

1. LEAVE OF ABSENCE/APOLOGIES
2. ACKNOWLEDGEMENT OF COUNTRY
3. PRESENTATIONS
4. DECLARATION OF PECUNIARY INTERESTS
5. DECLARATION OF NON PECUNIARY INTERESTS
6. CONFIRMATION OF MINUTES
7. BUSINESS ARISING FROM MINUTES
8. CORRESPONDENCE
9. MATTERS OF URGENCY
10. NOTICES OF MOTION/RESCISSION MOTIONS
11. CHAIRPERSONS MINUTE
12. PUBLIC PARTICIPATION – CONFIDENTIAL SESSION
13. MATTERS TO BE SUBMITTED TO CONFIDENTIAL SESSION
 - 13.1. MATTERS SUBMITTED BY PRODUCTION AND SERVICES MANAGER
 - 13.1.1. Supply of Liquid Alum
 - 13.2. MATTERS SUBMITTED BY ENGINEERING MANAGER
 - 13.2.1. Tender Recommendation – Old Jugiong Water Treatment Plant Demolition – Contract 07/2020
 - 13.2.2. Rosehill to Harden Additional 2.7km Pipeline Replacement
14. MATTERS TO BE SUBMITTED TO OPEN COUNCIL
 - 14.1. MATTERS SUBMITTED BY CORPORATE SERVICES MANAGER
 - 14.1.1. Council Investments
 - 14.1.2. Progress Report – Capital Works Expenditure
 - 14.1.3. Policy Review
 - 14.1.4. Audit Risk and Improvement Committee
 - 14.2. MATTERS SUBMITTED BY PRODUCTION AND SERVICES MANAGER
 - 14.2.1. Water Production Report

14.2.2. Annual Drinking Water Management System Review

14.3. MATTERS SUBMITTED BY ENGINEERING MANAGER

14.3.1. Update on the Installation of Backflow Prevention devices

15. NEXT MEETING

16. CLOSE OF BUSINESS

LEAVE OF ABSENCE/APOLOGIES

An apology has been received from Cr Liz McGlynn.

ACKNOWLEDGEMENT OF COUNTRY

I would like to acknowledge the Wiradjuri people who are the Traditional Custodians of the Land. I would also like to pay respect to their people both past and present and extend that respect to other Aboriginal Australians who are present.

PRESENTATIONS

No presentations are scheduled for this meeting.

DECLARATION OF PECUNIARY INTERESTS

Declaration of Interest

Councillors and senior staff are reminded of their obligation to declare their pecuniary interest in any matters listed before them.

Councillors may declare an interest at the commencement of the meeting, or alternatively at any time during the meeting should any issue progress or arise that would warrant a declaration.

Councillors must state their reasons in declaring any type of interest.

DECLARATION OF NON PECUNIARY INTERESTS

Declaration of non Pecuniary Interest

Councillors and senior staff are reminded of their obligation to declare their interest in any matters listed before them.

In considering your interest you are reminded to include non-pecuniary and conflicts of interest as well as any other interest you perceive or may be perceived of you.

Councillors may declare an interest at the commencement of the meeting, or alternatively at any time during the meeting should any issue progress or arise that would warrant a declaration.

Councillors must state their reasons in declaring any type of interest.

CONFIRMATION OF MINUTES

It is recommended that the minutes of the meeting held 22 October 2020 having been circulated to members be confirmed as a true and accurate record.

BUSINESS ARISING FROM MINUTES

At the time of preparation of the business paper no business was arising from minutes.

CORRESPONDENCE

At the time of preparation of the business paper no relevant correspondence had been received for inclusion.

MATTERS OF URGENCY

In accordance with clause 241 (3) of the Local Government (General) Regulations 2005 business may be transacted at a meeting without due notice only if:

- a) A motion is passed to have the business transacted at the meeting, and
- b) The business is proposed to be brought forward is ruled by the chairperson to be of great urgency.

NOTICES OF MOTION/RESCISSION MOTIONS

At the time of preparation of the Business Paper no Notices of Motion or Rescission Motions have been received.

CHAIRPERSONS MINUTE

At the time of preparation of the Business Paper the Chairperson had not issued a report for publication.

