



AGENDA

General Committee Meeting

Date: Monday, 8 April 2024

Time: 5pm

**Location: Cowra Council Chambers
116 Kendal Street, Cowra**

**Paul Devery
General Manager**

Order Of Business

1	Introduction.....	3
1.1	Recording & publishing.....	3
1.2	Acknowledgement of Country.....	3
1.3	Apologies and Applications for Leave of Absence by Councillors.....	3
1.4	Disclosures of Interest.....	3
1.5	Presentations.....	3
1.6	Public Forum	3
2	Confirmation of Minutes.....	3
	Confirmation of Minutes of General Committee Meeting held on 11 March 2024	
3	Director-Corporate Services Report	21
3.1	Section 355 Committee Minutes – Cowra Sport & Recreation Council.....	21
3.2	Donation Request - Cowra Eisteddfod Inc.	37
3.3	Australian Chapter of the World Peace Bell Association - Section 355 Committee.....	40
3.4	Section 355 Audit, Risk & Improvement Committee - Legislative Changes	52
4	Director-Infrastructure & Operations Report	196
4.1	Proposed Introduction of Dam Safety Levy	196
4.2	Review of Asset Management Policy	202
5	Director-Environmental Services Report	210
5.1	Development Application No. 14/2024, Lot 363 DP 752948, 14 Shelley Street Cowra, carport, lodged by D. Steward of Currajong Pty Ltd. The property owner is K. Wilson.....	210
5.2	Development Application No. 120/2023, Lot 1 DP 362387, 21 Bartlett Avenue Cowra, Shed, lodged on 14 February 2024 by the owner S D Smith.....	241
6	Late Reports.....	293
7	Notices of Motions.....	293
	Nil	
8	Confidential Matters.....	293
9	Confidential Director-Corporate Services	293
9.1	Request for Water Account Adjustment - Assessment Number 78631	293
9.2	Request for Water Account Adjustment - Assessment Number 36865	293

I INTRODUCTION

I.1 Recording & publishing

In accordance with the Local Government Act (1993), Cowra Council is recording this meeting and will upload the recording to Council's website. By speaking at this meeting, you agree to being recorded and having that recording published in the public domain. Please ensure that when you speak at meetings you are respectful to others and use appropriate language at all times. Cowra Council accepts no liability for any defamatory or offensive remarks or gestures made during the course of this meeting.

I.2 Acknowledgement of Country

We acknowledge the traditional custodians of the land on which we gather, the Wiradjuri people, and pay our respects to elders both past and present.

I.3 Apologies and Applications for Leave of Absence by Councillors

List of apologies for the meeting.

I.4 Disclosures of Interest

Councillors and staff please indicate in relation to any interests you need to declare:

- a. What report/item you are declaring an interest in?
- b. Whether the interest is pecuniary or non-pecuniary?
- c. What is the nature of the interest?

I.5 Presentations

I.6 Public Forum

I invite any member of the public wishing to speak on an item in the agenda to please come to the lectern, introduce yourself, state the item you wish to speak on and allow time for any councillor or member of staff if they have declared an interest in the item to manage that conflict which may include them leaving the chamber during your presentation.

2 CONFIRMATION OF MINUTES

Confirmation of Minutes of General Committee Meeting held on 11 March 2024



MINUTES

General Committee Meeting Monday, 11 March 2024

Order Of Business

1	Introduction.....	3
1.1	Recording & Publishing.....	3
1.2	Acknowledgement of Country.....	3
1.3	Apologies and Applications for Leave of Absence by Councillors.....	3
1.4	Disclosures of Interest.....	3
1.5	Presentations.....	3
1.6	Public Forum	3
2	Confirmation of Minutes.....	4
3	Director-Corporate Services Report	4
3.1	Donation - Wyangala Fireworks Committee - Commercial Waste Event Bin Hire charges	4
3.2	Investments.....	4
3.3	Section 355 Committee Draft Minutes - Cowra Regional Art Gallery Advisory Committee.....	4
4	Director-Infrastructure & Operations Report	5
4.1	Committee Minutes - Traffic Committee.....	5
4.2	Section 355 Committee Minutes - Saleyards Committee.....	5
5	Director-Environmental Services Report	5
5.1	Development Application No. I37/2021, Lot I DP 519943, Campbell Street Cowra, general industry (continued use of existing buildings & site to manufacture precast concrete & steel construction products), lodged by Westcast Pty Ltd.....	5
6	Late Reports.....	17
7	Notices of Motions.....	17
8	Confidential Matters.....	17
9	Confidential General Manager	17
9.1	Carpark Lease - 74 Kendal Street Cowra.....	17

**MINUTES OF COWRA COUNCIL
GENERAL COMMITTEE MEETING
HELD AT THE COWRA COUNCIL CHAMBERS, 116 KENDAL STREET, COWRA
ON MONDAY, 11 MARCH 2024 AT 5PM**

PRESENT: Cr Ruth Fagan (Mayor), Cr Paul Smith (Deputy Mayor), Cr Judi Smith, Cr Erin Watt, Cr Bill West, Cr Peter Wright

IN ATTENDANCE: Mr Paul Devery (General Manager), Mrs Larissa Hackett (Director-Environmental Services), Mr Dirk Wymer (Director - Infrastructure & Operations)

I INTRODUCTION

1.1 Recording & Publishing

The Mayor advised that the meeting was being recorded.

1.2 Acknowledgement of Country

The Mayor delivered the Acknowledgment of Country.

1.3 Apologies and Applications for Leave of Absence by Councillors

COMMITTEE RESOLUTION

Moved: Cr Bill West
Seconded: Cr Paul Smith

That apologies from Cr Cheryl Downing (leave), Cr Nikki Kiss OAM (illness), Cr Sharon D'Elboux (work related) and Mr Michael Jones (Director - Corporate Services) (illness) be received and accepted.

CARRIED

1.4 Disclosures of Interest

Cr Erin Watt declared a non-pecuniary interest in relation to item 5.1 Development Application No. 137/2021, Lot 1 DP 519943, Campbell Street Cowra, general industry (continued use of existing buildings & site to manufacture precast concrete & steel construction products), lodged by Westcast Pty Ltd due to a family member's involvement in the submission of the application.

1.5 Presentations

Nil

1.6 Public Forum

Nil

2 CONFIRMATION OF MINUTES**COMMITTEE RESOLUTION**

Moved: Cr Judi Smith

Seconded: Cr Paul Smith

That the minutes of General Committee Meeting held on 12 February 2024 be confirmed.

CARRIED

3 DIRECTOR-CORPORATE SERVICES REPORT**3.1 Donation - Wyangala Fireworks Committee - Commercial Waste Event Bin Hire charges****COMMITTEE RESOLUTION**

Moved: Cr Erin Watt

Seconded: Cr Bill West

That Council provides a 50% donation in the sum of \$200 for Commercial Waste Event Bin Hire charges to Wyangala Country Club Fireworks Committee for the annual bonfire and fireworks event to be held on 9 June 2024.

CARRIED

3.2 Investments**COMMITTEE RESOLUTION**

Moved: Cr Paul Smith

Seconded: Cr Judi Smith

That Council note the Investments and Financial Report for February 2024.

CARRIED

3.3 Section 355 Committee Draft Minutes - Cowra Regional Art Gallery Advisory Committee**COMMITTEE RESOLUTION**

Moved: Cr Judi Smith

Seconded: Cr Erin Watt

That the draft Minutes of the Cowra Regional Art Gallery Advisory Committee meetings held on 8 November and 13 December 2023 be noted.

CARRIED

4 DIRECTOR-INFRASTRUCTURE & OPERATIONS REPORT**4.1 Committee Minutes - Traffic Committee****COMMITTEE RESOLUTION**

Moved: Cr Paul Smith

Seconded: Cr Peter Wright

- 1. That the minutes of the Traffic Committee meeting held on 19 February 2024 be noted.**
- 2. That Council approves the route of the Class 2 special event to be held as part of the ANZAC Day Parade on 25 April 2024 subject to compliance with the requirements of Transport for New South Wales (TfNSW) and NSW Police.**
- 3. That Council approves the Class 3 special event, to be held on 27-28 April 2024 as the “Bumbaldry @ Woodstock Endurance Ride”, subject to compliance with the requirements of Transport for New South Wales (TfNSW) and NSW Police.**
- 4. That Mulyan Street from Redfern Street to Nangar Street, and Nangar Street from Mulyan Street to 17 Nangar Street, be approved for Tier 1, PBS Level 2B, 30m “A- Double” access at Higher Mass Limits (HML).**

CARRIED

4.2 Section 355 Committee Minutes - Saleyards Committee**COMMITTEE RESOLUTION**

Moved: Cr Bill West

Seconded: Cr Peter Wright

- 1. That the minutes of the Saleyards Committee meeting held on 9 November 2023 be noted.**
- 2. That the minutes of the Saleyards Committee meeting held on 22 February 2024 be noted.**

CARRIED

5 DIRECTOR-ENVIRONMENTAL SERVICES REPORT

At 5:29 pm, Cr Erin Watt left the meeting.

5.1 Development Application No. I37/2021, Lot 1 DP 519943, Campbell Street Cowra, general industry (continued use of existing buildings & site to manufacture precast

concrete & steel construction products), lodged by Westcast Pty Ltd

COMMITTEE RESOLUTION

Moved: Cr Bill West

Seconded: Cr Judi Smith

1. That Council notes that the reason for the decision is that the proposal largely complies with Section 4.15 of the Environmental Planning and Assessment Act 1979. The application was publicly notified and 3 submissions were received; and
2. That Development Application No. 137/2021, for a general industry (continued use of existing buildings & site to manufacture precast concrete & steel construction products) on Lot 1 DP 519943, Campbell Street Cowra be subject to the following conditions:

PLANS & DOCUMENTATION

1. Development is to be in accordance with approved plans.

The development is to be implemented in accordance with the plans and supporting documents stamped and approved and set out in the following table except where modified by any conditions of this consent.

Plan No./ Supporting Document	Prepared by/Reference Details	Cowra Shire Council Reference
Site Diagram Sheet A000 E Rev E	Vision Town Planning Consultants 26 April 2023	Received 23 May 2023 Stamped No. DA 137/2021(C)
Proposed Shed/Site Plan Sheet A001 N Rev I	Vision Town Planning Consultants 30 August 2023	Received 4 September 2023 Stamped No. DA 137/2021(C)
Extent of Subject DA Sheet A003 B Rev B	Vision Town Planning Consultants 26 April 2023	Received 23 May 2023 Stamped No. DA 137/2021(C)
Existing Shed/Site Plan Sheet EX001 C Rev C	Vision Town Planning Consultants 9 May 2023	Received 23 May 2023 Stamped No. DA 137/2021(C)
Proposed Car Parking Plan Sheet I	Vision Town Planning Consultants 24 April 2023	Received 23 May 2023 Stamped No. DA

Version I		I37/2021
Proposed Screening Wall Version I Amendment B	Vision Town Planning Consultants 31/08/2023	Received 4 September 2023 Stamped No. DA I37/2021
Proposed Screening Wall – Line of Sight Plan Sheet No.2 Version I	Vision Town Planning Consultants 29/08/2023	Received 4 September 2023 Stamped No. DA I37/2021
Proposed Security Lighting Sheet No.4 Version I	Vision Town Planning Consultants 30/08/2023	Received 4 September 2023 Stamped No. DA I37/2021
Tree Inspection Report	JG Arbor 29/05/2023	Received 6 December 2023 Stamped No. DA I37/2021(C)
Washout Pit Layout Drawing No. WC-IH-002 Rev B Sheets 1 to 5	Civilcast Pty Ltd 16/12/2022	Received 23 May 2023 Stamped No. DA I37/2021(B)
Conceptual Stormwater Management Plan Rev P4	Calare Civil 11/08/2023	Received 4 September 2023 Stamped No. DA I37/2021(B)
Traffic Impact Assessment Version 07	Traffix August 2023	Received 14 September 2023 Stamped No. DA I37/2021(C)
Air Quality Assessment Rev 03	Vipac 29 August 2023	Received 4 September 2023 Stamped No. DA I37/2021(C)
Acoustic Report Revision R011	Acoustic Works 30/08/2023	Received 4 September 2023 Stamped No. DA I37/2021(D)
Preliminary Contamination	Envirowest Consulting Pty Ltd	Received 10 December 2021

Investigation Rev 1 Report No. R13508c1	26/8/2021	Stamped No. DA 137/2021
Contamination Investigation around former AST Rev 0 Report No. R13508c2	Envirowest Consulting Pty Ltd 2/3/2022	Received 30 May 2023 Stamped No. DA 137/2021
Validation Report Rev 0 Report No. R13508val	Envirowest Consulting Pty Ltd 6/7/2023	Received 1 August 2023 Stamped No. DA 137/2021
Smart Tank ST033 Spec Sheet & Drawings Rev A	DURO TANK 8/3/2019	Received 23 May 2023 Stamped No. DA 137/2021
Environmental Impact Statement Version 6	Vision Town Planning Consultants 31/08/2023	Received 4 September 2023 Stamped No. DA 137/2021(D)

In the event of any inconsistency between conditions of this development consent and the plans/supporting documents referred to above, the conditions of this development consent prevail.

2. The applicant shall comply with all relevant prescribed conditions of development consent under Part 4, Division 2 of the *Environmental Planning and Assessment Regulation 2021* (see attached Advisory Note).
3. The Environmental Management Plan required under the EPA's General Terms of Approval must include the management of the remediated area (as per report no. R13508emp prepared by Envirowest Consulting Pty Ltd dated 19/07/2023).

NSW EPA GENERAL TERMS OF APPROVAL

4. Except as expressly provided by these General Terms of Approval (GTAs) or by any conditions of consent granted by Cowra Council or the conditions of an in-force environment protection licence issued by the Environment Protection Authority (EPA), works and activities must be carried out in accordance with the proposal contained in:
 - i. the Development Application 10.2021.137.10 submitted to Cowra Council; and
 - ii. any other additional information provided to Council and uploaded

to the NSW Planning Portal (Agency Concurrence and Referral Portal).

5. Should any conflict exist between the aforementioned documents, the most recent document or revision supersedes the conflict, except where superseded by any conditions of approval issued by Council or the conditions of an in-force Environment Protection Licence issued by the EPA.
6. An Environmental Management Plan must be prepared and implemented within 3 months of development consent being granted. The plan must include, but not be limited to:
 - i. The identification and mitigation of potential impacts to surface water and soils. The plan must make reference to the requirements outlined in the document "Managing Urban Stormwater: Soils and Construction (Landcom, 2004);
 - ii. Air quality (dust) management measures;
 - iii. Waste handling measures;
 - iv. Noise management measures; and.
 - v. Reference all air, water, noise, waste mitigation measures identified in the Environmental Impact Statement (Section G and specialist appendices).
7. Hours of Operation:

Concrete panel production activities related to the Proposal may only be undertaken during the following hours:

 - 7:00 am to 6:00 pm, Monday to Fridays;
 - 8:00 am to 1:00 pm, Saturdays, and
 - at no time on Sundays or Public Holidays.

Truck movements and equipment maintenance relating to the Proposal may only be undertaken during the following hours:

 - 7:00 am to 10:00 pm, Monday to Fridays;
 - 8:00 am to 1:00 pm, Saturdays, and
 - at no time on Sundays or Public Holidays.
8. Trucks entering and leaving the premises that are carrying potentially dust generating loads on public roads must be covered at all times, except during loading and unloading.
9. All internal roads must be maintained in a condition that prevents or

minimises the emission into the air of air pollutants (which includes dust).

10. All trucks and mobile plant operating within the premises must be fitted (where there is a requirement for such devices to be fitted under the Work Health and Safety legislation) with broad-spectrum reversing alarms.
11. The Proponent must apply for and hold an in-force Environment Protection Licence issued by the EPA prior to the Proponent carrying out any scheduled activities under the *Protection of the Environment Operations Act 1997* as proposed.

TRANSPORT FOR NSW CONDITIONS

12. The applicant must comply with the requirements of T HR CI 12090 ST Airspace and External Developments (Link: <https://www.transport.nsw.gov.au/industry/asset-standards-authority/finda-standard/airspace-and-external-developments-1>) and Development Near Rail Corridors and Busy Roads- Interim Guidelines (Link [development-near-rail-corridors-and-busy-roads-interim-guidelines-2008.ashx](https://www.nsw.gov.au/development-near-rail-corridors-and-busy-roads-interim-guidelines) (nsw.gov.au). Please note that State Environmental Planning Policy (Infrastructure) 2007 referred in the above documents has been superseded by State Environmental Planning Policy (Transport and Infrastructure) 2021.
13. If required, the applicant must submit an application to UGLRL for approval of TAHE prior to any use of cranes and equipment in the air space over the rail corridor. The use of Equipment must be in accordance with the AS 2550 series of Australian Standards, Cranes, Hoist and Winches, including AS2550 15-1994 Cranes – Safe Use - Concrete Placing Equipment.

ESSENTIAL ENERGY CONDITIONS

14. Required distances from the nearest part of the development to Essential Energy's infrastructure (measured horizontally) are listed below to ensure that there is no safety risk.
 - High Voltage 66000 Volt power line = 30 metres
 - High Voltage 11000 volt power line = 25 metres
 - High Voltage pad mounted distribution transformer = 3 metres minimum to any structure - 6 Metres from containers containing Flammables - 6 metres from Air Filtration/conditioning/ventilation units.
15. Underground assets:
 - Pillars/Pits must be clear of any obstruction be a minimum of 500mm, including fences, vegetation, driveways, garden beds etc.
 - Fences or bollards on the boundary of a padmount substation must

comply with the following:

- i. The fence is segregated by an insulating panel to prevent transfer of earth voltage rise under fault conditions
 - ii. That portion of the fence or bollards adjacent to the substation must be earthed to Essential Energy standards
 - iii. Any fence posts or bollards must be clear of cable routes
 - iv. Access is always maintained.
 - The ground surface within the clearance zone of a padmount substation must be either grass or woodchip, any other surface treatment must be approved by Essential Energy, this includes any increase of ground levels or excavation.
 - Vegetation must remain clear of clearance zones for underground cables.
 - Structures must not be placed over the top of cables unless approved by Essential Energy.
 - High Voltage 11000 volt underground cable = 1 metre from the located/and potholed by approved means centre line.
 - Low Voltage 415 volt Underground Cables = 500mm from the located/and potholed by approved means centre line.
16. It is also essential that all works comply with SafeWork clearance requirements. In this regard it is the responsibility of the person/s completing any works to understand their safety responsibilities. The applicant will need to submit a Request for Safety Advice if works cannot maintain the safe working clearances set out in the Working Near Overhead Powerlines Code of Practice, or CEOP8041 - Work Near Essential Energy's Underground Assets.
- Information relating to developments near electrical infrastructure is available on our website Development Applications (essentialenergy.com.au). If the applicant believes the development complies with safe distances or would like to submit a request to encroach then they will need to complete a Network Encroachment Form via Essential Energy's website Encroachments (essentialenergy.com.au) and provide supporting documentation. Applicants are advised that fees and charges will apply where Essential Energy provides this service.
17. Any existing encumbrances in favour of Essential Energy (or its predecessors) noted on the title of the above property should be complied with.
18. Any activities in proximity to electrical infrastructure must be undertaken in accordance with the latest industry guideline currently

known as ISSC 20 Guideline for the Management of Activities within Electricity Easements and Close to Infrastructure.

19. Prior to carrying out any works, a “Dial Before You Dig” enquiry should be undertaken in accordance with the requirements of Part 5E (Protection of Underground Electricity Power Lines) of the Electricity Supply Act 1995 (NSW); the location of overhead and underground powerlines are also shown in the Look Up and Live app essentialenergy.com.au/lookupandlive.

GENERAL CONDITIONS

20. The demolition works shall comply with the provisions of Australian Standard AS2601:2001 The Demolition of Structures and the Work Health and Safety Act 2011.
21. No advertising sign and/or structure other than that which is permitted under this development approval or permissible without consent (exempt development) is to be erected as part of the approved development until a formal application has been submitted to Council and a development consent has been issued.
22. All traffic movements in and out of the development are to be in a forward direction.
23. The emission of noise from the premises must be in accordance with the recommendations of the Noise and Vibration Impact Assessment prepared by Spectrum Acoustics Pty Ltd and the Noise Policy for Industry published by the NSW Environment Protection Authority (2017).
24. Liquid trade waste material is not to be discharged into the sewerage system without first obtaining the approval of Cowra Shire Council. An approval is needed if liquid trade waste is being discharged into the sewer. A liquid trade waste notification is required if it is produced, but not discharged into Council's sewer system.
25. Disabled access and parking are to be afforded to the site in accordance with the provisions of Part D3 Access for people with a disability – BCA Volume I.
26. Council's responsibility for the 200mm Asbestos Cement Reticulation main ends at the first join south of the water meter. As a result, Westcast Pty Ltd shall be responsible for all water infrastructure south of this point.

CONDITIONS TO BE COMPLIED WITH PRIOR TO THE ISSUE OF A CONSTRUCTION CERTIFICATE

27. Prior to the issue of a Construction Certificate, a detailed Stormwater Management Plan shall be submitted to Council's Director – Infrastructure & Operations for approval. The plan is to demonstrate that:

1. Adequate provision will be made for the estimated potential stormwater runoff from the development to the satisfaction of Council. Plans must also state control measures for erosion and sedimentation.
 2. An 80% reduction in Total Suspended Solids, 60% reduction in Total Phosphorous and 45% reduction in Total Nitrogen can be achieved.
28. Prior to the issue of a Construction Certificate, a detailed Landscape Plan is to be submitted to Council's Director – Environmental Services for approval. The plan is to detail the proposed landscape screening works including a maintenance schedule.
29. Pursuant to Section 7.12 (formerly Section 94A) of the Environmental Planning & Assessment Act 1979, the monetary contribution set out in the following table is to be paid to Council prior to the issue of a Subdivision Certificate or Construction Certificate. The contribution is current as at the date of this consent and is levied in accordance with the Cowra Section 94A Contributions Plan 2016 adopted on 26 April 2016. The contribution payable will be calculated in accordance with the contributions plan current at the time of payment, and will be adjusted at the time of payment in accordance with the Consumer Price Index (CPI) (All Groups Index for Sydney) published by the Australian Bureau of Statistic (ABS). Contribution amounts will be adjusted by Council each financial year.

Contribution Type	Proposed Cost of Development ¹	Levy Percentage	Total Contribution	Contribution Rate Remains Current Until
Section 94A Contribution ²	\$510,000.00	1%	\$5,100.00	30 June 2024
Notes ¹ As shown on the Development Application/Construction Certificate Application/Complying Development Certificate Application ² Council's Section 94A Contributions Plan 2016 may be viewed during office hours at Council's Customer Service Centre, 116 Kendal Street Cowra, or on Council's website www.cowracouncil.com.au				

CONDITIONS TO BE COMPLIED WITH PRIOR TO THE COMMENCEMENT OF WORKS

30. The Applicant is to obtain a Construction Certificate from either Council or an Accredited Certifier, certifying that the proposed works are in accordance with the Building Code of Australia and applicable Cowra Shire Council Engineering Standards prior to any building and or subdivision works commencing. No building, engineering or excavation work is to be carried out in relation to this development until the necessary construction certificates have been obtained. It is the responsibility of the Applicant to ensure that the development complies with the Building Code of Australia and applicable engineering standards in the case of building work and the applicable Council Engineering Standards in the case of subdivision works. This may entail alterations to

the proposal so that it complies with these standards.

31. The Applicant is to submit to Cowra Shire Council, at least two days prior to the commencement of any works, a 'Notice of Commencement of Building or Subdivision Works' and 'Appointment of Principal Certifier'.
32. Prior to the commencement of work on the site, all erosion and sediment control measures shall be implemented and maintained prior to, during and after the construction phase of the development. The erosion and sediment control measures are to comply with the approved Stormwater Management Plan and Part B of Cowra Shire Council Development Control Plan 2021 at all times.

CONDITIONS TO BE COMPLIED WITH DURING CONSTRUCTION

33. While building work is being carried out, any such work must not continue after each critical stage inspection unless the principal certifier is satisfied the work may proceed in accordance with this consent and the relevant construction certificate.
34. Any damage caused to footpaths, roadways, utility installations and the like by reason of construction operations shall be made good and repaired to a standard equivalent to that existing prior to commencement of construction. The full cost of restoration/repairs of property or services damaged during the works shall be met by the Applicant.
35. All storage of goods and building materials and the carrying out of building operations related to the development proposal shall be carried out within the confines of the property. All vehicles must be parked legally and no vehicles are permitted to be parked over the public footpath. The unloading of building materials over any part of a public road by means of a lift, hoist or tackle projecting over the footway will require separate approval under Section 68 of the Local Government Act 1993.
36. Building activities and excavation work involving the use of electric or pneumatic tools or other noisy operations shall be carried out only between 7.00 am and 6.00 pm on weekdays and 8.00 am and 1.00 pm on Saturdays. No work on Sundays or Public Holidays is permitted.
37. Car parking facilities, including all internal parking and manoeuvring areas are to be constructed and sealed in accordance with Australian Standard 2890.1 Off-Street Car Parking, Australian Standard 2890.2 Commercial Vehicle Facilities and Australian Standard 2890.6 Off-street parking for people with disabilities. They are to include all necessary line marking, directional arrows and signage to delineate parking spaces, traffic flow and traffic priority. All costs associated with the construction of the parking area shall be borne by the Applicant.
38. All building rubbish and debris, including that which can be windblown,

shall be contained on site in a suitable container for disposal at an approved Waste Landfill Depot. The container shall be erected on the building site prior to work commencing and shall be maintained for the term of the construction to the completion of the project. No building rubbish or debris shall be placed or permitted to be placed on any adjoining public reserve, footway or road. The waste container shall be regularly cleaned to ensure proper containment of the building wastes generated on the construction site.

39. The applicant must obtain any approvals required under Section 68 of the Local Government Act 1993 for water supply work, sewerage and stormwater drainage work or the disposal of liquid waste into Council's sewer.

CONDITIONS TO BE COMPLIED WITH PRIOR TO OCCUPATION OR COMMENCEMENT OF USE

40. The Applicant must obtain a Whole or Partial Occupation Certificate from the Principal Certifier appointed for the subject development.
41. Prior to the issue of any Occupation Certificate, landscaping is to be installed and maintained in accordance with the approved plans.
42. Prior to the issue of any Occupation Certificate, the visual screening wall is to be constructed in accordance with the approved plans.
43. Prior to the issue of any Occupation Certificate, security lighting is to be installed in accordance with the approved plans.
44. Prior to the issue of any Occupation Certificate, carparking is to be constructed and line-marked in accordance with the approved plans.
45. Prior to the issue of any Occupation Certificate stormwater construction is to conform to the approved plans. A "Works as Executed" plan of the plumbing and drainage work is to be provided to and approved by Council at the completion of the work.
46. The Applicant is to prepare and implement a Traffic Management Plan and Driver Code of Conduct for the task of transporting materials on public roads. The TMP will also apply to any haulage undertaken via contractors. The plan is to be submitted and concurred to by Council as the consent and roads authority. The plan should include consideration of (but is not limited to) the following issues:
- Restricting haulage operations during local school bus pick up/drop off times. Relevant consultation with local schools and local school bus operators should be undertaken and demonstrated.
 - Policies and procedures for addressing any concerns raised by the community on project related matters.
 - Toolbox meetings to facilitate continuous improvement initiatives and incident awareness.

- Truckloads are to be covered at all times when being transported, to minimise dust and loss of material onto roads which may form a traffic hazard.
 - Measures to ensure responsible fatigue management and discourage driving under the influence of alcohol and/or drugs, dangers of mobile phone use and driving to the conditions, and adherence to posted speed limits.
47. A Fire Safety Certificate completed by a competent fire safety practitioner shall be furnished to the Principle Certifier for all the Essential Fire Safety Measures specified in the current fire safety schedule for the building, prior to the issue of any Occupation Certificate. The Fire Safety Certificate must be issued using the standard template form published by the NSW Government. A copy of the Fire Safety Certificate must be predominately displayed in the building and a copy submitted to Council by the Principle Certifier with the Occupation Certificate. An electronic copy of the Final Fire Safety Certificate (together with a copy of the current Fire Safety Schedule) shall also be forwarded to the Fire Commissioner via the following dedicated email address: afss@fire.nsw.gov.au
48. An Annual Fire Safety Statement completed by a competent fire safety practitioner for all the Essential Fire Safety Measures applicable to the building must be given to Council and a copy forwarded to the Fire Commissioner via the dedicated email address afss@fire.nsw.gov.au:
- (i) within 12 months after the date on which an annual fire safety statement was previously given, or
 - (ii) if a fire safety certificate has been issued within the previous 12 months, within 12 months after the fire safety certificate was issued, whichever is the later.

An Annual Fire Safety Statement must be issued using the standard template form published by the NSW Government. A copy of the Annual Fire Safety Statement (together with a copy of the current fire safety schedule) must also be prominently displayed in the building.

ADVICE

If, during work, an Aboriginal object is uncovered then **WORK IS TO CEASE IMMEDIATELY** and the Office of Environment & Heritage is to be contacted urgently on (02) 6883 5300. Under the National Parks and Wildlife Act 1974 it is an offence to harm an Aboriginal object or place without an 'Aboriginal heritage impact permit' (AHIP). Before making an application for an AHIP, the applicant must undertake Aboriginal community consultation in accordance with clause 80C of the NPW Regulation.

CARRIED

In Favour: Crs Ruth Fagan, Paul Smith, Judi Smith, Bill West and Peter Wright

Against: Nil

CARRIED 5/0

At 5:31 pm, Cr Erin Watt returned to the meeting.

6 LATE REPORTS

Nil

7 NOTICES OF MOTIONS

Nil

8 CONFIDENTIAL MATTERS

COMMITTEE RESOLUTION

Moved: Cr Paul Smith

Seconded: Cr Erin Watt

That Council considers the confidential report(s) listed below in a meeting closed to the public in accordance with Section 10A(2) of the Local Government Act 1993:

9 CONFIDENTIAL GENERAL MANAGER

9.1 Carpark Lease - 74 Kendal Street Cowra

This matter is considered to be confidential under Section 10A(2)(d(i)) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.

CARRIED

3 DIRECTOR-CORPORATE SERVICES REPORT

3.1 Section 355 Committee Minutes – Cowra Sport & Recreation Council

File Number: D24/302

Author: Michael Jones, Director - Corporate Services

RECOMMENDATION

1. That the Draft Minutes of the Cowra Sport & Recreation Committee's Annual General meeting held on 27 September 2023 be noted.
2. That the Minutes of the Cowra Sport & Recreation Committee's Ordinary meeting held on 27 September 2023 be noted.
3. That the Draft Minutes of the Cowra Sport & Recreation Committee's Ordinary meeting held on 28 February 2024 be noted.
4. That Council considers the allocation of funds in the 2024-25 financial year budget for the preparation of a Precinct Master Plan for West Cowra Recreation Ground.
5. That Council appoint the following persons to the Sport and Recreation Committee;
 - Marc McLeish (Chair)
 - Lee Wilson
 - Tom Perfect
 - David Porter
 - Krisha Tysoe (Deputy Chair)
 - Jason Munday

INTRODUCTION

The intent of this report is to provide Councillors with an update on the development and actions arising from the Cowra Sports and Recreation Committee meetings. Attached for the information of Councillors are the following: -

1. Draft Minutes of the Annual General meeting held on 27 September 2023.
2. Minutes of the Ordinary Committee meeting held on 27 September 2023.
3. Draft Minutes of the Ordinary Committee meeting held on 28 February 2024.

BUDGETARY IMPLICATIONS

To be determined.

ATTACHMENTS

1. Draft Minutes - Cowra Sport & Recreation Committee Annual General Meeting - 27 September 2023 [↓](#)
2. Minutes - Cowra Sport & Recreation Committee Ordinary Meeting - 27 September 2023 [↓](#)
3. Draft Minutes - Cowra Sport & Recreation Committee Ordinary Meeting - 28 February 2024 [↓](#)



MINUTES

Cowra Sports & Recreation Committee

Annual General Meeting

Wednesday, 27 September 2023

COWRA SPORTS & RECREATION COMMITTEE ANNUAL 27 SEPTEMBER 2023
GENERAL MEETING MINUTES

Order Of Business

1 Apologies3

2 Confirmation of Minutes.....3

3 General Business.....3

3.1 Election of Cowra Sport & Recreation Committee members for 2023-24 3

4 Next Meeting Date4

5 Meeting Close.....4

**COWRA SPORTS & RECREATION COMMITTEE ANNUAL 27 SEPTEMBER 2023
GENERAL MEETING MINUTES**

**MINUTES OF COWRA COUNCIL
COWRA SPORTS & RECREATION COMMITTEE ANNUAL GENERAL MEETING
HELD AT THE CLUB COWRA
ON WEDNESDAY, 27 SEPTEMBER 2023 AT 6.00-7.30PM**

PRESENT: Chairperson Marc McLeish (Cowra Magpies RLFC), Mr Tom Perfect (Cowra Golf Club), Mr Lee Wilson (Cowra Junior Cricket & Cowra Junior Soccer Clubs), Mr David Porter (Cowra Triathlon Club), Ms Krisha Tysoe (Cowra Little Athletics), Cr Cheryl Downing

IN ATTENDANCE: Mrs Linda Barron (Community Projects Officer),

1 APOLOGIES

Mr Jason Munday (Cowra Swimming Club)

2 CONFIRMATION OF MINUTES

RECOMMENDATION

That the minutes of Cowra Sports & Recreation Committee Meeting held on 19 July 2023 be confirmed.

Moved: Krisha Tysoe Seconded: Cheryl Downing

CARRIED

3 GENERAL BUSINESS

3.1 Election of Cowra Sport & Recreation Committee members for 2023-24

RECOMMENDATION

That the nominations received be submitted to Council for appointment to the 2024 Cowra Sport & Recreation Section 355 Committee:

Marc McLeish – Cowra Magpies

Lee Wilson – Cowra Junior Cricket/Cowra Junior Soccer

Tom Perfect – Cowra Golf Club

David Porter – Cowra Triathlon Club

Krisha Tysoe – Cowra Little Athletics

Jason Munday – Cowra Swimming Club (received out of session)

Moved: Krisha Tysoe Seconded: Marc McLeish

and that Marc McLeish continue in the role of Chairperson and Krisha Tysoe in the role of Deputy Chairperson

Moved: Cheryl Downing Seconded: David Porter

CARRIED

**COWRA SPORTS & RECREATION COMMITTEE ANNUAL 27 SEPTEMBER 2023
GENERAL MEETING MINUTES**

4 NEXT MEETING DATE

The date of the 2024 Annual General Meeting is to be advised.

5 MEETING CLOSE

The Meeting closed at 6.20pm.

.....
CHAIRPERSON



MINUTES

Cowra Sports & Recreation Committee Meeting Wednesday, 27 September 2023

**COWRA SPORTS & RECREATION COMMITTEE MEETING 27 SEPTEMBER 2023
MINUTES**

Order Of Business

1	Apologies	3
2	Confirmation of Minutes.....	3
3	Business Arising From Previous Minutes.....	3
3.1	2023 Cowra Sport & Recreation Network Night.....	3
3.2	FIFA World Cup Streaming.....	3
3.3	Aqua MIPS.....	3
4	General Business.....	4
4.1	Council Donations for Sport & Recreation	4
4.2	Facilities Infrastructure & Operations Update.....	4
5	Next Meeting Date	5
6	Meeting Close.....	5

**COWRA SPORTS & RECREATION COMMITTEE MEETING 27 SEPTEMBER 2023
MINUTES**

**MINUTES OF COWRA COUNCIL
COWRA SPORTS & RECREATION COMMITTEE MEETING HELD AT THE CJ'S,
CLUB COWRA
ON WEDNESDAY, 27 SEPTEMBER 2023 AT 6.30-7.30PM**

PRESENT: Chairperson Marc McLeish (Cowra Magpies RLFC), Mr Tom Perfect (Cowra Golf Club), Mr Lee Wilson (Cowra Junior Cricket & Cowra Junior Soccer Clubs), Mr David Porter (Cowra Triathlon Club), Ms Krisha Tysoe (Cowra Little Athletics), Cr Cheryl Downing

IN ATTENDANCE: Mrs Linda Barron (Community Development Officer)

I APOLOGIES

Mr Jason Munday (Cowra Swimming Club)

2 CONFIRMATION OF MINUTES

That the minutes of the Cowra Sport & Recreation Committee meeting held on 19 July 2023 were confirmed.

Moved; Krisha Tysoe Seconded: Cheryl Downing

CARRIED

3 BUSINESS ARISING FROM PREVIOUS MINUTES

3.1 2023 Cowra Sport & Recreation Network Night

The 2023 Cowra Sport & Recreation Network Night was held in Cowra on Thursday 27 July. Presentations included Office of Sport, Office of Regional Youth, Cricket NSW, First Aid Awareness & training, and a Grant writing session by Lawrance Ryan. The network evening was attended by 25 people, which was lower than expected based on registrations received before the event. Feedback from attendees has generally been positive. The Committee felt the event went well and the speakers were a good choice.

3.2 FIFA World Cup Streaming

Live screenings were held for the three Matilda's preliminary matches in July at WCRG. Attendance at the first screening was quite good, however, the numbers reduced for the second and third screenings. The mid-week timing of the games undoubtedly influenced attendance as they were in the middle of the school week.

The Soccer Club was thanked for their efforts in running the BBQ. The Club did not raise any funds due to the low attendance so Council made a small donation to offset any costs the club incurred in catering for the screenings.

3.3 Aqua MIPS

Aqua MIPS is scheduled to run at the Cowra Aquatic Centre again this season, allaying the Committee's concerns that the program may have stalled with the retirement of Lou

**COWRA SPORTS & RECREATION COMMITTEE MEETING 27 SEPTEMBER 2023
MINUTES**

Bryant and subsequent vacancy in the Community Health position. The Committee will continue to monitor the program.

4 GENERAL BUSINESS**4.1 Council Donations for Sport & Recreation**

An update was provided on the Council donations endorsed during August/September to support sport and recreation activities. Donations exceeded \$10 000 in total. A copy of the Donation Form was distributed with the agenda. Clubs are advised that the likelihood of receiving a donation is enhanced if they apply for a donation for part of the cost, rather than the whole amount.

Recipients of the August round of the Community Grants Program will be announced at the end of October.

4.2 Facilities Infrastructure & Operations Update

Members noted the Facilities Infrastructure & Operations Update provided by the Manager – Cowra Services as follows:

- Construction of the third long jump facility underway. To be finalised next week with edging and sand.
- Project to improve drainage at Edgell Park has been initiated with pipe ordered to be installed to allow drainage from the road to the river.
- Issues have been identified with uneven surface at Edgell Park. Investigation underway to cost up and plan re-levelling and top dressing.
- Aquatic Centre will be open this coming weekend. Our parks and gardens team have put a huge effort into repairing flood damage, installing new bbq's and shelters, cleaning the pool and plant room and running the pool for the last few weeks in preparation. The refurbishment to the swimming club room will also be completed by the end of this week. Leisure and Rec Group have lots of exciting plans for the season and have a great team of staff that have been on-boarded. For all pool users it is essential to note that L&R Group is operating under a Council contract and therefore many decisions for example opening hours are a Council request within the contract, not a decision by L&R Group.

4.3 Coles Acknowledgement

The Chair acknowledged Coles Supermarket for the strong support they're providing to local sporting clubs with grocery donations for fundraising barbeques etc.

4.4 Cricket Update

Re-establishment of the B Grade Senior competition is looking very promising with 6 sides. Only one more sponsor is needed to get on board for the 3 year plan. Representative team will be formed in conjunction with Parkes. The aim is to grow the player pool for A Grade and Representative teams to encourage re-invigoration of competitive cricket pathways.

A Special Needs Day and Girls Day are being planned. The Chair will follow-up with Peter Chivers concerning the Rotary Dream Cricket initiative.

**COWRA SPORTS & RECREATION COMMITTEE MEETING 27 SEPTEMBER 2023
MINUTES**

Concern was expressed over the safety issues caused by the holes in the River Park cricket nets.

ACTION:

Inform the Manager-Cowra Services of the Committee's concerns and request that repairs to the nets be completed as soon as possible.

5 NEXT MEETING DATE

The next meeting will be held on Wednesday, 6 December 2023 at 6.00 - 7.30 pm in CJ's, Club Cowra.

6 MEETING CLOSE

The Meeting closed at 7.15pm.

.....
CHAIRPERSON



MINUTES

Cowra Sports & Recreation Committee Meeting Wednesday, 28 February 2024

COWRA SPORTS & RECREATION COMMITTEE MEETING 28 FEBRUARY 2024
MINUTES

Order Of Business

1 **Apologies**3

2 **Confirmation of Minutes**.....3

3 **General Business**.....3

 3.1 Cowra Tourism - Events Coordination 3

 3.2 Facilities Infrastructure & Operations Update..... 3

 3.3 Traffic Matters 4

 3.4 2024 Cowra Sport & Recreation Network Event..... 5

 3.5 Daughter's & Dad's Active and Empowered..... 5

 3.6 Active Kids Vouchers..... 5

 3.7 Council Community Grants Program 5

 3.8 Club Updates 6

4 **Next Meeting Date**6

5 **Meeting Close**.....6

**COWRA SPORTS & RECREATION COMMITTEE MEETING 28 FEBRUARY 2024
MINUTES**

**MINUTES OF COWRA COUNCIL
COWRA SPORTS & RECREATION COMMITTEE MEETING HELD AT THE
NGULUWAY ROOM OF COWRA LIBRARY, DARLING STREET, COWRA
ON WEDNESDAY, 28 FEBRUARY 2024 AT 6.00 - 7.30 PM**

PRESENT: Chairperson Marc McLeish (Cowra Magpies RLFC), Mr Tom Perfect (Cowra Golf Club), Mr Lee Wilson (Cowra Junior Cricket & Cowra Junior Soccer Clubs), Ms Krisha Tysoe (Cowra Little Athletics), Cr Cheryl Downing

IN ATTENDANCE: Mrs Linda Barron (Community Projects Officer), Phillipa Childs (Manager- Cowra Services), Kurt Overset & Karen (Cowra Tourism)

1 APOLOGIES

Mr David Porter (Cowra Triathlon Club), Mr Jason Munday (Cowra Swimming Club)

2 CONFIRMATION OF MINUTES**RECOMMENDATION**

That the minutes of Cowra Sports & Recreation Committee Meeting held on 27 September 2023 be confirmed.

**Moved: Krisha Tysoe Seconded: Tom Perfect
CARRIED**

3 GENERAL BUSINESS**3.1 Cowra Tourism - Events Coordination**

The Cowra Tourism Manager and Events Coordinator attended the meeting. The issue of event clashes was discussed. Improving communication between sporting clubs and Cowra Tourism would be helpful so Tourism can advise hospitality providers and visitors as some sporting events book the town out. It was noted that many sports are restricted in the timing of hosting carnivals as they are directed by district or state level bodies. Even small local events can make a difference.

Actions:

3.1.1 Community Development Officer to share Council's Sport & Recreation contact list with Cowra Tourism;

3.1.2 Sport & Recreation Committee to extend an invitation to Cowra Tourism to speak at the next Network Event.

3.2 Facilities Infrastructure & Operations Update

The following update was provided by the Manager – Cowra Services:

Cowra Aquatic Centre –

A concept design has been completed and the detailed structural plans are due for

**COWRA SPORTS & RECREATION COMMITTEE MEETING 28 FEBRUARY 2024
MINUTES**

completion in June 2024. The total project cost is \$8.37m. Grant funding for the splashpad has been secured from the NSW Government and \$1.5m has been allocated in Council's Long Term Financial Plan. The remaining funds need to be sourced from grants. An application was submitted in January for Federal Government funding to assist in progressing the project.

The Leisure & Recreation Group contract management of the Aquatic Centre has been working well and Council will be seeking to extend the contract for a second year.

Col Stinson Netball Courts

Work on the construction of the new netball facility is progressing. Some aspects of the original project will be left out due to increased costs and a shortfall on the grant funding. The facility will provide an indoor training facility, new amenities and upgrades to grass courts.

Edgell Park

Works have been undertaken to improve drainage, however, some issues are still being experienced.

Mulyan Park

Council is looking into a drainage issue.

West Cowra Recreation Ground

The Cowra Magpies Rugby League Club has requested Council give urgent consideration to improving the suitability of the change rooms for female use. The Club has an increasing number of girls and women participating in League Tag and tackle football and the existing facilities do not provide any privacy. An onsite meeting is planned for Thursday 29 February between Council and Club representatives.

The preparation of Precinct Master Plans for Cowra's major sporting precincts is listed as Action 2.3 in the 2021-2031 Cowra Sport & Recreation Plan with a timeframe of 2024-25 for completion. The Committee identified West Cowra Recreation Ground (WCRG) as the top planning priority, with the upgrade to WCRG change rooms listed as the next major facility development project on Council's Facility Priority List, also due to be addressed in 2024-25. A Master Plan for West Cowra Recreation Ground is critical to ensuring a strategic approach to facility upgrades to meet the requirements of multiple users.

RECOMMENDATION

That Council allocate funds in the 2024-25 financial year budget for preparation of a Precinct Master Plan for West Cowra Recreation Ground.

Moved: Marc McLeish Seconded: Tom Perfect

CARRIED

3.3 Traffic MattersParking at River Park on Vaux Street

In response to the Traffic Committee's request for feedback on a proposal to change

**COWRA SPORTS & RECREATION COMMITTEE MEETING 28 FEBRUARY 2024
MINUTES**

parking on Vaux Street to rear-in parking, the Sport & Recreation Committee supported the proposal. No issues were tabled.

40km/h zone at Edgell Park

In order to display 40km/h signage during junior sporting competition, a club volunteer needs to hold a Road Occupying Licence to change the signs. The course cost is approx. \$800.

Action:

3.3.1 Explore options to obtain licences or access parents with existing licences, including:

- Marc to speak with Ben Gunn. He is a trainer and may be able to offer a cheaper rate;
- Linda to ask Council's HR office about access to courses and associated costs;
- Canvas parents to see if anyone already holds a licence;
- Sport & Rec Committee could consider subsidising costs, however, costs are likely to be outside available budget.

3.4 2024 Cowra Sport & Recreation Network Event

The Committee liked the presentations that were included in last year's event. Planning needs to offer things that people want. Try not to clash with other sports events (last year's event clashed with the Matilda's World Cup game). Stories of Cowra kids that are excelling in sport could be included.

The Network event should promote the Sport & Recreation Committee and their role to the broader sport and recreation community.

Various dates were canvassed as there was support for a warmer date, however, after considering other events, it was agreed to aim for July again.

3.5 Daughter's & Dad's Active and Empowered

Committee members took the proposal to their clubs and did not receive much interest in the program. It was noted that the program costs are also high and likely to be difficult to sustain over the longer term in a small community such as ours. No further action to be taken.

Members agreed the Sport & Recreation Committee could deliver our own program to engage parents and kids encompassing a range of different sports and drawing on the strengths of our sporting community. Options include using a central venue or rotating venues. Some sports may also be able to seek involvement of Development Officers. This item is to be discussed further at the next meeting.

3.6 Active Kids Vouchers

An update on the new Active Kids Voucher Scheme was provided.

3.7 Council Community Grants Program

**COWRA SPORTS & RECREATION COMMITTEE MEETING 28 FEBRUARY 2024
MINUTES**

Applications close 29 February for the current round of Council's Community grants Program.

An update on other sport-related grants was also provided. Council will continue to circulate grants information to clubs as it becomes available.

3.8 Club Updates

Little Athletics – Athletes are performing well with 11 athletes competing in the State Championships in March.

Rugby League – The move back to the Woodbridge Cup has been really positive. Player numbers have increased, sponsors are returning and the Committee is growing.

Golf – Junior player, David Kane, is showing great potential, recently attending the Sport Australia Championships in Western Australia as a State School representative.

Cricket – Lee Wilson will prepare an grant application for the Cricket Infrastructure Grants for the upgrade of the cricket nets at River Park. Council will provide a letter of support and allocate 50% of the cost in the 2024-25 maintenance budget.

4 NEXT MEETING DATE

The next meeting will be held on Wednesday, 22 May 2024 from 6.00 - 7.30 pm at Club Cowra.

5 MEETING CLOSE

The Meeting closed at 8.30pm.

.....
CHAIRPERSON

3.2 **Donation Request - Cowra Eisteddfod Inc.**
File Number: **D24/476**
Author: **Michael Jones, Director - Corporate Services**

RECOMMENDATION

That Council provide a donation to ensure that Cowra Eisteddfod Inc. for its 2024 event, only pays \$12,000 excluding GST for hire of the Cowra Civic Centre and that the final donation amount is deducted from the Section 356 expenses budget.

INTRODUCTION

The intent of this report is to seek Council's endorsement for a flat fee for Cowra Eisteddfod's hire of the Cowra Civic Centre this year. The Treasurer of the Cowra Eisteddfod (Richard Neate) has written to Council seeking assistance with Civic Centre hire fees for the event to be held in May/June 2024.

BACKGROUND

The Eisteddfod is unique in its use of the Centre as their booking is for 20 days, once a year, with most days being approximately 12 hours long. Even under Council's Community Group rates, the fee structure and number of days involved means that the Eisteddfod needs the support of Council to be viable.

DONATION ELIGIBILITY

The request meets the eligibility requirements of Clause 9 of Council's Donations Policy in the following area:

- Support for a locally based voluntary community service or program where the majority of its income is fundraising.

FINANCIAL CONSIDERATIONS

Whilst a draft invoice is enclosed, the full cost of the event will not be known until it's over. This is primarily due to ticket sales and enrolments. Based on prior year's needs, an estimate has been compiled in consultation with the Eisteddfod Committee and that cost is approximately \$35,000 - \$40,000 for 20-24 days hire.

In prior years, Council has opted for a flat fee in its consideration of a donation to provide the Eisteddfod Committee certainty regarding the financial viability of the event. Last year Council endorsed a total fee of \$11,000 (ex-GST) with the donation value from Council being \$27,575.46 (ex-GST). The recent history of flat fees are as follows.

FY2023	\$11,000
FY2022	\$9,000
FY2021	\$9,000
FY2020	No event due to COVID

RECOMMENDATIONS

It is recommended that Council continues with a flat fee approach in its consideration of a donation. It is however, recommended that the amount of the fee be increased slightly to \$12,000 (ex-GST) to allow increases in Council operational costs of the centre (staffing, electricity insurances).

BUDGETARY IMPLICATIONS

The difference in actual cost to that to the flat fee would be considered as a donation by Council from the S356 budget. (Circa \$25,000 - \$30,000).

Any financial donation provided by Council comes out of its Section 356 budget which has a current balance of \$32,738 with expenditure of \$35,493 in the 2023/2024 Budget. Council will also need to consider an increase in the S356 budget in the Fourth Quarter QBRS to accommodate such a donation.

ATTACHMENTS

- I. Cowra Eisteddfod Letter [↓](#)



COWRA EISTEDDFOD INC.

P.O Box 193, Cowra 2794 NSW

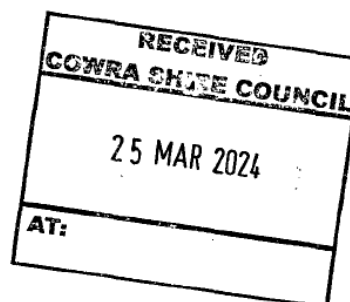
ABN: 30423204332

22/3/2024

Mayor Ruth Fagan

Cowra Shire Councillors

Copy: Paul Devery Michael Jones



The Cowra Eisteddfod is about to get underway for our 70th Anniversary. As you are aware, the Eisteddfod is the largest cultural event on the Cowra Calendar. Our total prizes amounted to over \$60,000 including a prestigious Operatic Aria first prize of \$8,000.

In 2023 we made a loss of \$9,500 and subsequently have made significant changes to our pricing structure and all things being equal we will make up for that loss with increased income this year.

Last year we were subsidised for the use of the Cowra Civic Centre with a capped price of \$11,000 plus GST. This is a significant subsidy due to the costs being estimated at over \$40,000 by the Civic Centre manager.

Could you advise the capped price that will apply for the Cowra Eisteddfod so that we can effectively manage our budget for 2024.

Richard Neate

Treasurer

Cowra Eisteddfod

3.3 Australian Chapter of the World Peace Bell Association - Section 355 Committee

File Number: D24/481

Author: Michael Jones, Director - Corporate Services

RECOMMENDATION

1. That the Minutes of the Australian Chapter of the World Peace Bell Committee's Ordinary meeting held on 6 February 2024 be noted
2. That the Draft Minutes of the Australian Chapter of the World Peace Bell Committee's Ordinary meeting held on 26 March 2024 be noted.
3. That Council endorse the Australian Chapter of the World Peace Bell Committee's recommendations for the use of \$18,565 from the bequest from the Estate of the late Margaret Weir for the following 2024 activities:-
 - Promotional / Educational videos of the Cowra Peace Bell; and
 - World Peace Day in Cowra – Guest Speaker.

INTRODUCTION

The intent of this report is to seek Councils endorsement for the committee's proposed use of the bequest from the estate of the late Margaret Weir.

BACKGROUND

Council has received a generous bequest from the Estate of the late Margaret Edith Weir, which includes \$50,000 to be held in trust for the Australian Chapter of the World Peace Bell Committee.

Council noted the bequest at its December 2023 meeting and resolved that the Peace Bell Committee be requested to consider how to best use the funds and make recommendations to Council.

The Committee has met and discussed the matter. Enclosed are details on their proposed use of a portion of the bequest.

Budget:

Promotional/Educational videos of the Cowra Peace Bell		
Katie Brown Photography	Research, script development, filming, editing and post-production for x2 videos	\$2,500
Katie Brown Photography	Travel/fuel expenses	\$565
Total		\$3,065

World Peace Day in Cowra Youth Forum and Dinner		
Celebrity Speakers Agency	Craig Foster - Guest Speaker Fee	\$8,500
Celebrity Speakers Agency	Craig Foster – Travel/Accommodation/Expenses	\$1,000
World Peace Bell Section 355 Committee	Welcome to Country, Cowra Civic Centre hire fees, Youth Forum catering, expenses for UN Youth Facilitators at Forum, information bags for Forum delegates, marketing and promotion of events.	\$6,000
Total		\$15,500

Total funds to be used in 2024 = \$18,565

Remaining funds of the \$50,000 bequest from the Estate of the late Margaret Edith Weir held in trust for the Australian Chapter of the World Peace Bell Committee = \$31,435.

BUDGETARY IMPLICATIONS

There is no Council budget impact from this proposal. The \$18,565 is to be allocated from the trust account.

ATTACHMENTS

1. Minutes - Australian Chapter of the World Peace Bell Association - 6 February 2024 [↓](#)
2. Draft Minutes - Australian Chapter of the World Peace Bell Association - 26 March 2024 [↓](#)
3. Australian Chapter of the World Peace Bell Committee's Recommendations - Use of Bequest from the Estate of the late Margaret Weir [↓](#)



MINUTES

Australian Chapter of The World Peace Bell Association Meeting Tuesday, 6 February 2024

AUSTRALIAN CHAPTER OF THE WORLD PEACE BELL
ASSOCIATION MEETING MINUTES

6 FEBRUARY 2024

Order Of Business

1

Apologies

3

2

Confirmation of Minutes.....

3

3

Action Items.....

3

3.1

Planning for Bequest from Estate of the late Margaret Weir

3

4

General Business.....

4

4.1

Cowra Breakout 80th Anniversary Commemorations.....

4

5

Next Meeting Date

4

6

Meeting Close.....

4

**AUSTRALIAN CHAPTER OF THE WORLD PEACE BELL
ASSOCIATION MEETING MINUTES****6 FEBRUARY 2024****MINUTES OF COWRA COUNCIL
AUSTRALIAN CHAPTER OF THE WORLD PEACE BELL ASSOCIATION
MEETING HELD AT THE PUBLIC MEETING ROOM
ON TUESDAY, 6 FEBRUARY 2024 AT 11.30AM - 12.30PM****PRESENT:** Cr Cheryl Downing (Chair), Ian Brown (Deputy), Jan Munday**IN ATTENDANCE:** Emma Millward (Community Development Officer), Linda Barron (Community Development Officer)**1 APOLOGIES**

Cr Erin Watt, Margaret Britton, Lisa Besedic, Maggie Wright (Secretary/Treasurer), Yvonne Newham

2 CONFIRMATION OF MINUTES**RECOMMENDATION**

That the minutes of Australian Chapter of The World Peace Bell Association Meeting held on 31 October 2023 be confirmed.

To be noted at next meeting.

3 ACTION ITEMS**3.1 Planning for Bequest from Estate of the late Margaret Weir**

The committee discussed options for the use of bequest from the estate of the late Margaret Weir.

The Committee agreed to investigate the following options for the use of the funds:

Promotional video of the Cowra Peace Bell

- Similar to the videos produced for Australia Day Award nominees this year, this short video will be 90 secs to 2 minutes in length and promote the history of the Bell and its significance in the Cowra Shire community.
- QR code signage will be placed on the bell, and on tourism material (both digital and print mediums) linking to the video.
- The video can be played at Tourism events, World Peace Bell events, and during school visits for educational purposes.

**AUSTRALIAN CHAPTER OF THE WORLD PEACE BELL
ASSOCIATION MEETING MINUTES****6 FEBRUARY 2024**Youth Education Peace Initiatives

- Funding will be used to facilitate workshops in local schools on the Cowra Peace Bell and the importance of peace in cultivating social change within our communities.
- Linda to investigate programs currently offered by the Australian School of Entrepreneurship, relevant to youth peace initiatives, that could be delivered in local schools or as part of World Peace Day Youth Form for 2024. Refer to the website: <https://www.ase.edu.au/workshops>.
- Guest speaker budget for World Peace Day in Cowra to be set up to \$5,000 and invitations to the World Peace Day Youth Forum to be extended to schools in neighbouring Shires.
- Youth Forum also to be expanded to include more students, as opposed to limiting it to school leaders, as per the Cowra Youth Council's suggestion.

A proposal of recommendations will be presented to Council, following endorsement by the Committee.

4 GENERAL BUSINESS**4.1 Cowra Breakout 80th Anniversary Commemorations**

Linda has discussed the World Peace Bell Association's involvement in this year's Breakout commemorations with Chair of the 80th Anniversary Organising Committee, Graham Apthorpe.

It was agreed with Mr Apthorpe that the Lantern Ceremony will commence with the ringing of the Peace Bell in Darling Street, before a lone runner runs a lantern to the Cowra Japanese Garden to start the procession. Cowra Youth Councillor, Laura Price, was suggested to be the lone runner.

5 NEXT MEETING DATE

The next meeting will be held on 26 March at 10am in the Committee Room I.

6 MEETING CLOSE

The Meeting closed at 12.30PM

.....
CHAIRPERSON



MINUTES

Australian Chapter of The World Peace Bell Association Meeting Tuesday, 26 March 2024

AUSTRALIAN CHAPTER OF THE WORLD PEACE BELL
ASSOCIATION MEETING MINUTES

26 MARCH 2024

Order Of Business

1 **Apologies**3

2 **Confirmation of Minutes**.....3

3 **Action Items**.....3

 3.1 Proposal for Weir Bequest..... 3

4 **General Business**.....3

 4.1. Bank Account Closure..... 3

 4.2. School Visits 4

5 **Next Meeting Date**4

6 **Meeting Close**.....4

**AUSTRALIAN CHAPTER OF THE WORLD PEACE BELL
ASSOCIATION MEETING MINUTES****26 MARCH 2024****MINUTES OF COWRA COUNCIL
AUSTRALIAN CHAPTER OF THE WORLD PEACE BELL ASSOCIATION
MEETING HELD AT THE MEALS ROOM
ON TUESDAY, 26 MARCH 2024 AT 10AM****PRESENT:** Cr Cheryl Downing, Ian Brown, Jan Munday, Margaret Britton**IN ATTENDANCE:** Linda Barron, Emma Millward (Community Development Officers)**1 APOLOGIES**

Cr Erin Watt, Mrs Maggie Wright

2 CONFIRMATION OF MINUTES

Moved: Ian Brown

Seconded: Jan Munday

That the minutes of Australian Chapter of The World Peace Bell Association Meeting held on 6 February 2024 be confirmed.

CARRIED

3 ACTION ITEMS**3.1 Proposal for Weir Bequest**

Moved: Jan Munday

Seconded: Ian Brown

That the Australian Chapter of the World Peace Bell Committee endorse the recommendations for the use of bequest from the estate of the late Margaret Weir, and put forward a proposal of recommendations to the next meeting of Council. The recommendations be:

- **Promotional/Educational videos of the Cowra Peace Bell**
- **World Peace Day in Cowra – Guest Speaker**

CARRIED

4 GENERAL BUSINESS**4.1. Bank Account Closure**

Committee to check with Maggie Wright that the World Peace Bell Association bank account has been closed and the funds have been transferred to Council.

**AUSTRALIAN CHAPTER OF THE WORLD PEACE BELL
ASSOCIATION MEETING MINUTES****26 MARCH 2024****4.2. School Visits**

Chair, Cr Cheryl Downing and Deputy Chair, Ian Brown to contact the following schools and arrange meetings to discuss the World Peace Bell and World Peace Day in Cowra.

- Cowra High School
- Mulyan Public School
- St Raphael's Catholic School
- Village schools (various)

5 NEXT MEETING DATE

The next meeting will be held on Tuesday, 7 May 2024 at 10AM in Committee Room 1.

6 MEETING CLOSE

The Meeting closed at 10:50AM

.....
CHAIRPERSON

**AUSTRALIAN CHAPTER OF THE WORLD PEACE BELL ASSOCIATION
SECTION 355 COMMITTEE****REPORT TO COUNCIL MONDAY 22 APRIL 2024****Planning for Bequest from Estate of the late Margaret Weir****Recommendation:**

That Council endorse the Australian Chapter of the World Peace Bell Committee's proposal of recommendations for the use of the bequest from the Estate of the late Margaret Weir for their 2024 activities.

Background:

Council has received a generous bequest from the Estate of the late Margaret Edith Weir, which includes \$50,000 to be held in trust for the Australian Chapter of the World Peace Bell Committee.

Council noted the bequest at its December 2023 meeting and resolved that the Peace Bell Committee be requested to consider how to best use the funds and make recommendations to Council.

Proposal**1. Promotional/Educational videos of the Cowra Peace Bell**

Similar to the videos produced for Australia Day Award nominees this year, the first short video will be two minutes in length and promote the history of the Bell and its significance in the Cowra Shire community.

QR code signage will be placed on the bell, and on tourism material (both digital and print mediums) linking to the video. The video can be played at Tourism events and World Peace Bell events.

