

ITEM	DESCRIPTION
	EXISTING OVERHEAD POWER LINE
	EXISTING TREE
	PROPOSED LINE MARKING
	PROPOSED TRAFFIC SIGN POSTS
	PROPOSED GRASSED AREA
	PROPOSED PAVED AREA (CONCRETE & ASPHALT)
	PROPOSED BOLLARD LIGHT
	PROPOSED FOOTPATH
	PROPOSED RAISED CROSSING
	PROPOSED CROSSING
	PROPOSED MOUNTABLE TRAFFIC ISLAND
	PROPOSED DIRECTION OF TRAFFIC

CONCEPT PLAN
SCALE 1:500

POWELL ST SHARED PATH
PROPOSED SHARED PATH

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AMENDMENTS	DATE	CHECKED
CONCEPT (04)	19/09/2024	SH
DETAILED DESIGN		

DRAWN	SH	DATE	SCALE	1:500
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APPROVED BY	DATE
SHAMSUL HAQUE MIE/Asst CPEng/NER DESIGN ENGINEER	09/09/2024



DRAWING NUMBER

1001



SC222/SC62

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Portal: <https://www.olg.nsw.gov.au/councils/misconduct-and-intervention/councillor-conduct-framework/>

COUNCILLOR CONDUCT FRAMEWORK REVIEW

Q: Are we Missing Anything in the Principles of Change

Within the Principle - ***Significant Penalties should only be imposed by a judicial or quasi-judicial body***, should be the following:

Where a code of conduct complaint is made, it must be accompanied by a refundable \$5,000 application fee, and the application fee is refundable only once the complaint is proven. Should the complaint turn out to be vicarious or frivolous, then all Council costs, along with the defendant's costs, are to be paid by the complainant.

Two additional principles we propose are:

- *Democratic Leadership*
- *Meaningful Community Engagement*

Q: What are the key elements of an aspirational Code of Conduct that should be enshrined?

The Code of Conduct should be no more or no less than the Code of Conduct for members of the NSW Government.

Q: What are your views about aligning the Oath of Office to the revamped Code of Conduct?

We have no view on this matter.



Q: Is the proposed pecuniary interest frame work appropriate? Is anything missing?

The framework is appropriate, we have nothing to add.

Q: Do you agree with the principles of what constitutes a significant or major non-pecuniary interest?

Yes we agree.

Q: Are there any other specific features that should be included to address concerns about Councillors undertaking real estate and development business activities?

We believe that your approach to create an obligation to divest and not enter into real estate or development business arrangements through contracts is as good as trying to exclude those persons from being able to run as a Councillor, and we are sure it would be tested during the transitional period and rejected by the Courts, so why even attempt.

We see a better approach is that you create the obligation, as mentioned, for all urban and regional Councils only, but only for interests within the LGA where they are a Councillor. That way you are not excluding them from being a Councillor, you are protecting the LGA they represent, so all actual or perceived conflicts of interest, pecuniary or non-pecuniary interests, are also removed.

The issue you wish to solve rarely takes place in rural or remote LGAs, so they need to be separated out of this obligation. It is difficult enough to get people to stand for Council in rural and remote areas, and exclusion of real estate agents and developers only lessens the pool of candidates.

Q: Is this the appropriate threshold to face a Privileges Committee?

Yes, this is an appropriate threshold.

Q: How else can complaints be minimised?

Mandatory training of elected representatives on key aspects.

Q: What key features should be included in lobbying guidelines and a model policy?

One feature in the policy should be a state wide register of professional lobbyists, who are provided with a registration which they show before lobbying a Council, with the obligation of the Councillor to refer this registration number and details of any conversations to the internal Council register holder of the Register of Lobbying, which is a public document.



The second feature mentioned is an internal Register of Lobbying, which is updated by the Governance Officer or Public Officer of the Council. With the obligation of the elected representative, along with the General Manager and Executive Team to report all lobbying via Declaration of Contact with a Lobbyist form. The register to include such title headings as date and time, professional lobbyist registration number, name of person lobbying, name of person being lobbied, reason behind the lobbying and inappropriate requests/behaviours. Under the inappropriate requests/behaviours heading, such things as the Councillor or staff member construed as an inducement. The register is published on Council website with the exclusion of the last title heading of inappropriate requests/behaviours.

Q: What level of Penalty Infringement Notice (PIN) is appropriate?

50 penalty units.

Q: Are the penalties proposed appropriate, and are there any further penalties that should be considered?

We have no view on this matter.

Q: Are the existing sanctions available under the Local Government Act sufficient?

No

Q: Should decisions on sanctions be made by the Departmental Chief Executive or a formal tribunal with independent arbitrators and a hearing structure?

Independent Tribunal

Q: Are there any other powers that need to be granted to the Mayor or Chair of the relevant meeting to deal with disorderly behaviour?

No

Q: Are there any other measures needed to improve transparency in Councillor deliberations and decision making?

We consider the total banning of briefing sessions to be a mistake, specifically based on your rational of development applications. Reason is that Murrumbidgee Council never has and never will speak about development applications within a briefing session. Murrumbidgee Council's General Manager has worked in another jurisdiction which actually suspended the Council meeting to talk about development application whilst still in the open meeting, and they only spoke about development applications in the formal Council meeting when a decision is to be made.



Murrumbidgee Council's approach is that we do not see or talk about the development applications in the briefing session, we either hold a community forum if the applicant/s and/or objector/s wish to address Council, otherwise the first time Council sees the DA is when they read the agenda, apart from the advertising notices they receive when an application has been made.

We call our briefing sessions workshops, because that is what they are. We workshop the strategic direction of the Council. Council uses it to gauge the opinion of the elected representatives on Council's direction, be it the development of a new policy, gathering the thoughts on master plans, etc. These two examples, ie workshopping a policy or a master plan, the item is then reported to a future Council meeting for authorisation to place the matter on public exhibition before coming back to Council to be ratified.

We believe you are making blanket decision on a matter upon which we totally agree ie. Development Application, and which can be dealt with in an entirely different way.



Office of Local Government



Councillor conduct and meeting practices

A new framework



Acknowledgement of Country

The Department of Planning, Housing and Infrastructure acknowledges that it stands on Aboriginal land. We acknowledge the Traditional Custodians of the land and we show our respect for Elders past, present and emerging through thoughtful and collaborative approaches to our work, seeking to demonstrate our ongoing commitment to providing places in which Aboriginal people are included socially, culturally and economically.

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Councillor conduct and meeting practices

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More information

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The need for change – returning local democracy to councils

Strong and thriving communities need effective local government. No other level of government is as close to the issues and people.

Effective local government comes when councillors are visibly in control of their councils. How councillors act and how appropriately and transparently decisions are made at meetings is critical in demonstrating to the community that their elected representatives understand the consequences of their decisions, and then make the best possible decisions they can for their community as a whole.

Unfortunately, the existing councillor conduct framework is not delivering on the need for transparency or the necessary degree of respect in the community for the role that councillors have.

Closed council briefing sessions are being used to make decisions away from the public view. Council debates on issues are too often personal slanging matches, rather than forums for robust but respectful discussions on what is best for the community.

Similarly, we have seen a growth in the number of complaints, often over trivial issues. Data from the Office of Local Government (OLG) has shown there has been 4289 complaints over the last 3 years (2020/21 to 2022/23) through the code of conduct process. Overall:

- 420 were referred for preliminary enquiries and then discontinued
- 136 were investigated as potential pecuniary interest matters
- 102 were investigated as potential misconduct (not pecuniary interest)
- 36 related to public interest disclosures, and
- 2 related to political donations

But of these thousands of complaints, in the years since 2020/21 OLG has:

- taken action against 14 councillors by way of a suspension or reprimand
- referred 4 councillors to the NSW Civil and Administrative Tribunal (NCAT) for misconduct, and
- disqualified and dismissed one councillor on the basis of Independent Commission Against Corruption (ICAC) recommendations

The volume of frivolous complaints is crowding out the ability of the OLG and the sector to adequately deal with councillors who abuse their office or cause serious governance problems. It is critical the framework that governs both the behaviour and meeting practices of councillors ensures the community can observe and comment on the behaviour of councillors, instead of inhibiting the operation and function of local democracy.

The weaknesses of existing frameworks

The simple, but compelling premise is local councils should be accountable to their community with council staff being accountable to their councillors, through the General Manager. The best way to achieve this aim is for councils to provide strong and effective representation, leadership, planning and decision making. Unfortunately, this simple concept has been lost.

How councillors behave, how they deliberate and the responsibilities they hold should be modelled on how members of Parliament are expected to behave and act. As the governing body, councillors should act fairly, ethically and without bias in the interests of the local community, and they should be responsible employers and provide a consultative and supportive working environment for staff. A criticism made about the current framework for councillor conduct or meeting practices is that they do not reflect local government's status as an independent third tier of government: it allows an unelected State Government official to determine penalties and guilt thus undermining the status of local government.

While most local councils and local councillors do the right thing with the best intent, there are some councillors who are not so motivated. In these cases, the current councillor behavioural framework, as implemented in NSW, does not facilitate the best outcomes or resolve issues.

In relation to complaint management, it is not considered acceptable to create better complaint management pathways for the processing of code of conduct complaints. The current code of conduct simply enables too many complaints about councillors, all too often for political or vexatious reasons.