PUBLIC PARTICIPATION - CONFIDENTIAL SESSION

In accordance with the Local Government Act 1993 and the Local Government (General) Regulations 2005, in the opinion of the General Manager the following business is of a kind as referred to in section 10A(2) of the Act and should be dealt with in part of the meeting closed to the media and public.

It is recommended that Council move into CONFIDENTIAL SESSION.

SUPPLY OF LIQUID ALUM

*This report is **CONFIDENTIAL** in accordance with Section 10A(2)(d)(i) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following:*

- d) Commercial information of a confidential matter that would, if disclosed:*
 - (i) prejudice the commercial position of the person who supplied it,*

**TENDER RECOMMENDATION – OLD JUGIONG WATER TREATMENT PLANT
DEMOLITION – CONTRACT 07/2020**

*This report is **CONFIDENTIAL** in accordance with Section 10A(2)(d)(i) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following:*

- d) Commercial information of a confidential matter that would, if disclosed:*
 - (i) Prejudice the commercial position of the person who supplied it, or*

ROSEHILL TO HARDEN ADDITIONAL 2.7KM PIPELINE REPLACEMENT

*This report is **CONFIDENTIAL** in accordance with Section 10A(2)(d)(i) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following:*

- a) Commercial information of a confidential matter that would, if disclosed:*
 - (i) prejudice the commercial position of the person who supplied it,*

EXITING CONFIDENTIAL

There being no further confidential items it is recommended that Council revert back to Open Session and that the resolutions made in Confidential Session be made public.

The General Manager is to read out any resolutions made in Confidential Session.

GOLDENFIELDS WATER COUNTY COUNCIL – DECEMBER 2020

COUNCIL INVESTMENTS

Report prepared by Corporate Services Manager

COUNCIL OFFICER RECOMMENDATION

That the report detailing Council Investments as at 30th November 2020 be received and noted.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

09 Financially Sustainable

BACKGROUND

A report on Council's Investments is required to be presented for Council's consideration in accordance with Clause 212 of the Local Government (General) Regulation 2005.

REPORT

Council's investment portfolio decreased by \$1,750,000 from \$54,750,000 as at 30th September 2020 to \$53,000,000 as at 30th November 2020. The reduction is primarily due to the normal payment of operating and project expenditure during the quarter.

Investment Portfolio

Type	Rating	SP Rating	Issuer	Frequency	Purchase	Maturity	Days	Rate	Benchmark*	Principal
TD	BBB+	A2	Rural Bank	Annual	6/12/2017	7/12/2020	1097	2.95	0.40	\$3,000,000
TD	A-	A1	Macquarie Bank	At Maturity	17/03/2020	16/12/2020	274	1.60	0.40	\$4,000,000
TD	BBB+	A2	Rural Bank	Annual	9/01/2018	11/01/2021	1098	3.10	0.40	\$3,000,000
TD	AA-	A1+	National Australia Bank	At Maturity	14/02/2020	16/02/2021	368	1.50	0.40	\$3,000,000
TD	NR	NR	Police Credit Union SA	Annual	21/03/2018	22/03/2021	1097	3.15	0.40	\$2,000,000
TD	BBB+	A2	AMP Bank	At Maturity	19/03/2020	25/03/2021	371	1.80	0.40	\$2,000,000
TD	NR	NR	Australian Military Bank	Annual	29/03/2018	29/03/2021	1096	3.20	0.40	\$1,000,000
TD	AA-	A1+	Westpac	Quarterly	24/04/2018	27/04/2021	1099	3.13	0.40	\$3,000,000
TD	AA-	A1+	National Australia Bank	At Maturity	9/06/2020	9/06/2021	365	0.98	0.40	\$2,000,000
TD	BBB	A2	P&N Bank	Annual	27/06/2018	28/06/2021	1097	3.15	0.40	\$3,000,000
TD	BBB+	A2	BOQ	Annual	12/07/2017	12/07/2021	1461	3.45	0.40	\$2,000,000
TD	AA-	A1+	National Australia Bank	Annual	26/11/2020	19/08/2021	266	0.48	0.40	\$2,000,000
TD	BBB+	A2	BOQ	Annual	29/10/2018	29/10/2021	1096	3.00	0.40	\$3,000,000
TD	BBB+	A2	AMP Bank	Annual	15/05/2020	17/11/2021	551	1.55	0.40	\$3,000,000
TD	AA-	A1+	National Australia Bank	Annual	26/11/2020	9/12/2021	378	0.48	0.40	\$2,000,000
TD	BBB+	A2	BOQ	Annual	12/07/2018	12/07/2022	1461	3.50	0.40	\$1,000,000
TD	AA-	A1+	Westpac	Quarterly	13/07/2020	13/07/2022	730	0.96	0.40	\$3,000,000
TD	BBB+	A2	BOQ	Annual	23/06/2020	20/07/2022	757	1.23	0.40	\$1,000,000
TD	AA-	A1+	Westpac	Quarterly	5/08/2020	7/09/2022	763	0.90	0.40	\$3,000,000
TD	AA-	A1+	NT Treasury	Annual	10/09/2020	15/12/2023	1191	1.00	0.40	\$2,000,000
TD	AA-	A1+	NT Treasury	Annual	28/09/2020	15/12/2024	1539	1.10	0.40	\$1,000,000
CASH	A-	A1	Macquarie Bank	Monthly				0.45	0.10	\$3,000,000
CASH	AA-	A1+	CBA	Monthly				0.10	0.10	\$1,000,000
TOTAL:										\$53,000,000