The second video will be four minutes in length and will have an educational focus. This video will be used during the Cowra Youth Peace Forum and as part of visits to local schools where the Cowra Peace Bell, and the importance of peace in cultivating social change within our communities is the leading subject.

2. World Peace Day in Cowra – Guest Speaker

The date for the 2024 Cowra Youth Peace Forum has been set for Thursday 19th September 2024, with all schools notified. The Cowra World Peace Day dinner has also been scheduled for the evening of Thursday 19th September, with the Rotary Club of Cowra once again on board as the community partner for this event.

The Committee would like to reinvigorate these important elements of Cowra's World Peace Day program.

The invitation to attend the Cowra Youth Peace Forum will be extended to more local students (as opposed to limiting to school leaders), as per the Cowra Youth Council's suggestion. An invitation to attend the Youth Forum will also be extended to schools in neighbouring Shires.

To draw bigger crowds and community involvement to both events, the it is recommended that money be invested in an engaging and well-known guest speaker to appear at both the Youth Peace Forum and dinner.

The recommended guest speaker for both events is former Socceroo, broadcaster, adjunct professor, author and human rights activist, Craig Foster.

Following a decorated football career as Australia's 419th Socceroo and 40th Captain, Craig has become one of Australia's most respected sportspeople as a broadcaster, social justice advocate and human rights campaigner. Craig is also the NSW Australian of the Year 2023. Craig represented Australia in the junior National Team at age 15 in the first FIFA Under 16 World Cup in China, 1985 where he was selected in the FIFA Team of the Tournament. He would later go on to represent Australia at senior level on 29 occasions including as Captain.

Given the heightened interest in soccer locally with the recent successes of the Matildas, and the timing of our event in September (at the end of the local soccer season and one month after the Olympics are held in Paris), the Committee feels Craig would be an excellent choice that would garner much interest at both a school and community level.

Budget:

Promotional/Educational videos of the Cowra Peace Bell		
Katie Brown Photography	Research, script development, filming, editing and post-production for x2 videos	\$2,500
Katie Brown Photography	Travel/fuel expenses	\$565
Total		\$3,065
World Peace Day in Cowra Youth Forum and Dinner		
Celebrity Speakers Agency	Craig Foster - Guest Speaker Fee	\$8,500
Celebrity Speakers Agency	Craig Foster – Travel/Accommodation/Expenses	\$1,000
World Peace Bell Section 355 Committee	Welcome to Country, Cowra Civic Centre hire fees, Youth Forum catering, expenses for UN Youth Facilitators at Forum, information bags for Forum delegates, marketing and promotion of events.	\$6,000
Total		\$15,500

Total funds to be used for 2024 in 2024 = \$18,565

Remaining funds of the \$50,000 bequest from the Estate of the late Margaret Edith Weir held in trust for the Australian Chapter of the World Peace Bell Committee = \$31,435.

3.4 Section 355 Audit, Risk & Improvement Committee - Legislative Changes

File Number: D24/502

Author: Michael Jones, Director - Corporate Services

RECOMMENDATION

- 1. That Council notes the report from the Director – Corporate Services on the legislative changes relating to the Audit, Risk & Improvement Committee.**
 - 2. That Council endorses the draft “Terms of Reference” document for Cowra Council’s Audit, Risk and Improvement Committee.**
-

INTRODUCTION

The intent of the report is twofold.

Firstly, to inform Councillors about the legislative changes regarding Council’s Audit, Risk and Improvement Committee that come into effect from 1 July 2024.

Secondly to seek Council’s endorsement of a draft “Terms of Reference” (**TOR**) document which will enable Council staff and the Committee to act in meeting the legislative requirements.

BACKGROUND

Over the past 5 years OLG has been drafting and redrafting new guidelines for Council’s requirements for local government Audit, Risk and Improvements Committees (ARIC). In November 2023 these requirements were legislated and come into effect on 1 July 2024.

A copy of the guidelines is enclosed.

KEY REQUIREMENTS

The key changes are summarised under 5 functional areas.

Requirement 1 – Membership of ARIC’s

- Increase the number of independent members from 2 to 3. One of which will be the chair.
- Reduction of the number of Councillors from 2 to 1 and removal of voting rights. Councils may appoint one councillor (who must not be the Mayor) as a non-voting member of the ARIC. Note - the Mayor and other Councillors can attend the meeting as “invitees”. Additionally, the Councillor must meet the skills and experience requirements as per the guidelines.
- Review the existing members to ensure compliance under the new guidelines / issuing of new letters of engagement.
- ARIC chairpersons and members are to be appointed for a term of no more than 4 years. They may be re-appointed if eligible but must not be a member of the ARIC for more than 8 years in any 10-year period.
- Councils may pay remuneration to the chairperson and independent members of the ARIC. Noting also the inclusion of superannuation for independent members.

Requirement 2 – Operations of ARIC's

- Increase in the number of meetings per year from 3 to 4.
- The chairperson may decide the procedure for calling meetings and their conduct.
- Councils must adopt **terms of reference (TOR)** for the ARIC by resolution. In doing so, they must consider the model terms of reference approved by OLG. (Enclosed)
- ARICs must exercise their functions in accordance with the adopted terms of reference.
- General managers of councils must ensure that the ARIC has the resources necessary to properly exercise its functions and is readily able to access the staff, information and records the ARIC considers necessary to exercise those functions.
- ARICs are to keep under the review the council's internal audit functions.

Requirement 3 – Internal Audit

- Councils must adopt an internal audit charter by resolution. In doing so, they must consider the model internal audit charter approved by OLG
- Councils must exercise their internal audit functions in accordance with the adopted internal audit charter.
- General managers of councils must appoint a member of staff (who may be an existing staff member) to be the internal audit coordinator for the council or joint organisation (NB, this role was previously referred to as the “head of the internal audit function” in the draft Guidelines).
- Councils may enter into an arrangement with another council to share that council's internal audit coordinator. Where a council enters into such an arrangement with another council, they are not required to appoint their own internal audit coordinator.
- The internal audit coordinator must report to and comply with directions of the ARIC in relation to the exercise of internal audit functions. The internal audit coordinator is not to be subject to direction by the council or a member of staff of the council in relation to the exercise of internal audit functions.
- The general manager of a council must consult with the chairperson of the ARIC about a proposed decision affecting the employment of the internal audit coordinator.
- General managers of councils must ensure the internal audit coordinator has the resources necessary to properly exercise their functions and is readily able to access the staff, information, and records necessary to exercise those functions and is able to access the ARIC.
- The ARIC must oversee internal audit activities.
- The ARIC must review the performance and efficacy of internal audit activities over each period of 4 years and prepare a report for the governing body which may include recommendations.

Requirement 4 – Risk Management

- Councils must adopt and implement a system for managing risk (NB, councils are required under section 23A of the Local Government Act 1993, to consider OLG's Guidelines when doing so).
- The ARIC must monitor and review the implementation of the system for managing risk and report to the governing body on its operation and efficacy.

Requirement 5 – Attestation

- From 2024/25, councils must publish in their annual reports, an attestation signed by the general manager that specifies whether the council has complied with the Regulation.

- In preparing an attestation, the general manager must give the chairperson of the ARIC an opportunity to comment on it. If the chairperson of the ARIC is not satisfied with the attestation, they may prepare an alternative attestation and provide it to OLG.

TIMELINE

The following timeline shows the actions required between now and the first ARIC meeting under the new requirements.

- 1) Council to endorse the draft Terms of Reference (“TOR”) [April 2024]
- 2) Review of independent member fees.
 - a. As per previous ARIC minutes, Director – Corporate Services (DCS) to prepare paper and make recommendation(s) for Council to adjust the existing Independent Member Fees in line with current market needs/expectations. [April 2024]
- 3) Recruitment of a 3rd Independent member.
 - a. DCS to draft an EOI for the appointment of a 3rd Independent Member onto the ARIC, meeting the required ‘eligibility criteria’, and including the proposed fee from #2, to be appointed for up to 4 years with the first meeting scheduled for 8th August 2024. [April/May]
 - b. Publish EOI with closing date 2-3 weeks from publication [April/May 2024]
 - c. With Chair’s involvement, review and shortlist appropriate EOI candidates, along with interviews as necessary [May/June 2024]
- 4) Present to Council for endorsement - including:
 - a. Selection and appointment of a ‘non-voting councillor member’ (and alternate) for the 8th August 2024 ARIC meeting;
 - b. If needed, selection and appointment of an alternate for the Mayor for the 8th August 2024 ARIC meeting should the Mayor be unavailable; and
 - c. Impact to FY25 budget for additional Independent Member and an increase in meetings from 3 to 4 per annum. [May/June 2024]
- 5) Presentation to Council’s June meeting: [June 2024]
 - a. Recommendation for the appointment of 3rd Independent Member; and
 - b. Recommendation for the appointment of one of the Independent Members as the Chair.
 - c. That DCS reviews the existing independent members appointments and in need seeks Council endorsement for reappointment with new 4-year terms.
- 6) Notify respective Independent Member(s) of Council appointments/reappointments [pre-30 June 2024]
- 7) [8 August 2024] First ARIC meeting under new TOR and committee structure, and will need to:
 - a. GM to advise ARIC of appointed ‘Executive Audit Officer’;
 - b. Endorse an Internal Audit Charter that reflects the decided/most likely Internal Audit Function of Council;
 - c. Develop and approve a 4 Year Internal Audit Plan based on risk registers, council strategy, and management input; and
 - d. Chair/committee to develop the required 4 Year ARIC Workplan to ensure all areas of responsibility (i.e. TOR’s Schedule 1) are reviewed each council term.
- 8) [August 2024] If possible, prior to caretaker mode, present for Council adoption the ARIC endorsed Internal Audit Charter, as well as present the ARIC approved 4 Year Internal

Audit Plan for endorsement by Council – if neither is possible, present at the next available Council meeting

Terms of Reference Document

The terms of reference document outline the purpose, scope, roles and responsibilities and process for the committee. It is used to provide guidance and clarity to those involved as well as to set the expectations and standards for the work to be undertaken and reported.

The legislative changes detailed above are captured in the OLG's recommended TOR document.

The attached document has been reviewed and slight amendments made.

These amendments include;

1. Expanded "Executive Officer" to "Executive Audit Officer" to reduce any potential/unintended confusion.
2. Inclusion of the "Mayor (or their delegate)" as an 'invitee' as this change/allowance in the final guidelines was originally missed. This also addresses the recommendation from the ARIC meeting to insert a 'permanent councillor invitee' onto the ARIC (should the Mayor of the day not wish to attend the ARIC, they can delegate to another councillor not already appointed as the 'non-voting councillor').
3. Amended the Mayor, GM and Executive Audit Officer to be 'invitees' rather than 'observers' so that there is a clear differentiation between these types.

The document attached show these changes tracked.

BUDGETARY IMPLICATIONS

The budgetary impact of these changes is not yet fully costed; however, it is estimated that Council's ARIC costs will climb from \$25k pa to \$50k pa. This increase is due the following factors.

- An increase in the number of paid independent members from 2 to 3
- An increase in the number of meetings per year from 3 to 4
- A review and potential increase in independent member's sitting fees
- The paying of superannuation to independent members
- The establishment of an internal audit function of Council
- Greater administrative costs associated with all of the above

An amount of \$50,000 has been included in the draft LTFP for FY2025 for these estimates. This is up on the current year (FY2024) amount of \$28,028.

RECOMMENDATION

That Council notes the report on the legislative changes relating to the Audit, Risk & Improvement Committee. Furthermore, that Council endorses the draft "Terms of Reference" document for Cowra Council's Audit, Risk and Improvement Committee.

ATTACHMENTS

1. OLG Circular 23-15 [↓](#)

2. Guidelines for Risk Management and Internal Audit updated November 2023 [↓](#)
3. Local Government General Amendment Audit Risk and Improvement Committees Regulation 2023 [↓](#)
4. DRAFT ARIC TOR 2024 (OLG Legislation Revision) - updated (tracked) [↓](#)



Office of
Local Government

Circular to Councils

Circular Details	23-15 / 4 December 2023 / A860774
Previous Circular	22-41 <i>Update on the Guidelines for Risk Management and Internal Audit for Local Government in NSW</i>
Who should read this	General Managers / Councillors / Council governance staff / Audit, risk and improvement committee members and internal audit personnel
Contact	Council Governance Team / (02) 4428 4100 / olg@olg.nsw.gov.au
Action required	Council to Implement

Regulation amendments prescribing requirements for audit risk and improvement committees, internal audit and risk management

What's new or changing

- As foreshadowed in circular 22-41, the Local Government (General) Regulation 2022 (the Regulation) has been amended to give statutory force to key elements of the Office of Local Government's (OLG) Guidelines for Risk Management and Internal Audit for Local Government in NSW (the Guidelines).
- The Amendment Regulation, which is attached to this circular, commences on 1 July 2024 to give councils and joint organisations time to implement the new requirements.
- The Guidelines have been updated to reflect the Regulation amendments as drafted.

What this will mean for your council

- The requirements prescribed under the Regulation are largely the same as those set out in the draft Guidelines issued in December last year.
- Some minor modifications have been made for legal reasons, but these largely give effect to the same outcomes set out in the draft Guidelines issued in December last year.
- An overview of the amendments and any modifications are set out in the attachment to this circular.

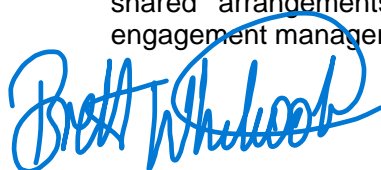
Key points

- The amendments do not take effect until 1 July 2024 to allow councils and joint organisations time to implement them.
- Councils and joint organisations will be required to report on their compliance with the Regulation in their annual reports from 2024/25.
- Councils and joint organisations are exempt from compliance with the Regulation in certain circumstances subject to their reporting their non-compliance, the reasons for their non-compliance and the alternative steps taken to achieve the same outcomes prescribed by the Regulation to OLG and in their annual reports.

Office of Local Government
5 O'Keefe Avenue NOWRA NSW 2541
Locked Bag 3015 NOWRA NSW 2541
T 02 4428 4100 F 02 4428 4199 TTY 02 4428 4209
E olg@olg.nsw.gov.au W www.olg.nsw.gov.au ABN 20 770 707 468

Where to go for further information

- The Amendment Regulation is attached to this circular.
- An overview of the Amendment Regulation is set out in the attachment to this circular.
- An updated version of the Guidelines has been published on OLG's website [here](#).
- The model terms of reference for audit risk and improvement committees, an example risk management policy and the model internal audit charter are available in Word format for use by councils and joint organisations on OLG's website [here](#).
- Templates for the attestation and non-compliance statements required to be published in councils' and joint organisations' annual reports from 2024/25 is available in Word format for use by councils and joint organisations on OLG's website [here](#).
- For further information please contact the Council Governance Team on 02 4428 4100 or by email at olg@olg.nsw.gov.au.
- If councils or joint organisations require assistance in establishing an ARIC or shared arrangements for an ARIC, they should contact their council engagement manager at OLG.



Brett Whitworth
Deputy Secretary, Local Government

1 December 2023

Office of Local Government
5 O'Keefe Avenue NOWRA NSW 2541
Locked Bag 3015 NOWRA NSW 2541
T 02 4428 4100 F 02 4428 4199 TTY 02 4428 4209
E olg@olg.nsw.gov.au W www.olg.nsw.gov.au ABN 20 770 707 468

ATTACHMENT**Membership of audit risk and improvement committees (ARICs)**

- The Amendment Regulation prescribes the membership of councils' and joint organisations' ARICs.
- As foreshadowed in circular 22-21 and the draft Guidelines for Risk Management and Internal Audit for Local Government in NSW (the Guidelines), ARICs must comprise of an independent chairperson and at least two independent members.
- Councils and joint organisations may appoint one councillor (who must not be the Mayor) as a non-voting member of the ARIC.
- Members of ARICs must be appointed by resolution.
- The Amendment Regulation prescribes the same eligibility criteria and independence requirements for chairpersons and independent members of ARICs previously set out in circular 22-21 and the draft Guidelines.
- As previously foreshadowed, council staff may serve as independent members of another council's or joint organisation's ARIC if they satisfy the eligibility criteria and independence requirements but not as chairperson.
- Council staff cannot be appointed as an independent member of another council's or joint organisation's ARIC where the ARIC is shared by the council or joint organisation that employs that person. However, staff may now be appointed as an independent member of another councils' or joint organisation's ARIC where that council or joint organisation shares an internal audit function with the council or joint organisation that employs that person (NB, this softens a restriction previously foreshadowed in circular 22-21 and the draft Guidelines).
- ARIC chairpersons and members are to be appointed for a term of no more than 4 years. They may be re-appointed if eligible but must not be a member of the ARIC for more than 8 years in any 10-year period.
- Councils and joint organisations may remove chairpersons and independent members of the ARIC at any time but must notify OLG within 28 days of doing so.
- Councils may pay remuneration to the chairperson and independent members of the ARIC.

Operations of ARICs

- ARICs must meet at least quarterly.
- The chairperson may decide the procedure for calling meetings and their conduct (NB, guidance on ARIC meetings is provided in the Guidelines).
- Councils and joint organisations must adopt terms of reference for the ARIC by resolution. In doing so, they must consider the model terms of reference approved by OLG (NB, these are provided in the Guidelines and are available on OLG's website in Word format for use by councils and joint organisations).
- ARICs must exercise their functions in accordance with the adopted terms of reference.

Office of Local Government
5 O'Keefe Avenue NOWRA NSW 2541
Locked Bag 3015 NOWRA NSW 2541
T 02 4428 4100 F 02 4428 4199 TTY 02 4428 4209
E olg@olg.nsw.gov.au W www.olg.nsw.gov.au ABN 20 770 707 468

- General managers of councils and executive officers of joint organisations must ensure that the ARIC has the resources necessary to properly exercise its functions and is readily able to access the staff, information and records the ARIC considers necessary to exercise those functions.
- ARICs are to keep under the review the council's or joint organisations internal audit functions.

Internal audit

- Councils and joint organisations must adopt an internal audit charter by resolution. In doing so, they must consider the model internal audit charter approved by OLG (NB, this is provided in the Guidelines and is available on OLG's website in Word format for use by councils and joint organisations).
- Councils and joint organisations must exercise their internal audit functions in accordance with the adopted internal audit charter.
- General managers of councils and executive officers of joint organisations must appoint a member of staff (who may be an existing staff member) to be the internal audit coordinator for the council or joint organisation (NB, this role was previously referred to as the "head of the internal audit function" in the draft Guidelines).
- Councils and joint organisations may enter into an arrangement with another council or joint organisation to share that council's or joint organisation's internal audit coordinator. Where a council or joint organisation enters into such an arrangement with another council or joint organisation, they are not required to appoint their own internal audit coordinator.
- The internal audit coordinator must report to and comply with directions of the ARIC in relation to the exercise of internal audit functions. The internal audit coordinator is not to be subject to direction by the council or a member of staff of the council in relation to the exercise of internal audit functions.
- The general manager of a council or executive officer of a joint organisation must consult with the chairperson of the ARIC about a proposed decision affecting the employment of the internal audit coordinator.
- General managers of councils and executive officers of joint organisations must ensure the internal audit coordinator has the resources necessary to properly exercise their functions and is readily able to access the staff, information, and records necessary to exercise those functions and is able to access the ARIC.
- The ARIC must oversee internal audit activities.
- The ARIC must review the performance and efficacy of internal audit activities over each period of 4 years and prepare a report for the governing body which may include recommendations.

Risk management

- Councils and joint organisations must adopt and implement a system for managing risk (NB, councils and joint organisations are required under section 23A of the *Local Government Act 1993*, to consider OLG's Guidelines when doing so).

Office of Local Government
5 O'Keefe Avenue NOWRA NSW 2541
Locked Bag 3015 NOWRA NSW 2541
T 02 4428 4100 F 02 4428 4199 TTY 02 4428 4209
E olg@olg.nsw.gov.au W www.olg.nsw.gov.au ABN 20 770 707 468

- The ARIC must monitor and review the implementation of the system for managing risk and report to the governing body on its operation and efficacy.

Attestation

- From 2024/25, councils and joint organisations must publish in their annual reports, an attestation signed by the general manager or the executive officer in the case of a joint organisation, that specifies whether the council or joint organisation has complied with the Regulation (NB, a template for the attestation is provided in the Guidelines and is available on OLG's website in Word format for use by councils and joint organisations).
- In preparing an attestation, the general manager or executive officer must give the chairperson of the ARIC an opportunity to comment on it. If the chairperson of the ARIC is not satisfied with the attestation, they may prepare an alternative attestation and provide it to OLG.

Exemption

- A council or joint organisation is not required to comply with a requirement under the Regulation where:
 - the council or joint organisation cannot comply with the requirement because of temporary extenuating circumstances or resourcing constraints that will significantly impact the council's or joint organisation's budget, **and**
 - the council or joint organisation cannot enter into an agreement with another council or joint organisation to share the performance of activities necessary to satisfy the requirement, **and**
 - current or proposed alternative arrangements will achieve outcomes equivalent to the requirement under the Regulation, **and**
 - the council or joint organisation notifies OLG of the failure to comply with the Regulation within 28 days, **and**
 - the council or joint organisation publishes a statement in its annual report about the non-compliance that includes details of the above matters (NB, a template for this statement is provided in the Guidelines and is available on OLG's website in Word format for use by councils and joint organisations).
- Councils and joint organisations are no longer required to seek the prior approval of OLG to be exempt as previously foreshadowed in the draft Guidelines. They will automatically be exempt if they satisfy all the above requirements.

Office of Local Government
5 O'Keefe Avenue NOWRA NSW 2541
Locked Bag 3015 NOWRA NSW 2541
T 02 4428 4100 F 02 4428 4199 TTY 02 4428 4209
E olg@olg.nsw.gov.au W www.olg.nsw.gov.au ABN 20 770 707 468

RISK MANAGEMENT AND INTERNAL AUDIT for local government in NSW

Guidelines

November 2023



GUIDELINES FOR RISK MANAGEMENT AND INTERNAL AUDIT FOR LOCAL GOVERNMENT IN NSW

2022

ACCESS TO SERVICES

The Office of Local Government is located at:

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

Postal Address: Locked Bag 3015, Nowra, NSW 2541

Phone: 02 4428 4100

Fax: 02 4428 4199

TTY: 02 4428 4209

Email : olg@olg.nsw.gov.au

Website: www.olg.nsw.gov.au

OFFICE HOURS

Monday to Friday

9.00am to 5.00pm

(Special arrangements may be made if these hours are unsuitable)

All offices are wheelchair accessible.

ALTERNATIVE MEDIA PUBLICATIONS

Special arrangements can be made for our publications to be provided in large print or an alternative media format. If you need this service, please contact Client Services on 02 4428 4100.

DISCLAIMER

While every effort has been made to ensure the accuracy of the information in this publication, the Office of Local Government expressly disclaims any liability to any person in respect of anything done or not done as a result of the contents of the publication or the data provided.

© NSW Office of Local Government, Department of Planning and Environment 2023

Produced by the NSW Office of Local Government, Department of Planning and Environment

Contents

Background	6
Background	7
Purpose	7
Statutory framework	8
Annual attestation	12
Monitoring	13
Core requirement 1:	14
Audit, risk and improvement committee	14
Guiding principles for audit, risk and improvement committees	15
Role and functions	15
Terms of Reference	15
Structure	16
Shared committees	16
Size and composition	17
Roles of committee members	18
Independence criteria for committee chairpersons and independent members	20
Eligibility criteria for committee chairpersons and members	21
Appointment	23
Membership terms	24
Resignation of committee members	26
Dismissal of committee members	26
Fees	26
Insurance	27
Learning and development	27
Conduct	27
Meetings	28
Confidentiality	30
Secretariat	30
Key relationships	31
Access to council, staff, resources and information	31
Disputes	32
Workplans	33
Providing advice to the governing body	34
Review of committee performance	37
Annual attestation	38
Further resources	39

Core requirement 2: 41

Risk management 41

Guiding principles for risk management	42
Standards	42
County councils and joint organisations	44
Resourcing	45
Roles and responsibilities	45
Review and reporting	48
Annual attestation	49
Further resources	50

Core requirement 3: 51

Internal audit 51

Guiding principles for internal audit	52
Independence	52
Resourcing	52
Internal audit charter	53
Role of the general manager	53
Role of the audit, risk and improvement committee	54
Structure	54
In-house internal audit function	55
Role and responsibilities	56
Outsourced internal audit function	58
Dual responsibilities	59
Shared internal audit function	60
Work plans	62
Performing internal audits	62
Providing advice to the audit, risk and improvement committee	63
Internal audit documents	64
Review of internal audit function performance	64
Reporting concerns about councillors or council staff	66
Annual attestation	66
Further resources	67

Implementation 68

Audit, risk and improvement committees	69
Risk management framework	69
Internal audit function	69
Attestation	69

Appendices	70
Appendix 1:	71
Attestation template	71
Appendix 2:	76
Audit, risk and improvement committee – role and responsibilities	76
Appendix 3:	82
Model terms of reference for audit, risk and improvement committees	82
Appendix 4:	95
Example risk management policy	95
Appendix 5:	98
Model internal audit charter	98

Background

Background

The *Local Government Act 1993* and the *Local Government (General) Regulation 2021* and these Guidelines require each council in NSW to have an audit, risk and improvement committee, a robust risk management framework, and an effective internal audit function

Background

The *Local Government Act 1993* ('Local Government Act'), the *Local Government (General) Regulation 2021* ('Local Government Regulation') and these Guidelines require each council in NSW to have:

- an audit, risk and improvement committee that continuously reviews and provides independent advice to the council on how it is functioning and managing risk
- a robust risk management framework that accurately identifies and mitigates the risks facing the council and its operations, and
- an effective internal audit function that provides independent advice as to whether the council is functioning effectively and the council's internal controls to manage risk are working.

These three mandatory governance mechanisms are key to ensuring that councils are doing things the best way they can for their communities and are on track to delivering their community's goals and objectives.

Communities themselves will ultimately be the greatest beneficiaries.

If implemented effectively, audit, risk and improvement committees, risk management and internal audit will lead to councils:

- achieving their strategic objectives in the most efficient, effective and economical manner
- having better and more efficient levels of service delivery
- having increased accountability and transparency
- achieving better decision-making and having the confidence to make difficult decisions
- having increased financial stability
- achieving and maintaining compliance with all laws, regulations, internal policies and procedures, and
- better safeguarding their public assets.

Purpose

These guidelines have been developed to assist councils, county councils and joint organisations to comply with statutory requirements under the Local Government Act and Local Government Regulation.

They also seek to strengthen risk management and internal audit practices in NSW councils by setting a minimum standard that reflects a 'best practice' approach.

The Guidelines have been issued under section 23A of the Local Government Act which confers on the "Departmental Chief Executive" of the Office of Local Government the power to prepare, adopt or vary guidelines relating to the exercise by a council of any of its functions.

Councils are required to consider these Guidelines when implementing the requirements prescribed under the Act and the Regulation relating to audit, risk and improvement committees, risk management and internal audit.

These Guidelines replace the NSW Government's *Internal Audit Guidelines for Local Government in NSW* issued in 2010.

The three core requirements outlined in the Guidelines reflect international standards and the recommendations and opinions of internal audit practitioners, councils, councillors, audit, risk and improvement committee members, risk management practitioners, government agencies, experts and community members.

They are also informed by practices in other Australian jurisdictions and give effect to the recommendations of the:

- Independent Commission Against Corruption in its inquiries into Burwood Council (2011) and Botany Bay Council (2017)
- Local Government Acts Taskforce in its review of the *Local Government Act 1993* (2013)
- Independent Local Government Review Panel in its *Revitalising Local Government inquiry* (2013), and
- various performance audits and other reviews conducted by the NSW Auditor-General since 2010.

Based on these recommendations:

- the core requirements outlined in the Guidelines relating to the operation of a council's audit, risk and improvement committee have been modelled on the *Internal Audit and Risk Management Policy for the General Government Sector (TPP 20-08)* developed by NSW Treasury and best practice in the public and private sectors
- the core requirements relating to risk management have been modelled on the current Australian risk management standard, *AS/NZS ISO 31000:2018 Risk Management – Guidelines*, and
- the core requirements relating to a council's internal audit function have been modelled on the Institute of Internal Auditors (IIA) *International Standards for the Professional Practice of Internal Auditing* (the 'International Professional Practices Framework') and best practice in the public and private sectors.

The framework balances these professional standards and best practice approaches with the unique structure, needs and operating environments of metropolitan, regional and rural councils, county councils and joint organisations across NSW.

The release of these Guidelines follows an extensive consultation process. The Office of Local Government thanks all the individuals, councils and bodies involved in the development of these Guidelines and the risk management and internal audit regulatory framework.

Further resources

There has been a wide range of information and guidance developed in recent times by government agencies, experts, practitioners and other bodies to help organisations establish effective audit, risk and improvement committees, risk management frameworks and internal audit functions.

As a starting point, a list of further resources has been included at the end of each core requirement. These resources provide practical information and tools such as examples, templates, checklists and sample documents that councils may find useful when implementing these Guidelines.

Terminology

When a joint organisation is applying these Guidelines, it should substitute the term "council" for "joint organisation", "governing body" for "board", "chairperson" for "mayor", "voting representative" for "councillor" and "executive officer" for "general manager" and "annual report" for "annual performance statement", where appropriate.

Where a county council is applying these guidelines, it should substitute the terms "county council" for "council", "chairperson" for "mayor", and "member" for "councillor", where appropriate.

References to the "Departmental Chief Executive" in these Guidelines refers to the person exercising the functions of the Departmental Chief Executive of the Office of Local Government under the Local Government Act or the "Secretary" under the Regulation.

Statutory framework

The Local Government Act and Local Government Regulation provide the statutory foundations and prescribe the desired outcomes for councils' audit, risk and improvement committees, risk management frameworks and internal audit functions.

Relevant provisions of the Local Government Act and Local Government Regulation are detailed below.

Guiding principles of local government

The guiding principles of the Local Government Act (sections 8A, 8B and 8C) require each council to carry out its functions in a way that provides the best possible value for residents and ratepayers.

The guiding principles also specify that councils are to:

- spend money responsibly and sustainably, and align general revenue and expenses

- invest in responsible and sustainable infrastructure for the benefit of the local community
- effectively manage their finances and assets and have sound policies and processes for performance management and reporting, asset maintenance and enhancement, funding decisions, and risk management practices
- ensure the current generation funds the cost of its services and achieves intergenerational equity, and
- manage risks to the local community, area or council effectively and proactively.

Role of the governing body

To achieve these guiding principles, the Local Government Act (section 223) provides that the role and responsibilities of the governing body include:

- directing and controlling the affairs of the council in accordance with the Local Government Act
- ensuring, as far as possible, the financial sustainability of the council
- ensuring, as far as possible, that the council complies with the guiding principles of the Local Government Act
- keeping the performance of the council under review
- making the decisions necessary to ensure the council properly exercises its regulatory functions, and
- being responsible for ensuring that the council acts honestly, efficiently and appropriately.

Role of the general manager

The Local Government Act (section 335) provides that the general manager is responsible for:

- conducting the day-to-day management of the council in accordance with the strategic plans, programs, strategies and policies of the council – this includes establishing the council's organisational structure and appointing and dismissing council staff (section 332)

- implementing, without undue delay, the lawful decisions of the council
- advising the governing body on the development and implementation of the council's plans, programs, strategies and policies, and
- ensuring that the mayor and other councillors are given timely information and advice and the administrative and professional support necessary to effectively discharge their functions.

The Local Government Regulation (section 209) also requires the general manager to ensure that:

- the council complies with all legal financial obligations, including the keeping of accounting records
- effective measures are taken to secure the effective, efficient and economical management of financial operations within each division of the council's administration
- authorised and recorded procedures are established to provide effective control over the council's assets, liabilities, revenue and expenditure and secure the accuracy of the accounting records, and
- lines of authority and the responsibilities of members of the council's staff for related tasks are clearly defined.

Role of a joint organisation

The Local Government Act establishes joint organisations as a strategic regional body of councils.

The role and responsibilities of a joint organisation under the Local Government Act (section 400R) are to:

- establish regional priorities for the joint organisation area and strategies and plans to deliver these priorities
- provide regional leadership for the joint organisation area and advocate for strategic regional priorities, and
- identify and take-up opportunities for intergovernmental cooperation.

Joint organisations also deliver services and provide assistance to, or on behalf of, councils, and councils are able to delegate certain functions to their joint organisation (sections 355, 379 and 400S).

The Local Government Act (section 400Y) provides that the executive officer of a joint organisation is to:

- conduct the day-to-day management of the joint organisation in accordance with the strategic regional priorities and other plans, programs, strategies and policies of the organisation, and
- appoint, direct and dismiss staff.

Audit, risk and improvement committee

The Local Government Act (section 428A) requires each council to establish an audit, risk and improvement committee to continuously review and provide independent advice to the general manager and the governing body of the council on:

- whether the council is complying with all necessary legislation, regulations and other legal requirements
- the adequacy and effectiveness of the council's risk management framework, fraud and corruption prevention activities, financial management processes, and the council's financial position and performance
- the council's governance arrangements
- the achievement by the council of the goals set out in the council's community strategic plan, delivery program, operational plan and other strategies
- how the council delivers local services and how it could improve the performance of its functions more generally
- the collection of performance measurement data by the council, and
- any other matters prescribed by the Local Government Regulation (including internal audit).

The Local Government Act (section 428B) allows councils to establish a joint audit, risk and improvement committee with other councils including through joint or regional

organisations of councils to function as a shared committee.

The requirements for shared committees in these Guidelines are detailed in core requirement 1.

The Local Government Regulation prescribes the following requirements in relation to the membership and operations of councils' audit, risk and improvement committees:

- Councils must by resolution appoint an audit, risk and improvement committee comprising of a chairperson and at least two or more other persons as voting members of the committee (section 216C).
- Commencing 1 July 2024, the chairperson and other voting members of a council's audit, risk and improvement committee must satisfy the independence and eligibility criteria prescribed by the Regulation (sections 216D, 216E and 216F). The criteria are also set out in these Guidelines. Councils must not appoint a person to be the chairperson or a voting member of the council's audit, risk and improvement committee unless they satisfy the independence and eligibility criteria prescribed by the Regulation and specified in these Guidelines.
- Councils may appoint one councillor as a non-voting member of its audit risk and improvement committee (section 216C). Councillors appointed as a non-voting member of an audit, risk and improvement committee should satisfy the eligibility criteria for councillor members of committees specified in these Guidelines.
- For the purposes of section 428A(2)(i) of the Local Government Act, councils' audit, risk and improvement committees are to keep under review internal audit activities (section 216M).
- The Departmental Chief Executive may approve model terms of reference for councils' audit, risk and improvement committees (section 216K). The model terms of reference approved by the Departmental Chief Executive are provided in Appendix 3 of these Guidelines.

- Councils must adopt by resolution, terms of reference for their audit, risk and improvement committees and must consider the model terms of reference for committees approved by the Departmental Chief Executive contained in these Guidelines when doing so (section 216K).
- A council's audit, risk and improvement committee must exercise its functions in accordance with the terms of reference adopted by the council (section 216K).
- Councils must provide their audit, risk and improvement committee with such access to the general manager and other senior management staff of the council, and any information and resources of the council as may be necessary for the committee to exercise its functions (section 216L).

The requirements for audit, risk and improvement committees in these Guidelines are detailed in core requirement 1.

Risk management

The Local Government Regulation prescribes the following requirements in relation to risk management:

- Commencing on 1 July 2024, councils must adopt and implement a framework for identifying and managing risk (section 216S). Councils must consider these Guidelines when doing so.
- A council's audit, risk and improvement committee must keep the implementation of the council's risk management framework under review and provide advice to the council on its operation and efficacy (section 216S).

The requirements for risk management in these Guidelines are detailed in core requirement 2.

Internal audit

The Local Government Regulation prescribes the following requirements in relation to internal audit:

- Commencing 1 July 2024, councils must have an internal audit function to keep under review the council's operations and

risk management and control activities (section 216O).

- The Departmental Chief Executive may approve a model internal audit charter for councils to guide the performance of their internal audit function (section 216O). The model internal audit charter approved by the Departmental Chief Executive is provided in Appendix 5 of these Guidelines.
- Councils must adopt by resolution, an internal audit charter and must consider the model internal audit charter approved by the Departmental Chief Executive contained in these Guidelines when doing so (section 216O).
- A council's internal audit function must be undertaken in accordance with the internal audit charter adopted by the council (section 216O).
- Commencing 1 July 2024, councils' general managers must appoint a member of staff of the council (the internal audit coordinator) to direct and coordinate internal audit activities for the council (section 216P).
- Councils are not required to appoint a member of staff to direct and coordinate their internal audit activities if the council has entered into an agreement with other councils to share the internal audit function and one of the participating councils has appointed a member of staff to direct and coordinate internal audit activities on behalf of all the participating councils (section 216P).
- A council's internal audit activities are to be undertaken under the oversight and direction of the council's audit, risk and improvement committee (sections 216M, 216P and 216R).
- The member of staff appointed by the general manager to direct and coordinate internal audit activities is to report to the audit, risk and improvement committee on those activities (section 216P).
- The member of staff of a council appointed to direct and coordinate internal audit activities is not to be subject to direction in the performance of internal audit activities by anyone other than the audit, risk and improvement committee (section 216P).

- All internal audit personnel must have direct and unrestricted access to council staff, the audit, risk and improvement committee and council information and resources necessary to undertake their role and responsibilities (section 216Q).
- The general manager must consult with the chairperson of the council's audit, risk and improvement committee on any decision affecting the employment of the staff member appointed to direct and coordinate the council's internal audit activities and must consider the chairperson's views before making the decision (section 216P).
- The audit, risk and improvement committee must review the performance and efficacy of the council's internal audit activities once every 4 years and report to the governing body of the council on the outcome of its review and make recommendations (section 216R).
- The general manager must consult with the chairperson of the council's audit, risk and improvement committee on the content of the attestation statement and must consider the chairperson's views when preparing the statement (section 216T).
- If the committee chairperson disagrees with the content of the attestation statement prepared by the general manager, they may prepare their own attestation statement and submit this to the Departmental Chief Executive (section 216T).

The requirements for internal audit in these Guidelines are detailed in core requirement 3.

Annual attestation

Commencing with the 2024-2025 annual report, general managers will be required under the Local Government Regulation to publish an attestation statement each year in the council's annual report indicating whether, during the preceding financial year, the council's audit, risk and improvement committee, risk management framework and internal audit function complied with the requirements prescribed in the Regulation.

The Local Government Regulation prescribes the following requirements in relation to attestation:

- Commencing with the 2024-2025 annual report, councils' annual reports must contain an attestation statement signed by the general manager on the council's compliance with the requirements prescribed in the Regulation relating to the membership and operations of its audit, risk and improvement committee, its risk management framework and internal audit function (section 216T).

An attestation certificate template is provided at Appendix 1 and attestation requirements are highlighted with this symbol throughout these Guidelines.



The details of each member of the council's audit, risk and improvement committee should also be included in the attestation statement.

Attestation operates to ensure that the council takes independent assurance and risk management seriously and is accountable to the community for how it has implemented these requirements.

As noted above, the council's compliance status is to be self-assessed by the general manager, in consultation with the audit, risk and improvement committee.

The general manager must consider the views of the chairperson of the council's audit risk and improvement committee on the content of the attestation statement when preparing the statement.

If the chairperson disagrees with the content of the attestation statement prepared by the general manager, they may prepare their own statement and submit this to the Departmental Chief Executive.

Exemptions

There may be times where a council may not be able to comply with all requirements relating to the audit, risk and improvement committee, risk management framework or internal audit function.

The Local Government Regulation exempts councils from compliance with a requirement under the Regulation in certain circumstances.

The Regulation provides that a council is not required to comply with a requirement under the Regulation where:

- the council cannot comply with the requirement because of temporary extenuating circumstances or resourcing constraints that will significantly impact the council's budget, **and**
- the council cannot enter into an agreement with another council or joint organisation to share the performance of activities necessary to satisfy the requirement, **and**
- current or proposed alternative arrangements will achieve outcomes equivalent to the requirement under the Regulation, **and**
- the council notifies the Departmental Chief Executive of the failure to comply with the Regulation within 28 days, **and**

- the council publishes a statement in its annual report about the non-compliance that includes details of the above matters. A template for this statement is provided in Appendix 1 of these Guidelines.

Monitoring

Councils' compliance with the core requirements of the Local Government Act, Local Government Regulation and these Guidelines will be monitored by the Office of Local Government.

The NSW Auditor-General may also undertake an assurance role in monitoring councils' compliance. This may include conducting sector-wide performance audits, or compliance audits of individual councils and undertaking reviews of exemptions granted by the Departmental Chief Executive.

Core requirement 1:

Audit, risk and improvement committee

- Each council and joint organisation has an audit, risk and improvement committee that reviews the matters referred to in section 428A of the Local Government Act

Guiding principles for audit, risk and improvement committees

- ❖ The audit, risk and improvement committee is independent of the council.
- ❖ The committee is equipped with the relevant expertise and has access to the council resources and information necessary to fulfil its role and responsibilities effectively.
- ❖ Each council receives relevant and timely advice and assurance from the committee on the matters listed in section 428A of the Local Government Act.
- ❖ The work of the committee is thoroughly planned and executed, risk-based and linked to the council's strategic goals.
- ❖ The committee adds value to the council and is accountable to the governing body for its performance.
- ❖ The council is accountable to the community for complying with statutory requirements and these Guidelines relating to the committee.

Role and functions

Under section 428A of the Local Government Act, each council (including county councils and joint organisations) must have an audit, risk and improvement committee to independently review and advise on the following aspects of the council's operations:

- (a) compliance
- (b) risk management
- (c) fraud control
- (d) financial management
- (e) governance
- (f) implementation of the strategic plan, delivery program and strategies
- (g) service reviews

- (h) collection of performance measurement data by the council, and
- (i) any other matters prescribed by the regulation.

The committee must also provide information to the council for the purpose of improving the council's performance of its functions.

The Local Government Regulation (section 216M) also requires a council's audit, risk and improvement committee to review and provide advice on the council's internal audit activities.

The audit, risk and improvement committee's role also extends to any entities established by or operated by the council.

The exact nature of each audit, risk and improvement committee's role and the specific activities it reviews on behalf of a council under section 428A of the Local Government Act will vary depending on the council's needs, risks and business functions.

These activities are to be agreed between the audit, risk and improvement committee and the council during the development of the committee's terms of reference. Suggested activities are provided in **Appendix 2**.

Level of assurance

Audit, risk and improvement committees are to have an advisory and assurance role only. They are to exercise no administrative functions, delegated financial responsibilities or any management functions for a council.

It is expected that each audit, risk and improvement committee will provide independent advice to the council that is informed by the council's internal audit and risk management activities and information and advice provided by council staff, relevant external bodies and other subject matter experts.

Terms of Reference

It is important that each audit, risk and improvement committee has clear guidance on how it should serve the council, and that the

council has input into how the committee will operate given its investment.

This will ensure clarity in the relationship between the council and the audit, risk and improvement committee, and that the council can measure the committee's performance.

The Local Government Regulation (section 216K) requires a council's audit, risk and improvement committee to operate according to terms of reference.



The terms of reference are to be approved by resolution of the governing body and reviewed annually by the audit, risk and improvement committee, and once each council term (i.e. four years) by the governing body.

Councils must consider the model terms of reference approved by the Departmental Chief Executive contained in Appendix 3 of these Guidelines before adopting terms of reference.

Structure

Each council will have different audit, risk and improvement committee requirements depending on the council's size, needs, budget and the complexity of its operations.

For this reason, councils can either:

- establish an audit, risk and improvement committee for their exclusive use, or
- share their committee with another council, county council or joint organisation under section 428B of the Local Government Act.

When deciding the most appropriate way to structure a council's audit, risk and improvement committee, the council should consider the viability and capacity of a shared committee to achieve its terms of reference given the:

- size of the council in terms of both staffing levels and budget
- geographical and functional distribution of the council's operations
- complexity of the council's core business
- risk profile of the council

- expectations of stakeholders, and
- likely demands placed on the committee by other councils in the shared arrangement.

Shared committees

As noted above, under the Local Government Act (section 428B) councils can share an audit, risk and improvement committee. Councils can:

- share their committee with another council/s, county council/s and/or joint organisation/s as part of an independent shared arrangement
- utilise a committee established by their joint organisation that is shared with all member councils
- for county councils - share their committee with a member council where possible or another council
- for joint organisations - share their committee with a member council where possible or another council or joint organisation.

These options allow councils to establish and operate their audit, risk and improvement committee in a more cost-effective way.

For all shared audit, risk and improvement committees:

- the committee must operate as an individual committee for each council in any shared arrangement and exercise their functions for each council individually
- a shared committee should only be established and utilised by councils where the committee can maintain a strong understanding of each participating council's assurance needs and is able to meet these needs
- a shared committee should only be established and utilised by councils where the committee can maintain an effective working and reporting relationship with the general manager and governing body of each participating council
- councils that share their internal audit function can, but are not required to, also share their committee

- councils that share their committee can, but are not required to, also share the committee's secretariat, and
- councils should develop and sign a formal agreement with the other councils in the shared arrangement which outlines how the shared arrangement will operate and costs shared.

Where a joint organisation establishes an audit, risk and improvement committee to serve its member councils, it is at each member council's discretion whether they utilise the shared committee.

Shared councillor members

It is important to note that where an audit, risk and improvement committee is shared between councils as part of an independently established shared arrangement, or an arrangement established by a joint organisation, and the councils elect to have a councillor member on the committee, the councillor member will not be shared by councils.

To maintain the confidentiality of the business of each council in the shared arrangement considered by the shared committee:

- the governing body of each council is to appoint one councillor member to serve on the audit, risk and improvement committee for that council only
- the councillor member is to only attend committee meetings for their council, and
- the councillor member is to receive information pertaining to their council only.

For joint organisations, the elected councillor member will be a voting representative of the board.

Shared independent members

Unlike councillor members, the independent chairperson and members of shared audit, risk and improvement committees will serve all councils participating in the shared arrangement.

For audit, risk and improvement committees appointed as part of an independent shared arrangement, the councils in the shared arrangement are to mutually agree to the independent members that will be appointed to these roles, and each council is to confirm their appointment by resolution.

For audit, risk and improvement committees appointed as part of an arrangement established by a joint organisation by its member councils, the board of the joint organisation will appoint the chairperson and independent members of the committee by resolution on behalf of member councils under delegation from the member councils.

Size and composition

Each council, county council and joint organisation is required to have an audit, risk and improvement committee that is appropriate for the council's size, risk profile, operational complexity, resources, and its ability to attract suitably qualified committee members.

Each council is required to appoint an audit, risk and improvement committee that comprises of an independent chairperson and at least two independent members that meet the independence and eligibility criteria prescribed by the Local Government Regulation and set out in these Guidelines.



At a minimum, audit risk and improvement committees **must** comprise of the following:

- **an independent chairperson** who meets the independence criteria **and** the eligibility criteria for committee chairpersons set out below, **and**
- **at least two independent members** who meet the independence criteria **and** the eligibility criteria for independent committee members set out below

Councils also have the option of appointing one non-voting councillor member to their committee who meets the eligibility criteria for councillor members of committees set out

below. **The mayor cannot be appointed as a councillor member of a council's audit, risk and improvement committee.**

The size and composition requirements of a committee are the same whether the committee is established by a council for its exclusive use or as part of a shared arrangement.

Councils can establish larger committees and appoint more committee members than the minimum required should they choose to do so but may only appoint one non-voting councillor member.

The governing body is to determine the exact size of the audit, risk and improvement committee in consultation with the chairperson of the committee and general manager, taking into account the needs and risk profile of the council, and likely workload of the committee.

County councils

Whilst a county council can establish an audit, risk and improvement committee for its own exclusive use, for administrative and cost efficiency, it is recommended that county councils utilise the committee of a member council/s under an independent shared arrangement (see above).

Joint organisations

Where a joint organisation has not established an audit, risk and improvement committee for its member councils as part of a joint organisation led shared arrangement, for administrative and cost efficiency, it is recommended that, where possible, a joint organisation utilise a committee established by one of its member councils as part of an independent shared arrangement (see above).

To ensure the audit, risk and improvement committee has an understanding of the interrelationships and needs of the joint organisation and its member councils, and of wider regional priorities, ideally joint organisations should enter into an independent shared arrangement with a member council/s. If this is not possible, it is open to joint organisations to enter into a shared arrangement with another joint

organisation or a council from outside of its area.

Roles of committee members

Chairperson

The position of the chairperson of an audit, risk and improvement committee is pivotal to the committee's effectiveness and is the focal point for the committee's relationship with the council, the internal audit function and external auditor.

The chairperson acts as the interface between the audit, risk and improvement committee and the general manager and other staff, the governing body, the external auditor, and the internal audit function.

Any individual audit, risk and improvement committee member who wishes to meet with the general manager or governing body of the council to discuss any issues relating to the committee's responsibilities is to do so through the chairperson of the committee, and vice versa.

To be successful in their role, a chairperson must:

- have strong leadership qualities
- have the personal courage to raise and deal with tough issues and express opinions frankly, and to support other committee members to do the same
- be able to recommend the appointment of committee members to the governing body
- maintain effective working relationships between committee members and with the council
- keep the governing body and general manager informed and brief them on the strategic and technical aspects of internal audits and risk and control issues
- lead effective committee meetings including:
 - planning for and setting agendas for meetings, ensuring committee

members are adequately informed of matters to be considered prior to meetings and allowing sufficient time for discussion of those matters at the meeting

- ensuring the meeting runs smoothly and that the views of members are heard
 - focus the committee's deliberations on the most important issues
 - seek the input of advisers, observers and other experts to maximise committee deliberations
 - summarise discussion outcomes and actions, including assigning responsibility and timeframes for actions
- maintain an effective working relationship with the council's external auditor
 - oversee the internal audit function and be alert to external accountability and internal audit concerns
 - arrange for all committee members to maintain an up-to-date knowledge of the council and its activities, including any financial or regulatory developments, and
 - know the strengths and weaknesses of the committee, and individual committee members and how this may affect the opinions of the committee.

Independent members

Independent audit, risk and improvement committee members are expected to be able to assess information provided to them about the council and to identify and assess key risks and issues.

Each member should be capable of making a valuable contribution to the committee.

To be successful in their role, a member must:

- take a professional approach to their responsibilities, including an appropriate commitment of time and effort
- know the business, culture and values of the council and take the time to understand changes that affect how the council operates and its risks
- have sufficient understanding of the council's financial reporting responsibilities

to be able to contribute to the committee's consideration of the annual financial statements

- understand the role of the committee and the expectations of the council
- act in the best interests of the council
- take a professional approach
- be a good communicator and build effective relationships with the council and other committee members, and
- have the personal courage to raise and deal with tough issues, express opinions frankly, ask questions that go to the fundamental core of the issue and pursue independent lines of inquiry.

Councillor members

Councillor members of audit, risk and improvement committees are non-voting members of committees. This is to ensure that decision making by the committee is independent of the council.

Councillor members of committees act as an important link between the governing body and the committee.

Their role is to:

- relay to the committee any concerns the governing body may have regarding the council and issues being considered by the committee
- provide insights into local issues and the strategic priorities of the council that would add value to the committee's consideration of agenda items
- advise the governing body (as necessary) of the work of the committee and any issues arising from it, and
- assist the governing body to review the performance of the committee each council term.

Issues or information councillor members raise with or provide the audit, risk and improvement committee must relate to the matters listed in section 428A of the Local Government Act, the committee's terms of reference and issues being considered by the committee.

Councillor members of audit, risk and improvement committees are not entitled to receive information about audit, risk and improvement committee activities outside of established reporting requirements.

Councillor members of audit, risk and improvement committees must conduct themselves in a non-partisan and professional manner.

Councillor members of committees must not engage in any conduct that seeks to politicise the activities of the committee or the internal audit function or that could be seen to do so.

Where a councillor member of an audit, risk and improvement committees engages in such conduct or in any other conduct that may bring the committee and its work into disrepute, the chairperson may recommend to the council, that the councillor member be removed from membership of the committee.

Where the council does not agree to the chairperson's recommendation, it must give reasons for its decision in writing to the chairperson.

Independence criteria for committee chairpersons and independent members

The chairperson and all independent voting members of audit, risk and improvement committees must be independent to ensure they have no real or perceived bias or conflicts of interest that may interfere with their ability to act independently and can provide the council with robust, objective and unbiased advice about how the council is functioning.

Each council must ensure that the chairperson and independent members of the council's audit, risk and improvement committee meet the following independence criteria.



The chairperson and independent voting committee members **must not**:

- currently be a councillor of any NSW council
- be a non-voting representative of the board of the joint organisation
- be a candidate at the last election of the council
- be a person who has held office in the council during its previous term
- be currently employed by the council or joint organisation, or been employed during the last 12 months
- conduct audits of the council on behalf of the Audit Office of NSW
- have a close personal or business relationship with a councillor or a person who has a senior role in the council that may lead to a real or perceived conflict of interest
- currently, or within the last three years, provided any material goods or services (including consultancy, legal, internal audit and advisory services) to the council which directly affect subjects or issues considered by the audit, risk and improvement committee
- be (or have a close family member who is) a substantial shareholder, owner, officer or employee of a company that has a material business, contractual relationship, direct financial interest or material indirect financial interest with the council or a related entity which could be considered a real or perceived conflict of interest, or
- currently or have previously acted as an advocate of a material interest on behalf of the council or a related entity which could be considered a real or perceived conflict of interest.

Current staff of councils may serve as an independent member of another council's audit, risk and improvement committee but not as its chairperson. Current council staff may only serve on another council's audit, risk and improvement committee if they meet the independence and eligibility criteria for membership of the committee and their employer is not participating in a shared arrangement with the other council in relation to the audit, risk and improvement committee.

General managers will require the approval of their council under section 353 of the Local Government Act before they can serve as an independent member of another council's audit, risk and improvement committee. Other council staff will require the approval of their general manager.

Both the governing body of the council and the general manager must ensure that adequate procedures are in place to preserve the independence of the chairperson and members of the audit, risk and improvement committee.

Likewise, the chairperson and members must notify the governing body and/or general manager if a real or perceived threat to their independence arises.

Eligibility criteria for committee chairpersons and members

The persons appointed as a chairperson or a member of an audit, risk and improvement committee must possess the skills, knowledge and experience necessary to undertake their roles on the committee effectively and to ensure the committee can operate appropriately and effectively to support the council.

A poorly skilled audit, risk and improvement committee may not be able to provide the assurance needed by the council and may lead to sub-optimal outcomes that jeopardise the council's capacity to achieve its strategic objectives.

The following eligibility criteria for audit, risk and improvement committee chairpersons and members reflect the minimum standards persons must meet to be appointed as the chairperson or member of a council's audit, risk and improvement committee. Councils may require audit, risk and improvement committee chairpersons and members to satisfy more onerous eligibility criteria if they choose to do so.

Councils must ensure that the chairperson and other members of the council's audit, risk and improvement committee meet the below minimum eligibility criteria.



Eligibility criteria for committee chairpersons

In addition to meeting the independence requirements specified above, the chairperson of an audit, risk and improvement committee must satisfy the following minimum eligibility criteria to be appointed as a chairperson. Ideally, they will also be able to demonstrate the desirable criteria.

Essential criteria

Audit, risk and improvement committee chairpersons must demonstrate the following:

- leadership qualities and the ability to promote effective working relationships in complex organisations
- an ability to communicate complex and sensitive assessments in a tactful manner to the council's internal audit coordinator, senior management and the mayor and councillors
- a sound understanding of:
 - the principles of good organisational governance and capacity to understand local government accountability, including financial reporting
 - the business of the council or the environment in which it operates
 - internal audit operations, including selection and review of the council's internal audit coordinator, and
 - risk management principles
- extensive senior level experience in governance and management of complex organisations, an ability to read and understand financial statements and a capacity to understand the ethical requirements of government (including potential conflicts of interest)
- functional knowledge in areas such as risk management, performance management, human resources management, internal

and external auditing, financial reporting, accounting, management control frameworks, internal financial controls, governance (including planning, reporting and oversight), or business operations

- a capacity to form independent judgements and a willingness to constructively challenge/question management practices and information, and
- a professional, ethical approach to the exercise of their duties and the capacity to devote the necessary time and effort to the responsibilities of the chairperson of an audit, risk and improvement committee.

Desirable criteria

Possession of a relevant professional qualification or membership (e.g., Institute of Internal Auditors (IIA), CPA Australia (CPA) and Chartered Accountants Australia and New Zealand (CA)) is desirable.

Eligibility criteria for independent committee members

In addition to meeting the independence requirements specified above, independent members of an audit, risk and improvement committee must satisfy the following eligibility criteria to be appointed as an independent committee member. Ideally, they will also be able to demonstrate the desirable criteria.

Essential criteria

Independent members of audit, risk and improvement committee members must demonstrate the following:

- an ability to read and understand financial statements and a capacity to understand the ethical requirements of government (including potential conflicts of interest)
- functional knowledge in areas such as risk management, performance management, human resources management, internal and external auditing, financial reporting, accounting, management control frameworks, internal financial controls,

governance (including planning, reporting and oversight), or business operations

- a capacity to form independent judgements and willingness to constructively challenge/question management practices and information
- a professional, ethical approach to the exercise of their duties and the capacity to devote the necessary time and effort to the responsibilities of an independent member of an audit, risk and improvement committee, and
- preparedness to undertake any training on the operation of audit, risk and improvement committees recommended by the chairperson based on their assessment of the skills, knowledge and experience of the independent member.

Desirable criteria

Ideally, independent members of audit, risk and improvement committees should also meet the following criteria, but these are not essential:

- extensive senior level experience in governance and management of complex organisations, and
- possession of a relevant professional qualification or membership (e.g., Institute of Internal Auditors (IIA), CPA Australia (CPA) and Chartered Accountants Australia and New Zealand (CA)).

Criminal record and financial status checks

Councils should undertake a criminal record and a financial status (bankruptcy) check of audit, risk and improvement committee chairpersons and independent members before their appointment.

Audit, risk and improvement committee chairpersons and independent members must not be undischarged bankrupts or have been charged with or convicted of a serious criminal offence.

Eligibility criteria for councillor members

To be appointed as a non-voting audit, risk and improvement committee member a councillor should demonstrate the following:

- an ability to read and understand financial statements and a capacity to understand the ethical requirements of government (including potential conflicts of interest)
- a good understanding of one or more of the following: risk management, performance management, human resources management, internal and external auditing, financial reporting, accounting, management control frameworks, internal financial controls, governance (including planning, reporting and oversight), or business operations
- a capacity to form independent judgements and willingness to constructively challenge/question management practices and information
- a professional, ethical approach to the exercise of their duties and the capacity to devote the necessary time and effort to the responsibilities of a councillor member of an audit, risk and improvement committee, and
- preparedness to undertake any training on the operation of audit, risk and improvement committees recommended by the chairperson based on their assessment of the skills, knowledge and experience of the councillor member.

The mayor cannot be appointed as a councillor member of a council's audit, risk and improvement committee.

Appointment

Audit, risk and improvement committee chairpersons and members are appointed by a resolution of the governing body of the council.

The governing body should first appoint the chairperson of the audit, risk and improvement

committee, who is to then assist in the selection and appointment of the other independent committee members.

Skills mix

When selecting individual audit, risk and improvement committee members, the council should ensure the committee has the appropriate mix of skills, knowledge and experience necessary to successfully implement its terms of reference and add value to the council.

The audit, risk and improvement committee should have:

- at least one member with financial expertise (for example, a qualified accountant or auditor or other financial professional with experience of financial and accounting matters), and
- a mix of skills and experience in:
 - business
 - financial and legal compliance
 - risk management, and
 - internal audit, and
 - any specialised business operations of the council, where the committee would benefit from having a member with skills or experience in this area (for example, IT skills or experience where IT systems have an important role in the council's business).

All audit, risk and improvement committee members should have sufficient understanding of the council's financial reporting responsibilities to be able to contribute to the committee's consideration of the annual financial statements.

Each committee member should also have sufficient time to devote to their responsibilities as an audit, risk and improvement committee member.

Where possible, the governing body should ensure that at least one other audit, risk and improvement committee member is also qualified to act as the chairperson if this is ever required.

Letter of appointment

The appointment of chairpersons and members of audit, risk and improvement committees should be formalised in an official letter of appointment signed by the mayor of the council.

The letter of appointment should set out the terms and conditions of the appointment including:

- duration of appointment
- role and responsibilities
- timing and location of meetings
- time commitment
- remuneration
- the management of conflicts of interest
- confidentiality
- performance appraisal, and
- termination of appointment.

Induction

Induction of all new audit, risk and improvement committee members is vital to ensure they 'hit the ground running' in their role.

The chairperson is to provide a thorough induction to each new member of the audit, risk and improvement committee to ensure they understand:

- the committee's role, responsibilities and terms of reference
- the business, operations, culture, risks and controls of the council, and
- the expectations of the council about their responsibilities and performance.

This will include providing new members with any background information or documentation necessary to ensure they understand the work of the audit, risk and improvement committee.

It may also be appropriate for more detailed information or presentations to be provided from various senior staff to assist the new member to understand the operations of the council and any key challenges.

New audit, risk and improvement committee members also have an obligation to ensure

that they have an appropriate understanding of the council, including its:

- operations, functions, service delivery
- key areas of risk
- internal controls, and
- financial reporting systems.

The mayor, general manager and existing chairperson (where appropriate) will induct a new chairperson.

Membership terms

Voting members

To ensure the audit, risk and improvement committee continues to offer new perspectives and remains independent, it is important that committee members are rotated periodically to maintain a fresh approach and avoid any perceptions of bias or conflicts of interest.

Councils must ensure that chairpersons and members serve the time-limited terms prescribed under section 216G of the Local Government Regulation to facilitate a rotation of knowledge and perspectives.



The initial term of membership on an audit, risk and improvement committee is to be no more than four-years.

Audit, risk and improvement committee members can be reappointed for a further term of up to four years but the total period of continuous membership on the committee cannot exceed eight years in any ten-year period (i.e. two terms). This includes any term as chairperson of the committee.

Chairpersons or members who have served an eight-year term must have a two-year break from serving on the same council's audit, risk and improvement committee before being eligible to be appointed to that council's committee again.

Care is to be taken to ensure that membership renewal dates are staggered so knowledge of the council's operations, financial reporting

structure and other important aspects are not lost to the audit, risk and improvement committee when members change.

Ideally, no more than one member should leave the committee because of rotation in any one year.

Exemptions

If a council is unable to replace the chairperson or members of its audit, risk and improvement committee when their maximum term limit has been reached, the council can seek the approval of the Departmental Chief Executive to extend their term or to reappoint the chairperson or committee member for a further term (see section 216G of the Local Government Regulation).

The council's request must:

- be in writing
- describe the efforts the council has made to appoint a different member, and
- explain why the council has been unsuccessful.

