

Meeting of Riverina Water County Council

The meeting will be held in the Riverina Water Board Room,
91 Hammond Ave, Wagga at 9.30am on Wednesday 26
August 2020

Meeting Agenda

Live Streaming of Council Meetings

Riverina Water advises that Council meetings are live streamed on Council's website www.rwcc.nsw.gov.au
Visitors in the public gallery are advised that their voice and/or image may form part of the webcast. By remaining in the public gallery it is assumed your consent is given in the event your image or voice is broadcast.

Welcome to Country

Apologies

Declaration of pecuniary and non-pecuniary interests

Confirmation of Minutes

Minutes of Council Meeting 24 June 2020

Correspondence

Open Reports

R1	Riverina Water County Council Audit, Risk & Improvement Committee Report Year ended 30 June 2020	4
R2	List of Investments	9
R3	Financial Statements 2019/2020.....	18
R4	Financial Position as at 30 June 2020.....	22
R5	CAPEX Budget Results 2019/20.....	31
R6	Overdue Debtors June 2020	35
R7	Revoted Budget – 2020/2021	36
R8	Community Grants Program Assessment Panels	39
R9	Amendment to the Community Grants Program guidelines	41
R10	Updated Fluoridation Policy and New Drinking Water Policy.....	65
R11	Fraud and Corruption Prevention and Control Policy 1.1.4 and Plan	76
R12	Draft Assets and Infrastructure Naming Policy	114
R13	Workforce Plan 2020 - 2024.....	119
R14	Minor change to wording of Code of Meeting Practice	121
R15	Operational Plan – Performance Targets	123
R16	Membership of Regional Organisations	126

R17	Proposed naming of Council Meeting Room	133
R18	Extension of community representatives to Riverina Water Audit Risk & Improvement Committee (ARIC)	138
R19	Enterprise Resource Planning (ERP) Tender	140
R20	Annual Customer Survey	142
R21	Lockhart Water Tower Mural	145
R22	Media and Social Media Report – 1 April to 30 June 2020 (13 weeks)	153
R23	Council Resolution Sheet.....	160
R24	Works Report covering June 2020.....	164
R25	Works Report covering July 2020	177

Committee Minutes

M-1	Minutes of Audit, Risk and Improvement Committee	192
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Questions and Statements

Confidential Reports

CONF-1	General Manager Annual Performance Review for period ending 30 June 2020	202
CONF-2	Lease Agreement – 1,000 ML High Security (Murrumbidgee River) Entitlement, 2-Year Fixed Term	203

R1 Riverina Water County Council Audit, Risk & Improvement Committee Report Year ended 30 June 2020

Organisational Area Governance and Human Resources

Author David Maxwell, ARIC Chairperson

Summary This report covers activities of the Riverina Water ARIC from 1 July 2019 to 2020, and is provided to the Council Board as a requirement under the reporting obligations contained within the ARIC Charter

RECOMMENDATION that Council receive the report from the Riverina Water Audit, Risk & Improvement Committee (ARIC) as presented by the ARIC Chair, Mr David Maxwell

Report

The following annual report for the Riverina Water Audit Risk and Improvement Committee (ARIC), was adopted by the Committee at its meeting of 22 July 2020 for presentation to the next Board meeting. The ARIC Chair, Mr David Maxwell, will be present to address the Board.

[Riverina Water Audit Risk & Improvement Committee report for the period 1 July 2019 – 30 June 2020](#)

This Report is made in accordance with clause 6 of the Committee's Charter and covers the financial year just ended, and incorporates the Chairperson's report on the management of risks and internal controls pursuant to clause 7.3.

The Committee is an advisory committee appointed pursuant to Section 355 of the Local Government Act 1993 and the terms and conditions of the Audit Risk & Improvement Committee Charter. The Committee reviewed the Charter in November 2019 and the revised Charter was adopted by Council on 18 December 2019.

› *Committee meetings during the period*

The Committee met on 24 July 2019, 20 November 2019, 18 March 2020 and 20 May 2020 (all ordinary meetings) and 18 September 2019 (special meeting to consider the draft Annual Financial Statements). Attendances at meetings have included telephone and Zoom where appropriate.

The Committee commenced a process of meeting at locations other than head office as a means of familiarising members with the full scope of the Council's operations, but after a single meeting at Holbrook this has had to be suspended during the coronavirus crisis. The

Committee has also had the benefit of presentations from managers outlining the scope and inherent risks of the operations for which they are responsible.

Committee membership during the period	Meetings attended
<i>Independent External Members</i>	
David Maxwell (Chairperson)	5
Bryce McNair	5
<i>Councillors</i>	
Councillor Yvonne Braid OAM	5
Councillor Tony Quinn (alternate member)	1
<i>Also attended</i>	
General Manager, Andrew Crakanthorp	4
Director Engineering, Bede Spannagle	1
Manager Corporate Services, Emily Tonacia	5
Manager Human Resources & Governance, Simon Thomson	5
Manager Operations, Jason Ip	1
Governance & Records Officer, Wendy Reichelt	4
Accounting Officer, Kate Pellow	1
Executive Assistant, Melissa Donges	2
Minute Secretary, Alison Herbst	3

Internal Audit and External Audit representatives have also attended as required.

› *Reporting lines*

The Committee reports to Council after each meeting in the form of minutes and provides an annual report of activities undertaken each year. At need, the Committee will also provide additional reports on matters that it specifically wishes to draw to Council's attention, but has not done so during the year under review. The Committee Chairperson will take the opportunity to formally present this report to Council, and to answer any questions Councillors may have on the role and operations of the Committee.

› *Approach of the Committee*

The Committee takes what may broadly be described as a "risk management" approach which includes:

- Annually reviewing the Lead Organisational Critical Issues List and Internal Audit Universe
- Monitoring the risk exposure of Council
- Reviewing the level of resources allocated to internal audit and the scope of its authority
- Reviewing the scope of internal audit plans and the effectiveness of the function

- Reviewing reports of internal audit and the extent to which Council and management react to matters raised by internal audit
- Facilitating liaison between the internal and external auditor to promote compatibility, to the extent appropriate, between their audit programs
- Critically analysing and following up on any internal or external audit report that raises significant issues relating to risk management, internal control, financial reporting and other accountability or governance issues raised
- Identifying and referring specific projects or investigations deemed necessary through the General Manager, internal auditor and the Council as appropriate
- Addressing issues brought to the attention of the Committee that are within the parameters of its terms of reference
- Considering and recommending any changes to the Committee's Charter and the Internal Audit Charter

› *External Audit operations during the period*

At its special meeting held 18 September 2019 the Committee reviewed the draft Annual Financial Statements for the year ended 30 June 2019 and directed questions to the external auditors in attendance and to Council's Manager Corporate Services. The Committee reported to Council that it knew of no matter that would prevent Council from executing the certificates required by section 413 of the Local Government Act.

The Committee has also reviewed all correspondence from the external auditor in relation to the external audit and has not identified any specific matter to which it wishes to draw the attention of the Council. The major items of correspondence were:

- Interim Management Letters 2019 and 2020
- Audit Reports 2019
- Report on the Conduct of the Audit 2019
- Engagement Closing Report 2019

The external auditors verbally advised that they would not issue a Final Management Letter as there were insufficient substantive matters to report. The Committee commends Ms Emily Tonacia, Manager Corporate Services, and her staff on the patently high standard of preparation of the Annual Financial Statements leading to the external auditor's decision.

› *Internal Audit operations during the period*

Internal Audit services have been provided by National Audits Group as external contract suppliers of internal audit services. Internal Audit has an independent contract status within Council and reports administratively to the General Manager and functionally to the Committee.

The Committee has considered Internal Audit Reports on the following matters:

- Treasury Operations
- Water Billing / Debt Recovery
- Water Quality & Systems Monitoring

- Corporate Governance Framework
- Supplementary Procurement testing

Internal and external reports usually include recommendations for improvements to Council procedures – not all of which are necessarily appropriate to an organisation of Council's size - designed to minimise the exposure to various risks. Management may or may not accept all recommendations in full, and nominates a responsible officer and a timeframe for completion.

The Committee reviews the reports, recommendations and management comments in detail, and satisfies itself that management's proposed actions are appropriate and adequate for the Council, and that the proposed timeframes are realistic, particularly in relation to staff resources available.

The Committee then monitors management actions in relation to issues raised in previous reports, and at need will report to the Chairperson or direct to Council on any matters causing concern. During the year under review, there have been no matters that the Committee has considered reporting in this manner.

We acknowledge that implementation of the recommendations requires the commitment of significant resources, particularly at senior officer level. The activation of Council's Business Continuity Plan has placed further demands on these officers, for which the Committee will make due allowance as it monitors the completion of audit recommendations.

› *Other reports referred to the Committee*

The following other reports have been referred to, and considered by, the Committee. There are no specific matters relating to these that the Committee wishes to draw to the attention of Council.

- RWCC Annual Report
- Drinking Water Management System Implementation Report – Bligh Tanner
- RWCC Community Grants Program
- Annual Residents Survey Report
- StateCover Self-Audit Report

› *Risk management and internal controls*

In relation to conventional financial internal controls, the external auditor's decision to dispense with a final management letter provides its own recommendation. These controls are sound and operating effectively with only minor lapses.

At its April meeting Council adopted the revised Enterprise Risk Policy and Enterprise Risk Management Framework, which had previously been reviewed and endorsed by the Committee. Work is continuing on the review of the Risk Register, effectively amounting to a full rewrite. This is a major task and will take some time to reach fruition. In the meantime, the Committee continues to take a more active role in "scoping" internal audit assignments, both to improve targeting of assignments to specific areas of risk, and to reduce the number and range of recommendations that require the attention of senior staff.

There are many risks associated with the activities of staff and the Committee has commenced the regular review of the WHS Committee minutes so as to confirm that these risks are being appropriately managed.

› *Other Committee operations*

The 2016 amendments to the Local Government Act will require changes to the existing structure and operations of this Committee, and these were scheduled to be effective by 31 March 2021. With the deferral of the Local Government elections to September 2021 it is believed that the commencement of these requirements has also been deferred, but no formal confirmation of this has yet been received. The General Manager will advise Council of any changes required upon the enactment of the legislation and gazettal of the regulations.

› *Staff*

The Committee wishes to formally record its appreciation for the ready and willing assistance it has received from the General Manager, Andrew Crakanthorp, and staff. At the risk of being fulsome, we would particularly like to acknowledge Emily Tonacia, Simon Thomson and Wendy Reichelt.

Financial Implications

Nil

Risk Considerations

Corporate Governance and Compliance	
Avoid	Council will avoid risks relating to corporate governance and compliance including efficient and effective direction and operation of the organisation; ethical, responsible and transparent decision making, corruption, fraud

R2 List of Investments

Organisational Area Corporate Services

Author Emily Tonacia, Manager Corporate Services

Summary The report details Council's external investments for June and July 2020

RECOMMENDATION that the report detailing Council's external investments for the months of June and July 2020 be received

Report

In accordance with the provisions of Clause 19(3) of the Local Government (Financial Management) Regulation 1993, I report details of the Council's external investments as at 30 June 2020 and 31 July 2020 as follows:

- › **R2.1 Investment Report – June 2020**
- › **R2.2 Investment Report – July 2020**

Financial Implications

This report is financial by virtue of its subject matter and is critical to reporting to the board the status of investments placed by staff in accordance with the relevant investment policy. The report reflects favourably on the performance of Council's investments.

Risk Considerations

Financial	
Avoid	Council will endeavour to ensure that Council's financial sustainability is protected at all times

Monthly Investment Report as at 30/6/2020

Investment	Inception Date	Term (Days)	Maturity Date	S&P Rating	Interest Rate (%)	Percentage of Portfolio	Principal Value	Market Value
Term Deposits								
AMP	18/07/2019	365	17/07/20	A-2	2.05	8.039%	\$2,500,000.00	\$2,500,000.00
BOQ	6/05/2020	365	06/05/21	A-2	1.40	8.039%	\$2,500,000.00	\$2,500,000.00
Auswide Bank	8/07/2019	735	12/07/21	A-2	2.05	4.823%	\$1,500,000.00	\$1,500,000.00
AMP	12/11/2019	366	12/11/20	A-2	1.65	3.215%	\$1,000,001.00	\$1,000,001.00
Bank Australia	5/07/2019	367	06/07/20	A-2	2.20	6.431%	\$2,000,000.00	\$2,000,000.00
National Australia Bank	28/10/2019	366	28/10/20	A-1+	1.45	3.215%	\$1,000,000.00	\$1,000,000.00
Auswide Bank	15/08/2019	1096	15/08/22	A-2	1.86	6.431%	\$2,000,000.00	\$2,000,000.00
AMP	30/03/2020	548	29/09/21	A-2	1.85	6.431%	\$2,000,000.00	\$2,000,000.00
AMP	17/03/2020	181	14/09/20	A-2	1.80	3.215%	\$1,000,000.00	\$1,000,000.00
National Australia Bank	8/07/2019	569	27/01/21	A-1+	1.85	6.431%	\$2,000,000.00	\$2,000,000.00
Auswide Bank	17/06/2019	731	17/06/21	A-2	2.22	4.823%	\$1,500,000.00	\$1,500,000.00
Auswide Bank	27/02/2020	546	26/08/21	A-2	1.75	8.039%	\$2,500,000.00	\$2,500,000.00
Auswide Bank	15/08/2019	368	17/08/20	A-2	1.80	4.823%	\$1,500,000.00	\$1,500,000.00
BOQ	14/10/2019	366	14/10/20	A-2	1.55	6.431%	\$2,000,000.00	\$2,000,000.00
						73.96%	\$25,000,001.00	\$25,000,001.00
Cash Deposit Account								
T Corp				A-1+	0.39	19.61%	\$6,099,987.86	\$6,099,987.86
						19.61%	\$6,099,987.86	\$6,099,987.86
TOTAL INVESTMENTS						93.57%	\$31,099,988.86	\$31,099,988.86
Cash at Bank								\$338,068.20
TOTAL FUNDS								\$31,438,057.06

CERTIFICATE

I hereby certify that the investments listed above have been made in accordance with Section 625 of the Local Government Act 1993, clause 212 of the Local Government (General) Regulation 2005 and Council's Investments Policy number POL 1.23.



E Tonacia

MANAGER CORPORATE SERVICES

Application of Investment Funds

Restricted Funds	Description	Value
Externally Restricted	LIRS Loan Funds	\$0.00
		<u>\$0.00</u>
Internally Restricted	Employee Leave Entitlements (50% of ELE)	\$2,134,234.16
	Asset Replacement	\$1,399,313.36
	Loan Funds	\$0.00
	Sales Fluctuation	\$5,000,000.00
		<u>\$8,533,547.52</u>
Unrestricted Funds		\$22,904,509.54
TOTAL FUNDS		\$31,438,057.06

* Externally & Internally Restricted Reserve figures are subject to final adjustment and external audit at 30 June each year.

Report

The investment portfolio increased by \$305,655.55 for the month. The increase was due to income in June being higher than expenditure.

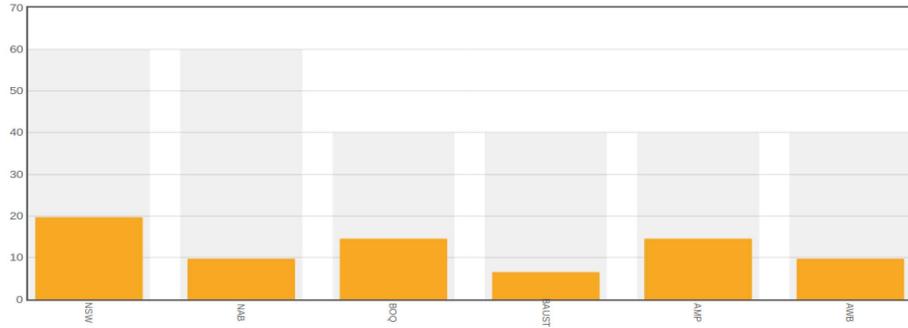
Portfolio Performance

For the month of June, the portfolio (excluding cash) provided a return of +0.15% (actual), outperforming the benchmark Ausbond Bank Bill Index return by +0.14% (actual). The outperformance continues to be anchored by a combination of those longer-dated deposits locked-in for a term of 12 months or longer.

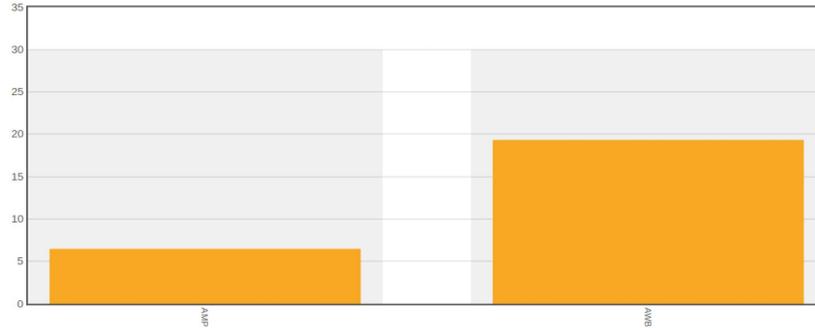
Counterparty Compliance

The below graphs compare investments with each financial institution to the limits included in Council's Investment Policy

Short-term Holdings



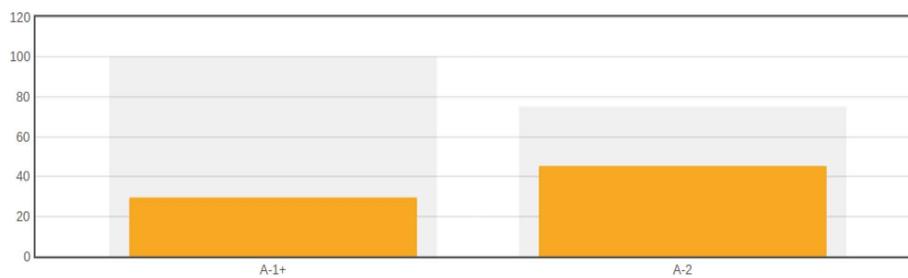
Long-term Holdings



Credit Quality Compliance

The below graphs compare investments with each investment rating category to the limits included in Council's Investment Policy

Short-term Holdings

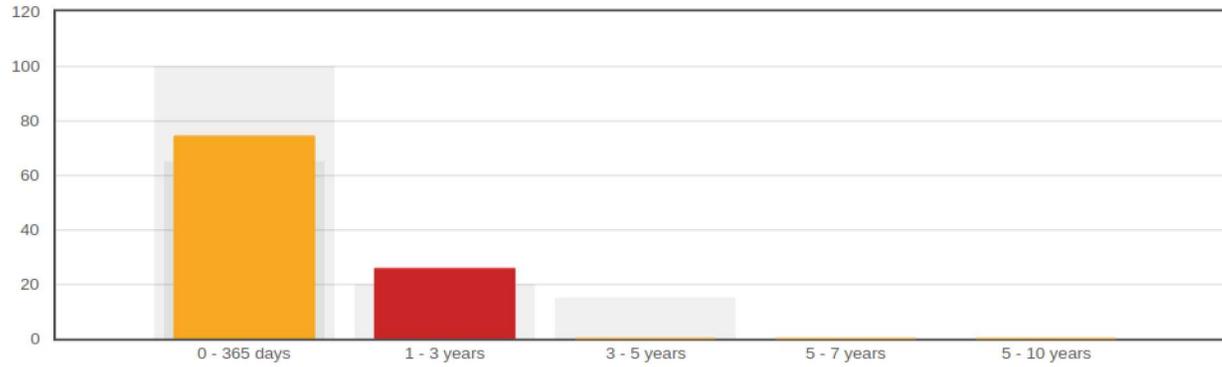


Long-term Holdings



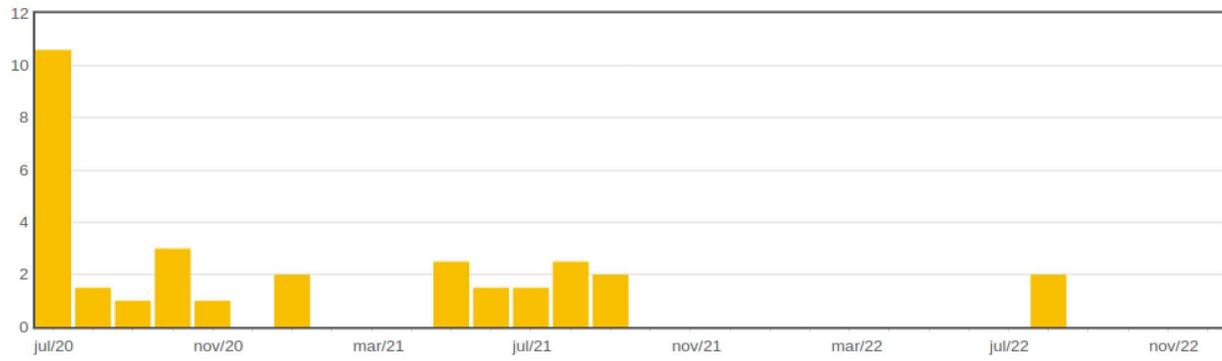
Term to Maturity

The percentage of investments maturing over the next ten years is detailed in the graph below



Maturity Cashflow

When investments will mature over time



Monthly Investment Report as at 31/7/2021

Investment	Inception Date	Term (Days)	Maturity Date	S&P Rating	Interest Rate (%)	Percentage of Portfolio	Principal Value	Market Value
Term Deposits								
AMP	18/07/2019	365	17/07/20	A-2	2.05	8.196%	\$2,500,000.00	\$2,500,000.00
BOQ	6/05/2020	365	06/05/21	A-2	1.40	8.196%	\$2,500,000.00	\$2,500,000.00
Auswide Bank	8/07/2019	735	12/07/21	A-2	2.05	4.917%	\$1,500,000.00	\$1,500,000.00
AMP	12/11/2019	366	12/11/20	A-2	1.65	3.278%	\$1,000,001.00	\$1,000,001.00
Bank Australia	5/07/2019	367	06/07/20	A-2	2.20	6.556%	\$2,000,000.00	\$2,000,000.00
National Australia Bank	28/10/2019	366	28/10/20	A-1+	1.45	3.278%	\$1,000,000.00	\$1,000,000.00
Auswide Bank	15/08/2019	1096	15/08/22	A-2	1.86	6.556%	\$2,000,000.00	\$2,000,000.00
AMP	30/03/2020	548	29/09/21	A-2	1.85	6.556%	\$2,000,000.00	\$2,000,000.00
AMP	17/03/2020	181	14/09/20	A-2	1.80	3.278%	\$1,000,000.00	\$1,000,000.00
National Australia Bank	8/07/2019	569	27/01/21	A-1+	1.85	6.556%	\$2,000,000.00	\$2,000,000.00
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Auswide Bank	15/08/2019	368	17/08/20	A-2	1.80	4.917%	\$1,500,000.00	\$1,500,000.00
BOQ	14/10/2019	366	14/10/20	A-2	1.55	6.556%	\$2,000,000.00	\$2,000,000.00
						75.40%	\$25,000,001.00	\$25,000,001.00
Cash Deposit Account								
T Corp				A-1+	0.99	18.04%	\$5,504,458.48	\$5,504,458.48
						18.04%	\$5,504,458.48	\$5,504,458.48
TOTAL INVESTMENTS						93.44%	\$30,504,459.48	\$30,504,459.48
Cash at Bank								\$338,068.20
TOTAL FUNDS								\$30,842,527.68

CERTIFICATE

I hereby certify that the investments listed above have been made in accordance with Section 625 of the Local Government Act 1993, clause 212 of the Local Government (General) Regulation 2005 and Council's Investments Policy number POL 1.23.



E Tonacia

MANAGER CORPORATE SERVICES

Application of Investment Funds

Restricted Funds	Description	Value
Externally Restricted	LIRS Loan Funds	\$0.00
		\$0.00
Internally Restricted	Employee Leave Entitlements (50% of ELE)	\$2,134,234.16
	Asset Replacement	\$1,399,313.36
	Loan Funds	\$0.00
	Sales Fluctuation	\$5,000,000.00
		\$8,533,547.52
Unrestricted Funds		\$22,308,980.16
TOTAL FUNDS		\$30,842,527.68

* Externally & Internally Restricted Reserve figures are subject to final adjustment and external audit at 30 June each year.

Report

The investment portfolio decreased by \$289,873.83 for the month. The decrease was due to income in July being lower than expenditure.

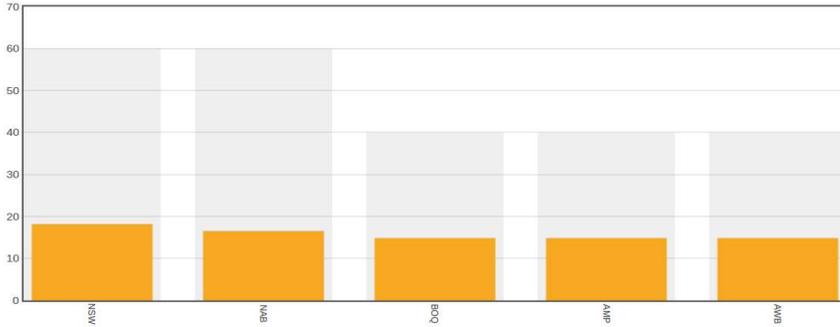
Portfolio Performance

For the month of July, the portfolio (excluding cash) provided a return of +0.14% (actual), outperforming the benchmark Ausbond Bank Bill Index return by +0.13% (actual). The outperformance continues to be anchored by a combination of those longer-dated deposits locked-in for a term of 12 months or longer.

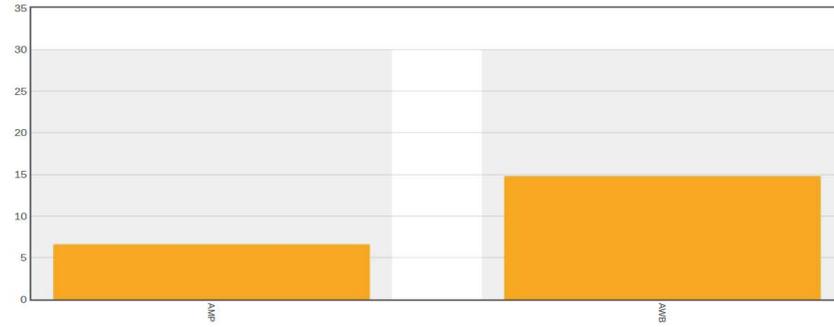
Counterparty Compliance

The below graphs compare investments with each financial institution to the limits included in Council's Investment Policy

Short-term Holdings



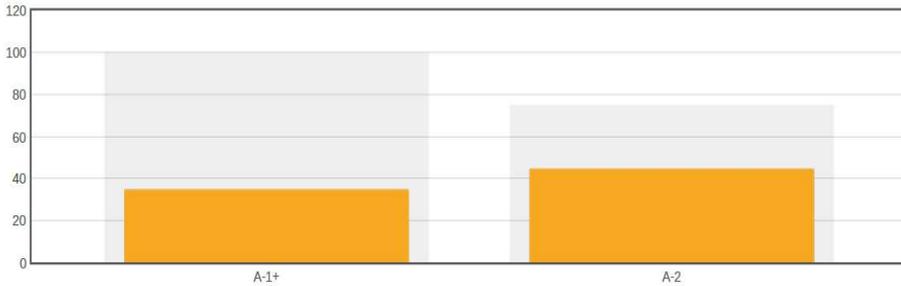
Long-term Holdings



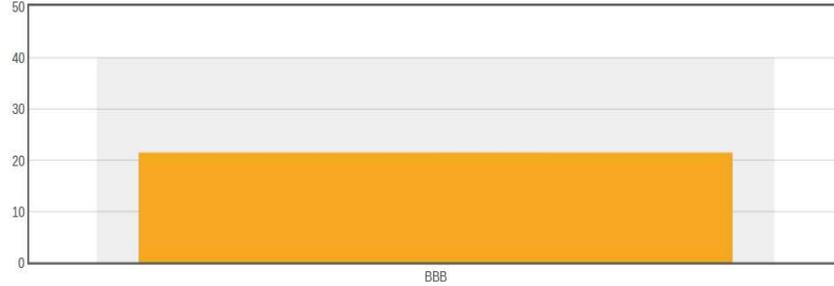
Credit Quality Compliance

The below graphs compare investments with each investment rating category to the limits included in Council's Investment Policy

Short-term Holdings

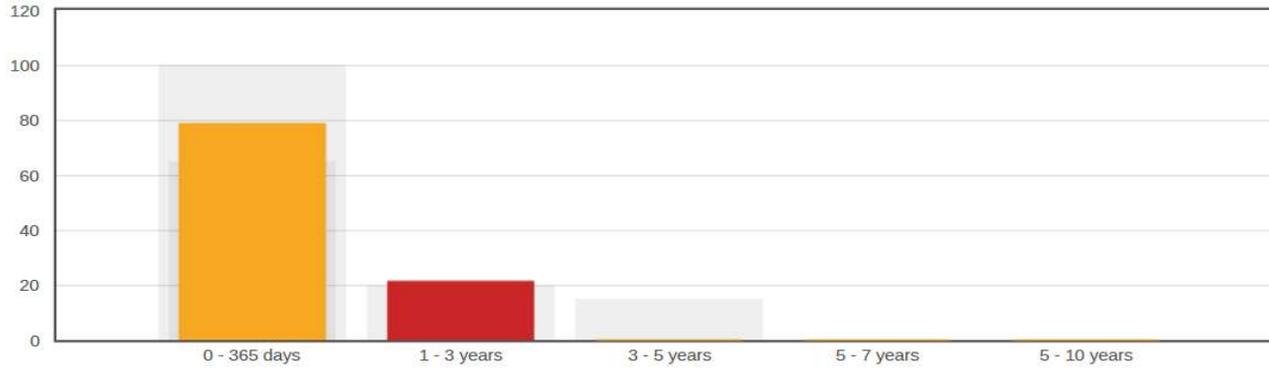


Long-term Holdings



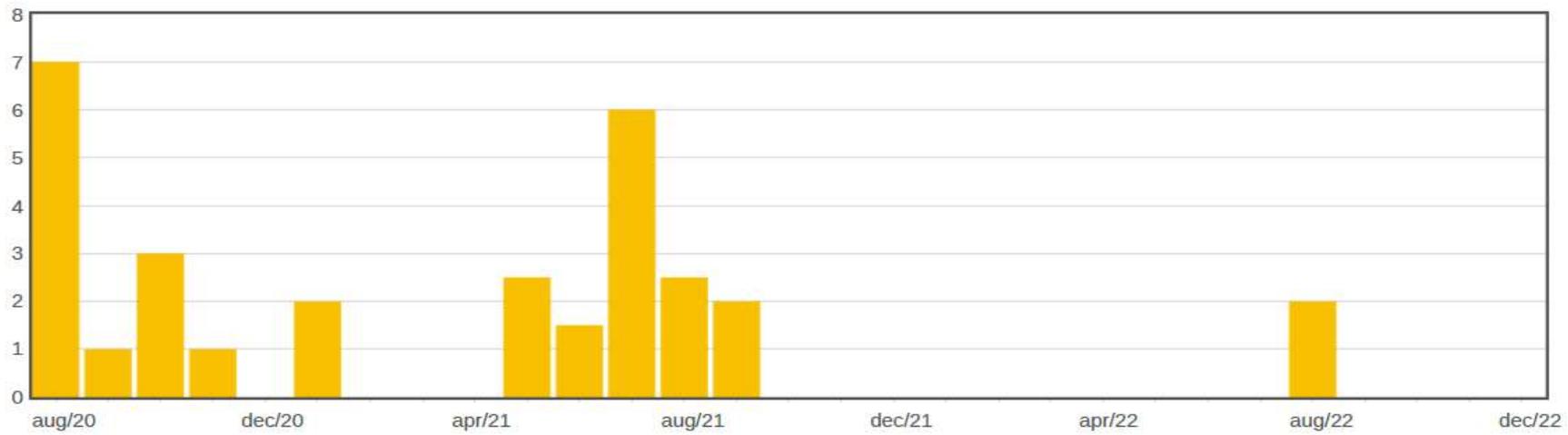
Term to Maturity

The percentage of investments maturing over the next ten years is detailed in the graph below



Maturity Cashflow

When investments will mature over time



R3 Financial Statements 2019/2020

Organisational Area Corporate Services

Author Emily Tonacia, Manager Corporate Services

Summary Council's Financial Statements and Special Purpose Financial reports for 2019/20 have been completed and are ready to be forwarded to the Audit Office of New South Wales

RECOMMENDATION that:

- a) Council's Draft Financial Statements be referred to audit by Council's auditors, Audit Office of New South Wales
- b) Council make a resolution in accordance with section 413 (2c) that the annual financial report is in accordance with:
 - i. the Local Government Act 1993 (as amended) and the Regulations made there under
 - ii. the Australian Accounting Standards and professional pronouncements
 - iii. the Local Government Code of Accounting Practice and Financial Reporting
 - iv. presents fairly the councils operating results and financial position for the year
 - v. accords with Council's accounting and other records
 - vi. that Council is not aware of any matter that would render this report false or misleading in any way
- c) Council adopt the abovementioned statement and that the Chairperson, Deputy Chairperson, General Manager and Responsible Accounting Officer be authorised to complete the 'Statement by Members of the Council' in relation to Council's 2019/20 Financial Statements and Special Purpose Financial Reports and be attached thereto
- d) The General Manager be delegated the authority to issue the audited Financial Statements immediately upon receipt of the Auditor's Reports, subject to their being no material changes or audit issues
- e) Council present the final audited Financial Statements and Auditor's Report to the public at its ordinary meeting to be held 28 October 2020

Report

Council's Financial Statements and Special Purpose Financial reports for 2019/2020 have been completed and are ready to be forwarded to Council's Auditors.

Under the provisions of Section 412(2c) of the Local Government Act 1993, the Financial Statements and Special Purpose Financial Reports shall be accompanied by a statement made in accordance with a resolution by Council, signed by two Councillors, General

Manager and Responsible Accounting Officer along the lines of the recommendation (b) above.

Following receipt of the Auditor's Report, it will be necessary to give public notice for a period of at least seven days prior to the adoption of the Financial Statements.