*Benchmarks

On Call - RBA Cash

Floating Rate Deposit - 3m BBSW

Term Deposit - BBSW

GOLDENFIELDS WATER COUNTY COUNCIL – DECEMBER 2020

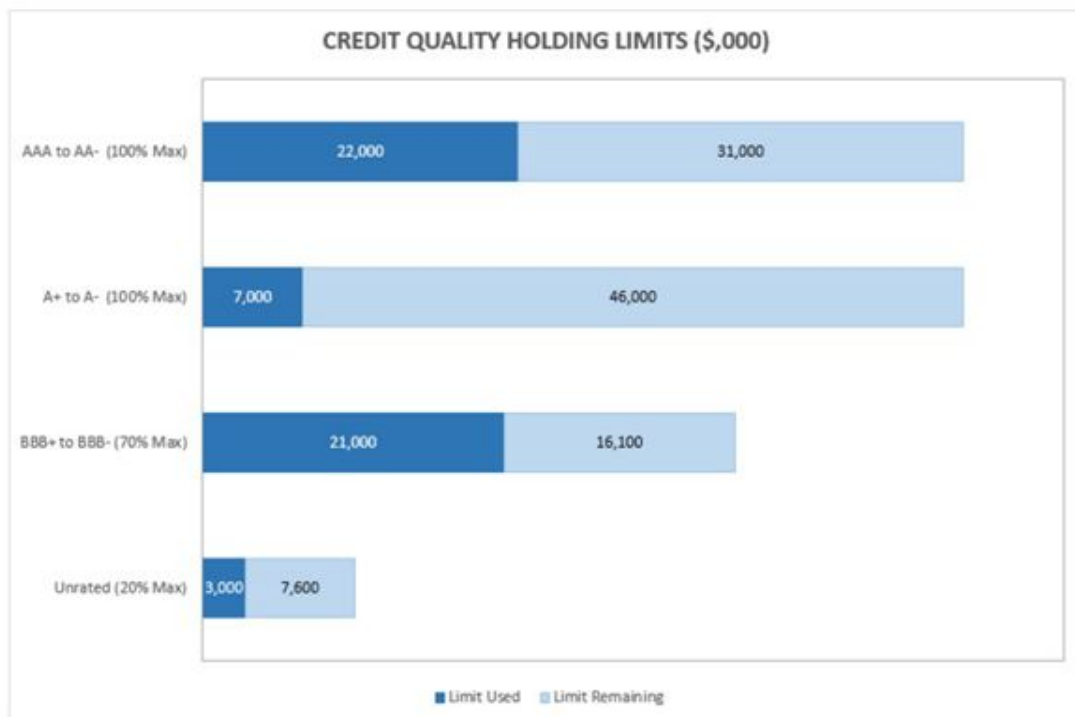
Performance

Goldenfields Water County Council’s investment portfolio outperformed the relevant BBSW Index benchmark by 405%. The average weighted yield for November was 1.89%, over an average weighted term of 285 days, with a benchmark of 0.37%. This strong performance continues to be driven by those deposits still yielding above 3% p.a.