Exemptions will only be granted in exceptional circumstances.

Chairperson

To ensure that the committee maintains a fresh approach, the initial term of a chairperson of an audit, risk and improvement committee on any one audit, risk and improvement committee is to be no more than four-years.

The chairperson can be reappointed as chairperson for a further term of up to four years, but the total period served by a chairperson on the same committee cannot exceed eight years in any ten-year period (two terms).

Where the chairperson's term expires and another chairperson is appointed, it is the responsibility of the outgoing chairperson to ensure the incoming chairperson is fully briefed on the ongoing work of the audit, risk and improvement committee.

This includes advising the incoming chairperson of:

- any activity that may be relevant to the ongoing functioning of the committee, and
- any outstanding matters of high risk to the council and outstanding audit recommendations.

Councillor members

The initial term of a councillor member of an audit, risk and improvement committee is four years, coinciding with the term of the council.

The councillor member can be reappointed for another term (i.e. four-years), if re-elected at the council's next ordinary election, but the total period of continuous membership on the committee cannot exceed eight years (two council terms).

The councillor member is to be appointed by the governing body at the first meeting of the council after the ordinary election.

The councillor member's term ends at the end of the council term.

Reappointment

Prior to approving the reappointment or extension of the chairperson or an independent member's term, the governing body of the council must undertake an assessment of the chairperson's or committee member's performance.

The council may engage an external reviewer to undertake this assessment if they choose.

In undertaking the assessment, the council, or any person appointed to undertake the assessment on behalf of the council, must consult with and consider the views of the chairperson (in the case of the reappointment or extension of the term of a committee member other than the chairperson), the general manager and any councillor member of the committee.

The council, or any person appointed to undertake the assessment on behalf of the council, should also consider whether the person's skills, knowledge and experience align with the council's requirements, as set out in the committee's terms of reference and four-year strategic work plan (see below), to ensure

that they continue to add value to the committee.

The reappointment of the chairperson or a committee member is also subject to that person still meeting independence and eligibility requirements.

Resignation of committee members

Where the chairperson or a member of an audit, risk and improvement committee is unable to complete their term or does not intend to seek reappointment after the expiry of their term, they should give sufficient notice to the chairperson (in the case of a committee member) and the governing body (in the case of the chairperson) prior to their resignation to enable the council to ensure a smooth transition to a new committee member or chairperson.

The notice period is to be agreed by the governing body of the council and the committee.

A member of an audit, risk and improvement committee should have the opportunity to have an exit meeting with the chairperson to discuss their reason for leaving and to provide feedback on their experience serving on the committee as well as any other issues.

Resigning chairpersons should have the opportunity to have an exit meeting with the mayor and general manager (if appropriate).

Dismissal of committee members

The governing body of a council can terminate the appointment of the chairperson and any member of the audit, risk and improvement committee by resolution before the expiry of their terms under certain circumstances.

The dismissal of the chairperson or an independent member of a committee must be reported to the Office of Local Government

within 28 days (see section 216H of the Local Government Regulation).

Dismissal criteria

The chairperson or an independent member of the audit, risk and improvement committee can be dismissed by the governing body before the expiry of their term where they have:

- breached the council's code of conduct
- performed unsatisfactorily or not to expectations
- declared, or are found to be in, a position of a conflict of interest with is unresolvable
- been declared bankrupt or are found to be insolvent
- experienced an adverse change in business status
- been charged with a serious criminal offence
- been proven to be in serious breach of their obligations under any legislation, or
- experienced an adverse change in capacity or capability.

Councillor members

The appointment of a councillor member to an audit, risk and improvement committee can be terminated at any time by the governing body by resolution.

Fees

The fees a council pays to the chairperson and independent members of its audit, risk and improvement committee are to be agreed between the council and the chairperson or member and reflect the time, commitment and responsibility involved in serving on the committee.

Chairpersons and members can serve on a committee on a voluntary basis if they choose to.

Superannuation

Councils are obliged under the *Superannuation Guarantee (Administration) Act 1992* to make compulsory superannuation guarantee contributions on behalf of audit, risk and improvement committee chairpersons and independent members where they are remunerated.

- the Australian Institute of Company Directors
- Chartered Accountants Australia and New Zealand
- The Actuaries Institute, and the
- Local Government Professionals Association.

Audit, risk and improvement chairpersons and members are also encouraged to serve on more than one local government committee to extend the breadth of their experience and understanding of councils and their operations and risks.

Insurance

Councils should determine whether professional indemnity and public liability insurance is required for the chairperson and independent members of their audit, risk and improvement committee.

In some cases, the chairperson or a member of an audit, risk and improvement committee may already be covered by the council's professional indemnity and public liability insurance policies or by their own insurance.

This will need to be ascertained by the council and chairperson or member on a case-by-case basis having regard to the terms of any relevant insurance policy.

Where a council determines that professional indemnity or public liability insurance may be required, the chairperson or member can obtain their own insurance, or the council can consider obtaining it on their behalf.

Conduct

Audit, risk and improvement committee members are required to observe the same ethical and behavioural standards as other council officials and must comply with the council's code of conduct.

As required under the council's code of conduct, audit, risk and improvement committee members must declare and appropriately manage any conflicts of interest they may have in matters being dealt with by the committee.

Declarations of conflicts of interest and the actions taken to manage them must be recorded in the minutes of meetings.

Councils should identify the chairperson and independent members of their audit risk and improvement committee as 'designated persons' for the purposes of the council's code of conduct and require them to complete and submit returns of interests.

Complaints of breaches of the council's code of conduct by audit, risk and improvement committee members are to be dealt with in accordance with the *Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW*.

Under the Procedures, the general manager is responsible for managing code of conduct complaints about the chairperson and independent members of the audit, risk and improvement committee. However, as a

Learning and development

Audit, risk and improvement committee chairpersons and members are encouraged to keep informed of current developments and to maintain and develop the skills, knowledge and capabilities necessary to exercise their functions effectively.

Several professional development networks and programs are available, for example, through organisations such as:

- the Institute of Internal Auditors

safeguard, the general manager should consult with the governing body of the council before taking disciplinary action under the Procedures against the chairperson or an independent member of the council's audit, risk and improvement committee.

Meetings

The audit, risk and improvement committee must meet at least quarterly over the course of each year (see section 216J of the Local Government Regulation).

The chairperson of the audit, risk and improvement committee is to decide the frequency and timing of the committee's meetings and plan them annually in advance to ensure the availability of all members and observers.

Generally, meetings should correspond with major phases of the council's financial reporting, external audit and internal audit cycles.

For example, the audit, risk and improvement committee should meet to review the council's financial statements before they are certified by the council.

Audit, risk and improvement committee meetings should also correspond with meetings of the governing body, and allow sufficient time between audit, risk and improvement committee meetings and council meetings for the committee to action any items and prepare any reports that are to be provided to the governing body at the council meeting.

Special meetings may be held, if needed, to review the council's financial statements prior to them being submitted to the governing body of the council, or to consider the audit, risk and improvement committee's annual or four-yearly assessments (see below).

Audit, risk and improvement committee meetings can be held in person, by telephone or videoconference.

The audit, risk and improvement committee can hold additional meetings when significant

unexpected issues arise, or if the chairperson is asked to hold an additional meeting by a committee member or the general manager.

The governing body can also resolve to request the audit, risk and improvement committee to hold an additional meeting.

Where such a request is made, the chairperson can decide whether the additional meeting is required, taking into consideration the issues that the governing body has requested the audit, risk and improvement committee to consider at the meeting.

Proxies

As audit, risk and improvement committee members are appointed on the basis of their skills, knowledge and personal qualities, proxies are not permitted to attend meetings on behalf of members who are unable to attend.

Quorum and voting

A quorum consists of a majority of audit, risk and improvement committee independent voting members.

Where the vote is tied, the chairperson has the casting vote.

Agenda

Forward agenda

The chairperson should prepare a 12-month forward meeting agenda to ensure that the audit, risk and improvement committee covers all its responsibilities at the appropriate time of the year.

For example, the forward agenda will set out, at the appropriate meeting, the various internal and external audit reports and management responses to be tabled and discussed.

It will also allocate appropriate time for a review of the progress of the internal audit function against the annual work plan, and to follow-up the implementation of corrective actions.

Meeting agenda

The chairperson of the audit, risk and improvement committee is to determine the agenda for each committee meeting.

It is recommended that the chairperson consult with other committee members, the general manager, the internal audit coordinator and external auditor prior to setting the agenda so that any urgent issues or risks that arise can be included.

The chairperson of the audit, risk and improvement committee is to decide an appropriate timeframe for receiving the final agenda in the lead-up to the meeting.

exact time period is to be determined by the committee and the general manager.

The minutes must be confirmed as an accurate record of the meeting at the next meeting of the audit, risk and improvement committee.

If any important details have been incorrectly recorded or omitted, they can be discussed and the minutes amended, prior to confirmation at a subsequent meeting.

After the minutes are confirmed as an accurate record of the meeting, they must be signed by the chairperson.

All audit, risk and improvement committee members and observers should receive a copy of the minutes of all meetings.

Papers

The audit, risk and improvement committee is to decide in consultation with the general manager and the internal audit coordinator an appropriate timeframe for receiving papers and other necessary information to support agenda items to be considered at each committee meeting.

Minutes

Each audit, risk and improvement committee meeting must be minuted to preserve a record of the issues considered and the actions and decisions taken by the committee.

Audit, risk and improvement committee meeting minutes must:

- include a record of attendance
- cover each agenda item and document the discussion held and the outcome of discussions, including any recommendations, action points and/or allocation of tasks to relevant people
- be approved by the chairperson before circulation
- be provided to committee members, the governing body of the council, the general manager, the internal audit coordinator and external auditor
- be provided soon after the meeting date to ensure relevant persons are made aware of any significant issues discussed at the meeting that need to be dealt with. The

Attendance of observers

Due to the potentially sensitive nature of the issues to be discussed, audit, risk and improvement committee meetings should not be open to the public.

In addition to audit, risk and improvement committee members, the mayor, general manager and the internal audit coordinator should attend committee meetings as non-voting observers.

The NSW Auditor-General, as council's external auditor, or their representative, is to be invited to each committee meeting as an independent non-voting observer and can choose whether to attend.

The chairperson of the audit, risk and improvement committee can request the following people to attend a committee meeting or to meet with the committee to provide additional information relevant to its role:

- council's chief financial officer (or equivalent) given their knowledge of, and responsibility for, council's financial management
- the head of the council's risk management function
- senior managers
- any councillor

- any employee or contractor of the council (with the general manager's permission), and/or
- any external independent expert or external party whose advice is needed (subject to confidentiality considerations).

These persons must attend meetings where requested and must, as far as is practicable, provide the information requested.

Observers have no voting rights at audit, risk and improvement committee meetings and can be excluded from a meeting by the chairperson of the committee at any time where necessary.

Private meetings

The audit, risk and improvement committee can hold closed meetings whenever it needs to discuss confidential or sensitive issues with only voting members of the committee present.

In addition to attending audit, risk and improvement committee meetings, the committee can meet privately at any time with the internal audit coordinator and/or external auditor without the general manager present. At least one private meeting must occur annually.

Confidentiality

It is at the discretion of the council to decide whether audit, risk and improvement committee agendas, business papers, minutes and other reports are made publicly available.

Given its potential sensitivity, it is recommended that all information pertaining to the audit, risk and improvement committee and internal audit activities is treated as confidential unless otherwise determined by the committee or a resolution of the council.

Councils and audit, risk and improvement committees should also consider the guiding principles of the *Government Information (Public Access) Act 2009* and whether it is in the public interest to proactively disclose or release

information and whether there is an overriding public interest against doing so.

Secretariat

The general manager is to appoint a council staff member to provide secretariat support to the audit, risk and improvement committee.

The main functions of this role are:

- liaising with the chairperson to prepare agendas for audit, risk and improvement committee meetings
- ensure that committee papers are of an appropriate standard and provided with enough time to allow appropriate review and consideration
- recording minutes of meetings
- providing assistance to the chairperson in arranging meetings and council site visits
- supporting the chairperson to prepare reports for the council
- arranging appropriate meeting facilities and equipment
- keeping members informed of developments affecting the council that may relate to the work of the committee
- maintaining a record of when member's terms of appointment are due for renewal or termination
- ensuring new members receive appropriate induction, and
- managing expenditures relating to the committee.

Shared arrangements

If the audit, risk and improvement committee has been established by a joint organisation, the executive officer of the joint organisation is responsible for organising secretariat support.

Councils that share their audit, risk and improvement committee can also share their secretariat function if they choose to.

Key relationships

General manager

A key role of audit, risk and improvement committees is to act as an independent source of advice and opinion to both the governing body and the general manager, and to act as a forum for the resolution of any disagreements between the council and internal audit function.

The general manager, in turn, also has a key role in supporting the work and effectiveness of the audit, risk and improvement committee.

To be effective, audit, risk and improvement committees need to maintain a positive working relationship with the general manager (and vice versa) and view them as a valuable source of advice and information about the council and its operations.

Chairpersons of audit, risk and improvement committees should meet regularly with general managers to discuss key issues and review performance.

External audit

There are strong linkages between the work of councils' audit, risk and improvement committees and their external auditor and committees should actively engage with the external auditor.

Councils' external auditor can offer valuable insights on issues such as the effectiveness of the council's risk, controls, financial reporting, and compliance frameworks.

For the external auditor, communication with the audit, risk and improvement committee can in turn facilitate an effective and efficient audit and assist the communication of matters arising from the external audit to the council.

Audit, risk and improvement committees should:

- provide input on, and discuss, planned financial and performance audit coverage
- monitor councils' responses to financial statement management letters and

performance audit reports, including the implementation of audit recommendations

- provide advice to the council on action taken on significant issues raised in relevant external auditor reports or better practice guides, and
- have a voting-members only meeting with the external auditor at least once per year so that the committee can obtain the views of the external auditor without internal audit or management advisers being present.

Internal audit

The audit, risk and improvement committee should maintain a strong, positive relationship with the council's internal audit function and view it as a significant source of information about what is going on in the council.

The internal audit function can also assist the audit, risk and improvement committee to develop the annual work plan and four-year strategic work plan that will guide the committee's and internal audit function's work (see below).

The chairperson of the audit, risk and improvement committee should routinely meet with council staff undertaking internal audit activities to discuss key issues and review performance if needed.

At least one private meeting should be held each year and any potential compromises to the internal audit activity's independence reported.

More information about this is provided in core requirement 3.

Access to council, staff, resources and information

It is essential for the audit, risk and improvement committee to be able to access the staff and information about the council it needs to review the matters listed in section 428A of the Local Government Act and the

resources necessary to undertake its other responsibilities.

Council staff

A council's audit, risk and improvement committee must have direct and unrestricted access to the general manager and senior management of the council in order to fulfil its responsibilities.



Should the audit, risk and improvement committee need to meet with another council staff member or contractor to obtain information to undertake its role, the chairperson of the committee is to obtain permission from the general manager before inviting the staff member or contractor to meet with the committee.

Subject to the general manager's permission being given, the staff member or contractor must attend.

Any disputes between the general manager and audit, risk and improvement committee regarding access to council staff are to be resolved by the governing body.

Council resources and information

A council's audit, risk and improvement committee must have direct and unrestricted access to any council resources or information it needs to fulfil its responsibilities.



In its dealings with the council, the audit, risk and improvement committee should be mindful of the environment the council is operating in and the priorities that the general manager needs to manage.

The audit, risk and improvement committee should therefore keep to a minimum the demands it places on the council and utilise as far as is practicable, existing information to obtain the necessary level of assurance in relation to its responsibilities.

The audit, risk and improvement committee may only release council information to external parties that are assisting the committee to fulfil its responsibilities with the approval of the general manager, except when it is being provided to an external investigative, audit or oversight agency for the purpose of informing that agency of a matter that may warrant its attention.

After their engagement ends with a council, a chairperson or member of an audit, risk and improvement committee must not disclose or make use of any confidential information acquired in the course of their engagement with the council without the approval of the council.

External advice

The audit, risk and improvement committee can obtain any external legal or other professional/expert advice it needs to exercise its responsibilities. For example, where a council has implemented a specialised IT system, the committee can seek the expert opinion of an IT specialist to assist its review of its implementation.

To minimise the potential costs to the council, the governing body and the chairperson of the audit, risk and improvement committee must agree at the start of each council term how costs are to be met, i.e.:

- the governing body will set a fixed budget at the start of each council term for external expenses, or
- the committee will seek the governing body's permission prior to engaging external advice.

Disputes

Members of an audit, risk and improvement committee should maintain an effective working relationship with each other and the council and try to resolve any differences they may have professionally.

In the event of a disagreement between the audit, risk and improvement committee and the general manager or other senior managers

(for example, about findings or recommendations of audits), the dispute is to be resolved by the governing body of the council.

Unresolved disputes regarding compliance with these Guidelines are to be referred to the Departmental Chief Executive in writing.

Workplans

Strategic work plan

It is essential that the work of the audit, risk and improvement committee is thoroughly planned and executed to ensure that no council activity or function is missed by the committee and that councils receive value for money from their assurance investment.

A council's audit, risk and improvement committee must develop a strategic work plan every four years to ensure that all the matters listed in section 428A of the Local Government Act are reviewed by the committee and considered by the internal audit function when developing their risk-based program of internal audits.



The plan must be developed by the audit, risk and improvement committee in consultation with the governing body, general manager, the internal audit coordinator and senior managers (where appropriate) and adopted by the governing body of the council at the start of the council term.

To maintain the independence of the audit, risk and improvement committee, the governing body of the council must be careful when adopting the strategic work plan not to direct the committee's work over the council term.

Content

The nature of the strategic work plan will be commensurate with the size and operational complexity of the council and its risk profile, and consistent with the requirements of the International Professional Practices Framework.

At a minimum, it should document:

- the goals and expected outcomes of the audit, risk and improvement committee for the council term
- key organisational issues and risks faced by the council and how the committee will review these, and
- key performance indicators to measure progress across the council term.

When developing the council's strategic work plan, the audit, risk and improvement committee should consider at a minimum:

- the council's strategic objectives
- risks facing the council
- the work of other review activities or functions (for example, external and performance audits, and reviews or audits by other government agencies)
- an assurance map of the council's assurance activities which may assist to determine where the committee's and internal audit function's work should focus, and
- stakeholder expectations.

There should also be sufficient flexibility in the strategic work plan to accommodate the need for additional audits on emerging risks from time to time.

The audit, risk and improvement committee may, in consultation with the council's governing body, vary the strategic work plan at any time to address new or emerging risks.

The governing body of the council may also, by resolution, request the committee to approve a variation to the strategic work plan. However, any decision to vary the strategic work plan will rest with the committee.

When considering whether to vary the strategic work plan, the committee must consider the impact of the variation on the internal audit function's existing workload and the completion of pre-existing priorities and activities identified under the strategic work plan.

Review

The audit, risk and improvement committee must review the four-year strategic plan at least annually to ensure that it is dynamic,

relevant and aligns with the council's risk profile.

This will also ensure that the council remains on track with its audits and any delay in progress can be quickly addressed.

Annual work plan

A council's audit, risk and improvement committee must develop an annual work plan to guide its work over the forward year.



The annual work plan must be developed by the audit, risk and improvement committee in consultation with the governing body, general manager, the internal audit coordinator and senior managers (where appropriate).

The annual work plan must be consistent with the requirements of the International Professional Practices Framework and identify:

- the internal audits that will be carried out during the year to support the work of the audit, risk and improvement committee
- the key goals, objectives and scope of the proposed audits
- the resources needed for each audit (for example, staffing, budget, technology), and
- key performance indicators to measure annual progress against.

The annual work plan must be flexible enough to allow it to be reviewed and adjusted as necessary throughout the year in response to any changes to the council's risks or operations.

The audit, risk and improvement committee may, in consultation with the council's governing body vary the annual work plan to address new or emerging risks.

The governing body of the council may also, by resolution, request the committee to approve a variation to the annual work plan. However, any decision to vary the annual work plan will rest with the committee.

When considering whether to vary the annual work plan, the committee must consider the impact of the variation on the internal audit function's existing workload and the

completion of pre-existing priorities and activities identified under the annual work plan.

Performance measurement

The performance of each council's audit, risk and improvement committee and internal audit function must be able to be assessed to measure progress and improvement.

The audit, risk and improvement committee must establish key performance indicators for the council's four-year strategic work plan and annual work plan to allow the council to gauge the:

- performance of the committee and internal audit function and the value they are providing to the council, and
- council's performance regarding the matters listed in s428A so that the council can assess whether it is improving each council term in these areas.

These key performance indicators are to be reviewed and refreshed by the audit, risk and improvement committee for each annual work plan and four-year strategic work plan to ensure they reflect the changing needs of the council and the increased capacity of the committee and internal audit function as they mature.

The general manager, in consultation with the audit, risk and improvement committee, must ensure that a data collection or performance management system is established and maintained to collect the data needed to measure progress against these key performance indicators.

Providing advice to the governing body

Quarterly updates

Ongoing reporting by the audit, risk and improvement committee to the governing body (and general manager) is essential for accountability and will ensure that the governing body is kept informed of matters considered by the committee and any

emerging issues that may influence the strategic direction of the council or the achievement of the council's goals and objectives.

It will also ensure strong linkages between the audit, risk and improvement committee, the governing body and the general manager and lead to a better functioning assurance mechanism.

The audit, risk and improvement committee must provide an update to the governing body of the council of its activities and opinions after every committee meeting.

The audit, risk and improvement committee must also provide its quarterly update to the general manager to ensure they are kept informed of issues raised and can answer any questions the governing body may have about the committee's opinions and recommendations.

The mayor can request to meet with the chairperson of the audit, risk and improvement committee at any time to discuss any issues relating to the work of the committee during the quarter.

The chairperson of the audit, risk and improvement committee can also request to meet with the mayor at any time.

Content

The nature and content of the audit, risk and improvement committee's quarterly updates is to be determined by the governing body and the committee.

It could simply be providing a copy of the audit, risk and improvement committee's meeting minutes to the governing body if appropriate, or something more formal such as a report for noting by the governing body, or a face-to-face meeting between the committee, governing body and general manager to discuss important issues that have been identified.

Whatever the nature and form the update takes, the governing body and general manager must be advised, at a minimum, of:

- any formal resolutions of the audit, risk and improvement committee

- the committee's assessment of any audits conducted, including any breaches or deficiencies in controls that require an immediate response from the council
- progress on the implementation of corrective actions
- opportunities for longer-term improvement, and
- any key opinions or 'take-outs' from the committee's meeting.

Should the governing body require additional information, a request for the information may be made to the chairperson by resolution. The chairperson is only required to provide the information requested by the governing body where the chairperson is satisfied that it is reasonably necessary for the governing body to receive the information for the purposes of performing its functions under the Local Government Act.

Individual councillors are not entitled to request or receive information from the committee.

Annual assessment

A council's audit, risk and improvement committee must provide an annual assessment to the governing body each year.



This will ensure that the governing body of the council is fully informed of the audit, risk and improvement committee's work and its opinion on how council is performing.

The annual assessment must include:

- a summary and assessment of the work the audit, risk and improvement committee performed to discharge its responsibilities during the preceding year
- an overview and assessment of the work of the internal audit function
- progress against key performance indicators
- advice on the appropriateness of the committee's terms of reference
- an independent assessment by the committee and advice on the matters considered by the committee during the year that, in the committee's opinion, and

based on the level of risk facing the council, the governing body should be informed of, and

- other views or opinions on the council that the committee wishes to share.

Before providing their annual assessment to the governing body, the audit, risk and improvement committee must provide a copy of its annual assessment report to the general manager to allow them to develop an action plan to address any issues identified.

Both the audit, risk and improvement committee's annual assessment and the general manager's action plan can then be considered jointly by the governing body at an annual assurance meeting with the committee and the general manager.

Annual assurance meeting

It would be beneficial for the audit, risk and improvement committee, the governing body and general manager to come together annually to discuss the committee's annual assessment of the council, how the council proposes to respond to the committee's recommendations for corrective actions and other important internal audit and risk management matters.

The governing body may wish to hold an extraordinary or additional meeting each year for this purpose.

The annual assurance meeting should also discuss:

- the audit, risk and improvement committee's annual plan and review priorities for the upcoming year, for the approval by resolution of the governing body
- any resourcing issues for the internal audit or risk management functions that the committee considers the governing body should be informed of
- any updated committee terms of reference, for approval by resolution by the governing body, and
- the general manager's annual assessment of the council's risk management function (see core requirement 2).

The mayor, chairperson of the audit, risk and improvement committee and general manager can invite observers or other participants to the meeting where appropriate.

Strategic assessment

A council's audit, risk and improvement committee must provide to the governing body of the council a comprehensive independent assessment every council term (i.e. four years) of all the matters listed in section 428A of the Local Government Act that have been reviewed during the council term.



This will ensure that the governing body of the council is fully informed of the council's performance in relation to the matters specified in section 428A of the Local Government Act and what corrective actions are required to address any issues identified.

It will also provide the governing body with essential information that will assist with strategic decision-making and resource allocation during the next council term.

Before providing its strategic assessment to the governing body, the audit, risk and improvement committee must provide a copy of its report to the general manager to allow the general manager to develop an action plan to address any issues identified during the next council term.

Given the audit, risk and improvement committee's functional responsibility for the internal audit function of the council, the committee must also develop an action plan for the governing body to address any internal audit issues identified by the committee.

The audit, risk and improvement committee's strategic assessment and the action plans can be considered jointly by the governing body at a strategic assurance meeting held every four years.

Strategic assurance meeting

It would be beneficial for the audit, risk and improvement committee, the governing body and general manager to come together at the

close of the council term or commencement of the new council term to discuss the committee's strategic assessment of the council, how the council proposes to respond to the committee's recommendations during the next council term and any other important internal audit and risk management issues.

This discussion can also inform the strategic plans to be made through the integrated planning and reporting process for the next council term.

The governing body may wish to hold an extraordinary or additional meeting for this purpose.

The four-yearly assessment meeting could also discuss:

- the audit, risk and improvement committee's four-year strategic work plan for the upcoming council term for approval by resolution of the governing body
- a four-yearly review of the committee's terms of reference, for noting by the governing body and where applicable, an updated terms of reference for approval by resolution
- the governing body's four-yearly review of the committee's performance and action plan to address any issues identified, for approval by resolution of the governing body (see below).

Review of committee performance

It is important that the work of the audit, risk and improvement committee is regularly assessed, and that the committee is accountable for its performance.

This will ensure that the audit, risk and improvement committee is making a valuable contribution to the council and allow the governing body to determine whether any changes to the committee's terms of reference or membership are required.

At least once each council term (i.e. four years) the governing body of the council is to conduct



a review of the effectiveness of the audit, risk and improvement committee in conformance with the International Professional Practice Framework.

This will ensure that audit, risk and improvement committees are assessed consistently across all councils and allow councils to have confidence in the work of their committees.

To conduct the review, the governing body can:

- engage a suitably qualified external assessor or peer to undertake the review, or
- undertake the review itself and engage an external assessor or peer to conduct an independent evaluation of the findings.

The external assessor or peer should have specific skills relevant to the major risks of the council and a strong understanding of what constitutes best practice in relation to the operations and performance of audit, risk and improvement committees.

Review criteria

The review of the audit, risk and improvement committee's performance must consider:

- the appropriateness of the committee's terms of reference and whether these have been complied with
- the processes and procedures undertaken by the committee
- the collective performance of the committee – for example:
 - the quality and timeliness of assurance and advice provided by the committee to the governing body and general manager
 - the effectiveness of the committee in meeting its responsibilities
 - the relationship and quality of communication with the council and other stakeholders
- the individual performance of each member – for example, their:
 - understanding of the council, its key risks and internal controls

- ability to act objectively and independently
- preparation for committee meetings
- contribution to the work of the committee through their participation in discussion and decision-making, skills and experience
- the performance of the chairperson, including whether the chairperson has (in addition to their performance as a member of the committee):
 - demonstrated positive leadership
 - maintained effective working relationships among audit, risk and improvement committee members and with the council, council's external auditor and the internal audit function
 - ensured the governing body and general manager was well informed and briefed on the strategic and technical aspects of internal audits and risk and control issues, and
 - lead effective committee meetings.
- the way the committee, external auditor, council and internal audit function work together to manage risk and support the council and how effective this is
- whether the committee has effectively reviewed the matters identified in section 428A of the Local Government Act and contributed to an improvement in these areas, and
- whether the composition of the committee is appropriate.

When conducting the review, the governing body is to consider feedback on each member's performance by the chairperson and councillor member of the committee and the general manager.

Self-assessments by the chairperson and members of the audit, risk and improvement committee can also be used.

The governing body of council can also request the chairperson of the committee to address the council and answer any questions about the operations of the committee.

The chairperson of the audit, risk and improvement committee is to develop an action plan for the governing body of the

council to address any issues identified in the performance review and present it to the governing body at the four-yearly assessment meeting.

Annual attestation

It is important that councils are accountable to their communities for the efficacy of their internal controls and assurance mechanisms and the operations of their audit, risk and improvement committees.

Commencing with the 2024-2025 annual report, the general manager will be required under the Local Government Regulation to attest each year in the council's annual report whether the council has complied with the requirements prescribed under the Regulation in relation to its audit, risk and improvement committee.

A template for the attestation is provided in Appendix 1 of these Guidelines.

Further resources

The following resources may be useful to councils seeking more information about the establishment and operation of their audit, risk and improvement committee.

This is not an exhaustive list but provides a useful starting point for councils that seek to better understand what audit, risk and improvement committees do, and how they can be supported to add maximum value to councils.

[Audit Committees – A Guide to Good Practice \(3rd edition\)](#) – Auditing and Assurance Standards Board, Australian Institute of Company Directors and The Institute of Internal Auditors-Australia (2017)

Provides a checklist to assess the performance of audit, risk and improvement committees and members.

[Audit Committees – A Guide to Good Practice for Local Government](#) – Victorian Government, Department of Planning and Community Development (2011)

Provides detailed information on the activities audit, risk and improvement committees can perform in relation to external audit, financial management, risk management and internal audit.

[Audit Committee Guidelines – Improving Accountability and Performance](#) – The State of Queensland (Queensland Treasury and Trade) (2012)

Provides sample:

- letter of appointment for audit, risk and improvement committee members
- self-assessment questionnaire for committee members, external peer review checklist and management feedback questionnaire when assessing committee performance, and
- committee meeting agenda.

[Audit Committees \(RM-G2\)](#) – Australian Government, Department of Finance

Provides a list of professional peak bodies councils could contact to source audit, risk and improvement committee members.

[Chairing an Audit Committee](#) – KPMG

Provides information about the role of audit, risk and improvement committee chairpersons, particularly in relation to:

- leadership, and
- managing the work of audit, risk and improvement committee members.

[Dealing with Corruption, Fraud and the ICAC: the role of public sector Audit and Risk Committees](#) – Independent Commission Against Corruption (2020)

Provides information about the role of audit, risk and improvement committees and risk management in relation to fraud and corruption.

[Establishing a skills-based audit committee](#) – Institute of Internal Auditors-Australia (2020)

Provides an analysis matrix template to assess the skills mix of an audit, risk and improvement committee when appointing committee members.

[Guide for Audit & Risk Committees: Understanding Financial Statements](#) – NSW Treasury (2017)

Provides information on activities audit, risk and improvement committee can undertake when reviewing financial statements.

[How can audit committee members add value?](#) – PriceWaterhouseCoopers (2011)

Provides a checklist for measuring the performance of audit, risk and improvement committees.

Internal Audit and Risk Management Policy for the General Government Sector (TPP-20-08) – NSW Treasury (2020)

Provides information on the NSW public sector risk management and internal audit policy, including:

- the operation of shared audit, risk and improvement committees in the NSW public sector
- matters to consider when deciding whether to enter into a shared arrangement, and
- recommended content for shared use agreements.

Public Sector Audit Committees: Independent assurance and advice for Accountable Authorities – Australian National Audit Office (2015)

Provides information about the role and functions of audit, risk and improvement committees, including:

- member roles and responsibilities
- how to foster good relationships between the council and committee, and
- checklists for:
 - secretariat actions
 - planning forward meeting agendas, and
 - assessing the performance of members.

Service Delivery Review: A how to manual for local government (second edition) – Australian Centre of Excellence for Local Government (2015)

Outlines the factors councils and audit, risk and improvement committees may consider when reviewing service delivery by the council.

Setting up the Audit Committee – PriceWaterhouseCoopers (2011)

Provides information on:

- how a council might assess the financial literacy of an audit, risk and improvement committee member, and
- best practice for inducting new committee members.

The Role of the Audit Committee Chair – KPMG (2019)

Provides information on the role of audit, risk and improvement committee chairpersons, particularly in relation to:

- running committee meetings, and
- overseeing risk management.

Core requirement 2:

Risk management

- Each council and joint organisation must implement a risk management framework that is consistent with current Australian standards for risk management

Guiding principles for risk management

- ❖ Each council must accept responsibility and accountability for risk management in the council.
- ❖ Each council has a risk management framework that is appropriate for that council and is consistent with the accepted Australian risk management standard.
- ❖ Risk management is an integral part of all council management, operations, functions and activities and it is clear who is responsible for managing each risk.
- ❖ Each council supports the development of a positive risk culture.
- ❖ Councils regularly review their risk management framework and can flexibly adapt their risk management activities to suit their operations and risk profiles.
- ❖ Each council is accountable to the community for complying with its statutory obligation to adopt and maintain a risk management framework.

Standards

Each council must manage its strategic and operational risks and implement a risk management framework that is consistent with the current Australian risk management standard, and appropriate for the council's risks.



It is recognised that each council will have different risk management requirements depending on its size, needs, budget, operational complexity and risk management maturity.

Councils have the flexibility under the Australian risk management standard to adapt the size, scope and delivery of their risk management framework provided it reflects the principles, key elements and processes set out in the standard for managing risks in any sized council or organisation.

Councils can adopt additional requirements that supplement those in the standard provided they do not conflict with the standard.

The current risk management standard at the time of the release of these Guidelines is *AS ISO 31000:2018 Risk Management – Guidelines*.

Under current licensing and copyright requirements, each council will need to purchase an individually licensed copy of *AS ISO 31000:2018* from Standards Australia to obtain a full copy of the standard.

The following is a summary of the definitions, principles, key elements and process of *AS ISO 31000:2018*.

Definitions

The definition of 'risk' and 'risk management' adopted by councils as part of their risk management framework should be the same as that adopted in the current Australian risk management standard.

At the time of printing, *AS ISO 31000:2018* defines:

- risk as the *"effect of uncertainty on objectives, where an effect is a deviation from the expected. It can be positive, negative or both, and can address, create or result in opportunities and threats"*, and
- risk management as *"coordinated activities to direct and control an organisation with regard to risk"*.

Principles

In summary, *AS ISO 31000:2018* requires a council's approach to risk management to be based on the following eight specific principles to ensure it is effective:

- **integrated** – risk management is integrated into all council activities and decision-making processes
- **structured and comprehensive** – risk management is a structured and comprehensive process that achieves consistent and comparable results

- **customised** – the risk management framework and process are customised to the council
- **inclusive** – risk management is inclusive of all stakeholders and enables their knowledge, views and perceptions to be considered
- **dynamic** – risk management is dynamic and able to respond to changes and events in an appropriate and timely manner
- **best available information** – risk management decisions are based on the best available information and take into account any limitations and uncertainties
- **human and cultural factors** – risk management takes into account human and cultural factors, and
- **continual improvement** – risk management is continuously and periodically evaluated and improved through learning and experience.

Key elements

To achieve these principles, *AS ISO 31000:2018* requires each council to ensure its risk management framework demonstrates the following six elements:

Leadership and commitment

AS ISO 31000:2018 requires risk management to be supported by a positive culture that promotes and communicates risk management as part of everyday activities and decision-making.

The standard states that this culture can only exist when management (i.e. the governing body, general manager and senior staff) demonstrate strong leadership and commitment to risk management.

Practical measures the governing body and/or general manager can take under *AS ISO 31000:2018* to exhibit strong leadership in risk management are set out further below.

Integration

AS ISO 31000:2018 requires that risk management is fully integrated within a council and made part of the council's

purpose, governance, leadership, strategy, objectives and operations.

Risk is to be managed in every part of the council's organisational structure and every council employee is to be responsible for managing risk.

Design

AS ISO 31000:2018 requires that the design of a council's risk management framework:

- is based on the unique needs, characteristics and risks of the council, and its external and internal context
- demonstrates the council's continual commitment to risk management
- assigns risk management roles, responsibilities and accountabilities within the council
- allocates appropriate council resources for risk management, and
- effectively documents and communicates risk management across the council.

Implementation

AS ISO 31000:2018 requires that each council implements its risk management framework by:

- developing a risk management plan that provides structure for how the council will implement its risk management policy and conducts its risk management activities, and
- ensuring the council's risk management activities are clearly understood and practiced.

The plan should identify decision makers for risk within the council and ensure risk management processes and arrangements are well understood by the council and practiced.

Evaluation

AS ISO 31000:2018 requires that each council regularly evaluates the effectiveness of its risk management framework and determines whether it remains suitable.

Improvement

AS ISO 31000:2018 requires that each council continually adapts and improves the design of its risk management framework and how it is integrated throughout the council to help the council move to a higher level of risk maturity.

Process

AS ISO 31000:2018 provides each council with a systematic process to identify, assess and prioritise risks, decide how they will be managed, and document and communicate them across the council.

The process defined in *AS ISO 31000:2018* consists of the following steps:

- defining the scope of the council's risk management activities to assist in planning the council's risk management approach
- establishing the internal and external context to ensure that the council understands the internal and external environment it operates in and how risk management will impact, and be impacted by these
- deciding the performance indicators that the council will use to measure the effectiveness of its risk management framework and identify gaps between its actual and desired performance
- defining the council's risk criteria/appetite – that is, the amount and type of risk that the governing body is willing to take, or not take, in order to achieve its strategic plan and objectives
- conducting risk assessments to determine what risks need to be managed
- deciding risk treatment options
- developing risk treatment plans that document how controls will be implemented, and
- writing risk reports that will document and communicate the risk management framework to all staff and be used by the council to regularly review the risk management framework.

County councils and joint organisations

County councils and joint organisations have a lower risk profile than larger and more operationally complex general-purpose councils.

However, they are still responsible for the expenditure of public money, providing services (in the case of county councils), and delivering outcomes on behalf of their member councils and regions (in the case of joint organisations), and need to identify and manage risks appropriately.

Given their lower risk profiles, county councils and joint organisations can share the administration of their risk management framework with another council to reduce costs.

Alternatively, joint organisations can undertake the coordination and administration of their member councils' risk management frameworks on behalf of the councils.

Any shared risk management function must operate as an individual resource for each council in the shared arrangement and implement the requirements in these Guidelines for each council individually.

A shared risk management function should only be established and utilised by a county council or joint organisation where the shared function can maintain a high level of understanding and fulfilment of each council's risk management needs, as well as effective working and reporting relationships with the general manager and senior staff of each council in the shared arrangement.

Councils that establish a shared risk management function should develop and sign a formal agreement with the other councils in the shared arrangement which outlines how the shared arrangement will operate and costs are shared.

Resourcing

AS ISO 31000:2018 requires each council to ensure sufficient resources are allocated to implement the council's risk management framework and deliver the internal controls needed to ensure the council's risks are appropriately managed.

In practice, this responsibility will fall to the governing body and/or general manager of the council.

These resources include the necessary:

- human resources (with appropriate skills and experience)
- technology, equipment, tools and information management systems for managing risk
- documented processes and procedures, and
- professional development and training for staff to ensure they can fulfil their risk management responsibilities.

To ensure that the governing body and/or general manager makes informed budgeting decisions, the audit, risk and improvement committee is to advise of the resources it considers that the council needs to effectively implement its risk management framework, having regard to any budgetary constraints facing the council and the council's operational environment.

Roles and responsibilities

AS ISO 31000:2018 requires that each council assign risk management roles and responsibilities to all relevant roles within the council.

To ensure effective implementation, the standard also requires each council to demonstrate strong leadership and commitment to risk management.

In practice, this will see the general manager, governing body and council staff take on the following responsibilities:

Governing body – strategic leadership

Consistent with the governing body's strategic leadership role under section 223 of the Local Government Act, the governing body is responsible for establishing the foundational elements of the council's risk management framework and setting the 'tone at the top'.

This includes approving by resolution the council's risk criteria/appetite – a statement that conveys how much risk will be tolerated by the governing body in the pursuit of the strategic objectives for the council, and how risk is to be managed and decisions made within this context.

The council's risk criteria/appetite is to be approved in consultation with the audit, risk and improvement committee.

General manager – operational leadership

Consistent with the general manager's role under section 335 of the Local Government Act to conduct the day-to-day management of the council, the general manager has ultimate responsibility and accountability for risk management in the council.

A council's general manager is responsible for implementation of the council's risk management framework. This includes:

- overseeing the council's risk management framework and ensuring it is effectively communicated, implemented and reviewed regularly
- approving the council's risk management policy, plans and risk reports (where applicable)
- promoting and championing a positive risk culture
- assigning authority and accountability for risk management at appropriate levels and to appropriate staff in the council, and ensuring they are held accountable for these responsibilities
- annually attesting that the council's risk management framework complies with these Guidelines (see below), and

- approving the council's implementation of corrective actions recommended by the council's internal audit function, external audit and audit, risk and improvement committee.

Depending on the council's needs, resources and organisational structure, and to assist the integration of risk management across the council, the general manager may wish to delegate responsibility for key aspects of the council's risk management framework to a senior manager or group of senior managers established for this purpose.

The delegate would report to the general manager on risk management issues.

An example risk management policy is provided at **Appendix 4**.

Risk management function – oversight and facilitation

Each council is to establish a risk management function responsible for the day-to-day activities required to implement the council's risk management framework and provide specialist risk management skills and knowledge.

The council's risk management function is a key support to the general manager in meeting their risk management responsibilities and reports directly to the general manager or their delegate.

Each council will have the flexibility to establish its risk management function based on its structure, resourcing, risk management needs and risk management maturity.

Regardless of its structure and composition, the role and responsibilities of the risk management function should include:

- supporting the general manager by coordinating and providing clear and concise risk information, advice and/or reports that can be used in planning and decision-making
- coordinating the various activities relating to risk management within the council
- helping to build a risk management culture within the council, including facilitating and driving risk management at the

strategic and operational level within the council and ensuring consistency in practice

- ensuring there are easily accessible systems and processes in place to enable all staff to conveniently undertake risk management in their day-to-day work
- ensuring risk management processes are applied consistently across the council
- organising appropriate staff risk management training and development
- developing and maintaining a risk reporting framework to enable regular advising/reporting of key risks, and the management of those risks, to the general manager or their delegate
- supporting council staff with their risk management obligations and providing staff with advice and tools to ensure risk management compliance
- implementing effective risk management communication mechanisms and information system/s
- establishing and maintaining an ongoing monitoring system to track the risk management activities undertaken within the council and assessing the need for further action
- assessing risk management information for completeness, accuracy and consistency (for example, risk registers, risk treatment plans), and
- preparing advice or reports for the audit, risk and improvement committee and attending committee meetings (where requested).

In order to fulfil its role, the risk management function needs to:

- have a well-developed understanding of the council and its operations
- have the skills, knowledge and leadership qualities required to support and drive risk management
- have sufficient authority to intervene in instances where risk management efforts are being hampered by a lack of cooperation or through lack of risk management capability or maturity, and
- be able to add value to the risk management process by providing guidance and support in managing difficult

risk, or risks spread across a number of the council's business units or operational areas.

Dual responsibilities

It is important that the risk management function is independent of line management to reduce the potential for management influence on the risks that are reported on, and to ensure independence.

Where risk management oversight or facilitation activities are performed by council staff with other council responsibilities, the council must put safeguards in place to limit any cognitive bias (which can lead to faulty risk assessments and decision-making errors).

Depending on the specific needs and circumstances of the council, these safeguards could include:

- the audit, risk and improvement committee being informed of the other council responsibilities the risk management function has, including reporting lines, responsibilities and expectations related to the role/s
- any potential issues or conflicts of interest arising from these other roles being formally documented and communicated to the committee
- risk management staff being prohibited from undertaking risk management evaluations and reviews in relation to the council operations they are responsible for, and/or
- the committee regularly assessing that the safeguards put in place are effective.

Internal audit function – review and assurance

Councils' internal audit function is responsible for reviewing and providing advice to the audit, risk and improvement committee and the council on the effectiveness of the council's risk management framework.

Given the need to maintain the independence and objectivity of the internal audit function, the following boundaries are to apply with respect to the role of the internal audit

function in relation to the council's risk management framework:

- it is to be clear that council management remains responsible for risk management
- the internal audit function is to provide advice and challenge and support management's decision-making, as opposed to taking risk management decisions themselves
- the internal audit function should not:
 - manage any of the risks on behalf of the council
 - set the council's risk criteria/appetite
 - impose risk management processes
 - decide or implement risk responses, or
 - be held accountable for risk management activities.

Audit, risk and improvement committee – advice and assurance

An audit, risk and improvement committee's role in relation to risk management is to support the governing body and general manager and to ensure that the council's risk management framework is appropriate and operationally effective.

The breadth and depth of this assurance role is to be determined by the council and the audit, risk and improvement committee and could include:

- assessing whether risks at all levels are identified, assessed and reviewed regularly by the council
- being involved in the regular review of the council's risk register
- reviewing the integration of risk management into business planning and program implementation activities, and/or
- providing assurance in relation to the management of risk or governance arrangements on individual projects, programs or activities.

Appendix 3 provides further examples of the activities the audit, risk and improvement committee could perform in relation to risk management.

Review and reporting

Quarterly reporting

Each council should ensure its risk management framework is regularly monitored and reviewed to ensure it is relevant, effective and complies with the current Australian risk management standard.

Each council should base its ongoing monitoring and review process on its own needs. However, this should include at a minimum, providing quarterly advice from the risk management function to the general manager or their delegate.

This will ensure that risks are being correctly identified, prioritised and treated, and any emerging problems are known and rectified quickly.

Annual assessment

Each council's risk management function is to conduct an annual self-assessment of the council's risk management framework.

The annual self-assessment is to report to the general manager whether the council's risk management framework:

- complies with these Guidelines
- is sufficiently resourced
- operates effectively, this includes whether:
 - the internal control framework appropriately reflects the council's risk criteria/appetite
 - risks are formally considered when developing and implementing all council policies, programs, projects and other activities, including procurement
 - risk management covers all relevant risk categories including strategic, operational, compliance, reputational and reporting risks
 - major risks have been identified and assessed by the council and appropriate risk treatments have been implemented that reflect the council's risk criteria

- the council's internal controls are effective and appropriate
- the council's risk register and risk profile are current and appropriate
- risk information is captured and communicated in a timely manner across the council, enabling management and staff to carry out their responsibilities, and
- the council's risk management policies, procedures and plans are being complied with.

The general manager should discuss the annual assessment of the council's risk management function with the governing body and audit, risk and improvement committee at the council's strategic assurance meeting held each council term.

Strategic assessment

The Local Government Regulation (section 216S) requires councils' audit, risk and improvement committees to keep the implementation of a council's risk management framework under review and provide advice to the council on its implementation.

A council's audit, risk and improvement committee must provide an assessment of the effectiveness of the council's risk management framework to the governing body each council term, as part of the committee's four-yearly strategic assessment.



As part of the audit, risk and improvement committee's assessment of the council's risk management function, it should consider whether:

- the council is providing sufficient resources for risk management
- the council's risk management framework complies with these Guidelines, and
- the council's risk management framework operates effectively, is being complied with and supports the achievement of the council's strategic goals and objectives.

The general manager is to develop an action plan for the governing body to address any risk management issues identified by the committee.

The audit, risk and improvement committee and general manager should discuss the strategic assessment and action plan with the governing body at the council's strategic assurance meeting held each council term (see above).

Performance measures

To ensure the effectiveness of the council's risk management activities can be regularly monitored and reviewed, each council must ensure that it:

- assigns performance targets to risk management activities that can be measured against goals and objectives, and
- can obtain the data needed to measure the impact of the council's risk management framework.

Annual attestation

Commencing with the 2024-2025 annual report, the general manager will be required under the Local Government Regulation to attest each year in the council's annual report whether the council has complied with the requirements prescribed under the Regulation in relation to its risk management activities:

A template for the attestation is provided in Appendix 1 of these Guidelines.

Further resources

The following resources may be useful to councils seeking more information about the establishment and operation of their risk management framework. They provide examples, checklists, samples, templates and other practical tools councils could use.

This is not an exhaustive list but provides a useful starting point for councils that seek further information.

[A Guide to Risk Management – The State of Queensland \(Queensland Treasury\) \(2020\)](#)

Provides guidance on how to apply the Australian risk management standard, including checklists for each stage of the risk management process.

[AS ISO 31000:2018 Risk Management – Guidelines – International Standards Organisation \(2018\)](#)

The current Australian risk management standard at the time of printing (for purchase from the International Standards Organisation)

[Audit Committee Guidelines – Improving Accountability and Performance – The State of Queensland \(Queensland Treasury and Trade\) \(2012\)](#)

Provides checklists of the matters audit, risk and improvement committees are to consider when reviewing a council's risk management framework and internal controls.

[Dealing with Corruption, Fraud and the ICAC: the role of public sector Audit and Risk Committees – Independent Commission Against Corruption \(2020\)](#)

Provides information about the role of risk management in relation to fraud and corruption.

[Risk Management Toolkit for Public Sector Agencies \(TPP 12-03\) – NSW Treasury \(2012\)](#)

Consists of three parts:

- Executive Guide (TPP 12-03a)

- Volume 1 – Guidance for Agencies (TPP 12-03b), and
- Volume 2 – Templates, Examples and Case Study (TPP 12-03c).

Provides detailed and practical advice on the various elements of the Australian risk management standards (ISO 31000), templates and worked examples.

[The Three Lines of Defense in Effective Risk Management and Control – Institute of Internal Auditors \(2013\)](#)

Outlines the three lines of defence approach to risk management and the role of management and internal audit in risk management.

[The Role of Internal Auditing in Enterprise-Wide Risk Management – Institute of Internal Auditors](#)

Outlines what enterprise risk management is, how it can be implemented and the role of internal audit in risk management.

[Victorian Government Risk Management Framework Practice Guide – Victorian Managed Insurance Agency](#)

Provides guidance on how to apply the Australian risk management standard, including examples of a risk appetite/criteria statement.

Core requirement 3:

Internal audit

- Each council and joint organisation must have an independent internal audit function that reports to the audit, risk and improvement committee and is consistent with current international standards for internal audit

Guiding principles for internal audit

- ❖ The internal audit function operates independently and with appropriate expertise in a manner that is appropriate for the council.
- ❖ The internal audit function has access to all council information necessary to fulfil its role and responsibilities.
- ❖ The internal audit function is appropriately positioned in the council's governance framework to ensure its work complements the work of other internal and external assurance providers.
- ❖ The internal audit function has a comprehensive work plan linked to the council's strategic objectives and current and emerging risks.
- ❖ The audit, risk and improvement committee receives relevant and timely advice from the internal audit function to ensure the committee can fulfil its role and responsibilities.
- ❖ The internal audit function operates in a manner consistent with accepted international standards.
- ❖ The work of the internal audit function is thoroughly planned and executed, risk-based, client-focused and linked to the council's strategic goals.
- ❖ The internal audit function adds value to the council and is held accountable by the committee and governing body for its performance.
- ❖ Each council is accountable to the community for the effective implementation of its internal audit function.

Independence

Each council in NSW, (including county councils and joint organisations) must have an internal audit function to provide an independent unbiased



assessment of the council's operations and risk and control activities.

Internal audit is defined in the International Professional Practices Framework issued by the Institute of Internal Auditors as '*an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objective by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes*'.

A council's internal audit function must operate independently of the council and internal audit activities cannot be subject to direction by the council.



To ensure that the internal audit function remains independent from council management it must have a dual reporting line that reports:



- **administratively to the general manager or a sufficiently senior role in the council to ensure the internal audit function fulfils its responsibilities, and**
- **functionally to the audit, risk and improvement committee.**

Resourcing

The governing body and general manager of the council must ensure that the council's internal audit function is sufficiently resourced to effectively carry out its work. The chairperson of the audit, risk and improvement committee should be consulted on the resourcing required.

The audit, risk and improvement committee's resourcing recommendations are to be minuted by the committee.

Internal audit charter

It is important that council's internal audit function has clear guidance on how it should support the audit, risk and improvement committee and the council, and that the committee and council has input into how the internal audit function will operate.

This will ensure there is clarity in the relationships between the audit, risk and improvement committee, the council and the internal audit function and that the performance of the internal audit function can be assessed.

The Local Government Regulation (section 216O) requires each council to adopt an internal audit charter to guide how internal audit will be undertaken by the council that is informed by the approved Model Internal Audit Charter provided at Appendix 5.



The internal audit charter is to be developed by the audit, risk and improvement committee in consultation with the general manager and the internal audit coordinator and approved by resolution by the governing body of the council.

Councils may include additional provisions in their internal audit charter so long as they are not inconsistent with the approved Model Internal Audit Charter.

The audit, risk and improvement committee is to review the council's internal audit charter annually in consultation with the general manager and the internal audit coordinator.

Role of the general manager

Consistent with their role under the Local Government Act (section 355) to conduct the day-to-day management of the council, the general manager has administrative responsibility for internal audit.

This means that the general manager is responsible for:

- advising the governing body on the resources required for the effective functioning of the internal audit function
- ensuring appropriate administrative support is provided to support the work of the internal audit function - for example, access to council's human resources networks, payroll, work health and safety, office facilities and resources, council information etc
- ensuring that the internal audit function is appropriately positioned within the council to work with external bodies and internal business units and to fulfil its role and responsibilities
- ensuring the internal audit function complies with the International Professional Practices Framework, and
- annually attesting, on behalf of the council, that the council is complying with the Regulation in relation to internal audit.

The general manager has no role in the performance of the internal audit function (e.g. the conduct of internal audits, the audit techniques used and the reporting of internal audit findings to the audit, risk and improvement committee).

Delegation

The general manager can, in consultation with the governing body of the council and the audit, risk and improvement committee, delegate their functions in relation to the oversight of the council's internal audit function to another role in the council that is sufficiently senior to ensure the internal audit function meets its responsibilities.

In making a delegation, consideration should be given to how the delegation will influence the internal audit function's ability to achieve the internal audit charter considering the:

- seniority and expertise of the delegate and demands placed on them by their other roles and responsibilities in the council
- support available to the delegate to successfully execute their delegation in relation to internal audit
- complexity of the council's core business

- risk profile of the council
- expectations of stakeholders, and
- likely demands placed on the internal audit function.

Role of the audit, risk and improvement committee

Under the Local Government Regulation (sections 216M, 216P and 216R), the audit, risk and improvement committee exercises functional oversight of a council's internal audit function to ensure it operates independently from the council.

This means that the audit, risk and improvement committee is responsible for:

- assisting the governing body to identify the resources necessary for the effective functioning of the internal audit function
- setting the annual and four-year strategic work plans for the internal audit function, including the audits that will be completed
- assessing the findings and recommendations of completed audits and providing the committee's advice and opinion on issues raised to the general manager and governing body of the council
- developing the internal audit charter that will guide the work of the internal audit function and how it operates, and
- reviewing the performance of the internal audit function.

Structure

Each council will have different internal audit requirements depending on the council's size, needs, budget and operational complexity and can either:

- establish an internal audit function for their own exclusive use, or
- share their internal audit function with another council, county council or joint organisation.

For cost and administrative efficiency, councils may also:

- establish an in-house internal audit function comprising of council staff (supplemented with contractors as may be required), and/or
- outsource their internal audit function to an external provider/s – for example, a private sector accounting firm, internal audit firm, internal audit contractor etc.

These options will assist councils, county councils and joint organisations:

- to establish their internal audit function in the most cost-effective way
- to source expert internal audit personnel in locations where it may be difficult to recruit staff with the necessary skill set
- to access a larger resource pool than would be available to a single council, and
- create efficiencies through common systems, shared knowledge and internal audit tools.

When deciding the most appropriate way to structure a council's internal audit function, the general manager should consider the viability and capacity of a shared internal audit function to achieve the council's internal audit charter given the:

- size of the council in terms of both staffing levels and budget
- geographical and functional distribution of the council's operations
- complexity of the council's core business
- risk profile of the council
- expectations of stakeholders, and
- likely demands placed on the internal audit function by other councils in the shared arrangement.

Whatever structure is adopted, the council's internal audit coordinator must:



- **be a council employee and cannot be outsourced, other than through a shared arrangement with another council, and**
- **meet the eligibility and independence criteria for the position.**

This is to ensure that the council retains strategic control of the internal audit function and can actively monitor its performance.

County councils

County councils may enter into a shared arrangement with one of their constituent councils or another council.

Joint organisations

Joint organisations that do not host a shared internal audit function for the use of their member councils can enter into a shared arrangement with a member council or, if this is not possible, with another council or joint organisation.

- specialist skills may not be available in-house
- reduced flexibility, and
- the need to provide council facilities and office space for internal audit personnel.

Councils that establish an in-house internal audit function are not limited to employing staff members and can supplement the internal audit team's work with audits undertaken by external providers where necessary.

Metropolitan and larger regional councils are encouraged to establish an in-house internal audit function given their:

- significant assets
- higher risk profiles
- higher levels of expenditure, and
- more complex transactions and operations.

In-house internal audit function

An in-house internal audit function is one where internal auditors and other staff (where required) are employed by the council to conduct the internal audits and other activities in the audit, risk and improvement committee's annual and four-year strategic work plans.

The advantages of establishing an in-house internal audit function may include:

- council retaining ownership of internal audit information
- confidentiality of sensitive information contained in audits
- stronger direction and oversight by the council of the internal audit function with more direct control over the quality of audits conducted
- internal auditors having council-specific knowledge and experience that delivers better audit results
- greater agility to respond quickly to emerging issues, and
- the retention of corporate knowledge within the council.

Disadvantages may include:

- challenges attracting and retaining suitable staff

Coordinator of an in-house internal audit function

Each council's internal audit function must be led by a staff member with sufficient skills, knowledge, experience and integrity to ensure it undertakes its role appropriately, fulfils its responsibilities to the audit, risk and improvement committee and makes a valuable contribution to the council.

The coordinator of an in-house internal audit function (described as the 'chief audit executive' in the International Professional Practices Framework) also needs to report to the general manager or a sufficiently senior role in the council that ensures the internal audit function fulfils its responsibilities.

For some councils with larger budgets and higher risks, the coordinator of an in-house internal audit function will require the support of a dedicated internal audit team to fulfil the internal audit charter.

For other smaller councils, their size and risk profile may not justify additional internal audit staff and the internal audit coordinator will be sufficient.

The internal audit coordinator may also have other council responsibilities outside of internal audit.

Role and responsibilities

For all in-house internal audit functions, regardless of size, the key responsibilities of the internal audit coordinator include:

- managing the day-to-day activities of the council's internal audit activities to ensure they add value to council
- managing the council's internal audit budget
- supporting the operation of the audit, risk and improvement committee
- approving internal audit project plans, conducting or supervising audits and assessments and providing independent advice to the audit, risk and improvement committee
- monitoring the council's implementation of corrective actions that arise from the findings of audits
- fulfilling the committee's annual and four-year strategic work plans
- ensuring the council's internal audit activities comply with the Local Government Regulation and these Guidelines
- managing internal audit personnel and ensuring that they have the skills necessary to fulfil the role and responsibilities of the internal audit function (where appropriate), and
- contract management and oversight of supplementary external providers (where appropriate).

Eligibility criteria

To fulfil these responsibilities, the internal audit coordinator:

- must be a council employee and cannot be outsourced, other than through a shared arrangement with another council – this is to ensure that the council retains strategic control of the internal audit function and is able to actively monitor the performance of the internal audit function
- must be independent, impartial, unbiased and objective when performing their work and free from conflicts of interest

→ should possess the following skills, knowledge and experience to effectively carry out their role:

- the credibility to ensure they can negotiate on a reasonably equal footing with the general manager (or their delegate), governing body and audit, risk and improvement committee
- the skills, knowledge and personal qualities necessary to lead credible and accepted internal audit activities in the council
- strong experience overseeing internal audit
- appropriate qualifications and professional certifications, and
- local government experience (preferred).

The internal audit coordinator must also operate and conduct the internal audit activities in accordance with the International Professional Practices Framework, including its Code of Ethics.

As a council employee, the internal audit coordinator must comply with all relevant council policies and procedures, including the council's code of conduct.

Independence

It is important that the coordinator of an in-house internal audit function has the functional independence necessary to independently assess and report on the way the council operates.

As a safeguard, the Local Government Regulation (section 216P(3)) requires the general manager to consult with the chairperson of the audit, risk and improvement committee on any decisions affecting the employment of the internal audit coordinator (including disciplinary measures).

Where the chairperson of the audit, risk and improvement committee has any concerns about the treatment of the internal audit coordinator, or any action taken that may compromise their ability to undertake their functions independently, they can report their concerns to the governing body of the council.

The internal audit coordinator should confirm at least annually to the audit, risk and improvement committee the independence of internal audit activities from the council.

Access to council staff and information

All internal audit personnel, including the coordinator of an in-house internal audit function have direct and unrestricted access to council staff, the audit risk and improvement committee and council information and resources necessary to undertake their role and responsibilities.



All council staff and contractors should have unrestricted access to the internal audit coordinator to allow them to alert them to emerging risks or internal audit related issues.

Internal audit team

Any other staff members appointed to council's in-house internal audit function report directly to the internal audit coordinator.

As council employees, internal audit staff must comply with all relevant council policies and procedures including the council's code of conduct.

In-house internal auditors must also conduct internal audit activities in accordance with the International Professional Practices Framework.

Internal audit should be performed by professionals with an appropriate level of understanding of the council's culture, systems and processes to provide assurance that the internal controls in place are sufficient to mitigate risk, that governance processes are adequate, and that organisational goals and objectives are met.

In-house internal auditors should therefore possess the following skills, knowledge and experience to effectively carry out their role:

- the skills, knowledge and experience necessary to conduct internal audit activities in the council – for example:
 - accounting

- finance
- economics
- governance
- management
- law
- taxation
- fraud and corruption
- IT

- effective interpersonal and communication skills to ensure they can engage with council staff effectively and collaboratively
- honesty, integrity and due diligence, and
- appropriate qualifications and professional certifications.

Local government experience or expertise is also strongly preferred.

Dual responsibilities

To ensure the internal audit function's independence and objectivity, it is best practice that the coordinator of an in-house internal audit function and any other members of an in-house internal audit team have no other council responsibilities other than internal audit.

