "Available for Sale"	10,535	-	-	10,535
<b>Total Financial Assets</b>	<b>22,552</b>	<b>-</b>	<b>-</b>	<b>22,552</b>
<b>Financial Liabilities</b>				
- Payables	4,604	-	-	4,604
- Loans / Advances	18,911	-	-	18,911
<b>Total Financial Liabilities</b>	<b>23,515</b>	<b>-</b>	<b>-</b>	<b>23,515</b>

## Lithgow City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 15. Financial Risk Management (continued)

\$ '000

##### (b) Cash & Cash Equivalents, Financial assets 'at fair value through the profit & Loss' "Available-for-sale" financial assets & "Held-to-maturity" Investments

Council's objective is to maximise its return on cash & investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's Finance area manages the Cash & Investments portfolio with the assistance of independent advisors.

Council has an Investment Policy which complies with the Local Government Act & Minister's Investment Order. This Policy is regularly reviewed by Council and it's staff and an Investment Report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance.

The major risk associated with Investments is price risk - the risk that the capital value of Investments may fluctuate due to changes in market prices, whether there changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.

Cash & Investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns and income.

A further risk associated with Cash & Investments is credit risk - the risk that the investment counterparty) will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council - be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

Council also seeks advice from independent advisers before placing any funds in Cash Equivalents & Investments.

The following represents a summary of the sensitivity of Council's Income Statement and Accumulated Surplus (for the reporting period) due to a change in either the price of a financial asset or the interest rates applicable.

It is assumed that the change in interest rates would have been constant throughout the reporting period.

	Increase of Values/Rates		Decrease of Values/Rates	
	Profit	Equity	Profit	Equity
<b>2013</b>				
Possible impact of a 1% movement in Interest Rates	18	18	18	18
<b>2012</b>				
Possible impact of a 1% movement in Interest Rates	20	20	9	20

## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 15. Financial Risk Management (continued)

\$ '000

## (c) Receivables

Council's major receivables comprise (i) Rates & Annual charges and (ii) User Charges & Fees.

The major risk associated with these receivables is credit risk - the risk that debts due and payable to Council may not be repaid in full.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of Council to secure a charge over the land relating to the debts - that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates & annual charges at higher than market rates which further encourages the payment of debt.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

A profile of Council's receivables credit risk at balance date follows:

	2013	2013	2012	2012
	Rates & Annual Charges	Other Receivables	Rates & Annual Charges	Other Receivables
Percentage of Rates & Annual Charges				
Current	478	64	19	85
Overdue	350	1,961	759	2,855
	<u>828</u>	<u>2,025</u>	<u>778</u>	<u>2,940</u>

## (ii) Movement in Provision for Impairment of Receivables

	2013	2012
Balance at the beginning of the year	11	12
- amounts provided for but recovered during the year	-	(1)
<b>Balance at the end of the year</b>	<u>11</u>	<u>11</u>

## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 15. Financial Risk Management (continued)

\$ '000

## (d) Payables &amp; Borrowings

Payables & Borrowings are both subject to liquidity risk - the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Payment terms can (in extenuating circumstances) also be extended & overdraft facilities utilised as required.

The contractual undiscounted cash outflows (ie. principal and interest) of Council's Payables & Borrowings are set out in the Liquidity Table below:

\$ '000	Subject to no maturity	payable in:						Total Cash Outflows	Actual Carrying Values
		≤ 1 Year	1-2 Yrs	2-3 Yrs	3-4 Yrs	4-5 Yrs	> 5 Yrs		
<b>2013</b>									
Trade/Other Payables	701	3,426	-	-	-	-	-	4,127	4,127
Loans & Advances	-	2,021	2,058	2,082	2,111	2,018	8,417	18,707	17,961
<b>Total Financial Liabilities</b>	<b>701</b>	<b>5,447</b>	<b>2,058</b>	<b>2,082</b>	<b>2,111</b>	<b>2,018</b>	<b>8,417</b>	<b>22,834</b>	<b>22,088</b>
<b>2012</b>									
Trade/Other Payables	787	3,817	-	-	-	-	-	4,604	4,604
Loans & Advances	-	2,049	2,021	2,058	2,082	2,111	10,435	20,756	18,911
<b>Total Financial Liabilities</b>	<b>787</b>	<b>5,866</b>	<b>2,021</b>	<b>2,058</b>	<b>2,082</b>	<b>2,111</b>	<b>10,435</b>	<b>25,360</b>	<b>23,515</b>

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs & debt servicing requirements. Council manages this risk through the diversification of borrowing types, maturities & interest rate structures.

The following interest rates were applicable to Council's Borrowings at balance date:

	2013		2012	
	Carrying Value	Average Interest Rate	Carrying Value	Average Interest Rate
Bank Overdraft	-	0.0%	-	15.0%
Trade/Other Payables	4,127	10.0%	4,604	11.0%
Loans & Advances - Fixed Interest Rate	17,961	5.6%	18,911	6.0%
	<u>22,088</u>		<u>23,515</u>	

## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 16. Material Budget Variations

\$ '000

Council's Original Financial Budget for 12/13 was adopted by the Council on 04 June 2012.

While the Income Statement included in this General Purpose Financial Report must disclose the Original Budget adopted by Council, the Local Government Act requires Council to review its Financial Budget on a Quarterly Basis, so that it is able to manage the various variations between actuals versus budget that invariably occur throughout the year.

This Note sets out the details of MATERIAL VARIATIONS between Council's Original Budget and its Actual results for the year as per the Income Statement - even though such variations may have been adjusted for during each Quarterly Budget Review.

**Note that for Variations\* of Budget to Actual :**

Material Variations represent those variances that amount to **10%** or more of the original budgeted figure.

**F** = Favourable Budget Variation, **U** = Unfavourable Budget Variation

\$ '000	2013 Budget	2013 Actual	2013 ----- Variance* -----		
<b>REVENUES</b>					
<b>Rates &amp; Annual Charges</b>	21,134	21,523	389	2%	<b>F</b>
<b>User Charges &amp; Fees</b>	5,330	5,342	12	0%	<b>F</b>
<b>Interest &amp; Investment Revenue</b>	671	969	298	44%	<b>F</b>
Increase in interest on investment due to improved financial markets. Conservative budget allocation.					
<b>Other Revenues</b>	229	588	359	157%	<b>F</b>
Increase in property rentals and user pay facilities					
<b>Operating Grants &amp; Contributions</b>	6,363	6,715	352	6%	<b>F</b>
<b>Capital Grants &amp; Contributions</b>	1,353	12,449	11,096	820%	<b>F</b>
Major Capital works with grant funds not known at time of budget preparation. eg Wolgan Rd \$4.2M. Clarence Transfer System \$3M					
<b>Net Gains from Disposal of Assets</b>	-	98	98	0%	<b>F</b>

## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 16. Material Budget Variations (continued)

\$ '000	2013 Budget	2013 Actual	2013 ----- Variance* -----		
<b>EXPENSES</b>					
<b>Employee Benefits &amp; On-Costs</b>	<b>13,916</b>	<b>14,430</b>	<b>(514)</b>	(4%)	<b>U</b>
<b>Borrowing Costs</b>	<b>1,395</b>	<b>1,572</b>	<b>(177)</b>	(13%)	<b>U</b>
Adjustment following drawdown of loan for the major upgrades of the Lithgow & Wallerawang Sewerage Treatment Plants.					
<b>Materials &amp; Contracts</b>	<b>8,829</b>	<b>8,736</b>	<b>93</b>	1%	<b>F</b>
<b>Depreciation &amp; Amortisation</b>	<b>8,548</b>	<b>8,086</b>	<b>462</b>	5%	<b>F</b>
<b>Other Expenses</b>	<b>3,957</b>	<b>4,164</b>	<b>(207)</b>	(5%)	<b>F</b>

## Budget Variations relating to Council's Cash Flow Statement include:

<b>Cash Flows from Operating Activities</b>	<b>6,983</b>	<b>16,731</b>	<b>9,748</b>	139.6%	<b>U</b>
Major Capital works with grant funds not known at time of budget preparation. eg Wolgan Rd \$4.2M. Clarence Transfer System \$3M					
<b>Cash Flows from Investing Activities</b>	<b>(3,846)</b>	<b>(5,312)</b>	<b>(1,466)</b>	38.1%	<b>F</b>
<b>Cash Flows from Financing Activities</b>	<b>(901)</b>	<b>(1,142)</b>	<b>(241)</b>	26.7%	<b>U</b>
Adjustment following drawdown of loan for the major upgrades of the Lithgow & Wallerawang Sewerage Treatment Plants					



Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 17. Statement of Developer Contributions

\$ '000

Council recovers contributions, raises levies & enters into planning agreements on development works that are subject to a development consent issued by Council. All contributions must be spent/utilised for the specific purpose they were levied and any interest applicable to unspent funds must be attributed to remaining funds.

The following tables detail the receipt, interest and use of the above contributions & levies and the value of all remaining funds which are "restricted" in their future use.

**SUMMARY OF CONTRIBUTIONS & LEVIES**

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Roads	717	44	-	32	-	-	793	3,025	(2,642)	1,176	-
Bushfire	115	3	-	4	-	-	122	125	-	247	-
<b>S94 Contributions - under a Plan</b>	<b>832</b>	<b>47</b>	<b>-</b>	<b>36</b>	<b>-</b>	<b>-</b>	<b>915</b>	<b>3,150</b>	<b>(2,642)</b>	<b>1,423</b>	<b>-</b>
S94A Levies - under a Plan	231	195	-	6	-	-	432				-
<b>Total S94 Revenue Under Plans</b>	<b>1,063</b>	<b>242</b>	<b>-</b>	<b>42</b>	<b>-</b>	<b>-</b>	<b>1,347</b>				<b>-</b>
<b>Total Contributions</b>	<b>1,063</b>	<b>242</b>	<b>-</b>	<b>42</b>	<b>-</b>	<b>-</b>	<b>1,347</b>	<b>3,150</b>	<b>(2,642)</b>	<b>1,423</b>	<b>-</b>

Notes to the Financial Statements

for the financial year ended 30 June 2013

Note 17. Statement of Developer Contributions (continued)

\$ '000

**S94 CONTRIBUTIONS - UNDER A PLAN**

CONTRIBUTION PLAN

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Roads	717	44	-	32	-	-	793	3,025	(2,642)	1,176	-
Bushfire	115	3	-	4	-	-	122	125	-	247	-
<b>Total</b>	<b>832</b>	<b>47</b>	<b>-</b>	<b>36</b>	<b>-</b>	<b>-</b>	<b>915</b>	<b>3,150</b>	<b>(2,642)</b>	<b>1,423</b>	<b>-</b>

**S94A LEVIES - UNDER A PLAN**

CONTRIBUTION PLAN

PURPOSE	Opening Balance	Contributions received during the Year		Interest earned in Year	Expenditure during Year	Internal Borrowing (to)/from	Held as Restricted Asset	Projections			Cumulative Internal Borrowings due/(payable)
		Cash	Non Cash					Future income	Exp still outstanding	Over or (under) Funding	
Other Sec 94A Plan 12/13	-	186	-	-	-	-	186	-	-		-
Other (Prev Yrs)	231	9	-	6	-	-	246	-	-		-
<b>Total</b>	<b>231</b>	<b>195</b>	<b>-</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>432</b>				<b>-</b>

## Lithgow City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 18. Contingencies & Other Assets/Liabilities Not Recognised

\$ '000

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge & disclosure is considered relevant to the users of Council's Financial Report.

### LIABILITIES NOT RECOGNISED:

#### 1. Guarantees

##### (i) Defined Benefit Superannuation Contribution Plans

Council participates in an employer sponsored Defined Benefit Superannuation Scheme, and makes contributions as determined by the Superannuation Scheme's Trustees.

Member Councils bear responsibility of ensuring there are sufficient funds available to pay out the required benefits as they fall due.

The Schemes most recent full actuarial review indicated that the Net Assets of the Scheme were not sufficient to meet the accrued benefits of the Schemes Defined Benefit member category with member Councils required to make significantly higher contributions in future years.

The Local Government Superannuation Scheme however is unable to provide Council with an accurate estimate of its share of the net deficit and accordingly Council has not recorded any net liability from it's Defined Benefit Scheme obligations in accordance with AASB 119.

Future contributions made to the defined benefit scheme to rectify the net deficit position will be recognised as an expense when they become payable - similar to the accounting for Defined Contributions Plans.

##### (ii) Statewide Limited

Council is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to Local Government.

Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the Net Assets or Liabilities reflects Councils contributions to the pool and the result of insurance claims within each of the Fund Years.

The future realisation and finalisation of claims incurred but not reported to 30/6 this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

##### (iii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW Local Government Industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the Company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

These future equity contributions would be required to maintain the company's minimum level of Net Assets in accordance with its Licence Requirements.

##### (iv) Other Guarantees

Council has provided no other Guarantees other than those listed above.

## Lithgow City Council

### Notes to the Financial Statements

for the financial year ended 30 June 2013

#### Note 18. Contingencies & Other Assets/Liabilities Not Recognised (continued)

\$ '000

##### LIABILITIES NOT RECOGNISED (continued):

#### 2. Other Liabilities

##### (i) Third Party Claims

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its Insurance Coverage and does not expect any material liabilities to eventuate.