Total Cost 53,000,000	Total Accrued Interest 493,202	Weighted Average Term 285 Days
Total Value 53,000,000	Monthly Interest Received 97,550	Weighted Average Yield 1.89%

Credit Quality Compliance

Council’s investment portfolio was compliant with policy in terms of S&P long term rating credit quality limits, as displayed below.

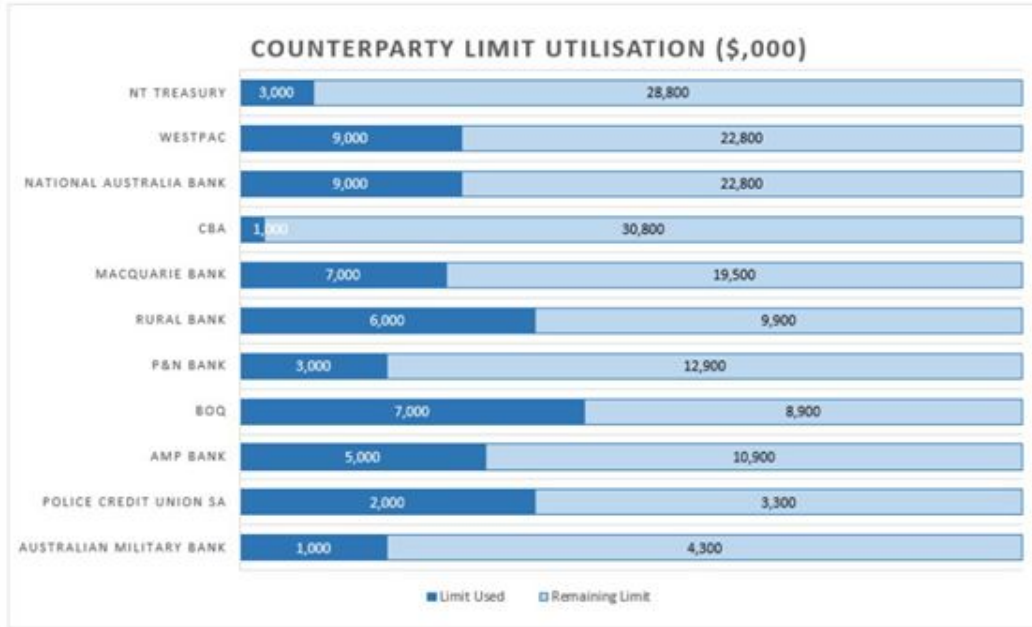


GOLDENFIELDS WATER COUNTY COUNCIL – DECEMBER 2020

Counter Party Compliance

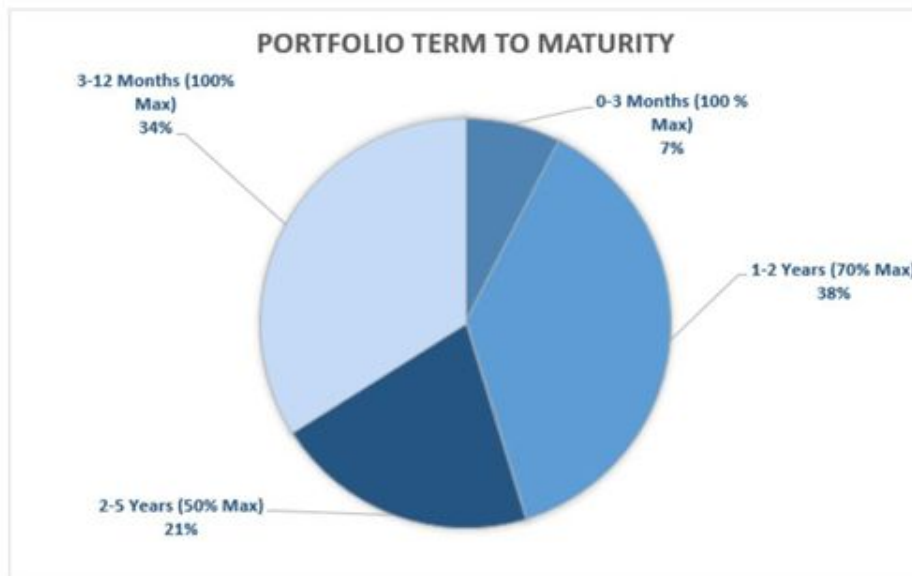
As at the end of November, Council was compliant with policy in terms of individual financial institution capacity limits. It is worth noting that capacity limits are affected by changes in the on call account balance compared to the total portfolio balance.