However, it is recognised that some councils may find it difficult to employ a stand-alone coordinator of an in-house internal audit function or other supporting internal auditors because of the cost involved, or because the council's location, size and risk profile may not warrant stand-alone employees.

Councils can combine the role of the internal audit coordinator and/or members of the internal audit team with other responsibilities provided there are adequate safeguards put in place by the council to limit any real or perceived bias or conflicts of interest that may lead to faulty decision-making and cognitive bias.

An internal audit role must not be combined with the role of the general manager, chief financial officer or risk management function as it will create conflicts of interest that cannot be resolved.

Councils can also share their internal audit coordinator with another council, county council or joint organisation as part of a shared arrangement.

Depending on the specific needs and circumstances of the council, safeguards could include:

- any potential issues or conflicts of interest arising from a dual role being formally documented in the council's internal audit charter
- the audit, risk and improvement committee, or another suitably qualified and independent party, reviewing internal audit briefs, findings and recommendations before they are finalised where they concern any key risks overseen by the internal audit coordinator or internal audit team member in another role
- the internal audit coordinator or an internal audit team member not having responsibility for managing any risks or implementing any audit recommendations or corrective actions in their other role/s, and/or
- the audit, risk and improvement committee including an assessment of the independence and objectivity (for internal audit purposes) of the internal audit coordinator or any internal audit team members exercising a dual role in their annual assessment report to the governing body.

The endorsement of the governing body, in consultation with the audit, risk and improvement committee should also be sought for any combined roles.

Where the internal audit coordinator has a dual role in a council, they are to remain independent and report functionally to the audit, risk and improvement committee on their internal audit responsibilities.

For other council responsibilities, the internal audit coordinator reports functionally through normal council reporting lines to the general manager.

Outsourced internal audit function

Where a council outsources its internal audit function, the internal audits programmed by the audit, risk and improvement committee are undertaken by an external provider such as an internal audit or accounting firm, or an individual practitioner.

Contract management is overseen by an employee within the council.

The advantages of using external providers for internal audit activities may include:

- flexibility
- access to a wide range of expertise and experience that the council may not otherwise have in-house
- provides a window to better practice methods for smaller councils they may otherwise find difficult to access
- the ability to purchase services as and when required
- can increase internal audit's independence from the council
- overcoming challenges recruiting a dedicated internal audit coordinator and internal audit staff, and
- potential to negotiate lower fee-for-service costs.

Disadvantages may include:

- increased costs
- potential loss of corporate knowledge from the council
- difficulty building and maintaining professional relationships between council management and external contractors
- reduced oversight and control of internal audit activities
- additional in-house staff time required to source and manage external providers and contracts
- the external provider lacking council-specific knowledge
- internal audit coordinator is unlikely to be audit trained and may not have the knowledge to ensure audit quality is maintained, and

- potential confidentiality breaches.

Given their size, resources, geographical isolation and risk profiles, rural and smaller regional councils are encouraged, at a minimum, to establish an outsourced internal audit function.

Coordinator of an outsourced internal audit function

Compared to the coordinator of an in-house internal audit function which directly conducts or supervises internal audits and provides opinions and recommendations to the audit, risk and improvement committee, the coordinator of an outsourced internal audit function will, in practice, primarily be a coordination and administrative role.

The key responsibilities of any council staff member assigned responsibility for leading an outsourced internal audit function include:

- contract management
- managing the internal audit budget
- ensuring the external provider completes internal audits in line with the audit, risk and improvement committee's annual and four-year strategic work plans
- forwarding audit reports by the external provider to the audit, risk and improvement committee
- acting as a liaison between the external provider and the audit, risk and improvement committee
- monitoring the council's implementation of corrective actions that arise from the findings of audits and reporting progress to the audit, risk and improvement committee, and
- assisting the audit, risk and improvement committee to ensure the council's internal audit activities comply with the Local Government Regulation and these Guidelines.

To fulfil these responsibilities, the coordinator of an outsourced internal audit function:

- reports functionally to the audit, risk and improvement committee
- must be free from conflicts of interest

- must be a council employee and cannot be outsourced, other than through a shared arrangement with another council, county council or joint organisation – this is to ensure that the council retains control of the internal audit function and is able to actively monitor the performance of the external provider

- should possess the following skills, knowledge and experience to effectively carry out their role:
 - a good understanding of the work of audit, risk and improvement committees and internal audit, and
 - the skills, knowledge and personal qualities necessary to manage the council's contract with the external provider and liaise between the external provider and the audit, risk and improvement committee.

As a council employee, the coordinator of an outsourced internal audit function must comply with all relevant council policies and procedures, including the council's code of conduct.

Dual responsibilities

The coordinator of an outsourced internal audit function can be assigned other roles and responsibilities in the council.

Where the coordinator of an outsourced internal audit function has a dual role in a council, they are to remain independent and report functionally to the audit, risk and improvement committee in relation to their internal audit responsibilities.

For other council responsibilities, the coordinator of an outsourced internal audit function reports functionally through normal council reporting lines to the general manager.

Councils can combine the coordinator of an outsourced internal audit function's role with other responsibilities provided there are adequate safeguards put in place by the council to limit any real or perceived bias or conflicts of interest.

Depending on the specific needs and circumstances of the council, safeguards could include:

- any potential issues or conflicts of interest arising from a dual role being formally documented in the council's internal audit charter
- the audit, risk and improvement committee endorsing the dual roles
- the coordinator of the outsourced internal audit function not having responsibility for managing any risks or implementing any audit recommendations or corrective actions in their other role/s, and/or
- the committee including an assessment of the independence and objectivity (for internal audit purposes) of the coordinator of the outsourced internal audit function in their annual assessment report to the governing body.

External provider/s

It is important that any external provider engaged by a council is independent and can objectively assess and report on the way council operates.

To ensure the independence of an external provider, the coordinator of an outsourced internal audit function must ensure the external provider:

- does not conduct any audits on specific council operations or areas that they have worked on within the last two years
- is not the same auditor conducting the council's external audit
- is not the auditor of any contractors of the council that may be subject to the internal audit, and
- can satisfy the requirements in these Guidelines relating to internal audit.

The coordinator of the outsourced internal audit function must also consult with the audit, risk and improvement committee and general manager regarding the appropriateness of the skills, knowledge and experience of any external provider before they are engaged by the council.

Chairperson of the audit, risk and improvement committee

The chairperson of an audit, risk and improvement committee overseeing an outsourced internal audit function is likely to have greater responsibilities than a chairperson overseeing an in-house internal audit function. Because the coordinator of an outsourced internal audit function is largely a coordination/administrative role, the chairperson and members of the audit, risk and improvement committee will do much of the 'heavy lifting' and will be the primary source of advice on the findings and recommendations of audits conducted by the external provider and assurance to the council.

Councils that establish an outsourced internal audit function must ensure that their audit, risk and improvement committee has the capacity and capability to undertake this enhanced role.

Shared internal audit function

Councils can:

- share an internal audit function with another council or joint organisation as part of an independent shared arrangement
- utilise the internal audit function established by their joint organisation that is shared by member councils
- for county councils – share an internal audit function with a constituent council where possible, or with another council
- for joint organisations – share an internal audit function with a member council where possible or with another council or joint organisation.

Councils can establish an in-house or outsourced internal audit function as part of a shared arrangement.

A shared internal audit function must operate as a standalone internal audit function for each participating council in the shared

arrangement and satisfy the requirements of the Local Government Regulation and these Guidelines for each participating council.

A shared internal audit function should only be established and utilised where all participating councils can be confident that the shared function can deliver a high level of understanding and fulfilment of each council's internal audit needs and maintain effective working and reporting relationships with each participating council in the shared arrangement.

Councils that establish a shared internal audit function should develop and sign a formal agreement with the other councils in the shared arrangement that outlines how the shared arrangement will operate and how costs will be shared.

Implementation

Given the administrative complexity of an internal audit function shared between and reporting to different councils, the following arrangements are recommended:

- the internal audit function is hosted by one of the councils, county councils or joint organisations in the shared arrangement
- the internal audit coordinator and any other internal audit team members are employees of the host council
- the internal audit coordinator reports administratively to the general manager (or their delegate) of the host council, and
- the general manager of the host council can only appoint or dismiss the internal audit coordinator in consultation with the general managers and audit, risk and improvement committees of each participating council.

For internal audit functions established by joint organisations and shared between member councils it is recommended that:

- the internal audit function is physically located at the offices of the joint organisation or a member council
- the internal audit coordinator reports administratively to the executive officer of the joint organisation

- the internal audit coordinator and any internal audit staff are employees of the joint organisation, and
- the executive officer of the joint organisation can only appoint or dismiss the internal audit coordinator in consultation with the general managers and audit, risk and improvement committees of each member council.

Coordinator of a shared internal audit function

In-house function

The coordinator of a shared in-house internal audit function needs to be able to:

- liaise with the governing body and general manager of each participating council about that council's internal audit activities
- implement the annual and four-year strategic work plans for each council
- conduct or oversee the individual audits of each council and monitor the implementation of corrective actions
- manage any contractual arrangements with external providers on behalf of each council (where required)
- attend the audit, risk and improvement committee meetings of each respective council on behalf of that council, and
- maintain separate and confidential information for each council.

Outsourced function

The coordinator of a shared outsourced internal audit function needs to be able to:

- manage contracts with external providers on behalf of all councils in the shared arrangement
- liaise with the audit, risk and improvement committee and general manager of each council
- coordinate the completion of audits by the external provider in line with each council's annual and four-year strategic work plans
- provide audit reports by the external provider to the relevant audit, risk and

improvement committee and general manager and coordinate council responses

- monitor implementation by each council of corrective actions arising from the findings of audits and report progress to the audit, risk and improvement committee
- assist each council's audit, risk and improvement committee to ensure the council's internal audit activities comply with the Local Government Regulation and these Guidelines, and
- maintain separate and confidential information for each council.

Work plans

The work of each council's internal audit function will be guided by the four-year strategic work plan and annual work plan developed by the audit, risk and improvement committee (see core requirement 1).



Performing internal audits

It is essential that a council's internal audit function performs the council's internal audits to a high and consistent standard and that the findings and recommendations that arise from audits can be relied upon by the audit, risk and improvement committee and the council.

Each council's internal audits must be performed in accordance with the requirements of the International Professional Practices Framework.



The internal audit tools, techniques and methodologies used by the internal audit function must be approved by the audit, risk and improvement committee.

Where risk information or ratings are used during the internal audit process, they must be

developed and applied consistently with the current Australian risk management standard.

Audit reports

The internal audit coordinator must report the findings and recommendations of internal audits to the audit, risk and improvement committee when they are finalised.

The audit, risk and improvement committee will determine whether audit reports should be distributed to committee members out-of-session as they are completed, or at each quarterly meeting of the committee.

Each internal audit report must reflect the requirements of the International Professional Practices Framework.

This includes:

- necessary background information, including the objective and scope of the audit
- the audit processes and methodology used
- findings and recommendations based on the audit's objectives, prioritised according to their level of risk
- recommended remedial actions to address problems identified which have been prioritised according to risk, and
- a response or action plan from the general manager and/or responsible senior managers of the council.

Before reports are finalised, the internal audit coordinator must provide a draft of each report to the responsible senior manager/s for comment so that a response to each recommendation from each relevant business unit is included in the final report submitted to the audit, risk and improvement committee.

Timeframes for management responses to internal audit recommendations are to be agreed between the general manager and the internal audit coordinator and chairperson of the audit, risk and improvement committee.

Responsible senior managers may reject recommended corrective action/s on reasonable grounds but should discuss their position with the internal audit coordinator or the chairperson of the audit, risk and improvement committee before finalising the

council's position with the general manager. Reasons for rejecting the recommendation/s must be included in the final audit report.

For the recommendations that are accepted, responsible senior managers are required to ensure that:

- an action plan is prepared for each recommendation that assigns responsibility for implementation to a council staff member/s and timeframes for implementation
- all corrective actions are implemented within proposed timeframes, and
- the internal audit coordinator is provided regular updates in relation to the implementation of the internal audit action plan.

Where corrective actions are not implemented within agreed timeframes, the audit, risk and improvement committee can invite the responsible senior manager to explain why implementation has not occurred and how the resulting risk is being addressed in the interim.

The audit, risk and improvement committee can raise any concerns it may have about the council's response to internal audit reports with the general manager and in the committee's quarterly report to the governing body so that they are aware of the risks posed to the council.

Ongoing monitoring

The internal audit coordinator should establish an ongoing monitoring system to track the internal audits undertaken for the council and follow-up the council's progress in implementing corrective actions.

Key risks or emerging issues must be reported to the audit, risk and improvement committee and general manager to ensure they can be rectified quickly before their consequences escalate.

The audit, risk and improvement committee can raise any concerns it has that may arise between meetings with the governing body via an additional report where needed. The chairperson of the committee can also request to meet with the mayor.

This will ensure that the governing body is kept informed of significant emerging risks posed to the council.

Policies and procedures

The general manager, in consultation with the audit, risk and improvement committee, must develop and maintain policies and procedures to guide the operation of the council's internal audit function and the performance of internal audits.

These policies and procedures could include:

- the structure and resourcing of the internal audit function
- how internal audits will be conducted, reported, implemented and monitored
- audit methodology
- timeframes for reporting and the council's response to recommendations
- how any internal audit-related disputes are to be resolved
- the internal audit function's access to council staff, resources and information
- how the performance of the internal audit function will be reviewed
- communication between the audit, risk and improvement committee and internal audit function, and the internal audit function and the general manager, and
- information management including document retention, security and access to audit reports.

Providing advice to the audit, risk and improvement committee

Ongoing reporting to the audit, risk and improvement committee is essential to ensure that the committee is kept informed of matters considered by the internal audit function and any emerging issues that may require reporting to the governing body or general manager.

Quarterly updates

The internal audit coordinator is to ensure that the audit, risk and improvement committee is advised at each of the committee's quarterly meetings of

- the internal audits completed during that quarter
- progress in implementing the annual work plan, and
- progress made implementing corrective actions arising from any past internal audits.

The way this information is communicated is to be decided by the audit, risk and improvement committee in consultation with the internal audit coordinator.

Ongoing advice

The internal audit coordinator can meet with the chairperson of the audit, risk and improvement committee at any time, as necessary, between committee meetings.

This is particularly important to ensure that any urgent or emerging issues identified by the internal audit function can be quickly reported to the audit, risk and improvement committee for consideration and action before their consequences escalate.

Internal audit documents

Internal audit documentation includes any information or documents produced or obtained by a council's internal audit function that relates to the internal audit activities of the council.

All internal audit documents:

- are for internal use only, subject to the requirements of the *Government Information (Public Access) Act 2009* (GIPA Act)
- are to remain the property of the audited council, including where internal audit services are performed by an external

provider – all rights reside with the audited council

- must be documented, retained and controlled in accordance with the International Professional Practices Framework and council policies
- can be accessed by the audit, risk and improvement committee and external auditor without restriction
- can be accessed by the governing body by resolution, subject to the approval of the chairperson of the audit, risk and improvement committee (any disputes can be referred to the Office of Local Government for resolution)
- subject to the GIPA Act, can only be released to an external party with the approval of the general manager and the chairperson of the audit, risk and improvement committee, except where the information is being provided to an external oversight or investigative body for the purposes of informing that agency of a matter that may warrant its attention.

Any internal audit documentation provided to any individual, including members of the governing body, should be treated as strictly confidential.

The chairperson of the audit, risk and improvement committee may refuse to provide access to internal audit documents or information to anyone who has previously released such information without authorisation.

Review of internal audit function performance

It is important that the work of each council's internal audit function is regularly assessed, and that internal auditors are accountable for their performance.

This will ensure that the internal audit function is making a valuable contribution to the council and allows the audit, risk and improvement committee and the council to understand how the council is performing in

relation to the matters listed in section 428A of the Local Government Act.

It will also ensure that the audit, risk and improvement committee and council can determine whether any changes to the internal audit function are required.

Annual assessment

The audit, risk and improvement committee must review the performance of the internal audit function each year and report its findings to the governing body as part of the committee's annual assessment.

The annual assessment is to ensure that any concerns regarding the operation of the internal audit function and compliance with the International Professional Practices Framework can be dealt with before they are identified in the four-yearly strategic review, by which time their consequences may have escalated.

An annual assessment will also encourage continuous improvement of the council's internal audit activities.

The audit, risk and improvement committee is to determine the nature of this assessment. It could be conducted, for example, via a self-assessment performed by the internal audit coordinator.

More information about the audit, risk and improvement committee's annual assessments is provided under core requirement 1.

Four-yearly strategic assessment

A council's audit, risk and improvement committee is to provide an assessment of the effectiveness of the council's internal audit function to the general manager and governing body in each term of the council, as part of the committee's four-yearly strategic assessment.



This assessment is to occur regardless of whether the council has established an in-house or outsourced internal audit function, as the assessment focuses on how the council has implemented its internal audit function.

As part of the audit, risk and improvement committee's assessment of the council's internal audit function, it should consider:

- the views of an independent external party with strong knowledge of internal audit operation
- the independence of the internal audit function
- whether resourcing is sufficient
- whether the internal audit function complies with the Local Government Regulation and these Guidelines and the International Professional Practices Framework
- the appropriateness of annual and strategic work plans based on the risks facing the council
- progress against key performance indicators
- whether the internal audit function adds value and delivers outcomes for the council, and
- the appropriateness of the internal audit charter.

To ensure the views of the external party consulted are robust, the external party should have:

- strong skills, knowledge and expertise in internal audit
- a working knowledge of the International Professional Practices Framework, and
- no conflicts of interest that may result in bias or a lack of objectivity.

The audit, risk and improvement committee, in consultation with the general manager, is to develop an action plan for the governing body to address any issues identified by the committee in relation to the performance of the internal audit function.

The audit, risk and improvement committee's strategic assessment and action plan is to be discussed with the governing body and general manager at the strategic assurance meeting held each council term.

More information about the audit, risk and improvement committee's strategic assessment is provided under core requirement 1.

Reporting concerns about councillors or council staff

Given the nature of internal audit, there may be times when the internal audit function identifies concerns about the conduct of council staff.

Where the internal audit coordinator has concerns regarding a staff member, they can:

- raise their concerns with the chairperson of the audit, risk and improvement committee (if it relates to the effectiveness of the internal audit function)
- report breaches of the council's code of conduct to the general manager, or by the general manager to the mayor, as required by the *Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW*
- report their concerns through the council's internal reporting policy, complaints handling policy or other associated protocols, and/or
- make a public interest disclosure under the *Public Interest Disclosures Act 2022* to the:
 - Independent Commission Against Corruption (concerning corrupt conduct)
 - NSW Ombudsman (concerning maladministration)
 - NSW Auditor General (concerning serious and substantial waste of public money)
 - Office of Local Government (concerning serious and substantial waste in local government and breaches of pecuniary interest obligations), and/or
 - Information and Privacy Commissioner (concerning government information contraventions).

Annual attestation

Commencing with the 2024-2025 annual report, the general manager will be required under the Local Government Regulation to attest each year in the council's annual report whether the council has complied with the requirements prescribed under the Regulation in relation to its internal audit function.

A template for the attestation is provided in Appendix 1 of these Guidelines.

Further resources

The following resources may be useful to councils seeking more information about the establishment and operation of their internal audit function.

This is not an exhaustive list but provides a useful starting point for councils seeking to better understand internal audit, how it can be used by councils to improve performance, and practical tools, examples and templates to adapt for their own use.

[International Professional Practices Framework \(mandatory guidance\)](#) – Institute of Internal Auditors (2017)

Outlines the mandatory requirements for undertaking internal auditing under the International Professional Practices Framework.

Consists of four parts:

- Core Principles for the Professional Practice of Internal Auditing
- Definition of Internal Auditing
- Code of Ethics, and
- International Standards for the Professional Practice of Internal Auditing

[International Professional Practices Framework \(recommended guidance\)](#) – Institute of Internal Auditors (2017)

Provides detailed guidance on how to implement the International Professional Practice Framework.

Consists of two parts:

- Implementation Guide – assists an internal audit function to apply the standards and understand how compliance will be measured by the audit, risk and improvement committee, and

- Supplemental Guide (Practice Guides) – provides detailed processes and procedures for the internal audit function.

[How can audit committee members add value?](#) – PriceWaterhouseCoopers (2011)

Provides a checklist for measuring the performance of an internal audit function.

[Internal Audit in Australia](#) – Institute of Internal Auditors Australia (2016)

Provides an overview of the role of internal audit and the internal audit function, including:

- the different types of work plans that can be used to guide internal audit activity
- the skills, knowledge, experience and qualifications/certifications required of internal auditors
- performing, reporting and monitoring internal audits, and
- how to review the performance of an internal audit function, including performance measures that could be used

[Practice Guide – Talent Management: Recruiting, Developing, Motivating and Retaining Great Team Members](#) – Institute of Internal Auditors (2015)

Provides guidance on how to establish an effective internal audit team (for purchase from the Institute of Internal Auditors).

[Quality Assessment Manual for the Internal Audit Activity](#) – Institute of Internal Auditors (2017)

Outlines how the performance of council's internal audit function can be assessed both internally and externally against the International Professional Practices Framework.

Implementation

Under the Local Government Act, all councils and joint organisations are required to have appointed an audit, risk and improvement committee by **4 June 2022**.

Councils and joint organisations have until **1 July 2024**, to comply with the requirements prescribed under the Local Government Regulation.

Audit, risk and improvement committees

New committees

Councils and joint organisations are required under section 428A of the Local Government Act to appoint an audit, risk and improvement committee by **4 June 2022**.

Councils and joint organisations that do not have an audit, risk and improvement committee must take immediate steps to appoint a committee or to enter into an arrangement with another council or joint organisation to share a committee.

Existing committees

Councils and joint organisations that already have an audit, risk and improvement committee will already comply with the requirement under the Local Government Act to appoint a committee.

Transitional arrangements

Councils and joint organisations with existing committees have until **1 July 2024** to ensure the membership and operations of their committee comply with the requirements prescribed under the Local Government Regulation.

Risk management framework

Councils and joint organisations have until **1 July 2024** to establish a risk management framework.

Internal audit function

Councils and joint organisations have until **1 July 2024** to establish an internal audit function and to ensure it complies with Local Government Regulation.

Attestation

Commencing with the **2024-2025 annual report**, general managers of councils and executive officers of joint organisations are required to publish an attestation statement each year in the annual report indicating whether, during the preceding financial year, the council's or joint organisation's audit, risk and improvement committee, risk management framework and internal audit function complied with the requirements prescribed in the Local Government Regulation. A template for the attestation statement is provided in Appendix 1 of these Guidelines.

Appendices

Guidelines for Risk Management and Internal Audit for Local Government in NSW issued under section 23A of the *Local Government Act 1993*

70

Appendix 1:

Attestation template

Internal audit and risk management attestation statement for the [years] financial year for [council/joint organisation]

I am of the opinion that [council/joint organisation] has an audit, risk and improvement committee, risk management framework and internal audit function that operate in compliance with the following requirements except as may be otherwise provided below:

Audit, risk and improvement committee

	Requirement	Compliance
1.	[Council/joint organisation] has appointed an audit, risk and improvement committee that comprises of an independent chairperson and at least two independent members (section 428A of the <i>Local Government Act 1993</i> , section 216C of the <i>Local Government (General) Regulation 2021</i>).	[compliant or non-compliant]
2.	The chairperson and all members of [council's/joint organisation's] audit, risk and improvement committee meet the relevant independence and eligibility criteria prescribed under the <i>Local Government (General) Regulation 2021</i> and have not exceeded the membership term limits prescribed under the Regulation (sections 216D, 216E, 216F, 216G of the <i>Local Government (General) Regulation 2021</i>).	[compliant or non-compliant]
3.	[Council/joint organisation] has adopted terms of reference for its audit, risk and improvement committee that are informed by the model terms of reference approved by the Departmental Chief Executive of the Office of Local Government and the committee operates in accordance with the terms of reference (section 216K of the <i>Local Government (General) Regulation 2021</i>).	[compliant or non-compliant]
4.	[Council/joint organisation] provides the audit, risk and improvement committee with direct and unrestricted access to the [general manager/executive officer] and other senior management and the information and resources necessary to exercise its functions (section 216L of the <i>Local Government (General) Regulation 2021</i>).	[compliant or non-compliant]
5.	[Council's/joint organisation's] audit, risk and improvement committee exercises its functions in accordance with a four-year strategic work plan that has been endorsed by the governing body and an annual work plan that has been developed in consultation with the governing body and senior management (Core requirement 1 of the Office of Local Government's <i>Guidelines for Risk Management and Internal Audit for Local Government in NSW</i>).	[compliant or non-compliant]
6.	[Council's/joint organisation's] audit, risk and improvement committee provides the governing body with an annual assessment each year,	[compliant or non-compliant -

Guidelines for Risk Management and Internal Audit for Local Government in NSW issued under section 23A of the *Local Government Act 1993*

	and a strategic assessment each council term of the matters listed in section 428A of the <i>Local Government Act 1993</i> reviewed during that term (Core requirement 1 of the Office of Local Government's <i>Guidelines for Risk Management and Internal Audit for Local Government in NSW</i>).	include date of last strategic assessment provided]
7.	The governing body of [council/ joint organisation] reviews the effectiveness of the audit, risk and improvement committee at least once each council term (Core requirement 1 of the Office of Local Government's <i>Guidelines for Risk Management and Internal Audit for Local Government in NSW</i>).	[compliant or non-compliant - include date of last review]

Membership

The chairperson and membership of the audit, risk and improvement committee are:

Chairperson	[name]	[start term date]	[finish term date]
Independent member	[name]	[start term date]	[finish term date]
Independent member	[name]	[start term date]	[finish term date]
[Councillor/board] member ¹	[name]	[start term date]	[finish term date]

Risk Management

	Requirement	Compliance
8.	[Council/joint organisation] has adopted a risk management framework that is consistent with current Australian risk management standard and that is appropriate for the [council's/joint organisation's] risks (section 216S of the <i>Local Government (General) Regulation 2021</i>).	[compliant or non-compliant]
9.	[Council's/joint organisation's] audit, risk and improvement committee reviews the implementation of its risk management framework and provides a strategic assessment of its effectiveness to the governing body each council term (section 216S of the <i>Local Government (General) Regulation 2021</i>).	[compliant or non-compliant - include date of last strategic assessment provided]

Internal Audit

	Requirement	Compliance
10.	[Council/joint organisation] has an internal audit function that reviews the council's operations and risk management and control activities (section 216O of the <i>Local Government (General) Regulation 2021</i>).	[compliant or non-compliant]
11.	[Council's/joint organisation's] internal audit function reports to the audit, risk and improvement committee on internal audit matters (sections 216M, 216P and 216R of the <i>Local Government (General) Regulation 2021</i>).	[compliant or non-compliant]
12.	[Council's/joint organisation's] internal audit function is independent and internal audit activities are not subject to direction by the [council/joint	[compliant or non-compliant]

	Requirement	Compliance
	organisation] (section 216P of the <i>Local Government (General) Regulation 2021</i>).	
13.	[Council/joint organisation] has adopted an internal audit charter that is informed by the model internal audit charter approved by the Departmental Chief Executive of the Office of Local Government and the internal audit function operates in accordance with the charter (section 216O of the <i>Local Government (General) Regulation 2021</i>).	[compliant or non-compliant]
14.	[Council/joint organisation] has appointed a member of staff to direct and coordinate internal audit activities or is part of a shared arrangement where a participating [council/joint organisation] has appointed a staff member to direct and coordinate internal audit activities for all participating councils (section 216P of the <i>Local Government (General) Regulation 2021</i>).	[compliant or non-compliant]
15.	Internal audit activities are conducted in accordance with the International Professional Practices Framework (Core requirement 3 of the Office of Local Government's <i>Guidelines for Risk Management and Internal Audit for Local Government in NSW</i>).	[compliant or non-compliant]
16.	[Council/joint organisation] provides the internal audit function with direct and unrestricted access to staff, the audit, risk and improvement committee, and the information and resources necessary to undertake internal audit activities (section 216P of the <i>Local Government (General) Regulation 2021</i>).	[compliant or non-compliant]
17.	[Council's/joint organisation's] internal audit function undertakes internal audit activities in accordance with a four-year strategic work plan that has been endorsed by the governing body and an annual work plan that has been developed in consultation with the governing body and senior management (Core requirement 3 of the Office of Local Government's <i>Guidelines for Risk Management and Internal Audit for Local Government in NSW</i>).	[compliant or non-compliant]
18.	[Council's/joint organisation's] audit, risk and improvement committee reviews the effectiveness of the internal audit function and reports the outcome of the review to the governing body each council term (section 216R of the <i>Local Government (General) Regulation 2021</i>).	[compliant or non-compliant - include date of last strategic assessment provided]

Non-compliance with the *Local Government (General) Regulation 2021*

I advise that [council/joint organisation] has not complied with the following requirements prescribed under the *Local Government (General) Regulation 2021* with respect to the operation of its [audit, risk and improvement committee/risk management/internal audit processes] (omit where relevant):

Non-compliance	Reason	Alternative measures being implemented	How the alternative measures achieve equivalent outcomes
[requirement]	<div><div>[description of:</div><ul style="list-style-type: none">• why compliance was unreasonable, or• how compliance would have had a significant impact on the council's budget, and• what attempts were made to enter into an agreement with another council or joint organisation to ensure compliance]</div>	[description of the alternative arrangement to ensure an equivalent outcome to the requirement]	[description of how the alternative measure will achieve an equivalent outcome]

These processes, including the alternative measures implemented, demonstrate that [council/joint organisation] has established and maintained frameworks, systems, processes and procedures for appropriately managing audit and risk within [council/joint organisation].

[signed]

[name and position]

[date]

Appendix 2:

Audit, risk and improvement committee – role and responsibilities

Under section 428A of the Local Government Act, each council (including county councils and joint organisations) must have an audit, risk and improvement committee to independently review and provide advice to the council regarding the following aspects of the council's operations:

- compliance
- risk management
- fraud control
- financial management
- governance
- implementation of the strategic plan, delivery program and strategies
- service reviews
- collection of performance measurement data by the council, and
- any other matters prescribed by the regulation (i.e. internal audit).

The committee must also provide information to the council for the purpose of improving the council's performance of its functions.

The audit, risk and improvement committee and the council are to agree on the specific activities the committee is to review based on the council's needs, risks and business functions.

The following is a list of activities audit, risk and improvement committees and councils should consider as part of the committee's 'audit', 'risk' and 'improvement' roles based on the requirements of section 428A of the Local Government Act.

This is not an exhaustive list and audit, risk and improvement committees and councils are encouraged to carefully consider the council's business operations, service delivery, financial management processes, internal audit function, external accountability requirements, risk management framework, governance arrangements and integrated planning and reporting framework to maximise the advice and assistance the committee can provide to the council.

Audit

Internal audit

Section 428A(2)(i) of the Local Government Act

Principle

The council has an effective internal audit function and receives maximum value from its internal audit activities.

Committee's role

- Provide overall strategic oversight of internal audit activities.
- Act as a forum for communication between the governing body, general manager, senior management, the internal audit function and external audit.
- Coordinate as far as is practicable, the work programs of internal audit and other assurance and review functions.
- Advise the general manager and governing body of the council:
 - whether the council is providing the resources necessary to successfully deliver the internal audit function
 - if the council is complying with internal audit requirements, including compliance with the International Professional Practices Framework
 - if the council's internal audit charter is appropriate and whether the internal audit policies and procedures and audit/risk methodologies used by the council are suitable
 - of the strategic four-year work plan and annual work plan of internal audits to be undertaken by the council's internal audit function
 - if the council's internal audit activities are effective, including the performance of the internal audit coordinator and the internal audit function
 - of the findings and recommendations of internal audits conducted, and corrective actions needed to address issues raised

- of the implementation by the council of the corrective actions
- on the appointment of the internal audit coordinator and external providers, and
- if the internal audit function is structured appropriately and has sufficient skills and expertise to meet its responsibilities.

External audit

Principle

The council receives maximum value from its external audit activities.

Committee's role

- Act as a forum for communication between the governing body, general manager, senior management, the internal audit function and external audit.
- Coordinate as far as is practicable, the work programs of internal audit and external audit.
- Provide input and feedback on the financial statement and performance audit coverage proposed by external audit and provide feedback on the audit services provided.
- Review all external plans and reports in respect of planned or completed audits and monitor council's implementation of audit recommendations.
- Provide advice to the governing body and/or general manager on action taken on significant issues raised in relevant external audit reports and better practice guides.

Risk

Compliance framework

Section 428A(2)(a) of the Local Government Act

Principle

The council has an effective compliance framework that ensures it is complying with its legal obligations and other governance and contractual requirements when undertaking its functions.

Committee's role

Advise the general manager and governing body of the council of the adequacy and effectiveness of the council's compliance framework, including:

- if the council has appropriately considered legal and compliance risks as part of the council's risk management framework
- how the council manages its compliance with applicable laws, regulations, policies, procedures, codes, and contractual arrangements, and
- whether appropriate processes are in place to assess compliance.

Risk management

Section 428A(2)(b) of the Local Government Act

Principle

The council has an effective risk management framework and internal controls that successfully identify and manage the risks it faces.

Committee's role

Advise the general manager and governing body of the council on the following:

Risk management framework

- whether the council is providing the resources necessary to successfully implement its risk management framework

- if the council has in place a current and appropriate risk management framework that is consistent with the Australian risk management standard
- whether the council's risk management framework is adequate and effective for identifying and managing the risks the council faces, including those associated with individual projects, programs and other activities
- if risk management is integrated across all levels of the council and across all processes, operations, services, decision-making, functions and reporting
- of the adequacy of risk reports and documentation, for example, the council's risk register and risk profile
- whether a sound approach has been followed in developing risk management plans
- whether appropriate policies and procedures are in place for the management and exercise of delegations
- if the council has taken steps to embed a culture that is committed to ethical and lawful behaviour
- if there is a positive risk culture within the council and strong leadership that supports effective risk management
- of the adequacy of staff training and induction in risk management
- how the council's risk management approach impacts on the council's insurance arrangements
- of the effectiveness of the council's management of its assets, and
- of the effectiveness of business continuity arrangements, including business continuity plans, disaster recovery plans and the periodic testing of these plans.

Internal control framework

- if the internal controls in place are appropriate for the risk the council faces
- whether staff are informed of their responsibilities and processes and procedures to implement controls are complied with
- if the council's monitoring and review of controls, including policies and procedures, is sufficient, and

- if internal and external audit recommendations to correct internal control weaknesses are implemented appropriately.

Fraud and corruption control framework

Section 428A(2)(c) of the Local Government Act

Principle

The council has an effective fraud and corruption control framework in place that minimises the incidence of fraud and corruption.

Committee's role

Advise the general manager and governing body of the council of the adequacy and effectiveness of the council's fraud and corruption prevention framework and activities, including whether the council has:

- a fraud and corruption policy
- clearly defined responsibilities for managing fraud and corruption
- risk-based preventative and detective controls
- policies, systems and processes to respond to, investigate and report suspected fraud and corruption
- employee awareness/education measures
- robust third-party management systems
- appropriate processes and systems in place to capture and effectively investigate fraud-related information
- regular review of the fraud and corruption control framework and reporting, and
- implemented applicable guidance and other better practice measures by the Independent Commission Against Corruption.

Financial management framework

Section 428A(2)(d) of the Local Government Act

Principle

The council has an effective financial management framework, sustainable financial position and positive financial performance.

Committee's role

Advise the general manager and governing body of the council on the following:

External accountability and financial reporting framework

- if the council is complying with accounting standards and external accountability requirements
- of the appropriateness of the council's accounting policies and disclosures
- of the implications for the council of the findings of external audits and performance audits and the council's responses and implementation of recommendations
- whether the council's financial statement preparation procedures and timelines are sound
- the accuracy of the council's annual financial statements prior to external audit, including:
 - management compliance/representations
 - significant accounting and reporting issues
 - the methods used by the council to account for significant or unusual transactions and areas of significant estimates or judgements
 - appropriate management signoff on the statements
- if effective processes are in place to ensure financial information included in the council's annual report is consistent with signed financial statements.

Financial management framework

- if the council's financial management processes are adequate

- the adequacy of cash management and credit card use policies and procedures
- if there are adequate controls over financial processes, for example:
 - appropriate authorisation and approval of payments and transactions
 - adequate segregation of duties
 - timely reconciliation of accounts and balances
 - review of unusual and high value purchases.

Financial position and performance

- if policies and procedures for management review and consideration of the financial position and performance of the council are adequate.

Grants and tied funding policies and procedures

- if the council's grants and tied funding policies and procedures are sound.

Governance framework

Section 428A(2)(e) of the Local Government Act

Principle

The council has an effective governance framework to ensure it is appropriately directing and controlling the management of the council.

Committee's role

Advise the governing body and general manager if the council's governance framework is sound, including the council's:

- decision-making processes
- implementation of governance policies and procedures
- reporting lines and accountability
- assignment of key roles and responsibilities
- committee structure
- management oversight responsibilities
- human resources and performance management activities
- reporting and communication activities

- information and communications technology (ICT) governance, and
- management and governance of the use of data, information and knowledge.

Improvement

Strategic planning

Section 428A(2)(f) of the Local Government Act

Principle

The council has an effective framework that ensures it achieves its strategic plans and objectives under the integrated planning and reporting (IP&R) framework.

Committee's role

Advise the general manager and governing body of the council:

- of the adequacy and effectiveness of the council's IP&R processes
- if appropriate reporting and monitoring mechanisms are in place to measure progress against objectives, and
- whether the council is successfully implementing and achieving its IP&R objectives and strategies.

Service reviews and business improvement

Section 428A(2)(g) and section 428A(3) of the Local Government Act

Principle

The council has an effective framework to ensure it is delivering services and conducting its business and functions to an expected standard.

Committee's role

- Act as a forum for communication and monitoring of any audits conducted by external bodies and the implementation of corrective actions (for example, NSW

government agencies, Commonwealth government agencies, insurance bodies).

- Advise the general manager and governing body of the council:
 - if the council has robust systems to set objectives and goals to determine and deliver appropriate levels of service to the community and business performance
 - if appropriate reporting and monitoring mechanisms are in place to measure service delivery to the community and overall performance, and
 - how the council can improve its service delivery and the council's performance of its business and functions generally.

Performance data and measurement

Section 428A(2)(h) of the Local Government Act

Principle

The council's performance management framework ensures the council can measure its performance and if it is achieving its strategic goals.

Committee's role

Advise the general manager and governing body of the council:

- if the council has a robust system to determine appropriate performance indicators to measure the achievement of its strategic objectives
- the performance indicators the council uses are effective, and
- of the adequacy of performance data collection and reporting.

Appendix 3:

Model terms of reference for audit, risk and improvement committees

Model terms of reference for local government audit, risk and improvement committees

[Council/joint organisation] has established an audit, risk and improvement committee in compliance with section 428A of the *Local Government Act 1993*, the *Local Government (General) Regulation 2021* and the Office of Local Government's *Guidelines for risk management and internal audit for local government in NSW*. These terms of reference set out the committee's objectives, authority, composition and tenure, roles and responsibilities, reporting and administrative arrangements.

Objective

The objective of [council's/joint organisation's] audit, risk and improvement committee is to provide independent assurance to [council/joint organisation] by monitoring, reviewing and providing advice about the [council's/joint organisation's] governance processes, compliance, risk management and control frameworks, external accountability obligations and overall performance.

Independence

The committee is to be independent to ensure it has no real or perceived bias or conflicts of interest that may interfere with its ability to act independently and to provide [council/joint organisation] with robust, objective and unbiased advice and assurance.

The committee is to have an advisory and assurance role only and is to exercise no administrative functions, delegated financial responsibilities or any management functions of the [council/joint organisation]. The committee will provide independent advice to the [council/joint organisation] that is informed by the [council's/joint organisation's] internal audit and risk management activities and information and advice provided by staff, relevant external bodies and subject matter experts.

The committee must always ensure it maintains a direct reporting line to and from the [council's/joint organisation's] internal audit function and act as a mechanism for internal audit to report to the governing body and the [general manager/executive officer] on matters affecting the performance of the internal audit function.

Authority

[Council/joint organisation] authorises the committee, for the purposes of exercising its responsibilities, to:

- access any information it needs from the [council/joint organisation]
- use any [council/joint organisation] resources it needs
- have direct and unrestricted access to the [general manager/executive officer] and senior management of the [council/joint organisation]
- seek the [general manager's/executive officer's] permission to meet with any other [council/joint organisation] staff member or contractor
- discuss any matters with the external auditor or other external parties
- request the attendance of any employee at committee meetings, and
- obtain external legal or other professional advice in line with councils' procurement policies. [Detail any prior approval needed or pre-determined budget for costs].

Information and documents pertaining to the committee are confidential and are not to be made publicly available. The committee may only release [council/joint organisation] information to external parties that are assisting the committee to fulfil its responsibilities with the approval of the [general manager/executive officer], except where it is being provided to an external investigative or oversight agency for the purpose of informing that agency of a matter that may warrant its attention. [amend if documentation is to be made available to the public].

Composition and tenure

The committee consists of an independent chairperson and [two] independent members who have voting rights and [one non-voting councillor/board member], as required under the *Local Government (General) Regulation 2021*.

The governing body is to appoint the chairperson and members of the committee. Current committee members are:

[name]	Independent chairperson (voting)
[name]	Independent member (voting)
[name]	Independent member (voting)
[name]	[Councillor/board] member (non-voting) (if applicable) [cannot be the mayor]

All committee members must meet the independence and eligibility criteria prescribed under the *Local Government (General) Regulation 2021*.

Members will be appointed for up to a four-year term. Members can be reappointed for one further term, but the total period of continuous membership cannot exceed eight years. This includes any term as chairperson of the committee. Members who have served an eight-year term (either as a member or as chairperson) must have a two-year break from serving on the committee before being appointed again. To preserve the committee's knowledge of the [council/joint organisation], ideally, no more than one member should retire from the committee because of rotation in any one year.

The terms and conditions of each member's appointment to the committee are to be set out in a letter of appointment. New members will be thoroughly inducted to their role and receive relevant information and briefings on their appointment to assist them to meet their responsibilities.

Prior to approving the reappointment or extension of the chairperson's or an independent member's term, the governing body is to undertake an assessment of the chairperson's or committee member's performance. Reappointment of the chairperson or a committee member is also to be subject to that person still meeting the independence and eligibility requirements prescribed under the *Local Government (General) Regulation 2021*.

Members of the committee must possess and maintain a broad range of skills, knowledge and experience relevant to the operations, governance and financial management of the [council/joint organisation], the environment in which the [council/joint organisation] operates, and the contribution that the committee makes to the [council/joint organisation]. At least one member of the committee must have accounting or related financial management experience with an understanding of accounting and auditing standards in a local government environment. All members should have sufficient understanding of the [council's/joint organisation's] financial reporting responsibilities to be

able to contribute to the committee's consideration of the [council's/joint organisation's] annual financial statements.

[Add any relevant details about shared arrangements, if applicable].

Role

As required under section 428A of the *Local Government Act 1993* (the Act), the role of the committee is to review and provide independent advice to the [council/joint organisation] regarding the following aspects of the [council's/joint organisation's] operations:

- compliance
- risk management
- fraud control
- financial management
- governance
- implementation of the strategic plan, delivery program and strategies
- service reviews
- collection of performance measurement data by the [council/joint organisation], and
- internal audit.

The committee must also provide information to the [council/joint organisation] for the purpose of improving the [council's/joint organisation's] performance of its functions.

The committee's specific audit, risk and improvement responsibilities under section 428A of the Act are outlined in Schedule 1 to these terms of reference.

The committee will act as a forum for consideration of the [council's/joint organisation's] internal audit function and oversee its planning, monitoring and reporting to ensure it operates effectively.

The committee has no power to direct external audit or the way it is planned and undertaken but will act as a forum for the consideration of external audit findings.

The committee is directly responsible and accountable to the governing body for the exercise of its responsibilities. In carrying out its responsibilities, the committee must at all times recognise that primary responsibility for management of the [council/joint organisation] rests with the governing body and the [general manager/executive officer].

The responsibilities of the committee may be revised or expanded in consultation with, or as requested by, the governing body from time to time.

Responsibilities of members

Independent members

The chairperson and members of the committee are expected to understand and observe the requirements of the Office of Local Government's *Guidelines for risk management and internal audit for local government in NSW*. Members are also expected to:

- make themselves available as required to attend and participate in meetings
- contribute the time needed to review and understand information provided to it
- apply good analytical skills, objectivity and judgement

Guidelines for Risk Management and Internal Audit for Local Government in NSW issued under section 23A of the Local Government Act 1993

- act in the best interests of the [council/joint organisation]
- have the personal courage to raise and deal with tough issues, express opinions frankly, ask questions that go to the fundamental core of the issue and pursue independent lines of inquiry
- maintain effective working relationships with the [council/joint organisation]
- have strong leadership qualities (chairperson)
- lead effective committee meetings (chairperson), and
- oversee the [council's/joint organisation's] internal audit function (chairperson).

[Councillor/board] members (if applicable)

To preserve the independence of the committee, the [councillor/board] member of the committee is a non-voting member. Their role is to:

- relay to the committee any concerns the governing body may have regarding the [council/joint organisation] and issues being considered by the committee
- provide insights into local issues and the strategic priorities of the [council/joint organisation] that would add value to the committee's consideration of agenda items
- advise the governing body (as necessary) of the work of the committee and any issues arising from it, and
- assist the governing body to review the performance of the committee.

Issues or information the councillor member raises with or provides to the committee must relate to the matters listed in Schedule 1 and issues being considered by the committee.

The [councillor/board] member of the committee must conduct themselves in a non-partisan and professional manner. The [councillor/board] member of the committee must not engage in any conduct that seeks to politicise the activities of the committee or the internal audit function or that could be seen to do so.

If the [councillor/board] member of the committee engages in such conduct or in any other conduct that may bring the committee and its work into disrepute, the chairperson of the committee may recommend to the [council/joint organisation], that the [councillor/board] member be removed from membership of the committee. Where the [council/joint organisation] does not agree to the committee chairperson's recommendation, the [council/joint organisation] must give reasons for its decision in writing to the chairperson.

Conduct

Independent committee members are required to comply with the [council's/joint organisation's] code of conduct.

Complaints alleging breaches of the [council's/joint organisation's] code of conduct by an independent committee member are to be dealt with in accordance with the *Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW*. The [general manager/executive officer] must consult with the governing body before taking any disciplinary action against an independent committee member in response to a breach of the [council's/joint organisation's] code of conduct.

Conflicts of interest

Once a year, committee members must provide written declarations to the [council/joint organisation] stating that they do not have any conflicts of interest that would preclude them from being members of the committee. Independent committee members are 'designated persons' for the purposes of the [council's/joint organisation's] code of conduct and must also complete and submit returns of their interests.

Committee members and observers must declare any pecuniary or non-pecuniary conflicts of interest they may have in a matter being considered at the meeting at the start of each meeting or as soon as they become aware of the conflict of interest. Where a committee member or observer declares a pecuniary or a significant non-pecuniary conflict of interest, they must remove themselves from committee deliberations on the issue. Details of conflicts of interest declared at meetings must be appropriately minuted.

Standards

Committee members are to conduct their work in accordance with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors and [\[current Australian risk management standard\]](#), where applicable.

Work plans

The work of the committee is to be thoroughly planned and executed. The committee must develop a strategic work plan every four years to ensure that the matters listed in Schedule 1 are reviewed by the committee and considered by the internal audit function when developing their risk-based program of internal audits. The strategic work plan must be reviewed at least annually to ensure it remains appropriate.

The committee may, in consultation with the governing body, vary the strategic work plan at any time to address new or emerging risks. The governing body may also, by resolution, request the committee to approve a variation to the strategic work plan. Any decision to vary the strategic work plan must be made by the committee.

The committee must also develop an annual work plan to guide its work, and the work of the internal audit function over the forward year.

The committee may, in consultation with the governing body, vary the annual work plan to address new or emerging risks. The governing body may also, by resolution, request the committee to approve a variation to the annual work plan. Any decision to vary the annual work plan must be made by the committee.

When considering whether to vary the strategic or annual work plans, the committee must consider the impact of the variation on the internal audit function's existing workload and the completion of pre-existing priorities and activities identified under the work plan.

Assurance reporting

The committee must regularly report to the [\[council/joint organisation\]](#) to ensure that it is kept informed of matters considered by the committee and any emerging issues that may influence the strategic direction of the [\[council/joint organisation\]](#) or the achievement of the [\[council's/joint organisation's\]](#) goals and objectives.

The committee will provide an update to the governing body and the [\[general manager/executive officer\]](#) of its activities and opinions after every committee meeting.

The committee will provide an annual assessment to the governing body and the [\[general manager/executive officer\]](#) on the committee's work and its opinion on how the [\[council/joint organisation\]](#) is performing.

The committee will provide a comprehensive assessment every council term of the matters listed in Schedule 1 to the governing body and the [\[general manager/executive officer\]](#).

The committee may at any time report to the governing body or the [general manager/executive officer] on any other matter it deems of sufficient importance to warrant their attention. The [mayor/chairperson] and the chairperson of the committee may also meet at any time to discuss issues relating to the work of the committee.

Should the governing body require additional information, a request for the information may be made to the chairperson by resolution. The chairperson is only required to provide the information requested by the governing body where the chairperson is satisfied that it is reasonably necessary for the governing body to receive the information for the purposes of performing its functions under the Local Government Act. Individual [councillors/board members] are not entitled to request or receive information from the committee.

Administrative arrangements

Meetings

The committee will meet at least [number (minimum of 4)] times per year, [including a special meeting to review the [council's/joint organisation's financial statements]].

The committee can hold additional meetings when significant unexpected issues arise, or if the chairperson is asked to hold an additional meeting by a committee member, the [general manager/executive officer] or the governing body.

Committee meetings can be held in person, by telephone or videoconference. Proxies are not permitted to attend meetings if a committee member cannot attend.

A quorum will consist of a majority of independent voting members. Where the vote is tied, the chairperson has the casting vote.

The chairperson of the committee will decide the agenda for each committee meeting. Each committee meeting is to be minuted to preserve a record of the issues considered and the actions and decisions taken by the committee.

The [mayor/chairperson], [general manager/executive officer] and the [internal audit coordinator] should attend committee meetings as non-voting observers. The external auditor (or their representative) is to be invited to each committee meeting as an independent observer. The chairperson can request the [council's/joint organisation's] [chief finance officer or equivalent], [head of risk management function or equivalent], [senior managers or equivalent], any [councillors/board members], any employee/contractor of the council and any subject matter expert to attend committee meetings. Where requested to attend a meeting, persons must attend the meeting where possible and provide any information requested. Observers have no voting rights and can be excluded from a meeting by the chairperson at any time.

The committee can hold closed meetings whenever it needs to discuss confidential or sensitive issues with only voting members of the committee present.

The committee must meet separately with the [internal audit coordinator] and the [council's/joint organisation's] external auditor at least once each year.

Dispute resolution

Members of the committee and the [council's/joint organisation's] management should maintain an effective working relationship and seek to resolve any differences they may have in an amicable and professional way by discussion and negotiation.

In the event of a disagreement between the committee and the [general manager/executive officer] or other senior managers, the dispute is to be resolved by the governing body.

Unresolved disputes regarding compliance with statutory or other requirements are to be referred to the Departmental Chief Executive of the Office of Local Government in writing.

Secretariat

The [general manager/executive officer] will nominate a staff member to provide secretariat support to the committee. The secretariat will ensure the agenda for each meeting and supporting papers are circulated after approval from the chairperson at least [number] weeks before the meeting and ensure that minutes of meetings are prepared and maintained. Minutes must be approved by the chairperson and circulated within [agreed timeframe] of the meeting to each member.

Resignation and dismissal of members

Where the chairperson or a committee member is unable to complete their term or does not intend to seek reappointment after the expiry of their term, they should give [agreed timeframe] notice to the chairperson and the governing body prior to their resignation to allow the [council/joint organisation] to ensure a smooth transition to a new chairperson or committee member.

The governing body can, by resolution, terminate the appointment of the chairperson or an independent committee member before the expiry of their term where that person has:

- breached the council's code of conduct
- performed unsatisfactorily or not to expectations
- declared, or is found to be in, a position of a conflict of interest which is unresolvable
- been declared bankrupt or found to be insolvent
- experienced an adverse change in business status
- been charged with a serious criminal offence
- been proven to be in serious breach of their obligations under any legislation, or
- experienced an adverse change in capacity or capability.

The position of a [councillor/board] member on the committee can be terminated at any time by the governing body by resolution.

Review arrangements

At least once every council term, the governing body must review or arrange for an external review of the effectiveness of the committee.

These terms of reference must be reviewed annually by the committee and once each council term by the governing body. Any substantive changes are to be approved by the governing body.

Further information

For further information on [council's/joint organisation's] audit, risk and improvement committee, contact [name] on [email address] or by phone [phone number].

Reviewed by chairperson of the audit, risk and improvement committee

[signed]

[date]

Guidelines for Risk Management and Internal Audit for Local Government in NSW issued under section 23A of the *Local Government Act 1993*

Reviewed by [council/joint organisation] in accordance with a resolution of the governing body.

[signed]

[date]

[resolution reference]

Next review date: [date]

Schedule 1 – Audit, risk and improvement committee responsibilities

[Note: each council/joint organisation is to determine the responsibilities of its committee related to each matter listed in section 428A of the Local Government Act 1993 and list them in Schedule 1 to the committee's terms of reference. Suggested responsibilities are provided below and further detailed in core requirement 1 and Appendix 2 of these Guidelines.]

Audit

Internal audit

- Provide overall strategic oversight of internal audit activities
- Act as a forum for communication between the governing body, [general manager/executive officer], senior management, the internal audit function and external audit
- Coordinate, as far as is practicable, the work programs of internal audit and other assurance and review functions
- Review and advise the [council/joint organisation]:
 - on whether the [council/joint organisation] is providing the resources necessary to successfully deliver the internal audit function
 - if the [council/joint organisation] is complying with internal audit requirements, including conformance with the International Professional Practices Framework
 - if the [council's/joint organisation's] internal audit charter is appropriate and whether the internal audit policies and procedures and audit/risk methodologies used by the [council/joint organisation] are suitable
 - of the strategic four-year work plan and annual work plan of internal audits to be undertaken by the [council's/joint organisation's] internal audit function
 - if the [council's/joint organisation's] internal audit activities are effective, including the performance of the internal audit coordinator and the internal audit function
 - of the findings and recommendations of internal audits conducted, and corrective actions needed to address issues raised
 - of the implementation by the [council/joint organisation] of these corrective actions
 - on the appointment of the internal audit coordinator and external providers, and
 - if the internal audit function is structured appropriately and has sufficient skills and expertise to meet its responsibilities

External audit

- Act as a forum for communication between the governing body, [general manager/executive officer], senior management, the internal audit function and external audit
- Coordinate as far as is practicable, the work programs of internal audit and external audit
- Provide input and feedback on the financial statement and performance audit coverage proposed by external audit and provide feedback on the audit services provided
- Review all external plans and reports in respect of planned or completed audits and monitor council's implementation of audit recommendations
- Provide advice to the governing body and/or [general manager/executive officer] on action taken on significant issues raised in relevant external audit reports and better practice guides

Risk

Risk management

Review and advise the [council/joint organisation]:

- if the [council's/joint organisation's] has in place a current and appropriate risk management framework that is consistent with the Australian risk management standard
- whether the [council/joint organisation] is providing the resources necessary to successfully implement its risk management framework
- whether the [council's/joint organisation's] risk management framework is adequate and effective for identifying and managing the risks the [council/joint organisation] faces, including those associated with individual projects, programs and other activities
- if risk management is integrated across all levels of the [council/joint organisation] and across all processes, operations, services, decision-making, functions and reporting
- of the adequacy of risk reports and documentation, for example, the [council's/joint organisation's] risk register and risk profile
- whether a sound approach has been followed in developing risk management plans for major projects or undertakings
- whether appropriate policies and procedures are in place for the management and exercise of delegations
- if the [council/joint organisation] has taken steps to embed a culture which is committed to ethical and lawful behaviour
- if there is a positive risk culture within the [council/joint organisation] and strong leadership that supports effective risk management
- of the adequacy of staff training and induction in risk management
- how the [council's/joint organisation's] risk management approach impacts on the [council's/joint organisation's] insurance arrangements
- of the effectiveness of the [council's/joint organisation's] management of its assets, and
- of the effectiveness of business continuity arrangements, including business continuity plans, disaster recovery plans and the periodic testing of these plans.

Internal controls

Review and advise the [council/joint organisation]:

- whether the [council's/joint organisation's] approach to maintaining an effective internal audit framework, including over external parties such as contractors and advisors, is sound and effective
- whether the [council/joint organisation] has in place relevant policies and procedures and that these are periodically reviewed and updated
- whether appropriate policies and procedures are in place for the management and exercise of delegations
- whether staff are informed of their responsibilities and processes and procedures to implement controls are complied with
- if the [council's/joint organisation's] monitoring and review of controls is sufficient, and
- if internal and external audit recommendations to correct internal control weaknesses are implemented appropriately.

Compliance

Review and advise the [council/joint organisation] of the adequacy and effectiveness of the [council's/joint organisation's] compliance framework, including:

- if the [council/joint organisation] has appropriately considered legal and compliance risks as part of the [council's/joint organisation's] risk management framework
- how the [council/joint organisation] manages its compliance with applicable laws, regulations, policies, procedures, codes, and contractual arrangements, and
- whether appropriate processes are in place to assess compliance.

Fraud and corruption

Review and advise the [council/joint organisation] of the adequacy and effectiveness of the [council's/joint organisation's] fraud and corruption prevention framework and activities, including whether the [council/joint organisation] has appropriate processes and systems in place to capture and effectively investigate fraud-related information.

Financial management

Review and advise the [council/joint organisation]:

- if the [council/joint organisation] is complying with accounting standards and external accountability requirements
- of the appropriateness of the [council's/joint organisation's] accounting policies and disclosures
- of the implications for the [council/joint organisation] of the findings of external audits and performance audits and the [council's/joint organisation's] responses and implementation of recommendations
- whether the [council's/joint organisation's] financial statement preparation procedures and timelines are sound
- the accuracy of the [council's/joint organisation's] annual financial statements prior to external audit, including:
 - management compliance/representations
 - significant accounting and reporting issues
 - the methods used by the [council/joint organisation] to account for significant or unusual transactions and areas of significant estimates or judgements
 - appropriate management signoff on the statements
- if effective processes are in place to ensure financial information included in the [council's/joint organisation's] annual report is consistent with signed financial statements
- if the [council's/joint organisation's] financial management processes are adequate
- the adequacy of cash management policies and procedures
- if there are adequate controls over financial processes, for example:
 - appropriate authorisation and approval of payments and transactions
 - adequate segregation of duties
 - timely reconciliation of accounts and balances
 - review of unusual and high value purchases
- if policies and procedures for management review and consideration of the financial position and performance of the [council/joint organisation] are adequate
- if the [council's/joint organisation's] grants and tied funding policies and procedures are sound.

Governance

Review and advise the [council/joint organisation] regarding its governance framework, including the [council's/joint organisation's]:

- decision-making processes
- implementation of governance policies and procedures
- reporting lines and accountability
- assignment of key roles and responsibilities
- committee structure
- management oversight responsibilities
- human resources and performance management activities
- reporting and communication activities
- information and communications technology (ICT) governance, and
- management and governance of the use of data, information and knowledge

Improvement

Strategic planning

Review and advise the [council/joint organisation]:

- of the adequacy and effectiveness of the [council's/joint organisation's] integrated, planning and reporting (IP&R) processes
- if appropriate reporting and monitoring mechanisms are in place to measure progress against objectives, and
- whether the [council/joint organisation] is successfully implementing and achieving its IP&R objectives and strategies.

Service reviews and business improvement

- Act as a forum for communication and monitoring of any audits conducted by external bodies and the implementation of corrective actions (for example, NSW government agencies, Commonwealth government agencies, insurance bodies)
- Review and advise the [council/joint organisation]:
 - If the [council/joint organisation] has robust systems to set objectives and goals to determine and deliver appropriate levels of service to the community and business performance
 - if appropriate reporting and monitoring mechanisms are in place to measure service delivery to the community and overall performance, and
 - how the [council/joint organisation] can improve its service delivery and the [council's/joint organisation's] performance of its business and functions generally

Performance data and measurement

Review and advise the [council/joint organisation]:

- if the [council/joint organisation] has a robust system to determine appropriate performance indicators to measure the achievement of its strategic objectives
- if the performance indicators the [council/joint organisation] uses are effective, and
- of the adequacy of performance data collection and reporting.

Appendix 4:

Example risk management policy

Example risk management policy

Purpose

The purpose of this policy is to express [council's/joint organisation's] commitment to implementing organisation-wide risk management principles, systems and processes that ensure the consistent, efficient and effective assessment of risk in all [council's/joint organisation's] planning, decision-making and operational processes.

Risk management framework

[Council/joint organisation] provides critical services and infrastructure to the residents, ratepayers and visitors to [area]. [Council/joint organisation] also has service agreements and contractual obligations with government and non-government agencies and organisations and has its own strategic goals and objectives that it seeks to achieve on behalf of the [area] community.

It is therefore incumbent on [council/joint organisation] to understand the internal and external risks that may impact the delivery of these services, contracts and strategic objectives and have processes in place to identify, mitigate, manage and monitor those risks to ensure the best outcome for [council's/joint organisation's], staff and the community. It is also our responsibility to ensure the efficient, effective and ethical use of resources and services by ratepayers, residents, staff and visitors.

[Council/joint organisation] has developed a risk management framework consistent with [Australian standard] to assist it to identify, treat, monitor and review all risks to its operations and strategic objectives and apply appropriate internal controls.

[Council/joint organisation] is committed to the principles, framework and process of managing risk as outlined in [Australian standard] and commits to fully integrating risk management within the [council/joint organisation] and applying it to all decision-making, functions, services and activities of the [council/joint organisation] in accordance with our statutory requirements.

Responsibilities

[Council/joint organisation] aims to create a positive risk management culture where risk management is integrated into all everyday activities and managing risks is an integral part of governance, good management practice and decision-making at [council/joint organisation]. It is the responsibility of every staff member and business area to observe and implement this policy and [council's/joint organisation's] risk management framework.

All staff are responsible for identifying and managing risk within their work areas. Key responsibilities include:

- being familiar with, and understanding, the principles of risk management
- complying with all policies, procedures and practices relating to risk management
- alerting management to risks that exist within their area, and
- performing any risk management activities assigned to them as part of their daily role.

Risk management is a core responsibility for all senior staff/management at [council/organisation]. In addition to their responsibilities as staff members, senior staff/management are responsible for:

- ensuring all staff manage their risks within their own work areas. Risks should be anticipated, and reasonable protective measures taken
- encouraging openness and honesty in the reporting and escalation of risks
- ensuring all staff have the appropriate capability to perform their risk management roles
- reporting to the [general manager/executive officer] on the status of risks and controls, and
- identifying and communicating improvements in [council's/joint organisation's] risk management practices to [council's/joint organisation's] risk management function.