It is anticipated that the auditor's report will be submitted to Council's Ordinary Meeting on 28 October 2020. Council's Annual Report for 2019/2020 can be adopted at the same meeting.

- › **R3.1** **General Purpose Financial Statements**
- › **R3.2** **Special Purpose Financial Statements**

Financial Implications

Nil

Risk Considerations

Not applicable

Riverina Water County Council

General Purpose Financial Statements

for the year ended 30 June 2020

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

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

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

To the best of our knowledge and belief, these statements:

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

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

Signed in accordance with a resolution of Council made on 26 August 2020.

Clr G Verdon
Chairperson

Clr P Funnell
Councillor

Mr A Crakanthorp
General Manager

Ms E Tonacia
Responsible Accounting Officer

Riverina Water County Council

Special Purpose Financial Statements

for the year ended 30 June 2020

Statement by Councillors and Management made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

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

- the NSW Government Policy Statement '*Application of National Competition Policy to Local Government*',
- the Division of Local Government Guidelines '*Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*',
- the Local Government *Code of Accounting Practice and Financial Reporting*,
- the NSW Office of Water *Best-Practice Management of Water and Sewerage Guidelines*.

To the best of our knowledge and belief, these statements:

- present fairly the operating result and financial position for each of Council's declared business activities for the year, and accord with Council's accounting and other records.
- Present overhead reallocation charges to the water and sewerage businesses as fair and reasonable.

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

Signed in accordance with a resolution of Council made on 26 August 2020.

Clr G Verdon
Chairperson

Clr P Funnell
Councillor

Mr A Crakanthorp
General Manager

Ms E Tonacia
Responsible Accounting Officer

R4 Financial Position as at 30 June 2020

Organisational Area Corporate Services

Author Emily Tonacia, Manager Corporate Service

Summary The unaudited Financial Statements as at 30 June 2020 are finalised and submitted for examination by Council

RECOMMENDATION that:

- a) The unaudited 2019/20 Financial Statements be received
- b) Council endorse the proposed changes to internal cash restrictions to be reflected in the 2019/20 Financial Statements, being that:
 - i. An appropriate level of internal restriction for Employee Leave Entitlements is determined to be 50% of Council's leave liability
 - ii. An appropriate maximum level of funds to be kept as an internal restriction for sales fluctuations be \$3,000,000
 - iii. An amount of \$228,250 in relation to the completion of the Water Treatment Plant be internally restricted as at 30 June 2020

Report

Financial Position

The unaudited 2019/20 Financial Statements are submitted for examination by Council.

The anticipated Operating Result for 2019/20 is a surplus of \$12,200,000. The original estimate was for a surplus of \$10,865,000.

The main variances from the final Operating Result to Council's original budget are detailed below:

Additional Sundry Income:

Due to Liquidated Damages in relation to the new Water Treatment Plant	\$1,700,000
--	-------------

Restricted Cash

Riverina held \$31,218,000 cash on hand at 30 June 2020. In addition to maintaining the existing plant replacement reserve, the following adjustments to internal cash restrictions are proposed.

Sales Fluctuation Reserve

In its Best Practice Guidelines, the New South Wales Office of Water recommends that Local Water Utilities maintain a reserve of up to 10% of turnover to allow for sales fluctuations. Based on normal operating turnover of between \$28M and \$31M, the suggested optimum amount for internal restriction would be \$2,800,000 to \$3,100,000.

Due to current seasonal conditions and the strong financial performance of Council it is recommended that the current Sales Fluctuation Reserve be reduced from \$5,000,000 to an appropriate level of reserve for Riverina Water, being \$3,000,000.

Employee Leave Entitlement Reserve

When determining the appropriate level of restricted cash in relation to Employee Leave Entitlements (ELE), management have used the recommended reserve funding percentages provided by LG Solutions. These percentages held are based on an employee's age and are as follows:

55 to 60 + years	– 100% funded
50 to 55 years	– 40% funded
45 to 50 years	– 20% funded
Under 45 years	– 10% funded

Based on the age profiles of Riverina Water employees the required ELE reserve funding is 51%.

Over 60% of Riverina Water employees are aged 50 years or older, therefore it would be recommended that an internal restriction of funds to 50% of employees' leave liabilities is maintained.

Water Treatment Plant Completion

An amount of \$228,250 was received via bank guarantee in relation the construction of the new water treatment plant. These funds under the contract are required to be spent against the specific aspects of completion of the plant, including the lamella access which had not been completed.

The cash balance will be held as unrestricted.

› **R4.1 Draft Primary General Purpose Financial Statements 2019/20**

Financial Implications

Nil

Risk Considerations

Financial	
Avoid	Council will endeavour to ensure that its financial sustainability is protected at all times and avoid proposals that may impact negatively.

DRAFT

Riverina Water County Council

GENERAL PURPOSE FINANCIAL STATEMENTS

for the year ended 30 June 2020

"to provide our community with safe reliable water at
the lowest sustainable cost"



Riverina Water County Council

Income Statement

for the year ended 30 June 2020

Original unaudited budget 2020	\$ '000	Notes	Actual 2020	Actual 2019
Income from continuing operations				
5,046	Rates and annual charges	3a	5,592	5,551
23,196	User charges and fees	3b	25,587	25,994
286	Other revenues	3c	2,052	662
225	Grants and contributions provided for operating purposes	3d,3e	270	338
3,741	Grants and contributions provided for capital purposes	3d,3e	2,443	3,013
300	Interest and investment income	4	664	691
–	Net gains from the disposal of assets	6	5	73
32,794	Total income from continuing operations		36,613	36,322
Expenses from continuing operations				
9,002	Employee benefits and on-costs	5a	9,627	8,972
488	Borrowing costs	5b	466	570
4,155	Materials and contracts	5c	2,581	2,580
6,100	Depreciation and amortisation	5d	6,845	6,216
5,026	Other expenses	5e	4,894	4,515
24,771	Total expenses from continuing operations		24,413	22,853
8,023	Operating result from continuing operations		12,200	13,469
8,023	Net operating result for the year		12,200	13,469
8,023	Net operating result attributable to council		12,200	13,469
4,282	Net operating result for the year before grants and contributions provided for capital purposes		9,757	10,456

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

The above Income Statement should be read in conjunction with the accompanying notes.

Riverina Water County Council

Statement of Comprehensive Income

for the year ended 30 June 2020

\$ '000	Notes	2020	2019
Net operating result for the year (as per Income Statement)		12,200	13,469
Other comprehensive income:			
Amounts which will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of IPP&E	11(a)	4,820	4,454
Gain (loss) on revaluation of intangible assets		3,200	3,302
Total items which will not be reclassified subsequently to the operating result		8,020	7,756
Total other comprehensive income for the year		8,020	7,756
Total comprehensive income for the year		20,220	21,225
Total comprehensive income attributable to Council		20,220	21,225

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

DRAFT

Riverina Water County Council

Statement of Financial Position

as at 30 June 2020

\$ '000	Notes	2020	2019
ASSETS			
Current assets			
Cash and cash equivalents	7(a)	13,218	13,184
Investments	7(b)	18,000	15,000
Receivables	8	4,366	4,789
Inventories	9a	2,476	2,572
Total current assets		38,060	35,545
Non-current assets			
Infrastructure, property, plant and equipment	11(a)	373,651	360,134
Intangible Assets	13	10,832	7,602
Right of use assets	15a	–	–
Total non-current assets		384,483	367,736
Total assets		422,543	403,281
LIABILITIES			
Current liabilities			
Payables	16	1,325	1,685
Income received in advance	16	561	445
Borrowings	16	1,866	1,761
Provisions	17	5,307	4,268
Total current liabilities		9,059	8,159
Non-current liabilities			
Borrowings	16	5,400	7,258
Total non-current liabilities		5,400	7,258
Total liabilities		14,459	15,417
Net assets		408,084	387,864
EQUITY			
Accumulated surplus	18	147,578	135,378
Revaluation reserves	18	260,506	252,486
Council equity interest		408,084	387,864
Total equity		408,084	387,864

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Riverina Water County Council

Statement of Changes in Equity

for the year ended 30 June 2020

\$ '000	Notes	as at 30/06/20			as at 30/06/19		
		Accumulated surplus	IPP&E revaluation reserve	Total equity	Accumulated surplus	IPP&E revaluation reserve	Total equity
Opening balance		135,378	252,486	387,864	121,909	244,730	366,639
Changes due to AASB 1058 and AASB 15 adoption		–	–	–	–	–	–
Changes due to AASB 16 adoption		–	–	–	–	–	–
Net operating result for the year		12,200	–	12,200	13,469	–	13,469
Restated net operating result for the period		12,200	–	12,200	13,469	–	13,469
Other comprehensive income							
– Gain (loss) on revaluation of IPP&E	11(a)	–	4,820	4,820	–	4,454	4,454
– Gain (loss) on revaluation of intangible assets		–	3,200	3,200	–	3,302	3,302
Other comprehensive income		–	8,020	8,020	–	7,756	7,756
Total comprehensive income		12,200	8,020	20,220	13,469	7,756	21,225
Equity – balance at end of the reporting period		147,578	260,506	408,084	135,378	252,486	387,864

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Riverina Water County Council

Statement of Cash Flows

for the year ended 30 June 2020

Original unaudited budget 2020	\$ '000	Notes	Actual 2020	Actual 2019
Cash flows from operating activities				
<i>Receipts:</i>				
5,052	Rates and annual charges		5,500	5,450
23,339	User charges and fees		25,632	25,708
319	Investment and interest revenue received		566	535
3,968	Grants and contributions		2,714	3,345
–	Bonds, deposits and retention amounts received		–	61
188	Other		2,735	1,883
<i>Payments:</i>				
(8,846)	Employee benefits and on-costs		(8,486)	(8,386)
(4,260)	Materials and contracts		(2,486)	(2,731)
(488)	Borrowing costs		(466)	(570)
–	Bonds, deposits and retention amounts refunded		(77)	–
(5,026)	Other		(5,278)	(5,929)
14,246	Net cash provided (or used in) operating activities	19b	20,354	19,366
Cash flows from investing activities				
<i>Receipts:</i>				
–	Sale of infrastructure, property, plant and equipment		216	279
<i>Payments:</i>				
–	Purchase of investment securities		(3,000)	(8,000)
(17,600)	Purchase of infrastructure, property, plant and equipment		(15,753)	(15,928)
–	Purchase of intangible assets		(30)	–
(17,600)	Net cash provided (or used in) investing activities		(18,567)	(23,649)
Cash flows from financing activities				
<i>Payments:</i>				
(1,761)	Repayment of borrowings and advances		(1,753)	(1,668)
(1,761)	Net cash flow provided (used in) financing activities		(1,753)	(1,668)
(5,115)	Net increase/(decrease) in cash and cash equivalents		34	(5,951)
13,352	Plus: cash and cash equivalents – beginning of year	19a	13,184	19,135
8,237	Cash and cash equivalents – end of the year	19a	13,218	13,184
7,000	plus: Investments on hand – end of year	7(b)	18,000	15,000
15,237	Total cash, cash equivalents and investments		31,218	28,184

The Council has not restated comparatives when initially applying AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. The comparative information has been prepared under AASB 111 *Construction Contracts*, AASB 118 *Revenue*, AASB 1004 *Contributions*, AASB 117 *Leases* and related Accounting Interpretations.

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

R5 CAPEX Budget Results 2019/20

Organisational Area Corporate Services

Author Emily Tonacia, Manager Corporate Services

Summary Council's capital expenditure for the 2019/20 financial year has been finalised and is presented for Council's information

RECOMMENDATION that Council receive and note the report on the final capital expenditure budget result for 2019/20 financial year

Report

The attached table summarises Council's capital expenditure budget result for 2019/20.

› R5.1 2019/20 Capital Expenditure

Financial Implications

Nil

Risk Considerations

Not applicable

2019/20 CAPITAL EXPENDITURE

Description	2019/20 Current Budget	Commitments	Actual Expenditure	Budget Remaining (incl Committal)
	\$	\$	\$	\$
MANAGEMENT				
LAND & BUILDINGS FOR ADMIN. DEPOTS AND WORKSHOPS				
Administration Office	75,045	20,331	59,076	-4,362
Depot Buildings	488,740	73,530	363,917	51,293
Access, Parking and Landscaping	853,271	133,061	687,216	32,994
SUB-TOTAL LAND & BUILDINGS FOR ADMIN, DEPOTS & WORKSHOPS	1,417,056	226,922	1,110,210	79,925
PLANT & EQUIPMENT				
IT Equipment	227,570	18,398	253,450	-44,278
Office Furniture & Equipment	9,377	0	9,377	0
Working Plant & Vehicle Purchases	1,372,013	419,847	687,304	264,863
Fixed Plant Tools & Equipment	25,000	0	23,202	1,798
Telemetry & Control Systems Upgrade	754,525	58,767	682,454	13,305
Radio Communications Upgrade/Replacements/Improvements	94,939	1,440	62,820	30,679
Energy Efficiency & Cost Minimisation	200,973	85,096	85,233	30,644
SUB-TOTAL PLANT & EQUIPMENT	2,684,397	583,547	1,803,839	297,010
INTANGIBLES				
Water Licences	300,000	271,757	30,000	-1,757
SUB-TOTAL INTANGIBLES	300,000	271,757	30,000	-1,757
TOTAL MANAGEMENT	4,401,453	1,082,226	2,944,049	375,178
SOURCES				
Bores-renew/refurbish/decommission	90,000	696	79,275	10,030
Source Works General Improvements	21,166	0	21,201	-35
TOTAL SOURCES	111,166	696	100,476	9,994

Description	2019/20 Current Budget	Commitments	Actual Expenditure	Budget Remaining (incl Committal)
	\$	\$	\$	\$
TREATMENT PLANTS				
Aeration Tower Replacements	25,000	0	0	25,000
Aeration Tower Covers	481,243	80,521	401,993	-1,271
Specific Treatment Plant improvements	137,455	0	129,774	7,681
Treatment Plant refurbishments	1,009,059	155,588	571,057	282,414
Laboratory Facilities Upgrade	6,236	0	6,236	0
TOTAL TREATMENT PLANTS	1,658,993	236,109	1,109,059	313,824
PUMPING STATIONS				
Pump Stations Renewal/Refurbish/Upgrade	10,000	0	26	9,974
Pump & Motor Maintenance / Replacements	75,892	0	40,842	35,050
TOTAL PUMPING STATIONS	85,892	0	40,868	45,024
RESERVOIRS				
General Improvements	106,025	0	61,240	44,785
New/Replacement Reservoirs	6,992,567	169,872	6,926,889	-104,194
Reservoirs - Refurbish	31,000	0	25,981	5,019
Reservoir Hatches Magflows	56,000	0	27,268	28,732
TOTAL RESERVOIRS	7,185,592	169,872	7,041,378	-25,658
MAINS, SERVICES & METERS				
MAINS				
System Improvements	1,180,000	25,602	1,615,703	-461,305
Reticulation for Developers (including other extensions)	710,000	0	708,148	1,852
Renew Reticulation Mains	805,000	54,208	787,153	-36,361
Renew Trunk Mains	909,143	560	959,664	-51,081
SUB-TOTAL MAINS	3,604,143	80,371	4,070,668	-546,895

Description	2019/20 Current Budget	Commitments	Actual Expenditure	Budget Remaining (incl Committal)
	\$	\$	\$	\$
SERVICES				
Service Connections, new including Meters	450,000	4,935	457,779	-12,715
Renew Services	170,000	0	176,376	-6,376
SUB-TOTAL SERVICES	620,000	4,935	634,155	-19,091
METERS				
Water meters replacement	180,000	0	204,500	-24,500
Remote metering	80,251	3,840	44,470	31,941
Water Filling Stations Upgrade	51,369	0	68,177	-16,808
Water Filling Stations New	25,000	0	32,815	-7,815
SUB-TOTAL METERS	336,620	3,840	349,961	-17,181
TOTAL MAINS, SERVICES & METERS	4,560,763	89,146	5,054,784	-583,167
TOTALS	18,003,859	1,578,049	16,290,615	135,195

R6 Overdue Debtors June 2020

Organisational Area Corporate Services

Author Emily Tonacia, Manager Corporate Services

Summary Details of overdue debtors at 30 June 2020 have been provided for Council's information

RECOMMENDATION that the report on overdue debtors for the period ended 30 June 2020 be received and noted

Report

Following are details of balances, along with comparative figures for 30 June 2019.

Debtor Category	June 2020		June 2019	
	Overdue	% Annual Revenue	Overdue	% Annual Revenue
Water Billing	\$764,224	2.55%	\$730,007	2.40%
Sundry	\$62,370	1.75%	\$105,030	1.88%
TOTAL	\$826,594	2.47%	\$835,037	2.34%

The current key performance indicator for overdue amounts is a target of < 5%.

Financial Implications

Nil

Risk Considerations

Not applicable

R7 Revoted Budget – 2020/2021

Organisational Area Corporate Services

Author Emily Tonacia, Manager Corporate Services

Summary After reviewing the status of the 2019/2020 Operational Plan with management, it is recommended that \$430,175 should be revoted into the 2020/2021 capital expenditure budget

RECOMMENDATION that capital expenditure totalling \$430,175 be revoted and included in the 2020/2021 budget

Report

After reviewing the status of the 2019/2020 Operational Plan with management, it is recommended that \$430,175 should be revoted into the 2020/2021 budget.

The items are listed as follows:

Project No	Description	Revote
287	Forge & Copland Street Site Depot Development	\$54,467
224	Radio Communication upgrades	\$20,000
290	Solar installations	\$30,644
260	North Wagga Bore 1 Gantry Modifications	\$4,247
262	Ralvona Aeration Tower	\$25,000
217	Bulgary Aeration Cover	\$33,226
218	Ralvona Aeration Cover	\$5,659
294	Water Treatment Plant (WTP) landscaping	\$10,000
264	Walbundrie Aeration Tank Replacement	\$22,420
265	West Wagga WTP Fluoride Plant Replacement	\$10,000
295	North Wagga WTP Fluoride Plant Replacement	\$10,000

Project No	Description	Revote
296	Gardiners Crossing WTP - Fluoride Plant Replacement	\$10,000
297	Bulgary WTP Fluoride Plant Replacement	\$10,000
299	Tarcutta Clear Water Supply Tank Replacement	\$40,000
99	Urana WTP Replacement	\$33,651
100	Morundah WTP Upgrade	\$11,118
302	North Wagga Pump Station	\$10,000
199	Pump & Motor Maintenance – Urban	\$11,807
200	Pump & Motor Maintenance – Non Urban	\$23,243
269	Milbrulong Balance Tank	\$19,299
272	Glenoak Reservoir	\$5,000
303	Tarcutta Reservoir Roof	\$5,019
207	Reservoir Magflows – Urban	\$14,000
208	Reservoir Magflows – Non Urban	\$11,375

For the information of Council, the following budget items totalling \$1,158,404 will be carried forward to the 2020/2021 budget. The expenditure was committed to be spent prior to 30 June 2020.

Project No	Description	Carry Forward
228	Refurbishment of Operations Office	\$5,286
156	Koorringal Road Purchase	\$118,604
50	Computer Server Replacements	\$500
54	Routine Plant & Vehicle Replacements	\$419,847
57	West Wagga WTP & Bores Control System	\$1,630
289	Remote Telemetry Units	\$22,152

Project No	Description	Carry Forward
224	Radio Communication	\$1,440
290	Solar installations	\$85,096
312	200 ML Ground Water Purchase	\$270,000
260	North Wagga Bore 1 Gantry Modifications	\$696
218	Ralvona Aeration Cover	\$8,880
263	West Wagga Aeration Roof Replacement	\$29,124
233	Gardner's Crossing Aeration Cover	\$777
137	WTP Internal Roads	\$73,763
264	Walbundrie Aeration Tank Replacement	\$3,450
298	Tarcutta Iron Filter Replacement	\$55,000
205	Main Low Level Reservoir	\$57,259
274	The Rock Reservoir South	\$4,900

Financial Implications

The proposed budget adjustments will increase the 2020/2021 capital expenditure budget by \$1,588,579, resulting in a total proposed capital expenditure budget of \$21,905,202 for the 2021 financial year.

Risk Considerations

Financial	
Avoid	Council will endeavour to ensure that its financial sustainability is protected at all times and avoid proposals that may impact negatively.

R8 Community Grants Program Assessment Panels

Organisational Area General Manager

Author Joshua Lang, Community Engagement Officer

Summary A board member and alternate from both Wagga Wagga City Council and Greater Hume Council are required to be on the Community Grants Program assessment panel for their respective Local Government Area

RECOMMENDATION that one Board member and one alternate from Greater Hume and Wagga Wagga City Council nominate to be on the respective community grant assessment panel for their Local Government Area

Report

Applications for the second year of the Community Grants Program open on 21 September 2020.

As provided for in last year's program, four assessment panels are required to review applications for each Local Government Area.

Panels consist of the Chairperson, a constituent Council staff member (General Manager or nominated representative) and a Board member from the relevant constituent Council.

Lockhart Shire's panel currently consists of the Chairperson, Mayor and its General Manager. Federation's panel consists of the Chairperson, Councillor Pat Bourke and its General Manager.

A Board member from Greater Hume Council and Wagga Wagga City Council is required to finalise membership of these panels. Staff representatives for these Councils will again be Director Corporate & Community Services and Manager Community Services respectively.

Due to the fact that Riverina Water will conduct an election for its Chairperson at the 28 October 2020 Board meeting, this report addresses the implications of the election of a new Chairperson. Subsequently an alternate Board member for Greater Hume and Wagga Wagga City Council also needs to be nominated.

Alternates will be used as required for the Greater Hume and Wagga Wagga City Council panels, pending the outcome of the election. Lockhart Shire and Federation will substitute a Councillor from the relevant Council if needed.

Assessment panel requirements

Grant applications close on 26 October. As the first step is the initial eligibility assessment, the Chairperson election process will not impact the grant program timeline.

Following the eligibility assessment, panel members will be required to assess grants applications online in early November.

Pecuniary interests must be flagged by all panel members as part of the grant assessment process. In these instances, an alternative person will undertake the assessment.

Panellists will be required to meet at Riverina Water (or via video conferencing pending COVID-19 requirements) to do a group assessment, facilitated by Riverina Water staff. This will take place between 16 and 27 November.

The panel will discuss the grant applicants together and make recommendations to the Board of Riverina Water to receive funding.

The recommendations of the four assessment panels will be presented to the December meeting of the Board.

Financial Implications

None

Risk Considerations

Corporate Governance and Compliance	
Avoid	Council will avoid risks relating to corporate governance and compliance including community project funding opportunities

R9 Amendment to the Community Grants Program guidelines

Organisational Area General Manager

Author Josh Lang, Community Engagement Officer

Summary This report is to amend the Community Grants Program guidelines in response to further impacts of COVID-19

RECOMMENDATION that Council amends the 2020/21 Community Grants Program Guidelines to include that eligible applicants who have incomplete projects from the 2019/20 program may still apply under the 2020/21 program, noting:

- a) Preference may be given to applicants without incomplete projects
- b) 2019/20 grants must be acquitted before any funding from the 2020/21 is released
- c) The project funded by the 2020/21 program must still be completed within the specified timeframe

Report

At the June 2020 board meeting, the guidelines for the 2020/21 Community Grants Program were adopted.

These guidelines were developed following feedback from successful and unsuccessful applicants to the 2019/20 program.

Additionally, the guidelines on page 10 provided the following information to 2019/20 recipients regarding incomplete projects:

“Grant recipients from our 2019/20 program whose project delivery has been impacted by COVID19 may only apply if their project is delivered by 26 October 2020. If successful, grant funds will not be released until the previous grant is acquitted.”

This was based on conversations and updates from 2019/20 recipients, and the COVID-19 situation at the time.

Since the guidelines were developed, the COVID-19 situation has changed and many recipients have advised they are having further difficulty completing their projects.

It is recommended the guidelines be amended with the following wording to provide more flexibility given the changing nature and further potential impacts of COVID-19:

“Eligible applicants who have incomplete projects from the 2019/20 program may still apply under the 2020/21 program, noting:

- i) Preference may be given to applicants without incomplete projects
- ii) 2019/20 grants must be acquitted before any funding from the 2020/21 is released
- iii) The project funded by the 2020/21 program must still be completed within the specified timeframe”

The recommended wording will ensure a stronger pool of applicants and potential projects than the current guidelines. The conditions listed will allow any potential issues to be managed during the administration of the grants.

› **R9.1 2020-21 Community Grants Program guidelines**

Financial Implications

Nil

Risk Considerations

Reputation	
Averse	Council is averse to taking risks that may adversely impact its reputation

**Riverina Water 2020-21
Community Grants
Program guidelines**

Contents

1 Overview	3
2 Introduction	4
3 Grant categories	
Community Projects and Facilities	5
Arts and Culture	7
Water Conservation	9
4 Eligibility	10
5 Application and project information	11
6 How to apply	12
7 Exclusions	13
8 Financial information	13
9 Help	14
10 Application checklist	14
11 Supporting documentation	15
12 Submitting your application online	16
13 Assessment process	16
14 Assessment criteria	17
15 Notification of application outcomes	17
16 Successful recipient conditions	18
17 Tax obligations	20
18 Acquittals.....	20
19 Frequently asked questions	21

1 | Overview

Program timeline

- › **Applications open**
9am, Monday 21 September 2020
- › **Applications close**
9am, Monday 26 October 2020
- › **Assessment of applications and administration**
26 October to 27 November 2020
- › **Approval of grants allocations**
Riverina Water board meeting
16 December 2020
- › **Notification to successful applicants**
December 2020-January 2021
- › **Deadline for project completion**
31 January 2022
- › **Deadline for project acquittal report**
28 February 2022

**LATE APPLICATIONS WILL
NOT BE PROCESSED**

Grant categories and funding

Grant category	Minimum and maximum funding per category
Community projects and facilities	\$2500-\$20,000
Arts and Culture	\$2000-\$7500
Water conservation	\$1000-\$10,000

Grant funding allocations per local government area (LGA)

	Wagga City	Greater Hume	Federation	Lockhart
Community projects and facilities	\$110,000	\$111,733*	\$108,360*	\$55,000
Arts and culture	\$40,000	\$20,000	\$20,000	\$20,000
Water conservation	\$50,000	\$25,000	\$25,000	\$25,000

* Rolled over funding from 2019/20 program

2 | Introduction

We're offering \$610,103 in funding as part of our Community Grants Program for local non-profit community groups, schools and educational institutions.

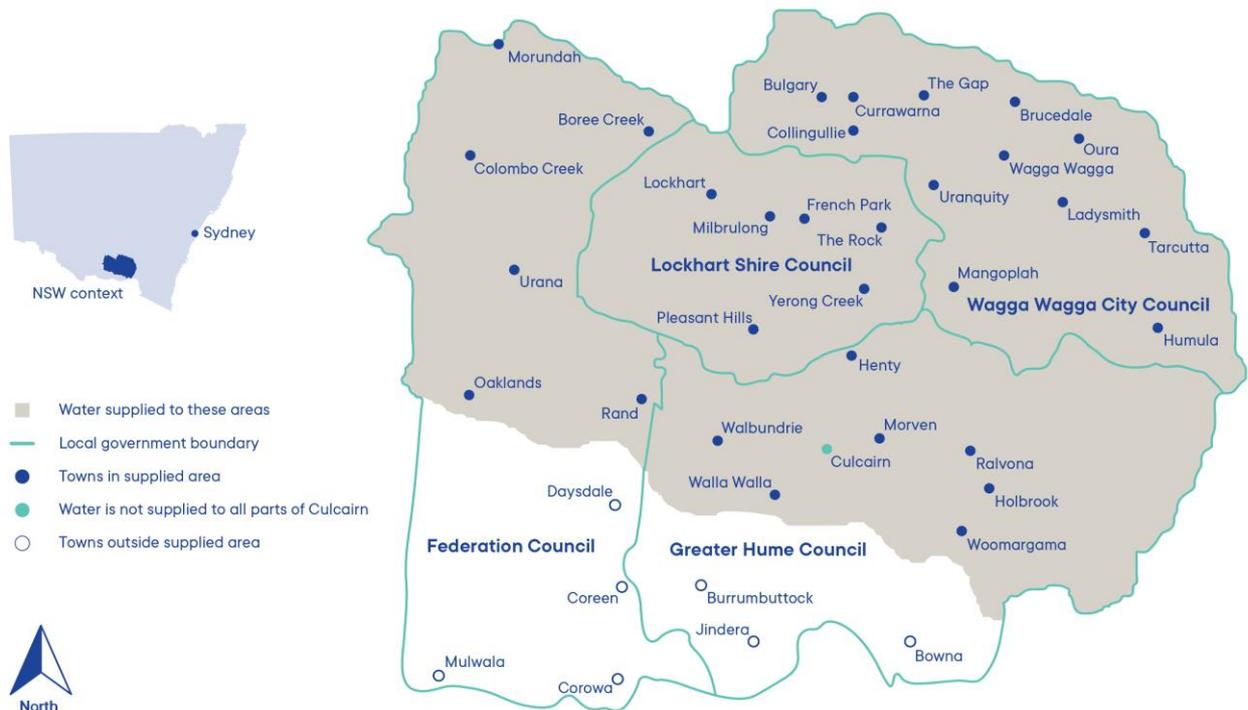
The program aims to support a wide range of community projects and activities that enhance life for the wider community.

Local not-for-profit community groups, schools and educational institutions based in our water supply area are invited to apply.

Projects must be delivered in our supply area. The community grants program is separate from our donations program.



Riverina Water supply area



Riverina Water is made up of four NSW local government areas in the southern Riverina. Our supply area covers Lockhart and Wagga Wagga local government areas and parts of Greater Hume and Federation local government areas.

Funding has been allocated for each council area based on distribution of population, as per the table on the

previous page. Unexpended funds from the 2019-20 program were rolled over for Greater Hume and Federation into the 2020-21 program.

Please note we do not supply water to most parts of Culcairn. The location of the project must be within the supply area to be eligible for funding.



3 | Grant categories

Community Projects and Facilities

The aim of the Community Projects and Facilities category is to provide financial assistance for projects and services that enhance life for the wider communities across our supply area.

Category eligibility requirements

Projects must

- › Demonstrate evidence of in-kind support and/or financial contribution. Provide at least one quote for goods and services towards the project

Funding range available

Minimum \$2500
Maximum \$20,000

- › Can start within six months of the grants being made available and complete within 12 months

Projects must do two of the following

- › Provide opportunities for social connection through recreational activity, halls and public spaces
- › Increases pride in local Indigenous culture

- › Increase community pride in neighbourhoods
- › Demonstrate a multi-use or shared capability across two or more user groups
- › Enhance existing facilities
- › Increase accessibility and usability of rural halls and public spaces for gatherings
- › Improvements to infrastructure which may include painting, repairing floors, rewiring buildings, improvements to disabled access

Examples of eligible projects

- › Upgrading existing recreational facilities eg upgrading amenities, lighting improvements, new seating etc
- › Improvement or installation of sport specific facilities eg cricket nets
- › Installation of additional facilities for use by sporting or recreation groups eg storage sheds, shade structures, mobility access ramp

- › Installation of infrastructure such as toilets, air conditioning, solar etc
- › Purchasing items that improve the long-term financial viability of community projects eg seating instead of hiring

Examples of ineligible projects

- › Ongoing maintenance
- › Purchase of items that are not a fixture in the building

Please note

Projects should be accurately costed and be accompanied by relevant, quotes, plans and approvals.

A risk assessment may be required for your project. If your application is approved, we will request completion of this document for your project before releasing grant funding.

Applicants must provide written owner's consent for works/projects to be carried out if applicant is not the landowner.

See pages 10 and 13 for more information on exclusions and ineligible projects.

Arts and Culture

The aim of the Arts and Culture category is to provide financial assistance for projects and services that enhance life for the wider communities in our supply area.

Category eligibility requirements

This grant category provides funding for

- › Local artists to develop new artworks
- › Groups and organisations to provide developmental workshops for local artists
- › Provide opportunities to grow creative industries

Individual artists can apply if they are sponsored by an incorporated organisation.

Funding range available

Minimum \$2000

Maximum \$7500

Projects must

- › Demonstrate evidence of in-kind support and/or financial contribution (including materials, workspace etc)
- › Provide at least one quote for goods and services towards the project
- › Can start within six months of the grants being made available and complete within 12 months

Applications must include

- › Examples of previous work eg images or video of artworks or previous arts/cultural workshops



- › Website links to previous works
- › Resume of visiting artists (for workshops)

Examples of eligible projects

- › Skill development workshops eg visiting artists or free public workshops
- › Establishment and delivery of cultural performances
- › Establishment and delivery of new artworks with public outcomes
- › An organisation seeking funding to promote their new event

- › Movie nights in a community space
- › Local outdoor neighbourhood gatherings to increase connection and cohesion
- › Projects that promote Indigenous culture
- › An organisation seeking funding to cover costs of hosting a well-known entity/individual with the potential to draw visitors to the supply area

Examples of ineligible projects

- › Funding to undertake studies or investigations

Please note

Projects should be accurately costed and be accompanied by relevant plans and approvals.

For events, a copy of public liability insurance to the value of \$20M is required by successful applicants before release of funding.

Funding for public art sculptures/arts must include delivery and installation of the art within the public space.

A risk assessment may be required for your project. If your application is approved, we will request completion of this document for your project before releasing grant funding.

Applicants must provide written owner's consent for works/projects to be carried out if the applicant is not the landowner

See pages 10 and 13 for more information on exclusions and ineligible projects.



Water Conservation

The aim of the Water Conservation category is to provide financial assistance for projects and services that conserve water through efficiency improvements in our supply area.

Funding range available

Minimum \$1000
Maximum \$10,000

Category eligibility requirements

Projects must

- › Demonstrate the project's ability to reduce water use
- › Demonstrate evidence of in-kind support and/ or financial contribution
- › Provide at least one quote for goods and services towards the project
- › Can start within six months of the grants being made available and complete within 12 months

Projects must also do two or more of the following

- › Promote community awareness of water conservation practices
- › Enhance existing water infrastructure through water saving devices

- › Harvest rainfall for community purposes

Examples of eligible projects

- › Upgrading to highly efficient water devices
- › Installing rainwater tanks
- › Developing water wise gardens
- › Installing water savings devices including waterless urinals, restricted flow taps, timed flow water taps
- › Installing highly efficient irrigation systems
- › Installing solar powered water pumps

Examples of non-eligible projects

- › Funding to undertake studies or investigations

- › Purchase of appliances and items that are not a fixture
- › Ongoing maintenance

Please note

Projects should be accurately costed and be accompanied by relevant plans and approval.