##### (ii) S94 Plans

Council levies Section 94/94A Contributions upon various development across the Council area through the required Contributions Plans.

As part of these Plans, Council has received funds for which it will be required to expend the monies in accordance with those Plans.

As well, these Plans indicate proposed future expenditure to be undertaken by Council, which will be funded by making levies and receipting funds in future years or where a shortfall exists by the use of Council's General Funds.

These future expenses do not yet qualify as liabilities as of the Reporting Date, but represent Councils intention to spend funds in the manner and timing set out in those Plans.

##### (iii) Potential Land Acquisitions due to Planning Restrictions imposed by Council

Council has classified a number of privately owned land parcels as Local Open Space or Bushland.

As a result, where notified in writing by the various owners, Council will be required to purchase these land parcels.

At reporting date, reliable estimates as to the value of any potential liability (& subsequent land asset) from such potential acquisitions has not been possible.

##### ASSETS NOT RECOGNISED:

##### (i) Land Under Roads

As permitted under AASB 1051, Council has elected not to bring to account Land Under Roads that it owned or controlled up to & including 30/6/08.

##### (ii) Infringement Notices/Fines

Fines & Penalty Income, the result of Council issuing Infringement Notices is followed up and collected by the Infringement Processing Bureau.

Councils Revenue Recognition policy for such income is to account for it as revenue on receipt.

Accordingly, at Year End, there is a potential asset due to Council representing issued but unpaid Infringement Notices.

Due to the limited information available on the status, value and duration of outstanding Notices, Council is unable to determine the value of outstanding income.

## Lithgow City Council

### Notes to the Financial Statements for the financial year ended 30 June 2013

#### Note 18. Contingencies & Other Assets/Liabilities Not Recognised (continued)

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\$ '000

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**(iii) Grant Funds due Office of Water Lithgow & Wallerawang STPs:**

Following the completion of the upgrade to the Lithgow & Wallerawang STP the final payments are due from the NSW Office of Water following the completion of the following reports:

- Water & Sewerage Strategic Plans
- Residential Water Supply Best Practice Tariff
- Water Supply & Sewerage Development Servicing Plans
- Demand Management Plan
- Drought Management Plan
- Integrated Water Cycle Management Plan

#### Note 19. Controlled Entities, Associated Entities & Interests in Joint Ventures

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Council has no interest in any Controlled Entities, Associated Entities or Joint Ventures.

## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 20. Equity - Retained Earnings and Revaluation Reserves

\$ '000	Notes	Actual 2013	Actual 2012
<b>(a) Retained Earnings</b>			
<b>Movements in Retained Earnings were as follows:</b>			
Balance at beginning of Year (from previous years audited accounts)		236,541	240,705
a. Reassessment of Useful Life Prior Period	20 (c)	(2,400)	(11,456)
b. Net Operating Result for the Year		10,696	4,892
<b>Balance at End of the Reporting Period</b>		<b><u>244,837</u></b>	<b><u>234,141</u></b>
<b>(b) Reserves</b>			
<b>(i) Reserves are represented by:</b>			
- Infrastructure, Property, Plant & Equipment Revaluation Reserve		117,138	100,105
- "Available for Sale" Financial Investments Revaluation Reserve		(500)	(500)
- Other Reserves (Specify)		(269)	(269)
<b>Total</b>		<b><u>116,369</u></b>	<b><u>99,336</u></b>
<b>(ii) Reconciliation of movements in Reserves:</b>			
<b>Infrastructure, Property, Plant &amp; Equipment Revaluation Reserve</b>			
- Opening Balance		100,105	92,622
- Revaluations for the year	9(a)	17,033	7,483
<b>- Balance at End of Year</b>		<b><u>117,138</u></b>	<b><u>100,105</u></b>
<b>"Available for Sale" Financial Investments Revaluation Reserve</b>			
- Opening Balance		(500)	(500)
<b>- Balance at End of Year</b>		<b><u>(500)</u></b>	<b><u>(500)</u></b>
<b>Other Reserves</b>			
- Opening Balance		(269)	(269)
<b>- Balance at End of Year</b>		<b><u>(269)</u></b>	<b><u>(269)</u></b>
<b>TOTAL VALUE OF RESERVES</b>		<b><u>116,369</u></b>	<b><u>99,336</u></b>

## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 20. Equity - Retained Earnings and Revaluation Reserves (continued)

\$ '000	Notes	Actual 2013	Actual 2012
<b>(c) Correction of Error/s relating to a Previous Reporting Period</b>			
<b>Correction of errors disclosed in this year's financial statements:</b>			
Council does not have sufficient and reliable information that will allow the restatement of information prior to 30/6/12 (the closing date for the comparative figures in this report).			
As a result, Council has adjusted the accumulated depreciation for the following asset classes as at 30/6/12 to reflect the correct value of accumulated depreciation;			
- Building Asset Class (increase)/decrease to accumulated depreciation		2,112	
- Tip Remed Asset Class (increase)/decrease to disc rate		(4,512)	
This adjustment resulted in net increase / (decrease) in Council's Accumulated Surplus as at 30/6/12.			
<b>Correction of errors as disclosed in last year's financial statements:</b>			
Council adjusted the accumulated depreciation for the Asset Classes below as at 30/6/12 to reflect the correct value of accumulated depreciation;			
- Water Asset Class (increase)/decrease to accumulated depreciation			(12,636)
- Wastewater Asset Class (increase)/decrease to accumulated depreciation			3,580
This adjustment resulted in a net increase / (decrease) in Council's Accumulated Surplus as at 30/6/11.			
<b>In accordance with AASB 108 - Accounting Policies, Changes in Accounting Estimates and Errors, the above Prior Period Errors have been recognised retrospectively.</b>			
<b>These amounted to the following Equity Adjustments:</b>			
- Adjustments to Closing Equity - 30/6/12 (relating to adjustments for the 30/6/12 year end)		(2,400)	(9,056)
<b>Total Prior Period Adjustments - Prior Period Errors</b>		<b>(2,400)</b>	<b>(9,056)</b>

**(d) Voluntary Changes in Accounting Policies**

Council made no voluntary changes in any accounting policies during the year.

## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 21. Financial Result &amp; Financial Position by Fund

Income Statement by Fund \$ '000	Actual 2013	Actual 2013	Actual 2013
<b>Continuing Operations</b>	<b>Water</b>	<b>Sewer</b>	<b>General<sup>1</sup></b>
<b>Income from Continuing Operations</b>			
Rates & Annual Charges	1,122	5,611	14,790
User Charges & Fees	4,324	511	507
Interest & Investment Revenue	99	18	852
Other Revenues	-	-	588
Grants & Contributions provided for Operating Purposes	98	144	6,473
Grants & Contributions provided for Capital Purposes	3,933	745	7,771
<b>Other Income</b>			
Net Gains from Disposal of Assets	-	-	98
<b>Total Income from Continuing Operations</b>	<b>9,576</b>	<b>7,029</b>	<b>31,079</b>
<b>Expenses from Continuing Operations</b>			
Employee Benefits & on-costs	1,306	920	12,204
Borrowing Costs	121	756	695
Materials & Contracts	2,108	1,657	4,971
Depreciation & Amortisation	1,058	1,020	6,008
Other Expenses	1,734	1,278	1,152
<b>Total Expenses from Continuing Operations</b>	<b>6,327</b>	<b>5,631</b>	<b>25,030</b>
<b>Operating Result from Continuing Operations</b>	<b>3,249</b>	<b>1,398</b>	<b>6,049</b>
<b>Net Operating Result for the Year</b>	<b>3,249</b>	<b>1,398</b>	<b>6,049</b>
<b>Net Operating Result attributable to each Council Fund</b>	<b>3,249</b>	<b>1,398</b>	<b>6,049</b>
<b>Net Operating Result attributable to Non-controlling Interests</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>	<b>(684)</b>	<b>653</b>	<b>(1,722)</b>

<sup>1</sup> General Fund refers to all Council's activities other than Water & Sewer.

NB. All amounts disclosed above are Gross - that is, they include internal charges & recoveries made between the Funds.



## Lithgow City Council

## Notes to the Financial Statements

as at 30 June 2013

## Note 21. Financial Result &amp; Financial Position by Fund (continued)

Statement of Financial Position by Fund \$ '000	Actual 2013	Actual 2013	Actual 2013
<b>ASSETS</b>	<b>Water</b>	<b>Sewer</b>	<b>General<sup>1</sup></b>
<b>Current Assets</b>			
Cash & Cash Equivalents	4,162	989	15,661
Investments	-	-	2,833
Receivables	942	295	1,867
Inventories	129	19	366
Other	-	-	181
<b>Total Current Assets</b>	<b>5,233</b>	<b>1,303</b>	<b>20,908</b>
<b>Non-Current Assets</b>			
Inventories	-	-	738
Infrastructure, Property, Plant & Equipment	25,994	56,053	288,243
<b>Total Non-Current Assets</b>	<b>25,994</b>	<b>56,053</b>	<b>288,981</b>
<b>TOTAL ASSETS</b>	<b>31,227</b>	<b>57,356</b>	<b>309,889</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	77	-	4,050
Borrowings	83	1,053	(148)
Provisions	384	382	3,287
<b>Total Current Liabilities</b>	<b>544</b>	<b>1,435</b>	<b>7,189</b>
<b>Non-Current Liabilities</b>			
Payables	-	-	-
Borrowings	1,619	9,545	5,809
Provisions	-	-	11,125
<b>Total Non-Current Liabilities</b>	<b>1,619</b>	<b>9,545</b>	<b>16,934</b>
<b>TOTAL LIABILITIES</b>	<b>2,163</b>	<b>10,980</b>	<b>24,123</b>
<b>Net Assets</b>	<b>29,064</b>	<b>46,376</b>	<b>285,766</b>
<b>EQUITY</b>			
Retained Earnings	14,044	22,104	208,689
Revaluation Reserves	15,020	24,272	77,077
<b>Total Equity</b>	<b>29,064</b>	<b>46,376</b>	<b>285,766</b>

<sup>1</sup> General Fund refers to all Council's activities other than Water & Sewer.

NB. All amounts disclosed above are Gross - that is, they include internal receivables & payables between the Funds.

## Lithgow City Council

### Notes to the Financial Statements for the financial year ended 30 June 2013

#### Note 22. "Held for Sale" Non Current Assets & Disposal Groups

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\$ '000

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Council did not classify any Non Current Assets or Disposal Groups as "Held for Sale".

#### Note 23. Events occurring after the Reporting Period

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Events that occur between the end of the reporting period (ending 30 June 2013) and the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the applicable "authorised for issue" date relating to these General Purpose Financial Statements.

Accordingly, the "authorised for issue" date is 31/10/13.

**Council is aware of the following "non-adjusting events" that merit disclosure;**

##### **MAJOR BUSHFIRE DAMAGE 16 OCTOBER 2013:**

Commencing on 16 October 2013 the Lithgow Local Government area experienced a 'Major Bush Fire Event' and at the time of finalising the 2012/13 General Purpose Financial Reports the extent of the damage to Council's infrastructure was not known as it had not been assessed.

#### Note 24. Discontinued Operations

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Council has not classified any of its Operations as "Discontinued".

#### Note 25. Intangible Assets

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Intangible Assets represent identifiable non-monetary asset without physical substance.

Council is unaware of any control over Intangible Assets that warrant recognition in the Financial Statements, including either internally generated and developed assets or purchased assets.

## Lithgow City Council

## Notes to the Financial Statements

for the financial year ended 30 June 2013

## Note 26. Reinstatement, Rehabilitation &amp; Restoration Liabilities

\$ '000

Council has legal/public obligations to make restore, rehabilitate and reinstate the following assets/operations:

Asset/Operation	Estimated year of restoration	NPV of Provision	
		2013	2012
Tip Operations	Various	11,125	10,827
<b>Balance at End of the Reporting Period</b>	10(a)	<b>11,125</b>	<b>10,827</b>

Under AASB 116 - Property, Plant & Equipment, where the use of an asset results in the obligation to dismantle or remove the asset and restore the site on which the asset stands, an estimate of such costs is required to be included in the cost of the asset.

An equivalent liability must be recognised under AASB 137 - Provisions, Contingent Liabilities and Contingent Assets.

The provision has been calculated by determining the present value of the future expenditures expected to be incurred. The discount rate used is the risk free borrowing rate applicable to Council.

**Reconciliation of movement in Provision for year:**

Balance at beginning of year	10,827	5,974
Amounts capitalised to new or existing assets:		
Effect of a change in discount rates used in PV calculations	-	4,512
Amortisation of discount (expensed to borrowing costs)	298	341
<b>Total - Reinstatement, rehabilitation and restoration provision</b>	<b>11,125</b>	<b>10,827</b>

**Amount of Expected Reimbursements**

Of the above Provisions for Reinstatement, Rehabilitation and Restoration works, those applicable to Garbage Services & Waste Management are able to be funded through future charges incorporated within Council's Annual Domestic Waste Management Charge.