[Council's/joint organisation's] risk management function is available to support staff in undertaking their risk management activities.

To ensure [council/joint organisation] is effectively managing its risk and complying with its statutory obligations, [council's/joint organisation's] audit, risk and improvement committee and internal audit function is responsible for reviewing the [council's/joint organisation's]:

- risk management processes and procedures
- risk management strategies for major projects or undertakings
- control environment and insurance arrangements
- business continuity planning arrangements, and
- fraud control plan.

Monitoring and Review

[Council/joint organisation] is committed to continually improving its ability to manage risk. [Council/joint organisation] will review this policy and its risk management framework at least annually to ensure it continues to meet the requirements of the *Local Government Act 1993*, the *Local Government (General) Regulation 2021*, and the [council's/joint organisation's] requirements.

Further information

For further information on [council's/joint organisation's] risk management policy, framework and process, contact [name] on [email address] or by phone [phone number].

[signed – General Manager/Executive officer]

[name]

[date]

[review date]

Appendix 5:

Model internal audit charter

Model internal audit charter for local government

[Council/joint organisation] has established the [name of internal audit function] as a key component of the [council's/joint organisation's] governance and assurance framework, in compliance with the *Local Government (General) Regulation 2021* and the Office of Local Government's *Guidelines for risk management and internal audit for local government in NSW*. This charter provides the framework for the conduct of the [name of internal audit function] in the [council/joint organisation] and has been approved by the governing body taking into account the advice of the [council's/joint organisation's] audit, risk and improvement committee.

Purpose of internal audit

Internal audit is an independent, objective assurance and consulting activity designed to add value and improve the [council's/joint organisation's] operations. It helps the [council/joint organisation] accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes¹.

Internal audit provides an independent and objective review and advisory service to provide advice to the governing body, [general manager/executive officer] and audit, risk and improvement committee about the [council's/joint organisation's] governance processes, risk management and control frameworks and its external accountability obligations. It also assists the [council/joint organisation] to improve its business performance.

Independence

[Council's/joint organisation's] [name of internal audit function] is to be independent of the [council/joint organisation] so it can provide an unbiased assessment of the [council's/joint organisation's] operations and risk and control activities.

[Name of internal audit function] reports functionally to the [council's/joint organisation's] audit, risk and improvement committee on the results of completed audits, and for strategic direction and accountability purposes, and reports administratively to the [general manager/executive officer] to facilitate day-to-day operations. Internal audit activities are not subject to direction by the [council/joint organisation] and the [council's/joint organisation's] management has no role in the exercise of the [council's/joint organisation's] internal audit activities.

The audit, risk and improvement committee is responsible for communicating any internal audit issues or information to the governing body. Should the governing body require additional information, a request for the information may be made to the chairperson by resolution. The chairperson is only required to provide the information requested by the governing body where the chairperson is satisfied that it is reasonably necessary for the governing body to receive the information for the purposes of performing its functions under the *Local Government Act*. Individual [councillors/board members] are not entitled to request or receive information from the committee.

¹ As defined by the International Standards for the Professional Practice of Internal Auditing (2017)

[Detail any delegations made by the general manager/executive officer regarding their internal audit responsibilities].

The [general manager/executive officer] must consult with the chairperson of the [council's/joint organisation's] audit, risk and improvement committee before appointing or making decisions affecting the employment of the [internal audit coordinator].

Where the chairperson of the [council's/joint organisation's] audit, risk and improvement committee has any concerns about the treatment of the [internal audit coordinator], or any action taken that may compromise their ability to undertake their functions independently, they can report their concerns to the governing body.

The [internal audit coordinator] is to confirm at least annually to the audit, risk and improvement committee the independence of internal audit activities from the [council/joint organisation].

Authority

[Council/joint organisation] authorises the [name of internal audit function] to have full, free and unrestricted access to all functions, premises, assets, personnel, records and other documentation and information that the [internal audit coordinator] considers necessary for the [name of the internal audit function] to undertake its responsibilities.

All records, documentation and information accessed while undertaking internal audit activities are to be used solely for the conduct of those activities. The [internal audit coordinator] and individual internal audit staff are responsible and accountable for maintaining the confidentiality of the information they receive when undertaking their work.

All internal audit documentation is to remain the property of [council/joint organisation], including where internal audit services are performed by an external third-party provider.

Information and documents pertaining to the [name of the internal audit function] are not to be made publicly available. The [name of the internal audit function] may only release [council/joint organisation] information to external parties that are assisting the [name of the internal audit function] to undertake its responsibilities with the approval of the [general manager/executive officer], except where it is being provided to an external investigative or oversight agency for the purpose of informing that agency of a matter that may warrant its attention.

Role

The [name of internal audit function] is to support the [council's/joint organisation's] audit, risk and improvement committee to review and provide independent advice to the [council/joint organisation] in accordance with section 428A of the *Local Government Act 1993*. This includes conducting internal audits of [council/joint organisation] and monitoring the implementation of corrective actions.

The [name of internal audit function] is to also play an active role in:

- developing and maintaining a culture of accountability and integrity
- facilitating the integration of risk management into day-to-day business activities and processes, and
- promoting a culture of high ethical standards.

[Name of internal audit function] has no direct authority or responsibility for the activities it reviews. [Name of internal audit function] has no responsibility for developing or implementing procedures or

systems and does not prepare records or engage in [council/joint organisation] functions or activities (except in carrying out its own functions).

[Internal audit coordinator]

Option 1: In-house internal audit function

[Council's/joint organisation's] [name of internal audit function] is to be led by a member of [council's/joint organisation's] staff with sufficient skills, knowledge and experience to ensure it fulfils its role and responsibilities to the [council/joint organisation] and the audit, risk and improvement committee. The [internal audit coordinator] must be independent, impartial, unbiased and objective when performing their work and free from any conflicts of interest.

Responsibilities of the [internal audit coordinator] include:

- managing the day-to-day activities of the [name of internal audit function]
- managing the [council's/joint organisation's] internal audit budget
- supporting the operation of the [council's/joint organisation's] audit, risk and improvement committee
- approving internal audit project plans, conducting or supervising audits and assessments and providing independent advice to the audit, risk and improvement committee
- monitoring the [council's/joint organisation's] implementation of corrective actions that arise from the findings of audits
- implementing the audit, risk and improvement committee's annual work plan and four-year strategic work plan
- ensuring the [council's/joint organisation's] internal audit activities comply with the Office of Local Government's *Guidelines for risk management and internal audit for local government in NSW*, and
- contract management and oversight of supplementary external providers (where appropriate).

[Details of any dual responsibilities and independence safeguards]

[Details of any shared arrangements]

Option 2: Outsourced internal audit function

[Council's/joint organisation's] [name of internal audit function] is to be led by a member of [council's/joint organisation's] staff with sufficient skills, knowledge and experience to ensure it fulfils its role and responsibilities to the [council/joint organisation] and the audit, risk and improvement committee. The [internal audit coordinator] must be independent, impartial, unbiased and objective when performing their work and free from any conflicts of interest.

Responsibilities of the [internal audit coordinator] include:

- contract management
- managing the internal audit budget
- ensuring the external provider completes internal audits in line with the audit, risk and improvement committee's annual work plan and four-year strategic work plan
- forwarding audit reports by the external provider to the audit, risk and improvement committee
- acting as a liaison between the external provider and the audit, risk and improvement committee
- monitoring the [council's/joint organisation's] implementation of corrective actions that arise from the findings of audits and reporting progress to the audit, risk and improvement committee, and

- assisting the audit, risk and improvement committee to ensure the [council's/joint organisation's] internal audit activities comply with the Office of Local Government's *Guidelines for risk management and internal audit for local government in NSW*.

[Details of any dual responsibilities and independence safeguards]

[Details of any shared arrangements]

[Name of internal audit team]

Option 1: In-house internal audit team

Members of the [name of internal audit function] are responsible to the [internal audit coordinator]. Individuals that perform internal audit activities for [council/joint organisation] must have:

- an appropriate level of understanding of the [council's/joint organisation's] culture, systems and processes
- the skills, knowledge and experience necessary to conduct internal audit activities in the [council/joint organisation]
- effective interpersonal and communication skills to ensure they can engage with [council/joint organisation] staff effectively and collaboratively, and
- honesty, integrity and diligence.

[Details of any dual responsibilities and independence safeguards]

[Details of any shared arrangements]

Option 2: Out-sourced internal audit team

[Council/joint organisation] is to contract an external third-party provider to undertake its internal audit activities. To ensure the independence of the external provider, the [internal audit coordinator] is to ensure the external provider:

- does not conduct any audits on specific [council/joint organisation] operations or areas that they have worked on within the last two years
- is not the same provider conducting the [council's/joint organisation's] external audit
- is not the auditor of any contractors of the [council/joint organisation] that may be subject to the internal audit, and
- can satisfy the requirements of the Office of Local Government's *Guidelines for risk management and internal audit for local government in NSW*.

The [internal audit coordinator] must consult with the audit, risk and improvement committee and [general manager/executive officer] regarding the appropriateness of the skills, knowledge and experience of any external provider before they are engaged by the [council/joint organisation].

[Details of any shared arrangements].

Performing internal audit activities

The work of the [name of internal audit function] is to be thoroughly planned and executed. The [council's/joint organisation's] audit, risk and improvement committee must develop a strategic work plan every four years to ensure that the matters listed in Schedule 1 are reviewed by the committee and considered by the internal audit function when developing their risk-based program of internal audits. The strategic work plan must be reviewed at least annually to ensure it remains appropriate.

The committee must also develop an annual work plan to guide the work of the internal audit function over the forward year.

All internal audit activities are to be performed in a manner that is consistent with relevant professional standards including the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors and [\[current Australian risk management standard\]](#).

The [\[internal audit coordinator\]](#) is to provide the findings and recommendations of internal audits to the audit, risk and improvement committee at the end of each audit. Each report is to include a response from the relevant senior manager.

The [\[internal audit coordinator\]](#) is to establish an ongoing monitoring system to follow up [\[council's/joint organisation's\]](#) progress in implementing corrective actions.

The [\[general manager/executive officer\]](#), in consultation with the audit, risk and improvement committee, is to develop and maintain policies and procedures to guide the operation of the [\[council's/joint organisation's\]](#) [\[name of internal audit function\]](#).

The [\[internal audit coordinator\]](#) is to ensure that the audit, risk and improvement committee is advised at each of the committee's meetings of the internal audit activities completed during that quarter, progress in implementing the annual work plan and progress made implementing corrective actions.

Conduct

Internal audit personnel must comply with the [\[council's/joint organisation's\]](#) code of conduct. Complaints about breaches of [\[council's/joint organisation's\]](#) code of conduct by internal audit personnel are to be dealt with in accordance with the *Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW*. The [\[general manager/executive officer\]](#) must consult with the [\[council's/joint organisation's\]](#) audit, risk and improvement committee before any disciplinary action is taken against the [\[internal audit coordinator\]](#) in response to a breach of the [\[council's/joint organisation's\]](#) code of conduct.

Internal auditors must also comply with the Code of Ethics for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors.

Administrative arrangements

Audit, risk and improvement committee meetings

The [\[internal audit coordinator\]](#) will attend audit, risk and improvement committee meetings as an independent non-voting observer. The [\[internal audit coordinator\]](#) can be excluded from meetings by the committee at any time.

The [\[internal audit coordinator\]](#) must meet separately with the audit, risk and improvement committee at least once per year.

The [\[internal audit coordinator\]](#) can meet with the chairperson of the audit, risk and improvement committee at any time, as necessary, between committee meetings.

External audit

Internal and external audit activities will be coordinated to help ensure the adequacy of overall audit coverage and to minimise duplication of effort.

Periodic meetings and contact between internal and external audit shall be held to discuss matters of mutual interest and to facilitate coordination.

External audit will have full and free access to all internal audit plans, working papers and reports.

Dispute resolution

[Name of internal audit function] should maintain an effective working relationship with the [council/joint organisation] and the audit, risk and improvement committee and seek to resolve any differences they may have in an amicable and professional way by discussion and negotiation.

In the event of a disagreement between the [name of internal audit function] and the [council/joint organisation], the dispute is to be resolved by the [general manager/executive officer] and/or the audit, risk and improvement committee. Disputes between the [name of internal audit function] and the audit, risk and improvement committee are to be resolved by the governing body.

Unresolved disputes regarding compliance with statutory or other requirements are to be referred to the Departmental Chief Executive of the Office of Local Government in writing.

Review arrangements

The [council's/joint organisation's] audit, risk and improvement committee must review the performance of the internal audit function each year and report its findings to the governing body. A strategic review of the performance of the [name of internal audit function] must be conducted each council term that considers the views of an external party with a strong knowledge of internal audit and reported to the [governing body/board].

This charter is to be reviewed annually by the committee and once each council term by the governing body. Any substantive changes are to be approved by the governing body.

Further information

For further information on [council's/joint organisation's] internal audit activities, contact [name] on [email address] or by phone [phone number].

Reviewed by [internal audit coordinator]

[sign and date]

Reviewed by chairperson of the [council's/joint organisation's] audit, risk and improvement committee

[sign and date]

Reviewed by [general manager/executive officer]

[sign and date]

Reviewed by [council/joint organisation] in accordance with a resolution of the governing body

[sign and date]

[resolution reference]

Schedule 1 – internal audit function responsibilities

[Note: each council/joint organisation is to determine the responsibilities of its internal audit function in relation to each matter listed in section 428A of the Local Government Act 1993 and list them in Schedule 1 to the council's/joint organisation's internal audit charter. Suggested responsibilities are provided below and further detailed in core requirement 3 and Appendix 2 of these Guidelines.]

Audit

Internal audit

- Conduct internal audits as directed by the [council's/joint organisation's] audit, risk and improvement committee.
- Implement the [council's/joint organisation's] annual and four-year strategic internal audit work plans.
- Monitor the implementation by the [council/joint organisation] of corrective actions.
- Assist the [council/joint organisation] to develop and maintain a culture of accountability and integrity.
- Facilitate the integration of risk management into day-to-day business activities and processes.
- Promote a culture of high ethical standards.

External audit

- Provide input and feedback on the financial statement and performance audit coverage proposed by external audit and provide feedback on the audit services provided.
- Review all external plans and reports in respect of planned or completed audits and monitor the [council's/joint organisation's] implementation of audit recommendations.
- Provide advice on action taken on significant issues raised in relevant external audit reports and better practice guides.

Risk

Risk management

Review and advise:

- if the [council's/joint organisation's] has in place a current and appropriate risk management framework that is consistent with the Australian risk management standard
- whether the [council's/joint organisation's] risk management framework is adequate and effective for identifying and managing the risks the [council/joint organisation] faces, including those associated with individual projects, programs and other activities
- if risk management is integrated across all levels of the [council/joint organisation] and across all processes, operations, services, decision-making, functions and reporting
- of the adequacy of risk reports and documentation, for example, the [council's/joint organisation's] risk register and risk profile
- whether a sound approach has been followed in developing risk management plans for major projects or undertakings
- whether appropriate policies and procedures are in place for the management and exercise of delegations

Guidelines for Risk Management and Internal Audit for Local Government in NSW issued under section 23A of the *Local Government Act 1993*

105

- if the [council/joint organisation] has taken steps to embed a culture which is committed to ethical and lawful behaviour
- if there is a positive risk culture within the [council/joint organisation] and strong leadership that supports effective risk management
- of the adequacy of staff training and induction in risk management
- how the [council's/joint organisation's] risk management approach impacts on the [council's/joint organisation's] insurance arrangements
- of the effectiveness of the [council's/joint organisation's] management of its assets, and
- of the effectiveness of business continuity arrangements, including business continuity plans, disaster recovery plans and the periodic testing of these plans.

Internal controls

Review and advise:

- whether the [council's/joint organisation's] approach to maintaining an effective internal audit framework, including over external parties such as contractors and advisors, is sound and effective
- whether the [council/joint organisation] has in place relevant policies and procedures and that these are periodically reviewed and updated
- whether appropriate policies and procedures are in place for the management and exercise of delegations
- whether staff are informed of their responsibilities and processes and procedures to implement controls are complied with
- if the [council's/joint organisation's] monitoring and review of controls is sufficient, and
- if internal and external audit recommendations to correct internal control weaknesses are implemented appropriately.

Compliance

Review and advise of the adequacy and effectiveness of the [council's/joint organisation's] compliance framework, including:

- if the [council/joint organisation] has appropriately considered legal and compliance risks as part of the [council's/joint organisation's] risk management framework
- how the [council/joint organisation] manages its compliance with applicable laws, regulations, policies, procedures, codes, and contractual arrangements, and
- whether appropriate processes are in place to assess compliance.

Fraud and corruption

Review and advise of the adequacy and effectiveness of the [council's/joint organisation's] fraud and corruption prevention framework and activities, including whether the [council/joint organisation] has appropriate processes and systems in place to capture and effectively investigate fraud-related information.

Financial management

Review and advise:

- if the [council/joint organisation] is complying with accounting standards and external accountability requirements
- of the appropriateness of the [council's/joint organisation's] accounting policies and disclosures

- of the implications for the [council/joint organisation] of the findings of external audits and performance audits and the [council's/joint organisation's] responses and implementation of recommendations
- whether the [council's/joint organisation's] financial statement preparation procedures and timelines are sound
- the accuracy of the [council's/joint organisation's] annual financial statements prior to external audit, including:
 - management compliance/representations
 - significant accounting and reporting issues
 - the methods used by the [council/joint organisation] to account for significant or unusual transactions and areas of significant estimates or judgements
 - appropriate management signoff on the statements
- if effective processes are in place to ensure financial information included in the [council's/joint organisation's] report is consistent with signed financial statements
- if the [council's/joint organisation's] financial management processes are adequate
- the adequacy of cash management policies and procedures
- if there are adequate controls over financial processes, for example:
 - appropriate authorisation and approval of payments and transactions
 - adequate segregation of duties
 - timely reconciliation of accounts and balances
 - review of unusual and high value purchases
- if policies and procedures for management review and consideration of the financial position and performance of the [council/joint organisation] are adequate
- if the [council's/joint organisation's] grants and tied funding policies and procedures are sound.

Governance

Review and advise of the adequacy of the [council/joint organisation] governance framework, including the [council's/joint organisation's]:

- decision-making processes
- implementation of governance policies and procedures
- reporting lines and accountability
- assignment of key roles and responsibilities
- committee structure
- management oversight responsibilities
- human resources and performance management activities
- reporting and communication activities
- information and communications technology (ICT) governance, and
- management and governance of the use of data, information and knowledge.

Improvement

Strategic planning

Review and advise:

- of the adequacy and effectiveness of the [council's/joint organisation's] integrated, planning and reporting (IP&R) processes

- if appropriate reporting and monitoring mechanisms are in place to measure progress against objectives, and
- whether the [council/joint organisation] is successfully implementing and achieving its IP&R objectives and strategies.

Service reviews and business improvement

Review and advise:

- if the [council/joint organisation] has robust systems to set objectives and goals to determine and deliver appropriate levels of service to the community and business performance
- if appropriate reporting and monitoring mechanisms are in place to measure service delivery to the community and overall performance, and
- how the [council/joint organisation] can improve its service delivery and the [council's/joint organisation's] performance of its business and functions generally

Performance data and measurement

Review and advise:

- if the [council/joint organisation] has a robust system to determine appropriate performance indicators to measure the achievement of its strategic objectives
- if the performance indicators the [council/joint organisation] uses are effective, and
- of the adequacy of performance data collection and reporting.





Local Government (General) Amendment (Audit, Risk and Improvement Committees) Regulation 2023

under the

Local Government Act 1993

Her Excellency the Governor, with the advice of the Executive Council, has made the following regulation under the *Local Government Act 1993*.

RON HOENIG, MP
Minister for Local Government

Explanatory note

The object of this regulation is to make provision about Audit, Risk and Improvement Committees and the internal auditing functions of councils.

This regulation is made under the *Local Government Act 1993*, including sections 428(4)(b), 428A(2)(i), 428B and 748, the general regulation-making power, and Schedule 6, clauses 8A, 13, 18 and 19B.

Local Government (General) Amendment (Audit, Risk and Improvement Committees) Regulation 2023
[NSW]

Local Government (General) Amendment (Audit, Risk and Improvement Committees) Regulation 2023

under the

Local Government Act 1993

1 Name of regulation

This regulation is the *Local Government (General) Amendment (Audit, Risk and Improvement Committees) Regulation 2023*.

2 Commencement

This regulation commences on 1 July 2024.

Local Government (General) Amendment (Audit, Risk and Improvement Committees) Regulation 2023
[NSW]
Schedule 1 Amendment of Local Government (General) Regulation 2021

Schedule 1 Amendment of Local Government (General) Regulation 2021

Part 9 Management and accountability

Insert after Division 6—

Division 6A Auditing and Audit, Risk and Improvement Committees

216A Definitions

In this division—

chairperson, for an Audit, Risk and Improvement Committee, means the chairperson of the committee.

independent member, for an Audit, Risk and Improvement Committee, means a person appointed to the committee under section 216C(1)(b).

internal audit co-ordinator—see section 216P(4).

216B Application of division to joint organisations

This division applies to a joint organisation in the same way as it applies to a council.

216C Composition of Audit, Risk and Improvement Committee—the Act, Sch 6, cl 19B

- (1) The Audit, Risk and Improvement Committee for a council must comprise—
 - (a) a chairperson, and
 - (b) at least 2 independent members.
- (2) One councillor, who must not be the mayor, of the council may also be appointed to the Audit, Risk and Improvement Committee for a council.
- (3) The appointment of a member to the Audit, Risk and Improvement Committee must be made by resolution of the council.
- (4) A councillor appointed to the Audit, Risk and Improvement Committee must not vote on a matter being considered by the committee.
- (5) A person may be appointed to more than 1 Audit, Risk and Improvement Committee if otherwise eligible.

216D Eligibility for appointment as chairperson—the Act, Sch 6, cl 19B

A council must not appoint a person as the chairperson of the council's Audit, Risk and Improvement Committee unless the council is reasonably satisfied the person—

- (a) has leadership qualities, and
- (b) is able to promote effective working relationships in complex organisations, and
- (c) is able to communicate complex and sensitive assessments in a tactful way, and
- (d) has a sound understanding of the principles of good organisational governance, and
- (e) is able to understand local government accountability, including financial reporting, and

Local Government (General) Amendment (Audit, Risk and Improvement Committees) Regulation 2023
[NSW]
Schedule 1 Amendment of Local Government (General) Regulation 2021

- (f) has a sound understanding of the business of the council or the environment in which it operates, and
- (g) has a sound understanding of the council's internal audit operations, including the selection and review of the internal audit co-ordinator for the council, and
- (h) has a sound understanding of risk management principles, and
- (i) has extensive senior level experience in governance and management of complex organisations, and
- (j) is eligible to be appointed as an independent member of the Audit, Risk and Improvement Committee, and
- (k) is not an employee of a council or a joint organisation.

216E Eligibility for appointment as independent member—the Act, Sch 6, cl 19B

A council must not appoint a person as an independent member of the council's Audit, Risk and Improvement Committee unless the council is reasonably satisfied the person—

- (a) is able to read and understand financial statements, and
- (b) is able to understand the ethical requirements of government, including conflicts of interest, and
- (c) is able to form independent judgements, and
- (d) is willing to constructively challenge and question management practices and information, and
- (e) is professional and ethical in the exercise of the person's duties, and
- (f) is able to devote the necessary time and effort to the person's functions as a member of the committee, and
- (g) has knowledge in one or more of the following that is relevant to the person's role on the Audit, Risk and Improvement Committee—
 - (i) risk management,
 - (ii) performance management,
 - (iii) human resources management,
 - (iv) internal and external auditing,
 - (v) financial reporting,
 - (vi) accounting,
 - (vii) management control frameworks,
 - (viii) internal financial controls,
 - (ix) governance of organisations,
 - (x) business operations, and
- (h) is independent of the council.

216F Persons taken not to be independent of council—the Act, Sch 6, cl 19B

- (1) The following persons are taken not to be independent of a council for the purposes of section 216E(h)—
 - (a) a person who is a councillor of a council in New South Wales,
 - (b) a person who was a candidate for election to the council in the last election of the council,
 - (c) a person who was a councillor during the term of the council ending at the last election of the council,

Local Government (General) Amendment (Audit, Risk and Improvement Committees) Regulation 2023
[NSW]
Schedule 1 Amendment of Local Government (General) Regulation 2021

- (d) for a joint organisation or council that is a member council of a joint organisation—a person who is a non-voting representative of the board of the joint organisation,
 - (e) for a council that has entered an arrangement under the Act, section 428B with another council or body—a person who is an employee of the other council or body,
 - (f) a person who is employed by the council or was employed by the council in the previous 12 months,
 - (g) a person who conducts audits of the council for the Audit Office of NSW,
 - (h) a person who has a close personal or business relationship with a councillor or a person who has a senior role in the council that may lead to an actual or perceived conflict of interest,
 - (i) a person who provides, or has in the previous three years provided, material goods or services which directly affect matters considered by the Audit, Risk and Improvement Committee,
Example— consultancy, legal, internal audit or advisory services
 - (j) a person who is a shareholder, owner, officer or employee of a company if—
 - (i) the company has a business relationship with the council or a related entity, and
 - (ii) the business relationship comprises—
 - (A) a material business relationship, or
 - (B) a contractual relationship, or
 - (C) a direct financial interest, or
 - (D) a material indirect financial interest, and
 - (iii) the business relationship could reasonably be considered to be an actual or perceived conflict of interest,
 - (k) a person who is a relative of a person referred to in paragraph (i),
 - (l) a person who acts, or has previously acted, as an advocate for the council or a related entity, if the advocacy—
 - (i) relates to a material interest, and
 - (ii) could reasonably be considered to be an actual or perceived conflict of interest.
- (2) In this section—
related entity, of a council, means an entity formed by the council or an entity which the council participated in forming.

216G Term of office—the Act, Sch 6, cl 19B

- (1) A council may appoint a member of the council's Audit, Risk and Improvement Committee for a term of no more than 4 years.
- (2) A person who continues to be eligible for appointment may be reappointed.
- (3) A person must not be a member of an Audit, Risk and Improvement Committee for a particular council for more than 8 years in a 10-year period.
- (4) The Departmental Chief Executive may exempt a person from the requirement in subsection (3) if satisfied the council—

Local Government (General) Amendment (Audit, Risk and Improvement Committees) Regulation 2023
[NSW]
Schedule 1 Amendment of Local Government (General) Regulation 2021

- (a) took reasonable steps to find another person to take the place of the person, and
- (b) has been unable to find a suitable person.

216H Removal of members—the Act, Sch 6, cl 19B

- (1) A council may remove a member from the council's Audit, Risk and Improvement Committee at any time.
- (2) The council must give written notice to the Departmental Chief Executive if it removes the chairperson or an independent member from the council's Audit, Risk and Improvement Committee.
- (3) The notice must be given within 28 days after the removal of the person.

216I Remuneration—the Act, Sch 6, cl 19B

A council may pay remuneration to the chairperson and independent members of the council's Audit, Risk and Improvement Committee.

216J Meetings of Audit, Risk and Improvement Committee—the Act, Sch 6, cl 19B

- (1) An Audit, Risk and Improvement Committee must meet at least once in each quarter.
- (2) The chairperson of an Audit, Risk and Improvement Committee may decide on the procedure for—
 - (a) the calling of meetings of the Audit, Risk and Improvement Committee, and
 - (b) the conduct of business at meetings.

216K Terms of reference—the Act, Sch 6, cl 19B

- (1) A council must adopt terms of reference for the council's Audit, Risk and Improvement Committee.
- (2) The adoption must occur by resolution of the council.
- (3) The council must consider model terms of reference approved by the Departmental Chief Executive before adopting terms of reference.
- (4) Terms of reference must be consistent with the Act and this regulation.
- (5) An Audit, Risk and Improvement Committee must exercise its functions in accordance with the adopted terms of reference.

216L Assistance to Audit, Risk and Improvement Committee—the Act, Sch 6, cl 19B

- (1) The general manager of a council must ensure the Audit, Risk and Improvement Committee of the council—
 - (a) has the resources necessary to properly exercise its functions in relation to the council, and
 - (b) is readily able to access the staff, information and records of the council the Audit, Risk and Improvement Committee considers necessary for the exercise of its functions in relation to the council.
- (2) If the council has entered an arrangement under the Act, section 428B with another council or body, this section extends to the general manager of the other council or the chief executive of the other body to the extent the Audit, Risk and Improvement Committee exercises functions in relation to the other council or body.

Local Government (General) Amendment (Audit, Risk and Improvement Committees) Regulation 2023
[NSW]
Schedule 1 Amendment of Local Government (General) Regulation 2021

216M Matters committee must keep under review—the Act, s 428A

For the Act, section 428A(2)(i), the council's internal audit functions are prescribed.

216N Joint internal audit arrangements—the Act, s 428B

A joint organisation of which a council is a member is prescribed as a body the council may enter into an arrangement with.

216O Internal audit charter—the Act, Sch 6, cl 8A

- (1) A council must adopt an internal audit charter setting out how the council will exercise its internal audit functions.
- (2) The adoption must occur by resolution of the council.
- (3) The council must consider a model internal audit charter approved by the Departmental Chief Executive before adopting an internal audit charter.
- (4) An internal audit charter must be consistent with the Act and this regulation.
- (5) The council must exercise its internal audit functions in accordance with the adopted internal audit charter.

216P Internal audit co-ordinator—the Act, Sch 6, cl 8A

- (1) The general manager of a council must appoint a member of staff of the council to be the internal audit co-ordinator for the council unless—
 - (a) the council has entered an arrangement with another council for the sharing of internal audit activities, and
 - (b) the general manager of the other council has appointed a person under this section, and
 - (c) the person will direct and co-ordinate the internal audit activities in relation to the first council under the arrangement.
- (2) An internal audit co-ordinator who exercises functions under this section for a council—
 - (a) must, in relation to the exercise of the functions—
 - (i) report to the Audit, Risk and Improvement Committee for the council, and
 - (ii) comply with a direction of the Audit, Risk and Improvement Committee, and
 - (b) is not subject to a direction of the council or a member of staff of the council in relation to the exercise of the functions.
- (3) The general manager of a council must consult with the chairperson of the Audit, Risk and Improvement Committee for the council about a proposed decision affecting the employment of the internal audit co-ordinator for the council.
- (4) In this section—
internal audit co-ordinator, for a council, means a person appointed to direct and co-ordinate internal audit activities in relation to the council.

216Q Persons exercising internal audit functions—the Act, Sch 6, cl 8A

The general manager of a council must ensure a person exercising internal audit functions in relation to the council—

Local Government (General) Amendment (Audit, Risk and Improvement Committees) Regulation 2023
[NSW]
Schedule 1 Amendment of Local Government (General) Regulation 2021

- (a) has the resources necessary to properly exercise the functions, and
- (b) is readily able to access—
 - (i) staff, information and records of the council necessary to properly exercise the functions, and
 - (ii) the Audit, Risk and Improvement Committee for the council.

216R Audit, Risk and Improvement Committee to oversee and report on internal audit activities—the Act, s 428A(2)(i)

The Audit, Risk and Improvement Committee for a council must—

- (a) oversee the internal audit activities carried out in relation to the council, and
- (b) review the performance and efficacy of the activities over each period of 4 years, and
- (c) prepare a report on the review that may include recommendations, and
- (d) give a copy of the report to the governing body of the council.

216S Risk management—the Act, Sch 6, cl 18

- (1) A council must adopt and implement a system for managing risk.
Note— The Act, section 23A requires a council to take relevant guidelines by the Departmental Chief Executive into consideration before exercising its functions.
- (2) The Audit, Risk and Improvement Committee for the council must—
 - (a) monitor and review the implementation of the system, and
 - (b) report to the council on the operation and efficacy of the system.

216T Attestation in annual report—the Act, s 428(4)(b)

- (1) The annual report for a council under the Act, section 428 must include an attestation signed by the general manager of the council specifying whether the council has complied with this division during the year to which the report relates.
- (2) In preparing the attestation, the general manager must give the chairperson of the Audit, Risk and Improvement Committee for the council an opportunity to comment on the attestation.
- (3) The chairperson, if not satisfied with the attestation in the annual report, may—
 - (a) prepare an alternative attestation signed by the chairperson, and
 - (b) give the alternative attestation to the Departmental Chief Executive.
- (4) This section does not apply to an annual report prepared before 1 July 2025.

216U Contravention of division permitted in certain circumstances—the Act, Sch 6, cl 8A

A council is not required to comply with a provision of this division if—

- (a) the council is unable to comply because compliance—
 - (i) was unreasonable due to a temporary circumstance, or
 - (ii) would have had a significant impact on the council's budget, and
- (b) the council was unable to enter an agreement with another council or joint organisation to ensure compliance, and

Local Government (General) Amendment (Audit, Risk and Improvement Committees) Regulation 2023

[NSW]

Schedule 1 Amendment of Local Government (General) Regulation 2021

- (c) the council proposes an alternative arrangement to ensure an equivalent outcome to the requirement, and
- (d) the council notifies the Departmental Chief Executive of the failure to comply within 28 days, and
- (e) the annual report of the council contains a statement about the non-compliance with details of the matters set out in paragraphs (a)–(c).

COWRA SHIRE COUNCIL

AUDIT, RISK AND IMPROVEMENT

COMMITTEE

TERMS OF REFERENCE

Adopted by Council DD Month YYYY

Table of Contents

1. Definitions	3
2. Objective	3
3. Independence	3
4. Authority	3
5. Committee Composition and Tenure.....	4
6. Role.....	5
7. Responsibilities of Members	5
7.1. Independent Members.....	5
7.2. Councillor Members (where applicable)	6
7.3. Conduct	6
7.4. Conflicts of Interest.....	6
7.5. Standards	7
8. Work Plans.....	7
9. Assurance Reporting.....	7
10. Administrative Arrangements	8
10.1. Meetings.....	8
10.2. Dispute Resolution	8
10.3. Secretariat.....	9
10.4. Remuneration.....	9
10.5. Public Liability and Professional Indemnity Insurance.....	9
10.6. Resignation and Dismissal of Members	9
10.7. Review Arrangements.....	10
11. Further information.....	10
 Schedule 1 – Audit, Risk and Improvement Committee Responsibilities.....	11
Audit.....	11
Internal Audit	11
External Audit	11
Risk.....	12
Risk Management	12
Internal Controls	13
Compliance	13
Fraud and Corruption	13
Financial Management	14
Governance.....	14
Improvement.....	15
Strategic Planning	15
Service Reviews and Business Improvement.....	15
Performance Data and Measurement.....	16

Cowra Shire Council (Council) has established an Audit, Risk and Improvement Committee (ARIC) in compliance with section 428A of the *Local Government Act 1993*, the *Local Government (General) Regulation 2021* and the Office of Local Government's *Guidelines for risk management and internal audit for local government in NSW*. These terms of reference set out the ARIC's objectives, authority, composition and tenure, roles and responsibilities, reporting and administrative arrangements.

1. Definitions

Internal Audit Function – the function which provides internal audit services to the Council

Internal Audit Provider – the external third-party provider of internal audit services

Executive Audit Officer – Council employee internally responsible for the Internal Audit Function of the Council

2. Objective

The objective of the ARIC is to provide independent assurance to the Council by monitoring, reviewing and providing advice about the Council governance processes, compliance, risk management and control frameworks, external accountability obligations and overall performance.

3. Independence

The ARIC is to be independent to ensure it has no real or perceived bias or conflicts of interest that may interfere with its ability to act independently and to provide the Council with robust, objective and unbiased advice and assurance.

The ARIC is to have an advisory and assurance role only and is to exercise no administrative functions, delegated financial responsibilities or any management functions of the Council. The ARIC provides independent advice to the Council that is informed by the Council internal audit and risk management activities and information and advice provided by staff, relevant external bodies and subject matter experts.

The ARIC must always ensure it maintains a direct reporting line to and from the Internal Audit Function and act as a mechanism for internal audit to report to the governing body and the General Manager on matters affecting the performance of the Internal Audit Function.

4. Authority

The Council authorises the ARIC, for the purposes of exercising its responsibilities, to:

- access any information it needs from the Council
- use any Council resources it needs
- have direct and unrestricted access to the General Manager and senior management of the Council
- seek the General Manager's permission to meet with any other Council staff member or contractor
- discuss any matters with the external auditor or other external parties
- request the attendance of any employee at ARIC meetings, and
- seek approval from the General Manager to obtain external legal or other professional advice in line with the Councils' procurement policies.

Information and documents pertaining to the ARIC are confidential and are not to be made publicly available. The ARIC may only release Council information to external parties that are assisting the ARIC to fulfil its responsibilities with the approval of the General Manager, except where it is being provided to an external investigative or oversight agency for the purpose of informing that agency of a matter that may warrant its attention.

5. Committee Composition and Tenure

The ARIC consists of an Independent Chair and two Independent Members who have voting rights with the option of one non-voting Councillor, as required under the *Local Government (General) Regulation 2021*.

The governing body is to appoint the Chair and members of the ARIC. Current ARIC members are:

Ron Gillard	Independent Chair (voting)
Geoff Twomey	Independent Member (voting)
[TBA]	Independent Member (voting)
[TBA – if utilised]	Councillor Member (non-voting)

All ARIC members must meet the independence and eligibility criteria prescribed under the *Local Government (General) Regulation 2021*.

Members will be appointed for up to a four-year term. Members can be reappointed for one further term, but the total period of continuous membership cannot exceed eight years. This includes any term as Chair of the ARIC. Members who have served an eight-year term (either as a member or as Chair) must have a two-year break from serving on the ARIC before being appointed again. To preserve the ARIC's knowledge of the Council, ideally, no more than one member should retire from the ARIC because of rotation in any one year.

The terms and conditions of each member's appointment to the ARIC are to be set out in a letter of appointment. New members will be thoroughly inducted to their role and receive relevant information and briefings on their appointment to assist them to meet their responsibilities.

Prior to approving the reappointment or extension of the Chair's or an Independent Member's term, the governing body is to undertake an assessment of the Chair's or Independent Member's performance. Reappointment of the Chair or an Independent Member is also to be subject to that person still meeting the independence and eligibility requirements prescribed under the *Local Government (General) Regulation 2021*.

Members of the ARIC must possess and maintain a broad range of skills, knowledge and experience relevant to the operations, governance and financial management of the Council, the environment in which the Council operates, and the contribution that the ARIC makes to the Council. At least one member of the ARIC must have accounting or related financial management experience with an understanding of accounting and auditing standards in a local government environment. All members

should have sufficient understanding of the Council financial reporting responsibilities to be able to contribute to the committee's consideration of the Council annual financial statements.

6. Role

As required under section 428A of the *Local Government Act 1993* (the Act), the role of the ARIC is to review and provide independent advice to the Council regarding the following aspects of the Council operations:

- compliance
- risk management
- fraud control
- financial management
- governance
- implementation of the strategic plan, delivery program and strategies
- service reviews
- collection of performance measurement data by the Council, and
- internal audit.

The ARIC must also provide information to the Council for the purpose of improving the Council performance of its functions.

The ARIC's specific audit, risk and improvement responsibilities under section 428A of the Act are outlined in Schedule 1 to this document.

The ARIC will act as a forum for consideration of the Internal Audit Function and oversee its planning, monitoring and reporting to ensure it operates effectively.

The ARIC has no power to direct external audit or the way it is planned and undertaken but will act as a forum for the consideration of external audit findings.

The ARIC is directly responsible and accountable to the governing body for the exercise of its responsibilities. In carrying out its responsibilities, the ARIC must at all times recognise that primary responsibility for management of the Council rests with the governing body and the General Manager.

The responsibilities of the ARIC may be revised or expanded in consultation with, or as requested by, the governing body from time to time.

7. Responsibilities of Members

7.1. Independent Members

The Chair and members of the ARIC are expected to understand and observe the requirements of the Office of Local Government's *Guidelines for risk management and internal audit for local government in NSW*. Members are also expected to:

- make themselves available as required to attend and participate in meetings
- contribute the time needed to review and understand information provided to it
- apply good analytical skills, objectivity and judgement
- act in the best interests of the Council

- have the personal courage to raise and deal with tough issues, express opinions frankly, ask questions that go to the fundamental core of the issue and pursue independent lines of inquiry
- maintain effective working relationships with the Council
- have strong leadership qualities (Chair)
- lead effective ARIC meetings (Chair), and
- oversee the Internal Audit Function (Chair).

7.2. Councillor Members (where applicable)

To preserve the independence of the ARIC, the Councillor Member (where nominated) of the ARIC is a non-voting member. Their role is to:

- relay to the ARIC any concerns the governing body may have regarding the Council and issues being considered by the ARIC
- provide insights into local issues and the strategic priorities of the Council that would add value to the ARIC's consideration of agenda items
- advise the governing body (as necessary) of the work of the ARIC and any issues arising from it, and
- assist the governing body to review the performance of the ARIC.

Issues or information the Councillor Member raises with or provides to the ARIC must relate to the matters listed in Schedule 1 and issues being considered by the ARIC.

The Councillor Member of the ARIC must conduct themselves in a non-partisan and professional manner. The Councillor Member of the ARIC must not engage in any conduct that seeks to politicise the activities of the ARIC or the Internal Audit Function or that could be seen to do so.

If the Councillor Member of the ARIC engages in such conduct or in any other conduct that may bring the ARIC and its work into disrepute, the Chair of the ARIC may recommend to the Council, that the Councillor Member be removed from membership of the ARIC. Where the Council does not agree to the ARIC Chair's recommendation, the Council must give reasons for its decision in writing to the Chair.

7.3. Conduct

Independent Members are required to comply with the Council's Code of Conduct.

Complaints alleging breaches of the Council's Code of Conduct by an independent ARIC member are to be dealt with in accordance with the *Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW*. The General Manager must consult with the governing body before taking any disciplinary action against an independent ARIC member in response to a breach of the Council's Code of Conduct.

7.4. Conflicts of Interest

Once a year, ARIC members must provide written declarations to the Council stating that they do not have any conflicts of interest that would preclude them from being members of the ARIC. Independent ARIC members are 'designated persons' for the purposes of the Council's Code of Conduct and must also complete and submit returns of their interests.

ARIC members and observers must declare any pecuniary or non-pecuniary conflicts of interest they may have in a matter being considered at the meeting at the start of each meeting or as soon as they become aware of the conflict of interest. Where an ARIC member or observer declares a pecuniary or a significant non-pecuniary conflict of interest, they must remove themselves from ARIC deliberations on the issue. Details of conflicts of interest declared at meetings must be appropriately minuted.

7.5. Standards

ARIC members are to conduct their work in accordance with the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors and International Standard on Risk Management – ISO 31000:2018, where applicable.

8. Work Plans

The work of the ARIC is to be thoroughly planned and executed. The ARIC must develop a strategic work plan every four years to ensure that the matters listed in Schedule 1 are reviewed by the ARIC and considered by the Internal Audit Function when developing their risk-based program of internal audits. The strategic work plan must be reviewed at least annually to ensure it remains appropriate.

The ARIC may, in consultation with the governing body, vary the strategic work plan at any time to address new or emerging risks. The governing body may also, by resolution, request the ARIC to approve a variation to the strategic work plan. Any decision to vary the strategic work plan must be made by the ARIC.

The ARIC must also develop an annual work plan to guide its work, and the work of the Internal Audit Function over the forward year.

The ARIC may, in consultation with the governing body, vary the annual work plan to address new or emerging risks. The governing body may also, by resolution, request the ARIC to approve a variation to the annual work plan. Any decision to vary the annual work plan must be made by the ARIC.

When considering whether to vary the strategic or annual work plans, the ARIC must consider the impact of the variation on the Internal Audit Function's existing workload and the completion of pre-existing priorities and activities identified under the work plan.

9. Assurance Reporting

The ARIC must regularly report to the Council to ensure that it is kept informed of matters considered by the ARIC and any emerging issues that may influence the strategic direction of the Council or the achievement of the Council's goals and objectives.

The ARIC will provide an update to the governing body and the General Manager of its activities and opinions after every ARIC meeting.

The ARIC will provide an annual assessment to the governing body and the General Manager on the ARIC's work.

The ARIC will provide a comprehensive assessment every Council term of the matters listed in Schedule 1 to the governing body and the General Manager.

The ARIC may at any time report to the governing body or the General Manager on any other matter it deems of sufficient importance to warrant their attention. The mayor and the Chair of the ARIC may also meet at any time to discuss issues relating to the work of the ARIC.

Should the governing body require additional information, a request for the information may be made to the Chair of the ARIC by resolution. The Chair is only required to provide the information requested by the governing body where the Chair is satisfied that it is reasonably necessary for the governing body to receive the information for the purposes of performing its functions under the Local Government Act. Individual Councillors are not entitled to request or receive information from the ARIC.

10. Administrative Arrangements

10.1. Meetings

The ARIC will meet at least quarterly at a time as agreed by the ARIC. The need for an additional special meeting to review the Council's annual financial statements will be assessed annually by the Chair.

The ARIC can hold additional meetings when significant unexpected issues arise, or if the Chair is asked to hold an additional meeting by an ARIC member, the General Manager or the Council.

ARIC meetings can be held in person, by telephone or videoconference. Proxies are not permitted to attend meetings if an ARIC member cannot attend.

A quorum will consist of a majority of independent voting members. Where the vote is tied, the Chair has the casting vote.

The Chair of the ARIC will decide the agenda for each ARIC meeting in consultation with the Executive Audit Officer. Each ARIC meeting is to be minuted to preserve a record of the issues considered and the actions and decisions taken by the ARIC.

The Mayor (or their delegate), General Manager and the Executive Audit Officer should attend ARIC meetings as non-voting invitees. The internal auditor and external auditor (or their representative) are to be invited to each ARIC meeting as an independent observer. The Chair can request any employee/contractor of the Council and any subject matter expert to attend ARIC meetings. Where requested to attend a meeting, persons must attend the meeting where possible and provide any information requested. Observers have no voting rights and can be excluded from a meeting by the Chair at any time.

The ARIC can hold closed meetings whenever it needs to discuss confidential or sensitive issues with only voting members of the ARIC present.

The ARIC must meet separately with the Executive Audit Officer and the Council's external auditor at least once each year.

10.2. Dispute Resolution

Members of the ARIC and the Council's management should maintain an effective working relationship and seek to resolve any differences they may have in an amicable and professional way by discussion and negotiation.

In the event of a disagreement between the ARIC and the General Manager or other senior managers, the dispute is to be resolved by the governing body.

Unresolved disputes regarding compliance with statutory or other requirements are to be referred to the Departmental Chief Executive of the Office of Local Government in writing.

10.3. Secretariat

The General Manager will nominate a staff member to provide secretariat support to the ARIC. The secretariat will ensure the agenda for each meeting and supporting papers are circulated after approval from the Chair at least 3 full business days before the meeting and ensure that minutes of meetings are prepared and maintained. Minutes must be approved by the Chair and circulated within 2 weeks of the meeting to each member.

10.4. Remuneration

Remuneration will be reviewed by the Council at least once every Council term and more frequently where required.

The fees paid to independent ARIC members will increase annually by the percentage allocated to Councillors by the Independent Pricing and Regulatory Tribunal determination. This will take effect for each independent ARIC member, including the Chair, on the anniversary date each year commencing at the completion of the first year.

As required by the *Guidelines for risk management and internal audit for local government in NSW*, Council will pay the superannuation guarantee liability on independent ARIC members meeting fees directly into the individual member's designated fund under the Superannuation Guarantee (Administration) Act 1992 (Cth).

With prior approval from the General Manager, the Council will reimburse reasonable travel and accommodation expenses associated with attending ARIC meetings in person. Wherever possible, the Council will book services directly with providers of its choosing, and members travelling by car will be reimbursed for their return trip using the current Australian Tax Office cents per kilometre rate.

The Council encourages independent ARIC members to keep their skills current and supports professional development. The Council will consider reimbursement of, or pro-rated contribution to, related professional development expenses upon approval by General Manager.

10.5. Public Liability and Professional Indemnity Insurance

The Council will provide Public Liability and Professional Indemnity Insurance to the Independent Chair and Independent Members under the same arrangements as provided to Councillors. This coverage provides indemnification in respect of claims for all loss or damage potentially made against them in their capacity as members of the ARIC.

10.6. Resignation and Dismissal of Members

Where the Chair or an ARIC member is unable to complete their term or does not intend to seek reappointment after the expiry of their term, they should give 4 weeks'

notice to the Chair and the governing body prior to their resignation to allow the Council to ensure a smooth transition to a new Chair or ARIC member.

The governing body can, by resolution, terminate the appointment of the Chair or an independent ARIC member before the expiry of their term where that person has:

- breached the Council's Code of Conduct
- performed unsatisfactorily or not to expectations
- declared, or is found to be in, a position of a conflict of interest which is unresolvable
- been declared bankrupt or found to be insolvent
- experienced an adverse change in business status
- been charged with a serious criminal offence
- been proven to be in serious breach of their obligations under any legislation, or
- experienced an adverse change in capacity or capability.

The position of a Councillor Member on the ARIC can be terminated at any time by the governing body by resolution.

10.7. Review Arrangements

At least once every Council term, the governing body must review or arrange for an external review of the effectiveness of the ARIC.

These terms of reference must be reviewed annually by the ARIC and once each Council term by the governing body. Any substantive changes are to be approved by the governing body.

11. Further information

For further information on Council's ARIC, contact [name] on [email address] or by phone on [phone number].

Reviewed by Chair of the ARIC

[signed]

[date]

Reviewed by Council in accordance with a resolution of the governing body.

[signed]

[date]

[resolution reference]

Next review date: [date]

Schedule 1 – Audit, Risk and Improvement Committee Responsibilities

Audit

Internal Audit

Principle: The Council has an effective internal audit function and receives maximum value from its internal audit activities.

- Provide overall strategic oversight of internal audit activities
- Act as a forum for communication between the governing body, General Manager, senior management, the Internal Audit Function and external audit
- Coordinate, as far as is practicable, the work programs of internal audit and other assurance and review functions
- Review and advise the Council:
 - on whether the Council is providing the resources necessary to successfully deliver the Internal Audit Function
 - if the Council is complying with internal audit requirements, including conformance with the International Professional Practices Framework
 - if the Council's internal audit charter is appropriate and whether the internal audit policies and procedures and audit/risk methodologies used by the Council are suitable
 - of the strategic four-year work plan and annual work plan of internal audits to be undertaken by the Council's Internal Audit Function
 - if the Council's internal audit activities are effective, including the performance of the Executive Audit Officer and the Internal Audit Function
 - of the findings and recommendations of internal audits conducted, and corrective actions needed to address issues raised
 - of the implementation by the Council of these corrective actions
 - on the appointment of the Executive Audit Officer and Internal Audit Providers, and
 - if the Internal Audit Function is structured appropriately and has sufficient skills and expertise to meet its responsibilities

External Audit

Principle: The Council receives maximum value from its external audit activities.

- Act as a forum for communication between the governing body, General Manager, senior management, the internal audit function and external audit
- Coordinate as far as is practicable, the work programs of internal audit and external audit
- Provide input and feedback on the financial statement and performance audit coverage proposed by external audit and provide feedback on the audit services provided

- Review all external plans and reports in respect of planned or completed audits and monitor the Council's implementation of audit recommendations
- Provide advice to the governing body and/or General Manager on action taken on significant issues raised in relevant external audit reports and better practice guides

Risk

Risk Management

Principle: The Council has an effective risk management framework and internal controls that successfully identify and manage the risks it faces.

Review and advise the Council:

- if the Council has in place a current and appropriate risk management framework that is consistent with the Australian risk management standard
- whether the Council is providing the resources necessary to successfully implement its risk management framework
- whether the Council's risk management framework is adequate and effective for identifying and managing the risks the Council faces, including those associated with individual projects, programs and other activities
- if risk management is integrated across all levels of the Council and across all processes, operations, services, decision-making, functions and reporting
- of the adequacy of risk reports and documentation, for example, the Council's risk register and risk profile
- whether a sound approach has been followed in developing risk management plans for major projects or undertakings
- whether appropriate policies and procedures are in place for the management and exercise of delegations
- if the Council has taken steps to embed a culture which is committed to ethical and lawful behaviour
- if there is a positive risk culture within the Council and strong leadership that supports effective risk management
- of the adequacy of staff training and induction in risk management
- how the Council's risk management approach impacts on the Council's insurance arrangements
- of the effectiveness of the Council's management of its assets, and
- of the effectiveness of business continuity arrangements, including business continuity plans, disaster recovery plans and the periodic testing of these plans.

Internal Controls

Principle: The Council has an effective risk management framework and internal controls that successfully identify and manage the risks it faces.

Review and advise the Council:

- whether the Council's approach to maintaining an effective internal audit framework, including over external parties such as contractors and advisors, is sound and effective
- whether the Council has in place relevant policies and procedures and that these are periodically reviewed and updated
- whether appropriate policies and procedures are in place for the management and exercise of delegations
- whether staff are informed of their responsibilities and processes and procedures to implement controls are complied with
- if the Council's monitoring and review of controls is sufficient, and
- if internal and external audit recommendations to correct internal control weaknesses are implemented appropriately.

Compliance

Principle: The Council has an effective compliance framework that ensures it is complying with its legal obligations and other governance and contractual requirements when undertaking its functions.

Review and advise the Council of the adequacy and effectiveness of the Council's compliance framework, including:

- if the Council has appropriately considered legal and compliance risks as part of the Council's risk management framework
- how the Council manages its compliance with applicable laws, regulations, policies, procedures, codes, and contractual arrangements, and
- whether appropriate processes are in place to assess compliance.

Fraud and Corruption

Principle: The Council has an effective fraud and corruption control framework in place that minimises the incidence of fraud and corruption.

Review and advise the Council of the adequacy and effectiveness of the Council's fraud and corruption prevention framework and activities, including whether the Council has appropriate processes and systems in place to capture and effectively investigate fraud-related information.

Financial Management

Principle: The Council has an effective financial management framework, sustainable financial position and positive financial performance.

Review and advise the Council:

- if the Council is complying with accounting standards and external accountability requirements
- of the appropriateness of the Council's accounting policies and disclosures
- of the implications for the Council of the findings of external audits and performance audits and the Council's responses and implementation of recommendations
- whether the Council's financial statement preparation procedures and timelines are sound
- the accuracy of the Council's annual financial statements prior to external audit, including:
 - management compliance/representations
 - significant accounting and reporting issues
 - the methods used by the Council to account for significant or unusual transactions and areas of significant estimates or judgements
 - appropriate management signoff on the statements
- if effective processes are in place to ensure financial information included in the Council's annual report is consistent with signed financial statements
- if the Council's financial management processes are adequate
- the adequacy of cash management policies and procedures
- if there are adequate controls over financial processes, for example:
 - appropriate authorisation and approval of payments and transactions
 - adequate segregation of duties
 - timely reconciliation of accounts and balances
 - review of unusual and high value purchases
- if policies and procedures for management review and consideration of the financial position and performance of the Council are adequate
- if the Council's grants and tied funding policies and procedures are sound.

Governance

Principle: The Council has an effective governance framework to ensure it is appropriately directing and controlling the management of the Council.

Review and advise the Council regarding its governance framework, including the Council's:

- decision-making processes
- implementation of governance policies and procedures
- reporting lines and accountability

- assignment of key roles and responsibilities
- committee structure
- management oversight responsibilities
- human resources and performance management activities
- reporting and communication activities
- information and communications technology (ICT) governance, and
- management and governance of the use of data, information and knowledge

Improvement

Strategic Planning

Principle: The Council has an effective framework that ensures it achieves its strategic plans and objectives under the integrated planning and reporting (IP&R) framework.

Review and advise the Council:

- of the adequacy and effectiveness of the Council's integrated, planning and reporting (IP&R) processes
- if appropriate reporting and monitoring mechanisms are in place to measure progress against objectives, and
- whether the Council is successfully implementing and achieving its IP&R objectives and strategies.

Service Reviews and Business Improvement

Principle: The Council has an effective framework to ensure it is delivering services and conducting its business and functions to an expected standard.

- Act as a forum for communication and monitoring of any audits conducted by external bodies and the implementation of corrective actions (for example, NSW government agencies, Commonwealth government agencies, insurance bodies)
- Review and advise the Council:
 - If the Council has robust systems to set objectives and goals to determine and deliver appropriate levels of service to the community and business performance
 - if appropriate reporting and monitoring mechanisms are in place to measure service delivery to the community and overall performance, and
 - how the Council can improve its service delivery and the Council's performance of its business and functions generally

Performance Data and Measurement

Principle: The Council's performance management framework ensures the Council can measure its performance and if it is achieving its strategic goals.

Review and advise the Council:

- if the Council has a robust system to determine appropriate performance indicators to measure the achievement of its strategic objectives
- if the performance indicators the Council uses are effective, and
- of the adequacy of performance data collection and reporting.

4 DIRECTOR-INFRASTRUCTURE & OPERATIONS REPORT

4.1 Proposed Introduction of Dam Safety Levy

File Number: D24/471

Author: Dirk Wymer, Director-Infrastructure & Operations

RECOMMENDATION

That Council receive and note the information provided on the submission to the Independent Pricing and Regulatory Tribunal ‘Dams Safety NSW Levy Review’.

INTRODUCTION

The NSW Government has requested the Independent Pricing and Regulatory Tribunal (IPART) to investigate the efficient costs of Dams Safety NSW (DSNSW) carrying out its functions under the Dams Safety Act 2015, and recommend a methodology for recovering these costs from declared dam owners.

DSNSW is an independent regulatory body that ensures declared dam owners manage the safety of their dams. This review will recommend a levy that ensures these owners pay for the services DSNSW provides in a clear, cost-effective and efficient way.

At the end of this review, IPART will recommend a levy to be paid by owners of “declared dams”. That is, dams DSNSW has determined could potentially threaten downstream life, or cause major property, environment, or public welfare damage.

Dam owners such as local councils, state owned corporations and mining operators will need to pay the levy.

BACKGROUND

The authority for the NSW Government to have a dams safety regulation levy was first introduced in the Dams Safety Act 2015. In 2020 DSNSW commenced work on developing a funding model to recover its costs and to calculate an annual levy on dam owners. At the time, DSNSW’s budget to fulfil its regulatory functions was \$4.6 million per year, and the calculated annual levy ranged from \$5,048 to \$16,923 per dam (depending on the consequence of dam failure and the number of declared dams owned). DSNSW invited stakeholder feedback and received 41 submissions from stakeholders across a range of community, industry and government groups.

IPART will consult with declared dam owners and report to the Government. IPART was tasked to consider issues raised by stakeholders during consultation in 2020 to explore funding and levy design options. Submissions are open until 16 April 2024.

IPART will consider all of the submissions from 2020 as they conduct our review. Some of the key issues raised in 2020 by stakeholders included:

- The appropriateness of charging a levy on activities that may provide a public benefit, such as
- flood mitigation.
- The affordability of the levy for smaller dam owners and local government.

- The lack of benchmarking data available to assess the efficiency of DSNSW's costs.
- The challenge of distinguishing between DSNSW's current efficient costs and its potentially lower future efficient costs as the industry gets more familiar with the regulatory regime.
- Alternative methods of calculating the levy, including charges based on dam volume, consequence category, compliance history and dam type

Submissions to the IPART enquiry close on 15 April.

(The reference for all of the above information is:

<https://www.ipart.nsw.gov.au/review/other-industries/dams-safety-nsw-levy-review>)

Cowra Council has four declared dams; being the detention basins:

- London Drive No 1,
- Soil Conservation,
- London Drive No 2 and
- Arboretum basins.

The annual dams safety levy calculated by DSNSW in 2020 could be a significant recurrent additional cost burden to Council. Council's submission will:

1. identify the compliance costs already incurred by Council in meeting the requirements of the Dam Safety Act:
 - a. the studies involved in calculating the consequence category of failure of the detention basins
 - b. the preparation of the Dam Safety Management Plans
 - c. the annual dam safety inspections and maintenance required
2. provide the reason for Council's ownership of multiple lower volume detention basins to control stormwater flooding,
3. state the proposed additional recurrent costs are not justified by the minimal role of DSNSW in regulating Cowra's detention basin

BUDGETARY IMPLICATIONS

Potential additional recurrent cost of up to \$68,000 per annum

ATTACHMENTS

1. IPART Issue Paper 19 March 2024 [↓](#)

Designing a levy for regulating dam safety in NSW

19 March 2024

The NSW Government has authorised IPART under the *IPART Act 1992* to design a levy to recover Dams Safety NSW's efficient costs.

Dams Safety NSW (DSNSW) is an independent regulator responsible for ensuring that dam owners manage the safety of 'declared dams' in NSW. You can read more about its role, and who 'declared dam' owners are on its website [here](#).

In 2015, the NSW Parliament passed legislation allowing the NSW Government to establish a levy to fund the costs of regulating the safety of declared dams. IPART has been authorised to design this levy, which the NSW Government may then choose to implement. Our [Terms of Reference](#) ask us to:



Dams play an important role in NSW's water landscape, and provide numerous benefits to communities, industry and the environment. They also play a key role in building greater flood resilience for the broader NSW community. NSW is home to tens of thousands of dams, of which 380 are 'declared' – i.e., those which can potentially endanger life downstream, cause major damage or loss to infrastructure, the environment, or have major health and social impacts. These dams are also exposed to the growing pressures of climate change and the increasing frequency of severe weather events and natural disasters. Ensuring the safety of declared dams is in everyone's interest – now and into the future.

The authority for the NSW Government to have a dams safety regulation levy was first introduced in the *Dams Safety Act 2015*. In 2020 DSNSW commenced work on developing a funding model to recover its costs and to calculate an annual levy on dam owners. At the time, DSNSW's budget to fulfil its regulatory functions was \$4.6 million per year, and the calculated annual levy ranged from \$5,048 to \$16,923 per dam (depending on the consequence of dam failure and the number of declared dams owned). DSNSW invited stakeholder feedback and received 41 submissions from stakeholders across a range of community, industry and government groups.

We will consider all of the submissions from 2020 as we conduct our review. Some of the key issues raised in 2020 by stakeholders included:

- The appropriateness of charging a levy on activities that may provide a public benefit, such as flood mitigation.
- The affordability of the levy for smaller dam owners and local government.
- The lack of benchmarking data available to assess the efficiency of DSNSW's costs.
- The challenge of distinguishing between DSNSW's current efficient costs and its potentially lower future efficient costs as the industry gets more familiar with the regulatory regime.
- Alternative methods of calculating the levy, including charges based on dam volume, consequence category, compliance history and dam type.

