



# **AGENDA**

## **Late Reports**

### **Ordinary Council Meeting**

**Date: Monday, 25 May 2026**

**Time: 5.45pm**

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

**Paul Devery  
General Manager**

**Order Of Business**

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## 8 LATE REPORTS

### 8.1 Councillor Information Request

File Number: D26/748

Author: Paul Devery, General Manager

### RECOMMENDATION

**That council note the responses provided to questions raised after the council meeting agenda was published.**

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### INTRODUCTION

This report includes as an attachment, details of queries raised and responses provided to councillors since the publication of the council meeting agenda.

### BUDGETARY IMPLICATIONS

Nil

### ATTACHMENTS

1. Councillor Information Request - Corporate Services [↓](#)
2. Councillor Information Request - Infrastructure & Operations [↓](#)



<b>Date of Query:</b> 22 May 2026	<b>Inquirer:</b> Councillor Kiss	<b>Responder:</b> Alan Dalton, Director – Corporate Services
<b>Report title:</b> 5.3 Payroll Tax Update		
<b>Meeting:</b> Council	<b>Meeting date:</b> 25 May 2026	<b>Email/phone/in person:</b> Email

**Question:**

Have council staff specifically sought to have the payroll tax waived for the period 1/7/2023 to 30/4/26 (the date on which the review outcome was finalised)?

**Response:**

Yes. Revenue NSW initially sought to collect payroll tax for the years beginning 2021-22. Although we sought for all past liabilities to be excused, Revenue NSW's final compromise position was to seek collection for liabilities arising from 2023-24.

<b>Date of Query:</b> 22 May 2026	<b>Inquirer:</b> Councillor Wright	<b>Responder:</b> Alan Dalton, Director – Corporate Services
<b>Report title:</b> 5.3 Payroll Tax Update		
<b>Meeting:</b> Council	<b>Meeting date:</b> 25 May 2026	<b>Email/phone/in person:</b> Email

**Question:**

At some time can we be advised what are the exempt activities under the pay roll tax legislation?  
The meeting resolution indicates it is just a amount paid after we reach a threshold of wages paid ?  
Have we received any written advice since 2014 indicating we may have a patrol tax liability?

**Response:**Payroll Tax – Exempt Activities

In general, payroll tax does not apply to local government under Part 4 Division 6 of the *Payroll Tax Act 2007*. Specifically, section 58 states that "wages are exempt wages if they are paid or payable by a council, a county council or a joint organisation, within the meaning of the *Local Government Act 1993*."

An exemption from this non-liability (therefore causing a council payroll tax liability to arise) is provided by section 60 and includes any of the following activities or "the construction of any buildings or works, or the installation of plant, machinery or equipment for use in any of the activities":

- the supply of electricity or gas  
water supply
- sewerage
- the conduct of:
  - abattoirs
  - public markets
  - parking stations
  - cemeteries or crematoria
  - hostels
  - an activity prescribed by the regulations.

Payroll Tax Threshold

The annual tax-free threshold is currently \$1,200,000. The calculation of payroll tax liability (including calculation of the tax-free threshold) is set by Schedule 1 of the *Payroll Tax Act 2007*.

Correspondence Regarding Payroll Tax Liability

Other than Revenue NSW's recent correspondence to us advising of the liability, we have not received written advice that a liability arose since the 2014 advice that Council is exempt.



<b>Date of Query:</b> 21 May 2026	<b>Inquirer:</b> Councillor Downing	<b>Responder:</b> Alan Dalton, Director – Corporate Services
<b>Report title:</b> 5.3 Payroll Tax Update		
<b>Meeting:</b> Council	<b>Meeting date:</b> 25 May 2026	<b>Email/phone/in person:</b> Email

<p><b>Question:</b></p> <p>Do we have a copy of the correspondence stating that council is exempt? The review was obviously triggered by something, do we know what that was? It is a very extended period to have been unaware of our tax obligations! Going forward have council staff acquainted themselves with the very clear guidelines provided by Revenue NSW when you search for what activities are exempt and what are not?</p>
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<p><b>Response:</b></p> <p><u>Advice of Tax Exemption</u> A copy of an email was received from the then Office of State Revenue in 2014, advising that Council was exempt. We retained a copy of this email and supporting information that OSR had at that time posted to the Internet, which supported the position that Council was exempt.</p> <p><u>Trigger for Review</u> We understand that the Revenue NSW review was a routine process that included a number of payroll taxpaying entities, and was not specific to Council.</p> <p><u>Revenue NSW Guidelines</u> The initial likelihood that Council was liable for payroll tax was initially identified by Council, triggering initial enquiries with the then Office of State Revenue. It was the (incorrect) advice and guidelines received at that time which caused Office of State Revenue to refuse our attempt to pay the tax at the time it fell due. We monitor regulatory changes to ensure that our operations are in compliance with statutory requirements. It was on the basis of our retained copy of the original advice and guidance, and on our routine monitoring activities, that Revenue NSW agreed to reduce the amount payable to the amount arising on and from 2023-24.</p>
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<b>Date of Query:</b> 21 May 2026	<b>Inquirer:</b> Councillor Watt	<b>Responder:</b> Alan Dalton, Director – Corporate Services
<b>Report title:</b> 5.3 Payroll Tax Update		
<b>Meeting:</b> Council	<b>Meeting date:</b> 25 May 2026	<b>Email/phone/in person:</b> Email

<p><b>Question:</b></p> <p>In which budget line will the payroll tax liability be included in the Long Term Financial Plan?</p>
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<p><b>Response:</b></p> <p>Three budget lines will be established to report payroll tax arising from cemetery operations, water supply and sewerage services (the three activities that generate the liability).</p>
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<b>Date of Query:</b> 23 May 2026	<b>Inquirer:</b> Councillor Kiss	<b>Responder:</b> Alan Dalton, Director – Corporate Services
<b>Report title:</b> 5.4 – Donation Request – Takisha Pollard		
<b>Meeting:</b> Council	<b>Meeting date:</b> 25 May 2026	<b>Email/phone/in person:</b> Email

**Question:**

What is the total cost to the recipient of the endeavour?  
What contributions were made towards the endeavour by CINC, Club Cowra and The Lachie Café?  
How many players will these funds provide assistance to?