A risk assessment maybe required for your project. If your application is approved, we will request completion of this document for your project before releasing grant funding.

Applicants must provide written owner's consent for works/project to be carried out if applicant is not the landowner.

4 | Eligibility

To be eligible, applications must be from

- › Incorporated not-for-profit community organisations
- › Preschool, primary and high schools

Incorporated not-for-profit bodies are organisations that are registered and approved as not-for-profit bodies by NSW Fair Trading including:

- › Charities
- › Organisations with Deductible Gift Recipient (DGR) or Public Benevolent Institution (PBI) status
- › Cooperatives
- › Trusts that are registered with the Australian Charities and Not-for-profits Commission (ACNC)

Council committees constituted under section 355 of the Local Government Act are also eligible to apply.

Projects without grant funding from local government councils will be more favourably considered.

Eligible applicants must be located in the Riverina Water supply area (see map on page 4) and/or projects must also be delivered in the Riverina Water supply area. Projects that satisfy both of these criteria will be more favourably considered.

Riverina Water will not fund projects by:

- › Individuals or groups of individuals (with the exception for individual artists, who may apply if they are

sponsored by an incorporated organisation)

- › Unincorporated organisations
- › For-profit commercial organisations
- › Local Government Councils; excluding council committees constituted under section 355 of the Local Government Act (please note Councils may auspice as per page 15)

- › A university or technical college

Please note we do not supply water to most parts of Culcairn. Only projects within the supply area are eligible. Grant recipients from our 2019/20 program whose project delivery has been impacted by COVID19 may only apply if their project is delivered by 26 October 2020. If successful, grant funds will not be released until the previous grant is acquitted.

5 | Application and project information

- › Before completing an application, become familiar with the guidelines and relevant category specific criteria
- › Applicants can apply once per category. Applicants can apply for more than one category for different projects. The same project or application cannot be submitted multiple times, with the exception of projects that span more than one LGA; noting each will be assessed individually.
- › Projects must benefit residents, service organisations or groups in the Riverina Water supply area
- › Gather quotes for your project
- › Contact your local council to determine if a DA approval or exemption is a requirement of your proposed project
- › Projects must be ready to start within six months of funding being made and be completed by 31 January 2021
- › Applications must be submitted online and will only be considered if all mandatory documentation is provided
- › Projects may be subject to an audit following the receipt of an acquittal report

Government information (Public Access) Act

The Government Information (Public Access) Act 2009 (GIPA Act) applies to documents in the possession of Riverina Water. In response to requests made in accordance with the Act, in some circumstances copies of grant applications may be released, subject to the deletion of exempt material.



6 | How to apply

Step 1 Read the information

- › Read the Community Grants Program guidelines

Step 2 Prepare and research

- › Visit rwcc.nsw.gov.au/grants and access the Apply application platform and start your application. Save as you go and refer to the Apply help guide.
- › Compile your compulsory support documentation as required. This could include:
 - Obtaining quotes
 - Developing your budget
 - Obtaining relevant building or other approvals if necessary
 - Confirmation of cash contribution to project, bank statement or letter signed by Executive Committee of organisation committing cash contribution to your project
 - Confirmation of in-kind support
 - Most recent financial statement
 - Demonstrate past projects that show your organisation has capacity to deliver

Step 3 Complete and submit

- › Complete all questions
- › Review and edit your application
- › Your application will not be successfully submitted unless you have addressed all required questions and attached all supporting documents
- › Submit by 9am on Monday, 26 October 2020

7 | Exclusions

- › Projects outside the Riverina Water supply area
- › Projects requesting retrospective funding for monies that have already been spent on works completed
- › Projects that are unlawful or irresponsible
- › Projects that have not submitted mandatory documentation
- › Funds that will be distributed to other persons/organisations in the form of a donation, gift or prize
- › Funds that will contribute to organisational running costs i.e. wages, insurances, rent, administration
- › Works that are the responsibility of government bodies
- › Recurring of ongoing expenditure (eg annual maintenance costs)
- › Funding to undertake studies or investigations
- › Funding for the development or provision of commercial ventures
- › Costs for the provision of services and support activities not related to the proposed project
- › Payment for development approval, project planning and management costs that total more than 5 per cent of the funding requested

8 | Financial information

Applicants must provide accurate financial information as part of the submission process, such as a statement of income and expenditure.

It is important to demonstrate that your application is financially viable, and the project can be successfully delivered within the budget specified.

Please prepare your financial information carefully as errors could impact the success of your project.

Please include the value of in-kind support from your group or organisation including labour.

This means you need to determine the value of materials, services and assistance that will be donated or provided to the project free-of-charge.

If you have trouble working out these costs, you can obtain a quote for a similar material or service and use it as a guide.

9 | Help

Applicants who require additional support completing an application can email community@rwcc.nsw.gov.au.

You will receive a response generally within 48 hours within business hours.

Alternatively, please call Riverina Water on 6922 0608 and ask to speak to the Community Engagement Officer.

If your question is of a technical nature, please contact Apply through the support function on the grants application website.

We recommend you complete your application as soon as possible to ensure you don't incur any technical or computer errors. Riverina Water will not be responsible if you are unable to lodge your grant application by the deadline.

Please be advised that Riverina Water does not correct errors in applications or supporting material. If they are eligible, applications and any supporting material are assessed as they have been submitted.

10 | Application checklist

- › Read the guidelines carefully
- › Plan and research what is required to undertake the project and to complete the application requirements
- › Complete an online application and save the application as you go
- › Allow ample time to complete your application— avoid leaving it to the last minute
- › Develop your budget and gather quotes
- › Compile compulsory supporting documents
- › Provide evidence of DA approval/exemption or pending status for your project
- › Develop your budget and gather quotes
- › Ask a friend to read and review your application
- › Compile compulsory supporting documents
- › Contact Apply if you need technical help
Ask a friend to read and review your application
- › Contact Apply if you need technical help
- › Press submit to send your application before the due date



11 | Supporting documentation

The following documentation is mandatory for applicants. Please attach:

- › A copy of the organisation's most recent annual report and/or financial statements
- › Or a letter from a sponsoring incorporated entity indicating its willingness to support (auspice) the proposed project if the applicant is not legally incorporated. For more information regarding the definition of a legally incorporated entity, please see fairtrading.nsw.gov.au
- › Confirmation of your application is a registered not-for-profit organisation with the Department of Fair Trading and/or Australian Charities and Not-for-profits Commission (ACNC)
- › A minimum of one quote must be provided for goods, equipment, supplies and services
- › Letter or Bank Statement confirming cash contribution of applicant towards project
- › Gain Landowner consent in writing. The letter must state approval for proposed project to be carried out

12 | Submitting your application online

Applicants must complete an online application using the Apply application platform, accessible via

rwcc.nsw.gov.au/grants

Refer to the Apply help guide for technical help when submitting your application,

- › Once you have completed your application, click the 'review and submit' button. This will alert you to any changes or corrections that need to be made to your application before it can be submitted. You will not be able to submit your application until all the required questions are completed
- › After you have submitted your application you will receive an email within a few minutes.

Please check your junk mail if you don't receive an email. If it's not there, contact Apply support for help.

- › You can also confirm your application was submitted via the applicant view in Apply
- › To see your application and/or download a PDF copy, hit the view button in Apply after submission
- › Applications close 9am, Monday 26 October 2020
- › Late applications cannot be submitted and will not be accepted

To avoid last minute technical issues, it's recommended you submit your application as early as possible.

13 | Assessment process

Once you have submitted your application, you will receive an email confirming receipt of your application.

- › Your submitted application is kept confidential and its contents will not be disclosed to any person outside the application and assessment process (except in instances covered on page 11)
- › Your application will be assessed by a panel made up of one Riverina Water board member from each constituent council,

supported by the General Manager or nominated representative from each constituent council. The Riverina Water Chairperson will also sit on each panel

- › Successful applications will be recommended to the Riverina Water board at the 16 December 2020 meeting
- › Once endorsed, all applicants will be notified of the result of their application as soon as possible



14 | Assessment criteria

The Community Grants Program is a competitive application process.

Applications are assessed against grant specific criteria.

Riverina Water cannot support applications that do not meet the eligibility criteria or the assessment criteria.

This includes failure to attach compulsory documents, budgets or information.

Assessment panels may recommend part funding.

The decision is carefully considered with the view of maintaining the integrity of the proposal.

The assessment panels decide which grants are approved considering the application assessment, supporting documents provided, availability of grant funds and whether funding a project aligns to the assessment criteria.

The assessment panel decision recommended for approval is final and there will be no review of decisions of unsuccessful applications.

At the full discretion of the Riverina Water board, if any categories or localities are not fully subscribed, Riverina Water reserves their right to reallocate any unallocated funding to either areas or categories that have been oversubscribed.

15 | Notification of application outcomes

If you are successful, you will receive formal notification about your application and an email of approval from Riverina Water, including any specific conditions attached to the grant.

If you are unsuccessful, we will notify you in writing and give you an opportunity to discuss the outcome with Riverina Water.

16 | Successful recipient conditions

If your application is successful, you will be required to do the following:

- › Supply any other documents per your approval letter as requested by Riverina Water
- › Funding may not be used for any purpose other than for which it is granted, without the written permission of Riverina Water
- › Riverina Water will not be responsible for shortfalls in project budgets if the applicant is unable to meet project costs
- › You may be required to undertake a risk assessment and provide this to Riverina Water. Please liaise directly with third parties eg property owners in regard to this. The risk assessment does not form part of the application process but may be required as part of project delivery
- › Acknowledge, by execution of the funding agreement that, Riverina Water is not in any way liable for any incident arising out of the use of the funds provided under the program
- › Funding will not be paid until all requested information has been supplied
- › Recognise Riverina Water as a sponsor of the organisation, project and/or activity by placing Riverina Water's logo on all promotional/ advertising materials, by acknowledging Riverina Water's support in all media coverage, including social media and publicity and in all publications relating to the successful project
- › Riverina Water may visit you during the project period or at the completion of your project to review your compliance with the grant agreement. Riverina Water may also inspect your records you are required to keep under the grant agreement. We will provide you with reasonable notice of any compliance visit
- › It is the responsibility as the applicant to notify us if anything is likely to affect your project or organisation. We need to know of any key changes to your organisation or its business activities, particularly if they affect your ability to complete your project, carry on business and pay debts due
- › Comply with any special conditions that may be attached to the funding offer noting the amount of financial assistance offered may vary from that requested
- › Issue Riverina Water with a tax invoice for the grant amount, plus GST, if applicable. Riverina Water will pay the grant plus GST, subject to receipt of a valid tax invoice.
- › Upon execution of the funding agreement, and receipt of a valid tax invoice, Riverina Water will pay

90 per cent of the grant amount to your nominated bank account. The remaining 10 per cent will be paid on completion of the grant acquittal form and associated documents

- › Provide a copy of the organisation's Certificate of Currency for Public Liability Insurance for \$20M as a minimal insured amount (for projects with a public activity component only). For more information, please contact your insurer
- › Applicants are required to submit an acquittal form at the completion of the project

- › Applicants are advised that Riverina Water is not in any way liable for any incident arising out of the use of the grant funding provided under this grant program. By signing the funding agreement, applicants acknowledge this condition
- › A conflict of interest will occur if your private interests conflict with your obligations under the grant. Conflicts of interest could affect the awarding or performance of your grant. A conflict of interest can be:
 - Real (or actual)
 - apparent (or perceived)
 - potential



17 | Tax obligations

As the applicant, if you are registered for the Goods and Service Tax (GST), we will add GST to your grant payment, where applicable. You are required to notify us if your GST registration status changes during the project period.

If you are not registered for GST, we will only pay the grant amount approved. Applicants will need to be aware of their GST position and any impacts this may have on their project and cash flow.

If you are successful, we will require you to send us a tax invoice for the grant

amount, plus GST, where applicable. We will pay 90 per cent of this invoice to your nominated bank account with the remaining 10 per cent being paid when we received your acquittal documentation (see section 18).

Grants are assessable for income for taxation purposes, unless exempted by a taxation law. We recommend you seek independent professional advice on your taxation obligations or seek help from the Australian Taxation Office. We do not provide advice on tax.

18 | Acquittals

Recipients must acquit funds using an online form provided for this purpose. To demonstrate the expenditure of funds granted the following will need to be provided with the acquittal report –

- › Copies of receipts/invoices
- › Photos or video files
- › Media releases including social media posts

- › Advertising and promotional features

Acquittals must be submitted no later than 28 February 2022. If acquittals are not received, Riverina Water will not

consider future applications from the applicant or release the remaining 10 per cent of the approved grant funding.

Any unexpended funds must be returned to Riverina Water

19 | Frequently asked questions

How many applications can I submit?

Applicants can apply once per category. Applicants can apply for more than one category for different projects. The same project or application cannot be submitted multiple times.

What is in-kind?

In-kind is a contribution of goods, commodities or services instead of money.

Where can we access the application forms?

Applications can only be made via the Apply application platform.

Will late applications be accepted?

No. If you are having problems submitting your application, you should contact Apply for technical support before closing date and in time to seek help.

How important is my project location?

This is very important. Each application must accurately identify the project location within our supply area.

Do we need to provide quotes?

One quote per budget item must be provided and uploaded as supporting documentation to your application. Quotes must align with and substantiate information provided in the project budget. Failure to provide all quotes will impact assessment of your application.

Should my grant application be inclusive of GST?

No, all quotes gathered for your project budget may include GST. The budget section of the application will require you to insert quotes excluding GST. At the time of funding release, if the successful applicant is registered to pay GST, an additional 10 per cent on top of the grant amount will be paid. If the successful applicant is not registered to pay GST, you will be paid the grant amount only.

Do I need to finish the application in one go?

No, applications may be saved, revisited and edited before being submitted.

If our application is successful, how do we receive the funds?

See section 16. In summary, once we have received your executed funding agreement and a valid tax invoice for the full amount of the grant (plus GST, where applicable), we will pay 90 per cent of the funds to your nominated bank account. The remaining 10 per cent will be paid to your bank account, following receipt of your acquittal documentation and successful acquittal of your project.

Am I eligible if I live in Culcairn?

We do not supply water to most parts of Culcairn. Grants projects must be for our supply area. See section 4: Eligibility.

R10 Updated Fluoridation Policy and New Drinking Water Policy

Organisational Area Engineering

Author Bede Spannagle, Director of Engineering

Summary This report proposes the exhibition of the updated fluoridation policy and the new drinking water policy

RECOMMENDATION that Council:

- a) Endorse the updated Fluoridation Policy and draft Drinking Water Policy and place them on public exhibition from 27 August to 25 September 2020 and invite public submissions on the draft policies during that period
- b) Receive a further report following the public exhibition and submission period:
 - i. Addressing any submissions made in respect of the proposed Fluoridation and Drinking Water Policies
 - ii. Proposing adoption of the policies unless there are any recommended amendments deemed to be substantial and requiring a further public exhibition period

Report

An ARIC audit completed in October 2019 and recommended the following:

1. The Fluoridation Policy be reviewed and amended as necessary
2. Consideration be given to Council formally adopting a public policy for water quality

Current policies for Drinking Water Quality and for Fluoridation were reviewed and updated to better articulate Riverina Water's commitment to water quality & public health, reflect legislative changes and to capture current management and operational practices.

- › **R10.1 Updated Fluoridation Policy**
- › **R10.2 Draft Water Quality Policy**

Risk Considerations

Service Delivery	
Avoid	Council will avoid taking on any risks which may compromise water quality to its customers

Policy 2.5 Fluoridation

Purpose

To ensure compliance ~~with~~ of NSW Health's legislation regarding the fluoridating of existing water supply systems outlined below.

To ensure ~~the~~ safe and effective management and operations ~~of~~ Riverina Water's fluoridation ~~processes, facilities~~

Policy Statement

Supported by NSW Health and endorsed by Council Resolution #69/316 (25th June 1969), Riverina Water is committed to ~~continuing~~ ~~continue~~ its fluoridation programme ~~noting that such programme is~~ ~~and~~ limited to the following drinking water supply systems:

- Wagga Wagga including Ladysmith system
- North Wagga and associated rural systems
- Southern Trunk Main and associated rural systems
- Western Trunk Main and associated rural systems

Specific water treatment plants approved and regulated by NSW Health to add fluoride to the above-mentioned drinking water supply systems are:

- Wagga Filtration (River) Water Treatment Plant
- East Wagga Aeration (Bore) Water Treatment Plant
- West Wagga Aeration (Bore) Water ~~T~~treatment Plant
- North Wagga Aeration (Bore) Water Treatment Plant
- Bulgary Aeration (Bore) Water Treatment Plant
- Urana Filtration (River) Water ~~T~~treatment Plant
- Gardiners Crossing/Walla Walla (Bore) Water Treatment Plant

Scope

Riverina Water ~~County Council (Riverina Water)~~ is committed to continue its current fluoridation obligations and requirements under ~~the~~ Fluoridation of Public Water Supplies Act 1957, ~~the~~ NSW Code of Practice for Fluoridation of Public Water Supplies, and as directed by NSW Health.

Data and document control

Page 1 of 4

Author: Jason Ip, Manager Operations

Version **DRAFT 1.0**

Last revised date

EDRMS # **TBA**

Next scheduled review **TBA**

Definitions

DWMS – Drinking Water Management System

Principles

To achieve this commitment, and in partnership with NSW Health and other relevant agencies, Riverina Water ~~County Council~~ will:

- Retain regular monitoring of the quality of drinking water and effective reporting mechanisms to provide relevant and timely information, and promote confidence in the water supply and its management to consumers, public and to NSW Health.
- Adhere to the NSW Code of Practice for Fluoridation of Public Water Supplies
- Ensure the safety of the public and employees with respect to the management, operation and maintenance of fluoridation processes and equipment
- Maintain an appropriate contingency planning and incident response capability
- Ensure that employees and contractors involved in the fluoridation of drinking water are appropriately trained and understand their responsibility for ensuring safety to the public, customers and the workplace.

Policy Implementation

Consistent with Riverina Water's ~~County Council's~~ Drinking Water Management System (DWMS), Riverina Water will implement this Policy by:

- Maintaining Council's Drinking Water Quality Management System (DWMS).
- Implementing appropriate operations and management procedures for water supply.
- Reporting on the supply of fluoridated drinking water to NSW Health and NSW Department of Planning Industry and Environment
- Actively engaging with key stakeholders (customers and regulators) and with industry peak organisations (~~eg.e.g.~~ NSW Water Directorate)
- Ensuring relevancy and currency of appropriate fluoridation training to employees
- Promoting awareness of employee's responsibilities and accountabilities with regards to water quality

Data and document control

Page 2 of 4

Author: Jason Ip, Manager Operations

Version **DRAFT 1.0**

Last revised date

EDRMS # **TBA**

Next scheduled review **TBA**

- Actively seeking capital costs from NSW Health for replacements and upgrading existing fluoridation facilities

Non Compliance

Non-compliance with Acts, Regulations and Standards, Guidelines and Procedures associated with Riverina Water's fluoridation programme may lead to:

- 1) NSW Health's direct intervention into Riverina Water's management and water supply operations
- 2) ~~Compromising Affect~~ safety to Riverina Water's customers and its employees
- 3) ~~And Mm~~ may be considered a breach under the Code of Conduct and as such, any suspected or known non-compliance will be reported to the General Manager.

References

- Fluoridation of Public Water Supplies Act 1957:
<https://www.legislation.nsw.gov.au/#/view/act/1957/58>
- Fluoridation of Public Water Supplies Regulation 2017:
<https://www.legislation.nsw.gov.au/#/view/regulation/2017/419>
- NSW Code of Practice for Fluoridation of Public Water Supplies:
<https://www.health.nsw.gov.au/environment/water/Documents/code-of-practice.pdf>
- Riverina Water County Council's Resolution 69/316 (previously known as Southern Riverina County Council)

Policy number	Insert policy number here
Responsible area	Director of Engineering
Approved by	Riverina Water Board Members
Approval date	Council Resolution #69/316, 25 th June 1969

Data and document control

Page 3 of 4

Author: Jason Ip, Manager Operations

Version **DRAFT 1.0**

Last revised date

EDRMS # **TBA**

Next scheduled review **TBA**

Legislation or related strategy

Fluoridation of Public Water Supplies Act 1957
Fluoridation of Public Water Supplies Regulation 2017
NSW Code of Practice for Fluoridation of Public Water Supplies
NSW Public Health Act 2010
NSW Public Health Regulation 2012
Riverina Water Drinking Water Management System (DWMS)

Documents associated with this policy

Riverina Water Drinking Water Management System (DWMS)

Policy history

Policy 2.5 Fluoridation

This Policy and associated management plans will be reviewed every 2 years, or in response to changes in legislation, guidelines or as management information dictates.

END OF POLICY STATEMENT

Data and document control

Page 4 of 4

Author: Jason Ip, Manager Operations

Version **DRAFT 1.0**

Last revised date

EDRMS # **TBA**

Next scheduled review **TBA**

Policy #TBA – Drinking Water Quality Policy

Purpose

For Riverina Water County Council (Riverina Water) provides this commitment to the sustainable management and supply of safe, high quality drinking water.

The policy provides a basis for:

- 1) the management and operation of Riverina Water's water supply activities involving sourcing water, water treatment processes, water storages, pumping and distribution systems,
- 2) promotion and awareness of its employees and contractors to be responsible for understanding, implementing and continuously improving council's activities and management systems associated with drinking water quality
- 3) demonstrating compliance with NSW Public Health Act 2010 and the Public Health Regulation 2012 that requires drinking water suppliers (such as local government water utilities) to develop and adhere to a 'quality assurance program' (or drinking water management system) from 1 September 2014.

Policy Statement

Riverina Water is committed to providing safe, high quality drinking water, which consistently meets or exceeds the 2011 Australian Drinking Water Guidelines (ADWG), consumer and other regulatory requirements.

Riverina Water will implement and maintain a drinking water management system (DWMS) consistent with the *Australian Water Guidelines* to effectively manage the risks to drinking water quality, and to meet its governance requirements under NSW Health Act 2010.

Scope

This policy covers potable water produced and managed by Riverina Water, through its water supply assets and facilities up to and including the customers' meter.

Note: Potable water supplied by Riverina Water and into private assets (i.e. Past the customers' meter is the responsibility of the property owner).

Data and document control

Riverina Water's Drinking Water Management System (DWMS) has been developed to meet current water quality governance requirements, and supersedes Council's previous water quality management system, namely its Hazard Analysis and Critical Control Points (HACCP) system originally introduced in 2006.

The Public Health Act 2010 requires all drinking water suppliers to implement a [quality assurance program for the safe supply of drinking water](#) from 1st September 2014.

Stakeholders associated with this policy include:

- Riverina Water's Board Members
- State Government Regulators:
 - NSW Health,
 - NSW Department of Planning, Industry and Environment (DoPIE)
 - NSW Office of Local Government
- Constituent Local Government Councils as defined under Riverina Water's Proclamation, consisting of:
 - Wagga Wagga City Council
 - Lockhart Shire Council
 - Federation Council
 - Greater Hume Council
- Riverina Water's customers and consumers
- Riverina Water's employees and contractors

Definitions

DWMS – Drinking Water Management System

ADWG – Australian Drinking Water Guidelines (2011), NHMRC

HACCP – Hazard Analysis Critical Control Point

CCP – Critical Control Point: A CCP is an activity, procedure or process that is critical to control a water quality hazard. CCPs must be monitored regularly, ideally continuously, to ensure the effectiveness of barriers.

Data and document control

Page 2 of 6

Author: Jason Ip, Manager Operations

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OCP – Operational Control Point: An OCP is an activity, procedure or process that supports CCPs to control a water quality hazard(s). OCPs are also generally not critical to health and more related to water physical properties and aesthetics.

PHU - Public Health Unit

Principles

To achieve this commitment, and in partnership with stakeholders and relevant agencies, Riverina Water will:

- Manage water quality at all points along the delivery network from the source water to the consumer's tap, by using a risk-based approach in which potential risks to water quality are to be identified and made explicit and managed to minimise any threat to drinking water quality.
- Integrate the needs and expectations of our consumers, stakeholders, regulators and employees into our planning.
- Retain regular monitoring of the quality of drinking water and effective reporting mechanisms to provide relevant and timely information, and promote confidence in the water supply and its management to consumers.
- Maintain an appropriate contingency planning and incident response capability.
- Ensure that employees and contractors involved in the supply and treatment of drinking water are appropriately trained and understand their responsibility for ensuring that water quality is protected.
- Participate in appropriate research and development activities to ensure continued understanding of drinking water quality issues and efficient operation of water supply schemes.
- Align our water quality systems and processes with the DWMS's framework's proactive and multibarrier approach with industry's best practice in water quality management.
- Proactively seek and contribute to our industry's best practice for drinking water quality management and practices
- Continually improve our management practices by assessing performance against corporate commitments, state government based performance indicators and stakeholder expectations.

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Page 3 of 6

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Policy Implementation

Riverina Water will support this Policy by:

- Maintaining Council's Drinking Water Quality Management System (DWMS).
- Assessing risks, and if necessary, test for indicator organisms, pathogens, cyanobacteria, pesticides, disinfection by-products, per- and poly-fluoroalkyl substances (PFAS), other organic compounds and radiological contamination as outlined in NSW Drinking Water Monitoring Program
- Implementing appropriate operations and management procedures for water supply.
- Conducting regular Water Quality Committee Meetings as described in DWMS, Section 14.2
- Reporting on the supply of safe drinking water to NSW Health and NSW Department of Planning Industry and Environment
- Actively engaging with key stakeholders (customers and regulators) and industry peak organisations including the NSW Water Directorate
- Ensuring relevancy and currency of appropriate water quality training to employees
- Promoting awareness of employee's responsibilities and accountabilities with regards to water quality
- DWMS to be reviewed annually and a report provided to NSW Local Public Health Unit (PHU)

Non Compliance

Non-compliance with Acts, Regulations and Standards, Guidelines and Procedures associated with Riverina Water's drinking water management programmes may lead to:

- 1) NSW Health's direct intervention into Riverina Water's management and water supply operations
- 2) Affect safety to Riverina Water's customers and the general public
- 3) May be considered a breach under the Code of Conduct and as such, any suspected or known non-compliance will be reported to the General Manager.

Data and document control

Page 4 of 6

Author: Jason Ip, Manager Operations

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EDRMS # **TBA**

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References

- NSW Public Health Act 2010:
<https://www.legislation.nsw.gov.au/#/view/act/2010/127/full>
- NSW Public Health Regulation 2012:
<https://www.legislation.nsw.gov.au/#/view/regulation/2012/311/sch3>
- Riverina Water's Drinking Water Management System (DWMS): <G:\DWMS Documents\DWMS Plan\DWQMP Riverina Feb 2019.pdf>
- NSW Health Guidelines for Drinking Water Management Systems (2013):
<https://www.health.nsw.gov.au/environment/water/Pages/NSW-guidelines-for-drinking-water-management-systems.aspx>
- NSW Health Critical Control Points for Drinking Water Management Systems (December 2018):
<https://www.health.nsw.gov.au/environment/water/Documents/ccps-for-dwms.pdf>
- NSW Health Drinking Water Website:
<https://www.health.nsw.gov.au/environment/water/Pages/drinking-water.aspx>
- NSW Drinking Water Monitoring Program (2005, updated October 2011):
<https://www.health.nsw.gov.au/environment/water/Pages/NSW-drinking-water-monitoring-program.aspx>
- NSW Health Drinking Water Management Review and Audit (Fact Sheet) January 2017: <https://www.health.nsw.gov.au/environment/water/Documents/dwms-review-and-audit.pdf>

Policy number

Insert policy number here

Responsible area

Director of Engineering

Approved by

Riverina Water Board Members

Approval date

???

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Legislation or related strategy

NSW Public Health Act 2010

NSW Public Health Regulation 2012

Australian Drinking Water Guidelines (2011),
NHMRC

Documents associated with
this policy

Riverina Water Drinking Water Management
System (DWMS)

Policy history

**Internal Policy IP2.7 – Drinking Water Quality
Management**

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Page 6 of 6

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R11 Fraud and Corruption Prevention and Control Policy 1.1.4 and Plan

Organisational Area Governance and Human Resources

Author Simon Thomson, Manager Governance and Human Resources

Summary A Fraud and Corruption Prevention and Control Policy and Plan have been developed to better ensure compliance and understanding of organisational and individual role and responsibilities. Consultation has been undertaken with the Audit Risk and Improvement Committee.

RECOMMENDATION that Council:

- c) Endorse the Fraud and Corruption Prevention and Control Policy 1.1.4 and Plan and place them on public exhibition from 27 August to 25 September 2020 and invite public submissions on the draft documents during that period
- d) Receive a further report following the public exhibition and submission period:
 - i. Addressing any submissions made in respect of the proposed Fraud and Corruption Prevention and Control Policy 1.1.4 and Plan
 - ii. Proposing adoption of the policy and plan unless there are any recommended amendments deemed to be substantial and requiring a further public exhibition period

Report

The Fraud and Corruption Prevention and Control Policy is due for review. Along with the review of the Policy a Fraud and Corruption Prevention and Control Plan has been developed that aligns with the policy. The policy and plan are aligned to the current Fraud and Corruption Standard (2008) and practices with regard to fraud and corruption treatment and practices within Riverina Water. The policy and plan have been submitted to the Audit Risk and Improvement Committee for feedback. Their feedback has been considered and incorporated as relevant into the policy and plan now presented to the Board for adoption.

It should be noted that the relevant standards are currently under review by Standards Australia. Public comments for this standard closed 29 July 2020. With the potential changes to ARIC and standards in the near future a review and amendment may be required earlier than the usual review cycle.

- › **R11.1** **Fraud and Corruption Prevention and Control Policy**
- › **R11.2** **Fraud and Corruption Prevention and Control Plan**

Financial Implications

Nil

Risk Considerations

Corporate Governance and Compliance	
Avoid	Council will avoid risks relating to corporate governance and compliance including (procedural/policy, legal and legislative compliance).

Fraud and Corruption Prevention and Control Policy

Purpose

This policy outlines Council's commitment to the prevention, deterrence, detection and investigation of all forms of fraud and corrupt conduct. It ensures the appropriate mechanisms are in place to protect the integrity, security and reputation of Riverina Water.

Policy Statement

Riverina Water will not tolerate any form of fraudulent or corrupt conduct by, staff, contractors, consultants and volunteers.

Riverina Water is committed to the:

- Development and maintenance of a sound ethical culture supported by appropriate policies, procedures and strategies that prevent fraudulent and corrupt behaviour.
- Regular conduct and review of fraud and corruption risk assessments to identify circumstances in which fraud and corruption could occur.
- Implementation of fraud and corruption prevention and mitigation procedures in day to day operations.
- Use of formal procedures for the investigation of allegations of corrupt and fraudulent behaviour.
- Maintenance of processes and procedures that encourage all business dealings with tenderers, suppliers, consultants and contractors to be conducted in an ethical manner.
- Ongoing education and training of all Riverina Water Officers and elected members in relation to their obligations in combating dishonest and fraudulent behaviour.

Scope

This policy applies to all Riverina Water officials – Board members, Committee members, staff, contractors, consultants and volunteers.

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Definitions

Act	The Local Government Act (LGA) 1993
Regulation	The Local Government (General) Regulation 2005
Fraud	Can be defined as a deliberate and premeditated turn of events which involves the use of deception to gain advantage from a position of trust and authority. The type of events includes acts of omission, theft, the making of false statements, evasion, manipulation of information and numerous other acts of deception (Audit Office of NSW).
Corruption	<p>The ICAC Act 1988 sections 7, 8 and 9 defines corruption as:</p> <ul style="list-style-type: none">• Any conduct of any person (whether or not a public official) that adversely affects, or that could affect, either directly or indirectly, the honest or impartial exercise of official functions by any public official, any group or body of public officials or any public authority; or• Any conduct of a public official that constitutes or involves the dishonest or partial exercise of any of their official functions, or• Any conduct of a public official or former public official that constitutes or involves a breach of public trust; or• Any conduct of a public official or former public official that involves the misuse of information or material that they have acquired in the course of their official functions, whether or not for their benefit or the benefit of any other person.
Council official:	Riveirna Water official includes Board members, Committee members, members of staff, volunteers and delegates of council.
Code of Conduct	The applicable Code of Conduct that is applicable to all Council officials and as required by S 440 of the Local Government Act

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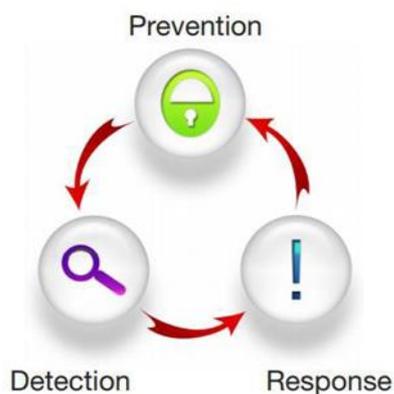
EDRMS #

Next scheduled review

Page 2 of 8

Principles

Council's Fraud and Corruption Prevention and Control Policy is based on the fraud control framework identified by the NSW Audit Office. The fraud control framework has ten key attributes, which sit within the themes of prevention, detection and response.



The ten attributes of fraud control are:

Attribute		Theme
1	Leadership	Prevention
2	Ethical framework	Prevention, Detection, Response
3	Responsibility structures	Prevention, Detection, Response
4	Policy	Prevention
5	Prevention systems	Prevention
6	Fraud awareness	Prevention, Response
7	Third party management systems	Prevention, Response
8	Notification systems	Detection, Response
9	Detection systems	Detection
10	Investigation systems	Response

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The implementation of the 10 key attributes are detailed further in Council's Fraud and Corruption Prevention and Control Plan.

Policy Responsibilities

Council officials are responsible for reporting cases of suspected fraud or corrupt conduct.

Council officials have a responsibility to act honestly and to follow diligently Council's policies and procedures to prevent and mitigate fraud and corruption.