Our approach to calculating the levy

In this review we will undertake our own analysis on costs and levy design, while also taking into consideration DSNSW's prior work and the feedback from stakeholder submissions in 2020. Stakeholders are welcome to make new submissions to this Issues Paper, however, we will also consider stakeholder submissions made in 2020 to ensure that our recommended levy is as fair, efficient and affordable as possible.

We plan to adopt a 4-step approach to calculating the levy:

- 1. Determine DSNSW's efficient costs** – In this step, we will assess DSNSW's efficient costs for providing its services under a 'business as usual' scenario. In doing so, we will consider:
 - DSNSW's budget for 2022/23.
 - DSNSW's capacity to scale up and recoup costs, given many operations and processes associated with its new regulatory regime (introduced in 2019) are still under development.
 - What future costs are appropriate to be recovered via the levy (including the extent to which they relate to declared dams).
 - Whether any efficiency targets should be applied to DSNSW's costs.
 - How DSNSW's costs compare to those of other authorities administering similar regulatory regimes.
- 2. Develop a methodology to recover these costs** – This step will involve determining an administratively and economically efficient method of recovering DSNSW's costs via a levy. In designing it, we will consider:
 - The need for clear, cost-reflective and efficient outcomes.
 - Best practice for cost recovery applied in other jurisdictions.
 - The need for a levy to be straight forward to understand and administer.
 - The need for the levy to be adjusted over time as costs/services change.
 - Whether certain costs should continue to be recovered via government funding (including for instance, costs that are not directly related to declared dams).
- 3. Calculate the levy payable by dam owners** – Once we have determined efficient costs and a method to recover these costs, we will calculate the quantum of the levy payable by each type of dam. To do so we will consider:

- How best to apportion fixed and variable costs to types of dam owners based on a range of factors such as the size, consequence category, purpose or number of dams that they own.
 - Affordability, including the potential impact of the levy on smaller dam owners and local government.
 - The ability for dam owners to recover these costs from relevant customers or communities serviced by the dam.
 - Whether there is a need for ongoing government funding for dams that provide services to the broader community.
 - Implementation issues including how the levy could be phased-in over time.
- 4. Make recommendations for the future** – Finally, we will make recommendations to the Government on matters that may improve the calculation or implementation of the levy in future years, including:
- Information that DSNSW could collect in future with the aim of refining the calculation or application of the levy.
 - Possible subsidies that the Government could consider to help ease the impacts of the levy on smaller dam owners.
 - Methods to enable dam owners to recover the costs of the levy through their end-users.

We want to hear from you

We want to hear from owners of declared dams and any other interested stakeholders. Questions that we would like stakeholder input on include:

- How would this levy impact your operations and ongoing delivery of services?
- Does DSNSW conduct any activities that are broader than dam safety and therefore should sit outside the levy?
- Do you expect that the regulatory support you require from DSNSW will reduce as dam owners get more familiar with the new regulatory regime?
- How the levy should be apportioned between different dams or dam owners?
- Is your dam's primary purpose to serve the broader community beyond your customers/ratepayers?
- How can dam owner regulatory performance be recognised in the levy over the longer term?
- How we can minimise issues of affordability and disruption during implementation (for instance, a gradual levy phase-in)?
- Should the levy be subject to periodic independent review?
- Any other issues you feel are relevant.

 Have your say

We welcome feedback on the issues raised above or other matters related to this review.

[Submit feedback »](#)

Issues Paper

Designing a levy for regulating dam safety in NSW

Our review process



IPART is currently seeking stakeholder views on the above issues, with submissions to this paper due by 16 April 2024. We will consider all stakeholder feedback when preparing our Draft Report, which we expect to release in June 2024.

There will be further opportunities to provide your views as the review progresses. We will consult on the Draft Report once it has been released and we will hold a Public Hearing in July 2024. Our Final Report will be informed by our stakeholder consultation. We will provide our Final Report to the Government in September 2024 for consideration.

Stakeholders who would like to be notified when relevant material is released can subscribe to receive updates from IPART on our website: <http://www.ipart.nsw.gov.au>

4.2 Review of Asset Management Policy

File Number: D24/506

Author: Dirk Wymer, Director-Infrastructure & Operations

RECOMMENDATION**That Council adopt the reviewed Asset Management Policy as presented.**

INTRODUCTION

This report recommends Council adopt the reviewed Asset Management Policy.

BACKGROUND

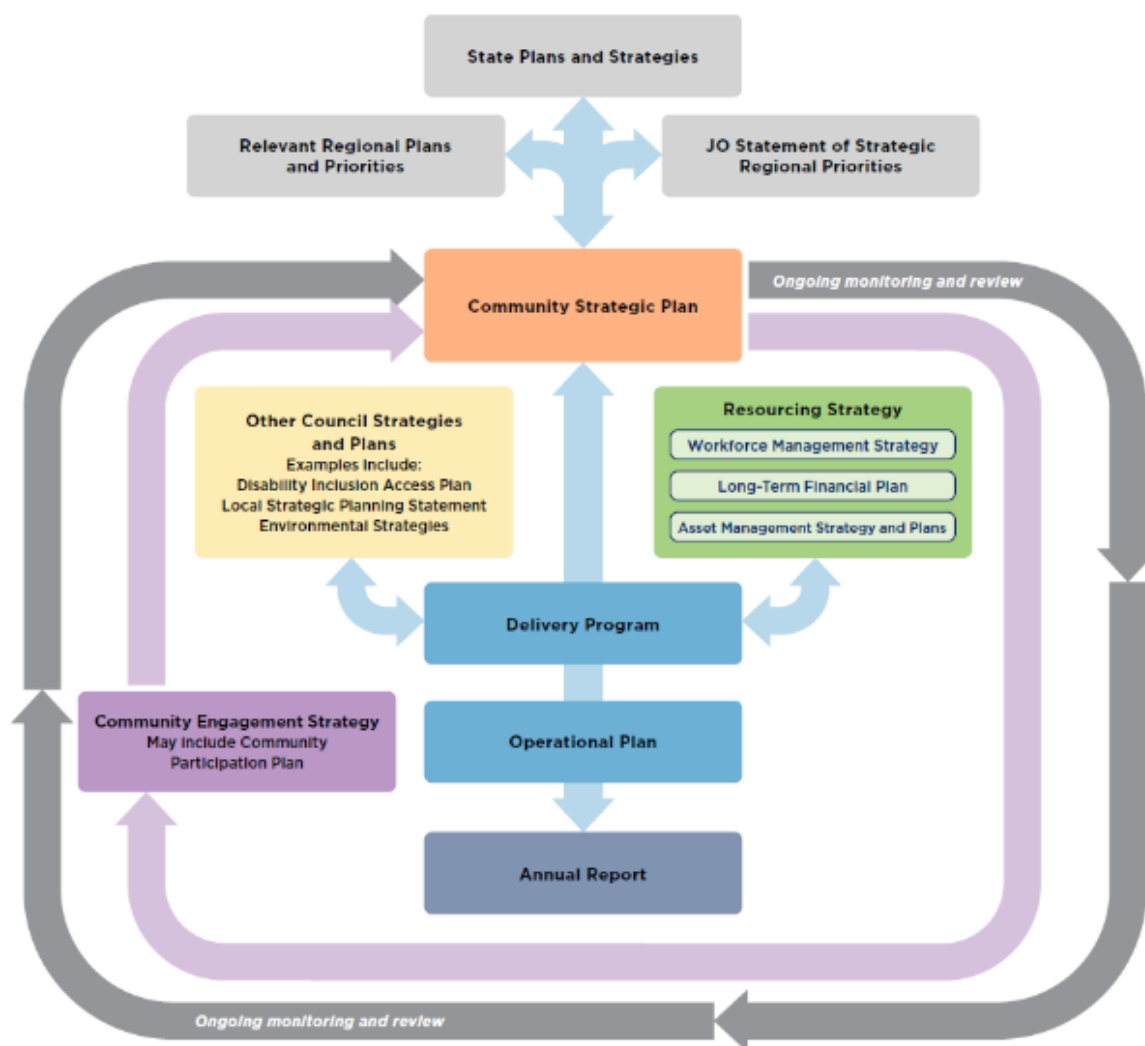
At its August 2023 Ordinary Meeting Council considered a report on the updated Asset Management Strategy and resolved:

'That Council adopt the Asset Management Strategy 2023/24 -2042/43.'

Council's Asset Management Strategy and Asset Management Plans are part of the 'Resourcing Strategy' in the NSW Integrated Planning and Reporting framework. Infrastructure assets have a useful life well in excess of the ten-year term of the Long-Term Financial Plan adopted by Council. Asset Management Plans provide long term indicators that infrastructure assets are being managed sustainably.

In the report Council was advised of the annual review timeframe:

- *the draft ten-year Long-Term Financial Plan is adopted by Council in June of every year*
- *'Appendix C: 20 Year Financial Plan' of the 'Asset Management Strategy' would be updated accordingly*
- *updating the financial plan (Appendix C) section also updates all the charts in the executive summary of the AMS and the other charts in the document*
- *Thus the AMS can be updated on an annual basis and presented to Council in July*



Council's 'Asset Management Policy' sits at a policy level above the Asset Management Strategy and was adopted by Council in 2012 after a period of public exhibition. The Asset Management Policy has not been reviewed by Council since adoption.

The overarching Asset Management Policy has now been reviewed noting that the Asset Management Strategy and Plans are being updated annually. The reviewed policy is attached demonstrating that the policy level content is still current and it requires very minor proposed amendments to keep the content current into the future; as shown highlighted.

BUDGETARY IMPLICATIONS

Nil

ATTACHMENTS

- I. Reviewed Policy - Asset Management Policy [↓](#)

COUNCIL POLICY



Asset Management Policy

Asset Management Policy

Commencement Date	23 July 2012
Council Department	Infrastructure & Operations
Contact Officer	Manager - Assets and Technical Services
Revision Required	Every 4 years

Policy Review

This policy shall be reviewed at four (4) yearly intervals at least, to ensure it meets all statutory requirements and the needs of council. It may also be reviewed at other times as determined by council.

Revision History

Version	Council Meeting Date	Resolution No.	Responsible Officer
1	23 July 2012	172/2012	Manager-Technical Services
2			Manager - Assets and Technical Services

Cowra Shire Council
Private Bag 342
Cowra NSW 2794

Phone: 02 6340 2000
Email: council@cowra.nsw.gov.au
Internet: www.cowracouncil.com.au

Asset Management Policy

Table of Contents

1. Purpose..... I

2. Objective I

3. Scope..... I

4. Policy..... 2

 4.1 Background..... 2

 4.2 Principles 2

5. Legislation 3

6. Related Documents..... 3

7. Responsibility 3

 7.1 Councillors 3

 7.2 The General Manager..... 3

Asset Management Policy

1. Purpose

To set guidelines for implementing consistent asset management processes throughout Cowra Shire Council. This policy provides a framework for the management of physical assets required to deliver safe, efficient, reliable services which are utilised by current and future generations.

2. Objective

To ensure adequate provision is made for the long-term replacement of major assets by:-

- Ensuring that Council's services and infrastructure are provided in a sustainable manner, with the appropriate levels of service to residents, visitors and the environment;
- Safeguarding Council assets including physical assets and employees by implementing appropriate asset management strategies and allocating appropriate financial resources for those assets;
- Creating an environment where all Council employees take an integral part in overall management of Council assets by creating and sustaining asset management awareness throughout the Council;
- Meeting legislative requirements for asset management;
- Ensuring resources and operational capabilities are identified and responsibility for asset management is allocated;
- Demonstrating transparent and responsible asset management processes that align with demonstrated best practice;
- Maintaining alignment of Council's Asset Management plans with the:-
 - Community Strategic Plan;
 - Delivery Program;
 - Operational Plan;
 - 10 year Financial Plan.

3. Scope

This policy applies to all Council activities that use or manage physical assets. These physical assets are categorised in accordance with the definitions in Council's financial statements as:

- Buildings (Civic centre, administration building, depot, library/art gallery etc);
- Roads infrastructure (urban and rural sealed and unsealed roads, footpaths, kerb & gutter, bridges);
- Stormwater infrastructure (stormwater pits, pipes, detention/retention basins);
- Water infrastructure (water mains, water pumping stations, water reservoirs, water treatment works, water meter fleet);
- Wastewater infrastructure (wastewater pumping stations, wastewater treatment facility, sewage reticulation network);
- Other Assets (aerodrome, cemetery, saleyards, parks, sportsfields, Materials Recycling Facility).

Asset Management Policy

Other non-infrastructure asset categories such as land, plant & equipment, furniture & fittings, and office equipment are managed separately.

4. Policy

4.1 Background

4.1.1 Council is committed to implementing a systematic asset management methodology in order to apply appropriate asset management best practices across all areas of Council. This includes ensuring that assets are planned, created, operated, maintained, renewed and disposed of in accordance with Council's priorities for service delivery.

~~4.1.2 Council owns and uses approximately \$719 million (as at 30 June 2011) of non-current assets to support its core business of delivery of service to the community.~~

4.1.3 Asset management practices impact directly on the core business of Council and appropriate asset management is required to achieve our strategic service delivery objectives.

4.1.4 Asset management relates directly to the Community Strategic Plan and is fully integrated in the 10 year financial plan.

4.2 Principles

4.2.1 A consistent Asset Management Strategy must exist for implementing systematic asset management and appropriate asset management best-practice throughout all Departments of Council.

4.2.2 All relevant legislative requirements together with political, social and economic environments are to be taken into account in asset management.

4.2.3 Asset management principles will be integrated within existing planning and operational processes.

4.2.4 An inspection regime will be used as part of asset management to ensure agreed service levels are maintained and to identify asset renewal priorities.

4.2.5 Asset renewals required to meet agreed service levels and identified in infrastructure and asset management plans and long term financial plans will be fully funded in the annual budget estimates.

4.2.6 Service levels agreed through the Community Strategic Plan and defined in Asset Management Plans will be fully funded in the 10 Year Financial Plan, Delivery Program and Operational Plan.

4.2.7 Asset renewal plans will be prioritised and implemented progressively based on agreed service levels and the effectiveness of the current assets to provide that level of service.

4.2.8 Systematic and cyclic reviews will be applied to all asset classes and are to ensure that the assets are managed, valued and depreciated in accordance with appropriate best practice and applicable Australian Standards.

Asset Management Policy

4.2.9 Future life cycle costs will be reported and considered in all decisions relating to new services and assets and upgrading of existing services and assets.

4.2.10 Future service levels will be determined in consultation with the community.

4.2.11 Council will implement and maintain an Asset Management Information System to facilitate the provision of accurate asset data for informed decision making.

5. Legislation

- Local Government Act 1993
Chapter 3 Section 8 Councils Charter
Chapter 13 part 2 Strategic Planning

6. Related Documents

Integrated Planning and Reporting

- Community Strategic Plan
- Delivery Program
- Operational Plan
- 10 Year Financial Plan
- Asset Management Strategy
- Individual Asset Management Plans

7. Responsibility

7.1 Councillors

Councillors are responsible for adopting the policy and ensuring that sufficient resources are applied to manage the assets to the desired service level.

7.2 The General Manager

The General Manager has overall responsibility for developing an asset management strategy, plans and procedures and reporting on the status and effectiveness of asset management within Council.

5 DIRECTOR-ENVIRONMENTAL SERVICES REPORT

- 5.1 Development Application No. 14/2024, Lot 363 DP 752948, 14 Shelley Street Cowra, carport, lodged by D. Steward of Currajong Pty Ltd. The property owner is K. Wilson.**

File Number: D24/441

Author: Larissa Hackett, Director Environmental Services

RECOMMENDATION

1. That Council notes that the reason for the decision is that the proposal largely complies with Section 4.15 of the Environmental Planning and Assessment Act 1979. The application was publicly notified and one submission was received; and
2. That Development Application No. 14/2024, for the construction of a carport on Lot 363 DP 752948, 14 Shelley Street Cowra be approved subject to the following conditions:

GENERAL CONDITIONS

1. Development is to be in accordance with approved plans.

The development is to be implemented in accordance with the plans and supporting documents stamped and approved and set out in the following table except where modified by any conditions of this consent.

Plan No./ Supporting Document	Prepared by/Reference Details	Cowra Shire Council Reference
Proposed Site Plan	Currajong Drawn 02/02/24 REV A	Received 15 February 2024 Stamped No. DA 10.2024.14.1
Engineering Certification Letter to Kate Wilson	Calare Civil Pty Ltd 2 February 2024	Received 15 February 2024 Stamped No. DA 10.2024.14.1
Foundation Plan Sheet 1 of 5	Fair Dinkum Sheds Job No. MAST37405	Received 15 February 2024 Stamped No. DA 10.2024.14.1
Elevations Sheet 2 of 5	Fair Dinkum Sheds Job No. MAST37405	Received 15 February 2024 Stamped No. DA 10.2024.14.1
Statement of Environmental Effects	Kate Wilson N.D.	Received 15 February 2024

(Pro-forma Template)		Stamped No. DA 10.2024.14.1
Shadow Diagrams - Plan View	Currajong 07 March 2024	Received 7 March 2024 Stamped No. DA 10.2024.14.1
Shadow Diagrams - 3D (9am – 11am)	Currajong 07 March 2024	Received 7 March 2024 Stamped No. DA 10.2024.14.1
Shadow Diagrams - 3D (12pm – 2pm)	Currajong 07 March 2024	Received 7 March 2024 Stamped No. DA 10.2024.14.1
Shadow Diagrams - 3D (3pm – 4pm)	Currajong 07 March 2024	Received 7 March 2024 Stamped No. DA 10.2024.14.1

In the event of any inconsistency between conditions of this development consent and the plans/supporting documents referred to above, the conditions of this development consent prevail.

- The applicant shall comply with all relevant prescribed conditions of development consent under Part 6, Division 8A of the Environmental Planning and Assessment Regulation 2000 (see attached Advisory Note).

CONDITIONS TO BE COMPLIED WITH PRIOR TO THE ISSUE OF A CONSTRUCTION CERTIFICATE

- Prior to the issue of a Construction Certificate, the Applicant must obtain consent from the roads authority pursuant to Section 138 of the Roads Act 1993 for the carrying out of works in a road reserve.

CONDITIONS TO BE COMPLIED WITH PRIOR TO THE COMMENCEMENT OF WORKS

- The Applicant is to obtain a Construction Certificate from either Council or an Accredited Certifier, certifying that the proposed works are in accordance with the Building Code of Australia and applicable Council Engineering Standards prior to any building and or subdivision works commencing. No building, engineering or excavation work is to be carried out in relation to this development until the necessary construction certificates have been obtained. It is the responsibility of the Applicant to ensure that the development complies with the Building Code of Australia and applicable engineering standards in the case of building work and the applicable Council Engineering Standards in the case of subdivision works. This may entail alterations to the proposal so that it complies with these standards.

5. It is the responsibility of the Applicant to ensure that the development complies with the Building Code of Australia and applicable engineering standards in the case of building work.
6. The Applicant is to submit to Cowra Shire Council, at least two days prior to the commencement of any works, a 'Notice of Commencement of Building or Subdivision Works' and 'Appointment of Principal Certifier'.
7. Prior to the commencement of work on the site, all erosion and sediment control measures shall be implemented and maintained prior to, during and after the construction phase of the development. The erosion and sediment control measures are to comply with Part B of Cowra Shire Council Development Control Plan 2021 at all times.

CONDITIONS TO BE COMPLIED WITH DURING CONSTRUCTION

8. While building work is being carried out, any such work must not continue after each critical stage inspection unless the principal certifier is satisfied the work may proceed in accordance with this consent and the relevant construction certificate.
9. Any damage caused to footpaths, roadways, utility installations and the like by reason of construction operations shall be made good and repaired to a standard equivalent to that existing prior to commencement of construction. The full cost of restoration/repairs of property or services damaged during the works shall be met by the Applicant.
10. All storage of goods and building materials and the carrying out of building operations related to the development proposal shall be carried out within the confines of the property. All vehicles must be parked legally and no vehicles are permitted to be parked over the public footpath. The unloading of building materials over any part of a public road by means of a lift, hoist or tackle projecting over the footway will require separate approval under Section 68 of the Local Government Act 1993.
11. Building activities and excavation work involving the use of electric or pneumatic tools or other noisy operations shall be carried out only between 7.00 am and 6.00 pm on weekdays and 8.00 am and 1.00 pm on Saturdays. No work on Sundays or Public Holidays is permitted.
12. All building rubbish and debris, including that which can be windblown, shall be contained on site in a suitable container for disposal at an approved Waste Landfill Depot. The container shall be erected on the building site prior to work commencing and shall be maintained for the term of the construction to the completion of the project. No building rubbish or debris shall be placed or permitted to be placed on any adjoining public reserve, footway or road. The waste container shall be regularly cleaned to ensure proper containment of the building wastes generated on the construction site.
13. All roofed and paved areas are to be properly drained and discharged to Council's stormwater management system in Shelley Street.

14. Where the proposed building works necessitate the cutting-in of new stormwater outlets into the existing street kerb, the Applicant and plumbing/drainage contractor shall ensure that the following procedures are carried out:
- (i) A kerb adaptor suitable for the particular kerb profile and capable of withstanding vehicle loadings is to be utilised;
 - (ii) The opening in the kerb is created by either a saw cut or bored hole only. Breaking out the kerb by impact methods is not permitted;
 - (iii) The kerb adaptor is to be kept flush with the top and outside face of the kerb; and
 - (iv) The fixing of the kerb adapter and filling in of side gaps is to be undertaken by the use of an epoxy resin. Mortar or concrete is not to be used

CONDITIONS TO BE COMPLIED WITH PRIOR TO OCCUPATION OR COMMENCEMENT OF USE

15. The Applicant must not commence occupation or use of the carport until a Whole or Partial Occupation Certificate has been issued from the Principal Certifier appointed for the subject development.
16. Prior to the issue of a Whole Occupation Certificate, the Applicant shall construct an access crossing to the development site from Shelley Street in accordance with consent from the road's authority pursuant to Section 138 of the Roads Act 1993 for the carrying out of works in a road reserve. The driveway is to be constructed in accordance with the Section 138 Permit. All costs associated with the construction of the access driveway(s) shall be borne by the Applicant.

ADVICE

If, during work, an Aboriginal object is uncovered then **WORK IS TO CEASE IMMEDIATELY** and the Office of Environment & Heritage is to be contacted urgently on (02) 6883 5300. Under the National Parks and Wildlife Act 1974 it is an offence to harm an Aboriginal object or place without an 'Aboriginal heritage impact permit' (AHIP). Before making an application for an AHIP, the applicant must undertake Aboriginal community consultation in accordance with clause 80C of the NPW Regulation.

INTRODUCTION

Development Application No. 14/2024 proposes a carport on LOT: 363 DP: 752948, 14 Shelley Street Cowra. The application was lodged with Council on 15 February 2024 by D. Steward of Currajong Pty Ltd. The property owner is K. Wilson.

The application is being reported to Council because one objection has been received to the proposed development following Council's neighbour notification process.

A copy of the site and elevation plans of the proposed carport are included in Attachment '1' to this report and a copy of the Statement of Environmental Effects is included in Attachment '2'.

Description of Site

Lot 363 DP 752948, 14 Shelley Street Cowra is a rectangular allotment of approximately 1011m². The lot is located in the R1 General Residential zone under Cowra Local Environmental Plan (LEP) 2012. The site contains an existing dwelling. There is an existing access crossing (currently unsealed) providing vehicular access from Shelley Street.

A location map is included in Attachment '3' and an aerial photograph is included in Attachment '4' to this report.

Description of Proposal

The applicant proposes to construct a carport to the southern side of the dwelling utilising the existing access crossing to Shelley Street. The access will require upgrade works. The carport is open with dimensions of 6.5m x 12m x 4.117m maximum ridge height. The carport is proposed to be setback 12.8m from the Shelley Street property boundary and 0.9m from the southern property boundary.

Environmental Impact Assessment

In determining a development application, a consent authority is to take into consideration such of the matters as are of relevance to the development in accordance with Section 4.15(1) of the Environmental Planning and Assessment Act 1979. The following section provides an evaluation of the relevant Section 4.15 Matters for consideration for DA 14/2024:

S4.15(1)(a)(i) Any Environmental Planning Instrument

Cowra Local Environmental Plan 2012

The subject land is zoned R1 under the provisions of the Cowra Local Environmental Plan (LEP) 2012. The Inground swimming pool is permitted in the zone with development consent.

1.2 Aims of Plan

The development is not inconsistent the aims of the LEP.

1.4 Definitions

The existing development is defined as a dwelling house under the LEP. The proposed carport would be ancillary to the existing dwelling.

1.6 Consent authority

The consent authority for the purposes of this Plan is (subject to the Act) the Council.

1.9A Suspension of covenants, agreements and instruments

The subject lot is not burdened by any easements, and there are no covenants or agreements known to affect the property.

2.1 Land use zones

The site is zoned R1 General Residential, and the proposed development is permitted with consent.



2.3 Zone objectives and Land Use Table

I Objectives of the Zone

Objective	Comment
• To provide for the housing needs of the community.	Not applicable
• To provide for a variety of housing types and densities.	Not applicable
• To enable other land uses that provide facilities or services to meet the day to day needs of residents.	Not applicable
• To provide attractive, affordable, well located and market-responsive residential land.	Not applicable
• To ensure that any non-residential land uses permitted within the zone are compatible with the amenity of the area.	Not applicable
• To ensure that housing densities are broadly concentrated in locations accessible to public transport, employment, services and facilities.	Not applicable
• To maximise public transport patronage and encourage walking and cycling.	Not applicable

2 Permitted without consent

Environmental protection works; Home occupations

3 Permitted with consent

Attached dwellings; Boarding houses; Building identification signs; Business identification signs; Centre-based child care facilities; Community facilities; **Dwelling houses**; Food and drink premises; Group homes; Home industries; Hostels; Kiosks; Multi dwelling housing;

Neighbourhood shops; Oyster aquaculture; Places of public worship; Pond-based aquaculture; Residential flat buildings; Respite day care centres; Roads; Semi-detached dwellings; Seniors housing; Shop top housing; Tank-based aquaculture; Any other development not specified in item 2 or 4

4 Prohibited

Agriculture; Air transport facilities; Airstrips; Amusement centres; Animal boarding or training establishments; Biosolids treatment facilities; Boat building and repair facilities; Boat launching ramps; Boat sheds; Car parks; Charter and tourism boating facilities; Commercial premises; Correctional centres; Crematoria; Depots; Extractive industries; Farm buildings; Farm stay accommodation; Forestry; Freight transport facilities; Heavy industrial storage establishments; Helipads; Highway service centres; Industrial retail outlets; Industrial training facilities; Industries; Jetties; Local distribution premises; Marinas; Mooring pens; Moorings; Mortuaries; Open cut mining; Public administration buildings; Recreation facilities (major); Research stations; Restricted premises; Rural industries; Rural workers' dwellings; Service stations; Sewage treatment plants; Sex services premises; Signage; Storage premises; Transport depots; Truck depots; Vehicle body repair workshops; Vehicle repair stations; Warehouse or distribution centres; Waste or resource management facilities; Water treatment facilities; Wharf or boating facilities; Wholesale supplies

Comment:

The proposed development is ancillary to the use of an existing dwelling house and is permitted with consent.

5.10 Heritage conservation

There are no heritage items located on the site (identified on either the SHR or in the LEP), and the site is not located in a HCA.

5.11 Bushfire Hazard Reduction

N/A.

5.21 Flood planning

Clause 5.21 of Cowra LEP 2012 includes a number of objectives and provisions relating to development located in the Flood Planning Area identified by the Flood Planning Map. Clause 5.21(2) states development consent must not be granted to development on land to which this clause applies unless the consent authority is satisfied that the development:

- (a) to minimise the flood risk to life and property associated with the use of land,
- (b) to allow development on land that is compatible with the flood function and behaviour on the land, taking into account projected changes as a result of climate change,
- (c) to avoid adverse or cumulative impacts on flood behaviour and the environment,
- (d) to enable the safe occupation and efficient evacuation of people in the event of a flood.

The proposed development comprises a detached carport. As the carport is an open structure, it is unlikely to significantly affect flood behaviour. There are no changes to the existing use of the land, the proposal is unlikely to increase any risks posed to human life or properties. The development will not cause avoidable erosion of river banks, siltation or destruction of riparian areas or a reduction in the stability of river banks or watercourses. The proposed development will not result in any unsustainable social or economic costs to the community. All goods stored in the carport could be removed prior to a flood occurring and persons can exit via Shelley Street. The proposed development is consistent with the objectives and provisions of Clause 5.21 Flood Planning.

Part 6 Urban release areas

The site is not identified as being within an urban release area.

7.1 Earthworks

The site is relatively flat. Minimal earthworks are required to accommodate the carport. It is considered that there will be no adverse impact or environmental risk from the minimal earthworks required.

7.3 Terrestrial biodiversity

This clause applies to land that is identified as biodiversity land on the *Terrestrial Biodiversity Map*; the site is not mapped as being affected; accordingly, this clause is not applicable.

7.4 Riparian land and watercourses

This clause applies to land that is identified as a watercourse on the *Watercourses Map*, or is within 40 metres of a mapped watercourse; the site is not mapped as being affected; accordingly, this clause is not applicable.

7.5 Wetlands

This clause applies to land identifies on the wetlands map; the site is not identified as being affected; accordingly, this clause is not applicable.

7.6 Groundwater vulnerability

This clause applies to land that is identified as groundwater vulnerable on the *Groundwater Vulnerability Map*; the site is not identified as being affected; accordingly, this clause is not applicable.

7.7 Airspace operations

This clause applies to developments that penetrate the Limitation or Operations Surface of the Cowra Airport. Works carried out on the site will not project into the Airport airspace.

7.8 Essential Services

Water	N/A for carport
Electricity	N/A for carport

Sewage	N/A for carport
Stormwater	Stormwater can be discharged to Council's street stormwater system as per the recommended conditions.
Access	The proposed development would utilise the existing access crossing from Shelley Street. The existing crossover will need to be upgraded to Council standards and an application under Section 138 of the Roads Act 1993 has been conditioned accordingly.

7.11 Development on land in karst areas

This clause applies to land that is identified as karst environment on the *Natural Resources Sensitivity – Land Map*. The land is not mapped as being affected; accordingly, this clause is not applicable.

State Environmental Planning Policies

SEPP	COMMENTS
SEPP (Biodiversity and Conservation) 2021	Not applicable
SEPP (Exempt and Complying Development Codes) 2008	Not applicable
SEPP (Housing) 2021	Not applicable
SEPP (Industry and Employment) 2021	Not applicable
SEPP 65—Design Quality of Residential Apartment Development	Not applicable
SEPP (Planning Systems) 2021	Not applicable
SEPP (Precincts – Central River City) 2021	Not applicable
SEPP (Precincts – Eastern Harbour City) 2021	Not applicable
SEPP (Precincts - Regional) 2021	Not applicable
SEPP (Precincts – Western Parkland City) 2021	Not applicable
SEPP (Primary Production) 2021	Not applicable
SEPP (Resilience and Hazards) 2021	Includes the former SEPP 55 – Remediation of Land. See comment below.
SEPP (Resources and Energy) 2021	Not applicable
SEPP (Sustainable Buildings) 2022	Not applicable
SEPP (Transport and Infrastructure) 2021	Not applicable
SEPP (Biodiversity and Conservation) 2021	Not applicable

SEPP (RESILIENCE AND HAZARDS) 2021

Under Clause 4.6 a consent authority must not consent to the carrying out of any development on land unless:

- (a) it has considered whether the land is contaminated, and

- (b) if the land is contaminated, it is satisfied that the land is suitable in its contaminated state (or will be suitable, after remediation) for the purpose for which the development is proposed to be carried out, and
- (c) if the land requires remediation to be made suitable for the purpose for which the development is proposed to be carried out, it is satisfied that the land will be remediated before the land is used for that purpose

There are no known prior land-uses on the site that are likely to have resulted in the contamination of the land. Site inspection carried out did not reveal any evidence of contamination of the site. The proposal does not involve any demolition or works likely to result in contamination of the site. The SEE submitted with the application does not mention any previous land use that likely to have resulted in contamination of the site. No further investigation is warranted in this instance.

S4.15(1)(a)(ii) Any draft Environmental Planning Instrument

There are no draft Environmental Planning Instruments that apply to the development.

S4.15(1)(a)(iii) Any Development Control Plan (DCP)

Cowra Council Development Control Plan 2021

PART A – PLAN INTRODUCTION

Consent is required for the proposed carport.

PART B – LAND MANAGEMENT

Appropriate erosion and sediment controls to be implemented prior to the commencement of works. The soil disturbance area is relatively minor.

PART C – BIODIVERSITY MANAGEMENT

The subject land is cleared of vegetation and no tree removal is proposed – no further assessment required relating to Biodiversity.

PART E – URBAN AND VILLAGE DEVELOPMENT

The proposed carport would be located behind the building line, would be accessed via an existing access, and would have a maximum height under 4.5m (4.122m) consistent with the requirements of Part E.

PART K – LAND USE BUFFERS**Cowra Airport Obstacle Limitation Surface**

The subject land is located outside of the OLS.

PART N – LANDSCAPING

Landscaping assessment is not considered necessary for ancillary development.

PART O – ENVIRONMENTAL HAZARD MANAGEMENT

The proposed carport is to be constructed on a lot identified as flood prone as per Council's Flood Map. Section 1.9 of Part O of Cowra DCP recommends all habitable rooms or rooms with sewer infrastructure to be constructed not less than 500mm above Flood Planning Level (FPL). This Section also advises all buildings at or below the FPL to be constructed with flood compatible materials.

Council mapping indicates the FPL of the site is at Australian Height Datum (AHD) 289.12 while the ground level of the proposed carport is considered to be AHD 288.91 per the provided documents. Therefore, the carport would be constructed approximately 0.21 metres below the FPL. The applicant has provided certification by Calare Civil Pty Ltd that the proposed addition has been designed as structurally adequate against the flood hazard.

The proposed development is not habitable space and will not be connected to the sewerage system. The development will not present any risk to human life. The materials stored within the facility can be removed from the premise prior to any flood event. As an open-type structure, the carport is not expected to create significant impacts to flood water flows or behaviour. The structural certification submitted with the application has confirmed that the materials of the development are flood compatible and would be able to resist the flood water force. Therefore, the proposed development is considered as being consistent with the flood control measures of DCP 2021.

The subject land is not mapped as bushfire prone.

There is no identified contamination on the subject land.

PART P – CPTED PRINCIPLES

CPTED Assessment is not considered necessary for ancillary development.

In summary, the proposed development complies with the relevant requirements of the DCP.

S4.15(1)(a)(iiia) Any Planning Agreement

There is no planning agreement that has been entered into under Section 7.4 of the Environmental Planning and Assessment Act 1979 by the applicant in relation to the development proposal. Similarly, the applicant has not volunteered to enter into a draft planning agreement for the development proposal.

S4.15(1)(a)(iv) The EP & A Regulations

Section 4.15(1)(a)(iv) requires Council to also consider Clauses 92, 93, 94 and 94A of the Environmental Planning and Assessment Regulation. The following provides an assessment of the relevant clauses of the Regulation:

- Clause 61 – The proposal does not involve demolition of a building and therefore the requirements of AS 2601-2001 do not need to be considered in accordance with Clause 61(1).
- Clause 62 – The proposal does not involve the change of a building use for an existing building, or the use of an existing building as a place of public entertainment and therefore the requirement to consider fire safety and structural adequacy of buildings in accordance with Clause 62 is unnecessary.

- Clause 63 – The proposal does not involve the erection of a temporary structure and therefore the requirements to consider fire safety and structural adequacy is unnecessary.
- Clause 64 – The proposal does not involve the rebuilding, alteration, enlargement or extension of an existing building or place of public entertainment and therefore the requirement to consider the upgrading of buildings into total or partial conformity with the Building Code of Australia has not been undertaken.

S4.15(C)(1)(b) The Likely Impacts of the Development

Section 79(C)(1)(b) requires the Council to consider the likely impacts of the development, including environmental impacts on both the natural and built environments as well as the social and economic impacts in the locality. The following provides an assessment of the likely impacts of the development:

Context and Setting

The area is characterised by primarily dwelling houses and ancillary residential development. The proposed carport is consistent with the context and setting of the area.

Access, Transport and Traffic

The lot has an existing vehicle crossing from Shelley Street. The existing crossover will need to be upgraded. No other traffic or parking concerns are identified

Public Domain

The proposal will not have a negative impact on public recreational opportunities or public spaces in the locality.

Utilities

The proposed carport does not contain any amenities that require the provision of services. The proposed carport would not be located over any existing service or utility locations.

Heritage

There are no items listed in schedule 5 of the Cowra Local Environmental Plan 2012 as present on the land and a search of the AHIMS records did not reveal any items or places of Aboriginal Cultural Significance identified as present on the land.

Other Land Resources

The land does not contain any recorded mineral deposits and the proposal will not negatively impact any water catchment areas.

Stormwater, Water and Sewerage

The application will not impact on water or sewer services. Stormwater from the carport will be discharged to the existing stormwater system on Shelley Street.

Soils

The development as conditioned is unlikely to result in any adverse environmental impacts. A recommended condition will apply to require compliance with Council's DCP 2021 with regard to erosion & sedimentation controls.

Air and Microclimate

Minimal amounts of dust may be generated during the construction period. Once construction works are complete the development will not impact on air quality.

Flora and Fauna

The proposal does not require the removal of any trees. The development is not expected to impact on any critical habitats or threatened species.

Waste

Any construction waste will be removed from the site and appropriately recycled or catered for at a licensed waste management facility.

Energy

A BASIX Certificate is not required for this application.

Noise and Vibration

Council's standard condition of consent is recommended in relation to construction hours. The constructed development will not emit any unsatisfactory levels of noise or vibration that will impact adversely on adjoining land uses.

Natural Hazards

The land is flood prone as previously addressed in this report. The planning assessment has confirmed that the proposal is unlikely to generate any unacceptable impacts in terms of flood behaviour or on adjoining land-uses. The carport has also been structurally designed to ensure compatibility with the flood hazard identified for the land. The land is not affected by any other natural hazards.

Technological Hazards

Council's records and inspection of the site did not reveal any technological hazards affecting the site.

Safety, Security and Crime Prevention

This development will not generate any activity likely to promote any safety or security problems to the subject land or surrounding area.

Social and Economic Impacts on the locality

The proposed development will not result in any identified negative social or economic impacts.

Site Design and Internal Design

The design of the development is satisfactory for the site and without any identified adverse impacts.

Construction

The proposed development will be built in accordance with the Building Code of Australia and Councils engineering guidelines. The development has been supported by engineering certification in regards to debris loading and buoyancy forces during floodwaters. No adverse impacts are anticipated to occur as a result of the development.

Cumulative impacts

The proposal is not expected to generate any ongoing negative cumulative impacts.

S4.15(1)(c) The Suitability of the Site for the Development

The development is consistent with the zone objectives and consideration has been given to the impacts the development will have within the locality. It is considered that the proposed development will not create adverse impacts within its local setting. It is assessed that the development will not impact upon any existing services. The proposed development has been certified by an engineer for flooding. The development site is not identified as bushfire or otherwise unsatisfactorily constrained by natural features. The site is considered suitable for the development subject to the imposition of appropriate conditions of consent.

S4.15(1)(d) Any Submissions Received

Public Consultation

The subject Development Application was notified to adjoining owners in writing from 21 February 2024 to 6 March 2024, in accordance with Cowra Community Participation Plan 2020. One submission was received in relation to the proposed development, which was an objection. The submission is included in Attachment '5' to this report and the applicant's response to the submission is included in Attachment '6'. Below is a summary of the submission's planning and development related concerns followed by assessment comments:

Objection:

- I. The proposed carport would block sunlight to the northern facing room and bathroom, garden and washing line**

Assessment Comment:

As a response to the objection, the applicant has provided shadow diagrams showing anticipated shadowing for each hour between 9am and 4pm on the 21st June. The provided diagrams show there is unlikely to be an impact on the clothes drying facilities between the hours of 11am and 4pm. It is considered the proposed development would allow for a minimum of 3 hours of solar access to neighbouring clothes drying facilities.

Part E.1.8. of the DCP provides that residential buildings should be designed to ensure living areas and 50% of private open space of neighbouring dwellings receive a minimum of 3 hours of solar access. Although this section applies to new dwellings, it is considered reasonable to assess with respect to the carport development and the objection. The proposed carport would not adversely impact on neighbouring living areas, and would allow for solar access to 50% of the private open space.

The remainder of the submission letter included personal and civil matters which are deemed irrelevant to the proposed development.

Public Authority Consultation:

There are no public authority consultation requirements with this development application.

S4.15(1)(d) The Public Interest

Community Interest

The proposed development is permissible on the subject land and is not expected to adversely impact on the community interests of the area. The proposed development has been considered in terms of the context and setting of the locality in previous sections to this report. The proposed development will positively contribute to development within the locality and will not impose any identified adverse economic or social impacts on the local community.

S7.12 Fixed development consent levies

The development is of insufficient estimated cost to trigger the requirement for development contributions under Cowra Council S94A Contributions Plan 2016.

Conclusion

Development Application No. 14/2024 proposes a carport on Lot 363 DP 752948, 14 Shelley Street Cowra. The application was lodged by Currajong Pty Ltd on 15 February 2024.

The application was supported by a Statement of Environmental Effects and development plans prepared by the applicant, which provide sufficient information to allow assessment of the proposal.

The proposed development has been assessed to be consistent with the requirements of Cowra Local Environmental Plan 2012, relating to development in the RI General Residential zone and is consistent with existing land-use activities of the locality.

The development application was notified in accordance with Cowra Community Participation Plan 2020. One submission was received following the consultation process and was addressed in this report

Having considered the documentation supplied by the applicant, the findings of site inspection(s) and the comments made from consultation, it is assessed that the impacts of the proposal and the likely environmental interactions between the proposed development and the environment are such that Council should not refuse the development application. Accordingly, a recommendation of conditional approval is listed in the recommendation.

ATTACHMENTS

1. DA 14/2024 - Development Plans [↓](#)
2. DA 14/2024 - Statement of Environmental Effects [↓](#)
3. DA 14/2024 - Location map [↓](#)
4. DA 14/2024 - Aerial view [↓](#)
5. DA 14/2024 - Copy of submission [↓](#)
6. DA 14/2024 - Response from applicant [↓](#)

RECEIVED
Cowra Shire Council
15/2/2024
Plan No: 10.2024.14.1



CURRAJONG
PLANNING, PROPERTY + PROJECT MANAGEMENT

250A Clarinda Street
PARKES NSW 2870

Project Contact
Dean Steward
0429 217 243

dsteward@currajong.com.au

- GENERAL NOTES:**
1. These drawings shall be read with the specification, other working drawings as may be issued during the course of construction and Engineering drawings, reports and/or computations. Any discrepancies are to be referred to the Architect prior to work commencing.
 2. All dimensions and levels shall be verified on site by the Contractor prior to commencing work.
 3. Do not scale from drawings. Work to figured dimensions only. Site dimensions are subject to final survey and should not be relied upon for accuracy

A	FIRST ISSUE	DS	02/02/24
REV	DESCRIPTION	BY	DATE

SHEET NO:
A.01

SHEET NAME:
Proposed Site Plan

DRAWING STATUS
For Approval

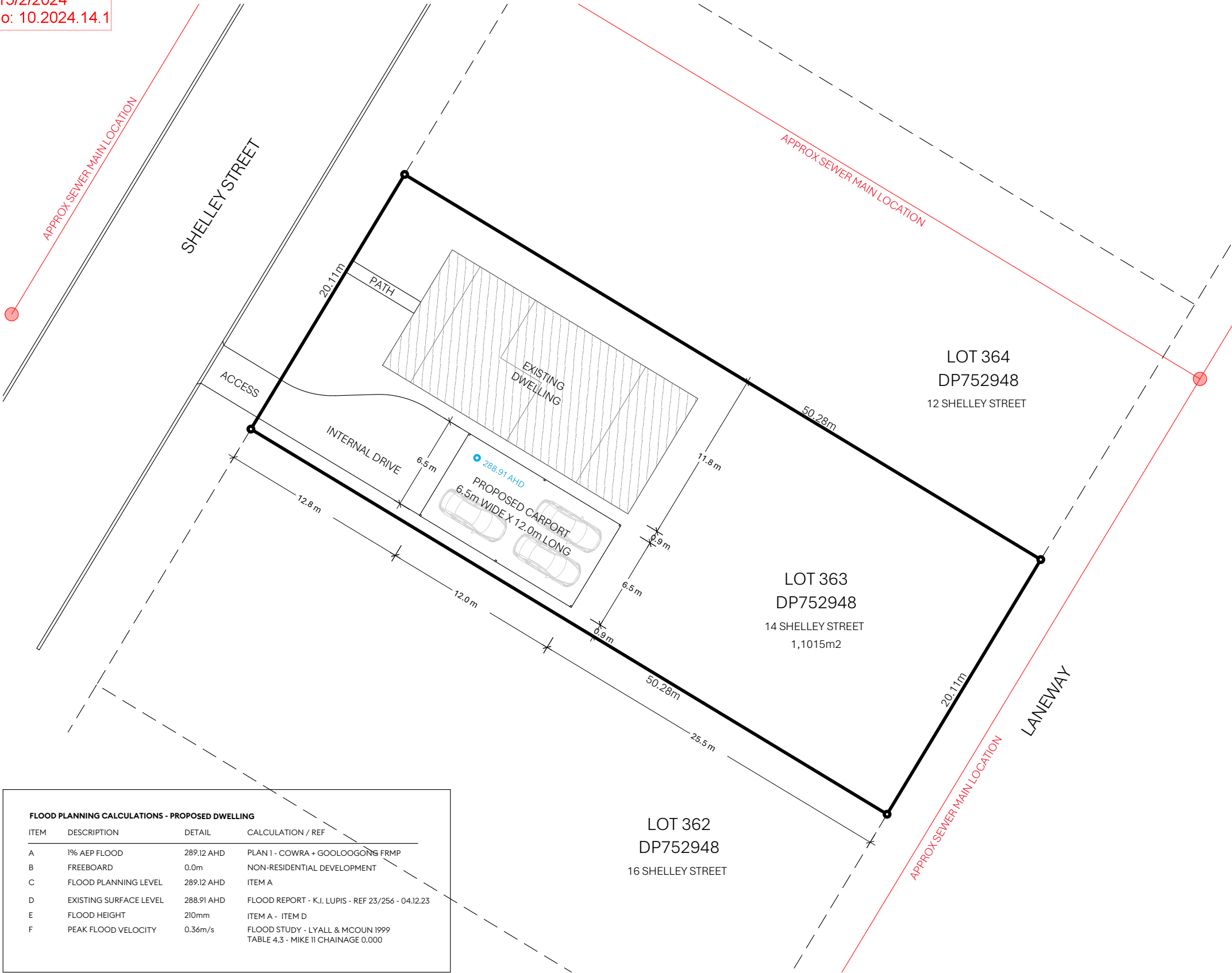
CLIENT NAME
Kate Wislon

SITE DESCRIPTION
14 Shelley Street
COWRA NSW 2794

PROJECT NAME
Proposed Carport

DRAWN:
02/02/24

SCALE
1:250 @ A3

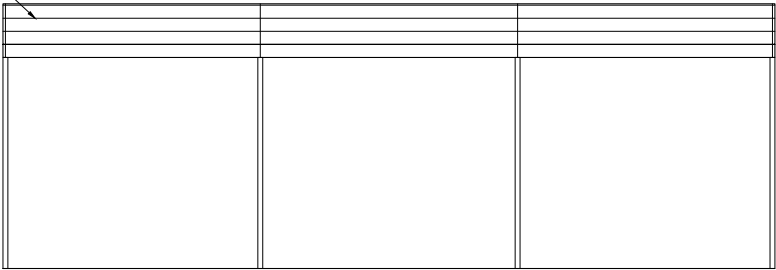


FLOOD PLANNING CALCULATIONS - PROPOSED DWELLING			
ITEM	DESCRIPTION	DETAIL	CALCULATION / REF
A	1% AEP FLOOD	289.12 AHD	PLAN 1 - COWRA + GOOLOOGONG FRMP
B	FREEBOARD	0.0m	NON-RESIDENTIAL DEVELOPMENT
C	FLOOD PLANNING LEVEL	289.12 AHD	ITEM A
D	EXISTING SURFACE LEVEL	288.91 AHD	FLOOD REPORT - K.I. LUPIS - REF 23/256 - 04.12.23
E	FLOOD HEIGHT	210mm	ITEM A - ITEM D
F	PEAK FLOOD VELOCITY	0.36m/s	FLOOD STUDY - LYALL & MCOUN 1999 TABLE 4.3 - MIKE 11 CHAINAGE 0.000

The design and detail shown on these drawings are applicable to this project only and may not be reproduced in whole or any part or be used for any other purpose without the written permission of FBHS (Aust) Pty Limited (FBHS) with whom copyright resides. The local distributor or franchisee you are dealing with is an authorised independent distributor or franchisee of FBHS' products and they enter into agreements with their customers on their own behalf and not as an agent for FBHS.

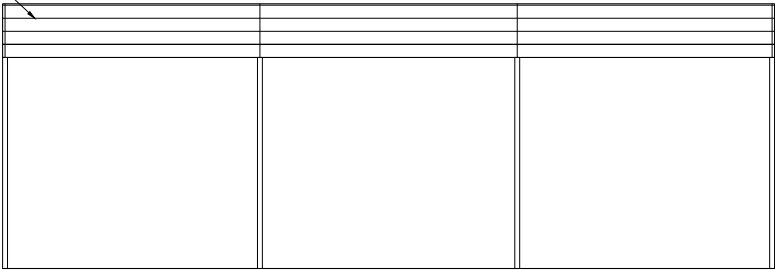
RECEIVED
Cowra Shire Council
15/2/2024
Plan No: 10.2024.14.1

ROOF PURLINS PER
MEMBER SCHEDULE
ON SHEET 5



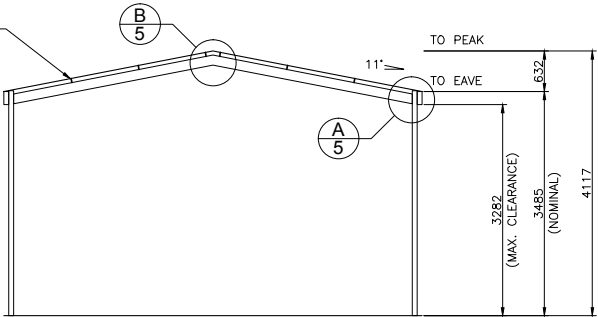
1 SIDEWALL EXTERIOR ELEVATION
2 SCALE: 1:100

ROOF PURLINS PER
MEMBER SCHEDULE
ON SHEET 5

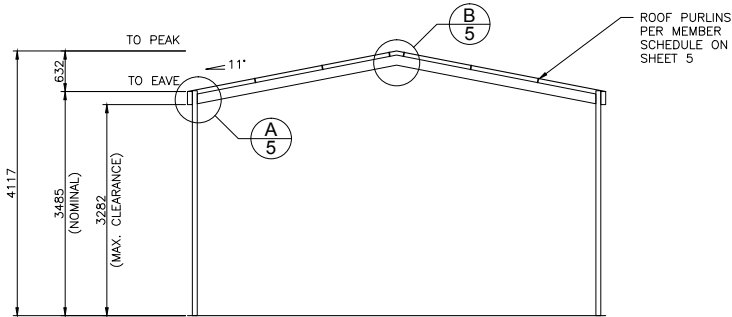


2 SIDEWALL EXTERIOR ELEVATION
2 SCALE: 1:100

ROOF PURLINS
PER MEMBER
SCHEDULE ON
SHEET 5



3 ENDWALL INTERIOR ELEVATION
2 SCALE: 1:100



4 ENDWALL INTERIOR ELEVATION
2 SCALE: 1:100

2
OF
5

SHEET
JOB NO.
MAST37405

DATE

CHECKED
TM

DRAWN
FDS

STEEL BUILDING BY
FOR
AT

(CONTACT)
M.A. STEEL PTY. LTD. (LIC 225516C)
02 6382 4387
KATE WILSON
14 SHELLEY STREET
COWRA



NORTHERN CONSULTING engineers
Civil & Structural Engineers
50 Punari Street
Currajong, Qld 4812
Fax: 07 4725 5850
Email: design@nceng.com.au
ABN 341 008 173 56

Registered Chartered Professional Engineer
Registered Professional Engineer (Civil & Structural) QLD
Registered Certifying Engineer (Structural) N.T.
Registered Engineer - (Civil) VIC
Registered Engineer - (Civil) TAS

Regn. No. 2558980
Regn. No. 9985
Regn. No. 116373ES
Regn. No. PE0002216
Regn. No. CC5648M

Mr Timothy Roy Messer BE MIEAust RPEQ
Signature *T. Messer*
Date 24/1/2024
Registered on the NPER in the areas of practice
of Civil & Structural National Professional
Engineers Register



RECEIVED
Cowra Shire Council
15/2/2024
Plan No: 10.2024.14.1

Cowra Shire Council
Private Bag 342
Cowra NSW 2794

Phone: 02 6340 2000
Fax: 02 6340 2011
council@cowra.nsw.gov.au
www.cowracouncil.com.au

Statement of Environmental Effects (SEE)

Pro-Forma for Minor Development

This pro-forma is suitable for minor development proposals that require a Development Application and Statement of Environmental Effects (SEE). A more comprehensive SEE will be required by Council for larger or more complex development proposals. Please contact Cowra Council for information about development proposals in the Cowra Shire Local Government Area. Include your complete SEE with your Development Application lodgement documents.

Applicant Details

Applicant(s)	
Address	
Telephone No.	
Email	

Property / Site Details

Lot No.	363
Section No.	
Deposited Plan No.	752948
Street / Rural Address No.	14
Street / Road Name	Shelley Street
Suburb	Cowra

Description of the Proposal

Proposal Please tick the box that best describes the proposed development.	<input type="checkbox"/> Residential Dwelling
	<input checked="" type="checkbox"/> Ancillary Residential Development (i.e. Shed)
	<input type="checkbox"/> Rural Dwelling
	<input type="checkbox"/> Ancillary Rural Development (i.e. Farm Building)
	<input type="checkbox"/> Commercial / Retail Development
	<input type="checkbox"/> Advertisement / Advertising Structure
	<input type="checkbox"/> Change of Use Application
	<input type="checkbox"/> Demolition
	<input type="checkbox"/> Subdivision / Boundary Adjustment
	<input type="checkbox"/> Other
Additional Detail	

Reviewed 19 November 2021 Page 1

Description of the Site

Approximate Site Area Current Land-Use Eg – the site is currently used for agricultural related purposes. The predominant agricultural use is grazing, however, the land is also suited to cultivation	1,015m2	
	<input checked="" type="checkbox"/> Residential	<input type="checkbox"/> Industrial
	<input type="checkbox"/> Farmland	<input type="checkbox"/> Recreation/Parkland
	<input type="checkbox"/> Commercial	<input type="checkbox"/> Other (described below)
	Additional Detail The land contains an existing house.	
Previous Land-Use Eg – the land has historically been used for residential purposes only. There are no other uses known to have occurred on the land.	<input checked="" type="checkbox"/> Residential	<input type="checkbox"/> Industrial
	<input type="checkbox"/> Farmland	<input type="checkbox"/> Recreation/Parkland
	<input type="checkbox"/> Commercial	<input type="checkbox"/> Other (described below)
	Additional Detail The land has been used for residential purpose for many years.	
	Adjoining Sites Eg – the adjoining site to the south is currently used for commercial purposes. The adjoining sites to the east and west are currently used for residential purposes.	<input checked="" type="checkbox"/> Residential
<input type="checkbox"/> Farmland		<input type="checkbox"/> Recreation/Parkland
<input type="checkbox"/> Commercial		<input type="checkbox"/> Other (described below)
Additional Detail All neighbouring properties are also used for residential purposes.		
Existing Structures Eg – The land is currently vacant, except for an existing shed structure located in the south west portion of the block.		<input type="checkbox"/> There are no existing structures on the land
	<input checked="" type="checkbox"/> There are existing structures on the land. These are described below	
	Additional Detail There is an existing house on the land.	

Assessment of Environmental Impacts

*Are there items of European heritage on the property?	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes
*Are there items of Aboriginal Cultural Heritage within 100 metres of the development site?	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes
Will the development impact on Critical Habitat or Threatened Species?	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes
*Does the site contain any contaminated materials (asbestos or other contaminants)?	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes
*Are any trees proposed/required to be removed?	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes
Will the amenity of adjoining land owners be affected (views, solar access, noise, odour etc)?	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes
Is the development out of character with existing development in the locality?	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes
*Does the development involve a new access crossing or increase in traffic?	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes
*Does the development involve earthworks (cut or fill) of more than 600mm in depth or height?	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes
Is the site connected to Council's reticulated water service?	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes
Is the site connected to Council's reticulated sewer service?	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes
*Is there any on-site sewage management system on the site?	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes
Will the development increase crime, safety or security risks?	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes
*To be shown on plans		
<p>If you answered Yes to any of the above, describe the steps proposed to be taken to prevent or lessen any environmental impacts:</p> <ul style="list-style-type: none"> - The proposed carport is 6.5m wide x 12.0m long. - The carport is a simple steel framed open sided structure, with sufficient height for a caravan. The height is not inconsistent with the existing dwelling. Impacts on adjoining properties or Shelley Street are unlikely. - The proposed carport will be accessed from the existing driveway. - The proposed carport does not require cut and fill. - The proposed carport does not require connection to site utilities 		

Stormwater disposal

If your development will generate stormwater runoff i.e. additional roof or other impermeable surface, please identify where and how you will direct it (including overflow from any rainwater tanks):

Stormwater is to be connected to the plumbing servicing the existing dwelling. All roof water to be discharged to Shelley Street kerb and gutter.

Note: The discharge location should also be shown on your Site Plan. Council's stormwater management system should be utilised where available.

Site Constraints

Is the development constrained by:		
Flooding	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes Refer site plan, flood report and engineering certification for details
Landslip or subsidence	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes
Bushfire attack	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes
Land contamination	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes
Easements	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes

Note – if the proposed development is identified as being affected by one or more of the site constraints listed above, the applicant must provide Council with evidence as to how the site constraint will be addressed.

Assessment of Compliance with Local Planning Policies & Guidelines

This section of the pro-forma can be used as a checklist to ensure that the proposed development complies with all relevant local planning policies and guidelines. Check with Council if you need clarification on any matter.

Cowra Local Environmental Plan 2012

Select the appropriate zoning of the land under Cowra Local Environmental Plan 2012:	<input type="checkbox"/> RU1 Primary Production <input type="checkbox"/> RU4 Primary Production <input type="checkbox"/> RU5 Village <input checked="" type="checkbox"/> R1 General Residential <input type="checkbox"/> R2 Low Density Residential <input type="checkbox"/> R5 Large Lot Residential <input type="checkbox"/> B1 Neighbourhood Centre <input type="checkbox"/> B2 Local Centre	<input type="checkbox"/> B5 Business Development <input type="checkbox"/> IN1 General Industrial <input type="checkbox"/> IN2 Light Industrial <input type="checkbox"/> RE1 Public Recreation <input type="checkbox"/> RE2 Private Recreation <input type="checkbox"/> E2 Environmental Conservation <input type="checkbox"/> E3 Environmental Management
--	--	---

Reviewed 19 November 2021 Page 4

Is the development permissible in the zone	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes
Does the development meet the zone objectives	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes

Cowra Shire Council Development Control Plan 2021

	Applies		Consistent		Variation Proposed	
Part B – Land Management	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Part C – Biodiversity Management	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Part D – Subdivision Development	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Part E – Urban & Village Development	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Part F – Rural Development	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Part G – Large Lot Development	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Part H – Commercial Development	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Part I – Industrial Development	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Part J – Cowra Regional Airport	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Part K – Land-use Buffers	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Part L – Advertising and Signage	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Part M – Parking, Access & Mobility	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Part N – Landscaping	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No
Part O – Hazard Management	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Part P – Crime Prevention	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Where the proposed development involves a variation to a control or guideline contained in one or more Parts of the Cowra Shire Council Development Control Plan 2021 – the Development Application must be supported by a statement justifying the variation to the control or guideline. This Statement can be attached to the Statement of Environmental Effects or included below:

- Proposed Carport is less than 4.5m in total height – consistent with Part E requirements.
- Flood heights have been established by surveyor and report attached to application.
- Flood heights and peak flood velocity have been considered by consulting engineer and certification has been issued that the structure (as designed by MA Steel) is suitable in terms of expected flood behaviour.

Created on 21/03/2024



Cowra Council
Private Bag 342
116 Kendal Street
COWRA NSW 2794
Ph: (02) 6340 2000
Web: www.cowracouncil.com.au

Important Notice!

This map is not a precise survey document. Accurate locations can only be determined by a survey on the ground. This information has been prepared for Council's internal purposes and for no other purpose. No statement is made about the accuracy or suitability of the information for use for any purpose (whether the purpose has been notified to Council or not). While every care is taken to ensure the accuracy of this data, neither the Cowra Council nor the SS makes any representations or warranties about its accuracy, reliability, completeness or suitability for any particular purpose and disclaims all responsibility and all liability (including without limitation, liability in negligence) for all expenses, losses, damages (including indirect or consequential damage) and costs which you might incur as a result of the data being inaccurate or incomplete in any way and for any reason.
© The State of New South Wales (Spatial Services), © Cowra Council.



Drawn By: Cassandra Galley

Projection: # GDA2020 / MGA zone 55

Date: 21/03/2024 5:22 PM

DA 14/2024 - 14 Shelley Street Cowra

Map Scale: 1:1919 at A4

Created on 21/03/2024



Cowra Council
Private Bag 342
116 Kendal Street
COWRA NSW 2794
Ph: (02) 6340 2000
Web: www.cowracouncil.com.au

Important Notice!

This map is not a precise survey document. Accurate locations can only be determined by a survey on the ground. This information has been prepared for Council's internal purposes and for no other purpose. No statement is made about the accuracy or suitability of the information for use for any purpose (whether the purpose has been notified to Council or not). While every care is taken to ensure the accuracy of this data, neither the Cowra Council nor the SS makes any representations or warranties about its accuracy, reliability, completeness or suitability for any particular purpose and disclaims all responsibility and all liability (including without limitation, liability in negligence) for all expenses, losses, damages (including indirect or consequential damage) and costs which you might incur as a result of the data being inaccurate or incomplete in any way and for any reason.
© The State of New South Wales (Spatial Services), © Cowra Council.