**Response:**

Attempts to contact the applicant for further information, were unsuccessful.



<b>Date of Query:</b> 21 May 2026	<b>Inquirer:</b> Councillor Watt	<b>Responder:</b> Jarrad Shiells, Acting Director – Corporate Services
<b>Report title:</b> 5.6 Third Quarter Budget Review 2025-26		
<b>Meeting:</b> Council	<b>Meeting date:</b> 25 May 2026	<b>Email/phone/in person:</b> Email

**Question:**

Could you please coordinate some more information on the QBRS for us?

IT

Could we please be provided some more information on the QBRS note on pg 75 regarding IT around the budget for software licenses being increased by \$90,000?

Is this an annual budget amount and pro rata in this QBRS adjustment?

What changes have been made to our software and what impact is it perceived to have?

Has council developed an AI policy? If not I believe this would be prudent particularly around the security and privacy matters of constituent information. I would also recommend we engage ARIC in this conversation.

Civic Centre

I note we have increased both the expected revenue and wages/expenditure but the wages/expenditure are over \$20K more than the expected revenue.

The budget notes that "increase in wages and expenditure based on projected actuals and increase in activity and sales". If it were based on increased revenue I thought it would be closer to equal?

EV Chargers

I'm sure its in here but I can't find it, I presume the EV Charger install has been delayed as well as the Solar and Battery project. What is the budget impact of that deferral?

Overheads

I appreciate there may be sensitive staffing and wellbeing considerations involved here. However, I note across the board there is quite significant increase in leave allocations.

Particularly the 49% increase on the existing budget allocation for infrastructure & Operations sick leave flagged as a significant change, could further context be provided around the key drivers of the increase and whether this is expected to be a short-term or ongoing pressure?

**Response:**

IT

The increase was primarily driven by vendor price rises linked to AI-enabled features, with short-notice increases limiting in-year response. Most licences increased by at least 15–30%, and QBRS adjustments reflect actual impacts.

The IT team is reviewing all system licences, including those not yet impacted. As this review is very recent (within the past month), long-term budget impacts remain unclear. Some savings have already been realised, and the team will continue working to reduce costs where possible.



In February this year Manex adopted an AI policy applicable to council staff a copy of which was included in the agenda for the February ARIC meeting. The policy will be reviewed annually as the landscape changes.

#### Civic Centre

Budget variance is primarily driven by three key factors:

- A trainee position intended to be grant-funded has not yet been incorporated into the budget, resulting in an unfavourable variance of approximately \$27.7k–\$27.8k year-to-date. This matter remains under discussion between HR and the funding body.
- A marketing casual position has been introduced at an hourly rate aligned with current market conditions, providing flexibility to respond to fluctuating activity levels.
- The removal of presale ticket revenue for 2026–27 events has reduced income by approximately \$28k reflecting a more accurate end of year result.

#### EV Chargers

The EV Charging grant is in the 'General Manager's Office' section page 91 of the agenda.

We have sourced quotations and a ready to proceed; subject to a report on a scope change, minor budget variation, and a resolution on adopting an appropriate charge fee; being prepared for the June General Committee. Delivery will be likely to be in early 26/27 and it has been moved into that period.

The solar and battery projects are on the Technical Services page 108 Waste Admin page 142 and delivery has been moved to 26/27; tenders will be advertised shortly.

#### Overheads

The increase in leave allocations, including the 49% rise in Infrastructure & Operations sick leave, is driven by a number of factors including significant leave required for a small number of employees due to major health issues and/or major carer responsibilities. In addition, there has been a considerable uptake of health & well-being leave that comes from accrued sick leave balances under the Award which is costed to this account.

With regards to ongoing budgetary impacts, Council uses an established approach to budget for leave, noting that actual usage can vary year to year depending upon individual circumstances. We will continue to monitor leave taken, including proposed Award changes and what if any impact they may have.



<b>Date of Query:</b> 21 May 2026	<b>Inquirer:</b> Cr Erin Watt	<b>Responder:</b> Director Infrastructure & Operations
<b>Report title:</b> 6.1 Water Supply Strategic Planning		
<b>Meeting:</b> Council Meeting	<b>Meeting date:</b> 25 May 2026	<b>Email/phone/in person:</b> Email

**Question:**

1. Is the NSW Government co funding of these projects already locked in? If not would you propose adjusting the recommendation to note the first two would be dependent on the receipt of the NSW Government funding?
2. Do we anticipate that these projects will reduce the overall cost of the Water Treatment Plant renewal if we were to go ahead as currently planned?
3. What will the Water Fund Infrastructure reserve be at if this recommendation is adopted?

**Response:**

1. Funding is locked in; the funding deed can be signed after the Council meeting if the Council resolves that way.
2. The sludge management trial if successful could be a long term solution at the Cowra WTP site; and could be incorporated into any new treatment facility at this site; but this is subject to the results of the trial.
3. I hesitate to give advice on behalf of our Finance team; but I expect the forecast Water Infrastructure Reserve balance of \$7.8M at the end of 26/27 will be reduced by the amount of the recommended capital expenditure \$385786; resulting in an amended balance of \$7.4M