It is for this reason that the Government has embarked upon a new approach that refocuses the limited resources of the State on those concerns that matter most: serious misbehaviours and attempts by councillors to enrich themselves through their office.

Weaknesses of the current framework include:

- The councillor conduct framework distracts from, rather than enhances, robust democratic debate. Complaints are weaponised for political reasons, or to silence dissent from other elected representatives.
- Councillors and community members report dissatisfaction with the process for resolving code of conduct complaints – being expensive, overly legal, prone to political sparring and not timely, with average timeframes exceeding 12 months and more than 24 months if they are then referred to OLG for further investigation.
- Issues are not being addressed and resolved at the local level – instead complaints are escalated unnecessarily to the State Government to resolve because of the view that public censure from the local council is not a ‘strong enough’ punishment.
- Communities and councillors report that council decision making is not transparent – with decisions being seen as made behind closed doors, information not being provided or withheld, too much use of closed to the public briefings or councils going into closed sessions for no adequate rationale.
- Bad councillor behaviour is not considered to have been addressed quickly enough and when sanctions are imposed it is too late or of little consequence.
- There is a lack of clarity around OLG's role as the sector regulator – taking too long to resolve matters and not focussing on the important financial and government concerns in the sector, instead spending time focussed on individual councillor behaviour.
- OLG reports challenges in relying on the reports of council conduct reviewers – investigations into councillors need to be done afresh, the process is cumbersome with multiple feedback loops and serious sanctions can only come from suspensions handed down by NCAT.

With so much focus on the bad behaviour of a limited number of councillors there is not enough attention given to the good work that councillors do. The role of a councillor is a noble public service, and the local government behavioural framework should support those who seek to do the right thing and punish those that are not so motivated.

Options for a better approach

Improving the councillor conduct framework and the meeting practices of councils can be achieved but will require changes to the Local Government Act 1993 (the Local Government Act), as well as updating the various regulations, codes and policies that apply. Some of the work to update the regulations and codes can be done quickly, while others requiring legislative change will take some time.

This paper provides an overview of the proposed new approach to both the councillor conduct framework and meeting practices. The proposals are to:

- Make OLG directly responsible for dealing with pecuniary interest and significant non-pecuniary conflicts of interest, with sanctions (suspensions and loss of pay) being determined by an appropriate tribunal or body,
- Refer behavioural based concerns about councillor conduct to a State-wide panel of experienced councillors to judge their peers,
- Reset the code of conduct to be similar to Parliamentary Codes, making it clear the expected patterns of councillor behaviour,
- Ensure the community can observe local democratic processes by banning closed to the public briefing sessions, while at the same time restoring the dignity and prestige of the council chamber.

These changes are only proposed for councillors and there is no change proposed for the code of conduct for Local Government staff. Feedback from stakeholders is that the existing code of conduct of staff remains fit for purpose and is largely effective.

Seeking your views

This discussion paper has been prepared to seek the views of the community, key stakeholders and the local government sector about the proposed changes.

Submissions will be accepted to **COB Friday 15 November 2024**.

All input received through this consultation process **may be made publicly available**. Please let us know in your submission if you **do not want** your name and personal details published.

As part of the consultation process, we may need to share your information with people outside OLG, including other public authorities and government agencies. We may also use your email to send you notifications about further feedback opportunities or the outcome of the consultation.

There may also be circumstances when OLG is required by law to release information (for example, in accordance with the requirements of the Government Information (Public Access) Act 2009). There is a privacy policy located on OLG's website that explains how some data is automatically collected (such as your internet protocol (IP) address) whenever you visit OLG's website. The link to that policy is <https://www.olg.nsw.gov.au/about-us/privacy-policy/>.

Further information about how to make a submission is provided at section 7 of this paper.

What are the principles of change?

In preparing the proposed reforms the following principles have guided the discussion and the intent of the changes:

- **Council leadership and decision making is paramount** – it is critical that the sector, as the third tier of government, is given independence to make decisions in the best interests of the community
- **Freedom of speech** – as elected officials, councillors have the constitutional right and democratic responsibility to speak freely about issues affecting their local community and to advocate for the interests of that community
- **Transparency and accountability** – as a democracy councils need to hear, consider and debate issues in an open manner
- **Significant penalties should only be imposed by a judicial or quasi-judicial body** – to ensure procedural fairness and thorough testing of allegations, significant penalties should be given by bodies such as the NSW Civil and Administrative Tribunal
- **A strong and proportionate local government regulator** – the role of OLG should be to create the framework for local government, ensure councils, joint organisations (JOs), and county councils have the capacity to operate within the framework so that the regulator intervenes as rarely as needed
- **Subsidiarity** – decisions are made at the level closest to those impacted by those decisions
- **Justice is timely and proportionate** – where allegations are made, they should be heard, tested and dealt with as quickly as possible.

Question

Are we missing anything in the principles of change?

Potential changes to the code of conduct and oath of office

The key proposed reform for the councillor behavioural framework is to move to a streamlined, aspirational Code of Conduct. This is equivalent to the Code of Conduct framework for NSW Members of Parliament available [here](#) and [here](#).

The aspirational Code of Conduct would clearly and succinctly outline the behavioural expectations of local councillors (approximately 2-3 pages) in easy-to-understand language. It would then be supported by a clearer framework and definitions for misbehaviour of elected officials.

The aspirational Code of Conduct would not set out the definitions of misbehaviour as these would be legislated as explained in later sections of this discussion paper.

Separating the behavioural expectations in a Code of Conduct from definitions of misbehaviour reflects a positive approach to councillor behaviour. The separation also recognises that the majority of councillors want to do the right thing and they should have easy access to the standards expected of them.

The revamped Code of Conduct could also be aligned to the Oath of Office for local councillors ensuring that the behavioural standards and expectations are clear and understood when a councillor takes office. The existing framework can make it difficult to understand the behavioural expectations and standards upon councillors.

Importantly, the revamped Code of Conduct will not seek to restrain the ability of a councillor to speak publicly on matters pertaining to their council, even when that councillor is disagreeing with, or being critical of, the decisions of the majority.

It is proposed to make the new Code of Conduct an aspirational code of expected behaviours instead of enforceable for local councillors.

Question

What are the key elements of an aspirational Code of Conduct that should be enshrined?

Question

What are your views about aligning the Oath of Office to the revamped Code of Conduct?

Potential changes to the definitions and assessment of councillor misbehaviour

The current Local Government Act defines councillor misconduct as a breach of the Local Government Act or other regulatory provisions, which includes the Code of Conduct. This means that it is difficult for the average person to understand the definition of misconduct as they need to reference several other regulatory instruments and policy documents to determine what constitutes.

It is proposed in the revised framework that misbehaviour will be more clearly defined and articulated within the Local Government Act, with the reference to regulations and other statutory instruments only for further enunciation or explanation.

These definitions, which are described in later sections would cover:

- Pecuniary conflicts of interests, (for example decisions that financially benefit the councillor or a close associate),
- Significant non-pecuniary conflicts of interests (for example where a councillor participates in a decision and a direct advantage/disadvantage is created for a person or company the councillor is friendly with or associated with), and
- Councillor misbehaviour in public office (for example, poor conduct in meetings leading to exclusion by the Mayor or Chair of the Committee).

This will make clearer to all participants in the local government sector what is considered misbehaviour by a local councillor.

The definitions of misbehaviour do not change the other legislative requirements. Communities, residents, workers and fellow councillors expect their elected officials to act in an appropriate and ethical way, including observing workplace health and safety, environmental and criminal laws. If there is an offence or complaint under these other laws, people should

seek redress from the appropriate regulator including SafeWork, Independent Commission Against Corruption or the NSW Police.

The behavioural standards in the revamped Code of Conduct will reinforce the expectation that councillors are community leaders and therefore exemplars of good behaviour. As community leaders it is also expected councillors will meet legislative obligations. Therefore, misbehaviour only needs to be defined as those issues which go to the nature of councillors as elected officials, being conflicts of interest or misbehaviour in public office.

These are the expectations that are upon councillors because of the public trust that is placed in them as elected officials. In this way it more closely reflects, with appropriate adjustments the framework that applies to other elected officials in other levels of Government.

Conflicts of interest

The first proposed limb of the revised misbehaviour definition is a councillor's failure to manage a conflict of interest.

Management of conflicts of interest is important to ensure that councillors act and are seen to act in the public good, not for private benefit or personal gain. Conflicts of interest arise when there is a conflict, perception or potential of a conflict between an official's private interests and public duty.

The test for pecuniary interests is quite clear as it is an objective test; would a councillor or one of their close associates (spouse, family members), receive a financial benefit as a result of a decision. However, testing whether there is a non-pecuniary conflict of interest is more challenging.

Pecuniary interests

It is proposed to align the definition of pecuniary interests for NSW councillors with those that are utilised and defined for NSW members of parliament, requiring disclosure of the following interests:

- Real property – property in which councillors have an ‘interest’
- Sources of income – all income over \$500 other than salary of office
- Gifts – all gifts of cumulative value of more than \$500
- Contributions to travel – of value of more than \$250 (including flight upgrades)
- Interests and positions in corporations – eg stocks and shares, directorships
- Positions in unions and professional or business organisations
- Debts – of cumulative value of more than \$500, excluding home loans or debts for goods and services disposed of within a year
- Dispositions of property
- Engagement to provide a service involving use of a councillor’s position and
- Discretionary disclosures.