## Lithgow City Council

### Notes to the Financial Statements for the financial year ended 30 June 2013

#### Note 27. Council Information & Contact Details

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**Principal Place of Business:**

180 Mort St  
LITHGOW NSW 2790

**Contact Details****Mailing Address:**

PO Box 19  
LITHGOW NSW 2790

**Telephone:** 02 63549999

**Facsimile:** 02 63514259

**Internet:** <http://www.council@lithgow.com>

**Email:** [council@lithgow.nsw.gov.au](mailto:council@lithgow.nsw.gov.au)

**Officers****GENERAL MANAGER**

Mr Roger BAILEY

**RESPONSIBLE ACCOUNTING OFFICER**

Mrs Carol FARNSWORTH

**PUBLIC OFFICER**

Mrs Carol FARNSWORTH

**AUDITORS**

Intentus (Previously the Morse Group)  
266 Howick Street  
BATHURST NSW 2795

**Elected Members****MAYOR**

Mrs Maree STATHAM

**COUNCILLORS**

Mr R Thompson

Mr P Pilbeam

Mr C Hunter

Mr W McAndrew

Mr J McGinness

Mr M Ticehurst

Mr R Higglett

Mr F Inzitari

**Other Information**

**ABN:** 59 986 092 492

**INDEPENDENT AUDITOR'S REPORT TO THE COUNCIL  
ON THE GENERAL PURPOSE FINANCIAL STATEMENTS OF  
LITHGOW CITY COUNCIL**

**Report on the Financial Statements**

We have audited the accompanying general purpose financial statements of Lithgow City Council (Council) for the financial year ended 30 June 2013. The financial statements comprise the Statement by Councillors and Management, Income Statement, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and accompanying Notes to the Financial Statements.

**Council's Responsibility for the Financial Statements**

The Council are responsible for the preparation and fair presentation of the financial statements in accordance with the Local Government Act 1993. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditors Responsibility**

Our responsibility is to express an opinion on the financial statements based on our audit. Our audit responsibility does not extend to the original budget figures included in the Income Statement and Statement of Cash Flows, the original budget disclosures in Notes 2(a) and 16, nor the projected revenue and expenditure of developer contributions reported in Note 17 and accordingly, we express no opinion on them. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Council, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

## Matters Relating to the Electronic Presentation of the Audited Financial Statements

This auditor's report relates to the general purpose financial statements of Lithgow City Council for the year ended 30 June 2013 included on Council's web site. Council is responsible for the integrity of Council's web site. We have not been engaged to report on the integrity of the web site. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial statements to confirm the information included in the audited financial statements presented on this web site.

### Audit Opinion

In our opinion:

- (a) the Council's accounting records have been kept in accordance with the requirements of the Local Government Act 1993, Chapter 13, Part 3, Division 2;
- (b) the Council's financial statements:
  - (i) have been prepared in accordance with the requirements of this Division;
  - (ii) are consistent with the Council's accounting records;
  - (iii) present fairly the Council's financial position, the results of its operations and cashflows; and
  - (iv) are in accordance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations).
- (c) all information relevant to the conduct of the audit has been obtained; and
- (d) there are no material deficiencies in the accounting records or financial statements that have come to light in the course of the audit.



**intentus**

266 Howick Street  
Bathurst  
Dated: 31 October 2013



**LR Smith**  
Partner

31 October 2013

The Mayor  
Lithgow City Council  
PO Box 19  
Lithgow NSW 2790

Dear Madam Mayor

**INDEPENDENT AUDITOR'S REPORT ON THE CONDUCT OF THE AUDIT – Section 417 (3)**

**LITHGOW CITY COUNCIL**

We advise having completed our audit of the financial statements of Lithgow City Council (Council) for the financial year ended 30 June 2013. Our audit resulted in the issuing of an unmodified audit report on both the general purpose and special purpose financial statements of Council.

In accordance with Section 417 of the Local Government Act 1993 we submit our report on the conduct of the audit of Lithgow City Council for the year ended 30 June 2013. Our audit reports on the general purpose financial statements of Council and the special purpose financial statements on Council's business units outline the legislative framework of our audit and should be referred to in order to establish the context in which our comments are made.

**Council's Responsibility for the Financial Statements**

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with the Local Government Act 1993. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Council, as well as evaluating the overall presentation of the financial statements.

The following comments are provided in accordance with Section 415 (3) of the Local Government Act 1993 and Regulation 227 of the Local Government (General) Regulation 2005 to assist in the understanding of the financial statements and our reports.

## **Review of Financial Statements**

### **(a) Operating Result**

As disclosed in Council's Income Statement the year's operations resulted in a surplus for the year after capital amounts of \$10,696,000 (2012 – \$4,892,000 surplus). Some items of note in the Income Statement include:

#### **Revenue**

- The operating deficit from continuing operations before capital amounts was \$1,753,000 (2012 –\$578,000 deficit).
- Rates and annual charges increased by \$1,504,000 (7.51%) to \$21,523,000 (2012 - \$20,019,000). Ordinary rates revenue rose by 4.44% which is consistent with the total increase approved by the Division of Local Government for Council of 3.6% combined with increased rateable properties within the Council area. Special rates for sewerage services increased by 14.10% as a result of increased charges due to the completion of the new Lithgow and Wallerawang Sewerage Treatment Plants.
- Revenue from user charges and fees grew from \$4,799,000 in 2012 to \$5,342,000 in 2013 (increase of \$543,000). User charges for water supply services were \$387,000 higher in 2013 than in 2012 due to increased water consumption across the Council area as a result of prolonged dry weather.
- Operating grants and contributions fell by \$1,664,000 to \$6,715,000 (2012 - \$8,379,000). Receipts under the Federal Financial Assistance Grant were \$1,236,000 lower than the prior year due to the timing of advance payments under this program.
- Capital grants and contributions rose from \$5,470,000 in 2012 to \$12,449,000 in 2013 (increase of \$6,979,000).

Some key movements in this category were:

- The 2011-12 financial year included \$3,557,000 in capital grants for the new Lithgow and Wallerawang Sewerage Treatment Plants. Only \$226,000 in capital grants were received in relation to sewerage services in 2013.
- During the year ended 30 June 2013, Council received \$3,000,000 in capital funding to construct the Clarence Transfer System. This water transfer system is designed to move mine water from Clarence Colliery to the Lithgow Water Treatment plant for treatment and re-use throughout Council's water network. No funding of this nature was received in the previous financial year.
- The 2012-'13 financial year saw Council receive a total of \$2,940,000 (2012 – nil) in capital grants to undertake work on Wolgan Road to improve access to the Emirates Wolgan Valley Resort.
- The University of Western Sydney entered into a lease with Council over the Hoskins Memorial Institute Building during the year ended 30 June 2013. This saw the University undertake \$2,940,000 of works on this building to make it suitable for their intended utilisation. This was recognised as a non-cash capital contribution by Council. No comparable capital contribution was received in the 2011-'12 financial year.
- Council received formal confirmation from NSW Office of Water that no amounts were owing by Council in relation to the old water and sewerage augmentation schemes. Council had previously been carrying a liability of \$1,338,000 for these schemes. Council therefore determined to write off this liability at 30 June 2013, resulting in the recognition of a capital contribution for sewerage of \$837,000 and \$501,000 for water.

#### **Expenditure**

- Total employee benefits and on-costs increased by \$1,203,000, moving from \$13,227,000 in 2012 to \$14,430,000 in 2013. Salaries and wages costs were well contained, increasing by just 2.92%. The main contributor to the overall increase in this expenditure category was a rise in Council's workers compensation expense to \$885,000 in 2013 from \$254,000 in 2012 (increase of \$631,000). This increase was primarily driven by Council's claims history.
- Other expenditure categories were consistent with the prior year and Council's budget.



**(b) Financial Position**

Council's net assets at 30 June 2013 were \$361,206,000 (2012 - \$333,477,000). This is an increase of \$27,729,000 which comprises Council's surplus from ordinary activities after capital amounts of \$10,696,000 and the revaluation of Council's building and operational land and indexation of Council's water and sewerage assets which saw an additional \$17,033,000 added to Council's asset revaluation reserve.

To assess the appropriateness or otherwise of Council's net current asset position (available working capital) it is necessary to review the level of restrictions placed against the use of Council's assets. The notes to the financial statements indicate clearly where restrictions exist and the effect of the restrictions is summarised as follows:-

	<b>2013</b> <b>\$'000</b>	<b>2012</b> <b>\$'000</b>
Net current assets	18,276	15,397
Less: Amounts externally restricted for special purposes (refer Notes 6; 7 & 8) of financial statements	(12,754)	(8,530)
Less: Council internally imposed restrictions (refer Note 6 of financial statements)	(11,194)	(8,452)
Add: Applicable current liabilities (refer Note 10)		
- Water	544	338
- Sewerage	1,435	1,684
Add: Employee leave entitlements not expected to be paid within 12 months (refer Note 10)	2,975	2,554
Unrestricted net current asset surplus/(deficit)	<u>(718)</u>	<u>2,991</u>
Unrestricted net current assets comprise:-		
<b>Assets</b>		
Cash	1,081	3,392
Receivables	1,868	2,305
Inventories	366	204
Other assets	181	175
	<u>3,496</u>	<u>6,076</u>
<b>Liabilities</b>		
Payables	(4,127)	(3,266)
Interest bearing liabilities	(988)	(901)
Provisions	(4,053)	(3,494)
Add: Restricted liabilities (refer Note 10)	1,979	2,022
Add: Employee leave entitlements not expected to be paid within 12 months	2,975	2,554
Unrestricted net current asset surplus/(deficit)	<u>(718)</u>	<u>2,991</u>

Council's net current asset position at 30 June 2013 appears to have deteriorated since the prior year. However it is important to note that Council has committed a further \$2,742,000 to its internal restrictions during the current year to ensure that these are adequate to cash fund specific areas of Council's operations.

Historically and like many other organisation, Council budgets to utilise monies collected in the subsequent year to fund loan repayments due in that year. Similarly Council budgets to fund ordinary levels of employee leave entitlements from the subsequent year's budget.

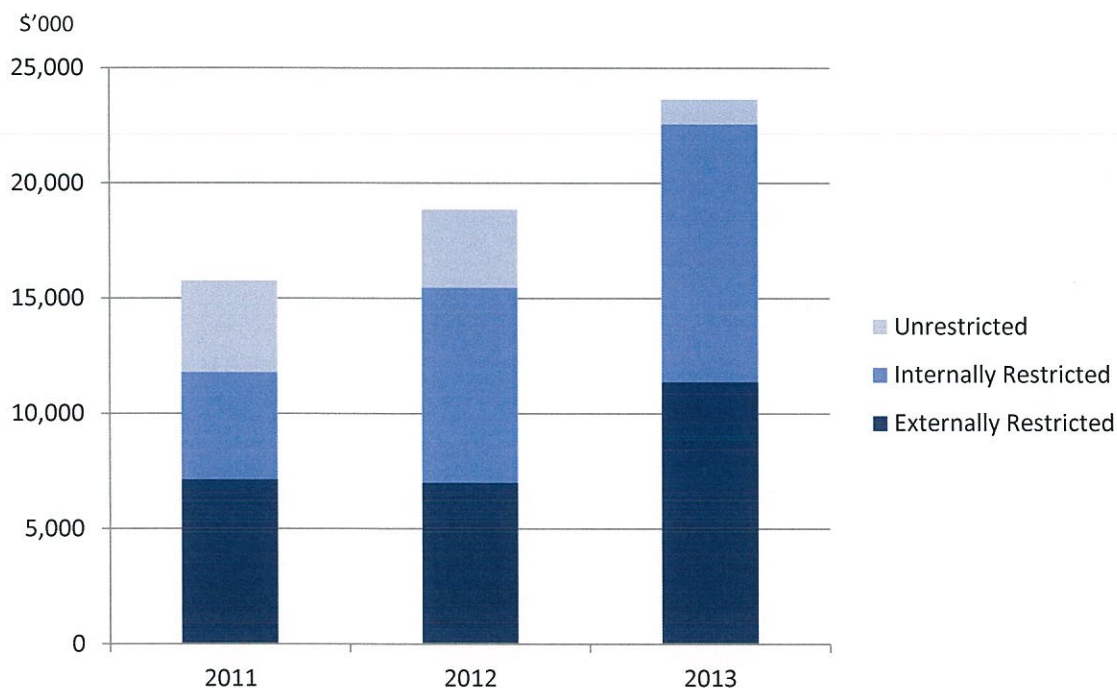
The following table shows the impact of these funding decisions on Council's calculated unrestricted net current asset position:

	<b>2013</b> <b>\$'000</b>	<b>2012</b> <b>\$'000</b>
Unrestricted net current asset surplus/(deficit)	(718)	2,991
Add back amounts to be funded from the following year's operations:		
Provisions	1,078	940
Interest bearing liabilities	988	901
Adjusted unrestricted net current asset surplus/(deficit)	<u>1,348</u>	<u>4,832</u>

This adjustment alters Council's calculated position significantly and shows that Council's level of restrictions can be managed in the longer term.

Whilst the analysis of the net current asset position is a succinct review of Council's short-term position, the strength of that position is determined by the liquidity of those assets i.e. the Council's ability to operate effectively is largely governed by the amount of available cash.