Drawn By: Cassandra Galley

Projection: # GDA2020 / MGA zone 55

Date: 21/03/2024 5:24 PM

DA 14/2024 - 14 Shelley Street Cowra

Map Scale: 1:400 at A4

Joshua Neuer

From: [REDACTED]
Sent: Wednesday, 28 February 2024 8:17 PM
To: Cowra Council
Subject: Submission re DA 10.2024.14.1. Attention Joshua Neuer

CAUTION: This email originated from outside of the Cowra Shire Council Domain. Do not click links or open attachments unless you recognise the sender and know the content is safe.

Dear Joshua

I received a notice of development proposal 10.2024.14.1 dated 21 February 2024 today, 28 February 2024, for a shed at 14 Shelley Street Cowra 2794.

Whilst I have no objections to the shed itself, it is the height and position of the shed that I fear will have an environmental impact on my property, and therefore am making a formal objection to the proposed development.

The proposed shed is directly on the boundary fence and will fall in line with the north side of our house, potentially blocking sunlight to the north facing room and bathroom, along with throwing our north garden area and washing line area into darkness. This would also inhibit drying daily loads of laundry, particularly in winter, as well as damaging the garden which has significant financial implications.

When [REDACTED] first mentioned this proposal in person last year, I raised these concerns directly with her, but it seems to have been ignored.

I am not a difficult neighbour, and I am happy for the shed construction, **only** if it does not impact on our sunlight to the aforementioned area.

To locate it in the proposed area directly alongside her house would impact the ambiance of my house, cost me more in electricity to light the rooms and impact drying laundry as well as impact on the established garden on the north side of my house. I cannot afford to run a clothes dryer as a result of this, and it is not environmentally friendly to do so. It is not possible to relocate the clothes line. The use of the room and bathroom on the north side would be impacted.

We already struggle with a flood light on her south side beaming into that north room and bathroom, as well as into our yard but I have made no complaints about this.

I am constantly pushing large pebbles from her driveway back under the fence. This is a huge inconvenience and a real danger when mowing, but I have also refrained from complaints regarding this.

I am happy to continue mowing the area behind her house in Shelley Lane and spray it for catheads and other weeds, as I have been doing for weeks in order to help her.

Should the shed be located at the back of the property, I would have absolutely no objections, particularly as it would be in line with our own shed and neither would impact the other.

If it can be guaranteed that the sunlight into this area would not be impacted in any season, I would reconsider my stance.

I am more than happy to discuss this further over the phone if necessary.

Despite the application stating otherwise, I do believe that the shed placed in the proposed position would have environmental effects on my property. Should the shed be located at the back of the property, closer to Shelley Lane, the environmental effects would be negligible.

Could you please acknowledge receipt of this submission and advise the next steps required.

Kind regards



RECEIVED
Cowra Shire Council
7 March 2024
Plan No: 10.2024.14.1



07 March 2024

Mr Josh Neuer
Development Planner
Cowra Shire Council

ADDITIONAL
INFORMATION
RESPONSE
LETTER

**DA 14/2024 - CARPORT
14 SHELLEY STREET, COWRA**

I refer to your letter dated 5 March 2024 requesting additional information relating to DA 14/2024.

We understand Council requires shadow diagrams to be prepared for project as a response to concerns raised by an adjoining landowner relating to the potential overshadowing of rear yard space utilised for clothes drying.

The objection letter also raises a number of other issues, which are generally unrelated to the proposal.

We provide the following formal responses in relation to this matter for Council's consideration.

- + The shed proposal is consistent (without variation) to all of the development standards relating to the construction of a carport in the R1 General Residential zone.
- + Shadow diagrams have been prepared for the project and these are included as an attachment to this letter. A study of the diagrams shows that the proposed structure would unlikely cause the existing clothesline to be overshadowed (or cause additional overshadowing) between the hours of 11am and 4pm on the winter solstice (21 June). We conclude that the location and height of the carport structure would not cause an unreasonable loss of sunlight access to the adjoining property at 16 Shelley Street.

We trust this information is sufficient to enable Council to finalise the assessment of DA 14/2024.

Should you have any queries, please do not hesitate to contact me on [REDACTED] or via email at [REDACTED]

Dean Steward
Senior Planner



CURRAJONG
PLANNING, PROPERTY + PROJECT MANAGEMENT

Post
205A Clarinda Street
Parkes NSW 2870

Telephone
0428 254 299

Web
currajong.com.au

ABN
56644651936



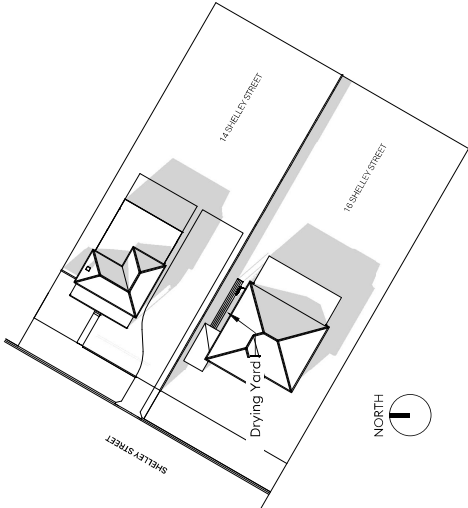
CURRAJONG
PLANNING, PROPERTY & PROJECT MANAGEMENT
250A Clairinda Street
PARKES NSW 2870
Project Contact
Dean Steward
0429 217 243
dsteward@currajong.com.au

GENERAL NOTES:

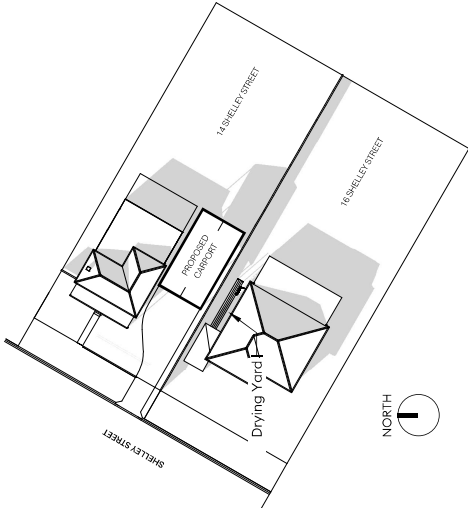
1. These drawings shall be read with the specification, other working drawings as may be issued, and any relevant standards and Engineering drawings, reports and/or computations. Any discrepancies are to be referred to the Architect prior to work commencing.
2. All dimensions and levels shall be verified on site by the Contractor prior to commencing work.
3. Do not scale from drawings. Work to figured dimensions only. Site dimensions are subject to survey and shall not be relied upon for accuracy.

A	PHEET ISSUE	DS	07/03/2024
REV	DESCRIPTION	BY	DATE
SHEET NO: S.01			
SHEET NAME: Shadow Diagrams - Plan View			
DRAWING STATUS: For Approval			
CLIENT NAME: Kate Wilson			
SITE DESCRIPTION: 14 Shelley Street, COWRA NSW 2794			
PROJECT NAME: Proposed Carport			
DRAWING: 07/03/24			
SCALE: AS NOTED			
NORTH 			

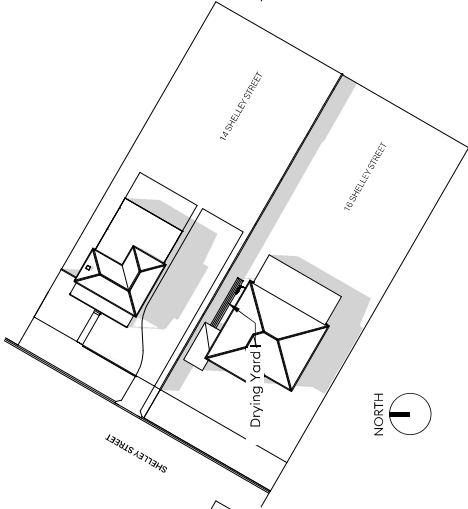
SHADOW DIAGRAM - AS EXISTING
3pm - 21 JUNE (WINTER SOLTICE)
SCALE 1:600 @ A4



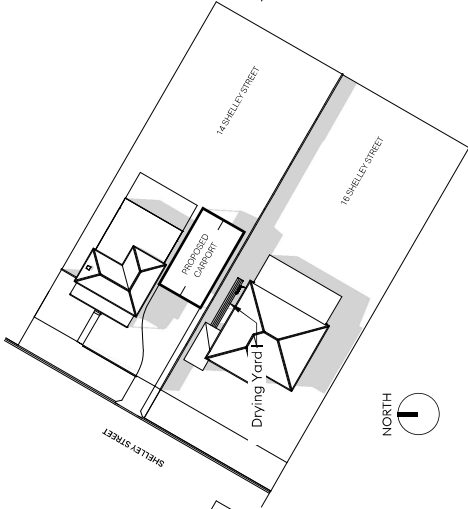
SHADOW DIAGRAM - AS PROPOSED
3pm - 21 JUNE (WINTER SOLTICE)
SCALE 1:600 @ A4



SHADOW DIAGRAM - AS EXISTING
12pm - 21 JUNE (WINTER SOLTICE)
SCALE 1:600 @ A4

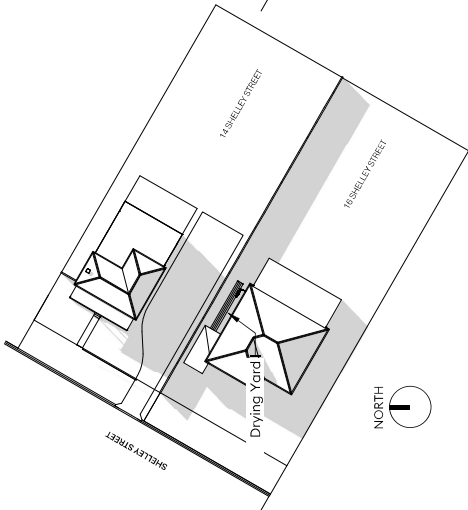


SHADOW DIAGRAM - AS PROPOSED
12pm - 21 JUNE (WINTER SOLTICE)
SCALE 1:600 @ A4

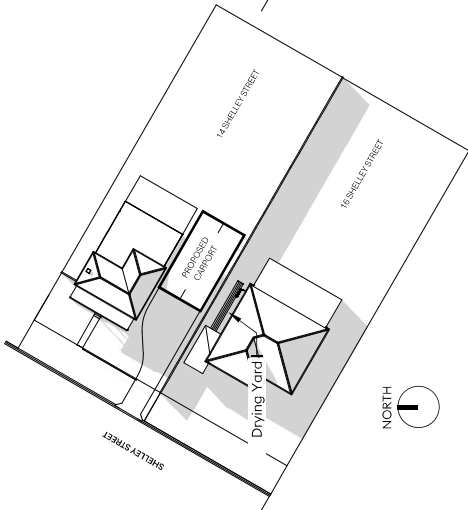


RECEIVED
Cowra Shire Council
7 March 2024
Plan No: 10.2024.14.1

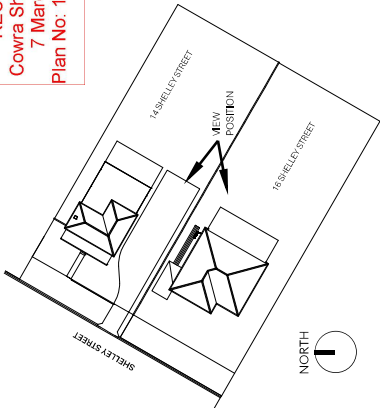
SHADOW DIAGRAM - AS EXISTING
9am - 21 JUNE (WINTER SOLTICE)
SCALE 1:600 @ A4



SHADOW DIAGRAM - AS PROPOSED
9am - 21 JUNE (WINTER SOLTICE)
SCALE 1:600 @ A4



RECEIVED
Cowra Shire Council
7 March 2024
Plan No: 10.2024.14.1



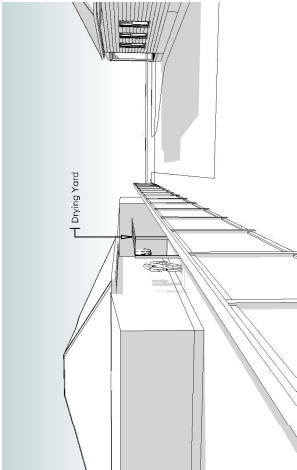


CURRAJONG
PLANNING, PROPERTY & PROJECT MANAGEMENT
250A Clarinda Street
PARKES NSW 2870
Project Contact
Dean Steward
0429 217 243
dsteward@currajong.com.au

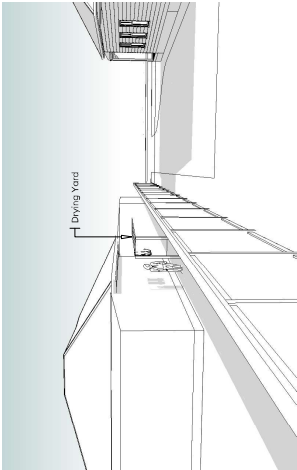
GENERAL NOTES:

- These drawings shall be read with the specification, other working drawings as may be issued and shall be used in conjunction with the Engineering drawings, reports and/or comparisons. Any discrepancies are to be referred to the Architect prior to work commencing.
- All dimensions and levels shall be verified on site by the Contractor prior to commencing work.
- Do not scale from drawings. Work to figured dimensions only. Site dimensions are subject to survey and shall not be relied upon for accuracy.

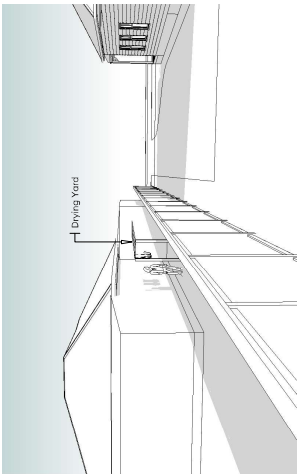
SHADOW DIAGRAM - AS EXISTING
11am • 21 JUNE (WINTER SOLTICE)
ILLUSTRATION ONLY • DO NOT SCALE
VIEW EAST



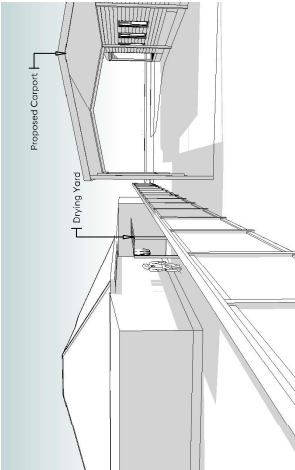
SHADOW DIAGRAM - AS EXISTING
10am • 21 JUNE (WINTER SOLTICE)
ILLUSTRATION ONLY • DO NOT SCALE
VIEW EAST



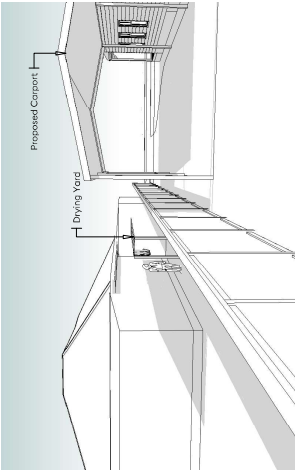
SHADOW DIAGRAM - AS EXISTING
9am • 21 JUNE (WINTER SOLTICE)
ILLUSTRATION ONLY • DO NOT SCALE
VIEW EAST



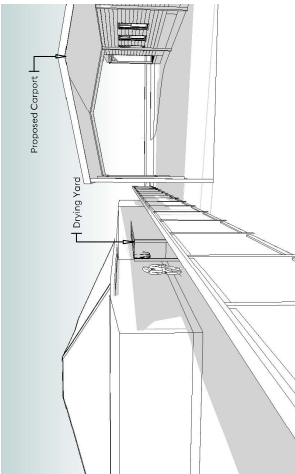
SHADOW DIAGRAM - AS PROPOSED
11am • 21 JUNE (WINTER SOLTICE)
ILLUSTRATION ONLY • DO NOT SCALE
VIEW EAST



SHADOW DIAGRAM - AS PROPOSED
10am • 21 JUNE (WINTER SOLTICE)
ILLUSTRATION ONLY • DO NOT SCALE
VIEW EAST



SHADOW DIAGRAM - AS PROPOSED
9am • 21 JUNE (WINTER SOLTICE)
ILLUSTRATION ONLY • DO NOT SCALE
VIEW EAST



A	PREP ISSUE	DS	07/03/2024
REV	DESCRIPTION	BY	DATE

SHEET NO:
S.02

SHEET NAME:
Shadow Diagrams • 3D

DRAWING STATUS
For Approval

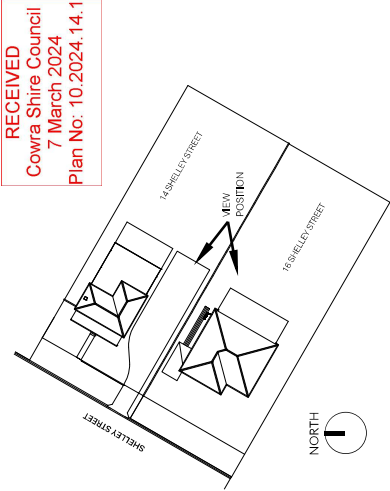
CLIENT NAME
Kate Wilson

SITE DESCRIPTION
14 Shelley Street
COWRA NSW 2794

PROJECT NAME
Proposed Carport

DRAWING:
07/03/24
SCALE:
AS NOTED

NORTH

CURRAJONG
PLANNING, PROPERTY & PROJECT MANAGEMENT
250A Clarinda Street
PARKES NSW 2870
Project Contact
Dean Steward
0429 217 243
dsteward@currajong.com.au

GENERAL NOTES:

1. These drawings shall be read with the specification, other working drawings as may be issued and shall be used in conjunction with the Engineering drawings, reports and for comparisons. Any discrepancies are to be referred to the Architect prior to work commencing.
2. All dimensions and levels shall be verified on site by the Contractor prior to commencing work.
3. Do not scale from drawings. Work to figured dimensions only. Site dimensions are subject to survey and shall not be taken as support for accuracy.

A	FIRST ISSUE	DS	07/03/2024
REV	DESCRIPTION	BY	DATE

SHEET NO:

S.03

SHEET NAME:

Shadow Diagrams - 3D

DRAWING STATUS

For Approval

CLIENT NAME

Kate Wilson

SITE DESCRIPTION

14 Shelley Street
COWRA NSW 2794

PROJECT NAME

Proposed Carport

DRAWN:

07/03/24

SCALE

AS NOTED

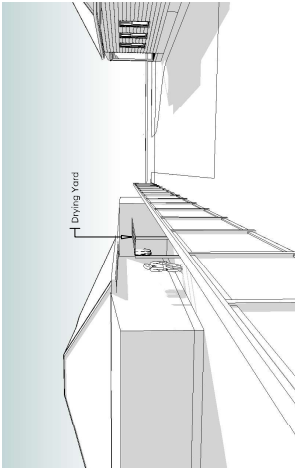


SHADOW DIAGRAM - AS EXISTING

2pm - 21 JUNE (WINTER SOLTICE)

ILLUSTRATION ONLY - DO NOT SCALE

VIEW EAST

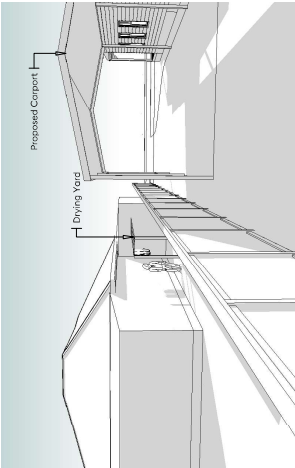


SHADOW DIAGRAM - AS PROPOSED

2pm - 21 JUNE (WINTER SOLTICE)

ILLUSTRATION ONLY - DO NOT SCALE

VIEW EAST

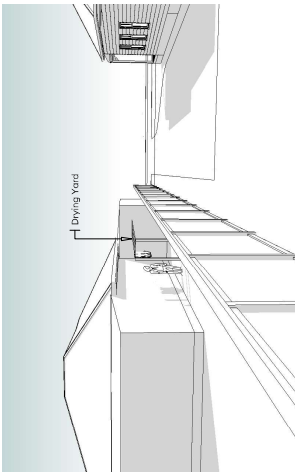


SHADOW DIAGRAM - AS EXISTING

1pm - 21 JUNE (WINTER SOLTICE)

ILLUSTRATION ONLY - DO NOT SCALE

VIEW EAST

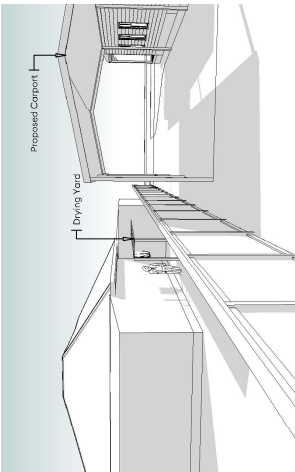


SHADOW DIAGRAM - AS PROPOSED

1pm - 21 JUNE (WINTER SOLTICE)

ILLUSTRATION ONLY - DO NOT SCALE

VIEW EAST

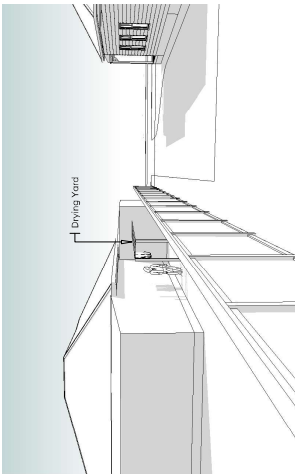


SHADOW DIAGRAM - AS EXISTING

12pm - 21 JUNE (WINTER SOLTICE)

ILLUSTRATION ONLY - DO NOT SCALE

VIEW EAST

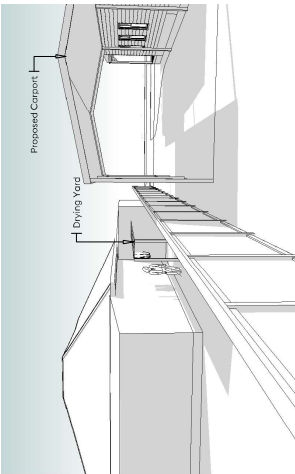


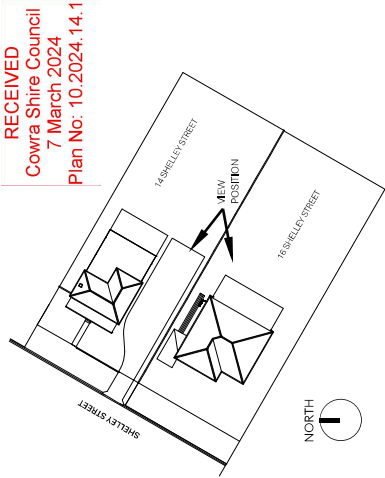
SHADOW DIAGRAM - AS PROPOSED

12pm - 21 JUNE (WINTER SOLTICE)

ILLUSTRATION ONLY - DO NOT SCALE

VIEW EAST







CURRAJONG
PLANNING, PROPERTY & PROJECT MANAGEMENT
250A Clarinda Street
PARKES NSW 2870
Project Contact
Dean Steward
0429 217 243
dsteward@currajong.com.au

GENERAL NOTES:

1. These drawings shall be read with the specification, other working drawings as may be issued and shall be used in conjunction with the Engineering drawings, reports and/or computations. Any discrepancies are to be referred to the Architect prior to work commencing.
2. All dimensions and levels shall be verified on site by the Contractor prior to commencing work.
3. Do not scale from drawings. Work to figured dimensions only. Site dimensions are subject to survey and should not be relied upon for accuracy.

A	PREP ISSUE	DS	07/03/2024
REV	DESCRIPTION	BY	DATE

SHEET NO:
S.04

SHEET NAME:
Shadow Diagrams • 3D

DRAWING STATUS
For Approval

CLIENT NAME
Kate Wilkin

SITE DESCRIPTION
14 Shelley Street
COWRA NSW 2794

PROJECT NAME
Proposed Carport

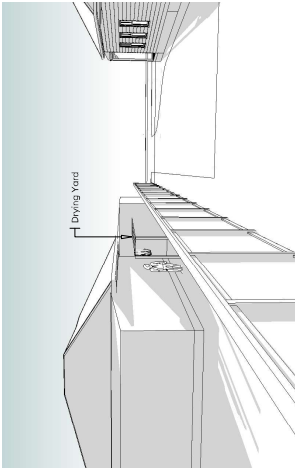
DRAWING:
07/03/24

SCALE
AS NOTED

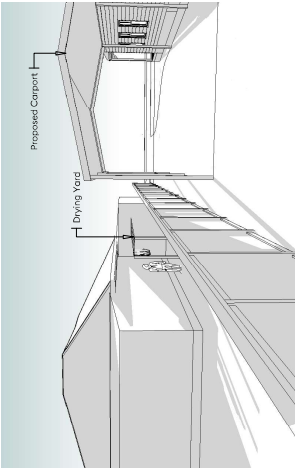
NORTH



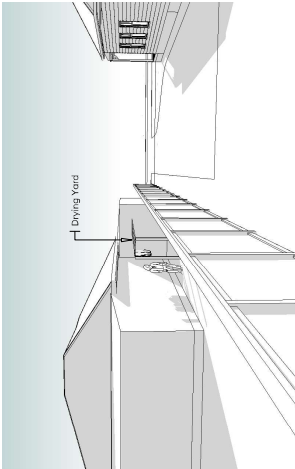
SHADOW DIAGRAM - AS EXISTING
4pm • 21 JUNE (WINTER SOLTICE)
ILLUSTRATION ONLY • DO NOT SCALE
VIEW EAST



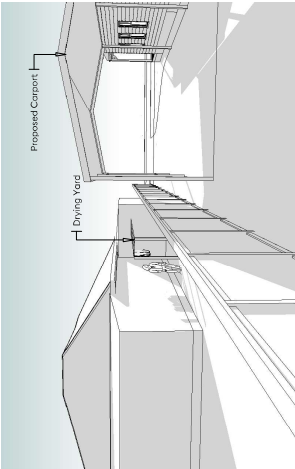
SHADOW DIAGRAM - AS PROPOSED
4pm • 21 JUNE (WINTER SOLTICE)
ILLUSTRATION ONLY • DO NOT SCALE
VIEW EAST



SHADOW DIAGRAM - AS EXISTING
3pm • 21 JUNE (WINTER SOLTICE)
ILLUSTRATION ONLY • DO NOT SCALE
VIEW EAST



SHADOW DIAGRAM - AS PROPOSED
3pm • 21 JUNE (WINTER SOLTICE)
ILLUSTRATION ONLY • DO NOT SCALE
VIEW EAST



- 5.2 Development Application No. 120/2023, Lot 1 DP 362387, 21 Bartlett Avenue Cowra, Shed, lodged on 14 February 2024 by the owner S D Smith.**

File Number: D24/457

Author: Larissa Hackett, Director Environmental Services

RECOMMENDATION

1. That Council notes that the reason for the decision is that the proposal largely complies with Section 4.15 of the Environmental Planning and Assessment Act 1979. The variation to Sections E.4.3.4.b. and E.3.5.4.l of Part E of Council's Development Control Plan 2021 is sufficiently justified and the application was publicly notified and no objections were received; and
2. That Council approves variations to Section E.4.3.4.b. and E.3.5.4.l of Part E of Council's Development Control Plan 2021 for this development to allow a maximum building height of 6.37m and external colour of Monolith; and
3. That Development Application No. 120/2023, for the construction of a shed on Lot 1 DP 362387, 21 Bartlett Avenue Cowra be approved subject to the following conditions:

GENERAL CONDITIONS

1. Development is to be in accordance with approved plans.

The development is to be implemented in accordance with the plans and supporting documents stamped and approved and set out in the following table except where modified by any conditions of this consent.

Plan No./ Supporting Document	Prepared by/Reference Details	Cowra Shire Council Reference
Site Plan Sheet 01 of 2 Rev A	Currajong 6/10/23	Received 14 February 2024 Stamped No. 10.2023.120.1
Typical Site Section Sheet 02 of 2 Rev A	Currajong 6/10/23	Received 14 February 2024 Stamped No. 10.2023.120.1
Architectural Drawings DWGQPI Ref: 3306221	Tilmac -	Received 14 February 2024 Stamped No. 10.2023.120.1
Statement of Environmental Effects Revision C	Currajong 20/02/2024.	Received 20 February 2024

		Stamped No. 10.2023.120.1(A)
--	--	---

In the event of any inconsistency between conditions of this development consent and the plans/supporting documents referred to above, the conditions of this development consent prevail.

- The applicant shall comply with all relevant prescribed conditions of development consent under Part 4, Division 2 of the *Environmental Planning and Assessment Regulation 2021* (see attached Advisory Note).

CONDITIONS TO BE COMPLIED WITH PRIOR TO THE ISSUE OF A CONSTRUCTION CERTIFICATE

- Prior to the issue of a Construction Certificate, the Applicant must obtain consent from the roads authority pursuant to Section 138 of the Roads Act 1993 for the carrying out of works in a road reserve. All costs associated with the repair of any damages caused by the driveway construction shall be borne by the Applicant and at no cost to Council.
- Prior to the issue of a Construction Certificate, the Applicant must submit a Stormwater Management Plan for the approval of the Principal Certifier. The Plan must provide details of the proposed management of surface water from the proposed driveway to ensure that overflow does not impact on downslope properties.

CONDITIONS TO BE COMPLIED WITH PRIOR TO THE COMMENCEMENT OF WORKS

- The Applicant is to obtain a Construction Certificate from either Council or an Accredited Certifier, certifying that the proposed works are in accordance with the Building Code of Australia and applicable Council Engineering Standards prior to any building and or subdivision works commencing. No building, engineering or excavation work is to be carried out in relation to this development until the necessary construction certificates have been obtained. It is the responsibility of the Applicant to ensure that the development complies with the Building Code of Australia and applicable engineering standards in the case of building work and the applicable Council Engineering Standards in the case of subdivision works. This may entail alterations to the proposal so that it complies with these standards.
- It is the responsibility of the Applicant to ensure that the development complies with the Building Code of Australia and applicable engineering standards in the case of building work.
- The Applicant is to submit to Cowra Shire Council, at least two days prior to the commencement of any works, a 'Notice of Commencement of Building or Subdivision Works' and 'Appointment of Principal Certifier'.
- Prior to the commencement of work on the site, all erosion and sediment control measures shall be implemented and maintained prior to, during and after the construction phase of the development. The erosion and sediment

control measures are to comply with Part B of Cowra Shire Council Development Control Plan 2021 at all times.

CONDITIONS TO BE COMPLIED WITH DURING CONSTRUCTION

9. While building work is being carried out, any such work must not continue after each critical stage inspection unless the principal certifier is satisfied the work may proceed in accordance with this consent and the relevant construction certificate.
10. Any damage caused to footpaths, roadways, utility installations and the like by reason of construction operations shall be made good and repaired to a standard equivalent to that existing prior to commencement of construction. The full cost of restoration/repairs of property or services damaged during the works shall be met by the Applicant.
11. All storage of goods and building materials and the carrying out of building operations related to the development proposal shall be carried out within the confines of the property. All vehicles must be parked legally and no vehicles are permitted to be parked over the public footpath. The unloading of building materials over any part of a public road by means of a lift, hoist or tackle projecting over the footway will require separate approval under Section 68 of the *Local Government Act 1993*.
12. Building activities and excavation work involving the use of electric or pneumatic tools or other noisy operations shall be carried out only between 7.00 am and 6.00 pm on weekdays and 8.00 am and 1.00 pm on Saturdays. No work on Sundays or Public Holidays is permitted.
13. All building rubbish and debris, including that which can be windblown, shall be contained on site in a suitable container for disposal at an approved Waste Landfill Depot. The container shall be erected on the building site prior to work commencing and shall be maintained for the term of the construction to the completion of the project. No building rubbish or debris shall be placed or permitted to be placed on any adjoining public reserve, footway or road. The waste container shall be regularly cleaned to ensure proper containment of the building wastes generated on the construction site.
14. All roofed and paved areas are to be properly drained and discharged to Council's stormwater management system in Bartlett Avenue.
15. Where the proposed building works necessitate the cutting-in of new stormwater outlets into the existing street kerb, the Applicant and plumbing/drainage contractor shall ensure that the following procedures are carried out:
 - (i) A kerb adaptor suitable for the particular kerb profile and capable of withstanding vehicle loadings is to be utilised;
 - (ii) The opening in the kerb is created by either a saw cut or bored hole only. Breaking out the kerb by impact methods is not permitted;
 - (iii) The kerb adaptor is to be kept flush with the top and outside face of the

kerb; and

- (iv) The fixing of the kerb adapter and filling in of side gaps is to be undertaken by the use of an epoxy resin. Mortar or concrete is not to be used

CONDITIONS TO BE COMPLIED WITH PRIOR TO OCCUPATION OR COMMENCEMENT OF USE

- 16. The Applicant must not commence occupation or use of the garage until a Whole or Partial Occupation Certificate has been issued from the Principal Certifier appointed for the subject development.
- 17. Prior to the issue of a Whole Occupation Certificate, the Applicant shall construct an access crossing to the development site from Bartlett Avenue in accordance with consent from the road's authority pursuant to Section 138 of the Roads Act 1993 for the carrying out of works in a road reserve. The driveway is to be constructed in accordance with the Section 138 Permit. All costs associated with the construction of the access driveway(s) shall be borne by the Applicant.

ADVICE

If, during work, an Aboriginal object is uncovered then **WORK IS TO CEASE IMMEDIATELY** and the Office of Environment & Heritage is to be contacted urgently on (02) 6883 5300. Under the National Parks and Wildlife Act 1974 it is an offence to harm an Aboriginal object or place without an 'Aboriginal heritage impact permit' (AHIP). Before making an application for an AHIP, the applicant must undertake Aboriginal community consultation in accordance with clause 80C of the NPW Regulation.

INTRODUCTION

Development Application No. I20/2023 proposes a shed on Lot I DP 362387, 21 Bartlett Avenue Cowra. The application was lodged by S D Smith on 14 February 2024. The property is owned by S D Smith.

The application is being reported to Council because it contains a variation to Council's DCP with regard to the maximum building height for detached ancillary buildings.

A copy of the site and elevation plans of the proposed Shed are included in Attachment '1' to this report and a copy of the Statement of Environmental Effects is included in Attachment '2'.

Description of Site

Lot I DP 362387, 21 Bartlett Avenue Cowra is a rectangular allotment of approximately 1,012m². The lot is located in the R1 General Residential under Cowra Local Environmental Plan (LEP) 2012. The site slopes down to the south towards Kendal Street from Bartlett Avenue and contains an existing dwelling. Access is achieved from Bartlett Avenue.

A location map is included in Attachment '3' and an aerial photograph is included in Attachment '4' to this report.

Description of Proposal

The applicant proposes to construct a metal clad shed at the rear (southern) end of the property, 1.5m from the rear boundary. The shed is 12m long x 8m wide by 6.37m high (as measured from natural ground level). The shed will be accessed from Bartlett Avenue where there is an existing access crossing. An internal driveway will be constructed. Council policy recommends a maximum building height of 4.5m for ancillary buildings, therefore the proposal represents a variation of 1.87m. The variation is discussed elsewhere in this report. Stormwater from the roof of the shed can be discharged to Council's stormwater system in Bartlett Avenue via a charged underground piped system.

Environmental Impact Assessment

In determining a development application, a consent authority is to take into consideration such of the matters as are of relevance to the development in accordance with Section 4.15(1) of the Environmental Planning and Assessment Act 1979. The following section provides an evaluation of the relevant Section 4.15 Matters for consideration for DA 120/2023:

S4.15(1)(a)(i) Any Environmental Planning Instrument

Cowra Local Environmental Plan 2012

The subject land is zoned R1 under the provisions of the Cowra Local Environmental Plan (LEP) 2012. The shed is permitted in the zone with development consent as development that is ancillary to the use of the existing dwelling.

1.2 Aims of Plan

The development is not inconsistent the aims of the LEP.

1.4 Definitions

The existing development is defined as a dwelling house under the LEP. The proposed shed would be ancillary to the existing dwelling.

1.6 Consent authority

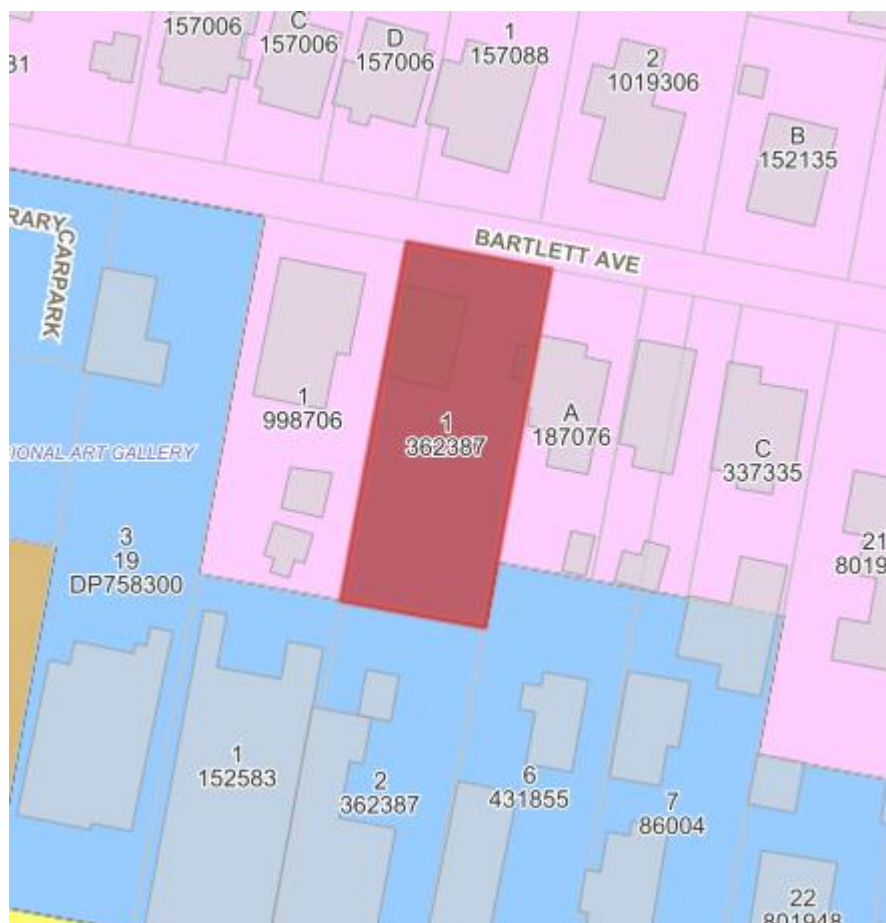
The consent authority for the purposes of this Plan is (subject to the Act) the Council.

1.9A Suspension of covenants, agreements and instruments

The subject lot is not burdened by any easements, and there are no covenants or agreements known to affect the property.

2.1 Land use zones

The site is zoned R1 General Residential, and the proposed development is permitted with consent.



2.3 Zone objectives and Land Use Table

I Objectives of the Zone

Objective	Comment
• To provide for the housing needs of the community.	Not applicable
• To provide for a variety of housing types and densities.	Not applicable
• To enable other land uses that provide facilities or services to meet the day to day needs of residents.	Not applicable
• To provide attractive, affordable, well located and market-responsive residential land.	Not applicable
• To ensure that any non-residential land uses permitted within the zone are compatible with the amenity of the area.	Not applicable
• To ensure that housing densities are broadly concentrated in locations accessible to public transport, employment, services and facilities.	Not applicable
• To maximise public transport patronage and encourage walking and cycling.	Not applicable

2 Permitted without consent

Environmental protection works; Home occupations

3 Permitted with consent

Attached dwellings; Boarding houses; Building identification signs; Business identification signs; Centre-based child care facilities; Community facilities; **Dwelling houses**; Food and drink premises; Group homes; Home industries; Hostels; Kiosks; Multi dwelling housing; Neighbourhood shops; Oyster aquaculture; Places of public worship; Pond-based aquaculture; Residential flat buildings; Respite day care centres; Roads; Semi-detached dwellings; Seniors housing; Shop top housing; Tank-based aquaculture; Any other development not specified in item 2 or 4

4 Prohibited

Agriculture; Air transport facilities; Airstrips; Amusement centres; Animal boarding or training establishments; Biosolids treatment facilities; Boat building and repair facilities; Boat launching ramps; Boat sheds; Car parks; Charter and tourism boating facilities; Commercial premises; Correctional centres; Crematoria; Depots; Extractive industries; Farm buildings; Farm stay accommodation; Forestry; Freight transport facilities; Heavy industrial storage establishments; Helipads; Highway service centres; Industrial retail outlets; Industrial training facilities; Industries; Jetties; Local distribution premises; Marinas; Mooring pens; Moorings; Mortuaries; Open cut mining; Public administration buildings; Recreation facilities (major); Research stations; Restricted premises; Rural industries; Rural workers' dwellings; Service stations; Sewage treatment plants; Sex services premises; Signage; Storage premises; Transport depots; Truck depots; Vehicle body repair workshops; Vehicle repair stations; Warehouse or distribution centres; Waste or resource management facilities; Water treatment facilities; Wharf or boating facilities; Wholesale supplies

Comment:

The proposed development is ancillary to the use of an existing dwelling house and is permitted with consent.

5.10 Heritage conservation

There are no heritage items located on the site (identified on either the SHR or in the LEP), and the site is not located in a HCA.

5.11 Bushfire Hazard Reduction

N/A.

5.21 Flood planning

The land is not in the flood planning area.

Part 6 Urban release areas

The site is not identified as being within an urban release area.

7.1 Earthworks

The shed site is slightly sloping and the submitted plans indicate 300mm of fill will be required. It is considered that there will be no adverse impact or environmental risk from the minimal earthworks required.

7.3 Terrestrial biodiversity

This clause applies to land that is identified as biodiversity land on the *Terrestrial Biodiversity Map*; the site is not mapped as being affected; accordingly, this clause is not applicable.

7.4 Riparian land and watercourses

This clause applies to land that is identified as a watercourse on the *Watercourses Map*, or is within 40 metres of a mapped watercourse; the site is not mapped as being affected; accordingly, this clause is not applicable.

7.5 Wetlands

This clause applies to land identifies on the wetlands map; the site is not identified as being affected; accordingly, this clause is not applicable.

7.6 Groundwater vulnerability

This clause applies to land that is identified as groundwater vulnerable on the *Groundwater Vulnerability Map*; the site is not identified as being affected; accordingly, this clause is not applicable.

7.7 Airspace operations

This clause applies to developments that penetrate the Limitation or Operations Surface of the Cowra Airport. Works carried out on the site will not project into the Airport airspace.

7.8 Essential Services

Water	An existing reticulated water supply is available but not required.
Electricity	An existing electricity supply is available.
Sewage	Reticulated sewerage is available but not required.
Stormwater	Stormwater can be discharged to Council's street stormwater system as per the recommended conditions.
Access	The proposed development would utilise the existing access layback on Bartlett Ave. Some additional concrete to the boundary will be required to be subject to a Section 138 permit.

7.11 Development on land in karst areas

This clause applies to land that is identified as karst environment on the *Natural Resources Sensitivity – Land Map*. The land is not mapped as being affected; accordingly this clause is not applicable.

State Environmental Planning Policies

SEPP	COMMENTS
SEPP (Biodiversity and Conservation) 2021	Not applicable
SEPP (Exempt and Complying Development	Not applicable

Codes) 2008	
SEPP (Housing) 2021	Not applicable
SEPP (Industry and Employment) 2021	Not applicable
SEPP 65—Design Quality of Residential Apartment Development	Not applicable
SEPP (Planning Systems) 2021	Not applicable
SEPP (Precincts – Central River City) 2021	Not applicable
SEPP (Precincts – Eastern Harbour City) 2021	Not applicable
SEPP (Precincts - Regional) 2021	Not applicable
SEPP (Precincts – Western Parkland City) 2021	Not applicable
SEPP (Primary Production) 2021	Not applicable
SEPP (Resilience and Hazards) 2021	Includes the former SEPP 55 – Remediation of Land. See comment below.
SEPP (Resources and Energy) 2021	Not applicable
SEPP (Sustainable Buildings) 2022	Not applicable
SEPP (Transport and Infrastructure) 2021	Not applicable
SEPP (Biodiversity and Conservation) 2021	Not applicable

SEPP (RESILIENCE AND HAZARDS) 2021

Under Clause 4.6 a consent authority must not consent to the carrying out of any development on land unless:

- (a) it has considered whether the land is contaminated, and
- (b) if the land is contaminated, it is satisfied that the land is suitable in its contaminated state (or will be suitable, after remediation) for the purpose for which the development is proposed to be carried out, and
- (c) if the land requires remediation to be made suitable for the purpose for which the development is proposed to be carried out, it is satisfied that the land will be remediated before the land is used for that purpose

There are no known prior land-uses on the site that are likely to have resulted in the contamination of the land. Site inspection carried out did not reveal any evidence of contamination of the site. The proposal does not involve any demolition or works likely to result in contamination of the site. The SEE submitted with the application does not mention any previous land use that likely to have resulted in contamination of the site. No further investigation is warranted in this instance.

S4.15(1)(a)(ii) Any draft Environmental Planning Instrument

There are no draft Environmental Planning Instruments that apply to the development.

S4.15(1)(a)(iii) Any Development Control Plan (DCP)

Cowra Council Development Control Plan 2021

PART A – PLAN INTRODUCTION

Consent is required for the proposed shed.

PART B – LAND MANAGEMENT

Appropriate erosion and sediment controls to be implemented prior to the commencement of works. The soil disturbance area is relatively minor.

PART C – BIODIVERSITY MANAGEMENT

No tree removal is proposed – no further assessment required relating to Biodiversity.

PART E – URBAN AND VILLAGE DEVELOPMENT**E.3.5 Bartlett Ave Character Area****E.3.5.2. Objectives**

The objectives for development in this precinct are:

- a. To retain and conserve the significant houses which have their designs and features intact.
- b. To ensure that new development is well designed and is compatible with the original and traditional characteristics of the streetscape.
- c. To ensure that new development reinforces the typical bulk and scale of existing dwellings within the street and the area.
- d. To ensure that the bulk and scale of new development does not have an unacceptable impact on the streetscape and the character of the locality.
- e. To ensure that new development maintains the integrity of the design and style of the existing buildings within the street and the area.
- f. To ensure that elevations to the street and public domain are well proportioned and designed.

This section contains a character statement and development controls which aim to facilitate the achievement of the above objectives. The character statement includes the following paragraph in relation to ancillary buildings:

“The original design of the dwellings has not incorporated garages or sheds. These structures appear to have been constructed at a later date and typically take the form of separate masonry constructions towards the rear of the allotments or open carports constructed to the side of the dwellings”.

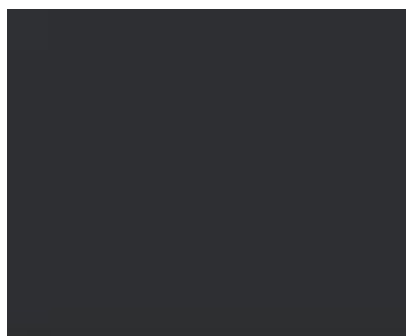
The following development controls are applicable to ancillary buildings:

“b. New ancillary buildings such as garages, sheds and carports should be consistent with the characteristics described in the character statement, unless they are located well behind the building line, are not immediately visible from the public domain and do not dominate the streetscape”; and

“l. Ancillary buildings including garages, sheds and side fences should be plain galvanised steel consistent with traditional galvanised iron and their colour and material should not imitate the houses. Zinalum is an acceptable alternative”.

Assessment comment:

The corrugated metal-clad shed is proposed to be coloured ‘Monolith’ which is a deep charcoal grey colour.



Monolith

The applicant has chosen this colour because they prefer it to the ‘blandness’ of zinalume and believe that it is a more attractive colour.

Whilst it is not consistent with the DCP recommendation, the shed location, well behind the existing dwelling and close to the rear property boundary, will minimise any adverse impacts associated with the colour. It is noted that the gutter level of the shed is just above street level. The building does not impact significantly on the streetscape. No alterations to the existing dwelling are proposed. Accordingly, the proposed colour is considered to be acceptable.

E.4.4. Ancillary buildings - detached

E. 4.3.4.b.

b. The scale of new ancillary buildings should be consistent with the dwelling and should not be more than 4.5 metres high, measured from natural ground level to the peak of the structure.

The proposed shed is 6.37 metres high, measured from natural ground level to the peak of the structure. It therefore represents a 1.87 metre variation to the development standard (or 30%).

The applicant states that the variation should be supported for the following reasons:

- The shed will be located towards the rear of 21 Bartlett Avenue.
- The shed will be used for domestic storage of cars and equipment owned by the landowner.
- The shed is of a type and scale that is typical of storage sheds erected in other residential areas of Cowra.
- The shed location does not adjoin, overshadow or overlook other buildings in the locality.
- The shed would not obscure the views of residential properties in Bartlett Avenue.
- The shed has been designed to be well setback/screened from Bartlett Avenue.

- The shed height is consistent with other sheds to the south-east of the site.
- The increased height of the shed is required to facilitate drainage of roof water to the Bartlett Street drainage system. A charged stormwater system would not be practical if the height of the shed was reduced.
- Shed colours comply with DCP requirements.
- Existing landscaping and buildings assist in the screening of the shed from the public domain.
- No significant environmental impacts as demonstrated in the Statement of Environmental Effect for the proposal.

Assessment comment:

The applicant's justifications are assessed to be generally valid, except the shed colour is not in accordance with the DCP. The shed is consistent with the scale of the dwelling and with a number of other sheds in the locality. The proposed height of the shed enables it to discharge stormwater to the Bartlett Avenue drainage system which is important. There are no stormwater easements or other practical means of disposing of stormwater in a manner that would ensure that downslope properties are not impacted. Accordingly, it is recommended that the height variation be supported.



Looking north towards Bartlett Avenue from the proposed shed location in the rear yard.



The rear corner of the lot where the shed will be located.

PART K – LAND USE BUFFERS

Cowra Airport Obstacle Limitation Surface

The subject land is located outside of the OLS.

PART N – LANDSCAPING

Landscaping assessment is not considered necessary for ancillary development.

PART O – ENVIRONMENTAL HAZARD MANAGEMENT

The subject land is not mapped as flood prone.

The subject land is not mapped as bushfire prone.

There is no identified contamination on the subject land.

PART P – CPTED PRINCIPLES

CPTED Assessment is not considered necessary for ancillary development.

S4.15(1)(a)(iii) Any Planning Agreement

There is no planning agreement that has been entered into under Section 7.4 of the *Environmental Planning and Assessment Act 1979* by the applicant in relation to the development proposal. Similarly, the applicant has not volunteered to enter into a draft planning agreement for the development proposal.

S4.15(1)(a)(iv) The EP & A Regulations

Section 4.15(1)(a)(iv) requires the Council to also consider Clauses 61, 62, 63 and 64 of the *Environmental Planning and Assessment Regulation 2021*. The following provides an assessment of the relevant Clauses of the Regulation:

- Clause 61 – The proposal does not involve demolition of a building and therefore the requirements of AS 2601-2001 are not required to be considered in accordance with Clause 61(1).
- Clause 62 – The proposal does not involve the change of a building use for an existing building, or the use of an existing building as a place of public entertainment and therefore the requirement to consider fire safety and structural adequacy of buildings in accordance with Clause 62 is unnecessary.
- Clause 63 – The proposal does not involve the erection of a temporary structure and therefore the requirements to consider fire safety and structural adequacy is unnecessary.
- Clause 64 – The proposal does not involve the rebuilding, alteration, enlargement or extension of an existing building or place of public entertainment and therefore the requirement to consider the upgrading of buildings into total or partial conformity with the Building Code of Australia is not required to be undertaken.

S4.15(1)(b) The Likely Impacts of the Development

Section 4.15(1)(b) requires the Council to consider the likely impacts of the development, including environmental impacts on both the natural and built environments as well as the social and economic impacts in the locality. The following provides an assessment of the likely impacts of the development:

Context and Setting

The area is characterised by primarily dwelling houses and ancillary buildings. Some commercial land uses exist to the south adjoining Kendal Street. The proposed development would not impact significantly on the existing streetscape. This proposal is consistent with the existing character of the locality.

Access, Parking, traffic

No traffic or parking concerns are identified. Some minor works will be required within the road reserve in association with the construction of a driveway. The works within the road reserve will be subject to a Section 138 permit as conditioned.

Public Domain

The proposal will not have a negative impact on public recreational opportunities or public spaces in the locality.

Utilities

The site is serviced by adequate utilities to cater for the development.

Heritage

There are no items listed in schedule 5 of the LEP 2012 as present on the land and a search of the AHIMS records did not reveal any items or places of Aboriginal Cultural Significance identified as present on the land.

Other Land Resources

The land does not contain any recorded mineral deposits and the proposal will not negatively impact any water catchment areas.

Water, Sewerage and Stormwater

The proposed development does not need to connect to Council's water and sewer services. Stormwater can be discharged to Council's stormwater management system on Bartlett Avenue.

Soils

The development will not have a negative impact on soils. A recommended condition will apply to require compliance with Council's DCP 2021 with regard to sedimentation and erosion controls.

Air and Microclimate

Minimal amounts of dust may be generated during the construction period. Once construction works are complete the development will not impact on air quality.

Flora and Fauna

The development does not require removal of any trees. There will be no significant impact on native flora & fauna.

Waste

Any construction waste and ongoing domestic waste will be removed from the site and appropriately recycled or catered for at a licensed waste management facility.

Energy

A BASIX Certificate is not required.

Noise and Vibration

Some noise will occur during the construction period, but is not expected to adversely impact on any surrounding land uses. Council's standard condition regarding construction hours is recommended. The constructed development will not result in any ongoing noise or vibration.

Natural Hazards

The land is not identified as bushfire or flood prone land.

Technological Hazards

Council's records and inspection of the site did not reveal any technological hazards affecting the site.

Safety, Security and Crime Prevention

It is considered this development will not generate any activity likely to promote any safety or security problems to the subject land or surrounding area.

Social and Economic Impacts on the locality

The proposed development will not result in any negative social or economic impacts.

Site Design and Internal Design

The design of the development is satisfactory for the site and without any identified adverse impacts.

Construction

The proposed development will be built in accordance with the Building Code of Australia and Councils engineering guidelines. No adverse impacts are anticipated to occur as a result of the development.

Cumulative impacts

The proposal is not expected to generate any ongoing negative cumulative impacts. A minimal increase in traffic activity to the site will occur during the construction phase. This will be limited by a condition of consent and will not continue once construction is completed.

S4.15(1)(c) The Suitability of the Site for the Development

The development is consistent with the zone objectives and consideration has been given to the impacts the development will have within the locality. It is considered that the proposed development will not create adverse impacts within its local setting. It is assessed that the development will not impact upon any existing services. The development site is not identified as bushfire or flood prone or otherwise unsatisfactorily constrained by natural features. The site is considered suitable for the development subject to the imposition of appropriate conditions of consent.

S4.15(1)(d) Any Submissions Received

Public Consultation

The subject Development Application was notified to adjoining owners in writing from 20 February 2024 to 5 March 2024, in accordance with Cowra Community Participation Plan 2020. One submission was received in relation to the proposed development which did not offer any objection provided that stormwater was adequately addressed. In this regard, it is proposed to direct roof water to Bartlett Avenue. A condition of consent applies for a stormwater management plan to show how surface water will be managed without impacting downslope properties.

Public Authority Consultation:

There are no public authority consultation requirements with this development application.

S4.15(1)(d) The Public Interest

Community Interest

The proposed development is permissible on the subject land and is not expected to adversely impact on the community interests of the area. The proposed development has been considered in terms of the context and setting of the locality in previous sections to this report. The proposed development will not impose any identified adverse economic or social impacts on the local community.

S7.12 Fixed development consent levies

The development is of insufficient estimated cost to trigger the requirement for development contributions under Cowra Council S94A Contributions Plan 2016.

Conclusion

Development Application No. I20/2023 proposes a shed on Lot I DP 362387, 21 Bartlett Avenue Cowra. The application was lodged by S D Smith on 14 February 2024.

The application was supported by a Statement of Environmental Effects and development plans prepared by the applicant, which provide sufficient information to allow assessment of the proposal.

The proposed development has been assessed to be consistent with the requirements of Cowra Local Environmental Plan 2012, relating to development in the R1 zone and is consistent with existing land-use activities of the locality. The variations to Part E of Cowra Council Development Control Plan 2021 are sufficiently justified.

The development application was notified in accordance with Cowra Community Participation Plan 2020. No objections were received following the consultation process.

Having considered the documentation supplied by the applicant, the findings of site inspection(s) and the comments made from consultation, it is assessed that the impacts of the proposal and the likely environmental interactions between the proposed development and the environment are such that Council should not refuse the development application. Accordingly, a recommendation of conditional approval is listed in the recommendation.

ATTACHMENTS

1. DA I20/2023 - Development Plans [↓](#)
2. DA I20/2023 - Statement of Environmental Effects [↓](#)
3. DA I20/2023 - Location map [↓](#)
4. DA I20/2023 - Aerial view [↓](#)

RECEIVED
Cowra Shire Council
14/2/2024
Plan No: 10.2023.120.1



CURRAJONG
PLANNING, PROPERTY + PROJECT MANAGEMENT

250A Clarinda Street
PARKES NSW 2870

Project Contact
Michael Carter
0428254299

mcarter@currajong.com.au

GENERAL NOTES:

- 1. These drawings shall be read with the specification, other working drawings as may be issued during the course of construction and Engineering drawings, reports and/or computations. Any discrepancies are to be referred to the Architect prior to work commencing.
- 2. All dimensions and levels shall be verified on site by the Contractor prior to commencing work.
- 3. Do not scale from drawings. Work to figured dimensions only. Site dimensions are subject to final survey and should not be relied upon for accuracy

A	FIRST ISSUE	DS	06/10/23
REV	DESCRIPTION	BY	DATE

SHEET NO:
01 of 2

SHEET NAME:
Site Plan

DRAWING STATUS
Draft Only

CLIENT NAME

SITE DESCRIPTION
21 Bartlet Avenue
COWRA NSW 2794

PROJECT NAME
Residential Shed

DRAWN:
06/10/23

SCALE
1:300 @ A3



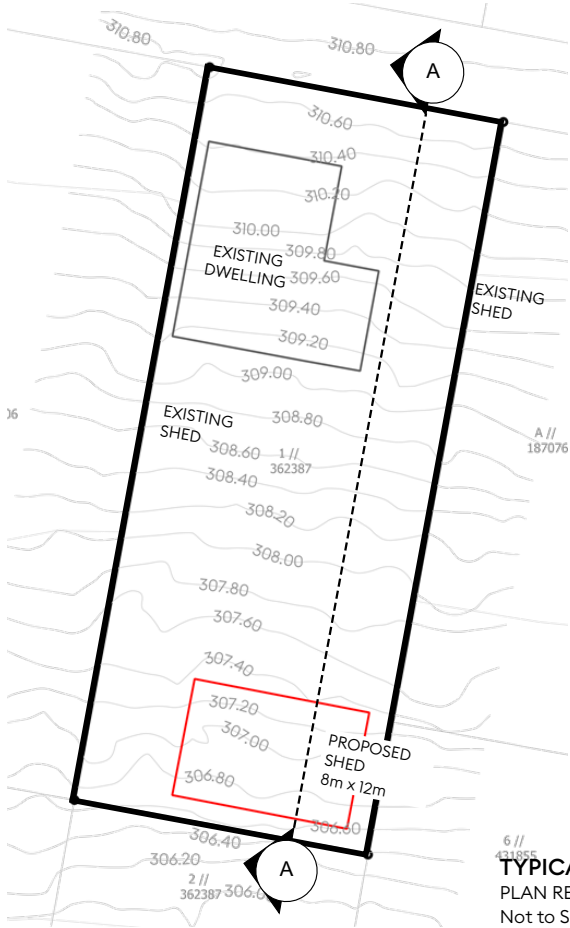
RECEIVED
Cowra Shire Council
14/2/2024
Plan No: 10.2023.120.1

CONTOUR NOTES

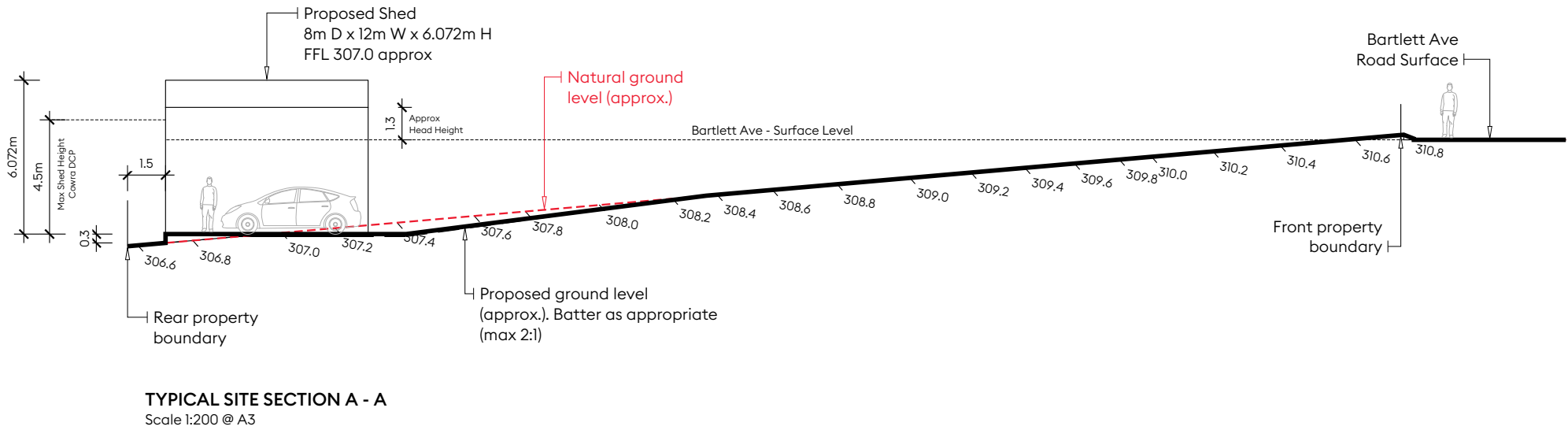
Surface contours shown at 0.2m intervals as per Digital Elevation Model (DEM) NSW Government Spatial Services data downloaded from <https://elevation.fsdf.org.au> on 4 September 2023

STORMWATER DRAINAGE NOTES

All roof water from the proposed shed building is to be discharged to the public drainage system in Bartlett Avenue. Site investigations show that approximately 1.3m in head height is available between the surface level of Bartlett Avenue and the gutter height of the proposed building, which is deemed sufficient to enable implementation of a charged system of stormwater pipes to Bartlett Avenue.