It is proposed that the interests for disclosure by the councillor are similarly extended to the interest of a spouse or de facto partner, relative, or partner or employer, or a company or other body of which the councillor, or their nominee, partner or employer, is a shareholder or member. This extends only to the extent the councillor is aware or should be aware of such interests.

It is proposed there remains an absolute prohibition on a councillor being involved in any matter before council where a pecuniary conflict of interest exists, unless otherwise determined via regulation.

It is also proposed to give extended investigation powers to OLG to investigate and request information on corporate structures such as trust or companies to

determine underlying beneficial ownership and interests.

OLG, as the agency responsible for investigating alleged breaches of pecuniary interests, needs clear powers to compel the production of information and/or records, to ensure that pecuniary interest returns are provided and made publicly available. If there is non-compliance with an OLG direction, which may include the requirement to make a declaration, remedies such as penalty infringement notices (PIN) should be available to ensure cooperation with investigative processes.

Question

Is the proposed pecuniary interest framework appropriate? Is anything missing?

Non-pecuniary interests

A conflict of interest does not necessarily have to be financial in nature. It could also arise from familial or personal relationships, affiliations or memberships. It is equally important that such conflicts are managed appropriately to ensure that decision making is seen to be transparent and remains in the public interest.

An interested and informed observer should be confident a decision made by a councillor is free from bias or a reasonable apprehension of bias. This means that any concerns about a potentially significant conflict of interest should be declared and appropriately managed.

The nature and breadth of non-pecuniary interests naturally means that the framework for management of such interests is more nuanced, with the management approach often dependent upon the individual circumstances of the case.

It is also important to recognise that councillors, as representatives of their community, reside within their community, so memberships of clubs, congregational

memberships etc should not automatically be seen as conflicts of interest.

If a decision of a councillor directly advantages (or disadvantages) a particular individual or organisation the councillor is friendly with or associates with, then that can be a conflict that should be publicly declared, if the councillor considered it of minor consequence, it wasn't controversial, or the councillor did not hold the casting vote.

Alternatively, if a decision of a councillor directly advantages (or disadvantages) a particular individual or organisation the councillor is friendly with or associates with, then that can be a conflict requiring the councillor to recuse themselves from being involved in the decision-making process if there was a major advantage or disadvantage (or potential for), if it was controversial or the vote of the councillor was critical.

The appropriate test for whether a non-pecuniary interest should be declared is based on an objective test, not in the mind of the individual who is subject to the conflict of interest. The test is whether a reasonable and informed person would perceive that the councillor could be influenced by a private interest when carrying out their official functions in relation to a matter.

Whether the councillor abstains themselves from a decision, or decides to participate, the continued and timely disclosure of interests is critical. Disclosure ensures the community is aware of any potential conflicts and how the councillor is managing and responding to the issue.

Councillors should remain as vigilant about disclosure of non-pecuniary interests as they are about pecuniary interests.

Question

Do you agree with the principles of what constitutes a significant or major non-pecuniary interest?

Property developers and real estate agents

The NSW Government has made a commitment to ensure the conflicts of interest that exist between a councillors' public duties to make decisions on behalf of communities and the private interests that exist in securing a profit as a developer or real estate agent are addressed. A simple change to ban developers or real estate agents from being councillors is not possible as it infringes the right to political free speech implied by the Australian Constitution.

Ordinarily conflicts of interest are managed through declarations and withdrawing from decision making. However, in the case of property development and real estate interests, where so much of what a council does is related to land and the potential for speculation in the changes of land value arising from planning, development and infrastructure decisions, it can be impossible to isolate the precise interests that would drive a councillor's decision.

Without some way of managing these conflicts, the community confidence that planning, development and infrastructure decisions are taken transparently in the public interest will erode. Given the importance of planning, development and infrastructure decisions to resolving the housing crisis, driving the move to net zero through the electrification of the economy and building community resilience to disasters, it is critical to restore confidence.

To address this concern, an alternative means of managing the inherent conflict of councillors undertaking real estate and development business activity is being considered which involves requiring councillors to divest themselves from real estate or development business activities and contractual obligations.

Legislation is being drafted that will:

- identify how developers and real estate agents are identified,
- create the obligation to divest and not enter into real estate or development business arrangements through contracts,
- establish the penalties, including disqualification, where a councillor engages in contractual arrangements with real estate agents or developers,
- ensure there are exemptions so councillors can buy and sell their own property using a real estate agent, and
- create transitional arrangements for the introduction of the new obligations.

Question

Are there any other specific features that should be included to address concerns about councillors undertaking real estate and development business activities?

Councillor misbehaviour in public office

The third proposed component of a revised definition of misconduct is misbehaviour in public office.

Misbehaviour in public office would cover behaviour which is inconsistent or outside of the norms of behaviour expected from a councillor, particularly given their role as a community leader. Given the discussion is about behaviour rather than action, there is a much greater degree of interpretation, and it is appropriate that councillors judge their fellow councillors on whether they could be considered to have misbehaved.

There would be three limbs to this proposed misbehaviour definition being conduct that:

- Is unbecoming of a councillor
- Brings council into disrepute; and/or
- Is assessed as being outside the norms and expectations of a sitting councillor.

The first two tests of this framework are established legal concepts with existing case law and precedents.

Unbecoming conduct means behaviour more serious than slight, and of a material and pronounced character. It means conduct morally unfitting and unworthy, rather than merely inappropriate or unsuitable, misbehaviour which is more than opposed to good taste or propriety. Conduct unbecoming refers to the conduct that is contrary to the public interests, or which harms his/her standing of the profession in the eyes of the public. Examples can be referenced in *Oei v The Australian Golf Club [2016] NSWSC 846*.

To bring something into disrepute is to lower the reputation of the profession or organisation in the eyes of ordinary members of the public to a significant extent. It is a higher threshold than the test of bringing an individual into disrepute - (*Zubkov v FINA (2007) CAS 2007/A/1291*).

The third limb of the misbehaviour definition allows consideration of behaviours and actions of a sitting councillor which are considered egregious or problematic that are otherwise not captured by the other elements of the definitions.

As this is a test of appropriate behaviour, the determination of whether the misbehaviour occurred would be undertaken by the peers of the councillor. This would involve the formation of an 'Local Government Privileges Committee' (Privileges Committee) of senior and experienced mayors and ex-mayors from across NSW to meet and assess the complaints made against councillors. The Privileges Committee would be supported by OLG, but decisions would be made by the mayors or ex-mayors on the Privileges Committee who would draw on their expertise as mayors, as well as having served at least two council terms as a councillor.

There would also be an opportunity to apply these principles to poor behaviour in meetings, particularly where a councillor has failed to comply with the directions given by the mayor or Privileges Committee Chair.

Question

Is this the appropriate threshold to face a Privileges Committee?

Question

How else can complaints be minimised?

Addressing inappropriate lobbying

A number of investigations by the Independent Commission Against Corruption (ICAC) has led to recommendations to put in place measures to address concerns about lobbying of councillors. ICAC has been concerned about councillors having relationships with development applicants that pose a conflict of interest, concerns with councillors meeting with development applicants in private settings to discuss their applications, and concerns about councillors receiving gifts and inducements as part of lobbying activities to improperly influence council decision-making.

Lobbying is an important feature of democratic representative government, and all councillors get lobbied by residents, businesses and community groups. However, inappropriate lobbying that isn't declared presents certain risks and can lead to corrupt behaviour or improper decision-making. On the recommendation of ICAC to address these risks, OLG is developing lobbying guidelines and a model policy on lobbying for councils to adopt that will:

- address how professional lobbyists are identified and the obligations on councils and councillors if they met a professional lobbyist,
- set out inappropriate behaviours when being lobbied,
- identify steps to be taken to ensure transparency,
- require council officials to report inappropriate or corrupt lobbying behaviours to the councils general manager.

The development of lobbying guidelines and a model policy on lobbying will ensure councillors and councils understand these risks and have effective controls in place to address them.

Question

What key features should be included in lobbying guidelines and a model policy?

Dispute resolution and penalty framework

Consistent with the principles outlined earlier, it is proposed that there be a significant change to the dispute resolution and penalties framework for misbehaviour.

While the overall intent is to reduce the weaponisation of the complaints process and reduce the number of complaints, there is also a need for more timely resolution of matters and ensure that the limited investigation and regulator resources are directed to the more significant misbehaviour matters.

There is also an opportunity to bring the dispute resolution framework more into line with that used in other levels of government.

The approach being proposed is to create clear separation between the process for consideration of conflicts of interest and the processes for consideration of misbehaviour. This has the benefit of removing general managers from being central to the complaint process.

Under the reforms, the investigation of serious conflicts of interest would be put entirely into the hands of OLG. The approach also removes the existing 'two step' process of referrals to conduct reviewers and then OLG.

There would be no investigations of misbehaviour, instead councillors would be required to demonstrate to their peers why their actions, which may have led to the complaint, were appropriate to the circumstances.

To implement these new approaches, changes to the systems and structures of investigation and complaints handling are needed.

Abolishing the 'two step process'

The existing process for complaints is set out in the Procedures for the Administration of the Model Code of Conduct.