#### Cash, Cash Equivalents and Investments



#### Liquidity

Note 6 to the accounts discloses total cash and investments of \$23,645,000 (2012 - \$18,845,000). Of this amount \$11,370,000 (2012 - \$7,001,000) is subject to external restrictions requiring Council to commit those funds to the purposes for which they were provided and \$11,194,000 (2012 - \$8,452,000) is subject to internal restrictions agreed upon by Council for designated purposes which may be altered at the discretion of Council, consistent with their operational plan.

The unrestricted balance of \$1,081,000 (2012 - \$3,392,000) represents funds available to cover non-budgeted discretionary expenditure and short-term cash flow requirements.

## **(c) Performance Indicators**

Note 13 to the financial statements provides a measure of Council's performance using a number of selected ratios as follows:

### **Unrestricted Current Ratio**

The unrestricted current ratio is a measure of Council's liquidity that demonstrates Council's ability to satisfy obligations out of short-term and immediate asset balances.

Council's ratio of 3.49:1 (2012 – 4.83:1) is lower than the prior year, but remains strong. We stress the importance of considering this ratio in conjunction with other performance indicators and not in isolation. The fact this ratio is based upon consolidated funds should also be kept in mind as the ratios for individual funds (i.e. General, Water, Sewer, etc.) may vary significantly.

### **Debt Service Ratio**

The cost of repaying debt is reflected in the debt service ratio, which expresses that cost as a percentage of revenue from ordinary activities.

Whilst there is no definitive guide on what constitutes an acceptable ratio it is generally recognised that a ratio of up to 20% depending on the level of long-term development (infrastructure) plans, is considered tolerable. At 6.11% (2012 – 7.53%) Council's ratio is below these industry benchmarks, indicating a capacity to take on debt finance. However Council's ability to service such commitments must be critically assessed before any new loans are funded.

### **Rates and Annual Charges Coverage Ratio**

The rates and annual charges coverage ratio indicates the proportion of total revenue that is generated by rates. The ability of Council to meet community expectations in relation to services and the provision of facilities is directly influenced by the discretion it can exercise in the allocation of its resources. A high level of rate coverage means that Council would have more discretion over the application of its funds, but conversely this could also indicate that a Council may not be fully exploring alternative revenue sources including grant funding.

Council's ratio of 45.14% (2012 – 49.66%) is lower than the prior year, having been influenced by the significant level of capital grants and contributions received during the 2012-'13 financial year.

### **Rates and Annual Charges Outstanding Ratio**

The rates and annual charges outstanding percentage is a measure of management efficiency. Whilst prevailing economic conditions may influence Council's ability to collect revenue, the efficiency and application of collection procedures are still the largest determinant of this ratio.

Lithgow City Council's rates and annual charges outstanding percentage of 4.63% (2012 – 4.70%) is comparable to the prior year and is at an acceptable level.

### **Building and Infrastructure Renewals Ratio**

The purpose of this ratio is to assess the rate at which infrastructure assets are being renewed against the rate at which they are depreciating.

Because the distinction between replacements, renewals and repairs is not well defined, it is difficult to make meaningful analysis from this ratio. Council's ratio at 30 June 2013 was 188.40% compared to 140.82% in 2012 and 332.09% in 2011.

**(d) Statement of Cash Flows**

The Statement of Cash Flows reports a net increase in cash assets held of \$10,277,000 (2012 - \$2,681,000 decrease) as follows:

	2013 \$'000	2012 \$'000
<b>Cash flow provided by / (used in)</b>		
Operating activities	16,731	12,469
Investing activities	(5,312)	(16,967)
Financing activities	(1,142)	1,817
	<hr/>	<hr/>
Net increase / (decrease) in cash held	10,277	(2,681)
	<hr/>	<hr/>

**Cash Flows from Operating Activities**

The net cash flow provided by operating activities totalled \$16,731,000 (2012 - \$12,469,000), which is higher than the prior year. This is partly due to the increased level of receipts from grants and contributions.

**Cash Flows from Investing Activities**

The net cash flow used in investing activities totalled \$5,312,000 (2012 - \$16,967,000). The major cash flows related to:

- Proceeds from the sale of fixed assets of \$371,000 (2012 - \$213,000);
- Net sale of investments of \$5,477,000 (2012 net purchase of \$5,901,000); and
- Expenditure on fixed assets totaling \$11,160,000 including plant and equipment of \$1,232,000.

A total of \$4,794,000 was spent on roads, bridges and footpaths (including associated bulk earthworks) during the year. This included \$1,766,000 of works specifically in relation to improvements on Wolgan Road.

Council also spent \$1,315,000 on the Clarence Transfer System during the year.

**Cash Flows from Financing Activities**

The net cash flows used in financing activities was \$1,142,000 (2012 – \$1,817,000 provided by). Repayments were in line with the requirements of the loans. No new borrowings were drawn down during the year (2012 - \$3,131,000).

**(e) Comparison of Actual and Budgeted Performance**

Council's surplus from operations for the year of \$10,696,000 was \$12,162,000 better than Council's original estimated deficit of \$1,565,000.

The nature of this report does not lend itself to detailed analysis of individual budget variations. However capital grants and contributions for the year totalled \$12,449,000 compared to a budgeted amount for this revenue category of just \$1,353,000.

Council's financial statements include Note 16, which addresses the contributing factors to this variation in detail.

**(f) Other Matters**

**National Competition Policy**

In accordance with the requirements of National Competition Policy guidelines, Lithgow City Council has prepared special purpose financial statements on its business units for the year ended 30 June 2013. Council has determined that it has three business units within its operations: Water, Sewerage and Land Development.

The Division of Local Government's July 1997 guidelines 'Pricing and Costing for Council Businesses: A Guide to Competitive Neutrality' outlines the process for identifying and allocating costs of activities and provides a standard of disclosure requirements. These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, rate of return on investments in business units and dividends paid.

**Management Letters**

An interim management letter was issued on 22 April 2013. Matters raised via management letters have been satisfactorily addressed.

A final report will be prepared upon completion of our year-end review.

**(g) Legislative Compliance**

As a result of our audit we advise that there are no material deficiencies in the accounting records or financial statements that have come to our attention during the conduct of the audit and Lithgow City Council's accounting records have been kept in accordance with the requirements of the Local Government Act, 1993 and regulations.

**(h) Matters Relating to the Electronic Presentation of the Audited Financial Statements**

This auditor's report relates to the financial statements of Lithgow City Council for the year ended 30 June 2013 included on Council's web site. Council is responsible for the integrity of Council's web site. We have not been engaged to report on the integrity of the web site. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial statements to confirm the information included in the audited financial statements presented on Council's web site.

**Conclusion**

- (a) Lithgow City Council's accounting records have been kept in a manner and form that facilitated the preparation of the general purpose financial statements and allowed proper and effective audit of this report;
- (b) Lithgow City Council's accounting records have been kept in a manner and form that facilitated the preparation of the special purpose financial statements and allowed proper and effective audit of this report; and
- (c) all information relevant to the conduct of the audit has been obtained.

Yours faithfully  
**intentus**

Per:  


**Leanne Smith**  
**Partner**

# Lithgow City Council

SPECIAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2013

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*“A centre of regional excellence that:  
- encourages community growth and development,  
- contributes to the efficient and effective management of the environment,  
community and economy for present and future generations.”*



# Lithgow City Council

## Special Purpose Financial Statements

for the financial year ended 30 June 2013

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### Background

(i) These Special Purpose Financial Statements have been prepared for the use by both Council and the Division of Local Government in fulfilling their requirements under National Competition Policy.

(ii) The principle of competitive neutrality is based on the concept of a "level playing field" between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, State or Local, should operate without net competitive advantages over other businesses as a result of their public ownership.

(iii) For Council, the principle of competitive neutrality & public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation and **(b)** those activities with a turnover of over \$2 million that Council has formally declared as a Business Activity (defined as Category 1 activities).

(iv) In preparing these financial statements for Council's self classified Category 1 businesses and ABS defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax equivalent regime payments & debt guarantee fees (where the business benefits from councils borrowing position by comparison with commercial rates).

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# Lithgow City Council

## Special Purpose Financial Statements for the financial year ended 30 June 2013

### Statement by Councillors and Management made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

The attached Special Purpose Financial Statements have been prepared in accordance with:

- The NSW Government Policy Statement "Application of National Competition Policy to Local Government".
- The Division of Local Government Guidelines "Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality".
- The Local Government Code of Accounting Practice and Financial Reporting.
- The NSW Office of Water (Department of Environment, Climate Change and Water) Guidelines - "Best Practice Management of Water and Sewerage".

To the best of our knowledge and belief, these Financial Statements:

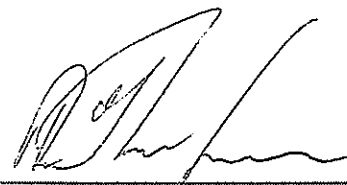
- Present fairly the Operating Result and Financial Position for each of Council's declared Business Activities for the year, and
- Accord with Council's accounting and other records.

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

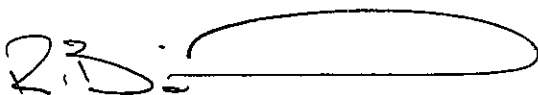
Signed in accordance with a resolution of Council made on 30 September 2013.



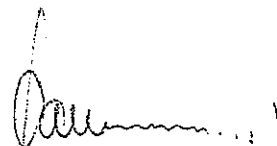
Councillor Maree STATHAM  
MAYOR



Councillor Ray THOMPSON  
COUNCILLOR



Mr Roger BAILEY  
GENERAL MANAGER



Mrs Carol FARNSWORTH  
RESPONSIBLE ACCOUNTING OFFICER



## Lithgow City Council

## Income Statement of Council's Water Supply Business Activity

for the financial year ended 30 June 2013

\$ '000	Actual 2013	Actual 2012
<b>Income from continuing operations</b>		
Access charges	1,122	1,276
User charges	4,265	3,913
Fees	59	18
Interest	99	161
Grants and contributions provided for non capital purposes	98	100
<b>Total income from continuing operations</b>	<b>5,643</b>	<b>5,468</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	1,306	1,116
Borrowing costs	121	128
Materials and contracts	2,108	2,213
Depreciation and impairment	1,058	1,036
Water purchase charges	1,336	1,158
Other expenses	398	262
<b>Total expenses from continuing operations</b>	<b>6,327</b>	<b>5,913</b>
<b>Surplus (deficit) from Continuing Operations before capital amounts</b>	<b>(684)</b>	<b>(445)</b>
Grants and contributions provided for capital purposes	3,933	246
<b>Surplus (deficit) from Continuing Operations after capital amounts</b>	<b>3,249</b>	<b>(199)</b>
<b>SURPLUS (DEFICIT) AFTER TAX</b>	<b>3,249</b>	<b>(199)</b>
plus Opening Retained Profits	10,836	10,994
- Corporate taxation equivalent	-	41
<b>Closing Retained Profits</b>	<b>14,085</b>	<b>10,836</b>
<b>Return on Capital %</b>	<b>-2.2%</b>	<b>-1.3%</b>
<b>Subsidy from Council</b>	<b>1,543</b>	<b>1,068</b>
<b>Calculation of dividend payable:</b>		
Surplus (deficit) after tax	3,249	(199)
less: Capital grants and contributions (excluding developer contributions)	(3,933)	(246)
<b>Surplus for dividend calculation purposes</b>	<b>-</b>	<b>-</b>
<b>Potential Dividend calculated from surplus</b>	<b>-</b>	<b>-</b>

## Lithgow City Council

## Income Statement of Council's Sewerage Business Activity

for the financial year ended 30 June 2013

\$ '000	Actual 2013	Actual 2012
<b>Income from continuing operations</b>		
Access charges	5,611	4,923
User charges	339	318
Liquid Trade Waste charges	116	87
Fees	56	47
Interest	18	88
Grants and contributions provided for non capital purposes	144	90
<b>Total income from continuing operations</b>	<b>6,284</b>	<b>5,553</b>
<b>Expenses from continuing operations</b>		
Employee benefits and on-costs	920	1,368
Borrowing costs	756	990
Materials and contracts	1,657	1,326
Depreciation and impairment	1,020	1,008
Other expenses	1,278	1,347
<b>Total expenses from continuing operations</b>	<b>5,631</b>	<b>6,039</b>
<b>Surplus (deficit) from Continuing Operations before capital amounts</b>	<b>653</b>	<b>(486)</b>
Grants and contributions provided for capital purposes	745	3,572
<b>Surplus (deficit) from ALL Operations before tax</b>	<b>1,398</b>	<b>3,086</b>
less: Corporate Taxation Equivalent (30%) [based on result before capital]	(196)	-
<b>SURPLUS (DEFICIT) AFTER TAX</b>	<b>1,202</b>	<b>3,086</b>
plus Opening Retained Profits	18,416	15,297
- Corporate taxation equivalent	196	33
<b>Closing Retained Profits</b>	<b>19,814</b>	<b>18,416</b>
<b>Return on Capital %</b>	<b>2.5%</b>	<b>0.9%</b>
<b>Subsidy from Council</b>	<b>704</b>	<b>1,152</b>
<b>Calculation of dividend payable:</b>		
Surplus (deficit) after tax	1,202	3,086
less: Capital grants and contributions (excluding developer contributions)	(745)	(3,572)
<b>Surplus for dividend calculation purposes</b>	<b>457</b>	<b>-</b>
<b>Potential Dividend calculated from surplus</b>	<b>229</b>	<b>-</b>