The General Manager is ultimately responsible for the prevention, detection and reporting of fraud and corruption through the implementation of appropriate and effective internal control systems. The General Manager must report possible corrupt conduct to the Independent Commission Against Corruption (ICAC) pursuant to the ICAC Act 1988.

The General Manager, Director Engineering, all managers and supervisors are also responsible for the prevention, detection and reporting of fraud and corrupt conduct by ensuring:

- Their personal behaviour demonstrates a commitment to the highest possible ethical and moral standards for, with and on behalf of Riverina Water
- There are mechanisms in place within their area of control to assess the risk of fraud and corrupt conduct and to manage such risks by appropriate internal controls.
- The promotion of employee awareness and training/education on the prevention of fraud and corruption.
- Compliance with all relevant policies and practices.
- Reporting of any fraud or corruption matters to the General Manager.
- That reasonable steps are undertaken to ensure that Council contractors within their area of control adhere to the provisions of this policy.

All Council officials are responsible for:

- Performing their functions and duties with diligence, honesty, integrity and impartiality.
- Complying with this policy and all legislative requirements to ensure they are not participating in corrupt or fraudulent behaviour.
- Reporting any suspicion of fraudulent or corrupt behaviour to the General Manager, the appropriate Manager or the Chairperson if such behaviour concerns the General Manager, or by utilisation of Council's Internal Reporting Policy.

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- Reporting any identified weaknesses in internal controls that could potentially facilitate a fraudulent or corrupt act.
- Council officials should read Council's Internal Reporting Policy in relation to the protection afforded officials who report or disclose information for specified matters (such as fraud and corruption) internally or to external agencies.

The Manager Governance and Human Resources will instigate a review of Council's fraud and corruption risk and control strategies every four years. The Manager will also ensure that periodic and comprehensive risk assessments are conducted by relevant managers of each area of operation pursuant to Council's Enterprise Risk Management Policy.

Regular internal audits will be conducted to test the fraud and corruption control plan.

Discipline and Investigation

Riverina Water has zero tolerance for corrupt or fraudulent behaviour. Council staff found guilty of such matters will face disciplinary matters pursuant to the Code of Conduct and the Riverina Water Enterprise Award. Other (non-staff) Council officers will be disciplined pursuant to Council's Code of Conduct.

Further, as stated above, all possible corruption matters, involving Council officers, have a mandatory statutory reporting requirement to ICAC. The ICAC or Council itself can also seek criminal prosecutions by reporting fraud and other corruption matters to the NSW Police Service.

The General Manager must make an initial determination as to whether the matter in question concerns or may concern corrupt conduct. This may entail their own analysis of the circumstances surrounding the matter or utilising another staff member or an investigator to carry out preliminary enquiries on which to base the determination.

After formal notification by the General Manager, the ICAC will normally determine if they will investigate the alleged corruption matter. Alternatively, the ICAC may instruct Council to carry out their own investigation and report the findings to the ICAC. In such circumstances Council should engage an experienced and suitably qualified investigator for the process, which is appropriately documented

Policy Implementation

Fraud and Corruption Prevention Training

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Last revised date

EDRMS #

Next scheduled review

Page 5 of 8

Riverina Water acknowledges that a high level of awareness amongst all Council officers in relation to fraud and corruption issues is an essential element in identifying and combatting such behaviours. Awareness training will be implemented through the following programs:

- At induction for all new employees.
- At the induction program for all new Board members.
- Regular refreshers.
- Fraud and Corruption prevention information through meetings, memos and other internal publications.
- Follow up meetings with staff after internal and external audits where relevant.

Fraud and Corruption Mitigation Practices

Riverina Water recognises that appropriate policies and procedures must be implemented in certain operational areas to regulate and enable the monitoring of particular activities. These areas within Council include:

Risk Management

- Risk Assessment pursuant to the Enterprise Risk Management Framework and Plan.

Finance

- Cash Handling Procedures
- Corporate Credit Card Policy

Governance

- Purchasing and Disposal Policy
- Councillors' Expenses and Facilities Policy
- Secondary Employment Policy
- Internal Reporting Policy

Ethics

- Code of Conduct.
- Corruption Prevention and Fraud Policy
- Statement of Business Ethics.

Operational

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Version 2

Last revised date

EDRMS #

Next scheduled review

Page 6 of 8

- Policy and procedures

Non Compliance

Non-compliance with adopted policy may be considered a breach under the Code of Conduct. As such, any suspected or known non-compliance will be reported to the General Manager.

References

Policy number	To be allocated
Responsible area	Governance and Human Resources
Approved by	
Approval date	
Legislation or related strategy	Local Government Act 1993 Independent Commission Against Corruption Act 1988 Public Interest Disclosure Act 1994 NSW
Documents associated with this policy	Code of Conduct Councillor's Access to Information and Interactions with Staff and Access to Council premises Policy Councillor's Expenses and Facilities Policy Internal Reporting Policy Enterprise Risk Management Policy Corruption Prevention and Fraud control plan Gifts and Benefits Policy

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Author: Mgr Governance & HR

Version 2

Last revised date

EDRMS #

Next scheduled review

Page 7 of 8

Enterprise Risk Management Plan
Cash Handling Procedures
Corporate Credit Card Policy
Purchasing Disposal Policy.
Councillors' Expenses and Facilities Policy.
Secondary Employment Policy.
Statement of Business Ethics

Policy history

14 December 2012 – Adopted 5.29 Res: 12/172
22 November 2013 – Name changed
15 October 2014 – Revised Res 14/132

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Author: Mgr Governance & HR

Version 2

Last revised date

EDRMS #

Next scheduled review

Page 8 of 8

Riverina Water Fraud and Corruption Prevention and Control Plan

August 2020 |

Contents

- Executive Summary 4**
- Contextual Background5
- 1. Objective5
- 2. Referenced Documents6
- 3. Definitions6
- 4. Risk Management Principles in Fraud and Corruption Control9
- 5. Standard Framework9
- 6. Summary9

- Fraud and Corruption Prevention and Control Plan10**
- 1 Planning and Resourcing10
- 1.1 Fraud and Corruption Prevention and Control Planning10
- 1.2 Review of the Fraud and Corruption Prevention and Control Plan11
- 1.3 Fraud and corruption control resources11
- 1.4 Internal review activity in the control of fraud and corruption12
- 2 Prevention14
- 2.1 Implementing and Maintaining an Integrity Framework14
- 2.2 Internal Audit Committee and Senior Management commitment to controlling the risks of fraud and corruption16
- 2.3 Management Accountability17
- 2.4 Internal control18
- 2.5 Assessing Fraud and corruption Risk19
- 2.6 Communication and Awareness20
- 2.7 Employment Screening21
- 2.8 Supplier and Customer Vetting21
- 2.9 Controlling the Risk of Corruption22
- 3 Detection23
- 3.1 Implementing a Fraud and Corruption Detection Program23
- 3.2 Role of the External Auditor in the detection of fraud24
- 3.3 Avenues for Reporting Suspected Incidents24

4	Response	25
4.1	Policies and Procedures	25
4.2	Investigation	25
4.3	Internal Reporting and Escalation	26
4.4	Disciplinary Procedures	26
4.5	External Reporting	26
4.6	Civil action for recovery of losses – Policy for Recovery Action	27
4.8	Insurance – Consideration of the need for Fidelity Guarantee Insurance	28

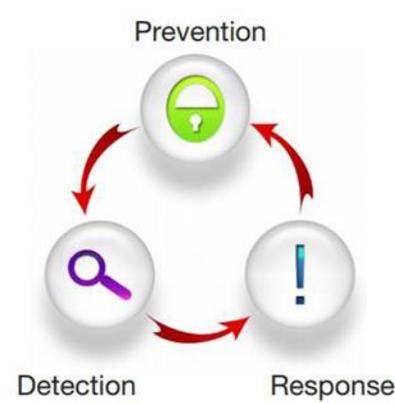
Executive Summary

This document is to be read in conjunction with the Fraud and Corruption Prevention and Control Policy. Throughout this document Riverina Water County Council will be referenced Riverina Water.

The Plan provides the basis for various control strategies to address risk exposures associated with fraud and corruption. It also forms an integral part of Riverina Water's Governance Framework which includes:

- Code of Conduct
- Fraud and Corruption Prevention and Control Plan
- Statement of Business Ethics
- Risk management
- Procurement of assets and services
- Protected disclosure

The relationship of the above key drivers of integrity are presented in the following diagram:



This Plan follows the guidelines of the Australian Standard 8001-2008, Fraud and Corruption Control (the Standard) and tailors the requirements to Riverina Water's environment.

While it is recognised that even the most stringent of governance frameworks may not prevent all fraud and corruption, the Plan summarises Riverina Water's approach to the prevention, detection, investigation and reporting of such activity.

Employees play an essential part in managing potential exposure to fraudulent activity by ensuring they behave in an ethical way consistent with the Riverina Water Code of Conduct and by reporting any incidents of suspected fraud.

Managers/supervisors carry the same individual responsibilities for their actions as other employees. However, additionally they are responsible for:

- Demonstrating through their personal behaviour a commitment to the highest possible ethical and moral standards for, with and on behalf of Riverina Water
- Identifying potential fraud risks in their area of responsibility
- Managing fraud risks through the development and use of appropriate controls
- Monitoring compliance with controls
- Promoting ethical behavior by employees

Contextual Background

Riverina Water is committed to building and sustaining an ethical, efficient and effective culture where opportunities for fraud and corruption are minimised.

It is expected that Board members and staff understand what good conduct is and are committed to the highest standards of probity in management and operation of Riverina Water.

This Plan aims to support Board members and staff in achieving these standards.

1. Objective

The objective of the Plan is to outline our approach to controlling fraud and corruption.

It proposes an approach to controlling fraud and corruption through a process of:

- Establishing Riverina Water's corruption prevention and fraud control objectives and values
- Implementing the Fraud and Corruption Prevention and Control Plan
- Ongoing reference to the Governance Framework
- Corruption prevention and fraud and corruption control planning
- Risk management of fraud and corruption including all aspects of identification, analysis, evaluation treatment, implementation, communication, monitoring and reporting
- Implementation of treatment strategies for fraud and corruption risks with a particular focus on intolerable risk
- Ongoing monitoring and improvement
- Awareness training
- Establishing clear accountability structures in terms of response and escalation of the investigation
- Establishing clear reporting policies and procedures
- Instituting procedures for the recovery of the proceeds of fraud and corruption; and
- Implementing other relevant strategies and procedures

Adoption of the Standard requires an appropriate level of forward planning and application of a structured risk management approach. The application of contemporary risk management principles is seen as fundamental to the prevention of fraud and corruption.

The objective of the Fraud and Corruption Control Plan as recommended by the Standard is:

1. The elimination of internally and externally instigated fraud and corruption against Riverina Water
2. The timely detection of all instances of fraud and corruption in the event that preventative strategies fail
3. Recovery for the Council of all property dishonestly appropriated or secure compensation equivalent to any loss suffered as a result of corrupt and fraudulent conduct; and
4. The suppression of fraud and corruption by entities against other entities.

While 'elimination' of fraud and corruption may ultimately be unachievable, it remains the ultimate objective of this plan.

2. Referenced Documents

The Plan should be read, construed and applied in conjunction with the following Standards.

- AS 4811 – 2006 Employment Screening
- AS 8000 – 2003 Good governance principles;
- AS 8002 – 2003 Organisational Codes of Conduct;
- AS 8003 – 2003 Corporate social responsibility;
- AS 8004 – 2003 Whistleblower protection programs for entities; and
- ISO 31000 –2009 Risk Management Principles and guidelines.

The Plan contains the detailed procedural requirements necessary to develop, implement and maintain a formalised approach to fraud and corruption risk at Riverina Water in accord with the provisions of the Standard.

3. Definitions

The Standard provides the definition for a range of matters that are fraud and corruption related, but the two key definitions in the Standard are as follows:

Fraud: Can be defined as a deliberate and premeditated turn of events which involves the use of deception to gain advantage from a position of trust and authority. The type of events includes: acts of omission, theft, the making of false statements, evasion, manipulation of information and numerous other acts of deception (Audit Office of NSW).

Corruption: The ICAC Act 1988 sections 7, 8 and 9 defines corruption as:

- Any conduct of any person (whether or not a public official) that adversely affects, or that could affect, either directly or indirectly, the honest or impartial exercise of official functions by any public official, any group or body of public officials or any public authority, or
- Any conduct of a public official that constitutes or involves the dishonest or partial exercise of any of their official functions, or
- Any conduct of a public official or former public official that constitutes or involves a breach of public trust, or
- Any conduct of a public official or former public official that involves the misuse of information or material that they have acquired in the course of their official functions, whether or not for their benefit or the benefit of any.
- The theft of property belonging to Council by a person or persons internal to Riverina Water but where deception is not used is also considered 'fraud' for the purposes of this Plan.

Note: The concept of fraud within the meaning of the Plan can involve corrupt or fraudulent conduct by internal or external parties targeting Riverina Water or fraudulent or corrupt conduct by Riverina Water itself targeting external parties.

Examples of fraudulent and corrupt activity

Theft

- Stationery and office supplies
- Construction and maintenance equipment and tools
- Laptop computers
- Mobile phones
- Technical equipment (mobiles, GPS, cameras etc.)
- Cash
- Intellectual property, including documents and data

Inappropriate or Misuse of Council Resources

- Unauthorised use of corporate credit cards, petrol cards, Cabcharge or vouchers
- Staff undertaking secondary paid work during work hours

- Staff using telephones excessively for private purposes without appropriate reimbursement of costs and or time.
- Internet service being used extensively for non-work purposes
- “Left-over” materials being taken by Council officers
- Plant being used by staff for private use

Gifts, Benefits and Bribes

Any gifts or benefits provided to, or any attempt to give a gift or benefit to, a Council officer, is managed by Council's Gifts and Benefits Policy. The Policy prescribes when a gift may or not be accepted and relevant processes for dealing with such matters.

Bribes are given to influence the way a recipient carries out their official functions. For example, not responding to or report any illegal or unauthorised activity or procure goods and services from a specific person or company.

Higher risk areas for exposure to such behaviour includes:

- Officers who approve or can influence decisions
- Officers who procure goods and services for Council
- Regulatory and compliance staff
- Staff who carry out work with the private sector
-

Zoning and Development

- Coercion, intimidation and harassment of Council planning staff dealing with development applications (DAs).
- Inducement from developers to modify DA conditions imposed.

Procurement, Tendering and Contract Management

Activities associated with procurement, tendering and contract management have traditionally been susceptible to fraud and corruption risks. Examples of such risks include:

- Order splitting to avoid tendering provisions or quotes
- Collusion with suppliers (dummy quotes)
- Fraudulent contract variations
- False invoices

Human Resources

- Creation of false employees on the payroll system
- Job applicants falsifying career background details
- Direct recruitment of friends and relatives breaching the legislative requirement of merit-based employment
- Claiming unworked overtime on timesheets

Information Technology

- Unauthorised electronic transfer of funds.
- Unauthorised alteration of input data.
- Alteration or misuse of software.
- Unauthorised sale or provision of information to 3rd parties.

4. Risk Management Principles in Fraud and Corruption Control

Fraud is inescapably an enterprise risk to Riverina Water impacting on:

- Financial management and loss
- Reputation
- Organisational morale; and
- Diversion of management energy

The approach to managing this risk is the same as Riverina Water has adopted in respect to its other operational risks. Refer to Riverina Water Enterprise Risk Framework and Plan.

Fraud and corruption risk is targeted by the strategic approach outlined in the Standard AS 8001-2008, the specific framework of which is detailed below.

5. Standard Framework

The Standard is divided into five parts:

- Scope and General
- Planning and Resourcing
- Prevention
- Detection; and
- Response

6. Summary

The Plan embraces the principles of the Standard and provides Riverina Water with an effective mitigation plan to address the relevant risk exposures of fraud and corruption.

It uses the principles of sound risk management, planning, monitoring and remedial action.

Fraud and Corruption Prevention and Control Plan

1 Planning and Resourcing

1.1 Fraud and Corruption Prevention and Control Planning

1.1.1 *Implementing a Fraud and Corruption Prevention and Control Plan*

Riverina Water has developed the Fraud and Corruption Prevention and Control Plan to document the approach to controlling fraud and corruption exposure at strategic, tactical and operational levels.

The Plan details the intended action in implementing and monitoring fraud and corruption prevention, detection and response initiatives.

Accountability for the implementation and ongoing monitoring of the Plan has been assigned to the Internal Audit function, under the direction of the General Manager with oversight by the Audit & Risk Improvement Committee.

1.1.2 *Monitoring the Operation of the Plan*

The operation of this Plan is monitored through the following processes:

- Internal reviews including
 - Review of the fraud and control framework
 - Fraud awareness training
 - Fraud risk assessment
 - Public Interest Disclosures and other complaints management procedures
 - Review of actual incidents or allegations of fraud and corruption
 - Staff assistance in the identification and reporting of suspected fraud and corruption

1.1.3 *Communicating the Fraud and Corruption Prevention and Control Plan*

External communication

In accord with the Standard, the Plan is to be communicated to external stakeholders by way of:

- a) An appropriate note in the Annual Report as part of a general declaration of integrity or corporate governance;
- b) Declarations in general terms and conditions of business dealings with external parties;
- c) Declarations in 'requests for tender' or similar invitations to propose to Riverina Water; and
- d) On Riverina Water's website.

It is considered that the requirement of the Standard for communicating with external stakeholders is addressed by comment in the governance statement in the Annual Report and a declaration within the requests for tender to external parties.

It also considered that the key stakeholders to whom this communication is addressed are suppliers and contractors who deal with the Riverina Water and may identify concerns of possible fraud or corruption.

Internal Communication

Regular internal communication is undertaken to ensure management and employees are informed of fraud and corruption control issues, policy and processes.

The Plan is to be accessible to all employees, via the internet, intranet and induction programs.

Key elements of the Plan are also communicated in the Fraud and Corruption Prevention and Control Policy 1.14.

1.2 Review of the Fraud and Corruption Prevention and Control Plan

1.2.1 Frequency of Review

The Plan is reviewed and amended at intervals appropriate to Riverina Water but minimum, will be once every two years to take consideration of business and technological change.

1.3 Fraud and corruption control resources

1.3.1 Allocation of Resources

The Standard requires Riverina Water to ensure that an appropriate level of resources are applied to controlling fraud and corruption risk.

Riverina Water has demonstrated its commitment to fraud and corruption prevention and control by allocating overall responsibility for implementing and overseeing the fraud and corruption control program to the General Manager, supported by the Governance and Human Resources Unit.

1.3.2 Other Fraud and corruption Control Resources

Other important resources within Riverina Water in terms of managing fraud and corruption include -

- a) human resources/industrial relations
- b) Work Health and Safety personnel
- c) compliance professionals
- d) corporate counsel
- e) quality assurance
- f) records management
- g) corporate risk management
- h) insurance management
- i) information security specialists and consultants

- j) regulatory affairs managers; and
- k) environmental impact practitioners.

The General Manager supported by ARIC, has responsibility for ensuring that all of Riverina Water's fraud and corruption control resources are coordinated so that they work together in a coordinated fashion in a way that achieves the objectives set out in the Plan.

1.4 Internal review activity in the control of fraud and corruption

1.4.1 Application of Internal Audit Resource in controlling Fraud and corruption

While primary responsibility for the identification of fraud and corruption within Riverina Water rests with management, it is recognised that internal audit activity can be, in the context of addressing all business risks, an effective part of the overall control environment to identify the indicators of fraud and corruption.

The internal audit plan is in accordance with the fraud detection, deterrence and response provisions of The Professional Practices Framework (PPF) of the Institute of Internal Auditors.

1.4.2 Application of the Professional Practices Framework of the Institute of Internal Auditors

Experience has shown that internal audit activity can be effective in the detection of fraud and corruption and also in the prevention of fraud by ensuring due adherence to internal control systems.

Riverina Water has considered the role of internal audit in the detection, prevention and investigation of fraud with regard to the Professional Practices Framework (PPF) which provides:

The Internal Auditor should have sufficient knowledge to identify the indicators of fraud but is not expected to have the expertise of a person whose primary responsibility is detecting and investigating fraud.

Practice Advisory 1210.A2-1 and 1210.A2-2 issued on 5 January 2001 provide guidance in the interpretation of the International Standards for the Professional Practice of Internal Auditing.

1.4.3 Internal Auditor's Role in deterring Fraud

Practice Advisory 1210.A2-139 provides:

Internal Auditors are responsible for assisting in the deterrence of fraud by examining and evaluating the adequacy and the effectiveness of the system of internal control, commensurate with the extent of the potential exposure/risk in the various segments of the organisation's operation.

1.4.4 Internal Auditor's Role in responding to fraud detected or suspected

Practice Advisory 1210.A2-1 provides:

When an Internal Auditor suspects wrongdoing, the appropriate authorities within the organisation should be informed.

The Internal Auditor may recommend whatever investigation is considered necessary in the circumstances.

Thereafter the auditor should follow up to see that the internal auditing activity's responsibilities have been met.

Clauses 7 to 11 of the Practice Advisory deal with the role of the Internal Auditor in the investigation and reporting of detected fraud.

1.4.5 Internal Auditor's role in detecting fraud

Practice Advisory 1210.A2-2 provides:

Management and the internal audit activity have differing roles with respect to fraud detection. The normal course of work for the internal audit activity is to provide an independent appraisal, examination, and evaluation of an organisation's activities as a service to the organisation.

The objective of internal auditing in fraud detection is to assist members of the organisation in the effective discharge of their responsibilities by furnishing them with analyses, appraisals, recommendations, counsel, and information concerning the activities reviewed.

Management has a responsibility to establish and maintain an effective control system at a reasonable cost.

A well designed internal control system should not be conducive to fraud. Tests conducted by auditors, along with reasonable controls established by management, improve the likelihood that any existing fraud indicators will be detected and considered for further investigation.

Practice Advisory 1210.A2-1 provides:

Detection of fraud consists of identifying indicators of fraud sufficient to warrant recommending an investigation. These indicators may arise as a result of controls established by management, tests conducted by auditors, and other sources both within and outside the organisation.

In conducting engagements, the Internal Auditor's responsibilities for detecting fraud are to:

- Have sufficient knowledge of fraud to be able to identify indicators that fraud may have been committed.*
- Be alert to opportunities, such as control weaknesses, that could allow fraud. If significant control weaknesses are detected, additional tests conducted by Internal Auditors should include tests directed toward identification of other indicators of fraud.*

- Evaluate the indicators that fraud may have been committed and decide whether any further action is necessary or whether an investigation should be recommended.
- Notify the appropriate authorities within the organisation if a determination is made that there are sufficient indicators of the commission of a fraud to recommend an investigation.

1.4.6 Accordingly Riverina Water provides the Internal Audit function with sufficient knowledge, training, experience and resources in order to fulfill the role in deterring, detecting and responding to instances of fraud or suspected fraud in accordance with the PPF.

2 Prevention

2.1 Implementing and Maintaining an Integrity Framework

2.1.1 Building an Ethical Culture

A key strategy in managing the risk of fraud and corruption within Riverina Water is the implementation and maintenance of a sound ethical culture.

Riverina Water will aim to ensure that it has a healthy and sustainable ethical culture supported by the implementation of an effective governance framework.

If Riverina Water's observable ethical culture falls below acceptable levels, remedial action including undertaking a broad-based communication and training program as a matter of priority.

Board members, Management/supervisors, staff and others concerned with Riverina Water's business operations in any capacity, are required to confirm in writing, annually, that they have, over the previous twelve months complied with Riverina Water's Code of Conduct and corruption and fraud policy and that they will so comply over the ensuing twelve months.

2.1.2 The Elements of an Integrity Framework

Riverina Water takes the view that promoting an ethical culture is achieved by adopting the Local Government Model Code of Conduct (2019)

Recent research has shown that promulgating a code of conduct will be more effective if it is implemented as part of a coordinated approach. A Code of Conduct is an important element, but not the only element, of an effective integrity framework.

In Riverina Water it is considered that commitment to the pillars of the strategic intent together with the staff and Councilor Codes of Conduct encapsulate the elements of the integrity framework required for compliance with the standard.

The fundamental elements of a sound integrity framework are set out in Table 1 below. Riverina Water has considered these concepts and will implement them where appropriate.

TABLE 1 – Fundamental elements of sound integrity practice

Element	Description
1. Integrity Framework	An appropriate integrity framework developed using a participatory approach which builds commitment from all employees and is subject to ongoing monitoring and maintenance. Will include the development and promulgation of the other fundamental elements set out below.
2. Example Setting	Observable adherence to Riverina Water's integrity framework by all levels of management.
3. Senior Management	Senior management group that recognises the need for establishing and maintaining an ethical culture and actively promotes such a culture.
4. Codes of Behaviour	A comprehensive Statement of Business Ethics/Code of Conduct incorporating a high-level aspirational statement of values with limited detail of unacceptable behavior.
5. Allocation of Responsibility	<p>Responsibility assigned to a senior person for ensuring Riverina Water's integrity initiatives are implemented and monitored.</p> <p>This person would have a direct line of reporting to the Audit and Risk Improvement Committee (ARIC) or another senior management body with overall responsibility for Riverina Water's ethical culture.</p> <p>In addition to allocation of specific responsibility for improving Riverina Water's performance on this issue, it will be clearly communicated internally that every person associated with Riverina Water has a role to play in driving integrity and ethical behaviour.</p>
6. Audit Risk & Improvement Committee(ARIC) Review	It is the body charged with oversight of Riverina Water's entire integrity framework.
7. Communication	<p>A program for communicating Riverina Water's Statement of Business Ethics/Code of Conduct</p> <p>Communication of the importance of ethical standards through regular dissemination of material via newsletters and web sites.</p>
8. Training	Specific ongoing training in the use of codes of behaviour and ethical tools for decision-making. Feature ethics components in all training.

9. Reinforcement	Incorporation of an integrated ethical standard into performance management, e.g. feedback, performance appraisal systems and remuneration strategies.
10. Benchmarking	A program for continuous benchmarking of ethical standards aimed at identifying improvement in Riverina Water's ethical standards over time and between different elements of Riverina Water.
11. Reporting of Complaints	A mechanism for the communication of ethical concerns inside and outside the normal channels of communication.
12. Compliance	A policy requiring all personnel to sign an annual statement to the effect that they have complied with all necessary Council policies in connection with conflict of interest, disclosure of confidential information and other relevant ethics related issues.

2.2 Internal Audit Committee and Senior Management commitment to controlling the risks of fraud and corruption

2.2.1 Risk Consciousness

Riverina Water will ensure a high level of risk consciousness for the risks of fraud and corruption across the senior management group by appropriate awareness training at senior levels.

This awareness training may include awareness of new types of technology that could be used for the commission of fraud and technological measures that can be used by council to minimise new types of fraud.

2.2.2 Consideration of fraud and corruption as a serious risk

Riverina Water acknowledges that an important factor contributing to a fraud and corruption prone environment in Australian business is a fundamental failure of senior management to treat the risks as a serious threat and a consequent failure to allocate sufficient resources to managing the problem.

Riverina Water ensures that the risks of fraud and corruption are treated seriously, and appropriate steps taken to minimise the risks of fraud and corruption occurring, as demonstrated by various policies and procedures including the following:

- Fraud and Corruption Prevention and Control Plan
- Code of Conduct
- Public Interest Disclosures Policy

2.2.3 Senior management awareness of fraud and corruption issues

Riverina Water will endeavor to ensure that senior management will, as a minimum, have an understanding of the following fraud and corruption issues:

- The incidence of fraud and corruption generally in Australia
- The types of fraud and corruption common to local government and the losses typically associated with conduct of this type
- The robustness of Riverina Water's internal control environment in terms of its ability to prevent and detect the types of fraud and corruption likely to occur
- A knowledge of the types of fraud and corruption that have been detected by Riverina Water in the last five years and how those matters were dealt with in terms of disciplinary action and internal control enhancement
- The fraud and corruption prevention and control plan and processes; and
- Knowledge of new technology tools for detecting and preventing fraudulent activity

Riverina Water will ensure that fraud awareness is regularly communicated to employees to address these requirements, along with ensuring mechanisms for reporting which would ensure anonymity and appropriate protections

2.3 Management Accountability

2.3.1 Accountability for prevention and detection of fraud

The management of fraud and corruption is embedded into line managers and supervisors' responsibilities (i.e. compliance with legislative provisions) and is managed via the compliance and measurement processes.

Riverina Water considers that all employees have a responsibility for fraud and corruption prevention and control.

Managers are made aware of their accountabilities for the prevention and detection of fraud and corruption through the discussions held at Skills Reviews.

2.3.2 The need for a "whole of business" approach to controlling fraud and corruption

Fraud and corruption prevention and control is often seen as a 'corporate' responsibility (i.e. the responsibility of central management at the corporate level) rather than as a responsibility for the area or manager/supervisor.

It is an underlying principle of the Plan that no one strategy by itself can be effective in managing the risks of fraud and corruption and it follows therefore that no one person or category of person can be fully effective in managing the risks. It is the responsibility of all Council officers including management and employees to be vigilant.

2.3.3 Achieving line management awareness of their accountability for controlling fraud and corruption

Line management within Riverina Water will continue to be made fully aware that managing fraud and corruption is as much part of their responsibility as managing other types of enterprise risk.

In order to reinforce this, Riverina Water will develop, maintain and deliver a training program to reinforce awareness at regular intervals.

2.4 Internal control

2.4.1 *Implementing an effective system of Internal Control*

Riverina Water will ensure that all business processes, particularly those assessed as having a higher predisposition to the risks of fraud and corruption, are subject to a rigorous system of internal controls that are well documented, updated regularly and understood by all.

Note: There is a strong link between the incidence of fraud and corruption and poor internal control systems within councils, so it follows that tight internal control is an effective weapon in protecting Riverina Water against fraud

2.4.2 *The role of the Internal Control system in preventing fraud and corruption*

Riverina Water considers that whilst internal control is the first line of defense in the fight against fraud and corruption, management should take an active role in the internal control process.

2.4.3 *Issues for consideration in developing an internal control system that will be effective in preventing fraud*

The following are elements of Riverina Water's internal control system that will assist to protect against the risk of fraud and corruption:

- a) Internal controls that are, to an appropriate degree, risk- focused, in other words, they have been developed taking into account the risks Riverina Water faces and are aimed at mitigating those risks.
- b) Internal controls that are appropriately documented.
- c) A process of continuous improvement of internal controls that are reviewed and amended regularly.
- d) Internal controls that are communicated effectively to all staff appropriate to their level of responsibility and position description.
- e) Internal controls that are accessible to staff. Riverina Water staff have ready access to Riverina Water's intranet site and the most recent version of a given internal control system can be quickly and efficiently accessed.
- f) A strong internal control culture in which all staff understand the importance of adhering to internal control. This shall include internal control adherence as an element of the regular Skills Review program.
- g) A program for assessing compliance with Riverina Water's internal controls. This will be done by way of annual skills review and Quality assurance audits.
- h) Senior management setting an example of internal control adherence.
- i) An internal audit program, as scheduled by the Audit Risk & Improvement Committee that incorporates a review of adherence to internal control.

2.5 Assessing Fraud and corruption Risk

2.5.1 *Implementing a Policy for assessing the risk of fraud and corruption*

Riverina Water has adopted a policy and process for the systematic identification, analysis and evaluation ('risk assessment') of fraud and corruption risk and periodically conducts a comprehensive assessment of the risks of fraud and corruption within its business operations.

Riverina Water has decided that such assessments are to be conducted every four years in line with Local Government Council Election cycle.

2.5.2 *Application of Risk Management principles to assessment of fraud and corruption risk*

Riverina Water acknowledges that AS/NZS ISO 31000:2009 Risk Management Principles and Guidelines contemplates a seven-stage process of risk assessment the main elements of which are:

- a) Communicate and consult - that is, communication and consultation with external and internal stakeholders should take place during all stages of the risk management process;
- b) Establish the context - that is, the organisation articulates its objectives, defines the external and internal parameters to be taken into account when managing risk, and sets the scope and risk criteria for the remaining process;
- c) Identify risks – that is, the organisation should identify sources of risk, areas of impacts, events (including changes in circumstances) and their cause and their potential consequences;
- d) Analyse risks – that is, developing an understanding of the risks;
- e) Evaluate risks – That is, to assist decision makers, based on the outcomes of risk analysis, about which risks need treatment and the priority for treatment implementation;
- f) Treat risks – that is, selecting one or more options for modifying risks, and implementing those options;
- g) Monitor and review – that is, this should be a planned part of the risk assessment process and involve regular checking or surveillance;

2.5.3 *Fraud and corruption risk assessment process*

2.5.3.1 *Methodologies for assessing fraud and corruption risk*

It is noted that entities carrying out an assessment of fraud and corruption risk have traditionally used one of the following three alternative methodologies:

- a) Independent assessment of processes and procedures including a series of one-on-one interviews with relevant personnel and internal control documentation review.
- b) A survey of fraud and corruption risk by the issue and analysis of a questionnaire tailored for Riverina Water or those business units or operational functions of Riverina Water being assessed.
- c) A facilitated or consultative 'workshop' approach involving maximum input of personnel from the business unit being assessed wherein a 'risk assessment team' formed for each business unit identifies and assesses the risks relevant to the business unit.

Riverina Water deploys each of these methods to facilitate compliance confidence and maintenance of awareness as follows:

- a) Fraud control framework review;
- b) Targeted fraud awareness training; and
- c) Fraud and corruption risk assessment.

2.5.3.2 Steps of the risk assessment process

Riverina Water incorporates the following steps of the risk assessment process into the preparation of the Enterprise Risk Register having regard to the particular application of the process to the assessment of fraud and corruption risk:

- a) Risk identification;
- b) Risk analysis; and
- c) Risk evaluation.

2.5.4 Monitoring and Review

Riverina Water will regularly monitor and review any changes to the context, its risk environment and the effectiveness and efficiencies of its controls as part of its overall risk management strategy.

2.6 Communication and Awareness

2.6.1 Awareness of fraud and corruption issues

Riverina Water will ensure that every member of staff (management and non-management) will have general awareness of fraud and corruption and how they should respond if this type of activity is detected or suspected.

This is to be facilitated by the Fraud Awareness Program coordinated by Governance and Human Resources unit every four years (unless deemed necessary earlier).