In simple terms, the complaint process involves the general manager or the mayor receiving a complaint, determining whether the complaint is valid and referring the matter to a complaints coordinator within the council, who will in turn appoint an external conduct reviewer. Once the conduct reviewer investigates the issue, interviews the complainant and the subject of the complaint, as well as any other relevant people, provides a report to the council and the council makes a decision, many months can pass.

As it currently stands, if OLG, receives a referral following the council consideration of a complaint, they are then expected to rely on the investigation report of the conduct reviewer to make an assessment. However, investigation reports prepared by conduct reviewers may satisfy the evidentiary standard required for a councillor to be censured but may not satisfy the higher evidentiary standard required to support disciplinary action under the misbehaviour provisions under the Local Government Act, such as suspension or disqualification. OLG's experience is that rarely can it rely on these reports and must instead recommence an investigation process if it decides to pursue the matter.

Instead of this existing two-step process:

- Complaints about conflict of interest matters would be made directly to OLG, and
- Complaints about misbehaviour would be made directly to the Local Government Privileges Committee via a dedicated webform.

Under the proposed approach, there would be no role for privately hired investigators to determine whether the Code of Conduct has been breached.

Giving OLG the power to issue penalty infringement notices

In order to ensure information is provided to OLG more effectively, it is proposed to enable OLG the discretion to issue penalty infringement notices (PINs) for minor or insignificant breaches of the conflicts of interest declarations. The PINs would be primarily utilised in circumstances where the breach is considered minor or administrative in nature – for example an inadvertent failure to lodge a return of interests.

This change to PINs is designed to allow a quick process for dealing with minor matters to free up limited regulatory resources while still ensuring that sanction for important matters is provided.

Like all other PIN provisions in other NSW legislations there would be the ability for the PIN to be appealed or special circumstances to be considered. Where the breach was considered more serious in nature then it can be referred to an appropriate tribunal or body for more significant punishment.

Question

What level of PIN is appropriate?

NSW Local Government Privileges Committee

Along with the PIN framework, it is also proposed to create a Local Government Privileges Committee (Privileges Committee) to examine all allegations of misbehaviour in public office. This would replace the existing code of conduct review framework and instead aim to provide a speedy process for resolution and assessment of behavioural complaints against councillors. It also allows for the sector to better govern itself. The Privileges Committee would only examine issues of misbehaviour, not conflicts of interest.

The Privileges Committee would be made up by a group of experienced mayors and ex-mayors from across NSW to ensure that a variety of perspectives and experiences are considered. The Privileges Committee would be supported by a small Secretariat from OLG who could be delegated the power by the Privileges Committee to dismiss matters that are vexatious, trivial, where the Privileges Committee lacks jurisdiction, or where there is an alternative remedy available.

The Privileges Committee process would be paid for by either individual councillors or their councils, dependent on the outcome.

Penalties that could be imposed by the Privileges Committee are as follows:

- Censure of the councillor
- Warning of the councillor
- Where referred following misbehaviour in a council meeting, a potential loss of sitting fees
- Referral to an appropriate tribunal or body for more serious sanction, including suspension or disallowance.

As noted above if the breach is deemed serious then the Privileges Committee would have the power to refer a matter to the OLG for preparation of a brief for an appropriate tribunal or body.

Question

Are the penalties proposed appropriate, and are there any further penalties that should be considered?

Referral of significant sanctions to appropriate tribunal or body

Under the existing processes for consideration of complaints, OLG, in particular the Departmental Chief Executive (or their delegate), can suspend a councillor for between 1-3 months with a consequential loss of sitting fees. This creates the situation where a public servant is sitting in judgement on an elected official. Where a greater suspension is appropriate, the Departmental Chief Executive may refer the matter to an appropriate tribunal or body.

To remedy the concerns about whether it is appropriate for an unelected official to stand in judgment on an elected councillor, it is proposed that any significant sanction, such as suspension, significant fine or disqualification from office, can only be undertaken by an appropriate tribunal or body.

This reduces the existing power of the Departmental Chief Executive to impose penalties. It reflects the principle that significant sanctions, including suspension, should only be imposed by a judicial or quasi-judicial body. It also removes the dual roles of the head of OLG, meaning OLG's focus is on preparing the brief of evidence for consideration by the appropriate tribunal or body.

The role of the appropriate tribunal or body would therefore be to look at all serious misconduct matters that have either been referred by the Privileges Committee, appeals from PINs or referrals of conflict of interest matters from the OLG.

Question

Are the existing sanctions available under the Local Government Act sufficient?

Question

Should decisions on sanctions for councillors be made by the Departmental Chief Executive or a formal tribunal with independent arbitrators and a hearing structure?

Restoring dignity to council meetings

A council chamber is a chamber of democracy, and the mayor as figurehead represents the authority of that council.

Unfortunately, many council meetings are conducted without the appropriate level of dignity or reverence for tradition that suggests the importance of the debate and the need for civility. Councillors are not expected to agree with each other, in fact debate is encouraged, but the debate should be fair and respectful.

A council meeting, and the council chamber itself, should see meetings conducted with dignity. Unfortunately, there are too many examples where the dignity of council meetings has been lost, either because councillors are not appropriately reverential and respectful, or the manner of debate is lowered by inappropriate chamber design or meeting practices.

Proposed reforms to the Model Code of Meeting Practice

To restore the prestige and dignity of the council chamber reforms to the meeting code of practice are being developed to support the mayor in exercising their statutory responsibility to preside at meetings and to ensure meetings are conducted in an orderly and dignified manner.

The proposed reforms will confer the power on mayors to expel councillors for acts of disorder and to remove the councillor's entitlement to receive a fee for the month in which they have been expelled from a meeting.

As a further deterrent against disorderly conduct, councillors will also be required to apologise for an act of disorder at the meeting at which it occurs and, if they fail to comply at that meeting, at each subsequent meeting until they comply. Each failure to apologise becomes an act of misbehaviour and will see the councillor lose their entitlement to receive their fee for a further month.

To provide a check against misuse of the power of expulsion and subsequent loss of entitlement of a fee, councillors will be entitled to a right of review.

Councillors will also be expected to stand, where able to do so, when addressing a meeting and when the mayor enters the chamber.

The proposed reforms will also expand the grounds for mayors to expel members of the public from the chamber for acts of disorder and enable the issuing of a PIN where members of the public refuse to leave a meeting after being expelled.

Question

Are there any other powers that need to be granted to the mayor or chair of the relevant meeting to deal with disorderly behaviour?

Banning briefing sessions

A practice has recently developed in local government where councillors receive briefings from staff that are closed to the public.

As an example, development applications should be considered in the public domain. However, councillors receive private briefings from the council planners before they are dealt with in the public forum of a council or committee meeting. Consequently, members of the public impacted by the council's decision have no idea what the councillors have been told or what has been discussed.

To promote transparency and address the corruption risks identified by the Independent Commission Against Corruption (ICAC) that can arise from a lack of transparency, it is proposed that councils will no longer be permitted to hold pre-meeting briefing sessions in the absence of the public.

Any material provided to councillors, other than the mayor, that will affect or impact or be taken into account by councillors in their deliberations or decisions made on behalf of the community must be provided to them in either a committee meeting or council meeting. This restriction will not apply to mayors. As the leader of the organisation, the mayor needs to have candid conversations with the general manager outside of formal meetings.

To further promote transparency, the proposed reforms will also extend the period that recordings of council and committee meetings must be maintained on a council's website.

Question

Are there any other measures needed to improve transparency in councillor deliberations and decision making?

How to provide feedback?

This discussion paper has been released through the Office of Local Government's communication channels and on the Government's Have your Say Website.

You can make submissions on this proposed framework by **COB Friday 15 November 2024**. Further information is available on OLG website at <https://www.olg.nsw.gov.au/councils/misconduct-and-intervention/councillor-conduct-framework/>.

Submissions can be made online here - <https://www.olg.nsw.gov.au/councils/misconduct-and-intervention/councillor-conduct-framework/>

OR

in writing to: councillorconduct@olg.nsw.gov.au

OR

Locked Bag 3015 NOWRA NSW 2541

Submissions must be clearly labelled "Councillor Conduct Framework Review"

Please direct any inquiries to the OLG's Strategic Policy Unit at councillorconduct@olg.nsw.gov.au or on (02) 4428 4100.

Next Steps

Feedback from this consultation process will be carefully analysed and incorporated to finalise the revised councillor conduct framework.

OLG will then look to finalise necessary draft legislation, regulations and materials for implementation of the revised model over the coming year. Consultation will continue with the local government on the implementation of the revised framework.

Information about the progress of the Councillor Conduct Framework Review will be available on the [OLG website](#).



Your ref: SC177
Our ref: DOC24/652631

Garry Stoll
Director Planning Community and Development
Murrumbidgee Shire Council

Via email: mail@murrumbidgee.nsw.gov.au

Dear Garry

Subject: Proposal to close and sell Council public road – Horneman Lane Jerilderie

Thank you for your notification, received via email 7 August 2024, to the Biodiversity, Conservation and Science Group (BCS) of the NSW Department of Climate Change, Energy, the Environment and Water. BCS has statutory responsibilities relating to biodiversity and flood risk management.

We have reviewed the documents supplied and provide the following advice.