Overall, the portfolio is diversified across a variety of credit ratings, including some exposure to unrated ADIs.



Term to Maturity

Council’s investment portfolio maturities shown graphically below were also compliant with policy requirements.



GOLDENFIELDS WATER COUNTY COUNCIL – DECEMBER 2020

APPLICATION OF INVESTMENT FUNDS

The table below details the allocation of cash balances in terms of restricted funds, noting restrictions are all internal rather than external.

Restricted Funds:	
Plant & Vehicle Replacement	1,269,216
Infrastructure Replacement	34,009,119
Employee Leave Entitlement	2,128,849
Sales Fluctuation Reserve	2,000,000
Property Reserve	391,890
Unrestricted Funds:	13,200,926
TOTAL	53,000,000

FINANCIAL IMPACT STATEMENT

Council's investment portfolio decreased by \$1,750,000 from \$54,750,000 as at 30th September 2020 to \$53,000,000 as at 30th November 2020.

DECLARATION

I hereby certify that investments listed in the report have been made in accordance with Section 625 of the Local Government Act 1993, Clause 212 of the Local Government (General) Regulation 2005 and Council's Investment Policy PP004.

Signed



Michele Curran
Responsible Accounting Officer

ATTACHMENTS: Nil.**TABLED ITEMS:** Nil.

GOLDENFIELDS WATER COUNTY COUNCIL – DECEMBER 2020

PROGRESS REPORT – CAPITAL WORKS EXPENDITURE

Report prepared by Corporate Services Manager

COUNCIL OFFICER RECOMMENDATION

That the report detailing Council's Capital Works Program as at 30 November 2020 be received and noted.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

09 Financially Sustainable

BACKGROUND

Capital Works represents a significant part of Council's activities and expenditure. This report details progress year to date on programmed and emergent capital works.

REPORT

This report is presented for information on the Capital Works Program year to date progress as at 30 November 2020.

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

ATTACHMENTS: Capital Works Progress Report as at 30 November 2020

TABLED ITEMS: Nil.

Goldenfields Water County Council CAPITAL WORKS PROGRESS									
AS AT 30 NOVEMBER 2020	ORIGINAL BUDGET 2020/21	2019/20 CARRYOVERS & REVOTES	QBR SEP 2020/21	REVISED BUDGET 2020/21	ACTUAL YTD	COMMITTED YTD	TOTAL ACTUAL & COMMITTED YTD	VARIANCE YTD	% ACTUAL TO BUDGET
CAPITAL INCOME:	\$	\$	\$	\$	\$	\$	\$	\$	%
Asset Sales	(741,000)	-	-	(741,000)	(371,496)	-	(371,496)		
Capital Contributions	(1,500,000)	-	-	(1,500,000)	(944,101)	-	(944,101)		
TOTAL CAPITAL INCOME:	(2,241,000)	-	-	(2,241,000)	(1,315,597)	-	(1,315,597)	(925,403)	59%
CAPITAL EXPENDITURE									
NEW SYSTEM ASSETS:	\$	\$	\$	\$	\$	\$	\$	\$	%
Land & Buildings	600,000	-	26,000	626,000	340,524	13,045	353,569	272,431	56%
Mains - Developer Paid	40,000	-	80,000	120,000	67,397	3,260	70,657	49,343	59%
Mains - Trunk	180,000	50,776	-	230,776	35,436	44,247	79,683	151,093	35%
Mains - Reticulation	150,000	-	-	150,000	38,806	7,626	46,431	103,569	31%
Mains - Rural	1,800,000	-	-	1,800,000	551,774	95,509	647,283	1,152,717	36%
Scada	80,000	214,760	-	294,760	18,250	56,394	74,643	220,117	25%
TOTAL NEW SYSTEM ASSETS:	2,850,000	265,536	106,000	3,221,536	1,052,187	220,081	1,272,268	1,899,926	39%
RENEWALS:	\$	\$	\$	\$	\$	\$	\$	\$	%
Plant & Equipment	1,350,000	184,570	15,000	1,549,570	893,005	65,726	958,732	590,838	62%
Information Technology	78,156	-	-	78,156	33,495	2,842	36,337	41,819	46%
Furniture and Office Equipment	5,000	-	-	5,000	-	6,020	6,020	(1,020)	120%
Land & Buildings	30,000	90,000	-	120,000	64,471	1,985	66,455	53,545	55%
Mains - Trunk	3,575,000	70,000	-	3,645,000	341,618	146,238	487,856	3,157,144	13%
Mains - Reticulation	45,000	-	250,000	295,000	79,000	38,231	117,231	177,769	40%
Pump Stations	1,480,000	-	225,000	1,705,000	177,682	876,037	1,053,718	651,282	62%
Bores	200,000	277,000	-	477,000	429,011	120,895	549,906	(72,906)	115%
Reservoir Sites	370,000	23,710	-	393,710	92,846	157,067	249,913	143,797	63%
Treatment Plant	4,480,000	95,500	-	4,575,500	520,679	1,983,723	2,504,401	2,071,099	55%
Emergency Works	200,000	-	-	200,000	-	-	-	200,000	0%
TOTAL RENEWALS ASSETS:	11,813,156	740,780	490,000	13,043,936	2,631,807	3,398,764	6,030,570	7,013,366	46%
TOTAL CAPITAL EXPENDITURE:	14,663,156	1,006,316	596,000	16,265,472	3,683,993	3,618,845	7,302,838	8,962,634	45%