## Lithgow City Council

Income Statement of Council's Other Business Activities  
for the financial year ended 30 June 2013

Land Development

Category 2

\$ '000	Actual 2013	Actual 2012
<b>Income from continuing operations</b>		
Nil		
<b>Expenses from continuing operations</b>		
Nil		
<b>plus Opening Retained Profits</b>	1,987	1,987
<b>Closing Retained Profits</b>	<b>1,987</b>	<b>1,987</b>

## Lithgow City Council

Statement of Financial Position - Council's Water Supply Business Activity  
as at 30 June 2013

\$ '000	Actual 2013	Actual 2012
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	4,162	2,319
Receivables	942	906
Inventories	129	113
<b>Total Current Assets</b>	<b>5,233</b>	<b>3,338</b>
<b>Non-Current Assets</b>		
Infrastructure, property, plant and equipment	25,994	24,787
<b>Total non-Current Assets</b>	<b>25,994</b>	<b>24,787</b>
<b>TOTAL ASSETS</b>	<b>31,227</b>	<b>28,125</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Payables	77	58
Interest bearing liabilities	83	78
Provisions	384	202
<b>Total Current Liabilities</b>	<b>544</b>	<b>338</b>
<b>Non-Current Liabilities</b>		
Payables	-	837
Interest bearing liabilities	1,619	1,725
<b>Total Non-Current Liabilities</b>	<b>1,619</b>	<b>2,562</b>
<b>TOTAL LIABILITIES</b>	<b>2,163</b>	<b>2,900</b>
<b>NET ASSETS</b>	<b>29,064</b>	<b>25,225</b>
<b>EQUITY</b>		
Retained earnings	14,044	9,963
Revaluation reserves	15,020	15,262
Council equity interest	29,064	25,225
Non-controlling interest	-	-
<b>TOTAL EQUITY</b>	<b>29,064</b>	<b>25,225</b>

## Lithgow City Council

Statement of Financial Position - Council's Sewerage Business Activity  
as at 30 June 2013

\$ '000	Actual 2013	Actual 2012
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	989	678
Receivables	295	496
Inventories	19	14
<b>Total Current Assets</b>	<b>1,303</b>	<b>1,188</b>
<b>Non-Current Assets</b>		
Infrastructure, property, plant and equipment	56,053	54,655
<b>Total non-Current Assets</b>	<b>56,053</b>	<b>54,655</b>
<b>TOTAL ASSETS</b>	<b>57,356</b>	<b>55,843</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Interest bearing liabilities	1,053	1,110
Provisions	382	574
<b>Total Current Liabilities</b>	<b>1,435</b>	<b>1,684</b>
<b>Non-Current Liabilities</b>		
Payables	-	501
Interest bearing liabilities	9,545	10,017
<b>Total Non-Current Liabilities</b>	<b>9,545</b>	<b>10,518</b>
<b>TOTAL LIABILITIES</b>	<b>10,980</b>	<b>12,202</b>
<b>NET ASSETS</b>	<b>46,376</b>	<b>43,641</b>
<b>EQUITY</b>		
Retained earnings	22,104	20,706
Revaluation reserves	24,272	22,935
<b>TOTAL EQUITY</b>	<b>46,376</b>	<b>43,641</b>

## Lithgow City Council

## Statement of Financial Position - Council's Other Business Activities

as at 30 June 2013

	Land Development	
	Category 2	
\$ '000	Actual 2013	Actual 2012
<b>ASSETS</b>		
<b>Current Assets</b>		
Receivables	1,249	1,249
<b>Total Current Assets</b>	<b>1,249</b>	<b>1,249</b>
<b>Non-Current Assets</b>		
Inventories	738	738
<b>Total Non-Current Assets</b>	<b>738</b>	<b>738</b>
<b>TOTAL ASSETS</b>	<b>1,987</b>	<b>1,987</b>
<b>LIABILITIES</b>		
Nil		
<b>NET ASSETS</b>	<b>1,987</b>	<b>1,987</b>
<b>EQUITY</b>		
Retained earnings	1,987	1,987
<b>TOTAL EQUITY</b>	<b>1,987</b>	<b>1,987</b>

# Lithgow City Council

## Special Purpose Financial Statements

for the financial year ended 30 June 2013

### Contents of the Notes accompanying the Financial Statements

Note	Details	Page
1	Summary of Significant Accounting Policies	10
2	Water Supply Business Best Practice Management disclosure requirements	13
3	Sewerage Business Best Practice Management disclosure requirements	15

## Lithgow City Council

### Notes to the Special Purpose Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Significant Accounting Policies

These financial statements are a Special Purpose Financial Statements (SPFS) prepared for use by Council and the Division of Local Government.

For the purposes of these statements, the Council is not a reporting not-for-profit entity.

The figures presented in these special purpose financial statements, unless otherwise stated, have been prepared in accordance with:

- the recognition and measurement criteria of relevant Australian Accounting Standards,
- other authoritative pronouncements of the Australian Accounting Standards Board (AASB) &
- Australian Accounting Interpretations.

The disclosures in these special purpose financial statements have been prepared in accordance with:

- the Local Government Act and Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

The statements are also prepared on an accruals basis, based on historic costs and do not take into account changing money values nor current values of non-current assets (except where specifically stated).

Certain taxes and other costs (appropriately described) have been imputed for the purposes of the National Competition Policy.

#### National Competition Policy

Council has adopted the principle of 'competitive neutrality' to its business activities as part of the national competition policy which is being applied throughout Australia at all levels of government.

The framework for its application is set out in the June 1996 Government Policy statement on the "Application of National Competition Policy to Local Government".

The "Pricing & Costing for Council Businesses A Guide to Competitive Neutrality" issued by the Division of Local Government in July 1997 has also been adopted.

The pricing & costing guidelines outline the process for identifying and allocating costs to activities and provide a standard of disclosure requirements.

These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents; council subsidies; return on investments (rate of return); and dividends paid.

#### Declared Business Activities

In accordance with *Pricing & Costing for Council Businesses - A Guide to Competitive Neutrality*, Council has declared that the following are to be considered as business activities:

##### Category 1

(where gross operating turnover is over \$2 million)

##### a. Water Supply Service

Comprising the whole of the water supply operations and net assets servicing the Lithgow area.

##### b. Sewerage (Waste Water) Service

Comprising the whole of the sewerage reticulation & treatment operations and net assets servicing the Lithgow area.

##### Category 2

(where gross operating turnover is less than \$2 million)

##### a. Land Development

Comprising land parcels Council has specified for Real Estate Development in the Lithgow local government area.

#### Monetary Amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest one thousand dollars.

#### (i) Taxation Equivalent Charges

Council is liable to pay various taxes and financial duties in undertaking its business activities. Where this is the case, they are disclosed in these statements as a cost of operations just like all other costs.



## Lithgow City Council

### Notes to the Special Purpose Financial Statements

for the financial year ended 30 June 2013

#### Note 1. Significant Accounting Policies

However, where Council is exempt from paying taxes which are generally paid by private sector businesses (such as income tax), equivalent tax payments have been applied to all Council nominated business activities and are reflected in these financial statements.

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all council nominated business activities (this does not include council's non-business activities):

##### Notional Rate Applied %

###### Corporate Income Tax Rate – 30%

Land Tax – The first **\$406,000** of combined land values attracts **0%**. From \$406,001 to \$2,482,000 the rate is **1.6% + \$100**. For the remaining combined land value that exceeds \$2,482,000, a premium marginal rate of **2.0%** applies.

Payroll Tax – **5.45%** on the value of taxable salaries and wages in excess of \$689,000.

In accordance with the guidelines for Best Practice Management of Water Supply and Sewerage, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from Water Supply and Sewerage Business activities.

The payment of taxation equivalent charges, referred in the Best Practice Management of Water Supply and Sewerage Guides to as a "Dividend for Taxation equivalent", may be applied for any purpose allowed under the Local Government Act, 1993.

Achievement of substantial compliance against the guidelines for Best Practice Management of Water Supply and Sewerage is not a prerequisite for the payment of the tax equivalent charges, however the payment must not exceed \$3 per assessment.

##### Income Tax

An income tax equivalent has been applied on the profits of each reported Business Activity.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account of in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level (gain/(loss) from ordinary activities before capital amounts) as would be applied by a private sector competitor – that is, it should include a provision equivalent to the corporate income tax rate, currently 30%.

Income Tax is only applied where a positive gain/(loss) from ordinary activities before capital amounts has been achieved.

Since this taxation equivalent is notional - that is, it is payable to the "Council" as the owner of business operations, it represents an internal payment and has no effect on the operations of the council. Accordingly, there is no need for disclosure of internal charges in Council's General Purpose Financial Statements.

The rate applied of 30% is the equivalent company tax rate prevalent as at balance date. No adjustments have been made for variations that have occurred during the year.

##### Local Government Rates & Charges

A calculation of the equivalent rates and charges payable on all Category 1 businesses has been applied to all land assets owned or exclusively used by the Business Activity.

##### Loan & Debt Guarantee Fees

The debt guarantee fee is designed to ensure that council business activities face "true" commercial borrowing costs in line with private sector competitors.

In order to calculate a debt guarantee fee, council has determined what the differential borrowing rate would have been between the commercial rate and the council's borrowing rate for its business activities.

##### (ii) Subsidies

Government policy requires that subsidies provided to customers and the funding of those subsidies must be explicitly disclosed.

Subsidies occur where council provides services on a less than cost recovery basis. This option is

## Lithgow City Council

### Notes to the Special Purpose Financial Statements for the financial year ended 30 June 2013

#### Note 1. Significant Accounting Policies

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exercised on a range of services in order for council to meet its community service obligations.

Accordingly, Subsidies disclosed (in relation to National Competition Policy) represents the difference between revenue generated from 'rate of return' pricing and revenue generated from prices set by the council in any given financial year.

The overall effect of subsidies is contained within the Income Statement of each reported Business Activity.

#### **(iii) Return on Investments (Rate of Return)**

The Policy statement requires that councils with Category 1 businesses "would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field".

Such funds are subsequently available for meeting commitments or financing future investment strategies.

The Rate of Return on Capital is calculated as follows:

**Operating Result before Capital Income + Interest Expense**

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**Written Down Value of I,PP&E as at 30 June**

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 3.77% at 30/6/13.

The actual rate of return achieved by each Business Activity is disclosed at the foot of each respective Income Statement.

#### **(iv) Dividends**

Council is not required to pay dividends to either itself (as owner of a range of businesses) or to any external entities.

## Lithgow City Council

Notes to the Special Purpose Financial Statements  
for the financial year ended 30 June 2013Note 2. Water Supply Business  
Best Practice Management disclosure requirements

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated)

2013

**1. Calculation and Payment of Tax-Equivalents**

[All Local Government Local Water Utilities must pay this dividend for tax-equivalents]

(i)	Calculated Tax Equivalents	-
(ii)	No of assessments multiplied by \$3/assessment	24,687
(iii)	Amounts payable for Tax Equivalents [lesser of (i) and (ii)]	-
(iv)	Amounts actually paid for Tax Equivalents	-

**2. Dividend from Surplus**

(i)	50% of Surplus before Dividends [Calculated in accordance with Best Practice Management for Water Supply and Sewerage Guidelines]	-
(ii)	No. of assessments multiplied by \$30/assessment, less tax equivalent charges/assessment	246,870
(iii)	Cumulative surplus before Dividends for the 3 years to 30 June 2013, less the cumulative dividends paid for the 2 years to 30 June 2012 & 30 June 2011	(1,641,000)

2013 Surplus	(684,000)	2012 Surplus	(445,000)	2011 Surplus	(512,000)
		2012 Dividend	-	2011 Dividend	-

(iv)	Maximum dividend from surplus [least of (i), (ii) and (iii) above]	n/a
(v)	Dividend actually paid from surplus [refer below for required pre-dividend payment Criteria]	

**3. Required outcomes for 6 Criteria**

[To be eligible for the payment of a "Dividend from Surplus", ALL the Criteria below need a "YES"]

(i)	Completion of Strategic Business Plan (including Financial Plan)	YES
(ii)	Full Cost Recovery, without significant cross subsidies [Refer Item 2(a) in Table 1 on page 22 of the Best Practice Guidelines]	YES
	- Complying charges [Item 2(b) in Table 1]	YES
	- DSP with Commercial Developer Charges [Item 2(e) in Table 1]	NO
	- If Dual Water Supplies, Complying Charges [Item 2(g) in Table 1]	YES
(iii)	Sound Water Conservation and Demand Management implemented	YES
(iv)	Sound Drought Management implemented	YES
(v)	Complete Performance Reporting Form (by 15 September each year)	YES
(vi)	a. Integrated Water Cycle Management Evaluation	YES
	b. Complete and implement Integrated Water Cycle Management Strategy	NO

## Lithgow City Council

Notes to the Special Purpose Financial Statements  
for the financial year ended 30 June 2013Note 2. Water Supply Business  
Best Practice Management disclosure requirements (continued)

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Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated) 2013


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**National Water Initiative (NWI) Financial Performance Indicators**

<b>NWI F1</b>	Total Revenue (Water) Total Income (w13) - Grants for the Acquisition of Assets (w11a) - Interest Income (w9) - Aboriginal Communities W&S Program Income (w10a)	\$'000	5,595
<b>NWI F4</b>	Revenue from Residential Usage Charges (Water) Income from Residential Usage Charges (w6b) x 100 divided by the sum of [Income from Residential Usage Charges (w6a) + Income from Residential Access Charges (w6b)]	%	77.83%
<b>NWI F9</b>	Written Down Replacement Cost of Fixed Assets (Water) Written down current cost of system assets (w47)	\$'000	25,994
<b>NWI F11</b>	Operating Cost (OMA) (Water) Management Expenses (w1) + Operational & Maintenance Expenses (w2)	\$'000	4,238
<b>NWI F14</b>	Capital Expenditure (Water) Acquisition of fixed assets (w16)	\$'000	1,676
<b>NWI F17</b>	Economic Real Rate of Return (Water) [Total Income (w13) - Interest Income (w9) - Grants for acquisition of assets (w11a) - Operating Costs (NWI F11) - Current Cost Depreciation (w3)] x 100 divided by [Written Down Current Cost of System Assets (w47) + Plant & Equipment (w33b)]	%	1.15%
<b>NWI F26</b>	Capital Works Grants (Water) Grants for the Acquisition of Assets (w11a)	\$'000	3,913

- Notes:
- References to w (eg. w12) refer to item numbers within Special Schedules No. 3 & 4 of Council's Annual Financial Statements.
  - The NWI Performance Indicators are based upon the National Performance Framework Handbook for Urban Performance Reporting Indicators & Definitions.