2.6.2 The need for fraud and corruption awareness

Riverina Water acknowledges that the primary purpose of fraud and corruption awareness training is to assist in the prevention and control of fraud by raising the general level of awareness amongst all employees.

A significant proportion of fraud and corruption is not identified at an early stage because of the inability to recognise the warning signs, because members of staff are unsure how to report their suspicions or they have a lack of confidence in the integrity of the reporting system or the investigation process to management.

2.6.3 Fostering fraud and corruption awareness within Riverina Water

An awareness of the risk of fraud and corruption control techniques and Riverina Water's attitude to control of fraud and corruption will be fostered by:

- a) Demonstrating through their personal behaviour a commitment to the highest possible ethical and moral standards for, with and on behalf of Riverina Water
- b) Ensuring all appropriate employees receive training in Riverina Water 's Code of Conduct and other elements of its integrity framework at induction and throughout the period of their employment;
- c) Ensuring all employees receive regular fraud awareness training appropriate to their level of responsibility;
- d) Ensuring updates and changes to fraud-related policies, procedures, the Code of Conduct and other ethical pronouncements are effectively communicated to all employees;
- e) Ensuring employees are aware of the alternative ways in which they can report allegations or concerns regarding fraud or unethical conduct; and
- f) Encouraging employees to report any suspected incidence of fraud or corruption.

2.7 Employment Screening

2.7.1 Implementing a robust employment screening program

The Standard suggests that the pre-employment screening process, based on the employment screening standard AS 4811-2006 is an effective way of reducing potential exposure to internally focused fraud and corruption.

The objective of the screening process is to reduce the risk of a potential security breach and to obtain a higher level of assurance as to the integrity, identity and credentials of those employed by council.

Appropriate pre-employment screening may be undertaken for all new employees before commencing employment.

2.8 Supplier and Customer Vetting

2.8.1 Verification of suppliers and customers

Riverina Water ensures the bona fides of suppliers by adhering to the Purchasing and Disposal Policy^{1.19}, Procedures and Practices developed in compliance with the Local Government Act (NSW) 1993 and Local Government (General) Regulations 2005.

Riverina Water will consider its ongoing commercial relationship with another party if it is found there is a heightened risk of fraud or corruption in continuing to deal with that party.

There is a constant requirement via the established processes to maintain an awareness to any contracted party manipulating the procurement process or soliciting the payment of secret commissions.

2.8.2 The case for vetting of suppliers and customers

While much fraud and corruption in Australia is instigated by persons internal to an organisation, Riverina Water acknowledges that there is a growing sense that Australian business is becoming increasingly susceptible to externally instigated fraud.

In addition, there is growing evidence of the involvement of organised crime in external fraudulent attack on Australian corporations and government agencies.

Corruption typically perpetrated by external parties involves manipulation of the procurement process by paying or offering bribes.

The risk of fraud or corruption will be reduced if Riverina Water knows who it is dealing with in all significant commercial transactions.

2.8.3 Enquiries to be undertaken

Riverina Water has developed a process that provides for effective vetting of suppliers and customers which represents an extension of credit checks.

Riverina Water acknowledges that if the customer or supplier is a corporation, the enquiries would typically include:

- a) Search of company register
- b) ABN confirmation
- c) Telephone listing verification
- d) Trading address verification; and

Within Riverina Water's procurement processes, various enquiries are made in respect to the bona fides of new suppliers.

It should be noted comprehensive review is undertaken of all proponents to contract and quotation award via the Procurement of Goods and Services Procedure.

2.9 Controlling the Risk of Corruption

2.9.1 Specific measures for countering the risk of corruption

The Council acknowledges that the following specific measures will be included in an anti-corruption program:

- A program for corruption resistance wherein Riverina Water makes a strong anti-corruption statement (in terms of both incoming and outgoing corrupt conduct) which is properly communicated and then consistently applied throughout Riverina Water
- Consideration of requiring 'vendor audits' of 'high-risk' providers
- Enhanced probity and contracting procedures
- Opening channels of communication within Riverina Water so that employees have a range of alternative avenues for reporting concerns in relation to possible corrupt conduct; and
- Opening channels of communication with customers, vendors and other third parties aimed at encouraging those parties to come forward if there is an indication of corrupt conduct involving Riverina Water or any person associated with Riverina Water.

Riverina Water's procurement and tendering policies and procedures developed with reference to the requirements of the Local Government Act (NSW) 1993 and Local

Government (General) Regulations 2005, are subject to regular continuous monitoring and improvement.

3 Detection

3.1 Implementing a Fraud and Corruption Detection Program

3.1.1 Detection Systems

Riverina Water has implemented systems aimed at detecting fraud and corruption in the event that Riverina Water's preventative systems fail.

These systems include the following:

- a) Internal reporting procedures;
- b) Management system audits; Internal and external audit;
- c) Post-transactional review;
- d) Data mining and real-time computer system analysis to identify suspected fraudulent transactions; and
- e) Analysis of management accounting reports.

3.1.2 Responsibility for the fraud and corruption detection program

Responsibility for developing systems to investigate and detect fraud and corruption at Riverina Water rests with the General Manager, supported by Governance and Human Resources and ARIC.

A general awareness of the skills and techniques deployed in any detection program is considered of value at any opportunity including scheduled training sessions, management and departmental meetings as appropriate.

3.1.3 Post-transactional review

A review of transactions after they have been processed can be effective in identifying fraudulent or corrupt activity.

Such a review conducted by personnel unconnected with the business unit in which the transactions were effected, may uncover altered or missing documentation, falsified or altered authorisation or inadequate documentary support.

In addition to the possibility of detecting fraudulent transactions, such a strategy can also have a significant fraud prevention effect as the threat of detection may be enough to deter employees who would otherwise be motivated to engage in fraud and corruption.

3.1.4 Data mining and real-time computer systems analysis

Riverina Water's information systems are an important source of information on fraudulent and, to a lesser extent, corrupt conduct.

By the application of sophisticated software applications and techniques, a series of suspect transactions can be identified and then investigated thus potentially detecting fraudulent and corrupt conduct at an early stage.

Strategic computer analysis may involve off-line and real-time techniques.

In off-line techniques, data is extracted from the computer system onto a personal computer system using appropriate software applications.

Real-time techniques will involve analysis of live data within the system.

3.1.5 Analysis of management accounting reports to identify trends

Using relatively straightforward techniques in analysing Riverina Water's management accounting reports, trends can be examined and investigated which may be indicative of fraudulent or corrupt conduct.

Some examples of the types of management accounting reports that can be utilised on a compare and contrast basis are monthly actual/budget comparison reports for individual cost centres, reports comparing expenditure against industry benchmarks and reports highlighting unusual trends in bad or doubtful debts.

3.2 Role of the External Auditor in the detection of fraud

3.2.1 Working with the External Auditor in the detection of fraud

As Riverina Water's financial statements are audited by the NSW State Audit Office, it is familiar with the role and responsibilities of the auditor in detecting fraud.

Senior management and the ARIC will undertake a discussion with the auditor in terms of the audit procedures that will be carried out during the audit that are aimed at detecting material misstatements in Riverina Water's financial statements due to fraud or error.

3.2.2 Leveraging from the external auditor fraud detection program

- a) Riverina Water takes a proactive position in relation to the external audit fraud detection program; and
- b) Offering such assistance as they may require to enable a more comprehensive examination of any issues arising.

3.3 Avenues for Reporting Suspected Incidents

3.3.1 Implementation of a program for alternative reporting channels

Riverina Water will ensure that adequate means for reporting suspicious or known illegal or unethical conduct are available to all employees.

3.3.2 The need for a formalised system of reporting

Reports of behaviour involving possible fraud or corruption can be communicated to senior management through:

- a) The employees usual organisational structure (i.e. to senior management via the employee's immediate manager or supervisor); and
- b) To the Internal Auditor or Public Interest Disclosure (PID) Coordinator.

3.3.3 *Alternative avenues for reporting*

External alternative reporting channels are available, and information can be obtained in the Protected Disclosures Policy.

3.3.4 *Implementing an internal reporting procedure*

Riverina Water has implemented an internal reporting procedure for the active protection of disclosers and will ensure that the policy is well communicated and understood by all personnel.

3.3.5 *Further guidance on implementing a n internal reporting protection program*

In order to encourage the prompt reporting of concerns and suspicions, Riverina Water has adopted a policy of encouraging employees who have knowledge of fraudulent or corrupt conduct to come forward.

If employees do not feel able to report a fraud or corruption concern directly to their manager or supervisor, they can raise concerns and suspicions to nominated reporting officers or the PID Officer.

Details of the alternative means of reporting suspicious or known illegal or unethical conduct are contained within the Protected Disclosures Policy internal reporting procedure.

4 Response

4.1 Policies and Procedures

Riverina Water has appropriate policies, procedures and awareness programs for dealing with suspected fraud or corruption detected.

This has included the development and implementation of:

- a) Appropriate measures for the comprehensive investigation of such matters based on the principles of independence, objectivity and the rules of natural justice;
- b) Systems for internal reporting of all detected incidents;
- c) Protocols for reporting the matters of suspected fraud or corruption to the Police and/or other appropriate law enforcement agencies/regulatory bodies; and
- d) Procedures for the recovery of stolen funds or property.

4.2 Investigation

Within Riverina Water, the reporting channels for fraud or suspected fraud including the Public Interest Disclosure Procedures are clearly laid out in the Fraud and Corruption Prevention and

Control Plan. Investigations are undertaken independently of Internal Audit using appropriately qualified and experienced investigators.

4.3 Internal Reporting and Escalation

4.3.1 Collating information in relation to fraud and corruption incidents

Riverina Water has considered whether it should establish a fraud and corruption incident register.

It is considered that the size of Riverina Water does not warrant such a register being established as there is already reporting requirements of the NSW Ombudsman, Independent Commission Against Corruption and the Minister for Local for the various levels of fraud detected.

4.4 Disciplinary Procedures

4.4.1 Disciplinary Procedures

Riverina Water have adopted the disciplinary practices within the Riverina Water Enterprise Award 2019 which is available on Riverina Water intranet.

4.4.2 Implementing a Disciplinary Procedures Policy

The ultimate outcome of disciplinary proceedings may involve the admonition, termination, demotion, fining or reduction in seniority of any staff or other internal person.

An important element of the practices is the application of the rules of natural justice and fairness.

4.4.3 Separation of investigation and determination processes

It is important to separate the investigation and determination processes in relation to fraud or corruption incidents.

A description of the process followed in all disciplinary matters is in line with the Riverina Water Enterprise Award (2019).

A decision relating to all disciplinary matters is made on the basis of the evidence and after applying the Disciplinary and Procedure of the Riverina Water Enterprise Award (2019).

4.5 External Reporting

4.5.1 Implementing a policy dealing with external reporting of fraud and corruption

Riverina Water has a zero tolerance to fraud and corruption.

Where evidence is established of corruption and/or fraud, involving Riverina Water, either internally or externally, it will be reported to the authority deemed appropriate in the circumstances, including, but not limited to, NSW Police, NSW Ombudsman and the Independent Commission Against Corruption.

4.5.2 *Format for reports to law enforcement agencies*

Should it become necessary, Riverina Water will provide, as a minimum, the following items to the law enforcement agency in a manner required by the law enforcement agency to ensure minimal duplication of effort:

- a summary of the allegations.
- a list of witnesses and potential witnesses.
- a list of suspects and potential suspects.
- copies of all statements, depositions or affidavits obtained to that point including and in particular, any written statement made by the subject of the investigation.
- a copy of the transcript of any interview conducted with a person suspected of involvement in the matters alleged.
- a copy of any electronic media on which such interviews have been recorded.
- copies of all documentary evidence obtained to that point (ultimately the law enforcement agency will probably require the original documents, in which case copies should be retained by Riverina Water).
- any charts or diagrammatical summaries of the allegations and evidence that Riverina Water may have produced.

4.5.3 *Commitment to assist law enforcement*

In the event that a decision is made to refer the matter to the appropriate law enforcement agency, Riverina Water will give an undertaking to the law enforcement agency that it will do all that is reasonable in assisting the law enforcement agency to conduct a full and proper investigation.

This may involve Riverina Water committing financial and other resources to an investigation either for or independently of the law enforcement agency.

4.6 Civil action for recovery of losses – Policy for Recovery Action

Riverina Water will initiate appropriate recovery action where there is clear evidence of fraud or corruption and where the likely benefits of such recovery will exceed the funds and resources invested in the recovery action.

4.7 Review of Internal Controls

4.7.1 *Internal Control review following detection of a fraud or corruption incident*

In each instance where fraud is detected, the Internal Auditor and line management will reassess the adequacy of the internal control environment (particularly those controls directly impacting on the fraud incident and potentially allowing it to occur) and consider whether improvements are required.

Where improvements are required, these should be implemented as soon as practicable.

An assessment of adequacy of the internal control environment and any recommended improvements are to be reported to ARIC.

4.7.2 *Accountability for undertaking internal control review*

The responsibility for ensuring that the internal control environment is re-assessed and for ensuring that the recommendations arising out of this assessment are implemented will reside with the senior management, supported by the ARIC.

A summary of recommendations or requirements for the modification of the internal control environment should be provided to the manager of the area concerned.

4.8 Insurance – Consideration of the need for Fidelity Guarantee Insurance

Riverina Water maintains a Fidelity Guarantee Policy that insures Riverina Water against the risk of loss arising from internal fraudulent conduct.

R12 Draft Assets and Infrastructure Naming Policy

Organisational Area General Manager

Author Josh Lang, Community Engagement Officer

Summary This report proposes the adoption of a new policy regarding the naming of assets and infrastructure as requested by Council at its April 2020 meeting

RECOMMENDATION that Council:

- a) Notes there were no submissions received during the public exhibition period for the draft Assets and Infrastructure Policy
- b) Adopts the Assets and Infrastructure Policy

Report

The Asset and Infrastructure Naming Policy was developed to facilitate the process by which Riverina Water may recognise a person, place, event or similar through naming an asset or infrastructure in its honour.

The policy was developed in response to the Board expressing a desire to name the new Council Meeting Room. The policy also fulfils a resolution from December 2012 which stated: "that a comprehensive report be submitted to Council on the means of recognition of people that have made a significant contribution to Riverina Water County Council."

At the 24 June 2020 Board meeting, it was resolved to:

- a) *Endorse the draft Assets and Infrastructure Naming Policy and place it on public exhibition from 25 June to 24 July 2020 and invite public submissions on the draft policy during that period*
- b) *Receive a further report following the public exhibition and submission period:*
 - i. *Addressing any submissions made in respect of the proposed Assets and Infrastructure Naming Policy*
 - ii. *Proposing adoption of the policy unless there are any recommended amendments deemed to be substantial and requiring a further public exhibition period*
 - iii. *Details on current opportunities to name assets or infrastructure and a register of existing name suggestions in line with the draft policy*

The policy provides criteria in selecting an appropriate name, naming responsibility and how opportunities to name assets/infrastructure are identified.

As there were no submissions and the policy includes an additional public exhibition process for those assets and infrastructure named by the board, it is recommended the policy is adopted as exhibited.

Summary of public exhibition period activities

- Public notice advertised in The Daily Advertiser and Border Mail
- Published on Riverina Water's social media channels
- Available on Riverina Water's website with the ability to make online submissions

› **R12.1 Assets & Infrastructure Naming Policy**

Financial Implications

The cost of signage to reflect the name of an asset or infrastructure room will be met from existing budgets.

Risk Considerations

Reputation	
Averse	Council is averse to taking risks that may adversely impact its reputation

Asset & Infrastructure naming policy

Purpose

To formalise the principles and processes by which Riverina Water names identified infrastructure or assets in recognition of a person, place, event or similar.

Policy Statement

Riverina Water recognises names are an important navigation and reference tool for the community, as well as being part of a community's identity.

Generally, Riverina Water's assets and infrastructure are not given a specific name outside of their function and/or location. From time to time, Riverina Water shall identify assets or infrastructure that have the opportunity to be given a unique or special name.

This policy will provide the standards and conditions for naming these identifies assets and infrastructure within the supply area.

Scope

naming. The Executive will identify assets or infrastructure not generally accessible by the public to be considered for naming.

Members of the public may submit a request for an asset or infrastructure to be named, which will be considered by the Board or Executive depending on the criteria above.

In selecting appropriate names, Riverina Water will endeavour to honour and observe local history of the relevant geographic area or infrastructure/asset, including consideration for names recognising the Wiradjuri People.

Naming is generally reserved for new assets and infrastructure only. Exceptions to this will be determined by the Board.

Data and document control

Naming criteria

In general terms, naming should be unique and use spelling and style of contemporary Australian English or Wiradjuri language. Names should be easily identifiable to enable clear communication in times of emergency.

A name shall be wherever possible be:

- relevant to local history, flora, fauna, culture, landscape and physical characteristics or relevant to the organisation's history and purpose
- short and simple
- easy to pronounce, spell and write, with exception to those in the Wiradjuri language
- in accordance with community standards and expectations
- complementary with existing names and adjoining assets
- not easily confused with or duplicating names within the region
- considerate of any potential risk to reputation

In addition, if personal names are used, the person commemorated should:

- have contributed significantly to Riverina Water and/or to the wider community
- preferably be recognised in memoriam
- the naming be supported by the community

Process for naming assets and infrastructure

Names for identified assets or infrastructure not generally accessible by the public will be determined by the Executive.

Names for identified publicly accessible assets and infrastructure will be determined by the Board following public exhibition of the proposed name for a minimum of 28 days.

Submissions from members of the community will be considered by the Board and further community engagement will be undertaken as required.

Policy Implementation

Riverina Water will keep a record of possible names suggested by the community that meet the criteria, to be considered for future naming opportunities.

Data and document control

Riverina Water will identify opportunities for naming new assets and infrastructure.

Non Compliance

Non-compliance with adopted policy may be considered a breach under the Code of Conduct. As such, any suspected or known non-compliance will be reported to the General Manager.

Policy number	Insert policy number here
Responsible area	General Manager/Governance
Approved by	TBA
Approval date	TBA
Legislation or related strategy	
Documents associated with this policy	
Policy history	

Policy details may change prior to review date due to legislative or other changes, therefore this document is uncontrolled when printed.

END OF POLICY STATEMENT

Data and document control

Page 3 of 3

Author: J Lang

EDRMS #

Version 1.0

Last revised date 26/8/2020

Next scheduled review October 2021

R13 Workforce Plan 2020 - 2024

Management Area Governance and Human Resources

Author Simon Thomson – Manager Governance and Human Resources

Summary The Riverina Water Workforce Management Plan 2020-2024 has been developed to support Council's strategic direction. The plan aims to align with Riverina Water's Strategic Business Plan (2012) and Delivery Program 2020-2024.

RECOMMENDATION that the Board adopt the Riverina Water Workforce Management Plan 2020-2024.

Report

The Riverina Water Workforce Management Plan 2020-2024 seeks to provide a snapshot of the current workforce and outline objectives in workforce management for the next four years. The plan provides:

- A workforce profile
- Workforce planning initiatives
- Strategic business planning processes along with an action plan and strategies

A printed version of the plan will be provided to Board members who attend the August Board meeting in person. A copy of the Plan will also be available on The Hub which will also include the organisational chart.

A further review of this Plan will be undertaken in twelve months so as to align with the key strategic directions to be identified in the Integrated Water Cycle Management Plan.

› **R13.1 Riverina Water Workforce Plan (separate cover)**

Financial Impact

Within annual budget provisions.

Risk Considerations

Human Resources/ People Management	
Accept	Council will accept risks in developing its Human Resources program/s to ensure attraction of the most suitable applicants for positions and retention and development of staff.

R14 Minor change to wording of Code of Meeting Practice

Organisational Area Governance and Human Resources

Author Wendy Reichelt, Governance & Records Officer

Summary The Office of Local Government (OLG) has made changes to the Model Code of Meeting Practice that require recordings of Council meetings to be retained on Council's website for 12 months

RECOMMENDATION that Council approve the change of wording of item 5.21 of the Code of Meeting Practice to read: *5.21 A recording of each meeting of the council and committee of the council is to be retained on the council's website for 12 months from the time of recording. Recordings of meetings may be disposed of in accordance with the State Records Act 1998*

Report

Since 14 December 2019, Councils have been required to webcast meetings of the Council and Committees that comprise only of Councillors. The webcasting requirement may be met simply by posting an audio or video recording of the meeting on Council's website.

The *Model Code of Meeting Practice for Local Councils in NSW* requires Councils to specify in their codes of meeting practice, the minimum time period that a webcast recording will be made publicly available on a Council's website but does not prescribe a minimum period.

The Office of Local Government released Circular 20-31: *New requirement for councils to retain recordings of meetings on their websites for a minimum of 12 months* on 14 August 2020.

Based on NSW State Archives and Records guidance, the Office of Local Government's (OLG) Guide to Webcasting Council and Committee meetings recommends that webcast recordings of meetings should be retained on Councils' websites for a minimum of 12 months.

The requirement for Councils to retain recordings of meetings on their websites for at least 12 months is now prescribed under the *Local Government (General) Regulation 2005*.

Accordingly, Riverina Water is required to amend the Code of Meeting Practice to require recordings of meetings of the Council and Committees that comprise only of Councillors to be retained on the Council's website for 12 months or more (a change from a period of two weeks as is currently). Once this change is approved, the Code of Meeting Practice will be amended and uploaded to the website.

Financial Implications

Nil

Risk Considerations

Corporate Governance and Compliance	
Avoid	Council will avoid risks relating to corporate governance and compliance including (procedural/policy, legal and legislative compliance

R15 Operational Plan – Performance Targets

Organisational Area Corporate Services

Author Emily Tonacia, Manager Corporate Services

Summary This report provides an update on the extent to which Council is achieving its performance targets

RECOMMENDATION that the report detailing the progress towards the objectives set out in the 2019/2020 Operational Plan as at 30 June 2020, be received and noted

Report

In accordance with the provisions of Section 407 of the Local Government Act 1993, below is the progress achieved in the year for the various Key Performance Indicators set out in the 2019/2020 Operational Plan.

Services to be provided

Measure	Key Performance Indicator	Progress to 30 June 2020
Service satisfaction rating revealed in annual customer survey	> 4 (out of 5)	Next survey to be conducted in 2021
Water quality satisfaction rating revealed in annual customer survey	> 4 (out of 5)	Next survey to be conducted in 2021

Capital Works

Measure	Key Performance Indicator	Progress to 30 June 2020
Projects completed from Capital Work Program	Target > 85%	99.89%

Demand Management

Measure	Key Performance Indicator	Progress to 30 June 2020
Peak day demand (weekly average)	< 65 ML	77.3ML on 31 st January 2020

HR and Work Health & Safety

Measure	Key Performance Indicator	Progress to 30 June 2020
Number of days lost through injury	0 or < previous period	Days lost in 2018/19 was 44. Days lost in 2019/20 was 50
Cost of workplace injuries	Reduction in Workers Comp Insurance premium	The premium for 2019/20 was \$223,961.00 The estimated premium for 2020/21 is \$213,921.00
Percentage of sick leave to ordinary hours worked	< State or LG sector average (less than 3.5%)	2020 is 3.85%
Total hours worked compared to time lost through workplace injury and illness	IISI < previous period	245.63 IIS Index in June 2020. The index in June 2019 was 201.36.
No of employees undertaking training and development Total planned overtime hours compared to ordinary hours	All required training is current 100% of training plan completed < same quarter previous year	95% of scheduled training was completed (despite the challenges posed by COVID-19)

Equal Employment Opportunity

Measure	Key Performance Indicator	Progress to 30 June 2020
Number of complaints lodged	Target = Nil	Nil complaints received
Percentage of women returning from maternity leave	Target = 100%	Not applicable

Environmental Protection and Efficiency

Measure	Key Performance Indicator	Progress to 30 June 2020
Power used per megalitre of water produced	833 kWh/ML	793kWh/ML
Carbon emissions per megalitre of water produced	0.74 T/ML	0.705 T/ML

Charges and Fees

Measure	Key Performance Indicator	Progress to 30 June 2020
Level of water accounts overdue compared to water sales for previous 12 month	Target < 5%	2.55%
Level of sundry debtor accounts overdue compared to debtors raised for previous 12 months	Target < 5%	1.75%

Financial Implications

Not applicable

Risks Considerations

Corporate Governance and Compliance	
Avoid	Council will avoid risks relating to corporate governance and compliance including all the activities referenced above.

R16 Membership of Regional Organisations

Organisational Area General Manager

Author Andrew Crakanthorp, General Manager

Summary In October 2018, Riverina Water accepted an invitation to become an associate member of the Riverina Joint Organisation (RivJO). Council is currently an associate member of the Riverina Eastern Regional Organisation of Councils (REROC) and RivJO. Council has been requested to extend its membership of REROC for a further two years.

RECOMMENDATION That Council:

- a) Discontinue its membership with the Riverina Eastern Regional Organisation of Councils (REROC) at the end of the 2020/21 Financial Year
- b) Provide written notice to REROC of this decision and thank them for their support over the past twenty years
- c) Delegate authority to the Chairperson and General Manager to negotiate an exit from REROC

Report

The REROC Board at its February 2018 meeting resolved to form the Riverina JO (RivJO) and also continue the operation of REROC. The RivJO was proclaimed in May 2018 with the following member Councils:

- Bland
- Coolamon
- Cootamundra-Gundagai
- Greater Hume
- Junee
- Lockhart
- Temora

Riverina Water joined RivJO as an associate member as did Goldenfields Water.

Wagga Wagga City Council subsequently resolved to join RivJO in November 2019 and has since been an active member of RivJO.

The founding RivJO member Councils have taken a cautious approach to the transition from REROC to the JO whereby REROC would continue to operate, and after a period of eighteen months (i.e. by 30 June 2020), an independent review of the operations of REROC and RivJO would be carried out.

Whereas the RivJO was focused on strategic matters during this 'evaluation period', REROC continued to be responsible for the operational matters e.g. joint purchasing arrangements, resource sharing initiatives, collaborative projects etc.

The initial concerns regarding the cost of operating JOs were well founded as since that time all JOs across the State have repeatedly expressed concern regarding their financial viability.

The concerns regarding the cost of operating JOs will only be exacerbated once amendments to the Local Government Act commence, mandating audit, risk and improvement committees, internal audit functions and risk management frameworks, as they will apply to JOs as well as Councils. It is clear that the operation of a JO is more expensive than the operation of a ROC.

The above options were considered by a Review Sub-committee which in turn made a recommendation to the respective REROC and RivJO Boards.

It was generally agreed by Member Councils that the current arrangement of two separate organisations was not sustainable and the preferred option was for a single organisation going forward. In this regard two options were shortlisted because both options would provide Member Councils with a single dedicated organisation that would not be reliant on the Member Councils to deliver core activities such as compliance and governance. The new organisation would deliver both the strategic activities of the current JO and the operational activities undertaken by REROC.

Accordingly, the REROC Board unanimously resolved that the preferred way forward was the creation of a new regional organisation structured as a company limited by guarantee. (Riverina Water did not vote on that decision as it is not entitled to a vote given our status as an Associate Member)

The RivJO Board passed a similar resolution by a majority vote with the Wagga Wagga City Council being the only Member Council voting against this option. As stated earlier, Wagga Wagga City Council has recently resolved to join RivJO and supports the JO model.

The preferred option recommended by REROC and RivJO was referred to all respective Member Councils for their consideration. However, things changed significantly when, subsequent to the REROC and RivJO Boards passing the abovementioned resolutions, the NSW Government released its COVID-19 Local Government Stimulus Package. Information released by the Office of Local Government (OLG) in relation to the Stimulus Package states that *"councils that are members of a JO will need to work with member councils to continue to fund their JO for a period of two years as a condition of funding."*

The REROC and RivJO executive acknowledged at the time that Member Councils would not be able to make a decision on the best way forward until the issues associated with access to the Stimulus Package were resolved. However, the Executives of RivJO and REROC both hoped that Councils will be in a position to at least consider the Board's recommendation in principal so as to provide the Executive with guidance in relation to its next steps.

In this regard the Executive of both entities recommended that:

1. Council provides in-principle support for the way forward determined in relation to the creation of a new regional organisation under the structure of a company limited by guarantee.
2. A final decision on Council's participation in the new regional organisation be determined once the funding arrangements for the COVID-19 Local Government Stimulus package have been resolved.

In response to the above, Riverina Water at its June 2020 meeting resolved to “reaffirm its associate membership to the Riverina Joint Organisation (RivJO) and support its ongoing existence”. In effect, that decision did not provide support for a “new regional organisation under the structure of a company limited by guarantee”.

Given all the above, REROC decided to seek endorsement from its Member Councils to maintain REROC's current structure for a further period of two years, including the provision of ongoing funding for the Organisation. Riverina Water has committed to membership of REROC for the current financial year at a cost of \$11,900.

Attached is a copy of correspondence from REROC which provides further context and requests Council's continued membership for a further two years. This report questions the value for money that Riverina Water now gets for its contribution of \$11,900. In addition, when the membership of RivJO of \$5,000 is taken into account, Council is contributing \$16,900 to the operation of two entities. This should be considered in the context of a contribution to one entity only two years ago in the amount of \$8,800 to receive arguably, the same “benefits” it has received via its long standing membership of REROC.

With REROC continuing to provide operational activities to Member Councils, it is timely for Council to consider what benefits arise from ongoing membership given the cost of that membership. Below is a breakdown of the general activities of REROC:

- Operational committees / working groups
- Conferences and training including youth development programs including “Build a Bridge Project”
- Specific purpose campaigns e.g. waste and recycling initiatives
- Externally funded resources e.g. biodiversity officer
- Specific projects e.g. Southern Lights
- Joint procurement activities

Council staff hold the view that there is little, if any value to Riverina Water from these activities. Riverina Water resolves its operational issues and demands using resources internally. The exception to the former comment would be our involvement in the “Build a Bridge” project, which we attend each year and also make a contribution to the costs of the event in the order of \$2,500.

It should be noted however, that Council would lose its ability to ask REROC to lobby on its behalf on industry or specific issues. REROC enjoys a strong track record in lobbying on behalf

of its Member Councils. Such a role could be undertaken by RivJO in the future. In addition, Council could request any of its three constituent Councils that are currently members of REROC, to advocate on behalf of Riverina Water (to REROC) if so agreed. Should Council withdraw from REROC, a consequence would be to place increased financial obligations on the remaining members of REROC (to cover the revenue lost due to Riverina Water's withdrawal).

In addition, the future of all JOs remains uncertain given the funding challenges that they all face (primarily due to the governance requirements). A risk for Riverina Water is that RivJO does not exist into the future (at least beyond July 2022). In such a scenario, Council would not be a member of any regional organisation. Council could at that point seek to re-join REROC if it so wanted to.

In discussions with Goldenfields Water, I am advised that a report to their August meeting will recommend they remain an associate member of REROC.

It is recommended that Council discontinue its membership with REROC at the end of the 2020/21 Financial Year and continue to pursue strategic opportunities through RivJO.

Budget & Financial Aspects

Council has been an associate member of REROC for many years. The membership subscription was for many years up to and including 2017/18, \$8,800. In 2018/19 in response to the withdrawal of Snowy Valleys Council and Wagga Wagga City Council, the subscription increased to \$11,900. The same subscription was payable in 2019/20 and will remain at this amount for 2020/21

The membership subscription for RivJO in 2019/20 was \$2,500 and in 2020/21 it will rise to \$5,000

If Council's membership with REROC is discontinued, then it is recommended that the budget allocation be set aside for continued membership of RivJO in the future.

Impacts of JOs on County Councils (s394A of Local Government Act)

A further important amendment to the Local Government Act was made to require that County Councils must, when exercising their functions, take into account any strategic regional priorities and other plans of the JO that apply to any relevant part of the County Council's area of operations or that are relevant to the County Council's operational functions. Given the above, it is considered critical that Riverina Water is represented on both JOs in order that Council has an opportunity to influence any plans that they may develop. Council resolved that Cr Pat Bourke can represent Council's interests at RAMJO and that the Chairperson undertake the same function at RivJO.

› **R16.1 Correspondence from REROC**

Financial Implications

Council has funds in its 2020/21 Operational Plan to remain a member of both organisations or one organisation.

Risks Considerations

Community Partnerships	
Accept	When considering options for community partnerships or external party relationships, Council may choose to accept risks to maximise potential benefits to Council and the community

REROC

RIVERINA EASTERN REGIONAL
ORGANISATION OF COUNCILS

PO Box 646
Wagga Wagga NSW 2650
ph: (02) 6931 9050
fax: (02) 6931 9040
email: mail@reroc.com.au
website: www.reroc.com.au
ABN: 91 443 421 423

8 July 2020

Cr Greg Verdon
Chairman
Riverina Water County Council
PO Box 456
WAGGA WAGGA NSW 2650

Dear Cr Verdon,

Review of the REROC and JO Operations

I am writing on behalf of the Board of the Riverina Eastern Regional Organisation of Councils (REROC) in relation to the recent review that was undertaken into the operations of REROC and the Riverina Joint Organisation, the implications of the Local Government COVID-19 Stimulus Package and the conditions that pertain to its access.

Your council would be aware that one of the conditions for accessing the Local Government COVID-19 Stimulus Package was that councils who were members of a Joint Organisation were required to retain their JO membership for a period of 2 years. The condition was included in the contracts that councils signed in relation to the funding, significantly the ability to access the NSW Government's ESL funding was contingent on it.

The Member Councils resolved, as a result of the REROC/JO review, to move forward with the creation of a single regional organisation that was incorporated as a limited liability company. The creation of the new organisation depends on the Minister for Local Government providing approval, and if so, would result in both REROC and the Riverina JO being wound up. However, this now seems impossible, the financial implications that would result from these actions cannot be ignored. It is clear that if our Member Councils implement this pathway, they will miss out on hundreds of thousands of dollars in ESL funding.

This issue was discussed, at length, during REROC's June Board meeting. Our discussions were informed by the fact that the Members had already committed to funding REROC and the Joint Organisation for a further 12 months while we waited for permission and then established the new, single regional organisation. The REROC Board remains committed to this course of action but clearly, given current circumstances, this is no longer achievable within the 12-month timeframe.