GOLDENFIELDS WATER COUNTY COUNCIL – DECEMBER 2020

POLICY REVIEW

Report prepared by Corporate Services Manager

COUNCIL OFFICER RECOMMENDATION

1. That the Board rescinds CP017 Gathering Information Policy;
2. That the Board rescinds CP030 Public Interest Disclosure Policy;
3. That the Board adopts PP024 Fraud and Corruption Prevention Policy.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

07 Efficient Operations

BACKGROUND

A full review of Council policies is currently underway to determine currency and relevance. The policies included in this report have been reviewed by management and suggested actions included for the consideration of the board.

REPORT

- **CP017 Gathering Information Policy:** this policy was adopted in 2005 and was due for review in 2008. The policy was adopted under Council's old numbering system and has not been revised since. It has been determined that this policy is no longer relevant. Information management is covered by PP027 Records and Information Management Policy as well as the requirements defined in GA39 General Retention and Disposal Authority: Local Government Records.
- **CP030 Public Interest Disclosure Policy:** this policy was adopted in 2011 and was due for review in 2013. The policy was adopted under Council's old numbering system. The policy has since been replaced by PP021 Internal Reporting Policy, but was not rescinded at the time of PP021 being adopted by Council. It is recommended that CP030 be rescinded now to ensure only one policy is in place.
- **PP024 Fraud and Corruption Prevention Policy:** adopted 2016 and was due for review in 2019. The policy has been renamed to include Corruption in the title and content has been significantly updated. Recommended policy inclusions are from the sample fraud control policy in the NSW Audit Office's "Fraud Control Improvement Kit". This policy was endorsed by the Audit, Risk and Improvement Committee at their 26 November 2020 meeting.

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

ATTACHMENTS: PP024 Fraud and Corruption Prevention Policy.

TABLED ITEMS: CP017 Gathering Information Policy; CP030 Public Interest Disclosure Policy.



Policy No. PP024

Fraud and Corruption Prevention Policy

Fraud and Corruption Prevention Policy

1 INFORMATION ABOUT THIS POLICY

POLICY INFORMATION

Date Adopted by Board November 2016	Board Resolution No. 17/0777
Policy Responsibility Corporate Services Manager	
Review Timeframe 4 yearly	
Last Review 12/2020	Next Scheduled Review 12/2024

DOCUMENT HISTORY

DOCUMENT NO.	DATE AMENDED	SUMMARY OF CHANGES
	18/12/2020	Revise in accordance with NSW Audit Office Fraud Control Improvement Kit
	DD/MM/YYYY	
	DD/MM/YYYY	
	DD/MM/YYYY	
	DD/MM/YYYY	
	DD/MM/YYYY	
	DD/MM/YYYY	