A desktop analysis indicates significant biodiversity values are likely present in Horneman Lane and surrounding areas, including:

- Plant Community Type 76 - Western Grey Box tall grassy woodland – that is associated with endangered ecological communities listed under NSW and Commonwealth legislation
- Recent threatened species records of Superb Parrot, Grey-crowned Babbler (eastern subspecies) and Dusky Woodswallow.

Other threatened species are likely present in the area. The vegetation within Horneman Lane is likely to act as a corridor, providing connections between larger patches of native vegetation in the agricultural landscape.

Impacts to biodiversity, such as clearing of native vegetation, have the potential to impact threatened species and may require assessment and approvals. Requirements to obtain development consent or a native vegetation clearing approval or to notify Local Land Services may apply.

BCS recommends:

1. Council considers whether these biodiversity values are compatible with the likely future use of the land before proceeding with the sale.
2. Should the sale proceed we recommend the future owner be made aware of the potential biodiversity values and the assessment and approval requirements that may apply for future activities and developments.

Assessment and approval pathways for biodiversity impacts will depend upon the purpose and extent of the vegetation clearing. The [NSW local government Biodiversity Offsets Scheme](#)

[entry navigator](#) can assist Council and proponents to determine the appropriate approval pathway for development or land clearing.

If you have any questions about this advice, please contact Claire Coulson, Senior Conservation Planning Officer, via planning.southwest@environment.nsw.gov.au or 02 6022 0636.

Yours sincerely



Andrew Fisher
23 August 2024

**Senior Team Leader – Planning, South West
Biodiversity, Conservation and Science Group
NSW Department of Climate Change, Energy, the Environment and Water**

Applicant	Work to be done	Total Project Cost	Funding Requested	Assessment Score	Funding Option 1.	Applicant Contribution 1.	Funding Option 2.	Applicant Contribution 2.
Toganmain Woolshed	Fix drainage situation at shearers quarters	\$4,771	\$2,385.50	75	\$4,771	\$0	\$2,385.50	\$2,385
Hay Road Church, Darlington Point	Repair doors and window frames	\$10,410	5,000	54	\$7,730	\$2,680	\$5,000	\$5,410
Catholic Church, Darlington Point	Upgrade and enhance the lightings for better visibility	\$5,973	\$3,000	54	\$4,290	\$1683	\$2,986.50	\$2986.50
Punt Road Café, Darlington Point	Paint of exterior of building	\$9,240	\$4,620	54	\$6,860	\$2,380	\$4,620	\$4,620
		\$30,394	\$15,005.50		\$23,651		\$15,005.50	



Murrumbidgee
COUNCIL

Revised Investment Policy (Revision 2)

	Name	Position	Signature	Date
Responsible Officer	Kaitlin Salzke	Chief Financial Officer		
Authorised By	John Scarce	General Manager		

Document Revision History	
Date adopted by Council	28 August 2018
Minute No:	175/08/18
Revision Number:	1
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Date adopted by Council:	26 July 2022
Minute No:	98/07/22
Next Review Date:	See item 6. of this Policy
Revision Number:	2
Review Date:	22 October 2024
Date Adopted by Council:	
Minute Number:	

OCTOBER 2024

Related Documents

Local Government Act 1993
Local Government (General) Regulation 2005
Government Information (Public Access) Regulation 2009
Trustee Act 1925 (NSW)
Relevant Office of Local Government Circulars
Ministerial Investment Order – dated 12 February January 2011
Local Government Code of Accounting Practice and Financial Reporting
Australian Accounting Standards

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1. Policy Statement and Scope

1.1. Purpose and Objectives

1.1.1. The purpose of this Policy is to provide a framework for investing surplus Council funds at the most favourable rate of interest available to it at the time whilst having due consideration of risk and security for that investment type and ensuring that its liquidity requirements are being met.

While exercising the power to invest, consideration is to be given to the preservation of capital, liquidity, and the return of the investment:

- Preservation of capital is the principal objective of Council's investment portfolio. Investments are to be placed in a manner that safeguards the investment portfolio. This includes managing credit and interest rate risk within identified thresholds and parameters;
- Investments should be allocated to ensure there is sufficient liquidity to meet all reasonably anticipated cash flow requirements, as and when they fall due, without incurring the risk of significant costs due to the unanticipated sale of an investment; and
- Investments are expected to achieve a market average rate of return in line with Council's risk tolerance.

1.2. Delegation of Authority

1.2.1. Authority for implementing the Investment Policy is delegated by Council to the General Manager in accordance with the *Local Government Act 1993*.

1.2.2. The General Manager has the authority to invest surplus funds, and to ensure adequate skill, support and oversight, may, in turn, delegate this function to the Responsible Accounting Officer (RAO) or senior staff, subject to regular reviews. Officers investing funds on behalf of the Council must do so in accordance with this Policy.

1.2.3. Officers delegated authority to administer and/or manage the Council's investments shall be recorded and required to acknowledge they have received a copy of this Policy and understand their obligation in this role. A sample form is included at Attachment 1.

1.2.4. Adequate controls are in place to safeguard the Council's assets, such as the separation of the duties of authorising and executing transactions through the requirement of two authorised signatories for each transaction.

- 1.2.5. The General Manager, or their delegated representative, have the authority to approve variations to this Policy if the investment is to Council's advantage or due to revised legislation or a change in market conditions. Any variations to the Policy will be reported to Council at the next meeting.

1.3. Prudent Person Standard

- 1.3.1. The investments will be managed with the care, diligence and skill that a prudent person would exercise. As trustees of public monies, officers are to manage Council's investment portfolio to safeguard the portfolio in accordance with the spirit of this Investment Policy and not for speculative purposes.

1.4. Ethics and Conflicts of Interest

- 1.4.1. Officers shall refrain from personal activities that would conflict with the proper execution and management of the Council's investment portfolio. This Policy requires officers to disclose any conflict of interest to the General Manager as soon as they arise.
- 1.4.2. Independent advisors utilised in accordance with clause 2.2 must also declare that they have no actual or perceived conflicts of interest.

2. Investment Guidelines

2.1. Risk Management

- 2.1.1. Investments obtained are to be considered in light of the following key criteria:
- *Preservation of capital* – the requirement for preventing losses in an investment portfolio's total value;
 - *Credit risk* – the risk that a particular financial institution or government authority that the Council is invested in fails to pay the interest and/or repay the investment principal of an investment;
 - *Diversification* – setting limits to the amounts invested with a particular financial institution or government authority to reduce credit risk;
 - *Liquidity risk* – the risk that an investor is unable to redeem the investment at a fair price within a timely period;
 - *Market risk* – the risk that the fair value or future cash flows of an investment will fluctuate due to changes in market prices; and
 - *Maturity risk* – the risk relating to the length of term to maturity of the investment. The longer the term, the greater the length of exposure and risk to market volatilities.

2.2. Investment Advisor and/or Advisory Services

- 2.2.1. The Council may use the services and/or seek advice from a suitably qualified and experienced investment advisor licenced by the Australian Securities and Investment Commission to achieve this Policy's objectives.
- 2.2.2. Any such advisor is required to be independent and provide written confirmation that they do not have any actual or potential conflicts of interest in relation to investment products being recommended or reviewed.
- 2.2.3. Under Circular 17-29 Council may also engage the NSW Treasury Corporation (TCorp) to provide investment advice.

2.3. Non-Financial Factors

- 2.3.1. When assessing an investment opportunity as part of the prudent person rule, there will always be factors which are not easily quantifiable that should be considered. These factors may lead to Council accepting a lower rate of return on a particular investment. The highest rate should not always be accepted. Instead, the investment which delivers the best value to Council should be selected.
- 2.3.2. To ensure accountability and transparency and to enable these factors to be identified subsequently, staff making such a decision should document their decision-making process.
- 2.3.3. Factors which may be considered when choosing investments include, but are not limited to:
- transaction costs
 - ease of making transactions
 - ability to swap funds
 - level of service from an institution
 - benefits to local government
 - liquidity terms
 - reduced costs to other services, or
 - choosing ethical and socially responsible investments.
- 2.3.4. Ethical and Socially Responsible Investments
- 2.3.4.1. Ethical and socially responsible investments are a means for investors (including Council) to support their principles and consider factors other than the financial return potential of particular investments. In addition to standard risk assessment, investments can be further evaluated in terms of environmental, social and governance issues. Several independent organisations have been

established to evaluate and rate companies according to these criteria.

- 2.3.4.2. Subject to compliance with government legislation and the outlined investment strategic objectives, Council supports investments in ethical or socially responsible investments.

2.4. Investment in Coleambally Community Bank

2.4.1. In recognition of the significant community role, support and activities undertaken within the Local Government Area, Council will aim to hold 50% of its portfolio with the Coleambally Community Bank.

2.4.2. If, when considering a new investment, an equivalently rated or better rated institution is offering an interest rate 0.40% p.a. (or more) higher than Coleambally Community Bank with a comparable term to maturity, Council may invest in that institution in preference to Coleambally Community Bank, irrespective of the target set out in clause 2.4.1.

2.4.3. Notwithstanding clause 2.4.2, Council will hold a minimum of 10% of its portfolio with the Coleambally Community Bank at all times.