Therefore, the Board has resolved to seek endorsement from the Member Councils to maintain REROC's current structure for a period of 2 years, including the provision of on-going funding for the Organisation. The Board is aware that this has financial implications for the Member Councils and that councils will want to be fully informed before making any commitments. As you know the membership fee for 20/21 Financial Year has already been advised, and Members have committed to that payment.

Over the last 18 months, REROC has been working to put more of its activities on a commercial footing, without disadvantaging our Members. We have introduced Member and non-Member fees for participation in our events, we have increased the cost of trade stands and attendance fees at our conferences and we have been actively seeking sponsorship support for all our activities. Our goal is to generate more "own-source" revenue to reduce dependence on membership fees. These activities will continue with the long-term objective of lowering the cost of membership.

However, even with these activities at this point we expect that the membership fee for the 21/22 Financial Year will be the same as it is for the 20/21 Financial Year.

I understand that this is a challenging time for our membership. What we all hoped was a clear pathway forward we have now been forced to place these plans in abeyance, however in doing so we are ensuring the best financial outcome for our communities. In addition, the OLG are now planning to undertake a review of Joint Organisations before the end of the year.

Given all that is happening, we are seeking a commitment from our Member Councils to continue their membership of the REROC until the end of the 21/22 Financial Year. REROC has made a significant contribution to the operation of our Members and local government generally, not just in our region but within NSW. We believe that it is important that the Organisation continue to provide its services for the next 2 years operating parallel and co-operatively with the Riverina Joint Organisation. In doing so we will ensure that Members continue to have options in relation to how they choose to collaborate on a regional level.

I want to thank the Board and our Member Councils for their patience and forbearance as we deal with these issues. We are genuinely committed to strong regional leadership and by continuing to work together we can deliver positive results for our Members and the communities they represent. I look forward to receiving advice regarding your Council's decision on its continuing commitment to the ROC.

Yours sincerely



Cr Rick Firman OAM
Chairman.

R17 Proposed naming of Council Meeting Room

Organisational Area General Manager

Author Andrew Crakanthorp, General Manager

Summary This report is to name the new Council Meeting Room in line with the Assets and Infrastructure Naming Policy

RECOMMENDATION that Council:

- a) Propose to name the Council Meeting Room, “the (insert name) room”
- b) Place the proposed room name on public exhibition from 30 August to 25 September 2020 invite public submissions on the proposed name during that period
- c) Receive a further report following the public exhibition and submission period:
 - i. Addressing any submissions made in respect of the proposed room name
 - ii. Proposing adoption of the room name unless there are any submissions that deem it necessary to require a further public exhibition period

Report

At the Board meeting held on 26 February 2020, a Notice of Motion was submitted by Councillor Vanessa Keenan regarding naming the new Council Meeting Room in recognition of the inaugural Riverina Water Chairperson Pat Brassil OAM.

It was resolved at this meeting that a report be presented to the 22 April 2020 meeting, which would provide the Board with options for naming the room.

In preparing this report, it was found a similar matter had been discussed previously in August 2012, and a further report requested by the Board of the day in December 2012.

As the 2012 resolution was not actioned, it was resolved at the 22 April 2020 meeting:

“That Council be furnished with the report as resolved in December 2012 which stated: “that a comprehensive report be submitted to Council on the means of recognition of people that have made a significant contribution to Riverina Water County Council.”

The outcome was the development of a new document, the Asset and Infrastructure Naming Policy. This policy was developed to facilitate the process by which Riverina Water may recognise a person, place, event or similar through naming an asset or infrastructure in its honour.

At the 24 June 2020 Board meeting, it was resolved to:

- a) *Endorse the draft Assets and Infrastructure Naming Policy and place it on public exhibition from 25 June to 24 July 2020 and invite public submissions on the draft policy during that period*
- b) *Receive a further report following the public exhibition and submission period:*
 - i. *Addressing any submissions made in respect of the proposed Assets and Infrastructure Naming Policy*
 - ii. *Proposing adoption of the policy unless there are any recommended amendments deemed to be substantial and requiring a further public exhibition period*
 - iii. *Details on current opportunities to name assets or infrastructure and a register of existing name suggestions in line with the draft policy*

This report refers to the last item of the resolution.

Current naming opportunities

The Council Meeting Room is the only current naming opportunity. Any future opportunities will be identified and reported to the Board.

The next opportunity in line with the policy is The Rock depot. Any unused names will be retained for future naming opportunities.

Register of existing name suggestions

The following includes names from the 22 April 2020 report to the Board and any additional name suggestions since that time.

› *Pat Brassil OAM*

Cr Keenan provided the following information in support of her notice of motion to the February meeting of the Board:

Whilst many notable people have held significant roles with Riverina Water and its preceding entities, none have had as much an impact as inaugural Riverina Water Chair Pat Brassil OAM.

I have spoken with members of Pat's family about the proposal and his widow Anne is deeply touched and honoured for Council to consider this.

Pat was orphaned by the age of six and he and his siblings were raised in Redfern and Paddington, eventually settling with their Aunt Eileen in Burwood.

Pat went on to Sydney University, where he met a Wagga girl, Anne McDonough and they married.

Pat went on to teach and became a deputy principal and moved to Wagga and the successes just kept coming.

Pat Brassil was a part of what made Wagga Wagga work; Pat through decades of teaching and services to local community made Wagga a better place. He believed children in regional Australia should have the same opportunities as their city counterparts to excel.

Pat is on record as the longest-serving Councillor in Wagga's history and one of the longest serving in NSW history, from 1974 to 2004. He was mayor seven times, chiefly from 1989 to 1995, and delegate and chairman of the Riverina Water County Council, and its predecessor, for 25 years. He was an executive member of the Local Government Association of NSW and chairman of its Water Management Committee for a decade. Pat knew the huge significance of water to the area, though he never drank it unless it was cut with tea or, preferably, hops and barley.

As chairman of the Country Mayors Association and founding member of the Riverina Regional Development Board, Pat was a key driver in the case for balanced state development, arguing that the NSW government paid scant regard to the needs of people west of the "sandstone curtain".

Pat was made a Member of the Order of Australia (OAM) in 1997 for services to local government, notably regional development and decentralisation.

To him, this award was only surpassed by the granting of the Freedom of the City in 2007 from the community that had adopted him 40 years before.

› *Murrumbidgee/Marrambidya*

Shortly after the opening of the Stores Building, the two specific internal meeting rooms were named "Burrinjuck" and "Blowering" by staff.

The names reflect the Australian Height Datum on the relative heights of both storages and thus the Blowering Room is on the ground floor and the Burrinjuck Room is on the first floor.

This unofficial naming convention linked to the Snowy Mountains Scheme continued when a new meeting room was created in the Administration Building in 2019 and named the "Talbingo Meeting Room".

As such, Murrumbidgee has been suggested a naming option for the room. In line with the new naming policy, the Wiradjuri spelling "Marrambidya" should be considered.

› *William Hurd MBE*

The following information from Wagga Wagga City Council's "Street Names of Wagga Wagga".

William "Bill" Hurd was the Chief Water Supply Engineer with Southern Riverina County Council from 1946-1966. He graduated from Sydney University in 1921 as Bachelor of Engineering and started work as a surveyor with Wilson and Reid of Sydney in 1922 and went on to be a Design Engineer with Queensland Government Railways. He took the role of Shire Engineer at Lockhart Shire in 1924. Bill qualified as an Electrical Engineer in 1939, and gained his Town and Country Planning Certificate in 1947.

During World War II, he first worked for Allied War Council for two years, then enlisted in the RAAF serving as Ft. Lieut. (Engineering). On cessation of hostilities he returned to Lockhart for a month before being appointed as a Water Supply Engineer with Southern Riverina County Council at Wagga Wagga. He was later designated as Chief Water Supply Engineer and remained in that position until his retirement in 1966.

During his working life was a Consultant Engineer (Water and Sewerage design) for a number of other authorities including the Wagga Wagga Sewerage Scheme. After retirement he continued as a Consultant to the Wagga Wagga City Council on the expansion of both the Narrung Street and Koorungal Sewer Treatment Works (Design and Supervision). Outside of his professional career, Bill was President of the Wagga Wagga School of Arts and Eisteddfod Society for many years, Choir-Master at Wesley Methodist Church, Past Master of Masonic Lodge Lockhart No. 260 (1933/34) and a member of the Rotary Club of Wagga Wagga from 1960.

He was awarded the MBE in 1983 for Distinguished Community Service. Bill was also made a Paul Harris Fellow by the Rotary Club of Wagga Wagga in 1983/4. Earlier in his career he was awarded the George A. Taylor Memorial Medal (founded by the Local Government Engineers' Association of NSW) on two occasions (1952 and 1964) for the Best Local Government Thesis on both occasions.

In 1974, Hurd Street in Ashmont was named in honour of he and his wife Amy, who also has an extensive list of achievements.

› *Other long-serving Board members and staff*

Given the discussion at the February Board meeting was seen to be supportive of naming the room to acknowledge people who have had a long association with Riverina Water, the Board could also consider previous Board members or long serving staff.

The following are the names and tenure of past long serving (at least 12 years) Board members:

- Rod Kendall 12 years
- Ian Kreutzberger 12 years
- Peter Yates 13 years
- Lindsay Vidler 15 years
- John McInerney 17 years
- Pat Brassil OAM 25 years

The following are the names and tenure of long-serving (at least 40 years) staff:

- Rob Palframan 40 years
- Roy Smith 40 years
- Wayne Schiller 41 years
- Kerrie Fawcett 42 years
- Garry Watson 45 years

Criteria for choosing a preferred name

The policy refers to the following criteria:

› *Naming criteria*

In general terms, naming should be unique and use spelling and style of contemporary Australian English or Wiradjuri language. Names should be easily identifiable to enable clear communication in times of emergency.

A name shall be wherever possible be:

- relevant to local history, flora, fauna, culture, landscape and physical characteristics or relevant to the organisation's history and purpose
- short and simple
- easy to pronounce, spell and write, with exception to those in the Wiradjuri language
- in accordance with community standards and expectations
- complementary with existing names and adjoining assets
- not easily confused with or duplicating names within the region
- considerate of any potential risk to reputation

In addition, if personal names are used:

- the person commemorated should have contributed significantly to Riverina Water and/or to the wider community
- the person commemorated should preferably be recognised in memoriam
- it should be supported by the community

Financial Implications

The cost of signage to reflect the name of an asset or infrastructure room will be met from existing budgets.

Risk Considerations

Reputation	
Averse	Council is averse to taking risks that may adversely impact its reputation

R18 Extension of community representatives to Riverina Water Audit Risk & Improvement Committee (ARIC)

Organisational Area Governance and Human Resources

Author Wendy Reichelt, Governance and Records Officer

Summary The appointment of community representatives (including that of the Chairperson) for the Riverina Water ARIC finishes in October 2020. However, due to the Covid-19 pandemic affecting Council elections, and the final ARIC guidelines not being released, it is recommended that the community members are extended to November 2021.

RECOMMENDATION that:

- a) Council extend the community members on the Riverina Water ARIC for a further 12 months to November 2021
- b) Council extend the term of the ARIC Chair for a further 12-month period to November 2021
- c) A letter be sent to the community members extending their tenure on the Committee to November 2021
- d) Council elect a Board member and their alternate, to participate on the ARIC until October 2021 (at its meeting to be held in October 2020)

Report

The appointment of the current Riverina Water Audit, Risk & Improvement Committee (ARIC) is to conclude in October 2020. This was scheduled to follow the election of new Councillors to Riverina Water's four constituent Councils, and subsequent appointment of the Riverina Water Board. However, due to the Covid-19 pandemic, Local Government elections have been postponed to October 2021.

Additionally, the final guidelines for a new Risk Management and Internal Audit Framework for local Councils in NSW have been further delayed. The draft Guidelines signalled significant changes to the way Audit Risk and Improvement Committees would be resourced and changes to Committee membership.

Given the uncertainty of the make-up and tenure of the Committee, and the delay of the council elections, it is thought that the best course of action is to delay the appointment of new external members to the ARIC until after the Local Government elections in September 2021.

The ARIC Charter states that one Board member is to be appointed to the committee for a one-year term and may be reappointed subject to Office of Local Government guidelines (which as previously stated have not been released). It is therefore recommended that the Board (at its October 2020 meeting) appoint a Board member to the Committee for a twelve-month period and also nominate that Board member's alternate.

The current external members of the ARIC are David Maxell (who is also the current Chair) and Bryce McNair. Mr Maxwell and Mr McNair have letters of appointment to October 2020. The Board Committee member is Cr Yvonne Braid OAM, with her alternate, Cr Tony Quinn.

If Council is in agreement with this recommendation, a letter will be sent extending the appointment for a further year to November 2021 to Mr Maxwell and Mr McNair. The letter for Mr Maxwell, if Council agrees, will advise that his position of Chair of the Audit Risk and Improvement Committee, will also be extended until November 2021.

Financial Implications

Nil

Risk Considerations

Corporate Governance and Compliance	
Avoid	Council will avoid risks relating to corporate governance and compliance including (procedural/policy, legal and legislative compliance

R19 Enterprise Resource Planning (ERP) Tender

Organisational Area Corporate Services

Author Emily Tonacia, Manager Corporate Services

Summary The tender for the upgrade of Riverina Water's Enterprise Resource Planning (ERP) system closed on Tuesday 25 August 2020. A timeline in regards to the tender evaluation is detailed below for Council's information, including the intention to hold an extraordinary meeting on 25 November.

RECOMMENDATION that Council endorse the proposed timeline, including providing agreement for an extraordinary meeting on 25 November, to facilitate progression of the tender evaluation

Report

The tender for the upgrade of Riverina Water's Enterprise Resource Planning (ERP) system closed on Tuesday 25 August 2020.

Evaluations on proposals received are due to take place between 26 August and 11 September. Shortlisted candidates will then be invited for product demonstrations between 28 September and 2 October with key staff stakeholders partaking. Reference checks will then be conducted by 15 October with the evaluation report to be completed by 16 October.

Preliminary contract negotiations are then due to take place with the preferred supplier by 13 November, with a proposed recommendation to come to Council at an extraordinary meeting on 25 November 2020 for endorsement.

The extraordinary meeting to be held in November to endorse the recommendation will allow sufficient time for product demonstrations from shortlisted vendors and reference checks in the current environment, whilst still allowing for the intended deadline of contract signing at the end of November. In addition, the timing of the extraordinary meeting will allow the project team and successful tenderer to initiate work during December 2020 which will support key elements of the new ERP becoming operational prior to July 2021 (a key date for the successful tenderer and Council).

An update report on the progress of the evaluation will be provided to the Board at the ordinary October meeting.

Below is an indicative timeline. Please note the dates represent week ending, therefore it is intended the extraordinary meeting would be held 25 November, with the business paper (recommendation report) being sent one week prior to the board meeting on 18 November.



Financial Implications

The ERP Upgrade project has been budgeted within the 2020/2021 Operational Plan.

Risk Considerations

The extraordinary meeting will reduce corporate risk for the overall project by providing increased certainty via the timely engagement of the successful tenderer.

R20 Annual Customer Survey

Organisational Area General Manager

Author Andrew Crakanthorp, General Manager

Summary Council recently approached the Minister for Water seeking permission to undertake the annual customer survey every two years. A reply has been received and this report updates Council and provides a proposal for the conduct of future customer surveys.

RECOMMENDATION that Council continue to undertake a comprehensive customer survey every two years, with specific purpose surveys to be undertaken every intervening year on matters relevant to Council at the time

Report

As part of efforts to improve customer service and as required by the provisions in Council's Proclamation Notice, Council undertakes an annual customer survey of residents of the County Council area. The survey seeks residents' attitudes and opinions as part of the continued improvement of Council's service delivery.

Council at its meeting in October 2019 gave consideration to a report on the annual customer survey and resolved to:

“consider possible amendments to the Riverina Water County Council Proclamation and authorise the General Manager and Chairperson to write to the Minister requesting the desired amendments in the form of a survey every two years”

The Ministers Office replied in June this year denying the request. Attached is a copy of the Ministers letter.

The General Manager contacted the Manager at the Department of Planning, Industry and Environment to discuss the letter and canvas his views on options for Council moving forward.

This report recommends that every two years, Council undertake its “normal” comprehensive customer survey and in the intervening year, undertake a more select and “less comprehensive” survey on a specific matter relevant to the Council at the time. As an example, in early 2020 a specific purpose survey was undertaken to gauge community attitudes to water restrictions and consumer sentiment. The results of that survey informed the recently adopted and revised Water Restrictions Policy.

Future specific purpose surveys could canvas matters including digital water meters and levels of service throughout the supply area.

› **R20.1 Letter from Minister Pavey dated 16 June 2020**

Financial Implications

The comprehensive survey is undertaken every year at an approximate cost of \$35,000. The current budget has provision for a survey to be undertaken in early 2021.

Risk Considerations

Corporate Governance and Compliance	
Avoid	Council will avoid risks relating to corporate governance and compliance including how it engages with its customers



The Hon. Melinda Pavey MP
Minister for Water, Property and Housing

RECEIVED 23 JUN 2020

IM20/4559

Mr Andrew Crakanthorp
General Manager
Riverina Water County Council
91 Hammond Avenue
WAGGA WAGGA NSW 2650

Dear Mr Crakanthorp

Thank you for your letter of 29 November 2019, seeking to conduct customer surveys once every four years, rather than every year as required under Riverina Water County Council's (RWCC) proclamation.

I commend RWCC for its strong commitment to customer engagement, and for having undertaken the required customer survey annually.

While I appreciate RWCC's view on the costs involved in conducting annual customer surveys, I consider regular customer surveys an important element of understanding, and responding to, changing customer needs and priorities. They are one tool that will help Council to continuously improve the water services delivered to customers. Accordingly, I would like to retain this requirement as per the proclamation.

If you wish to discuss this matter further, you are invited to contact Mr Sascha Moege, Manager Water Utility Policy at the Department of Planning, Industry and Environment, on 0414 310 763 or sascha.moege@dpie.nsw.gov.au.

Yours sincerely

Melinda Pavey MP
Minister for Water, Property and Housing

10 JUN 2020

R21 Lockhart Water Tower Mural

Organisational Area General Manager

Author Andrew Crakanthorp, General Manager

Summary A Draft Memorandum of Understanding (MoU) has been prepared between Riverina Water and Lockhart Shire Council. The purpose of this MoU is to agree in principle on the arrangements for the future refurbishment, rehabilitation, repair, removal or replacement of the artwork on the Lockhart Water Tower and to set out the respective roles of the parties in achieving this purpose.

RECOMMENDATION that Council endorse the Memorandum of Understanding between Lockhart Shire Council and Riverina Water County Council and authorise the General Manager to sign the document

Report

As Council will be aware, the Lockhart Water Tower mural was completed and officially launched in October 2018 and has since proved to be a major drawcard for the town and significant tourism asset for the Shire.

Whilst Lockhart Shire Council project managed the painting of the mural, the project was a collaborative effort with financial support provided by the NSW Government (CASP grant), Lockhart Shire Council, Riverina Water, Lockhart and District Community Bank and the Lockhart Progress Association. The consent and support of Riverina Water as the owner of the water tower, was critical to the success of the project.

It is anticipated that the artwork on the water tower may deteriorate over time and that at some future time the artwork will require refurbishment, rehabilitation, repair, removal or replacement. It is difficult to anticipate the nature and timing of the work that will be required in the future. Whilst a considerable amount of silo art now exists, it is all relatively new and has not reached the end of its lifecycle to provide some guidance as to what we can expect.

Notwithstanding this, and bearing in mind that Council owns the structure, it is considered appropriate to have some in principle agreement in place in the form of an MoU to deal with this situation. Having an MoU is also important as there is no guarantee that the individuals involved in the initial project, with an understanding of the roles played by the respective organisations, will be occupying the same roles in the future.

Accordingly, an MoU between Riverina Water and Lockhart Shire Council has been prepared and a copy is attached. The purpose of this MoU is to agree in principle on the

arrangements for the future refurbishment, rehabilitation, repair, removal or replacement of the artwork on the water tower and to set out the respective roles of the parties in achieving this purpose.

The MoU has been prepared on the basis of Lockhart Shire Council and Riverina Water performing the same roles as they did for the initial project. Section 6 of the MoU sets out the respective roles of the two organisations i.e. Lockhart Shire Council obtains development approval if necessary, engages the artists or contractors, hires the necessary equipment and generally project manages the work. Riverina Water's obligations under the MoU are to consent to the lodgement of a development application, provide access to the water tower and to provide advice and relevant documentation, particularly with respect to work health and safety issues e.g. safe work method statements etc.

Notwithstanding that, Lockhart Shire Council derives significant benefits from the mural in terms of tourism and economic development, the MoU has been prepared on the basis of Riverina Water contributing 25% of the cost of any future refurbishment, rehabilitation, repair, removal or replacement of the artwork. This amount has been calculated in light of the following information:

- It is likely that other member Councils may want to undertake similar projects in the future (we are already in discussions with Federation Council regarding Oaklands). Further, a second water tower was recently completed at Milbrulong and a third mural is planned at Yerong Creek. In that event, the ratio that is set in this, the first MoU, will be a precedent that Council can rely on as a benchmark.
- The ratio more accurately reflects the initial contribution by Riverina Water, being \$6,000 of the \$30k cost (25%).
- In the long run, it is more sustainable for Riverina Water to provide some modest support, noting that all of the economic benefit goes to the businesses in the various towns.

The MoU has been prepared in consultation with Lockhart Shire Council and is subject to endorsement by Lockhart Shire Council at a future Council meeting.

› **R21.1 Draft MoU between Riverina Water and Lockhart Shire Council**

Financial Implications

It is proposed that the costs associated with the MoU will be known well in advance of the preparation of the annual Operational Plan and thus allow a provision in the approaching budget to fund any works.

Lockhart Shire Council has resolved that an agreed amount be held in reserve to enable future maintenance of the Lockhart Water Tower as and when needed. Specifically, Lockhart Shire Council proposes to fund future costs associated with the water tower from its Future Infrastructure Development Reserve (which contained \$1m as at 30 June 2019)

Risk Considerations

Community Partnerships	
Accept	When considering options for community partnerships or external party relationships, Council may choose to accept risks to maximise potential benefits to Council and the community

**MEMORANDUM OF UNDERSTANDING
LOCKHART WATER TOWER MURAL**

THIS MEMORANDUM OF UNDERSTANDING is made on [insert date]

BETWEEN

RIVERINA WATER COUNTY COUNCIL of 91 Hammond Avenue Wagga Wagga NSW 2650 (“**RWCC**”), and

LOCKHART SHIRE COUNCIL of 65 Green Street Lockhart NSW 2656 (“**LSC**”).

1. BACKGROUND

- a) LSC secured funding from various sources, including RWCC, to engage an artist to have a mural applied to the structure known as the Lockhart Water Tower (the Project); and
- b) RWCC as the owner of the Lockhart Water Tower consented to a mural being applied to the structure (the project); and
- c) LSC invited expressions of interests from persons interested in undertaking the Project; and
- d) A selection committee which included representatives of LSC, RWCC and the community reviewed the expressions of interest received and chose the preferred concept design (the Artwork) for the mural.
- e) LSC obtained Development Consent for the Project.
- f) LSC engaged the Artists who submitted the preferred concept design to undertake the Project; and
- g) The Project was completed and officially launched in October 2018 a photograph of which is attached as Annexure A.
- h) The parties acknowledge that the mural will fade and deteriorate over time and that at some future time the Artwork will require refurbishment, rehabilitation, repair, removal or replacement.

2. PURPOSE

- a) The Purpose of this MoU is to agree in principle on the arrangements for the future refurbishment, rehabilitation, repair, removal or replacement of the Artwork and to set out the respective roles of the parties in achieving this Purpose.

3. NON-BINDING MEMORANDUM

- a) The terms of the MoU are not intended to be legally binding and nothing in the MoU will be construed as creating any legal relationship between the parties.
- b) The terms of the MoU are not exhaustive.
- c) The MoU is a statement of intent by the parties and is intended to encourage mutual co-operation.

4. CHANGES TO MEMORANDUM

- a) This MoU may be varied at any time by agreement between the parties.
- b) Any changes to the MoU must be made in writing and signed by the parties.

5. GENERAL OBLIGATIONS

- a) Notwithstanding the non-binding nature of this MoU the parties will act in good faith and the parties will use their best endeavours to achieve the purpose and to give effect to the terms of this MoU.
- b) Each party agrees to cooperate in the spirit of mutual understanding and goodwill in order to pursue the Purpose.
- c) The parties will from time to time monitor and consult on the condition of the Artwork and, if necessary, agree on the nature and timing of any refurbishment, rehabilitation, repair, removal or replacement of the Artwork.
- d) The parties will have the obligations described below.

6. ROLE OF THE PARTIES

- a) Subject to the parties agreeing on the nature and timing of any refurbishment, rehabilitation, repair, removal or replacement of the Artwork, LSC will have the following obligations: -
 - i. Provide the Artists with reasonable notice of any decision regarding removal, covering, destruction or disposal of the Artwork; and
 - ii. Allow the Artist a reasonable time to record the Artwork at the site.
 - iii. If necessary prepare and lodge a Development Application for the refurbishment, rehabilitation, repair, removal or replacement of the Artwork.
 - iv. Engage the Artists or other suitable contractor to undertake the agreed refurbishment, rehabilitation, repair, removal or replacement of the Artwork.
 - v. Hire all necessary equipment required for the refurbishment, rehabilitation, repair, removal or replacement of the Artwork.
 - vi. Supervise the refurbishment, rehabilitation, repair, removal or replacement of the Artwork.

- b) Subject to the parties agreeing on the nature and timing of any refurbishment, rehabilitation, repair, removal or replacement of the Artwork, RWCC will have the following obligations: -
- i. If necessary, consent to the lodgement of a Development Application for the refurbishment, rehabilitation, repair, removal or replacement of the mural.
 - ii. Provide access to the Lockhart Water Tower.
 - iii. Provide advice and relevant documentation, particularly with respect to work health and safety issues e.g. safe work method statements etc.
 - iv. Reimburse Lockhart Shire Council for 25% of the costs incurred by the Council in fulfilling its obligations pursuant to Clause 6 a).

7. TIMING AND DURATION

- a) Either party may terminate this MoU at any time by notice in writing to the other party.
- b) The MoU will remain in force unless and until: -
- i. The parties enter into a legally binding agreement to achieve the Purpose of the MoU; or
 - ii. It is otherwise terminated by the parties.

Signed by the parties on the dates hereunder subscribed

Andrew Crakanthorp
General Manager
Riverina Water County Council

Signature of Witness

Name of Witness

Date

Peter Veneris
General Manager
Lockhart Shire Council

Signature of Witness

Name of Witness

Date

DRAFT

ANNEXURE A

DRAFT

R22 Media and Social Media Report – 1 April to 30 June 2020 (13 weeks)

Organisational Area General Manager

Author Josh Lang, Community Engagement Officer

Summary The report summarises Council's media coverage and performance on its social media platforms

RECOMMENDATION that the report detailing Council's media coverage and social media performance from 1 April to 30 June 2020 be received

Report

During this quarter, Riverina Water's total social media audience grew by 182 to 3360. Audience growth was down on the previous quarter with less paid advertising.

Other metrics were also down on the previous quarter, suggesting a change in audience behaviour during this period most likely due to COVID-19.

Overall, there were nearly 83,000 impressions and more than 4600 engagements with our content.

LinkedIn saw the biggest growth rate of all channels, which shows the organisation's strong professional reputation.

Facebook	
Number of posts	63 (4.84 posts per week, previous period: 5.1)
Total page likes	2062 (previous period: 2040)
New page likes	+22 (1.08%)
Videos	9486 views (9 videos)
Private messages	6
Total reach for all posts (reach is number of people who saw each post at least once)	55,162 (previous period: 168,434)
Average reach per post	876 (previous period: 2513)

Total post engagements (post clicks, reactions, shares and comments)	15,372 (previous period: 9955)
Average post engagements	229.4 (previous period: 165.9)
Top organic post – Casual labourer wanted (15 May)	Reach: 7413 Post clicks (any click excluding comments, likes and shares): 381 Engagements (reactions, comments and shares): 34
Lowest organic post – June Board Meeting (24 June)	Reach: 172 Post clicks (any click excluding comments, likes and shares): 16 Engagements (reactions, comments and shares): 1
Facebook - advertising	
Number of advertisements	2
Content	<ul style="list-style-type: none"> • Draft Water Restrictions Policy public exhibition • Draft DPOP/fees & charges public exhibition
Total paid post reach	11,250
Average reach per post	5625
Total advertising cost	\$150

Comparison page audiences

Water utility	Page established	Current audience	Last quarter figures	Growth this quarter	Growth last quarter
Sydney Water	August 2011	36.2k	35.6k	+800	+2100
Water Corporation	Nov 2010	18k	17.3k	+700	+800
Seqwater	June 2011	14.9k	14.5k	+400	+1700
WaterAid Australia	Nov 2009	13.8k	13.7k	+100	+1000
Melbourne Water	June 2009	10.9k	10.6k	+300	+400
City of Wagga Wagga	Dec 2015	10.7k	10.5k	+200	+700

Unity Water	Oct 2012	9.9k	9.2k	+700	+800
SA Water	Oct 2010	9.8k	9.6k	+200	+300
Visit Wagga Wagga	Dec 2011	8.6k	8.2k	+400	+200
Western Water	Oct 2012	7.2k	6.2k	+1000	+1700
TasWater	Oct 2017	6.3k	6.3k	Nil	+1500
Hunter Water	Nov 2017	4.6k	4.3k	+300	+1400
Lower Murray Water	May 2014	4.1k	4.1k	Nil	+100
Gippsland Water	Feb 2014	3.7k	3.6k	+100	+900
Riverina Local Land Services	April 2012	3.6k	3.5k	+100	+300
South East Water Melbourne	August 2011	3.2k	3.1k	+100	+200
Fusion Wagga	August 2013	2.3k	2.3k	Nil	Nil
North East Water	August 2013	2.3k	2.2k	+100	+100
Federation Council	May 2015	2.2k	2k	+200	+ 100
Riverina Water	Sep 2018	2062	2040	+22	+261
City West Water	Feb 2015	2k	1.9k	+100	+100
Lockhart Shire Community	April 2014	1.8k	1.7k	+100	+200
Greater Hume Council	June 2012	1.7k	1.7k	Nil	+100
Goldenfields Water	Jan 2018	1.6k	1.6k	Nil	+100
Visit Lockhart Shire	Sep 2011	1.6k	1.5k	+100	+100
Wannon Water	March 2017	1.1k	1.1	Nil	+100
East Gippsland Water	August 2011	921	906	Stable	Stable
Central Tablelands Water	June 2016	518	494	Stable	Stable

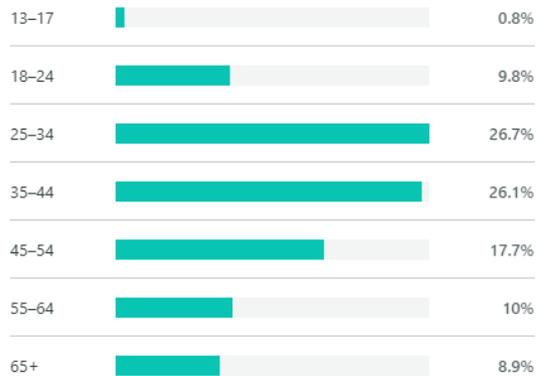
Note: Stable growth is less than 100 likes per quarter.

Facebook growth overview and audience snapshot

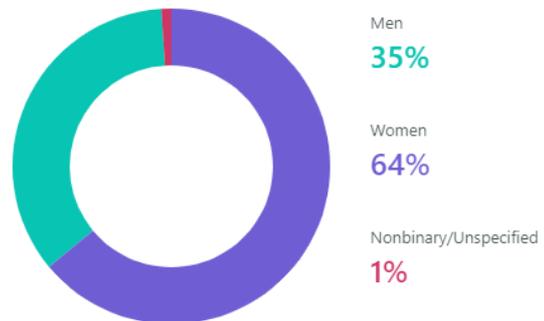


Audience Metrics	Totals	% Change
Fans	2,063	↑1.13%
Net Page Likes	24	↘90.66%
Organic Page Likes	41	↘84.70%
Paid Page Likes	0	→0.00%
Page Unlikes	17	↑54.55%

Audience by Age



Audience by Gender



Women between the ages of **25-34** appear to be the leading force among your fans.

Audience Top Countries

Country	Count
Australia	2,048
Malaysia	2
Nepal	2
Philippines	2
Canada	1

Audience Top Cities

City	Count
Wagga Wagga, NSW, Australia	1,254
Albury, NSW, Australia	158
Sydney, NSW, Australia	84
Leeton, NSW, Australia	50
Narrandera, NSW, Australia	43

Other social media channels

Instagram	
Number of posts	45 (Previous period: 32)
Total followers	747 (Previous period: 664)
New followers	+83 (Previous period: +102)
Impressions	8406 (Previous period: 12,026)
Total post likes (not including video views)	461 (Previous period: 386)
Total engagements	472 at a rate of 5.6 per cent per impression
Top post – Science and Engineering Challenge (5 March)	Likes: 18 Comments: 0 Impressions: 268

Twitter	
Number of tweets	62 (Previous period: 53)
Total followers	142 (Previous period: 137)
New followers	+5 (Previous period: +11)
Total Tweet impressions (impressions are the number of times users saw a Tweet)	11.5k (Previous period: 13.3k)
Average engagement rate (total number of clicks, retweets, replies, likes and follows divided by the total number of impressions)	1.5 per cent (Previous period: 0.7 per cent)
Average impressions per Tweet	185.7 (Previous period: 252)
Top tweet based on engagement rate – Extension of water accounts due to COVID-19 (26 March)	Impressions: 42 Engagements: 8 Engagement rate: 19 per cent

LinkedIn	
Number of posts	20 (Previous period: 14)
Total followers	409 (Previous period: 338)
New followers	+71 (Previous period: +23)
Total post impressions (this is number of people who saw each post once)	7034 (Previous period: 3876)
Average impressions per post	351.7 (Previous period: 276.8)
Top post – Oberne bushfire relief program (24 January)	Impressions: 706 Likes: 21 Engagement rate per impression: 22.4 per cent

Other digital platforms

Website	
Users	12,291 (Previous period: 13,606)
Page views	49,162 (Previous period: 56,978)
Most viewed pages	<ul style="list-style-type: none"> • Average water use – 22,395 • Homepage – 8243 • Pay your bill – 2238
Session duration	00.01.14
Top devices	Desktop – 67.89 per cent (up from 59.11 per cent) Mobile – 28.69 (down from 37.08 per cent) Tablet – 3.4 per cent (down from 3.8 per cent)

Google search
Where customers view our organisation on Google: <ul style="list-style-type: none"> • Listing on search – 1.78k (previous 2.2k) • Listing on maps – 8.7k (previous 3.3k)

Summary of media performance

Media coverage during this quarter celebrated a diverse mix of achievements by Riverina Water.