## Lithgow City Council

Notes to the Special Purpose Financial Statements  
for the financial year ended 30 June 2013Note 3. Sewerage Business  
Best Practice Management disclosure requirements

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated)

2013

**1. Calculation and Payment of Tax-Equivalents**

[All Local Government Local Water Utilities must pay this dividend for tax-equivalents]

(i)	Calculated Tax Equivalents	-
(ii)	No of assessments multiplied by \$3/assessment	22,878
(iii)	Amounts payable for Tax Equivalents [lesser of (i) and (ii)]	-
(iv)	Amounts actually paid for Tax Equivalents	-

**2. Dividend from Surplus**

(i)	50% of Surplus before Dividends [Calculated in accordance with Best Practice Management for Water Supply and Sewerage Guidelines]	228,550
(ii)	No. of assessments x (\$30 less tax equivalent charges per assessment)	228,780
(iii)	Cumulative surplus before dividends for the 3 years to 30 June 2013, less the cumulative dividends paid for the 2 years to 30 June 2012 & 30 June 2011	(914,900)

2013 Surplus	457,100	2012 Surplus	(486,000)	2011 Surplus	(886,000)
		2012 Dividend	-	2011 Dividend	-

(iv)	Maximum dividend from surplus [least of (i), (ii) and (iii) above]	n/a
(v)	Dividend actually paid from surplus [refer below for required pre-dividend payment Criteria]	

**3. Required outcomes for 4 Criteria**

[To be eligible for the payment of a "Dividend from Surplus", ALL the Criteria below need a "YES"]

(i)	Completion of Strategic Business Plan (including Financial Plan)	YES
(ii)	Pricing with full cost-recovery, without significant cross subsidies [Refer Item 2(a) in Table 1 on page 22 of the Best Practice Guidelines]	YES
	Complying charges	
	(a) Residential [Item 2(c) in Table 1]	YES
	(b) Non Residential [Item 2(c) in Table 1]	YES
	(c) Trade Waste [Item 2(d) in Table 1]	YES
	DSP with Commercial Developer Charges [Item 2(e) in Table 1]	NO
	Liquid Trade Waste Approvals & Policy [Item 2(f) in Table 1]	YES
(iii)	Complete Performance Reporting Form (by 15 September each year)	YES
(iv)	a. Integrated Water Cycle Management Evaluation	YES
	b. Complete and implement Integrated Water Cycle Management Strategy	NO

## Lithgow City Council

Notes to the Special Purpose Financial Statements  
for the financial year ended 30 June 2013Note 3. Sewerage Business  
Best Practice Management disclosure requirements (continued)

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Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated) 2013


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**National Water Initiative (NWI) Financial Performance Indicators**

<b>NWI F2</b>	Total Revenue (Sewerage) Total Income (s14) - Grants for Acquisition of Assets (s12a) - Interest Income (s10) - Aboriginal Communities W&S Program Income (w10a)	\$'000	6,284
<b>NWI F10</b>	Written Down Replacement Cost of Fixed Assets (Sewerage) Written down current cost of system assets (s48)	\$'000	56,053
<b>NWI F12</b>	Operating Cost (Sewerage) Management Expenses (s1) + Operational & Maintenance Expenses (s2)	\$'000	3,302
<b>NWI F15</b>	Capital Expenditure (Sewerage) Acquisition of Fixed Assets (s17)	\$'000	1,082
<b>NWI F18</b>	Economic Real Rate of Return (Sewerage) [Total Income (s14) - Interest Income (s10) - Grants for acquisition of Assets (s12a) - Operating cost (NWI F12) - Current cost depreciation (s3)] x 100 divided by [Written down current cost (ie. WDCC) of System Assets (s48) + Plant & Equipment (s34b)]	%	3.50%
<b>NWI F27</b>	Capital Works Grants (Sewerage) Grants for the Acquisition of Assets (12a)	\$'000	727

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**National Water Initiative (NWI) Financial Performance Indicators  
Water & Sewer (combined)**

<b>NWI F3</b>	Total Income (Water & Sewerage) Total Income (w13 + s14) + Gain/Loss on disposal of assets (w14 + s15) minus Grants for acquisition of assets (w11a + s12a) - Interest Income (w9 + s10)	\$'000	11,879
<b>NWI F8</b>	Revenue from Community Service Obligations (Water & Sewerage) Community Service Obligations (NWI F25) x 100 divided by Total Income (NWI F3)	%	1.57%
<b>NWI F16</b>	Capital Expenditure (Water & Sewerage) Acquisition of Fixed Assets (w16 + s17)	\$'000	2,758
<b>NWI F19</b>	Economic Real Rate of Return (Water & Sewerage) [Total Income (w13 + s14) - Interest Income (w9 + s10) - Grants for acquisition of assets (w11a + s12a) - Operating Cost (NWI F11 + NWI F12) - Current cost depreciation (w3 + s3)] x 100 divided by [Written down replacement cost of fixed assets (NWI F9 + NWI F10) + Plant & equipment (w33b + s34b)]	%	2.75%
<b>NWI F20</b>	Dividend (Water & Sewerage) Dividend paid from surplus (2(v) of Note 2 + 2(v) of Note 3)	\$'000	-
<b>NWI F21</b>	Dividend Payout Ratio (Water & Sewerage) Dividend (NWI F20) x 100 divided by Net Profit after tax (NWI F24)	%	0.00%

## Lithgow City Council

Notes to the Special Purpose Financial Statements  
for the financial year ended 30 June 2013Note 3. Sewerage Business  
Best Practice Management disclosure requirements (continued)

Dollars Amounts shown below are in WHOLE DOLLARS (unless otherwise indicated)

2013

National Water Initiative (NWI) Financial Performance Indicators  
Water & Sewer (combined)

<b>NWI F22</b>	Net Debt to Equity (Water & Sewerage) Overdraft (w36 + s37) + Borrowings (w38 + s39) - Cash & Investments (w30 + s31) x 100 divided by [Total Assets (w35 + s36) - Total Liabilities (w40 + s41)]	%	9.48%
<b>NWI F23</b>	Interest Cover (Water & Sewerage) Earnings before Interest & Tax (EBIT) divided by Net Interest		2
	Earnings before Interest & Tax (EBIT):		2,260
	Operating Result (w15a + s16a) + Interest expense (w4a + s4a) - Interest Income (w9 + s10) - Gain/Loss on disposal of assets (w14 + s15) + Miscellaneous Expenses (w4b + w4c + s4b + s4c)		
	Net Interest:		983
	Interest Expense (w4a + s4a) - Interest Income (w9 + s10)		
<b>NWI F24</b>	Net Profit After Tax (Water & Sewerage) Surplus before dividends (w15a + s16a) - Tax equivalents paid (Note 2-1(iv) + Note 3-1(iv))	\$'000	6
<b>NWI F25</b>	Community Service Obligations (Water & Sewerage) Grants for Pensioner Rebates (w11b + s12b)	\$'000	186

- Notes:
- References to w (eg. s12) refer to item numbers within Special Schedules No. 5 & 6 of Council's Annual Financial Statements.
  - The NWI Performance Indicators are based upon the National Performance Framework Handbook for Urban Performance Reporting Indicators & Definitions.

**INDEPENDENT AUDITOR'S REPORT  
ON THE SPECIAL PURPOSE FINANCIAL STATEMENTS OF  
LITHGOW CITY COUNCIL**

**Report on the Financial Statements**

We have audited the special purpose financial statements of Lithgow City Council (Council) for the year ended 30 June 2013, comprising the Statement by Council, Income Statement by Business Activities, Balance Sheet by Business Activities, and accompanying Notes to the Financial Statements. Our audit responsibility does not extend to the best practice management disclosures in Notes 2 and 3 and accordingly we express no opinion on them.

**Council's Responsibility for the Financial Statements**

The Council are responsible for the preparation and fair presentation of the financial statements and have determined that the accounting policies described in Note 1 to the financial statements which form part of the financial statements are appropriate to meet the financial reporting requirements of the Council and the Division of Local Government for the purpose of fulfilling the requirements of National Competition Policy reporting. The Council's responsibility also includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the financial statements based on our audit. No opinion is expressed as to whether the accounting policies used, as described in Note 1, are appropriate to meet the needs of the Council. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.



## **Matters Relating to the Electronic Presentation of the Audited Financial Statements**


This auditor's report relates to the special purpose financial statements of Lithgow City Council for the year ended 30 June 2013 included on Council's web site. Council is responsible for the integrity of Council's web site. We have not been engaged to report on the integrity of the web site. The auditor's report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial statements to confirm the information included in the audited financial statements presented on this web site.

## **Audit Opinion**

In our opinion, the special purpose financial statements of Lithgow City Council are presented fairly in accordance with the requirements of those applicable accounting policies detailed in Note 1, the accounting requirements of the Local Government Act 1993 and the Local Government Code of Accounting Practice and Financial Reporting.

## **Basis of Accounting**

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The special purpose financial statements have been prepared for distribution to the Council and the Division of Local Government for the purpose of fulfilling the requirements of National Competition Policy reporting. As a result, the financial statements may not be suitable for another purpose. We disclaim any assumption of responsibility for any reliance on this report or on the financial statements to which it relates to any person other than the Council or the Division of Local Government or for any purpose other than for which the statements were prepared.



**intentus**

266 Howick Street  
Bathurst

Dated: 31 October 2013



**LR Smith**  
Partner

# Lithgow City Council

SPECIAL SCHEDULES  
for the year ended 30 June 2013

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*"A centre of regional excellence that:  
- encourages community growth and development,  
- contributes to the efficient and effective management of the environment,  
community and economy for present and future generations."*



# Lithgow City Council

## Special Schedules

for the financial year ended 30 June 2013

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<sup>1</sup> Special Purpose Schedules are not audited.

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#### Background

- (i) These Special Schedules have been designed to meet the requirements of special purpose users such as;
- the NSW Grants Commission
  - the Australian Bureau of Statistics (ABS),
  - the NSW Office of Water,
  - the Department of Environment, Climate Change and Water, and
  - the Division of Local Government (DLG).
- (ii) The financial data is collected for various uses including;
- the allocation of Financial Assistance Grants,
  - the incorporation of Local Government financial figures in national statistics,
  - the monitoring of loan approvals,
  - the allocation of borrowing rights, and
  - the monitoring of the financial activities of specific services.