3. Mandatory Investment Constraints

3.1. Legislative Requirements

- 3.1.1. All investments must comply with legislative requirements including, but not limited to:
- *Local Government Act 1993*;
 - Local Government (General) Regulation 2005 – Clause 212;
 - Ministerial Investment Order – dated 12 February January 2011;
 - Local Government Code of Accounting Practice and Financial Reporting;
 - Australian Accounting Standards; and
 - Office of Local Government Circulars.

3.2. Approved Instruments

3.2.1. Investments are limited to those allowed by the most current Ministerial Order that has been issued by the NSW Minister for Local Government.

3.3. Prohibited Investments

3.3.1. This Investment Policy prohibits any investment carried out for speculative purposes including, but not limited to:

- Derivative based instruments;
- Principal only investments or securities that provide potentially nil or negative cash flow; and
- Standalone securities issued that have underlying futures, options, forwards contracts and swaps of any kind.

3.4. Borrowing

3.4.1. This Policy prohibits leveraging (borrowing to invest).

3.4.2. However, nothing in this Policy shall prohibit the short-term investment of loan proceeds where the loan is raised for non-investment purposes, and there is a delay before the spending occurs.

3.5. Currency

3.5.1. Investments must be denominated in Australian Dollars.

3.6. Ownership

3.6.1. Investments must be held in the name of Murrumbidgee Council.

3.6.2. Notwithstanding the above, investments may be held in safe custody on Council's behalf where it is cost-effective to do so, as long as the following criteria are met:

- a) Council must retain beneficial ownership of all investments;
- b) Adequate documentation is provided verifying the existence of the investment, both at inception and on an ongoing basis;
- c) The custodian conducts regular reconciliations of records with relevant registries and/or clearing systems;
- d) The custodian has an AFS licence issued by ASIC that explicitly covers custodial services;
- e) The institution or custodian recording and holding the assets must be one of the following:
 - Austraclear;
 - the custodian nominated by TCorp for T-Corp's Investment Management (IM) Cash Funds;
 - an institution with an investment-grade rating;
 - a specialist custodian with adequate insurance, including professional indemnity insurance and other insurances considered prudent and appropriate to cover its liabilities under any agreement.

3.7. Term to Maturity

3.7.1. The maximum duration of investments in each credit rating category shall be:

Long Term Credit Rating	Maximum Duration
AAA	5 years
AA	4 years
A	3 years
BBB	1 year

3.8. Overall Credit Quality Limits

3.8.1. The maximum total holding limit in each credit rating category shall be:

Long Term Credit Rating	Maximum Percentage
AAA	100%
AA	100%
A	60%
BBB	40%

3.8.2. Overall credit quality limits exclude Council's trading account and funds invested with Coleambally Community Bank.

3.8.3. Where the principal amount and accrued interest of any investment with a financial institution are directly guaranteed by the Australian Federal Government for full repayment, the total exposure to credit ratings lower than AA may be exceeded. The excess amount must comprise only guaranteed investments.

3.9. Individual Counterparty Limits

3.9.1. All investments must have a long-term credit rating of BBB or stronger. Investments with institutions below Class A are restricted to licenced banks, building societies and credit unions.

3.9.2. Exposure to individual counterparties/financial institutions will be determined by the counterparty's credit rating and will be limited to:

Long Term Credit Rating	Maximum Percentage
AAA	40%
AA	30%
A	14%
BBB	10%

3.9.3. Counterparty limits exclude Council's trading account and funds invested with Coleambally Community Bank.

- 3.9.4. Where the principal amount and accrued interest of any investment with a financial institution are directly guaranteed by the Australian Federal Government for full repayment, the exposure to individual institutions may exceed the stated limit provided that the excess amount comprises only guaranteed investments.

3.10. Changes in Credit Ratings

- 3.10.1. If any of Council's investments are downgraded such that they no longer fall within these Investment Policy guidelines, they will be divested as soon as practicable.

4. Reporting

4.1. Investment Register

- 4.1.1. Documentary evidence must be recorded and held for each investment, and details maintained in an Investment Register. The Investment Register must specify:

- the source and the amount of money invested,
- particulars of the security or form of investment in which the money was invested,
- the term of the investment
- if appropriate, the rate of interest to be paid

4.2. Reconciliations

- 4.2.1. Certificates must be obtained from the financial institution confirming the amounts of all investments held on the Council's behalf as at 30 June each year and reconciled to the Investment Register. All investments must be appropriately prepared in Council's financial records and reconciled at least monthly.

4.3. Performance Benchmarks

- 4.3.1. ~~Investment performance for the current month and year-to-date will be measured monthly against the Bloomberg AusBond Bank Bill Index.~~

Investment performance for the current month and year-to-date (YTD) will be measured monthly against the 90-Day Bank Accepted Bill (BAB) Rate, as published by the Reserve Bank of Australia. The YTD BAB Rate will be calculated as the simple average of the monthly BAB rates for the period being measured.

4.4. Monthly Reporting to Council

- 4.4.1. In accordance with the *Local Government (General) Regulation 2005*, the Responsible Accounting Officer (RAO) will provide Council with a

monthly written report setting out details of all money that the Council has invested under section 625 of the Act, including:

- the source and amount of money invested;
- particulars of the security or form of investment in which the money was invested; and
- if appropriate, the interest rate to be paid, and the amount of money that Council has earned, in respect of funds invested.

4.4.2. The report must include a certificate as to whether or not the investment has been made in accordance with the Act, the regulations and Council's Investment Policy.

4.4.3. In addition, the report will detail:

- the performance of the investment portfolio, including:
 - investment income earned versus budget; and
 - a comparison between the relevant performance benchmark(s) outlined in this Policy and the money-weighted rate of return on Council's portfolio;
- percentage exposure of total portfolio; and
- maturity date and term of the investment.

4.5. Annual Financial Statements

4.5.1. In accordance with Section 413 of the *Local Government Act 1993*, Council must recognise, measure and disclose investments in its annual financial statements in accordance with the publication(s) issued by the Australian Accounting Standards Board and the Local Government Code of Accounting Practice and Financial Reporting.

4.6. Breach of Policy

4.6.1. If a breach of this Investment Policy occurs, Council's Responsible Accounting Officer (RAO) should notify Council at its next ordinary meeting. Council should also consider notifying the Office of Local Government of any such breach.

5. Review of Investments

5.1. Council's Audit, Risk & Improvement Committee will, from time to time, review the investments of Council to verify:

- a) that new investment types/products comply with this Policy;
- b) the performance of Council's investments against the benchmarks established within this Policy;
- c) that investments have been placed in accordance with this Policy.

- 5.2. Council's external auditor is also required to review Council's investments as part of the audit of the annual financial reports.

6. Policy Review

- 6.1. This Policy:
- i. To be reviewed within the first year of the new Council term;
 - ii. May be reviewed and amended at any time at Council's discretion (or if legislative or State Government Policy changes occur)
- 6.2. Any amendment to the Investment Policy must align with the 'Delegation of Authority' provisions of this Policy.

7. Definitions

Act	<i>Local Government Act 1993</i>
Credit rating	<p>Credit risk investment parameters are based on credit rating bands published by the credit rating agencies Standard & Poor's (S&P), Moody's, and Fitch. In the event of disagreement between agencies as to the rating band ("split ratings") Council shall use the higher in assessing compliance with portfolio policy limits but shall apply the lower in assessing new purchases.</p> <p>Credit ratings apply to both products and institutions. This Policy requires the rating applicable to the institution responsible for the product to be taken as the relevant rating, as this represents the underlying risk to Council.</p>
Responsible Accounting Officer (RAO)	A member of Council staff designated by the General Manager, or, if no such member has been designated, the General Manager. (Local Government (General) Regulation 2005 (NSW) – Clause 196)

Attachment 1: Officers with Delegated Authority

This form is to be completed by officers with Delegated Authority under this Investment Policy and retained in the Investments Register.

DECLARATION

I have read and understood the Murrumbidgee Council Investment Policy and understand and accept my obligations under the Policy.

NAME: _____

POSITION: _____

SIGNATURE: _____ DATE: _____

PROPOSED








SCHEDULE OF INVESTMENTS - 30 SEPTEMBER 2024**External investments**

In accordance with Regulation 212 of the *Local Government (General) Regulation 2005*, details of Murrumbidgee Council's external investments are set out below.