FURTHER DOCUMENT INFORMATION AND RELATIONSHIPS

Related Legislation	NSW Local Government Act 1993 NSW Local Government General Regulation 2005 Independent Commission Against Corruption Act 1988 Public Interest Disclosures Act 1994
Related Policies	PP031 Code of Conduct PP021 Internal Reporting Policy PP034 Fraud Prevention Strategy
Related Procedures, Protocols, Statements and Documents	NSW Audit Office – “Fraud Control Improvement Kit” Australian Standard 8001-2008 Fraud and Corruption Controls



Fraud and Corruption Prevention Policy

2 TABLE OF CONTENTS

1	INFORMATION ABOUT THIS POLICY.....	2
2	TABLE OF CONTENTS.....	3
3	PURPOSE.....	4
4	SCOPE AND CONTEXT.....	4
5	DEFINITIONS.....	5
6	OBJECTIVES.....	5
7	RESPONSIBILITIES.....	5
7.1	COUNCILLORS.....	5
7.2	MANAGERS/COORDINATORS.....	5
7.3	COUNCIL STAFF.....	5
7.4	AUDIT, RISK AND IMPROVEMENT COMMITTEE.....	6
8	FRAUD AND CORRUPTION CONTROL.....	6
8.1	LEADERSHIP.....	6
8.2	ETHICAL FRAMEWORK.....	6
8.3	RESPONSIBILITY STUCTURES.....	6
8.4	FRAUD AND CORRUPTION CONTROL POLICY.....	6
8.5	PREVENTION SYSTEMS.....	6
8.6	AWARENESS.....	6
8.7	THIRD PARTY MANAGEMENT SYTEMS.....	6
8.8	NOTIFICATION SYSTEMS.....	7
8.9	DETECTION SYSTEMS.....	7
8.10	INVESTIGATION SYSTEMS.....	7

Fraud and Corruption Prevention Policy

3 PURPOSE

Goldenfields Water County Council (Council) is committed to ensuring that it has in place appropriate systems, procedures and strategies to detect and limit the impact of any fraudulent or corrupt activity.

4 SCOPE AND CONTEXT

This policy applies to Council employees, Councillors and engaged external parties, including contractors, community representatives and consultants.

This document is the overarching policy statement in Council’s fraud prevention framework. There are a number of components that form the strategy for fraud prevention. The below diagram summarises the components Council’s Fraud Prevention framework.



Fraud and Corruption Prevention Policy

5 DEFINITIONS

- **Fraud** - an intentional dishonest act or omission done with the purpose of obtaining a financial or other benefit by deception. The types of acts or omissions include, but are not limited to, theft, misappropriation, larceny, embezzlement, improper destruction or falsification of accounts or records, bribery, corruption or abuse of office, manipulation of information, causing a loss, or avoiding or creating a liability by deception.
- **Corruption** – conduct that adversely affects the honest and impartial exercise of official functions, a breach of public trust by public officials and the misuse of public office for private gain.

Fraud and Corruption are interrelated and represent the misuse of public office for private gain.

6 OBJECTIVES

- To promote an organisational culture that will not tolerate any action of fraud or corruption.
- To create an awareness of responsibilities in preventing and reporting instances of fraud within Council, ensuring high standards of ethical conduct are maintained.
- To protect public funds and assets.
- To protect the integrity and reputation of Council.

7 RESPONSIBILITIES

7.1 COUNCILLORS

- Perform civic duties in a professional and ethical manner, with care, diligence, honesty and integrity.
- Complete induction and training during Council term, as required by the General Manager.
- Report Pecuniary and Non-Pecuniary Interests as required.
- Report corruption in accordance with Council's Internal Reporting Policy.

7.2 MANAGERS/COORDINATORS

- Ensure mechanisms are in place to minimise the opportunity for fraud and dishonesty within their area of control.
- Leading by example and cultivating a culture within their team that supports high standards of ethical behaviour.
- Ensuring that staff receive appropriate training.
- Identify potential fraud risks, monitoring and reporting on the effectiveness of fraud strategies and internal control.