The progress of the major infrastructure works at Willans Hill proved popular, as did the Board's commitment to keeping water charges on hold for 2020-21. Riverina Water also had positive media coverage regarding its contribution to South Wagga Rotary's project in Nepal, including staff member Stephen McIntyre's work on the ground.

Content and coverage	
Media releases	5
Media opportunities	1
Media enquiries	10

Details of media coverage

This includes known media coverage from enquiries, media opportunities or releases only.

Date	Media outlet	Coverage/topic
14 April	ABC Riverina	Update on PFAS tests
27 April	Daily Advertiser	Draft budget/DPOP on exhibition
29 April	Daily Advertiser	Draft water restrictions policy
1 May	Triple M Riverina	Draft water restrictions policy
6 May	LG Focus	Willans Hill reservoirs project
7 May	Daily Advertiser & 9 Riverina	Willans Hill reservoirs project
12 May	Daily Advertiser & 9 Riverina	Dividend payment request
15 June	Prime7	Nepal program

Financial Implications

Nil

Risks Considerations

Reputation	
Averse	Council is averse to taking risks that may adversely impact its reputation

R23 Council Resolution Sheet

Organisational Area General Manager

Author Andrew Crakanthorp, General Manager

Summary The report provides an update on the current resolutions of Council

RECOMMENDATION that the report detailing the current resolutions of Council be received

Report

The attachment to this report provides details on the implementation of Council resolutions.

› **R23.1 Council Resolution Sheet 26 August 2020**

Financial Implications

Nil

Risks Considerations

Corporate Governance and Compliance	
Avoid	Council will avoid risks relating to corporate governance and compliance including procedural/policy, legal and legislative compliance

Council Resolution Sheet Update to meeting held 26 August 2020

Report Reference	Subject	Responsible Officer	Council Decision	Action Taken
Meeting held 18 October 2018				
18/167	Purchase of Land for Storage and Potential Access	DE	<p>RESOLVED, on the motion of Clrs. Braid and Funnell that:</p> <p>(a) Council purchases land zoned RU1 bordering Koorngal Road, comprised of: Part Lot 5, DP 588177 Part Lot 17, DP 863322 Part Lot 15, DP 842485 for operational and access requirements in accordance with Section 187 of the Local Government Act 1993.</p> <p>(b) Council purchase land zoned RU1 and IN2 land bordering Koorngal Road, comprised of: Part Lot 5, DP 588177 Part Lot 17, DP 863322 for operational and access requirements in accordance with Section 187 of the Local Government Act 1993.</p>	<p>The plan of survey of the land to be purchased has been completed. The current owner is responsible for lodging a subdivision application and this process has commenced. Exchange of the contracts took place in June and settlement is expected later this year. The current owners have been asked to redirect a stormwater pipe that directs stormwater on to the land to be acquired prior to settlement taking place. Settlement is taking longer than anticipated</p>
18/168	PFAS matter	DE	<p>RESOLVED on the motion of Clrs. Funnell and Quinn that the report be received and that Council be kept apprised of further developments in the management of the matter.</p>	<p>A report on this matter will be provided when new information is presented to Council. Councils Manager Operations attends the regular meeting of the Project Committee</p>
Meeting held 26 June 2019				
19/103	Contract W.195 – Water Treatment Plant (WTP) Contract Variation	DE	<p>RESOLVED on the motion of Clrs. Funnell and Meyer OAM that Council note the report and proceed with Option 4 as outlined in the body of this report.</p>	<p>The contract was terminated by Council in late March 2020. UGL lodged a claim under the Security of Payment Act seeking payment by Council of an amount of \$2.66m. A decision by an independent adjudicator found</p>

				that UGL had no claim to be paid any money by Council. UGL have subsequently commenced further legal action which Council is preparing to defend.
Meeting held 21 August 2019				
19/133	Land Purchase – Pleasant Hills Water Filling Station Relocation	DE	Resolved on the motion of Clrs Quinn and Meyer OAM that Council enter into an agreement with Lockhart Shire Council (LSC) to purchase Lot 10, DP 9145, Manson Street, Pleasant Hills in Lockhart Shire Council's name, with Riverina Water bearing the cost of purchase and associated conveyancing costs.	Settlement occurred on 21 February 2020. The matter was delayed while an easement was removed from the title. Construction of the water filling station has now been commenced and is nearing completion.
Meeting held 30 October 2019				
19/151	Annual Customer Survey	GM	Resolved on the motion of Clrs Funnell and Keenan that <ul style="list-style-type: none"> a. Council consider possible amendments to the Riverina Water County Council Proclamation and authorise the General Manager and Chairperson to write to the Minister requesting the desired amendments in the form of a survey every two years; and 	A report on this matter is included in this business paper
19/163	Purchase of land for future operational purposes	DE	Resolved on the motion of Clrs Koschel and Funnell that Council <ol style="list-style-type: none"> 1. Purchase land zoned RU1 and B6 at 45 Koorringal Rd, comprising of: <ul style="list-style-type: none"> Lot 1, DP 136233 Lot 1, DP 154512 Lot 2, DP 154512 Lot 3, DP 542294 for operational requirements in accordance with Section 187 of the Local Government Act 1993. Refer to Appendix 2, land shaded blue and red on aerial image.	Negotiations with the owners have concluded with a positive outcome. Contracts have been exchanged and a deposit paid by Council. Council is now purchasing a smaller parcel of land that will allow the proposed project to proceed. Settlement will occur in late August

Meeting held 18 December 2019				
19/200	Proposed Purchase of Water Licence – Mid Murrumbidgee Groundwater – Wagga Wagga Alluvial	DE	Resolved on the motion of Ctrs. Quinn and Meyer OAM that Council authorise the General Manager to negotiate the purchase and execute the permanent sale of the 200ML water licence in the Mid Murrumbidgee Groundwater-Wagga Wagga Alluvial in the amount of \$300,000. Further that funding for any negotiated purchase be included in the December quarterly review.	Council settled the purchase of the water licence in August 2020.
Meeting held 22 April 2020				
20/038	Naming of Council Room	GM	That Council be furnished with the report as resolved in December 2012 which stated: "that a comprehensive report be submitted to Council on the means of recognition of people that have made a significant contribution to Riverina Water County Council".	A report on this matter is included in this business paper

R24 Works Report covering June 2020

Management Area Engineering

Author Bede Spannagle, Director Engineering

Summary This report provides an overview of water usage, connections, maintenance and water quality matters from 1 – 30 June 2020

RECOMMENDATION that the Works Report covering June 2020 be received and noted

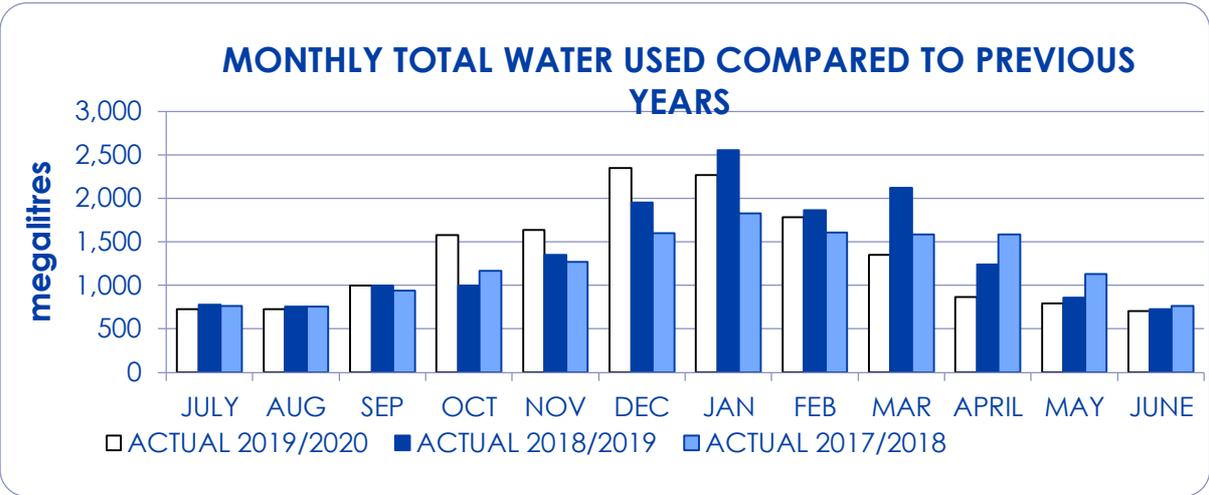
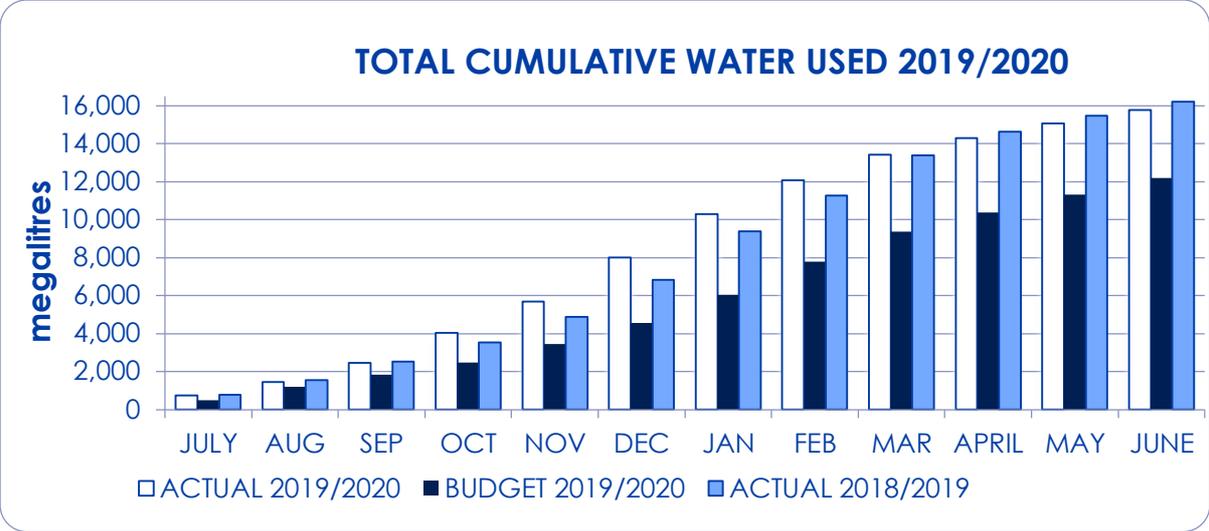
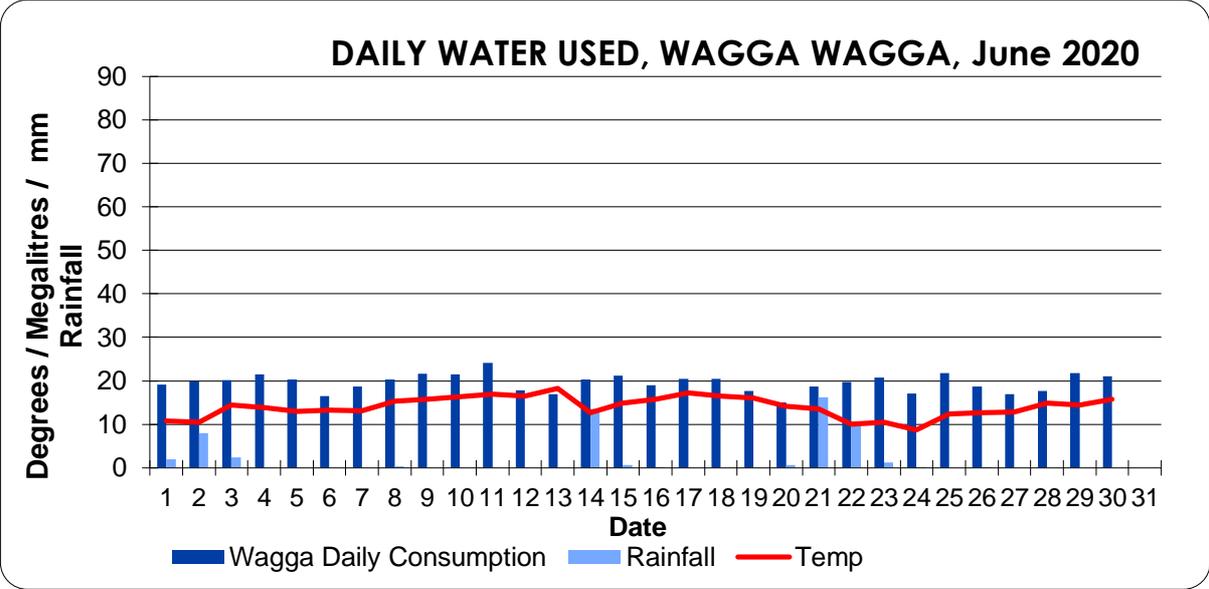
Report

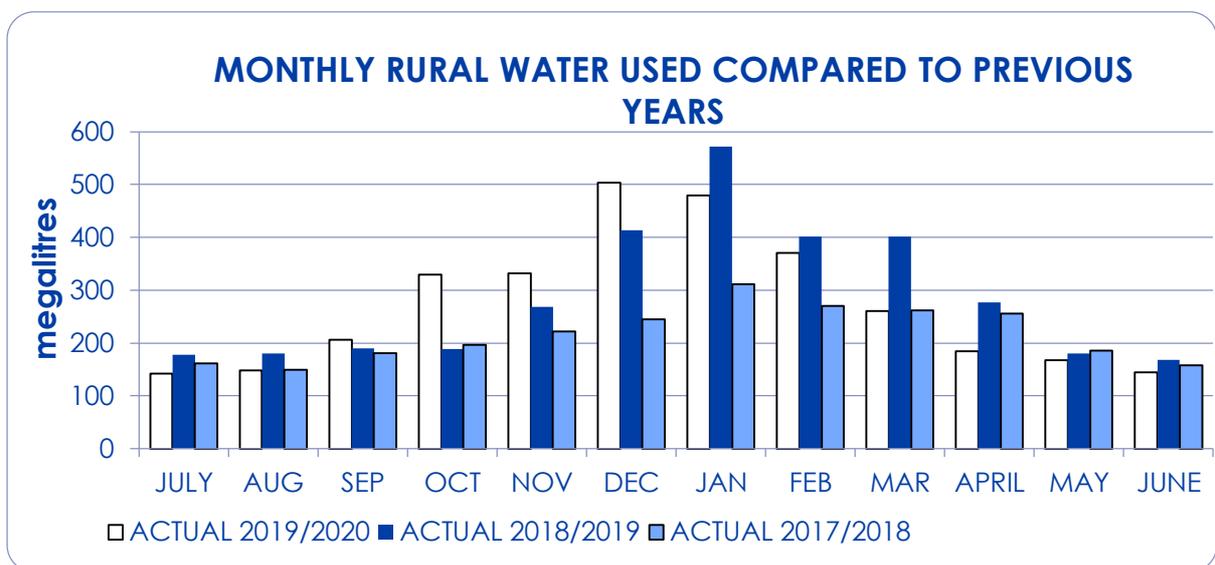
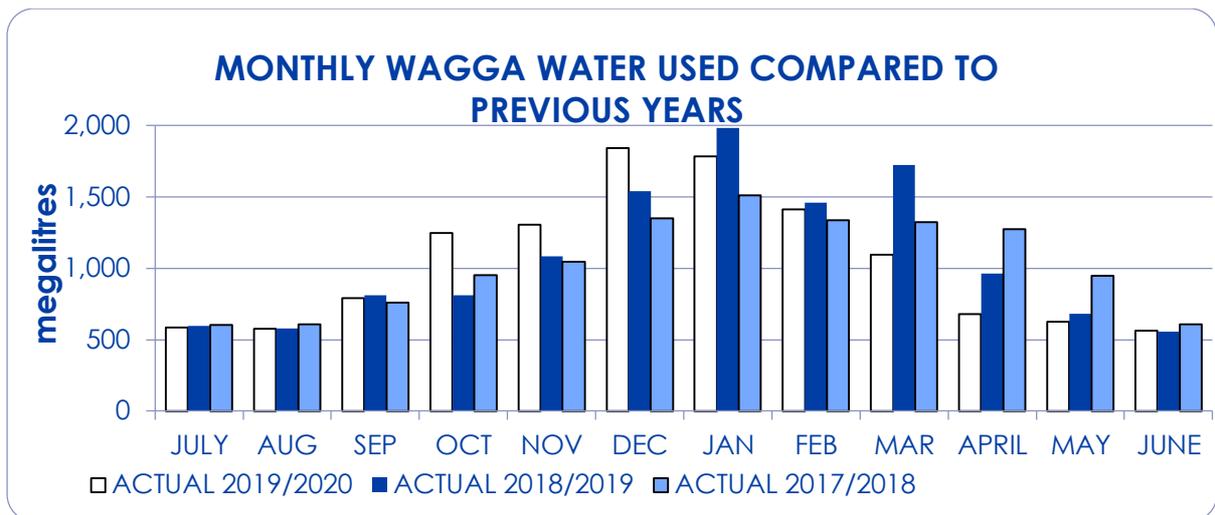
This report provides an overview of water usage, connections, maintenance and water quality matters from 1 – 30 June 2020

Water Sourced and Used

	2018	2019	2020
Rainfall	4.0	45.0	55.2
Wet days	3	14	13
Water sourced June 2020 (MI)			
North Wagga bores	156.12	165.88	155.94
West Wagga bores	316.38	74.07	129.22
East Wagga bores	266.79	354.98	377.15
Murrumbidgee River	0.00	106.57	0.00
Sub Total	739.29	701.50	662.31
Bulgary bores	22.81	18.90	21.81
Urana source	0.00	0.00	0.00
Ralvona bores	13.0	12.82	14.75
Walla Walla bores	0.00	0.00	0.00
Goldenfields Water Supply System	1.26	2.26	2.74
Sub Total	37.07	33.98	39.30
Woomargama	1.42	0.80	0.86
Humula	0.17	0.28	0.40
Tarcutta	2.17	2.33	2.25
Oura	1.63	1.61	1.45

	2018	2019	2020
Walbundrie / Rand	1.88	1.84	2.18
Morundah	0.35	0.43	0.38
Collingullie	3.40	3.68	3.53
Sub Total	11.02	10.97	11.05
Totals	787.38	746.45	712.66
Water used June 2020 (MI)			
East Bomen	19.07	20.26	11.59
Estella	42.04	38.83	47.07
North Wagga	75.89	66.66	76.99
Wagga Wagga – low level	135.90	100.14	93.72
Wagga Wagga – high level	287.26	293.32	294.19
Wagga Wagga – Bellevue level	46.89	38.77	39.69
Sub Total	607.05	557.98	560.92
Ladysmith system	3.35	3.17	2.61
Brucedale scheme	13.3	27.97	21.07
Currawarna scheme	7.36	16.98	6.92
Rural Southern trunk main system	86.6	71.28	66.19
Rural Western trunk main system	23.28	25.24	21.9
Sub Total	133.87	144.64	118.69
Holbrook	13.00	12.84	14.69
Woomargama	1.42	0.80	0.86
Humula	0.17	0.28	0.40
Tarcutta	2.17	2.23	2.35
Oura	1.63	1.61	1.45
Walbundrie / Rand	1.88	1.84	2.18
Morundah	0.35	0.56	0.36
Collingullie	3.40	3.40	3.80
Sub Total	24.02	23.56	26.09
Totals	764.94	726.18	705.70





New Service Connections, Repairs, Meters, Locations and Complaints

Location	New connect – residential	New connect – non-residential	Services renewed	Services repaired	Quality complaints	Supply complaints *	Customer dealings complaints	Other complaints	Frost damage	Meter or Metercock fault	Leaking valves or hydrants	Locations
Wagga Wagga	13	1	3	13	7	4				56	10	6
Wagga Wagga			2	3						12	3	4
Forest Hill										2		
North Wagga			1							2	3	1
Estella	2				1							

Location	New connect – residential	New connect – non-residential	Services renewed	Services repaired	Quality complaints	Supply complaints *	Customer dealings complaints	Other complaints	Frost damage	Meter or Metercock fault	Leaking valves or hydrants	Locations
Koorlingal		1		2						10		
Turvey Park	1			1						4	1	1
Lake Albert	2				1	1				3		
Ashmont				2						12		
Tolland				1	1	2				4		
Mount Austin				1						4	2	
Bourkelands					1							
Tatton						1						
Glenfield Park				1	2					3	1	
Lloyd	3			1								
Springvale				1	1							
Boorooma	4											
Gobbagombalin	1											
Brucedale	2				1							
Euberta						1						
Ladysmith	1											
Oura										1		
Tarcutta										1		
The Gap												1
Lockhart	1		23	2								
Pleasant Hills						1						
The Rock				2						1	3	
Uranquinty					1							
Yerong Creek			1									
Culcairn				1								
Henty						1						
Holbrook									1	1	1	
Woomargama						1						

Location	New connect – residential	New connect – non-residential	Services renewed	Services repaired	Quality complaints	Supply complaints *	Customer dealings complaints	Other complaints	Frost damage	Meter or Metercock fault	Leaking valves or hydrants	Locations
Urana				2								
Total	17	1	27	20	9	8	0	0	1	60	14	7

Water System Repairs

Wagga Wagga								
Date	Location	Town	Main type	Cause	Live repair	Outage duration time	Customers affected	Water lost (KI)
26/06/2020	82 Plumpton Road	Wagga Wagga	75 AC	Pipe Failure - Ground Movement	Yes			3
29/06/2020	163 Bourke Street	Wagga Wagga	100 AC	Leaking collar	No		15	5

Rural								
Date	Location	Town	Main type	Cause	Live repair	Outage duration time	Customers affected	Water lost (KI)
3/06/2020	1606 Pattersons Road	Brucedale	50 PVC	T/ Band Broken/ Leaking	No		15	5
19/06/2020	Chaplins Lane	The Rock	40 PE	Pipe Failure - Ground Movement	Yes			9
20/06/2020	11 South Street	Henty	100 AC	Leaking collar	No			1
26/06/2020	Holbrook Road	Morven	150 AC	Pipe Failure - Ground Movement	Yes			47

Water Quality Complaints

Date	Location	Problem	Action taken
1/06/2020	7 Hakea Place, Springvale	Dirty water, WWCC filled truck which dislodged sediment	Maintenance flushed water main until clear
5/06/2020	28 Mima Street, Glenfield Park	Dirty water	Maintenance flushed service, was clear
5/06/2020	35 Mima Street, Glenfield Park	Dirty water	Maintenance flushed service was clear
12/06/2020	31 Pugsley Avenue, Estella	Cloudy water	Maintenance flushed service until clear owner happy with that
18/06/2020	81 Raye Street, Tolland	Dirty water	Maintenance told owner to replace old gal pipe with copper and when they do we will replace our side
19/06/2020	Wagga Country Club, Lake Albert	Dirty water	Maintenance went into clubhouse and they said it has cleared up no problem
24/06/2020	29 Werribee Road, Bourkelands	Dirty water	Maintenance flushed service at meter, nothing came from meter and water was clear
27/06/2020	Ben Street, Uranquinty	Dirty water. The whole town needs flushing?	Flushed the dead end; turbidity was over 50 – flushed until 9.46, chlorine 0.89

Mains Extensions and New Works

Location	Project	63	150	200	450	600
		PE	DICL	DICL	DICL	DICL
Estella	Pumping main				302	
Low Level	Reservoir connection					42
Governors Hill	Subdivision		6	30		
Mary Gilmore Road	Reticulation	500				

Replacement of Existing Mains

Location	Project	100		250		300	
		OPVC	DICL	OPVC	DICL	OPVC	DICL
Collingullie	Reticulation	12					
Lockhart	Reticulation	336					
Farrer Road	Pumping Main				12		

Other Construction

Nil to report

Major Repairs / Overhauls

Location or Project	Work done
Wagga WTP- Raw water pump station	Remove pumps 2 & 3 for overhaul
Morundah WTP filters	Drain & clean& recommission
Bulgary Aeration basin	Drain, clean & recommission
Wagga WTP lamella tanks 1 & 2	Drain, clean, overhaul sludge scraper
Wagga WTP flocculation chambers	Drain, clean & recommission

Water Filling Station Activity

Location	Number of fills
Bomen Hereford Street	92
Estella Farrer Road	20
Forest Hill Elizabeth Avenue	58
Glenfield Red Hill Road	69
Holbrook Millswood Road	15
Lake Albert Plumpton Road	40
Lockhart Napier Road	10
Pleasant Hills Manson Street	6
The Rock	17
Walla Walla Short Street	3
Woomargama Murray Street	3
Yerong Creek Finlayson	2

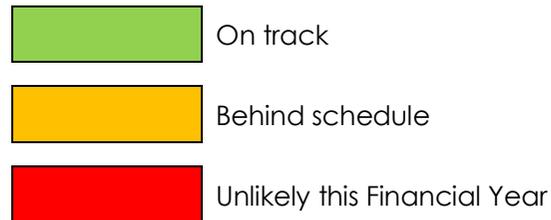
Fleet Disposals

Nil to report

Fleet Acquisitions

Vehicle No	Tenders received	Accepted Tenderer	Vehicle type	Make/Model	Price ex GST
418	4	Wagga Motors	Ute	Isuzu D-Max	\$29,357.27
419	4	Wagga Motors	Ute	Isuzu D-Max	\$34,545.45
420	4	Wagga Motors	Ute	Isuzu D-Max	\$34,545.45
421	4	Wagga Motors	Ute	Isuzu D-Max	\$35,108.18
422	4	Wagga Motors	Ute	Isuzu D-Max	\$33,574.55
423	4	Griffith Motor Group	Wagon	Misubishi Outlander	\$32,640.00
424	2	Hillis Motor Group	Wagon	Ford Ranger Wildtrak	\$48,730.91

Major Capital Projects Progress (over \$100,000)



Description	2019/20 Budget	Actual & Committed to Date	Comments
MANAGEMENT			
Depot Buildings			
Refurbishment of Operations Office – Urban	\$120,000	\$131,998	See July report
Fitout new Council meeting room in new depot building	\$188,740	\$214,332	Completed
Depot Building The Rock – Non-Urban	\$180,000	\$87,893	See July report
Land and Buildings for Admin, Depot and Workshops			
Access, Parking and Landscaping			
Levee protection stage 2 Hammond Avenue – Urban	\$365,600	\$391,160	Construction of the concrete block wall completed and joint sealing 80% complete. Entrance footing 30% complete.
Koorringal Road purchase	\$127,399	\$123,313	Acquisition will proceed once stormwater works completed by owner.
Forge & Copland Street Development	\$220,000	\$165,533	Complete
Copland Koorringal Road land purchase	\$140,272	\$140,272	Complete

Description	2019/20 Budget	Actual & Committed to Date	Comments
PLANT AND EQUIPEMENT			
IT Equipment			
Computer Server Replacement – Urban	\$100,000	\$117,898	Complete.
Computer Equipment – Urban	\$127,570	\$153,950	All 2020 Computer Equipment Urban upgrades complete. Budget overspend due to Computer replacements being bought forward due to WFH requirements as a result of Covid-19.
Working Plant and Vehicle Purchases			
Routine plant and vehicle replacements	\$1,372,013	\$1,107,150	Some plant and vehicles were not replaced due to supply issues related to COVID.
Telemetry and Control Systems Upgrade			
Radio Telemetry SCADA Upgrade	\$167,207	\$217,749	Behind schedule due to delivery issues with replacement RTUs
Remote Telemetry Units and Radio Upgrade project	\$500,000	\$434,153	As above
Energy Efficiency and Cost Minimisation			
Energy Efficiency and Power Factor Improvements	\$150,973	\$144,174	Detailed design commenced.
INTANGIBLES			
Water Licences			
200ML Groundwater Purchase	\$300,000	\$301,757	Final settlement of purchasing 200ML Wagga Alluvial Groundwater is complete

TREATMENT PLANTS			
Aeration Tower Covers			
East Wagga Aeration Basin cover – Urban	\$101,168	\$122,003	Aeration cover completed
West Wagga Aeration Roof Replacement / Cover	\$235,000	\$262,040	See July report
Treatment Plant Refurbishments			
WTP stage 1 – Urban	\$470,592	\$359,960	See July report.
Roads	\$100,000	\$96,327	See July report.
Tarcutta Iron Filter Replacement	\$100,000	\$96,842	Replacement iron filters oniste
RESERVOIRS			
New / Replacement Reservoirs			
Main Low Level Reservoir 2 x 11ML Investigation and Design – Urban	\$4,939,225	\$5,046,938	Hornick contract for reservoir construction completed. Anti-graffiti coating applied to walls, security cameras ordered.
Glenoak Res 2 x 4.5ML – construction	\$1,859,396	\$1,785,334	Complete
Walbundrie Reservoir Replacement	\$113,052	\$116,283	Construction of Reservoir 1 complete.
MAINS			
System Improvements			
System Improvements – Urban	\$200,000	\$207,038	Completed
San Isidore Main	\$200,000	\$189,195	Completed
WW WTP 600mm DICL Koorringal Road	\$300,000	\$204,551	Consultant engaged for land matters.
Estella to CSU 450mm DICL	\$350,000	\$884,372	Completed. Overspend due to increased scope from bringing forward next stage and costs carried from previous stage.