Institution	Balance (\$)	Yield (p.a.)	Maturity	Term (months)	No.
Suncorp - METWAY	508,136.99	5.00%	8/10/2024	3	31
Bendigo	524,204.94	4.79%	18/10/2024	3	23
Westpac	1,087,298.26	5.01%	21/10/2024	4	43
Bendigo	1,597,051.03	4.83%	25/10/2024	4	33
Bendigo	1,000,000.00	4.83%	29/10/2024	3	40
Bendigo	1,039,292.49	4.83%	29/10/2024	3	22
Suncorp - METWAY	1,000,000.00	5.05%	30/10/2024	4	36
IMB Ltd	500,000.00	4.95%	4/11/2024	4	42
Bendigo	1,040,735.34	4.71%	18/11/2024	3	45
NAB	1,500,000.00	5.10%	20/11/2024	6	28
Westpac	790,680.28	4.89%	29/11/2024	3	25
IMB Ltd	1,058,091.33	4.95%	29/11/2024	4	38
IMB Ltd	800,000.00	4.95%	29/11/2024	4	29
Bendigo	500,000.00	4.97%	29/11/2024	4	35
Suncorp - METWAY	1,029,327.35	4.85%	2/12/2024	3	34
Bendigo	1,553,311.71	4.75%	4/12/2024	3	26
Westpac	512,439.71	4.93%	11/12/2024	3	24
Westpac	836,988.28	4.88%	23/12/2024	4	32
Bendigo	2,954,000.00	5.15%	23/12/2024	6	46
St George	546,417.56	4.27%	3/01/2025	5	27
Westpac	1,500,000.00	4.91%	6/01/2025	4	30
Bendigo	1,000,000.00	5.20%	6/01/2025	6	41
NAB	1,000,000.00	5.00%	21/01/2025	4	47
Bendigo	1,032,651.01	4.83%	22/01/2025	5	44
Suncorp - METWAY	500,000.00	4.98%	20/02/2025	5	20
Bendigo	1,304,592.25	4.50%	16/03/2025	6	21
Bendigo	2,500,000.00	5.25%	2/07/2025	12	37
	<u>29,215,219</u>				

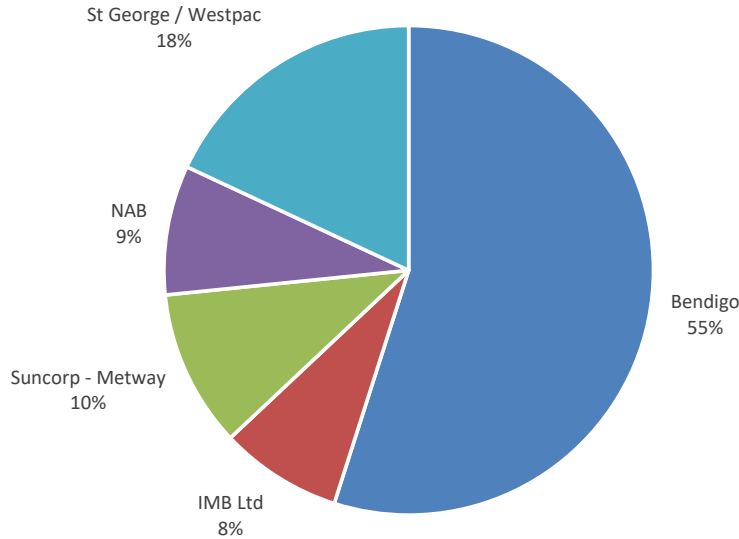
Maturity

All investments comply with the maximum duration set out for each rating category in the *Investment Policy*.

Month	\$ Funds Maturing	
October 2024	\$ 6,755,984	
November 2024	\$ 6,189,507	
December 2024	\$ 6,886,067	
January 2025	\$ 5,079,069	
February 2025	\$ 500,000	
March 2025	\$ 1,304,592	
July 2025	\$ 2,500,000	
	<u>\$ 29,215,219</u>	

Counterparties to Investments

Institution	Balance	S&P / Moody's / Fitch	Highest	Limit	% Invested	Compliant
Bendigo	16,045,839	A- / Baa1 / A-	A	N/A	54.92%	N/A
IMB Ltd	2,358,091	- / Baa1 / BBB+	BBB	10%	8.07%	●
Suncorp - Metway	3,037,464	A+ / A1 / A	A	14%	10.40%	●
NAB	2,500,000	AA- / Aa2 / A+	A	14%	8.56%	●
St George / Westpac	5,273,824	AA- / Aa2 / AA-	AA	30%	18.05%	●
	<u>29,215,219</u>				<u>100%</u>	

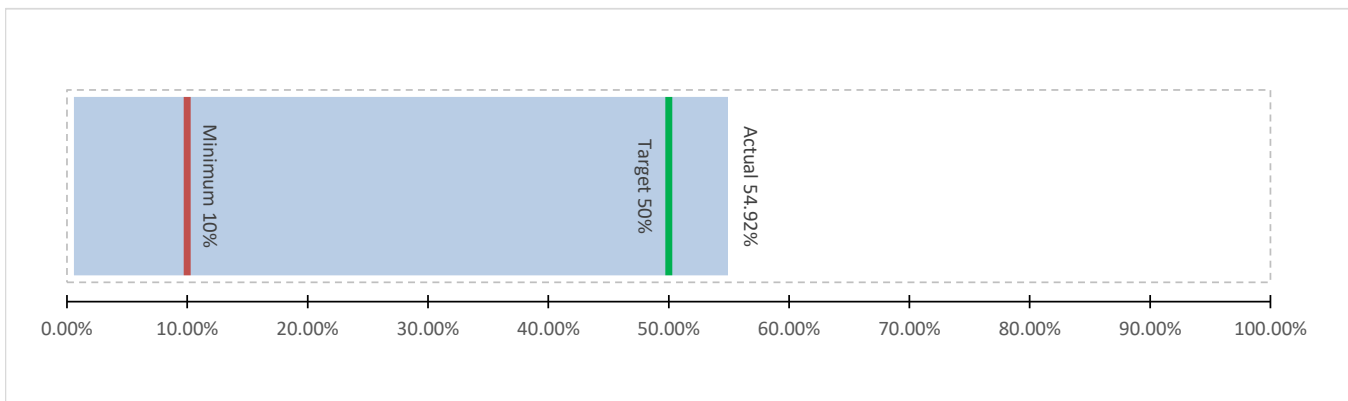


Investment with Bendigo Bank

54.92% ●

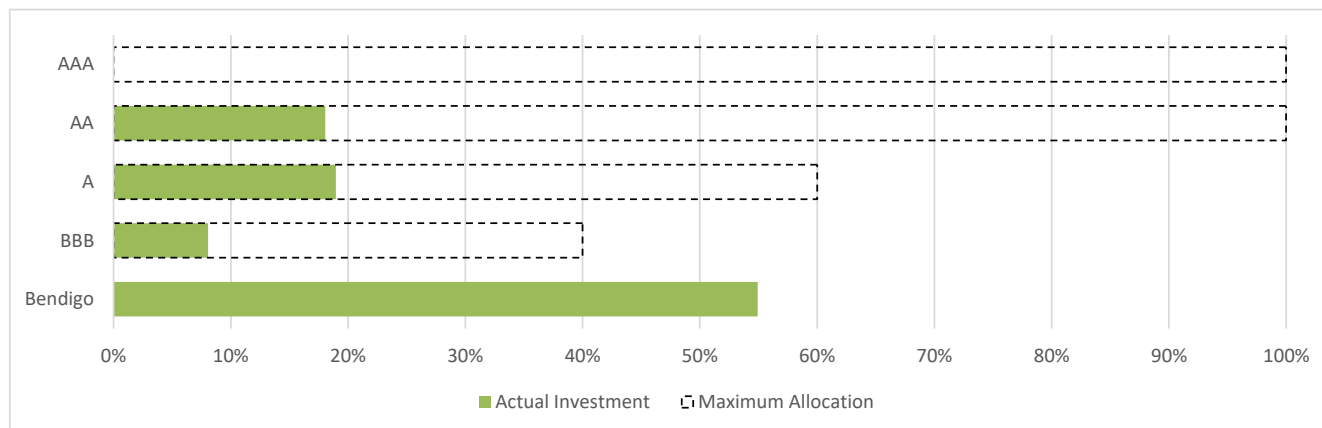
In recognition of the significant community role, support and activities undertaken within the Council area, Council aims to hold 50% of its investment portfolio with the Coleambally Community Bank.

If, when considering a new investment, an equivalently-rated or better-rated institution is offering an interest rate 0.40% p.a. (or more) higher than Coleambally Community Bank with a comparable term to maturity, Council may invest in that institution in preference to Coleambally Community Bank, irrespective of the target set out above. However, Council will hold a minimum of 10% of its portfolio with the Coleambally Community Bank at all times.



Overall Credit Quality Limits

Credit Rating	Maximum	Balance	% Invested	Compliant
AAA	100%	\$ -	0.00%	●
AA	100%	\$ 5,273,824	18.05%	●
A	60%	\$ 5,537,464	18.95%	●
BBB	40%	\$ 2,358,091	8.07%	●
Bendigo	N/A	\$ 16,045,839	54.92%	N/A
Total		\$ 29,215,219	100%	



Monthly investment movements

Redemptions

Institution - No.	Balance (\$)	Comments
NAB - Inv 47	525,069	Partial redemption to cover cash flow requirements
Suncorp - Inv 20	4,783	Interest on Inv 20
	<u>529,851</u>	

New Investments

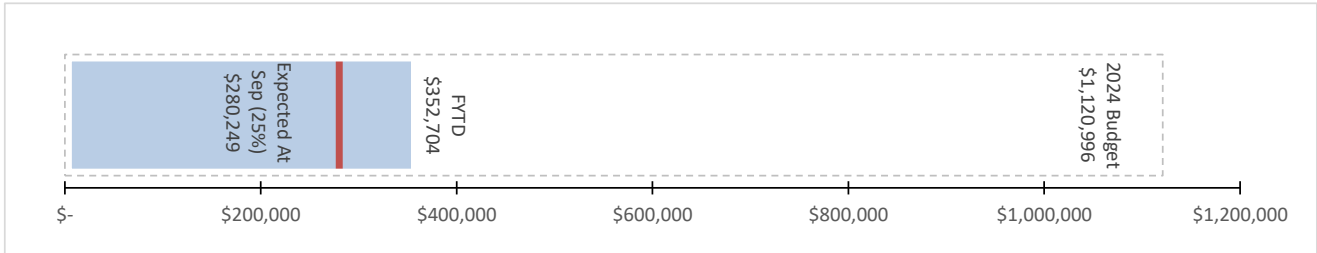
Institution - No.	Balance (\$)	Yield (p.a.)	Term (months)	Comments
Westpac - Inv 30	1,500,000	4.91%	4	Excess funds invested
	<u>1,500,000</u>			