## Lithgow City Council

## Special Schedule No. 1 - Net Cost of Services

for the financial year ended 30 June 2013

\$'000

Function or Activity	Expenses from. Continuing. Operations.	Income from continuing operations		Net Cost. of Services.
		Non Capital.	Capital.	
<b>Governance</b>	<b>1,461</b>	<b>10</b>	<b>-</b>	<b>(1,451)</b>
<b>Administration</b>	<b>5,494</b>	<b>1,115</b>	<b>-</b>	<b>(4,379)</b>
<b>Public Order and Safety</b>				
Fire Service Levy, Fire Protection, Emergency Services	699	217	-	(482)
Beach Control	-	-	-	-
Enforcement of Local Govt. Regulations	529	68	-	(461)
Animal Control	-	-	-	-
Other	-	-	-	-
<b>Total Public Order &amp; Safety</b>	<b>1,228</b>	<b>285</b>	<b>-</b>	<b>(943)</b>
<b>Health</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Environment</b>				
Noxious Plants and Insect/Vermin Control	160	-	-	(160)
Other Environmental Protection	209	49	-	(160)
Solid Waste Management	2,916	3,573	-	657
Street Cleaning	454	-	-	(454)
Drainage	81	-	120	39
Stormwater Management	-	-	-	-
<b>Total Environment</b>	<b>3,820</b>	<b>3,622</b>	<b>120</b>	<b>(78)</b>
<b>Community Services and Education</b>				
Administration & Education	602	31	-	(571)
Social Protection (Welfare)	-	-	-	-
Aged Persons and Disabled	-	-	-	-
Children's Services	-	-	-	-
<b>Total Community Services &amp; Education</b>	<b>602</b>	<b>31</b>	<b>-</b>	<b>(571)</b>
<b>Housing and Community Amenities</b>				
Public Cemeteries	257	149	-	(108)
Public Conveniences	314	-	-	(314)
Street Lighting	448	49	-	(399)
Town Planning	484	-	-	(484)
Other Community Amenities	238	11	-	(227)
<b>Total Housing and Community Amenities</b>	<b>1,741</b>	<b>209</b>	<b>-</b>	<b>(1,532)</b>
<b>Water Supplies</b>	<b>6,327</b>	<b>5,978</b>	<b>3,597</b>	<b>3,248</b>
<b>Sewerage Services</b>	<b>5,631</b>	<b>5,948</b>	<b>1,081</b>	<b>1,398</b>

## Lithgow City Council

## Special Schedule No. 1 - Net Cost of Services (continued)

for the financial year ended 30 June 2013

\$'000

Function or Activity	Expenses from Continuing Operations.	Income from continuing operations		Net Cost. of Services.
		Non Capital.	Capital.	
<b>Recreation and Culture</b>				
Public Libraries	982	105	-	(877)
Museums	-	31	-	31
Art Galleries	-	-	-	-
Community Centres and Halls	465	35	3,123	2,693
Performing Arts Venues	-	-	-	-
Other Performing Arts	-	-	-	-
Other Cultural Services	-	-	-	-
Sporting Grounds and Venues	876	25	-	(851)
Swimming Pools	505	82	-	(423)
Parks & Gardens (Lakes)	428	-	-	(428)
Other Sport and Recreation	850	18	22	(810)
<b>Total Recreation and Culture</b>	<b>4,106</b>	<b>296</b>	<b>3,145</b>	<b>(665)</b>
<b>Fuel &amp; Energy</b>	-	-	-	-
<b>Agriculture</b>	-	-	-	-
<b>Mining, Manufacturing and Construction</b>				
Building Control	1,448	460	-	(988)
Other Mining, Manufacturing & Construction	-	-	-	-
<b>Total Mining, Manufacturing and Const.</b>	<b>1,448</b>	<b>460</b>	-	<b>(988)</b>
<b>Transport and Communication</b>				
Urban Roads (UR) - Local	514	-	-	(514)
Urban Roads - Regional	337	227	-	(110)
Sealed Rural Roads (SRR) - Local	1,668	25	4,215	2,572
Sealed Rural Roads (SRR) - Regional	-	-	-	-
Unsealed Rural Roads (URR) - Local	-	-	-	-
Unsealed Rural Roads (URR) - Regional	-	-	-	-
Bridges on UR - Local	45	-	-	(45)
Bridges on SRR - Local	-	-	-	-
Bridges on URR - Local	-	-	-	-
Bridges on Regional Roads	-	-	-	-
Parking Areas	-	-	-	-
Footpaths	118	-	-	(118)
Aerodromes	-	-	-	-
Other Transport & Communication	1,609	440	291	(878)
<b>Total Transport and Communication</b>	<b>4,291</b>	<b>692</b>	<b>4,506</b>	<b>907</b>
<b>Economic Affairs</b>				
Camping Areas & Caravan Parks	-	-	-	-
Other Economic Affairs	839	409	-	(430)
<b>Total Economic Affairs</b>	<b>839</b>	<b>409</b>	-	<b>(430)</b>
<b>Totals – Functions</b>	<b>36,988</b>	<b>19,055</b>	<b>12,449</b>	<b>(5,484)</b>
<b>General Purpose Revenues<sup>(2)</sup></b>		<b>16,180</b>		<b>16,180</b>
<b>Share of interests - joint ventures &amp; associates using the equity method</b>	-	-		-
<b>NET OPERATING RESULT<sup>(1)</sup></b>	<b>36,988</b>	<b>35,235</b>	<b>12,449</b>	<b>10,696</b>

(1) As reported in the Income Statement

(2) Includes: Rates &amp; Annual Charges (incl. Ex Gratia, excl. Water &amp; Sewer), Non Capital General Purpose Grants, Interest on Investments (excl. Ext. Restricted Assets) &amp; Interest on overdue Rates &amp; Annual Charges

# Lithgow City Council

## Special Schedule No. 2(a) - Statement of Long Term Debt (all purpose)

for the financial year ended 30 June 2013

\$'000

Classification of Debt	Principal outstanding at beginning of the year			New Loans raised during the year	Debt redemption during the year		Transfers to Sinking Funds	Interest applicable for Year	Principal outstanding at the end of the year		
	Current	Non Current	Total		From Revenue	Sinking Funds			Current	Non Current	Total
<b>Loans (by Source)</b>											
Other State Government	489	2,462	<b>2,951</b>	-	489	-	-	-	489	1,973	<b>2,462</b>
Financial Institutions	412	15,548	<b>15,960</b>	-	461	-	-	1,081	499	15,000	<b>15,499</b>
<b>Total Loans</b>	<b>901</b>	<b>18,010</b>	<b>18,911</b>	-	<b>950</b>	-	-	<b>1,081</b>	<b>988</b>	<b>16,973</b>	<b>17,961</b>
<b>Total Debt</b>	<b>901</b>	<b>18,010</b>	<b>18,911</b>	-	<b>950</b>	-	-	<b>1,081</b>	<b>988</b>	<b>16,973</b>	<b>17,961</b>

Notes: Excludes (i) Internal Loans & (ii) Principal Inflows/Outflows relating to Loan Re-Financing.

This Schedule is prepared using the **face value** of debt obligations, rather than **fair value** (which are reported in the GPFS).

# Lithgow City Council

## Special Schedule No. 2(b) - Statement of Internal Loans [Section 410(3) LGA 1993] for the financial year ended 30 June 2013

\$'000

### Summary of Internal Loans

Borrower (by purpose)	Amount originally raised	Total repaid during the year (Principal & Interest)	Principal Outstanding at end of year
Sewer	2,750	204	2,750
<b>Totals</b>	<b>2,750</b>	<b>204</b>	<b>2,750</b>

Note: The summary of Internal Loans (above) represents the total of Council's Internal Loans categorised according to the borrower.

### Details of Individual Internal Loans

Borrower (by purpose)	Lender (by purpose)	Date of Minister's Approval	Date Raised	Term (years)	Dates of Maturity	Rate of Interest	Amount Originally raised	Total repaid during year (Princ. & Int.)	Principal Outstanding at end of year
Sewer: Treatment Plant	General		15/01/11	30	15/01/41	7.13%	2,750	204	2,750
<b>Totals</b>							<b>2,750</b>	<b>204</b>	<b>2,750</b>

## Lithgow City Council

## Special Schedule No. 3 - Water Supply Income Statement

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.  
for the financial year ended 30 June 2013

\$'000	Actuals 2013	Actuals 2012
<b>A Expenses and Income Expenses</b>		
<b>1. Management expenses</b>		
a. Administration	625	591
b. Engineering and Supervision	240	248
<b>2. Operation and Maintenance expenses</b>		
- <b>Mains</b>		
d. Maintenance expenses	1,072	917
- <b>Reservoirs</b>		
f. Maintenance expenses	67	129
- <b>Pumping Stations</b>		
h. Energy costs	31	32
i. Maintenance expenses	21	4
- <b>Treatment</b>		
k. Chemical costs	112	83
l. Maintenance expenses	693	669
- <b>Other</b>		
n. Maintenance expenses	41	18
o. Purchase of water	1,336	1,158
<b>3. Depreciation expenses</b>		
a. System assets	1,058	1,036
<b>4. Miscellaneous expenses</b>		
a. Interest expenses	121	127
c. Other expenses (Inc Best Practice Plans)	910	916
<b>5. Total expenses</b>	<b>6,327</b>	<b>5,928</b>



## Lithgow City Council

## Special Schedule No. 3 - Water Supply Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.  
for the financial year ended 30 June 2013

\$'000	Actuals 2013	Actuals 2012
<b>Income</b>		
<b>6. Residential charges</b>		
a. Access (including rates)	1,122	1,276
b. Usage charges	3,938	3,595
<b>7. Non-residential charges</b>		
b. Usage charges	326	318
<b>8. Extra charges</b>	32	29
<b>9. Interest income</b>	67	132
<b>10. Other income</b>	59	16
<b>11. Grants</b>		
a. Grants for acquisition of assets	3,913	246
b. Grants for pensioner rebates	98	100
<b>12. Contributions</b>		
a. Developer charges	20	17
<b>13. Total income</b>	<u>9,575</u>	<u>5,729</u>
<b>15. Operating Result</b>	<u>3,248</u>	<u>(199)</u>
<b>15a. Operating Result (less grants for acquisition of assets)</b>	(665)	(445)

## Lithgow City Council

## Special Schedule No. 3 - Water Supply Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.  
for the financial year ended 30 June 2013

\$'000	Actuals 2013	Actuals 2012
<b>B Capital transactions</b>		
<b>Non-operating expenditures</b>		
<b>16. Acquisition of Fixed Assets</b>		
c. Renewals	1,676	618
<b>17. Repayment of debt</b>		
a. Loans	101	95
<b>19. Totals</b>	<u>1,777</u>	<u>713</u>
<b>Non-operating funds employed</b>		
<b>20. Proceeds from disposal of assets</b>	-	-
<b>21. Borrowing utilised</b>		
<b>22. Transfer from sinking fund</b>	-	-
<b>23. Totals</b>	<u>-</u>	<u>-</u>
<b>C Rates and charges</b>		
<b>24. Number of assessments</b>		
a. Residential (occupied)	7,047	7,005
b. Residential (unoccupied, ie. vacant lot)	684	703
c. Non-residential (occupied)	440	451
d. Non-residential (unoccupied, ie. vacant lot)	58	51
<b>25. Number of ETs for which developer charges were received</b>	- ET	- ET
<b>26. Total amount of pensioner rebates (actual dollars)</b>	\$ 165,956	\$ 149,687

## Lithgow City Council

## Special Schedule No. 3 - Water Supply Cross Subsidies

for the financial year ended 30 June 2013

\$'000	Yes	No	Amount
<b>D Best practice annual charges and developer charges*</b>			
<b>27. Annual charges</b>			
a. Does Council have best-practice water supply annual charges and usage charges*?	<input type="checkbox"/>	<input type="checkbox"/>	
If Yes, go to 28a.			
If No, please report if council has removed <b>land value</b> from access charges (ie rates)?			
<p><b>NB.</b> Such charges for both residential customers and non-residential customers comply with section 3.2 of Water Supply, Sewerage and Trade Waste Pricing Guidelines, NSW Office of Water, December, 2002. Such charges do not involve significant cross subsidies.</p>			
b. Cross-subsidy <b>from</b> residential customers using less than allowance (page 25 of Guidelines)			<input type="text"/>
c. Cross-subsidy <b>to</b> non-residential customers (page 24 of Guidelines)			<input type="text"/>
d. Cross-subsidy <b>to</b> large connections in unmetered supplies (page 26 of Guidelines)			<input type="text"/>
<b>28. Developer charges</b>			
a. Has council completed a water supply Development Servicing** Plan?	<input type="checkbox"/>	<input type="checkbox"/> No	
b. Total cross-subsidy in water supply developer charges for 2012/13 (page 47 of Guidelines)			<input type="text"/>
** In accordance with page 9 of Developer Charges Guidelines for Water Supply, Sewerage and Stormwater, NSW Office of Water, December, 2002.			
<b>29. Disclosure of cross-subsidies</b>			
<b>Total of cross-subsidies (27b +27c + 27d + 28b)</b>			<input type="text" value="-"/>

\* Councils which have not yet implemented best practice water supply pricing should disclose cross-subsidies in items 27b, 27c and 27d above.

However, disclosure of cross-subsidies is **not** required where a Council has implemented best practice pricing and is phasing in such pricing over a period of 3 years.