Reticulation for Developers (including other extensions)			
Reticulation for Developers – Urban	\$650,000	\$649,924	Completed
Renew Reticulation Mains			
Renew Reticulation Mains – Non-Urban	\$148,843	\$158,787	Completed
Renew Reticulation Mains – Urban	\$400,000	\$386,845	Completed
The Gap / Brucedale System – Non-Urban	\$150,000	\$175,346	Completed
East Street, North Wagga	\$100,000	\$114,225	Completed
Renew Trunk Mains			
Renew Trunk Mains – Urban	\$116,088	\$137,834	Completed
Renew Trunk Mains – Non-Urban	\$100,000	\$135,048	Completed
The Rock-Milbrulong BT Trunk Mains Replacement	\$464,143	\$453,589	Completed
Realign Mains – GHSC	\$200,000	\$220,675	Completed
Service Connections, new including Meters			
Service Connections, New – Urban	\$400,000	\$407,493	Completed
Renew Services			
Renew Services – Urban	\$110,000	\$124,285	Completed
Water Meters Replacement			
Water meters replacement – Urban	\$150,000	\$168,971	Completed

R25 Works Report covering July 2020

Management Area Engineering

Author Bede Spannagle, Director Engineering

Summary This report provides an overview of water usage, connections, maintenance and water quality matters from 1 – 31 July 2020

RECOMMENDATION that the Works Report covering July 2020 be received and noted

Report

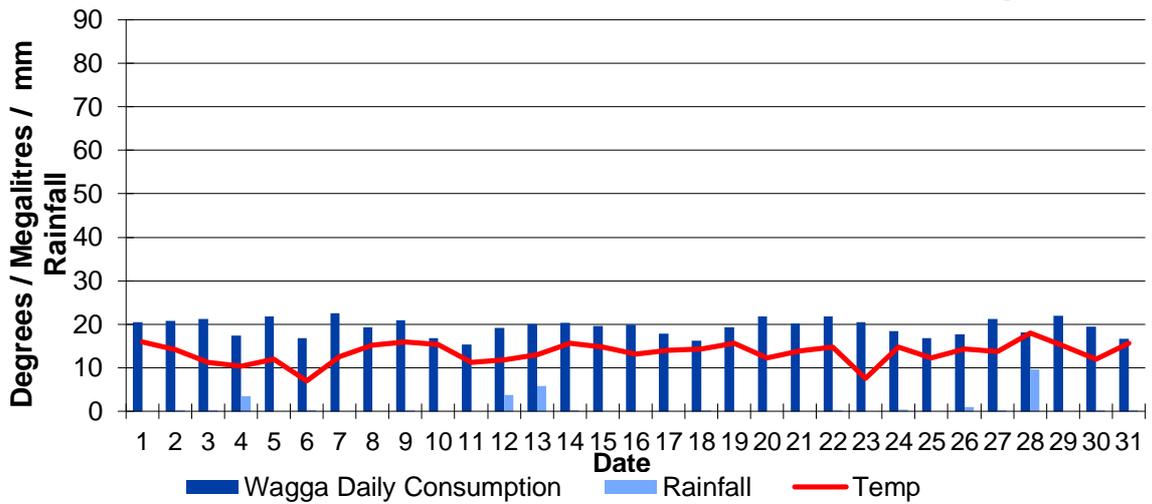
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Water Sourced and Used

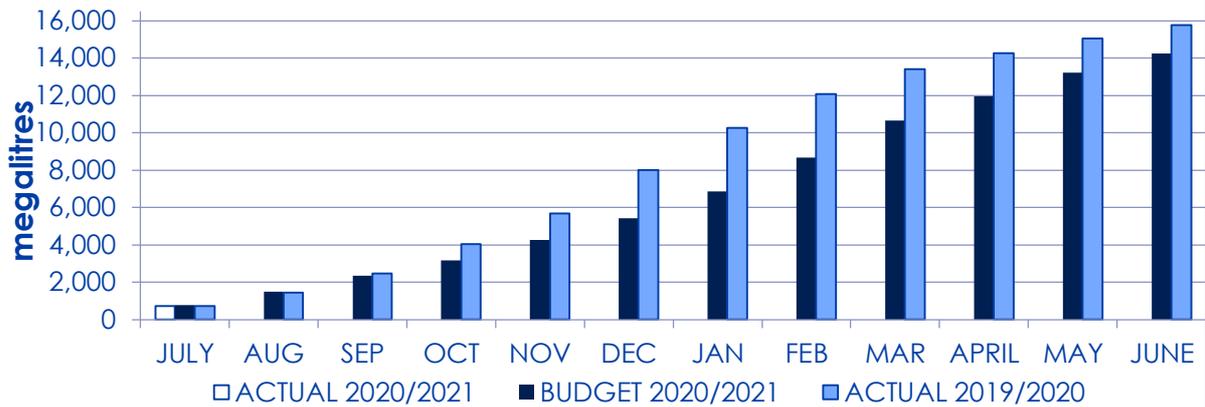
	2018	2019	2020
Rainfall	4.0	22.6	26.0
Wet days	3	15	16
Water sourced July 2020 (MI)			
North Wagga bores	156.12	173.21	164.48
West Wagga bores	316.38	79.83	326.79
East Wagga bores	266.79	323.00	162.53
Murrumbidgee River	0.00	136.43	39.00
Sub Total	739.29	712.47	692.80
Bulgary bores	22.81	18.77	24.40
Urana source	0.00	0.00	0.00
Ralvona bores	13.00	13.92	13.83
Walla Walla bores	0.00	0.00	0.00
Goldenfields Water Supply System	1.26	2.01	0.00
Sub Total	37.07	34.70	38.23
Woomargama	1.42	0.83	0.80
Humula	0.17	0.58	0.37
Tarcutta	2.17	2.45	2.19
Oura	1.63	1.75	1.59

	2018	2019	2020
Walbundrie / Rand	1.88	1.54	2.14
Morundah	0.35	0.43	0.39
Collingullie	3.40	2.67	6.94
Sub Total	11.02	10.25	14.42
Totals	787.38	757.42	745.45
Water used July 2020 (MI)			
East Bomen	19.07	20.14	25.11
Estella	42.04	54.19	47.08
North Wagga	75.89	79.52	69.41
Wagga Wagga – low level	135.90	104.02	98.52
Wagga Wagga – high level	287.26	292.75	287.74
Wagga Wagga – Bellevue level	46.89	35.72	39.77
Sub Total	607.05	586.34	567.63
Ladysmith system	3.35	2.92	2.60
Brucedale scheme	13.30	12.23	18.34
Currawarna scheme	7.36	6.97	7.42
Rural Southern trunk main system	86.6	71.20	75.48
Rural Western trunk main system	23.28	24.76	26.50
Sub Total	133.87	118.08	130.34
Holbrook	13.00	13.95	13.77
Woomargama	1.42	0.83	0.80
Humula	0.17	0.58	0.37
Tarcutta	2.17	2.40	2.23
Oura	1.63	1.75	1.59
Walbundrie / Rand	1.88	1.54	2.14
Morundah	0.35	0.44	0.33
Collingullie	3.40	2.67	5.89
Sub Total	11.02	24.16	27.12
Totals	764.94	728.58	725.09

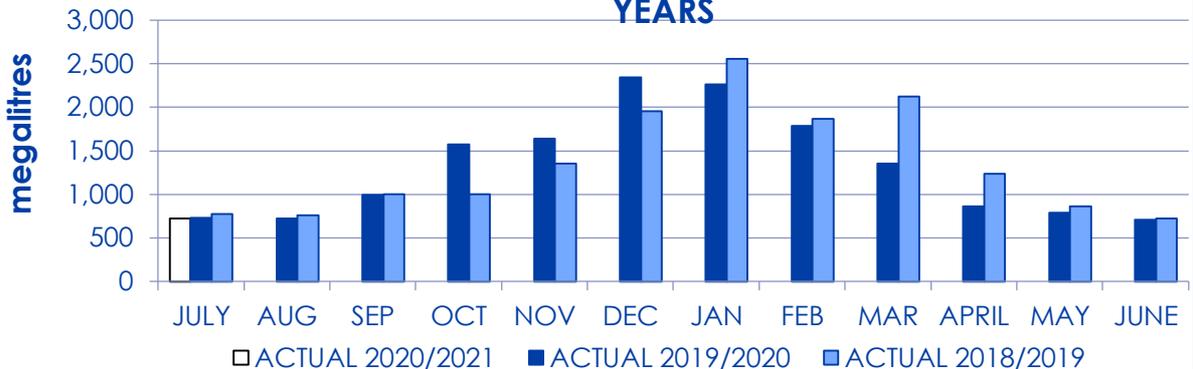
DAILY WATER USED, WAGGA WAGGA, July 2020

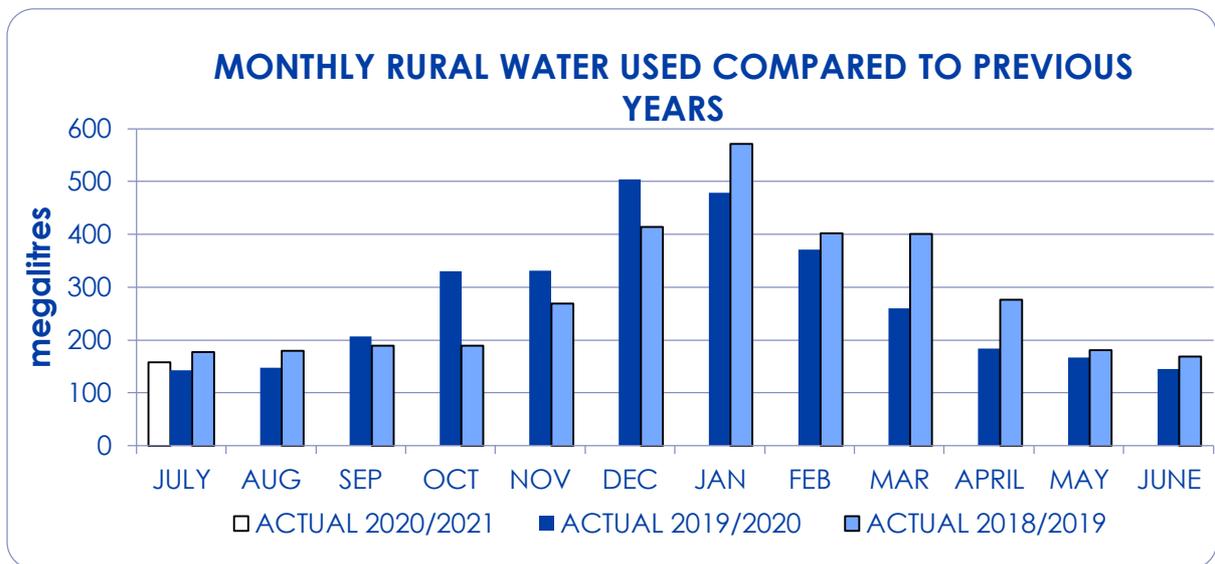
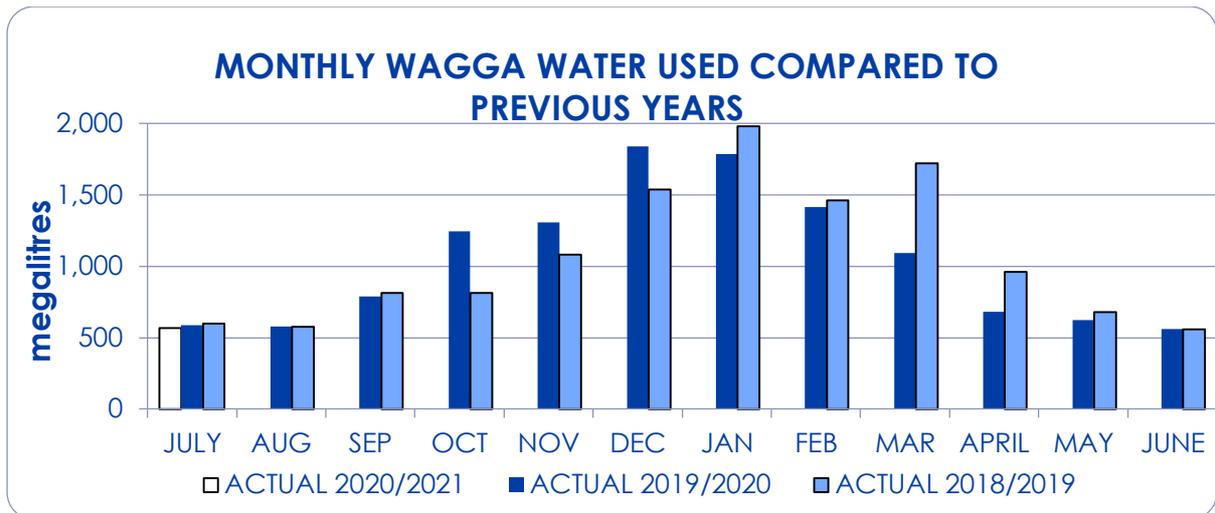


TOTAL CUMULATIVE WATER USED 2020/2021



MONTHLY TOTAL WATER USED COMPARED TO PREVIOUS YEARS





New Service Connections, Repairs, Meters, Locations and Complaints

Location	New connect – residential	New connect – non-residential	Services renewed	Services repaired	Quality complaints	Supply complaints*	Customer dealings complaints	Other complaints	Frost damage	Meter or Metercock fault	Leaking valves or hydrants	Locations
Wagga Wagga	30	6	10	15	15	3				42	9	7
Wagga Wagga	1		5	4	5	1				12	6	5
Forest Hill	1			1	1					2		
North Wagga			3	1						1		
Bomen										1		

Location	New connect – residential	New connect – non-residential	Services renewed	Services repaired	Quality complaints	Supply complaints *	Customer dealings complaints	Other complaints	Frost damage	Meter or Metercock fault	Leaking valves or hydrants	Locations
Estella	3	2										
Koorinal				2	1	1				3		
Turvey Park	1			1						3	1	
Lake Albert	1		2	1						4		
Ashmont				2						6		
Tolland										3		
Mount Austin				2	1					2		
Bourkelands	1									1	1	1
Tatton										1		1
Glenfield Park				1	6					1		
Lloyd	6				1					1		
East Wagga		4									1	
Boorooma	1											
Moorong						1						
Gobbagombalin	15											
Gumly Gumly										1		
Brucedale				1						2		
Ladysmith	1									1		
Oura					1							
Collingullie		1								3		
Lockhart					2							
Mangoplah										1	1	
Bidgeemia				1								
The Rock											1	
Uranquinty		1								2		
Henty	1			2						1		
Holbrook	2		1	3						3	1	1
Walbundrie					1							

Location	New connect – residential	New connect – non-residential	Services renewed	Services repaired	Quality complaints	Supply complaints *	Customer dealings complaints	Other complaints	Frost damage	Meter or Metercock fault	Leaking valves or hydrants	Locations
Walla Walla				1								
Oaklands									2			
Urana				1		1						
Total	34	8	11	23	19	4	0	0	2	55	12	8

Water System Repairs

Wagga Wagga								
Date	Location	Town	Main type	Cause	Live repair	Outage duration time	Customers affected	Water lost (KI)
1/07/2020	Willans Hill and Captain Cook Drive - Fire Trail	Wagga Wagga	75 AC	Pipe Failure - Ground Movement	No			3
1/07/2020	Hampden Avenue	North Wagga	100 AC	Tree Roots	Yes			10
13/07/2020	Henwood Park	Koorlingal	100 AC	Pipe Failure - Ground Movement	No			20

Rural								
Date	Location	Town	Main type	Cause	Live repair	Outage duration time	Customers affected	Water lost (KI)
1/07/2020	91 Railway Parade	Culcairn	150 BPVC	Pipe Failure - Ground Movement	Yes			23
5/07/2020	County Boundary Road	Milbrulong	80 PVC	Pipe Failure (not specified)	Yes			0
6/07/2020	58 Drummond Street	Lockhart	100 AC	Leaking collar	No			1

7/07/2020	Olympic Highway	Henty	200 AC	Pipe Failure (not specified)	No			1,004
7/07/2020	The Gap Road	The Gap	100 WPVC	Leaking collar	No		1	10
9/07/2020	Kings Road and Holly Road intersection	Lockhart	40 PE	Pipe Failure (not specified)	No			0
28/07/2020	Osborne Pleasant Hills Road	Osbourne	40 PE	Pipe Failure - Ground Movement	Yes			12

Water Quality Complaints

Date	Location	Problem	Action taken
8/07/2020	18 Day Street, Lockhart	Murky brown water at Lockhart pre-school.	Remove meter and flush service.
8/07/2020	290 Kincaid Street, Wagga Wagga	Brown/discoloured water coming out of the taps	Water has settled down now, WWCC were working in the area drawing water with standpipe
8/07/2020	16 Shaw Street, Wagga Wagga	Brown water, please check water meter. Dog on premises call Roseanna before entering the property.	Water has settled down now, WWCC were working in the area drawing water with standpipe
9/07/2020	12 Freer Street, Wagga Wagga	Dirty Water	Flushed main until clear and went and seen owner at No 12 all good. Turbidity was 3.3
9/07/2020	34 Castlereagh Avenue, Mount Austin	Yellow / dirty water at water meter.	Problem is old gal pip on customers side the tenants did not understand English, we contacted owner
9/07/2020	15 Spring Street, Wagga Wagga	Dirty Water	Flushed main until clear
9/07/2020	39 Spring Street, Wagga Wagga	Dirty water through all taps.	Flushed service connection cleared quickly, mostly likely from us flushing end of the street
11/07/2020	92 Drummond Street, Lockhart	Dirty water	Flush main and service.

14/07/2020	39 Bamarook Crescent, Glenfield Park	Burst Main	Repaired burst 100mm AC water main repaired burst 100mm AC main
15/07/2020	34 Billabong Street, Wallbundrie	Bad Odour in Bathroom	Tested water. All within ADWG
20/07/2020	Parkin Road, Oura	Water leaking side of the road	Cut out and replaced 1metre of 40 mm blue line
21/07/2020	Yerong Creek Rd, Osbourne	Large puddle of water on the road near Osborne Football ground (approx. 500m west.	Cut out split 32mm PE joiner
22/07/2020	72 Paldi Crescent, Glenfield Park	Discoloured water and air	Flushed mains.
23/07/2020	70 Paldi Crescent, Glenfield Park	Dirty Water	Maintenance crew are out flushing Glenfield
23/07/2020	35 Mima Street, Glenfield Park	Dirty Water	Maintenance crew are out flushing Glenfield
23/07/2020	28 Mima Street, Glenfield Park	Dirty Water	Maintenance crew are out flushing Glenfield
24/07/2020	Corner Cox & Simpson Streets, Forest Hill	Burst main	Dug up and put a 100mm band on split main
24/07/2020	41 Deakin Avenue, Lloyd	Feeling unwell, possibly from water	Checked chlorine, Turbidity and pH all are within ADWG
25/07/2020	3 Manya Place, Glenfield Park	Dirty water	Flushed main.
30/07/2020	39 Bamarook Crescent, Glenfield Park	Dirty water on and off during July and prior. Internal and external taps.	Gal pipe on their side of meter

Replacement of Existing Mains

Location	Project	63	100		150	
		PE	OPVC	DICL	OPVC	DICL
Doig's Lane, Osbourne	Mains replacement	4000				
Beck's Lane	Mains replacement		2226	18		
Cox Ave Forest Hill	Mains replacement			310		

Other Construction

Location or Project	Work done
Estella Rd Estella	150mm Fire service to new school
Cox Ave	19 Service renewals with main replacement

Major Repairs / Overhauls

Location or Project	Work done
Tarcutta WTP	High lift #2 overhauled
10 MG pump station	High lift #4 overhauled
Urana WTP	Clean filter media
Brucedale pump station	Repair and overhaul pressure reducing valve

Water Filling Station Activity

Location	Number of fills
Bomen Hereford Street	67
Estella Farrer Road	12
Forest Hill Elizabeth Avenue	38
Glenfield Red Hill Road	66
Henty Olympic Way	13
Holbrook Millswood Road	26
Lake Albert Plumpton Road	26
Lockhart Napier Road	20
Pleasant Hills Manson Street	1
The Rock	9
Yerong Creek Finlayson	6

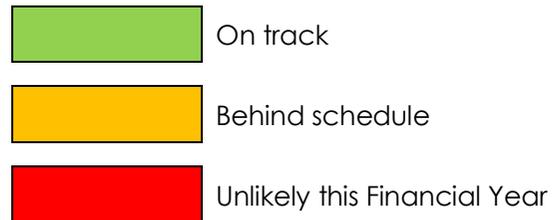
Fleet Disposals

Nil to report

Fleet Acquisitions

Nil to report

Major Capital Projects Progress (over \$100,000)



Description	2019/20 Budget	Actual & Committed to Date	Comments
MANAGEMENT			
Administration Office			
Administration Office	\$100,000	\$896	Detailed design received and reviewed by Riverina Water staff. Feedback sent to GHD that will require some minor changes. Design to be finalised & provided to Quantity Surveyor (QS) for pricing by September.
Depot Buildings			
Refurbishment of Operations Office – Urban	\$640,000	\$1,713	Detailed design complete and QS price is \$2.42M. Project team and stakeholders are finalising construction specifications and tender schedules.

Description	2019/20 Budget	Actual & Committed to Date	Comments
Depot Building The Rock – Non-Urban	\$500,000	\$0	Detailed design was due in March however consultant experienced issues related to COVID which have delayed delivery. Architectural and Structural designs now complete. Civil, Mechanical, Electrical designs and specifications expected in September along with tender schedules. Consultant's estimate for work is \$1.8M. Once design and specifications complete QS will price. Plans for subdivision (to combine two lots) completed, signed and lodged.
Land and Buildings for Admin, Depot and Workshops			
Access, Parking and Landscaping			
Koorringal Road purchase	\$235,000	\$0	Acquisition will proceed once stormwater works completed by owner.
Forge & Copland Street Development	\$250,000	\$0	
PLANT AND EQUIPEMENT			
IT Equipment			
Computer Server Replacement – Urban	\$2,105,000	\$0	Work is yet to commence.
Computer Equipment – Urban	\$139,000	\$16,805	2021 renewal program has commenced.
Working Plant and Vehicle Purchases			
Routine plant and vehicle replacements	\$1,130,000	-\$34,621	Ongoing
Telemetry and Control Systems Upgrade			
Radio Telemetry SCADA Upgrade	\$482,000	\$44,146	Ongoing

Description	2019/20 Budget	Actual & Committed to Date	Comments
Energy Efficiency and Cost Minimisation			
Solar Pilot plant – East Wagga	\$500,000	\$0	Company named “The Energy Project” in partnership with University of Adelaide has been engaged to review and validate our proposed solar and battery project. This review is for due diligence and to provide the best chance of Arena grant funding success.
SOURCES			
Bores – Renew / Refurbish / Decommission			
Humula Well Replacement	\$150,000	\$0	Reconsidering options given test bores to replace wells were not successful
Humula Well Flood Protection	\$200,000	\$0	Reconsidering options given results of test bores and pending replacement of Humula Wells WTP incorporating greater flood resilience design
Bulgary Bore 3B - Reline & Riseless	\$180,000	\$156,712	Purchase Order issued.
TREATMENT PLANTS			
Aeration Tower Covers			
West Wagga Aeration Roof Replacement / Cover	\$108,000	\$18,810	Fabrication of eight replacement Stainless Steel towers is underway. Four towers have been fabricated and installed. Modification to platforms for access to towers completed.
Treatment Plant Refurbishments			
WTP stage 1 – Urban	\$3,750,000	\$69,142	UGL have the Notice Of Issue (NOI) for final payment claim to Expert Determination (ED). Parties have agreed on Expert for this process. The process will take a minimum of 10 weeks however both parties can apply for extensions.

Description	2019/20 Budget	Actual & Committed to Date	Comments
Roads	\$400,000	\$10,513	50% Design Issue of Civil Drawings received and reviewed. Feedback sent to GHD. Detailed civil design, construction specifications, tender schedules & QS due October.
Footpaths and Covered Walkways	\$100,000	\$0	Design incorporated in Roads project
Landscaping	\$100,000	\$0	Design incorporated in Roads project
West Wagga WTP Fluoride Plant Replacement	\$130,000	\$0	
North Wagga WTP Fluoride Plant Replacement	\$400,467	\$0	
PUMPING STATIONS			
Estella Pump Station	\$120,000	\$0	2050 IWCM Estella growth projections completed. Investigating upgrades to power supply transformer
RESERVOIRS			
New / Replacement Reservoirs			
Humula Reservoir Replacement 2x 100kL with 1x 150kL	\$150,000	\$0	
Walbundrie Reservoir #2 1x100kL with 150kL replacement	\$150,000	\$0	
The Rock Reservoir South	\$320,000	\$0	Waiting for property owner's solicitor to reply to our correspondence in relation to land acquisition.
MAINS			
System Improvements			
System Improvements – Urban	\$150,000	\$3,927	In progress

Description	2019/20 Budget	Actual & Committed to Date	Comments
WW WTP 600mm DICL Koorinal Road	\$200,000	-\$6,400	
Estella PH and Res	\$500,000	\$18,762	In progress
Reticulation for Developers (including other extensions)			
Reticulation for Developers – Urban	\$800,000	\$11,769	In progress
Renew Reticulation Mains			
Renew Reticulation Mains – Non-Urban	\$200,000	\$0	
Renew Reticulation Mains – Urban	\$400,000	-\$51,136	
The Gap / Brucedale System – Non-Urban	\$150,000	\$0	
Heydon Avenue, 250m 100mm DICL	\$150,000	\$0	
Cox Avenue, Forest Hill, 600m 100mm DICL	\$300,000	\$71,938	In progress
Doigs Lane, 6.1km 63mm PE	\$250,000	\$53,037	In progress
Renew Trunk Mains			
Renew Trunk Mains – Urban	\$200,000	\$56,802	In progress
Renew Trunk Mains – Non-Urban	\$200,000	\$581	
Sturt Highway, 4km 300mm DICL	\$800,000	\$0	
Simkin/Churchill/Sherwood 1.1km 250mm oPVC	\$550,000	\$0	
The Rock Res Trunk Main 1.2km 250mm oPVC	\$400,000	\$0	

SERVICES			
Service Connections, new including Meters			
Service Connections, New – Urban	\$500,000	\$61,828	In progress
Renew Services			
Renew Services – Urban	\$300,000	\$19,168	In progress
METERS			
Water Meters Replacement			
Water meters replacement – Urban	\$150,000	\$10,167	In progress
Remote Metering			
Smart Meters - Investigation LE, GSM2 digital comms	\$300,000	\$65,707	In progress.

M1 Minutes of Audit, Risk and Improvement Committee

Organisational Area Governance and Human Resources

Author Wendy Reichelt, Governance and Records Officer

Summary The Audit, Risk and Improvement Committee is an advisory committee of Council. This Report seeks that Council endorse the recommendations made by the Committee at its May and July 2020 meetings. Those recommendations relate to the role of the Committee in providing independent assurance and assistance to Council on financial reporting, risk management, internal controls, governance, and internal and external audit and accountability responsibilities.

RECOMMENDATION that Council endorses the recommendations contained in the minutes of the Audit, Risk and Improvement Committee meeting held on 20 May 2020 and 22 July 2020

Report

The Audit, Risk and Improvement Committee met on 20 May 2020 and 22 July 2020. The minutes of the meetings are attached.

- › **M1.1 ARIC Meeting Minutes 20 May 2020**
- › **M1.2 ARIC Meeting Minutes 22 July 2020**

Financial Implications

Nil

Risk Considerations

Corporate Governance and Compliance	
Avoid	Council will avoid risks relating to corporate governance and compliance including efficient and effective direction and operation of the organisation; ethical, responsible and transparent decision making, corruption, fraud

Minutes of the meeting of Riverina Water Audit, Risk & Improvement Committee held on Wednesday 20 May 2020

The meeting of Riverina Water Audit, Risk & Improvement Committee was declared open at 9:33am.

Present

David Maxwell (Chairperson) (via Zoom)
Councillor Yvonne Braid OAM
Bryce McNair (via Zoom)

In Attendance

Phil Swaffield	National Audits Group (via Zoom)
Andrew Crakanthorp	General Manager
Emily Tonacia	Manager Corporate Services
Simon Thomson	Manager Human Resources & Governance
Wendy Reichelt	Governance & Records Officer
Melissa Donges	Executive Assistant to the General Manager

Apologies

Steve Prowse (National Audits Group)

Declaration of interests

None declared

Confirmation of Minutes

20/011 RESOLVED:
On the Motion of B McNair and Councillors Y Braid OAM

That the minutes of the meeting of 18 March 2020 having been circulated and read by Members, were confirmed as a true and accurate record of the proceedings.

CARRIED

External Audit

1 2020 Interim Audit Management Letter

20/012 RESOLVED:

On the Motion of Councillor Y Braid OAM and B McNair

That the Committee receive and note the report on the 2020 Interim Management Letter noting the feedback provided by the Committee.

CARRIED

2 NSW Audit Office – Report on Local Government

20/013 RESOLVED:

On the Motion of B McNair and Councillor Y Braid OAM

That the Committee receive and note the report on the NSW Audit Office – Report on Local Government.

CARRIED

Internal Audit

1 Internal Audit – Supplementary Procurement

20/014 RESOLVED:

On the Motion of B McNair and Councillor Y Braid OAM

That the Committee receive and note the report on the supplementary procurement testing internal audit, and outstanding items be transferred to the audit follow-up matrix.

CARRIED

2 Internal Audit Forward Action Plan

20/015 RESOLVED:

On the Motion of B McNair and Councillor Y Braid OAM

That:

- a) **The Committee defer the proposed internal audit of the procurement function, and proceed with an internal audit on customer service connections - including backflow prevention and metering, and Executive Officer compliance with legislation, in 2020/21**
- b) **A report be presented to the July meeting of the Committee regarding the proposed internal audits for 2021/22**

CARRIED

Other Reports

1 Risk & Governance Report May 2020

20/016 RESOLVED:

On the Motion of B McNair and Councillor Y Braid OAM

That the Audit Risk and Improvement Committee note the report on risk and governance activities from March to May 2020.

CARRIED

2 Update on COVID-19 and Council's Continuity Management Team

Simon Thomson left the meeting at 10:29am and returned at 10:31am

20/017 RESOLVED:

On the Motion of Councillor Y Braid OAM and B McNair

That:

- a) **The Committee receive and note the report on Riverina Water's response to COVID-19 and commend the GM and staff on the activation and operation of the Business Continuity Plan (BCP)**
- b) **Management supply to the Committee in due course a report summarising enhancements made to the BCP as a result of the COVID-19 activation**

CARRIED

Emily Tonacia left the meeting at 10:41am and returned at 10:43am

General Manager Report - verbal

The General Manager gave a verbal update to the Committee regarding:

1. PFAS monitoring
2. UGL contract legal developments

20/018 RESOLVED:

On the Motion of Councillor Y Braid OAM and B McNair

That the General Manager's Report be received.

CARRIED

Riverina Water Work Health and Safety Committee minutes

Due to Covid-19 restrictions, some internal meetings have been postponed including the April Work Health & Safety Committee meeting.

Committee Operations

1 ARIC Meeting Actions Register

20/019 RESOLVED:

On the Motion of B McNair and Councillor Y Braid OAM

That the Audit Risk & Improvement Committee note the report and request that the previously mentioned report on lessons learned from the UGL contract be added to the action register.

CARRIED

2 Audit Follow-up management action plan

20/020 RESOLVED:

On the Motion of B McNair and Councillor Y Braid OAM

That the Audit Risk & Improvement Committee review the Audit Follow-up Management action plan at 13 May 2020.

CARRIED

This concluded the meeting of Riverina Water Audit, Risk & Improvement Committee which rose at 10:58am

Minutes of the meeting of Riverina Water Audit, Risk & Improvement Committee held on Wednesday 22 July 2020

The meeting of Riverina Water Audit, Risk & Improvement Committee was declared open at 9:31am.

Present

David Maxwell (Chairperson)
Councillor Yvonne Braid OAM
Bryce McNair (via Zoom)

In Attendance

Steve Prowse	National Audits Group (via Zoom)
Matt Knox	National Audits Group (via Zoom)
Andrew Crakanthorp	General Manager
Emily Tonacia	Manager Corporate Services
Simon Thomson	Manager Human Resources & Governance
Wendy Reichelt	Governance & Records Officer (via Zoom)
Melissa Donges	Executive Assistant to the General Manager

Apologies

Phil Swaffield (National Audits Group)

Declaration of interests

None declared

Confirmation of Minutes

20/021

RESOLVED:

On the Motion of Councillor Y Braid OAM and B McNair

That:

- a) Recommendation 20/0020 be amended to read "That the Audit Risk & Improvement Committee note the Audit Follow-up Management action plan at 13 May 2020"
- b) The minutes of the meeting of 20 May 2020 having been circulated and read by Members, as amended, were confirmed as a true and accurate record of the proceedings

CARRIED

External Audit

No reports

Internal Audit

1 Internal Audit – Fleet Management

20/022 RESOLVED:

On the Motion of Councillor Y Braid OAM and B McNair

That the Committee receive and note the report on the internal audit for Fleet Management and the management responses to recommendations contained within that audit, and any incomplete recommendations be transferred to the audit follow up management action plan.

CARRIED

2 Internal Audit – Management Accounting

20/023 RESOLVED:

On the Motion of B McNair and Councillor Y Braid

That the Committee receive and note the report on the internal audit for Management Accounting and the management responses to recommendations contained within that audit, and any incomplete recommendations be transferred to the audit follow up management action plan.

CARRIED

Report 9.5 Proposed internal audits 2021-22 was brought forward for consideration.

Committee Operations

5 Proposed internal audits 2021-22

20/024 RESOLVED:

On the Motion of Councillor Y Braid OAM and B McNair

That the Audit Risk and Improvement Committee confirm the proposed internal audits to be scheduled in 2021-22 as detailed in the report.

CARRIED

Steve Prowse and Matt Knox left the meeting at 10:11am and did not return

Other Reports

1 Risk & Governance Report July 2020

20/025 RESOLVED:

On the Motion of B McNair and Councillor Y Braid OAM

That the Audit Risk and Improvement Committee:

- a) **Note the report on risk and governance activities from 20 May to 15 July 2020**
- b) **Records that the review of the enterprise risk register has been completed**

CARRIED

2 Enterprise Resource Planning Replacement Project Update

20/026 RESOLVED:

On the Motion of B McNair and Councillor Y Braid OAM

That the Committee receive and note the report detailing an update of the Enterprise Resource Planning Replacement project.

CARRIED

3 Fraud and Corruption Prevention and Control Policy and Plan

20/027a RESOLVED:

On the Motion of B McNair and Councillor Y Baird OAM

That following consideration of the draft document, that the Audit Risk and Improvement Committee recommend to Council the adoption of the revised Fraud and Corruption Policy incorporating the feedback offered by the Committee during the meeting.

CARRIED

Emily Tonacia left the meeting at 11:01am and returned at 11:03am

Andrew Crakanthorp left the meeting at 11:04am and returned at 11:05am

20/027b RESOLVED:

On the Motion of B McNair and Councillor Y Braid OAM

That following consideration of the draft document, that the Audit Risk and Improvement Committee recommend to Council the adoption of the Fraud and Corruption Prevention and Control Plan, incorporating the feedback offered by the Committee.

CARRIED

4 Legislative Compliance Register

20/028 RESOLVED:

On the Motion of Councillor Y Braid OAM and B McNair

That the Audit and Risk Committee receive and note the report to the Committee on the status of the Legislative Compliance Register.

CARRIED

General Manager Report - verbal

The General Manager gave a verbal update to the Committee regarding:

1. ICAC and protected disclosures
2. UGL contract
3. PFAS water contamination
4. Solar energy project
5. Workforce Plan
6. Preliminary financial results

20/029 RESOLVED:

On the Motion of Councillor Y Braid OAM and B McNair

That the General Manager's Report be received.

CARRIED

Riverina Water Work Health and Safety Committee minutes

The Riverina Water Work Health & Safety Committee met on Thursday 18 June 2020. As these minutes have not been confirmed by the Committee, the minutes will be provided to the next regular meeting of the Audit Risk & Improvement Committee for information and review.

Andrew Crakanthorp left the meeting at 12:08pm and did not return

Committee Operations

1 Riverina Water County Council Audit, Risk & Improvement Committee Report Year ended 30 June 2020

20/030 RESOLVED:

On the Motion of B McNair and Councillor Y Braid OAM

That the Committee's report be adopted and presented to the Board by the Chairman at its next meeting.

CARRIED

2 Audit Risk and Improvement Committee performance

20/031 RESOLVED:
On the Motion of B McNair and Councillor Y Braid OAM

That the Audit Risk and Improvement Committee note that the bi-annual review of the ARIC is now underway with a report to be provided to the November 2020 meeting.

CARRIED

3 Tenure of current ARIC

20/032 RESOLVED:
On the Motion of B McNair and Councillor Y Braid OAM

That the Audit Risk and Improvement Committee note the details of the proposed report to the Board in August 2020.

CARRIED

4 ARIC Meeting Actions Register

20/033 RESOLVED:
On the Motion of Councillor Y Braid OAM and B McNair

That the Audit Risk and Improvement Committee note the open actions on the Action Register.

CARRIED

6 Audit Follow-up management action plan

20/034 RESOLVED:
On the Motion of B McNair and Councillor Y Braid OAM

That the Audit Risk and Improvement Committee note the Audit Follow-up Management action plan at 15 July 2020.

CARRIED

This concluded the meeting of Riverina Water Audit, Risk & Improvement Committee which rose at 12:21pm

CONF1 General Manager Annual Performance Review for period ending 30 June 2020

Author Councillor Greg Verdon

Summary This report is to advise the Board of the outcome of the General Manager's Annual Performance Review for the year ending 30 June 2020 conducted by the Performance Review Panel on 10 August 2020

This report is **CONFIDENTIAL** in accordance with Section 10A (2) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following:

(a) personnel matters concerning particular individuals (other than councillors)

CONF2 Lease Agreement – 1,000 ML High Security (Murrumbidgee River) Entitlement, 2-Year Fixed Term

Organisational Area Operations

Author Jason Ip, Manager Operations

Summary Council holds a licence for 1000 megalitres of High Security Water for purpose of ensuring water availability into the long term (to meet the growth needs of the four local government areas). The licence is not needed for the next three years and Council has traditionally entered into a "temporary trade lease" for the water. This report requests Council endorse the recent action of the General Manager in entering into an agreement.

This report is **CONFIDENTIAL** in accordance with Section 10A(2) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following:

(c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business