TYPICAL SITE SECTION A - A
PLAN REFERENCE
Not to Scale




CURRAJONG
PLANNING, PROPERTY + PROJECT MANAGEMENT
250A Clarinda Street
PARKES NSW 2870
Project Contact
Michael Carter
0428254299
mcarter@currajong.com.au

GENERAL NOTES:

- These drawings shall be read with the specification, other working drawings as may be issued during the course of construction and Engineering drawings, reports and/or computations. Any discrepancies are to be referred to the Architect prior to work commencing.
- All dimensions and levels shall be verified on site by the Contractor prior to commencing work.
- Do not scale from drawings. Work to figured dimensions only. Site dimensions are subject to final survey and should not be relied upon for accuracy

A	FIRST ISSUE	DS	06/10/23
REV	DESCRIPTION	BY	DATE

SHEET NO:
02 of 2

SHEET NAME:
Typical Site Section

DRAWING STATUS
Draft Only

CLIENT NAME
[Redacted]

SITE DESCRIPTION
21 Bartlett Avenue
COWRA NSW 2794

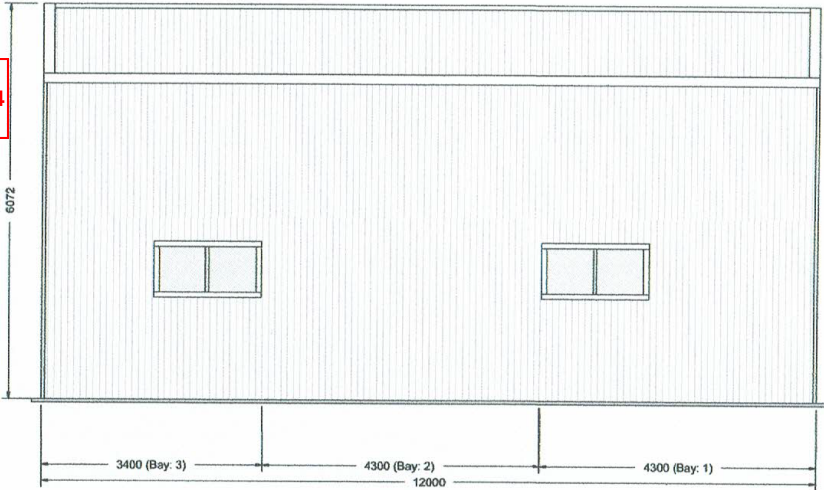
PROJECT NAME
Residential Shed

DRAWN:
06/10/23

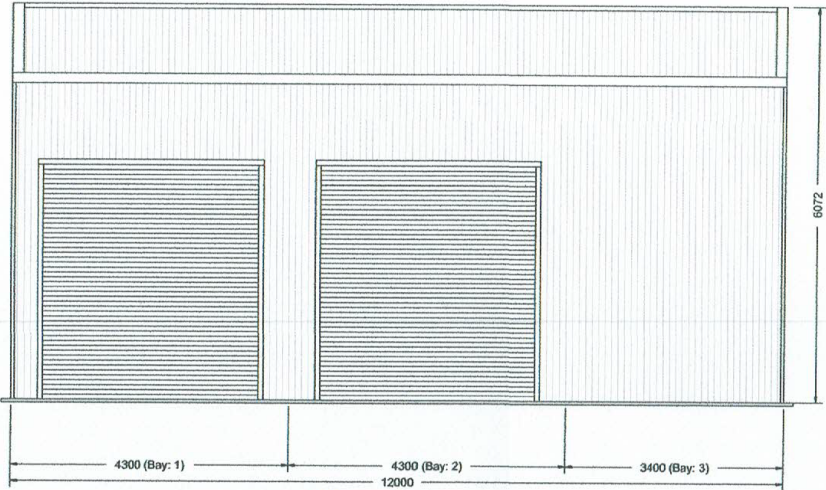
SCALE
1:300 @ A3



Received
Date: 14 February 2024
Plan: 10.2023.120.1



LEFT ELEVATION



RIGHT ELEVATION

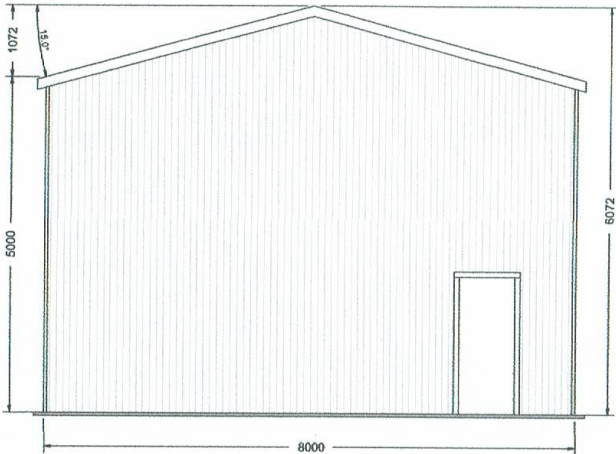


CLIENT: [REDACTED]
SITE ADDRESS: 21 BARTLETT AVE, COWRA, NSW, 2794
PHONE:
EMAIL:

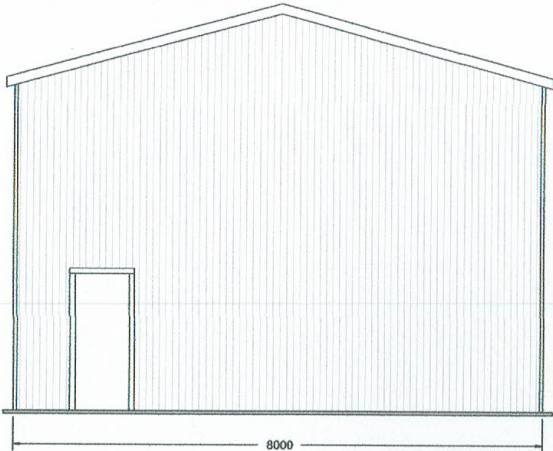
DRAWING TITLE: Side Elevations
SCALE: 1:63.604
DATE: 30-10-2023
Job Number: 3306221747



Received
Date: 14 February 2024
Plan: 10.2023.120.1



FRONT ELEVATION



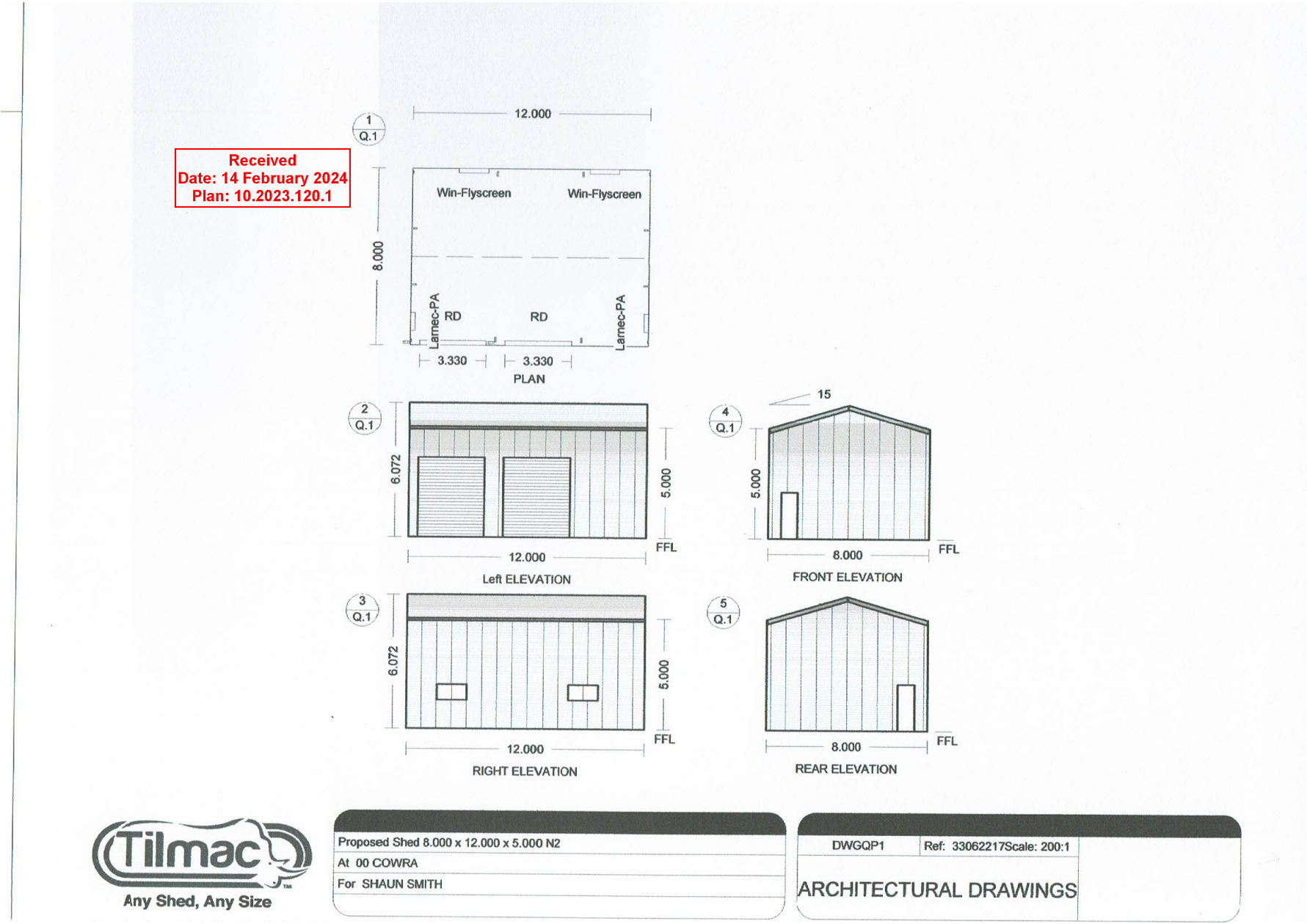
REAR ELEVATION



CLIENT: [REDACTED]
SITE ADDRESS: 21 BARTLETT AVE, COWRA, NSW, 2794
PHONE:
EMAIL:

DRAWING TITLE: End Elevations
SCALE: 1:61.722
DATE: 30-10-2023
Job Number: 3306221747





RECEIVED
Cowra Shire Council
20 February 2024
Plan No. 10.2023.120.1(A)

DOCUMENT TITLE

Statement of Environmental Effects

CLIENT**PROJECT**

Shed
Lot 1 DP 362387
21 Bartlett Avenue
Cowra NSW 2794

POSTAL ADDRESS
205A Clarinda Street
PARKES NSW 2870

EMAIL
info@currajong.com.au

WEB
www.currajong.com.au

CURRAJONG

CURRAJONG

DOCUMENT CONTROL

PROJECT REPORT DETAILS

Document Title	Statement of Environmental Effects – Erection of a Shed on Lot 1 DP 362387, 21 Bartlett Avenue, Cowra NSW
Principal Author	Michael Carter, Director, Currajong
Client	
Project Reference	APC230902

DOCUMENT STATUS

Revision	B
Status	For Approval
Date	05/02/2024
Authorised for issue	

DISTRIBUTION RECORD

Recipient	Date
S & H Smith	28/09/2023
Cowra Council	11/10/2023 – Rev A
Cowra Council	05/02/2023 – Rev B
Cowra Council	20/02/2024 – Rev C



CURRAJONG

PLANNING, PROPERTY + PROJECT MANAGEMENT

TABLE OF CONTENTS

1. INTRODUCTION.....	5
1.1. Project Scope	5
1.2. Approvals Required.....	5
1.3. Application Details.....	5
1.4. Format of this Report.....	6
2. DEVELOPMENT SITE DESCRIPTION	7
2.1. Site Description.....	7
2.2. Surrounding Land-use.....	8
2.3. Land Zoning.....	8
3. DESCRIPTION OF THE PROPOSAL	9
3.1. Objectives of the Proposal.....	9
3.2. The Proposal	9
3.2.1. Use.....	9
3.2.2. Subdivision Works	9
3.2.3. Building Works	9
3.2.4. Practical and Legal Access.....	9
3.2.5. On-site Car Parking.....	9
3.2.6. Landscaping.....	9
3.2.7. Utilities and Services	9
3.2.8. Staging.....	10
4. PLANNING AND LEGISLATIVE CONTEXT.....	11
4.1. State Environmental Planning Policies (SEPP).....	11
4.1.1. SEPP Assessment.....	11
4.2. Local Environmental Plans.....	12
4.2.1. Relevant Local Environmental Plan.....	12
4.2.2. LEP Assessment.....	14
4.3. Development Control Plans	16
4.3.1. Relevant Development Control Plan	16
4.3.2. DCP Assessment.....	16
5. ASSESSMENT OF ENVIRONMENTAL ISSUES.....	23
5.1. Visual Impacts and Amenity.....	23
5.2. Building Code Compliance	23
5.3. Access and Traffic.....	23
5.4. Site Design.....	23
5.5. Soils and Water Quality	23
5.6. Air Quality.....	23
5.7. Noise and Vibration.....	23
5.8. Heritage	23
5.9. Hazards	24



CURRAJONG

PLANNING, PROPERTY + PROJECT MANAGEMENT

5.10. Services and Utilities.....	24
6. EVALUATION AND JUSTIFICATION FOR THE PROPOSAL.....	25
6.1. Introduction.....	25
6.2. Objectives of the EP&A Act 1979.....	25
6.3. Ecological Sustainable Development.....	25
6.4. Safety, Security and Crime Prevention.....	26
6.5. Cumulative Impacts.....	26
6.6. Suitability of the Site for the Development.....	26
6.7. Public Interest.....	26
7. CONCLUSION.....	27

SCHEDULE OF FIGURES

Figure 1 – 21 Bartlett Avenue, Cowra.....	7
Figure 2 – Zoning Map.....	8

SCHEDULE OF TABLES

Table 1 – Application Details.....	5
Table 2 – Report Format.....	6
Table 3 – SEPP Overview.....	11
Table 4 – Preliminary LEP Assessment.....	12
Table 5 – Preliminary DCP Assessment.....	16
Table 6 – DCP Assessment.....	17



CURRAJONG

PLANNING, PROPERTY • PROJECT MANAGEMENT

1. Introduction

1.1. Project Scope

This Statement of Environmental Effects (SEE) has been prepared by Currajong Pty Ltd (Currajong) on behalf of S & H Smith for the proposed development of a shed on Lot 1 DP 362387, 21 Bartlett Avenue, Cowra. The proposed shed is to be located at the rear of the residential allotment which has an area of approximately 1,015m² and has double brick constructed dwelling with frontage to Bartlett Avenue. A high-level overview of the proposed development is included as follows:

- Concreted single lane driveway from Bartlett Avenue kerb to proposed shed.
- Import of approximately 300mm of compacted road base foundation material to provide a level pad for shed.
- Concrete slab for shed (approximately 150mm).
- Construction of a Tilmac Shed, approximate dimensions 8m wide x 12m long x 6.072m high, resulting in a finished building height of approximately 6.372m above existing natural ground surface.
- Stormwater to the street gutter system in Bartlett Avenue via a charged underground stormwater piped system.

The proposal requires a variation to the 4.5m building height standard in Clause E.4.3.4.b of the DCP, as the building height exceeds the 4.5m height requirement. Including the shed height and 300mm of fill, the total height of the building is 6.372m. The extent of the variation is therefore calculated to be 1.87m.

A site plan has been prepared by Currajong providing locational details of the shed in relation to the existing dwelling, boundary fencing and levels. Architectural drawings have been prepared by Tilmac Highlands Design and show full details of the proposed development. Copies of these drawings have been submitted with the Development Application (DA). Further details relating to the proposed development have been included in the following sections of this SEE.

1.2. Approvals Required

The proposal requires development consent under Part 4 of the Environmental Planning and Assessment Act 1979 (EP&A Act) and a DA is to be lodged with Cowra Shire Council via the NSW Planning Portal, along with a Statement of Environmental Effects (this report) and various plans in support of the proposal. The proposal is local development, as it does not trigger any of the provisions listed below:

- The proposal is not 'designated development' pursuant to Part 1 of Schedule 3 of the Environmental Planning and Assessment Regulation 2021 (EP&A Regulation) and an Environmental Impact Statement is not required.
- The proposal does not trigger 'regionally significant development' because it is not designated development and is and is general development less than \$30 million, pursuant to State Environmental Planning Policy (Planning Systems) 2021.
- The proposal does not trigger 'integrated development' because it does not require any other approval listed under Section 4.46 of the EP&A Act.
- The proposal does not trigger the Biodiversity Offset Scheme as no clearing of native vegetation is proposed.

1.3. Application Details

The key details of the application are presented in Table 1 as follows:

Table 1 – Application Details

Applicant	S & H Smith
Landowner	S & H Smith
Proposed Site	Lot 1 DP 362387, 21 Bartlett Avenue, Cowra
Proposal	Shed (domestic storage)
Zoning	R1 General Residential
Consent Authority	Cowra Shire Council



**1.4. Format of this Report**

The information presented in this SEE covers all aspects of the proposal as specified under the EP&A Regulation 2021.

The SEE has been prepared as a single document of several sections as shown in Table 2 below:

Table 2 – Report Format

Section 1	Introduces the proposal
Section 2	Describes the main features of the site and surrounds
Section 3	Provides a description of the proposal
Section 4	Reviews the proposal against the relevant legislative requirements
Section 5	Assesses the potential environmental impacts of the proposal
Section 6	Reviews the proposal against the environmental, economic and social considerations
Section 7	Provides the conclusion for the SEE



CURRAJONG

PLANNING, PROPERTY • PROJECT MANAGEMENT

2. DEVELOPMENT SITE DESCRIPTION

2.1. Site Description

The subject land is described as Lot 1 DP 362387, 21 Bartlett Avenue, Cowra.

Key features of the site and its existing environs is included as follows:

- The total area of site is calculated to be approximately 1,015m².
- The land has an existing double brick dwelling with a corrugate iron roof.
- The rear area of the block is largely cleared of buildings / site vegetation.
- Perimeter vegetation has been planted along the eastern boundary.
- The land is fenced along all boundaries.
- The land is not prone to natural hazards, including flooding or bushfire.
- The land is located within the Bartlett Avenue character area.

Figure 1 shows the location of the subject site.

Figure 1 – 21 Bartlett Avenue, Cowra



CURRAJONG

PLANNING, PROPERTY + PROJECT MANAGEMENT

2.2. Surrounding Land-use

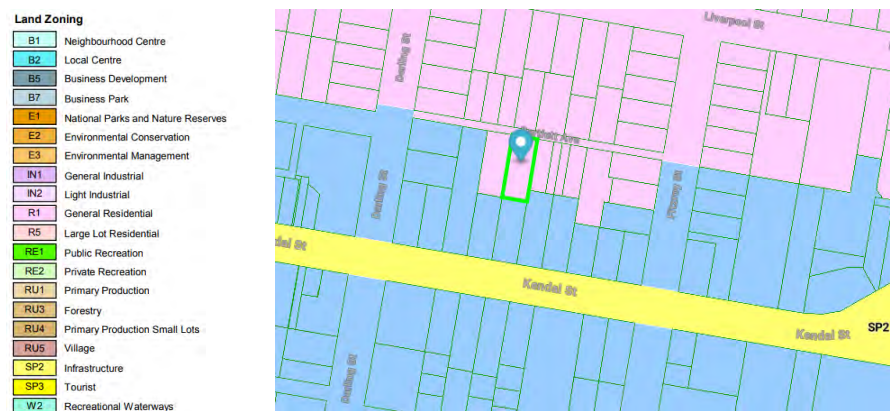
The site is located to the north-east of the Cowra CBD and is used for residential purposes, predominantly detached dwellings on small blocks with quality dwelling stock built around 1920s onwards. The land in and around the site slopes down towards Kendal Street to the south-east.

Similar to the subject land, the properties to east and west of the site are also located within the Bartlett Avenue Character Area.

2.3. Land Zoning

The site is zoned R1 General Residential under the Cowra Local Environmental Plan 2012. Figure 2 shows the zoning framework applying to the subject land and surrounding sites under Cowra Local Environmental Plan 2012.

Figure 2 – Zoning Map





3. DESCRIPTION OF THE PROPOSAL

3.1. Objectives of the Proposal

The primary objective for the proposal is to construct a new storage shed towards the south-eastern corner of the site for storage of vehicles and goods by the landowner.

3.2. The Proposal

3.2.1. Use

The subject land is currently used for residential purposes. The proposed new storage shed will be used for ancillary storage of vehicles and goods by the residents on the land.

3.2.2. Subdivision Works

There are no subdivision works proposed.

3.2.3. Building Works

A description of the proposed buildings works associated with the development is included as follows:

- Import of approximately 300mm of compacted road base foundation material to provide a level pad for shed).
- Concrete slab for shed (approximately 150mm).
- Construction of a Tilmac Shed, approximate dimensions 8m wide x 12m long x 6.072m high, resulting in a finished building height of approximately 6.372m above existing natural ground surface. Shed to be constructed with a gable roof with corrugated 0.42 BMT Unicote sheeting coloured Monolith Uni. Walls, roller doors x 2, PA door and flashing will be Hi-Wall 0.42 BMT Unicote in Monolith Uni. The window featured in the plans will be finished in Primrose.
- Stormwater will be piped underground to the street gutter system in Bartlett Avenue via a charged underground stormwater piped system. There is sufficient elevation at the roof gutter level to discharge stormwater to the existing public road gutter system.
- All building works are to comply with the Building Code of Australia and engineering specifications as detailed on plans.

3.2.4. Practical and Legal Access

A description of the proposed access arrangements to the development is included as follows:

- Practical and legal access to the development is to be provided directly from Bartlett Avenue, which is an existing public road that is owned and maintained by Cowra Shire Council. Bartlett Avenue has a bitumen sealed surface approximately 6m wide with concrete roll over kerb and gutter.
- Site access is currently gained at a location approximately 105m from the intersection of Bartlett Avenue and Fitzroy Street to the east. The intersection of Bartlett Avenue and Darling Street is similarly located around 105m to the west. Upgrades to the crossing are not anticipated to be necessary as the driveway is existing and crosses existing roll over kerb and gutter.
- Internal access to the proposed shed from an existing driveway linking to Bartlett Avenue is existing with upgrades proposed to create a clean, even and all-weather access to the shed.

3.2.5. On-site Car Parking

The shed will be serviced by a new concrete driveway linking to Bartlett Avenue.

3.2.6. Landscaping

Existing trees and shrubs located on the site are intended to be retained to help screen the shed from streetscape views.

3.2.7. Utilities and Services

A description of the proposed servicing arrangements are as follows:

- Council's reticulated water supply scheme is connected to the land.



CURRAJONG

PLANNING, PROPERTY + PROJECT MANAGEMENT

- There are no requirements for on-site waste disposal or connection to sewer.
- The shed will be connected to grid electricity.
- Stormwater is proposed to be managed via underground pipes to the street gutter system in Bartlett Avenue via a charged underground stormwater piped system. There is sufficient elevation at the roof gutter level of the proposed shed to discharge stormwater to the existing public road gutter system.

3.2.8. Staging

The proposed development is not lodged with Cowra Shire Council as a staged development.





4. PLANNING AND LEGISLATIVE CONTEXT

The following section of the report describes the applicable local planning policies, State and Federal legislation and guidelines. The applicable documents are summarised in this section, followed by a statement outlining how the development will address and / or comply with the legislation or policy.

4.1. State Environmental Planning Policies (SEPP)

A high-level assessment of the applicability of each SEPP to the proposed development is included in Table 3, with further assessment work completed in Section 4.1.1 as necessary.

Table 3 – SEPP Overview

Name of SEPP	Applicability	Further Assessment Warranted
SEPP (Biodiversity and Conservation) 2021	N/A	No
SEPP (BASIX) 2004	N/A	No
SEPP (Exempt & Complying Development Codes) 2008	N/A	No
SEPP (Housing) 2021	N/A	No
SEPP (Industry and Employment) 2021	N/A	No
SEPP 65 (Design Quality of Residential Apart. Development)	N/A	No
SEPP (Planning Systems) 2021	N/A	No
SEPP (Primary Production) 2021	N/A	No
SEPP (Precincts - Central River City) 2021	N/A	No
SEPP (Precincts - Eastern Harbour City) 2021	N/A	No
SEPP (Precincts - Western Parkland City) 2021	N/A	No
SEPP (Precincts - Regional) 2021	N/A	No
SEPP (Resilience and Hazards) 2021	Potentially	Yes. See Section 4.1.1
SEPP (Resources and Energy) 2021	N/A	No
SEPP (Transport and Infrastructure) 2021	Potentially	Yes. See Section 4.1.1

4.1.1. SEPP Assessment

SEPP – Resilience and Hazards 2021

This SEPP requires that a consent authority must consider the contamination potential of the land, and if the land is contaminated, it is satisfied that the land is suitable for the development in its contaminated state, or that appropriate arrangements have been made to remediate the site prior to the development being carried out. There are no known site history issues that are likely to give rise to concerns relating to potential site contamination. EPA notification is not required to be undertaken by Council and the site is suitable for its intended residential use.

SEPP (Transport and Infrastructure) 2021

There are provisions contained within this SEPP which are triggers for the referral of the Development Application to certain authorities prior to Council being able to grant consent. With particular regard to the nature of the development proposed by this DA, the potential triggers for referral are summarised as follows.

Development Likely to affect an electricity transmission or distribution network

Clause 2.48 of the Infrastructure SEPP requires Council to give written notice to the electricity supply authority (and consider any response received within 21 days) when a DA involves development that comprises of involves:



CURRAJONG

PLANNING, PROPERTY + PROJECT MANAGEMENT

- The penetration of ground within 2m of an underground electricity power line or an electricity distribution pole or within 10m of any part of an electricity tower,
- Development carried out within or immediately adjacent to an easement for electricity purposes or substation, or within 5 metres of an exposed overhead electricity power line.
- Development involving the installation of a swimming pool within 30m of a structure supporting an overhead transmission line, or within 5m of an overhead electricity power line.
- Development involving or requiring the placement of power lines underground.

Based on a review of the plans and documents submitted with the DA, the proposal does not trigger referral to the electrical supply authority, as the nearest overhead pole location is further than 5m of the proposed construction site.

Development in or adjacent to road corridors and road reservations

Clause 2.122 of the Infrastructure SEPP requires Council to give written notice to Transport for NSW (and consider any response received within 21 days) when a DA involves traffic generating development of a kind specified in Column 1 of Schedule 3 of the SEPP. The nature and scale of the proposed development does not trigger referral of the application.

4.2. Local Environmental Plans

4.2.1. Relevant Local Environmental Plan

Cowra Local Environmental Plan 2012 (LEP) applies to the land. The site of the proposed development is zoned R1 General Residential. An assessment has been completed to determine the potential applicability of key clauses in the Cowra LEP 2012 to the proposed development. This work is presented in Table 4. Where it is identified that a clause of Cowra LEP 2012 applies to the proposed development, this assessment work is presented in Section 4.2.2

Table 4 – Preliminary LEP Assessment

LEP Clause	Clause Name	Statement of Applicability
1.9A	Suspension of covenants, agreements & instruments	N/A
2.3	Zone objectives	Yes. Assessment Required. See Section 4.2.2
2.5	Additional permitted uses for particular land	N/A
2.6	Subdivision - consent requirements	N/A
2.7	Demolition requires development consent	N/A
2.8	Temporary use of land	N/A
	Land-use Table	Yes. Assessment Required. See Section 4.2.2
4.1	Minimum subdivision lot size	N/A
4.1AA	Minimum subdivision lot size for community title schemes	N/A
4.1A	Minimum subdivision lot size for strata plan schemes in certain rural and residential zones	N/A
4.1B	Minimum subdivision lot size for certain split zones	N/A
4.1C	Exceptions to minimum subdivision lot sizes for certain residential development	N/A
4.1D	Boundary changes between lots in certain rural, residential and environment protection zones.	N/A
4.2	Rural Subdivision	N/A



CURRAJONG

PLANNING, PROPERTY + PROJECT MANAGEMENT

4.2A	Subdivision for the purposes of intensive livestock agriculture or intensive plant agriculture.	N/A
4.2B	Erection of dwelling houses on land in certain rural zones	N/A
4.2C	Erection of rural workers dwellings in zone RU1	N/A
4.6	Exceptions to development standards	N/A
5.1	Relevant acquisition authority	N/A
5.2	Classification and reclassification of public land	N/A
5.3	Development near zone boundaries	The site adjoins land zoned B2 Local Centre; however no use of Clause 5.3 is proposed / applicable
5.4	Controls relating to miscellaneous uses	N/A
5.5	Controls relating to secondary dwellings on land in a rural zone	N/A
5.8	Conversion of fire alarms	N/A
5.10	Heritage Conservation	N/A
5.11	Bushfire Hazard Reduction	N/A
5.12	Infrastructure development and use of existing buildings of the Crown	N/A
5.13	Eco-tourist facilities	N/A
5.16	Subdivision of, or dwellings on, land in certain rural, residential and conservation zones	N/A
5.18	Intensive livestock agriculture	N/A
5.19	Pond-based, tank based and oyster aquaculture	N/A
5.20	Standards that cannot be used to refuse consent - playing music	N/A
5.21	Flood planning	N/A
7.1	Earthworks	Yes. Assessment Required. See Section 4.2.2
7.3	Terrestrial Biodiversity	N/A
7.4	Riparian Lands and Watercourses	N/A
7.5	Wetlands	N/A
7.6	Groundwater vulnerability	N/A
7.7	Airspace operations	N/A
7.8	Essential Services	Yes. Assessment Required. See Section 4.2.2
7.9	Location of sex services premises	N/A
7.10	Industrial Development on land in Zone RU1	N/A
7.11	Development on land in karst areas	N/A





4.2.2. LEP Assessment

Clause 2.3 - Zone Objectives

Clause 2.3 of Cowra LEP 2012 states that Cowra Shire Council must have regard to the objectives for development in a zone when determining a development application in respect of land within the zone. The objectives of the R1 Residential zone are to:

- To provide for the housing needs of the community.
- To provide for a variety of housing types and densities.
- To enable other land uses that provide facilities or services to meet the day to day needs of residents.
- To provide attractive, affordable, well located and market-responsive residential land.
- To ensure that any non-residential land uses permitted within the zone are compatible with the amenity of the area.
- To ensure that housing densities are broadly concentrated in locations accessible to public transport, employment, services and facilities.
- To maximise public transport patronage and encourage walking and cycling.

The proposed development is assessed to be consistent with the objectives for the R1 zone. The proposed shed will be constructed to support the existing and continued use of the land for residential purposes. Land-use conflicts are unlikely to occur given the nature and scale of proposed use. There are no overshadowing, privacy or loss of views that could be attributed to the proposed shed.

Land-use Table - R1 General Residential zone

The development is permissible in the zone with the consent of Council.

Clause 7.1 - Earthworks

The objective of Clause 7.1 is to ensure that earthworks for which development consent is required will not have a detrimental impact on environmental functions and processes, neighbouring uses, cultural or heritage items or features of the surrounding land.

Before granting development consent for earthworks, the following issues must be considered:

- The likely disruption of, or any detrimental effect on, drainage patterns and soil stability in the locality of the development,
- The effect of the development on the likely future use or redevelopment of the land,
- The quality of the fill or the soil to be excavated, or both,
- The effect of the development on the existing and likely amenity of adjoining properties,
- The source of any fill material and the destination of any excavated material,
- The likelihood of disturbing relics,
- The proximity to, and potential for adverse impacts on, any waterway, drinking water catchment or environmentally sensitive area,
- Any appropriate measures proposed to avoid, minimise or mitigate the impacts of the development.

The shed is proposed to sit on a compacted level pad and concrete slab and to slightly elevate the finished floor level above natural flows of stormwater in rain events. Finished pad levels would be battered at suitable grades back to natural ground level and do not require any form of structural retaining.

The internal driveway would also be improved with a new single lane driveway to the shed. The driveway would be suitably graded to drain water over the establish rear yard lawn area, sufficiently distanced from existing property boundaries / buildings.



CURRAJONG

PLANNING, PROPERTY + PROJECT MANAGEMENT

An assessment of the proposed earthworks against the considerations in Clause 7.1 confirms the following:

- The earthworks will not impact the existing natural overland surface water drainage functions on the land.
- The shed floor will be located above natural overland surface water drainage.
- There will be imported fill / road base brought to the site, which will be sourced from a local supplier and certified as clean material (VENM).
- The earthworks are sufficiently distanced from existing boundaries and do not create any adverse amenity impacts for neighbouring land-uses or property owners.
- The earthworks are sufficiently distanced from any existing water ways, drinking water catchments or environmentally sensitive areas.
- Cut and filled areas have / will be battered back to natural ground level at appropriate grade.
- Appropriate searches of the AHIMS database have not identified any recorded items within a 50m buffer of the subject land.

No significant impacts on environmental functions, stormwater drainage, neighbouring uses, cultural or heritage items or features of the surrounding land have been identified. Likely impacts are within acceptable levels.

Clause 7.8 - Essential Services

Clause 7.8 of Cowra LEP 2012 requires that development consent must not be granted to development unless the consent authority is satisfied that any of the following services that are essential for the development, or available or that adequate arrangements have been made to make them available when required:

- The supply of water.
- The supply of electricity.
- The disposal and management of sewage.
- Stormwater drainage or on-site conservation.
- Suitable vehicle access.

The proposed development complies with the requirements for Clause 7.8 as follows:

- The land is connected to Council's reticulated water supply system and sewerage.
- Existing electrical supply infrastructure is available to the site / shed. New connections are subject to further enquiry and application with the relevant service authority.
- There are no requirements for the on-site management of domestic waste.
- Stormwater is proposed to be managed by charging an underground drainage system to discharge to Bartlett Avenue. Surface water from the driveway will be diverted to the rear yard grassed area, away from all buildings and boundaries.
- Practical and legal access to the shed is to be provided directly from Bartlett Avenue, which is an existing public road that is owned and maintained by Cowra Shire Council.

The proposed development is capable of being connected to essential services in accordance with the requirements of Clause 7.8. Council is asked to grant consent subject to normal conditions relating to the servicing of the development to the requirements of the relevant service providers.



CURRAJONG

PLANNING, PROPERTY + PROJECT MANAGEMENT

4.3. Development Control Plans

4.3.1. Relevant Development Control Plan

Cowra Development Control Plan 2021 (DCP) applies to the land. The site of the proposed development is zoned R1 Residential.

An assessment has been completed to determine the potential applicability of key parts of the Cowra DCP 2021 to the proposed development. This work is presented in Table 5. Where it is identified that a part of the Cowra DCP 2021 applies to the proposed development, this assessment work is presented in Section 4.3.2.

Table 5 – Preliminary DCP Assessment

Part	Name	Applicability	Further Assessment Warranted?
A	Plan Introduction	Yes	Considered. Detailed assessment not necessary.
B	Land Management	Yes	Yes. Refer Section 4.3.2
C	Biodiversity Management	Yes	Yes. Refer Section 4.3.2
D	Subdivision Development	Yes	No
E	Urban and Village Development	Yes	Yes. Refer Section 4.3.2
F	Rural Development	N/A	No
G	Large Lot Development	N/A	No
H	Commercial Development	N/A	No
I	Industrial Development	N/A	No
J	Cowra Regional Airport	N/A	No
K	Land-use Buffers	N/A	No
L	Advertising and Signage	N/A	No
M	Parking, Access and Mobility	Yes	Yes. Refer Section 4.3.2
N	Landscaping	Yes	Yes. Refer Section 4.3.2
O	Environmental Hazard Management	N/A	No
P	CPTED principles	Yes	Yes. Refer Section 4.3.2

4.3.2. DCP Assessment

Table 6 overpage includes an assessment of the proposed development against the relevant planning controls and standards in each of the relevant Parts of the Cowra DCP 2021.





Table 6 – DCP Assessment

Part	Ref	Summary of Requirements	Planning Assessment Comment	Statement of Consistency
Part B	Land Management			
	B.1.4	Submission of an Erosion and Sediment Control Plan.	Soil erosion and sediment control measures will be detailed on the final plans for construction of the proposed development and submitted with the application for Construction Certificate.	The proposal complies.
	B.1.7	Guiding principles for preparing an Erosion and Sediment Control Plan.	As above.	The proposal complies.
	B.1.8	Guidelines for erosion and sediment control techniques.	As above.	The proposal complies.
Part C	Biodiversity Management			
	C.1.4	Provides guidance on relevant assessment pathways which determine the level of biodiversity assessment and information required to support a DA.	<p>The proposed development does not trigger entry into the Biodiversity Offset Scheme under the Biodiversity Conservation Act 2016. The following information is provided in support of this statement:</p> <ul style="list-style-type: none"> ▪ The minimum lot size applying to the development site is 700m², and the proposed development does not require the clearing of native vegetation that has an area exceeding the nominated threshold of 0.25ha. ▪ The proposed development does not involve the clearing of native vegetation (or other action prescribed by Clause 6.1 of the BC Regulation) on land identified on the Biodiversity Values Map. ▪ A Test of Significance is not deemed to be necessary for this proposal as there is to be no clearing of native vegetation. The development is unlikely to affect threatened species or ecological communities. <p>Assessment pathway No. 1 is considered to apply (assessment under Part 4 of the EP&A Act).</p>	The proposal complies.



CURRAJONG

PLANNING, PROPERTY + PROJECT MANAGEMENT

Part E		Urban and Village Development
		E.3 - Character Areas
E3.5.1	Bartlett Ave Character Area	The subject land is identified to be located within the Bartlett Avenue Character Area.
E.3.5.2	Objectives	<p>The proposal is generally consistent with the stated objectives for ancillary development, and in particular:</p> <ul style="list-style-type: none"> ▪ The existing dwelling on the land is to remain unaltered by this proposal. ▪ The proposal does not impact significantly on the traditional characteristics of the streetscape. The shed does not interface directly with the streetscape, being setback approximately 40m from the front boundary. ▪ Despite the height of the building, bulk and scale impacts are unlikely. The building is to be constructed along the rear property boundary, which is much lower than the street frontage. The building will not dominate the existing dwelling or other buildings along Bartlett Avenue.
E.3.5.3	Character Statement	<p>The Character Statement for Bartlett Avenue has identified the following defining characteristics for ancillary buildings:</p> <p><i>Original design of dwellings has not incorporated garages or sheds. These structures appear to have constructed at a later date and typically take the form of separate masonry constructions towards the rear of the allotments or open carports constructed to the site of the dwellings. Where these carports do exist, they are generally low key, behind the front building line and not detract from the original features of the dwellings.</i></p> <p>The proposed shed location and design is generally consistent with the character statement for ancillary structures. Whilst masonry building materials are not proposed, the structure is well behind the front building line and will not detract from the original features of</p>



CURRAJONG

PLANNING, PROPERTY + PROJECT MANAGEMENT

		the dwelling, or original features of other dwellings in Bartlett Avenue.	
E.3.5.4.a-b	Retention of Key Characteristics - Streetscape	<p>The proposal is consistent with the streetscape controls, and in particular:</p> <ul style="list-style-type: none"> ▪ The character statement has been considered (refer above). ▪ The building is to be located well behind the front building line (approximately 40m from front boundary), will not be immediately visible from the public domain, and will not dominate the streetscape given it is to be located well below street level. 	
E.3.5.4.c-d	Retention of Key Characteristics – Bulk, Scale and Height	<p>The proposal is consistent with the bulk, scale and height controls, and in particular:</p> <ul style="list-style-type: none"> ▪ The proposal does not relate to a dwelling alteration. ▪ The proposal does not relate to a front fence construction. 	
E.3.5.4.e-f	Retention of Key Characteristics - Setbacks	<p>The proposal is consistent with the setback controls, and in particular:</p> <ul style="list-style-type: none"> ▪ The setback of the building exceeds the average setback line created by existing buildings on Bartlett Avenue. ▪ The shed is setback a distance greater than 6.5m. 	
E.3.5.4.g-l	Retention of Key Characteristics – Building Materials	<p>The chosen colour scheme for the shed is Monolith, refer website for details:</p> <p>Monolith - Unicote Essential Range</p> <p>The chosen colour is considered to be acceptable in the circumstances, particular given the location of the shed along the rear boundary and away from the Bartlett Avenue streetscape. Alternative colours to be considered if required by Council.</p>	



CURRAJONG

PLANNING, PROPERTY + PROJECT MANAGEMENT

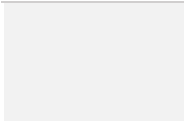
E.3.5.4.m	Retention of Key Characteristics – Colour Schedules	The chosen colours (refer above) are generally consistent with the recommended colours of ‘Lead Colour US’ for external walls and ‘Regency Cream D’ for windows.	
E.4 - Ancillary Development			
E.4.2	Objectives for ancillary development	<p>The proposal is generally consistent with the stated objectives for ancillary development, and in particular:</p> <ul style="list-style-type: none">▪ The shed is intended to be used for domestic purposes that is ancillary to the existing residential use carried out on the land. Despite the planned height of the building, the environmental assessment confirms that amenity, privacy, and overshadowing impacts are unlikely.▪ The shed will be constructed from materials and colours that complement the existing dwelling and Bartlett Avenue streetscape generally.▪ Due to the location of the shed and existing topography of the land, the building does not present as a highly visible structure from the Bartlett Avenue streetscape.	The proposal complies.
E.4.3.3	Setback Controls	<p>The proposal is consistent with the specified setback controls for detached ancillary buildings, and in particular:</p> <ul style="list-style-type: none">▪ Minimum 1.5m setbacks to side and rear boundaries are proposed, exceeding the requirements of the BCA.▪ The building is erected behind the front building line created by the existing dwelling on the land.▪ The building will be access from the same driveway that services the existing dwelling on the land.▪ The subject land is not a corner lot.	
E.4.3.4.a	Building Appearance - Materials	The proposed shed will be constructed from new building materials including factory pre-coloured steel cladding for external walls and aluminium framed windows. Highly reflective materials are not	





			proposed. Colours have been chosen to be complementary to the existing dwelling and suitable for the Bartlett Street Character Area.
E.4.3.4.a	Building Appearance – Height		<p>The proposal requires a variation to the 4.5m building height standard as the building height exceeds 4.5m in total height. The extent of the variation is calculated to be 1.87m, which includes building height on top of 300mm fill.</p> <p>Council is asked to judge that the variation is acceptable based on the merits of the proposal, and the following justifications are provided for Council’s consideration:</p> <ul style="list-style-type: none">▪ The shed will be located towards the rear of 21 Bartlett Avenue.▪ The shed will be used for domestic storage of cars and equipment owned by the landowner.▪ The shed is of a type and scale that is typical of storage sheds erected in other residential areas of Cowra.▪ The shed location does not adjoin, overshadow or overlook other buildings in the locality.▪ The shed would not obscure the views of residential properties in Bartlett Avenue.▪ The shed has been designed to be well setback / screened from Bartlett Avenue.▪ The shed height is consistent with other sheds to the south-east of the site.▪ The increased height of the shed is required to facilitate drainage of roof-water to the Bartlett Street drainage system. A charged stormwater system would not be practical if the height of the shed was reduced.▪ Shed colours comply with DCP requirements.





- Existing landscaping and buildings assist in the screening of the shed from the public domain.
- No significant environmental impacts as demonstrated in the Statement of Environmental Effects for the proposal.



CURRAJONG

PLANNING, PROPERTY + PROJECT MANAGEMENT

5. ASSESSMENT OF ENVIRONMENTAL ISSUES

The main environmental issues that have been raised and investigated as part of the design process for the proposed development have been documented in this section.

5.1. Visual Impacts and Amenity

Given the nature and scale of proposed works, the proposed development will result in minimal changes to the surrounding landscape. The proposed shed will support the existing and continued use of the land for residential purposes and is designed to be consistent with other dwellings / sheds in the locality.

5.2. Building Code Compliance

Architectural plans have been progressed to a point where it is possible to present the preliminary findings of the assessment of the proposal against the Building Code of Australia (BCA) in the SEE. Building works would involve single story construction with a metal framed and clad shed on a concrete slab. The proposed buildings are to be setback a sufficient distance from existing property boundaries and have been designed to comply with the BCA. The specific design detail of the proposed construction works is intended to be further developed at Construction Certificate stage. However, in general it is assessed the proposed structures can comply with the BCA.

5.3. Access and Traffic

Practical and legal access to the development is to be provided directly from Bartlett Avenue, which is an existing public road that is owned and maintained by Cowra Shire Council. Site access is existing and no upgrades to the crossing is anticipated to be necessary to ensure the access complies with Council's minimum engineering specifications.

5.4. Site Design

The proposed shed has been positioned on the land to ensure compliance with the relevant setback requirements of the Building Code of Australia taking into account the known locations of existing property boundaries.

5.5. Soils and Water Quality

The subject land is not mapped in Cowra LEP 2012 as containing vulnerable groundwater. There are no riparian lands or wetland environments impacting the site.

Stormwater is proposed to be managed by charging underground drainage pipes to discharge to Bartlett Avenue. The new concrete driveway would be suitably graded / spread to drain over the establish rear yard lawn area, sufficiently distanced from existing property boundaries / buildings.

Soil erosion and sediment controls would be established / maintained during the construction phase.

5.6. Air Quality

Due to the nature and scale of the proposed development, no significant impacts in terms of air quality are expected to occur.

5.7. Noise and Vibration

Due to the nature and scale of the proposed development, no significant impacts in terms of noise and vibration are expected to occur. Some temporary impacts may result from construction processes associated with the erection of the shed, and these can be appropriately mitigated by ensuring construction activities occur within appropriate hours.

5.8. Heritage

The subject land is not listed as a heritage item under the Cowra Local Environmental Plan 2012 or the State Heritage Register. The general heritage planning considerations applying to the Bartlett Avenue Character Area have been considered and no significant impacts are likely.

A search of the Aboriginal Heritage Information System (AHIMS) has been completed for the subject land. The search was completed to determine whether there are any items of cultural heritage significance either on the subject land or within 50m of the subject land. The search result found that:

- There are 0 Aboriginal sites recorded in or near the subject land.



CURRAJONG

PLANNING, PROPERTY + PROJECT MANAGEMENT

- There are 0 Aboriginal places that have been declared in or near the above location.

The site largely comprises 'disturbed land', as defined under the National Parks and Wildlife Regulation 2019 (NPW Regulation). The proposal is considered a "low impact activity" and is exempt from the Due Diligence process as per Section 80B (1) of the NPW Regulation. Consequently, an Aboriginal Archaeological Due Diligence Assessment is not required.

5.9. Hazards

The subject land is not affected by natural hazards. A site inspection of the site has not identified any obvious signs of activities, current or past, which might give rise to potential concerns of contamination. Further investigations are considered unnecessary in the circumstances and the land is considered suitable for the proposed development.

5.10. Services and Utilities

The site is connected to Council's reticulated water supply and sewerage systems, electricity and telecommunications. Stormwater is proposed to be managed to discharge to the Bartlett Street drainage system.



CURRAJONG

PLANNING, PROPERTY + PROJECT MANAGEMENT

6. EVALUATION AND JUSTIFICATION FOR THE PROPOSAL

6.1. Introduction

This section presents the evaluation and justification of the proposal in light of the objects of the EP&A Act. It also assesses the proposal against the principles of Ecologically Sustainable Development (ESD) and other key policy guidelines in order to provide further guidance as to the acceptability of the proposal, as presented in the SEE. An assessment of the consequences of not proceeding with the proposal and site suitability is also undertaken in this section.

6.2. Objectives of the EP&A Act 1979

Development Consent is being sought under Section 4.16 of the EP&A Act 1979 and must therefore satisfy the objectives of the Act, which are as follows:

- a. to promote the social and economic welfare of the community and a better environment by the proper management, development and conservation of the State's natural and other resources,
- b. to facilitate ecologically sustainable development by integrating relevant economic, environmental and social considerations in decision-making about environmental planning and assessment,
- c. to promote the orderly and economic use and development of land,
- d. to promote the delivery and maintenance of affordable housing,
- e. to protect the environment, including the conservation of threatened and other species of native animals and plants, ecological communities and their habitats,
- f. to promote the sustainable management of built and cultural heritage (including Aboriginal cultural heritage),
- g. to promote good design and amenity of the built environment,
- h. to promote the proper construction and maintenance of buildings, including the protection of the health and safety of their occupants,
- i. to promote the sharing of the responsibility for environmental planning and assessment between the different levels of government in the State,
- j. to provide increased opportunity for community participation in environmental planning and assessment.

The proposal is considered to be consistent with the above objectives. An objective of the EP&A Act is for the encouragement of ecologically sustainable development (ESD), which is assessed in the next section.

6.3. Ecological Sustainable Development

ESD is a long-standing and internationally recognised concept. The concept has been affirmed by the 2002 World Summit for Sustainable Development and has been included in multiple pieces of Federal and State legislation. Australia's National Strategy for Ecologically Sustainable Development (1992) defines ecologically sustainable development as:

Development that improves the total quality of life, both now and in the future, in a way that maintains the ecological processes on which life depends.

The proposal has endeavoured to address long established ESD principles, as follows:

- **The precautionary principle** - No serious environmental threats have been identified. No delays to the final design investigations or assessment process are recommended to allow for additional information / studies / surveys to take place under different climatic or seasonal conditions.
- **Inter-generational (social) equity** - Social equity provides a notion of preservation of environmental aspects that cannot be replaced for the enjoyment of future generations. Generally, such aspects relate to biodiversity, cultural heritage, land-use and the transformation of the locality as a result of the development. The proposal has considered such aspects and the SEE assessment concludes that environmental impacts will be minimal.
- **Conservation of biological and ecological integrity** - Given the highly disturbed / modified nature of the site, no significant flora or fauna issues have been identified.



CURRAJONG

PLANNING, PROPERTY + PROJECT MANAGEMENT

- **Improved valuation, pricing and incentive mechanisms** - The small volumes of waste generated from the proposal will be appropriately managed to minimise impacts on common public areas, the appropriate pricing mechanism are used to reflect the user pays approach to environmental management.

6.4. **Safety, Security and Crime Prevention**

The design of the development is acceptable having regard to the location of the land and the characteristics of the existing natural and built features of the surrounding environment. The development, as designed, is generally consistent with the principles of Crime Prevention Through Environmental Design.

6.5. **Cumulative Impacts**

The potential environmental impacts of the proposal have been detailed in the relevant sections of the SEE. Overall, the proposal makes a neutral / positive contribution to the environment. The proposal is considered compatible with the site and its surrounds and does not contribute to having a significant cumulative impact.

6.6. **Suitability of the Site for the Development**

The suitability of the site for the proposed development has been examined in detail. The site layout and building design is appropriate having regard to identified constraints posed by the built and natural environments.

6.7. **Public Interest**

Due to the nature and scale of the proposed development, no significant public interest matters have been identified.





7. CONCLUSION

This Statement of Environmental Effects (SEE) has been prepared by Currajong Pty Ltd (Currajong) on behalf of S & H Smith for the proposed development of a shed on Lot 1 DP 362387, 21 Bartlett Avenue, Cowra.

The proposed shed is to be located at the rear of the residential property, and not highly visible from Bartlett Avenue.

The proposed shed will be used for storage purposes by the residents of the dwelling.

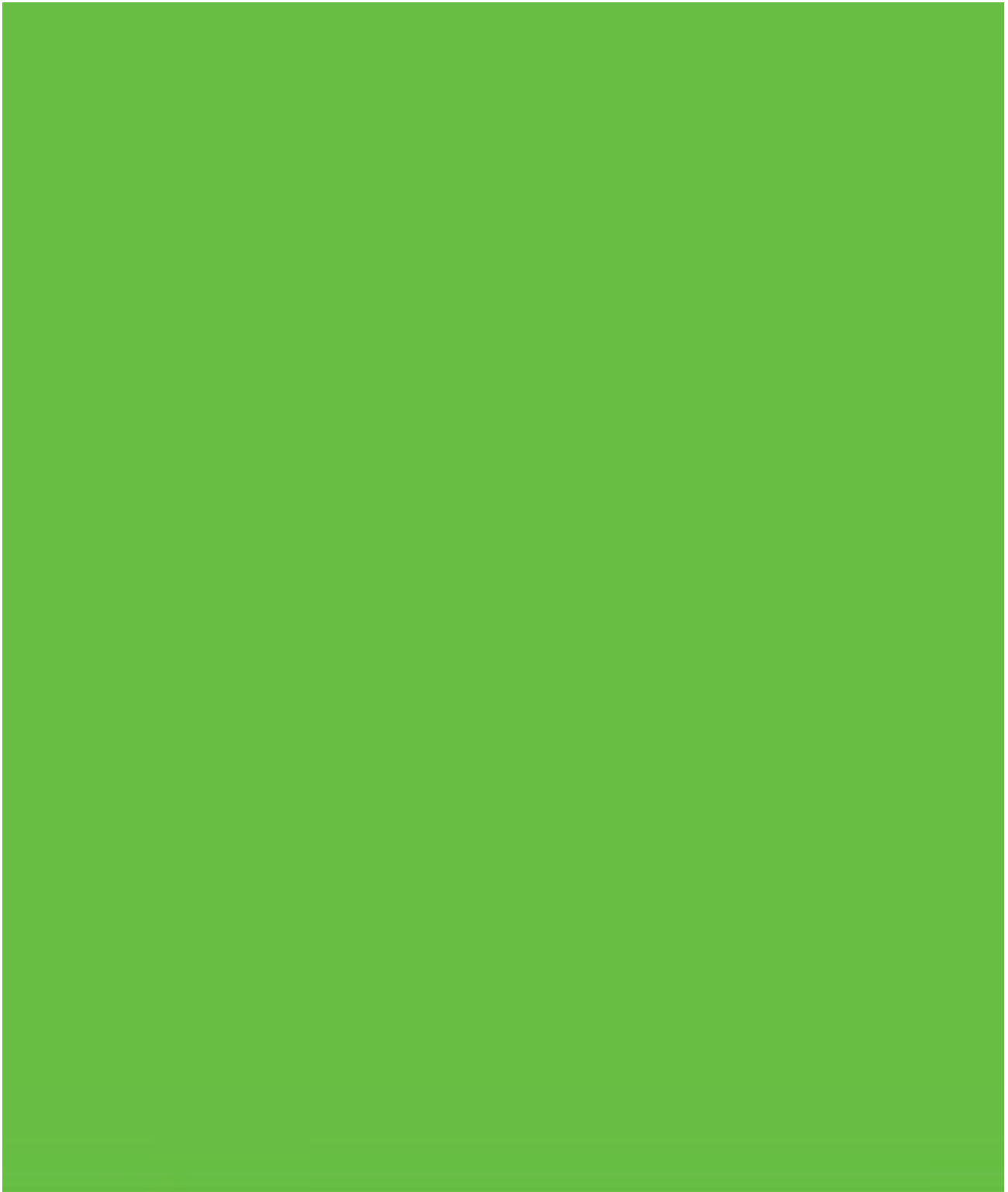
The shed at around 6.37m high (including building height and fill) exceeds the 4.5m height limit for sheds in residential areas. A variation to the height limit controls is requested for the following reasons:

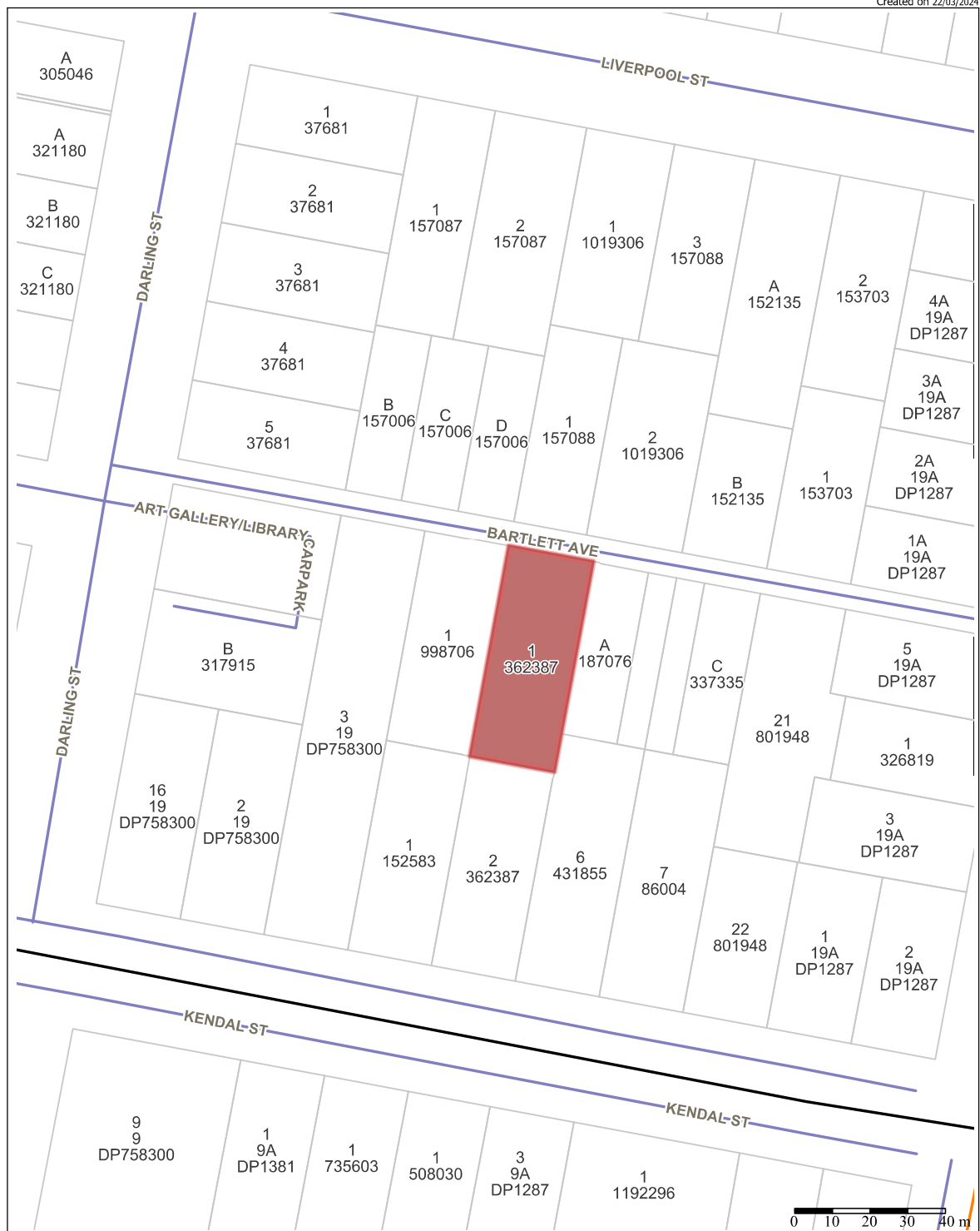
- The shed will be located towards the rear of 21 Bartlett Avenue.
- The shed will be used for domestic storage of cars and equipment owned by the landowner.
- The shed is of a type and scale that is typical of storage sheds erected in other residential areas of Cowra.
- The shed location does not adjoin, overshadow or overlook other buildings in the locality.
- The shed would not obscure the views of residential properties in Bartlett Avenue.
- The shed has been designed to be well setback / screened from Bartlett Avenue.
- The shed height is consistent with other sheds to the south-east of the site.
- The increased height of the shed is required to facilitate drainage of roof-water to the Bartlett Street drainage system. A charged stormwater system would not be practical if the height of the shed was reduced.
- Shed colours comply generally with DCP requirements.
- Existing landscaping and buildings assist in the screening of the shed from the public domain.
- No significant environmental impacts as demonstrated in the Statement of Environmental Effects for the proposal.

The assessment of the proposed development has been documented in this Statement of Environmental Effects to visualise all aspects of the relevant matters for consideration under the Environmental Planning and Assessment Act 1979 and Environmental Planning and Assessment Regulation 2021. The assessment concludes the proposal is permissible in the R1 General Residential and is consistent with Cowra Local Environmental Plan 2012. Variations to the controls contained in Cowra Council Development Control Plan 2021 have been identified and appropriately justified.

It is recommended that sufficient information has been submitted with the Development Application to allow the Cowra Shire Council to make an informed decision on the proposal. It is the findings of this Statement of Environmental Effects that the proposed development should be supported.







Cowra Council
Private Bag 342
136 Kendal Street
COWRA NSW 2794
Ph: (02) 6340 2000
Web: www.cowracouncil.com.au

Important Notice!

This map is not a precise survey document. Accurate locations can only be determined by a survey on the ground. This information has been prepared for Council's internal purposes and for no other purpose. No statement is made about the accuracy or suitability of the information for use for any purpose (whether the purpose has been notified to Council or not). While every care is taken to ensure the accuracy of this data, neither the Cowra Council nor the SS makes any representations or warranties about its accuracy, reliability, completeness or suitability for any particular purpose and disclaims all responsibility and all liability (including without limitation, liability in negligence) for all expenses, losses, damages (including indirect or consequential damage) and costs which you might incur as a result of the data being inaccurate or incomplete in any way and for any reason.
© The State of New South Wales (Spatial Services), © Cowra Council.



Drawn By: Cassandra Galley

Projection: # GDA2020 / MGA zone 55

Date: 22/03/2024 2:49 PM

DA 120/2023 - 21 Bartlett Avenue Cowra

Map Scale: 1:1206 at A4

Created on 22/03/2024



Cowra Council
Private Bag 342
136 Kendal Street
COWRA NSW 2794
Ph: (02) 6340 2000
Web: www.cowracouncil.com.au

Important Notice!

This map is not a precise survey document. Accurate locations can only be determined by a survey on the ground. This information has been prepared for Council's internal purposes and for no other purpose. No statement is made about the accuracy or suitability of the information for use for any purpose (whether the purpose has been notified to Council or not). While every care is taken to ensure the accuracy of this data, neither the Cowra Council nor the SS makes any representations or warranties about its accuracy, reliability, completeness or suitability for any particular purpose and disclaims all responsibility and all liability (including without limitation, liability in negligence) for all expenses, losses, damages (including indirect or consequential damage) and costs which you might incur as a result of the data being inaccurate or incomplete in any way and for any reason.
© The State of New South Wales (Spatial Services), © Cowra Council.



Drawn By: Cassandra Galley

Projection: # GDA2020 / MGA zone 55

Date: 22/03/2024 2:51 PM

DA 120/2023 - 21 Bartlett Avenue Cowra

Map Scale: 1:395 at A4

6 LATE REPORTS**7 NOTICES OF MOTIONS**

Nil

8 CONFIDENTIAL MATTERS**RECOMMENDATION**

That Council considers the confidential report(s) listed below in a meeting closed to the public in accordance with Section 10A(2) of the Local Government Act 1993:

9 CONFIDENTIAL DIRECTOR-CORPORATE SERVICES**9.1 Request for Water Account Adjustment - Assessment Number 78631**

This matter is considered to be confidential under Section 10A(2)(b) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with discussion in relation to the personal hardship of a resident or ratepayer.

9.2 Request for Water Account Adjustment - Assessment Number 36865

This matter is considered to be confidential under Section 10A(2)(b) of the Local Government Act, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with discussion in relation to the personal hardship of a resident or ratepayer.