Rollovers

Institution - No.	Balance (\$)	Yield (p.a.)	Term (months)	Comments
Suncorp - Inv 34	1,029,327	4.85%	3	Rollover for best cash flow purpose
Bendigo - Inv 26	1,553,312	4.75%	3	Rollover for best cash flow purpose
Westpac - Inv 24	512,440	4.93%	3	Rollover for best cash flow purpose
Suncorp - Inv 20	500,000	4.98%	5	Rollover for best cash flow purpose
Bendigo - Inv 21	1,304,592	4.50%	6	Rollover for best cash flow purpose
NAB - Inv 47	1,000,000	5.00%	4	Rollover for best cash flow purpose
	<u>5,899,671</u>			

Investment performance

	Sep-24	FYTD
Total investment income, including accrued interest	\$117,127	\$352,704
Money-weighted rate of return (% p.a.)	4.95%	4.88%
Bloomberg AusBond Bank Bill Index	4.31%	4.46%
Over performance/(under performance)	0.64%	0.42%



Stronger Communities Fund

	Jerilderie Budget	Expend to date	Coleambally Budget	Expend to date	Darlington Pt Budget	Expend to date	Still to be Expended	% Complete	
Coleambally			600,000.00				600,000.00	0.00%	Works subject to IWCM completion
Darlington Point	685,843.98	15,074.10			691,787.38		691,787.38	0.00%	New reservoir to be constructed and installed
Jerilderie							670,769.88	2.20%	Works subject to IWCM completion
Darlington Point					58,000.00	10,200.00	47,800.00	17.59%	Artwork design purchased. Further signage to be determined.
Coleambally			1,500,000.00	1,120,155.59			379,844.41	74.68%	Construction complete.
Darlington Point					367,750.00	322,140.79	45,609.21	87.60%	Landscaping and furniture to be installed
Jerilderie Cricket Club	21,500.00	21,500.00					0.00	100.00%	Lighting installation to be completed.
Jerilderie Community Gym	43,358.97	43,358.97						100.00%	
Jerilderie Tennis Club	45,454.55	45,454.55						100.00%	
Jerilderie Tennis Club	44,708.69	44,708.69						100.00%	
Jerilderie CWA	18,003.61	18,003.61						100.00%	
Jerilderie Football Club	39,674.00	39,674.00						100.00%	
Jerilderie Pre School	44,098.40	44,098.40						100.00%	
Jerilderie Swimming Club	5,859.73	5,859.73						100.00%	
Jerilderie Public School P & C	49,280.00	49,280.00						100.00%	
Jerilderie Arts & Talent Society	9,868.22	9,868.22						100.00%	
Jerilderie Tennis Club	27,272.73	27,272.73						100.00%	
Jerilderie Tennis Club	1,340.00	1,340.00						100.00%	
Jerilderie Public School P & C	7,946.36	7,946.36						100.00%	
Jerilderie Merts Shed	50,000.00	50,000.00						100.00%	
Jerilderie RSL Sub Branch	4,577.27	4,577.27						100.00%	
Jerilderie St Joseph's Parent's and Friends Inc	35,374.74	35,374.74						100.00%	
Coleambally Sweatbox			30,340.00	30,340.00				100.00%	
Community Gym			45,260.00	45,260.00				100.00%	
Coleambally Clay Target Club			7,233.44	7,233.44				100.00%	
Coleambally Pre School			11,412.73	11,412.73				100.00%	
Coleambally Pre School			7,520.00	7,520.00				100.00%	
Coleambally Lions Club								100.00%	

<u>Stronger Communities Fund</u>		Jerrilderie Budget	Expend to date	Coleambally Budget	Expend to date	Darlington Pt Budget	Expend to date	Still to be Expended	% Complete
Coleambally Lions Club	Painting of Bucyrus Dragline			4,632.65	4,632.65				100.00% Complete
Coleambally Chamber of Commerce	Equipment for community events			10,116.20	10,116.20				100.00% Complete
Coleambally Chamber of Commerce	Quilting workshops			4,250.00	4,250.00				100.00% Complete
Coleambally Chamber of Commerce	Purchase of sewing machines, overlockers & tables			21,122.73	21,122.73				100.00% Complete
Coleambally Riverina Vintage Machinery Club	Purchase of portable building with disabled access			41,000.00	41,000.00				100.00% Complete
Coleambally Community Club	Installation of playground & outdoor family area			45,454.55	45,454.55				100.00% Complete
Coleambally Central School P & C	Build sandpit & resurface basketball court			50,000.00	50,000.00				100.00% Complete
Coleambally Golf Club Inc	Automatic watering for fairways 3 & 9			44,600.00	44,600.00				100.00% Complete
Coleambally Golf Club Inc	Automatic watering for fairways 1 & 6			25,450.00	25,450.00				100.00% Complete
Coleambally St Peters Primary School	Replace school quadrangle			28,172.73	28,172.73				100.00% Complete
Coleambally Mens Shed	Construct storage facility			44,463.19	44,463.19				100.00% Complete
Coleambally Murrumbidgee Experimental Farm	Develop 22ha for farming			45,454.55	45,454.55				100.00% Complete
Coleambally Pre School	Floor resurfacing			13,594.55	13,594.55				100.00% Complete
Coleambally Pre School	Shade sails & shed storage			12,272.73	12,272.73				100.00% Complete
Coleambally Lions Club	Jumping castle & trailer project			5,835.00	5,835.00				100.00% Complete
Coleambally Community Club	Level Bowling Greens, Upgrade Main Bar & Toilet area			21,909.09	21,909.09				100.00% Complete
Coleambally Central School P & C	Outdoor Settings			18,840.00	18,840.00				100.00% Complete
Coleambally St Peters Primary School	Multi purpose court			5,000.00	5,000.00				100.00% Complete
Coleambally Darlington Point Country Education Fund	Oral History Book Production			3,000.00	3,000.00				100.00% Complete
Coleambally Motorcycle Club Inc	Construct club house & install watering system to track			50,000.00	50,000.00				100.00% Complete
Coleambally Pony Club	Grounds upgrade & revamp			6,642.86	6,642.86				100.00% Complete
Coleambally Fusion Drop in Centre	Coleambally youth development			4,545.45	4,545.45				100.00% Complete
Coleambally St Peters Catholic Church	Replacement of chairs			6,363.64	6,363.64				100.00% Complete
Coleambally Tennis Club	Replacement of synthetic courts			50,000.00	50,000.00				100.00% Complete
Anglican Parish of Coly/Darlington Point	Install air conditioning to Darlington Point Hall					17,423.59	17,423.59		100.00% Complete
Darlington Point Mens Shed	Construct meeting room & improve stormwater			45,454.55	45,454.55				100.00% Complete
Darlington Point Lions Club	Addition of BBQ & bench			20,000.00	20,000.00				100.00% Complete
Darlington Point Mens Shed	Installation of solar panels			8,547.55	8,547.55				100.00% Complete
Apex Club of Darlington Point	Flag pole installation and fingerling purchase			12,659.00	12,659.00				100.00% Complete
Darlington Point Club Ltd	Bowling green & club grounds irrigation			45,454.55	45,454.55				100.00% Complete

Stronger Communities Fund

	Jerilderie Budget	Expend to date	Coleambally Budget	Expend to date	Darlington Pt Budget	Expend to date	Still to be Expended	% Complete
Jerilderie	9,552.13	9,552.13						100.00% Complete
Jerilderie	20,067.53	20,067.53						100.00% Complete
Jerilderie	156,833.64	156,833.64						100.00% Complete
Jerilderie	550,000.00	550,000.00						100.00% Complete
Jerilderie	686,470.63	686,470.63						100.00% Complete
Jerilderie	568,306.02	568,306.02					0.00	100.00% Complete
Jerilderie	70,332.17	70,332.17						100.00% Complete
Jerilderie	135,963.60	135,963.60						100.00% Complete
Jerilderie	503,302.79	503,302.79						100.00% Complete
Announced to date	4,298,122.06	3,627,352.18	5,744,845.83	4,765,001.42	5,435,096.48	4,649,899.89	2,435,810.88	

Tidy Towns Purchase of equipment/ride on mower
 Construction of footpath through Luke Park
 Yamma Hail Toilet Block/Kitchen Redevelopment
 Independent Living Units Contribution
 Purchase of water entitlement
 Swimming Pool Restoration
 Showground Amenities Upgrade
 Kitchen Upgrade
 Long Day Care Centre

15,478,064.37

Stronger Communities Funding

Interest Received to 30/06/24	14,365,000.00
	1,153,840.00
	15,518,840.00
Less expenditure to date	13,042,253.49
Balance unexpended before Int calc	2,476,586.51
	1,322,746.51
Available to date	14,365,000.00
Interest to date	1,153,840.00
Less announced to date Available/(Oversubscribed)	15,518,840.00
	15,478,064.37
	40,775.63