## Lithgow City Council

## Special Schedule No. 4 - Water Supply Statement of Financial Position

Includes INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.  
as at 30 June 2013

\$'000	Actuals Current	Actuals Non Current	Actuals Total
<b>ASSETS</b>			
<b>30. Cash and investments</b>			
b. Special purpose grants	1,685	-	1,685
f. Other	2,478	-	2,478
<b>31. Receivables</b>			
a. Specific purpose grants	304	-	304
b. Rates and Availability Charges	634	-	634
d. Other	3	-	3
<b>32. Inventories</b>	129	-	129
<b>33. Property, plant and equipment</b>			
a. System assets	-	25,994	25,994
<b>35. Total assets</b>	<u>5,233</u>	<u>25,994</u>	<u>31,227</u>
<b>LIABILITIES</b>			
<b>37. Creditors</b>	77	-	77
<b>38. Borrowings</b>			
a. Loans	83	1,619	1,702
<b>39. Provisions</b>			
c. Other	384	-	384
<b>40. Total liabilities</b>	<u>544</u>	<u>1,619</u>	<u>2,163</u>
<b>41. NET ASSETS COMMITTED</b>	<u>4,689</u>	<u>24,375</u>	<u>29,064</u>
<b>EQUITY</b>			
<b>42. Accumulated surplus</b>			14,044
<b>43. Asset revaluation reserve</b>			14,020
<b>44. TOTAL EQUITY</b>			<u>28,064</u>
<b>Note to system assets:</b>			
<b>45. Current replacement cost</b> of system assets			83,015
<b>46. Accumulated current cost</b> depreciation of system assets			(57,021)
<b>47. Written down current cost</b> of system assets			<u>25,994</u>

## Lithgow City Council

## Special Schedule No. 5 - Sewerage Service Income Statement

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.  
for the financial year ended 30 June 2013

\$'000	Actuals 2013	Actuals 2012
<b>A Expenses and Income Expenses</b>		
<b>1. Management expenses</b>		
a. Administration	446	983
b. Engineering and Supervision	178	150
<b>2. Operation and Maintenance expenses</b>		
<b>- Mains</b>		
b. Maintenance expenses	327	339
<b>- Pumping Stations</b>		
d. Energy costs	186	209
e. Maintenance expenses	276	258
<b>- Treatment</b>		
h. Energy costs	41	64
i. Effluent Management	419	253
k. Maintenance expenses	1,425	1,454
<b>- Other</b>		
m. Maintenance expenses	4	1
<b>3. Depreciation expenses</b>		
a. System assets	1,021	1,006
<b>4. Miscellaneous expenses</b>		
a. Interest expenses	947	990
c. Other expenses	361	348
<b>5. Total expenses</b>	<b>5,631</b>	<b>6,055</b>

## Lithgow City Council

## Special Schedule No. 5 - Sewerage Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.  
for the financial year ended 30 June 2013

\$'000	Actuals 2013	Actuals 2012
<b>Income</b>		
<b>6. Residential charges</b> (including rates)	5,257	4,653
<b>7. Non-residential charges</b>		
a. Access (including rates)	286	270
b. Usage charges	407	318
<b>8. Trade Waste Charges</b>		
a. Annual Fees	115	87
b. Usage charges	57	47
<b>10. Interest income</b>	18	88
<b>11. Other income</b>	-	1
<b>12. Grants</b>		
a. Grants for acquisition of assets	727	3,572
b. Grants for pensioner rebates	88	90
c. Other grants	56	-
<b>13. Contributions</b>		
a. Developer charges	18	15
<b>14. Total income</b>	<u>7,029</u>	<u>9,141</u>
<b>16. Operating Result</b>	<u>1,398</u>	<u>3,086</u>
<b>16a. Operating Result (less grants for acquisition of assets)</b>	671	(486)

## Lithgow City Council

## Special Schedule No. 5 - Sewerage Income Statement (continued)

Includes ALL INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.  
for the financial year ended 30 June 2013

\$'000	Actuals 2013	Actuals 2012
<b>B Capital transactions</b>		
<b>Non-operating expenditures</b>		
<b>17. Acquisition of Fixed Assets</b>		
c. Renewals	1,082	4,566
<b>18. Repayment of debt</b>		
a. Loans	531	357
<b>20. Totals</b>	<u>1,613</u>	<u>4,923</u>
<b>Non-operating funds employed</b>		
<b>24. Totals</b>	<u>-</u>	<u>-</u>
<b>C Rates and charges</b>		
<b>25. Number of assessments</b>		
a. Residential (occupied)	6,659	6,628
b. Residential (unoccupied, ie. vacant lot)	504	520
c. Non-residential (occupied)	426	433
d. Non-residential (unoccupied, ie. vacant lot)	37	34
<b>26. Number of ETs for which developer charges were received</b>	- ET	- ET
<b>27. Total amount of pensioner rebates (actual dollars)</b>	\$ 159,694	\$ 161,414

## Lithgow City Council

Special Schedule No. 5 - Sewerage Cross Subsidies  
for the financial year ended 30 June 2013

\$'000	Yes	No	Amount
<b>D Best practice annual charges and developer charges*</b>			
<b>28. Annual charges</b>			
<b>a.</b> Does Council have best-practice sewerage annual charges, usage charges and trade waste fees & charges*?	<input type="checkbox"/> Yes	<input type="checkbox"/>	
If Yes, go to 29a.			
If No, please report if council has removed <b>land value</b> from access charges (ie rates)?	<input type="checkbox"/>	<input type="checkbox"/>	
<b>NB.</b> Such charges for both residential customers and non-residential customers comply with section 4.2 & 4.3 of the Water Supply, Sewerage and Trade Waste Pricing Guidelines, NSW Office of Water, December, 2002. Such charges do not involve significant cross subsidies.			
<b>b.</b> Cross-subsidy <b>to</b> non-residential customers (page 45 of Guidelines)			<input type="text"/>
<b>c.</b> Cross-subsidy <b>to</b> trade waste discharges (page 46 of Guidelines)			<input type="text"/>
<b>29. Developer charges</b>			
<b>a.</b> Has council completed a sewerage Development Servicing** Plan?	<input type="checkbox"/>	<input type="checkbox"/> No	
<b>b.</b> Total cross-subsidy in sewerage developer charges for 2012/13 (page 47 of Guidelines)			<input type="text"/>
** In accordance with page 9 of Developer Charges Guidelines for Water Supply, Sewerage and Stormwater, NSW Office of Water, December, 2002.			
<b>30. Disclosure of cross-subsidies</b>			
<b>Total of cross-subsidies (28b + 28c + 29b)</b>			<input type="text" value="-"/>

\* Councils which have not yet implemented best practice sewer pricing & liquid waste pricing should disclose cross-subsidies in items 28b and 28c above.

However, disclosure of cross-subsidies is **not** required where a Council has implemented best practice sewerage and liquid waste pricing and is phasing in such pricing over a period of 3 years.



## Lithgow City Council

## Special Schedule No. 6 - Sewerage Service Statement of Financial Position

Includes INTERNAL TRANSACTIONS, ie. prepared on a Gross Basis.  
as at 30 June 2013

\$'000	Actuals Current	Actuals Non Current	Actuals Total
<b>ASSETS</b>			
<b>31. Cash and investments</b>			
d. Unexpended loans	311	-	311
f. Other	678	-	678
<b>32. Receivables</b>			
a. Specific purpose grants	38	-	38
b. Rates and Availability Charges	247	-	247
c. User Charges	10	-	10
<b>33. Inventories</b>	19	-	19
<b>34. Property, plant and equipment</b>			
a. System assets	-	56,053	56,053
<b>36. Total Assets</b>	<u>1,303</u>	<u>56,053</u>	<u>57,356</u>
<b>LIABILITIES</b>			
<b>39. Borrowings</b>			
a. Loans	1,053	9,545	10,598
<b>40. Provisions</b>			
c. Other	382	-	382
<b>41. Total Liabilities</b>	<u>1,435</u>	<u>9,545</u>	<u>10,980</u>
<b>42. NET ASSETS COMMITTED</b>	<u>(132)</u>	<u>46,508</u>	<u>46,376</u>
<b>EQUITY</b>			
<b>42. Accumulated surplus</b>			22,104
<b>44. Asset revaluation reserve</b>			24,272
<b>45. TOTAL EQUITY</b>			<u>46,376</u>
<b>Note to system assets:</b>			
<b>46. Current replacement cost</b> of system assets			96,333
<b>47. Accumulated current cost</b> depreciation of system assets			(40,280)
<b>48. Written down current cost</b> of system assets			<u>56,053</u>

## Lithgow City Council

### Notes to Special Schedule No.'s 3 & 5

for the financial year ended 30 June 2013

#### Administration <sup>(1)</sup>

(item 1a of Special Schedules 3 and 5) comprises the following:

- Administration staff:
  - Salaries and allowance
  - Travelling expenses
  - Accrual of leave entitlements
  - Employment overheads.
- Meter reading.
- Bad and doubtful debts.
- Other administrative/corporate support services.

#### Engineering and supervision <sup>(1)</sup>

(item 1b of Special Schedules 3 and 5) comprises the following:

- Engineering staff:
  - Salaries and allowance
  - Travelling expenses
  - Accrual of leave entitlements
  - Employment overheads.
- Other technical and supervision staff:
  - Salaries and allowance
  - Travelling expenses
  - Accrual of leave entitlements
  - Employment overheads.

**Operational expenses** (item 2 of Special Schedules 3 and 5) comprise the day to day operational expenses excluding maintenance expenses.

**Maintenance expenses** (item 2 of Special Schedules 3 and 5) comprise the day to day repair and maintenance expenses. (Refer to Section 5 of the Local Government Asset Accounting Manual regarding capitalisation principles and the distinction between capital and maintenance expenditure).

**Other expenses** (item 4c of Special Schedules 3 and 5) includes all expenses not recorded elsewhere.

**Revaluation decrements** (item 4b of Special Schedules 3 and 5) is to be used when I,PP&E decreases in FV.

**Impairment Losses** (item 4d & 4e of Special Schedules 3 and 5) are to be used when the carrying amount of an asset exceeds its recoverable amount (refer to page D-31).

**Aboriginal Communities Water and Sewerage Program** (item 4f of Special Schedules 3 and 5) is to be used when operation and maintenance work has been undertaken on behalf of the Aboriginal Communities Water and Sewerage Program. Similarly, income for item 11a of Special Schedule 3 and item 12a of Special Schedule 5 are for services provided to the Aboriginal Communities Water and Sewerage Program and is not part of Council's water supply and sewerage revenue.

**Residential charges** <sup>(2)</sup> (items 6a, 6b and item 6 of Special Schedules 3 and 5 respectively) include all income from residential charges. Item 6 of Schedule 3 should be separated into 6a Access Charges (including rates if applicable) and 6b Usage Charges.

**Non-residential charges** <sup>(2)</sup> (items 7a, 7b of Special Schedules 3 and 5) include all income from non-residential charges separated into 7a Access Charges (including rates if applicable) and 7b Usage Charges.

**Trade waste charges** (item 8 of Special Schedule 5) include all income from trade waste charges separated into 8a Annual Fees, 8b Usage Charges and 8c Excess Mass Charges and 8d Re-inspection Fees.

**Other income** (items 10 and 11 of Special Schedules 3 and 5 respectively) include all income not recorded elsewhere.

**Other contributions** (items 12c and 13c of Special Schedules 3 and 5 respectively) incl. capital contributions for water supply or sewerage services received by Council under Section 565 of the Local Government Act.

#### Notes:

<sup>(1)</sup> Administration and engineering costs for the development of capital works projects should be reported as part of the capital cost of the project and not as part of the recurrent expenditure (ie. in item 16 for water supply and item 17 for sewerage, and **not** in items 1a and 1b).

<sup>(2)</sup> To enable accurate reporting of **residential revenue from usage charges**, it is essential for councils to accurately separate their residential (item 6) charges and non-residential (item 7) charges.





# Lithgow City Council

## Special Schedule No. 8 - Financial Projections

as at 30 June 2013

\$'000	Actual <sup>(1)</sup> 12/13	Forecast <sup>(3)</sup> 13/14	Forecast <sup>(3)</sup> 14/15	Forecast <sup>(3)</sup> 15/16	Forecast <sup>(3)</sup> 16/17	Forecast <sup>(3)</sup> 17/18	Forecast <sup>(3)</sup> 18/19	Forecast <sup>(3)</sup> 19/20	Forecast <sup>(3)</sup> 20/21	Forecast <sup>(3)</sup> 21/22	Forecast <sup>(3)</sup> 22/23
<b>(i) OPERATING BUDGET</b>											
Income from continuing operations	47,684	-	-	-	-	-	-	-	-	-	-
Expenses from continuing operations	36,988	-	-	-	-	-	-	-	-	-	-
<b>Operating Result from Continuing Operations</b>	<b>10,696</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(ii) CAPITAL BUDGET</b>											
New Capital Works <sup>(2)</sup>	-	-	-	-	-	-	-	-	-	-	-
Replacement/Refurbishment of Existing Assets	-	-	-	-	-	-	-	-	-	-	-
<b>Total Capital Budget</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Funded by:</b>											
- Loans	-	-	-	-	-	-	-	-	-	-	-
- Asset sales	-	-	-	-	-	-	-	-	-	-	-
- Reserves	-	-	-	-	-	-	-	-	-	-	-
- Grants/Contributions	-	-	-	-	-	-	-	-	-	-	-
- Recurrent revenue	-	-	-	-	-	-	-	-	-	-	-
- Other	-	-	-	-	-	-	-	-	-	-	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Notes:**

(1) From 12/13 Income Statement.

(2) New Capital Works are major non-recurrent projects, eg new Leisure Centre, new Library, new Swimming pool etc.

(3) Financial projections should be in accordance with Council's Integrated Planning and Reporting framework.