7.3 COUNCIL STAFF

- Perform duties in a professional and ethical manner, with care, diligence, honesty and integrity.
- Complete training as required.
- Report corruption in accordance with Council's Internal Reporting Policy.

Fraud and Corruption Prevention Policy

7.4 AUDIT, RISK AND IMPROVEMENT COMMITTEE

- Oversee and provide advice on Council's Fraud Policy and Fraud Prevention Strategy.
- Review the Internal Audit Plan to ensure fraud and corruption risks are addressed.

8 FRAUD AND CORRUPTION CONTROL

8.1 LEADERSHIP

A successful fraud and corruption control framework is led by a committed and accountable board and management.

8.2 ETHICAL FRAMEWORK

Council has clear policies setting out acceptable standards of ethical behaviour. The Code of Conduct forms the basis of these standards. These policies are available to staff on the intranet and website. These policies are reviewed regularly to ensure they are up to date and compliant with relevant standards.

8.3 RESPONSIBILITY STRUCTURES

Responsibilities are outlined in this policy and the Fraud Prevention Strategy.

8.4 FRAUD AND CORRUPTION CONTROL POLICY

This policy does not operate in isolation and has strong links to the Code of Conduct. It sets out the system of fraud and corruption control and covers the responsibilities for managing fraud and corruption within Council.

8.5 PREVENTION SYSTEMS

The Council's prevention systems consists of the following features:

- Fraud Risk Register – maintained within Pulse and reviewed regularly.
- Fraud Prevention Strategy – contains key fraud and corruption control activities of Council.
- Ethical Workforce – commitment to employ staff that support Council's ethical values. Pre-employment screening is performed to verify information supplied in applications.
- IT Security Strategy – the ICT Policy and Governance Frameworks support Council's interests by defining requirements for safeguarding information assets and assuring the continued delivery of services.

8.6 AWARENESS

Council is committed to ensuring Councillors and staff understand minimum standards of behaviour required of them as well as how to report suspected fraud and corruption.

8.7 THIRD PARTY MANAGEMENT SYSTEMS

Council maintains internal controls relating to third party dealings. Controls include:

- Code of Conduct
- Statement of Business Ethics
- Tender Guidelines
- Segregation of duties
- Delegations of Authority

Fraud and Corruption Prevention Policy

8.8 NOTIFICATION SYSTEMS

Council requires staff and encourages members of the public to report known or suspected fraud and corruption. A report can be made by making a confidential Public Interest Disclosure in accordance with the Internal Reporting Policy.

8.9 DETECTION SYSTEMS

Various internal controls are maintained including:

- Segregation of duties
- Approvals and authorisation
- Verification
- Reconciliations
- Management reviews
- Risk assessments
- Physical security
- Internal and external audits

8.10 INVESTIGATION SYSTEMS

Council has established investigation procedures for when complaints are made. These are covered by the Administrative Procedures for the Code of Conduct, The Internal Reporting Policy and the Complaints Management Policy. Depending on the circumstances of the corrupt conduct, an internal investigation may be undertaken or the matter may be referred to an external body such as ICAC or the Ombudsman.

GOLDENFIELDS WATER COUNTY COUNCIL – DECEMBER 2020

AUDIT RISK AND IMPROVEMENT COMMITTEE

Report prepared by Corporate Services Manager

COUNCIL OFFICER RECOMMENDATION

That the Board receives and notes the minutes of the Audit, Risk and Improvement Committee meeting held on 26 November 2020.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

09 Financially Sustainable

BACKGROUND

Goldenfields Water County Council Audit, Risk and Improvement Committee is an advisory committee in accordance with section 355 of the Local Government Act 1993, and the Local Government Regulations 2012. The Committee was established by Council Res 17/008 on 23 February 2017. In accordance with the Audit, Risk and Improvement Committee Charter, the Committee will report regularly to Council.

REPORT

The Goldenfields Water County Council Audit, Risk and Improvement Committee met on 26 November 2020. Minutes of the meeting are attached for the information of the Board.

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

ATTACHMENTS: Minutes of ARIC Meeting 26-11-20.

TABLED ITEMS: Nil.



ARIC Meeting Minutes

Meeting Ref. ARIC		Minute taker: Michele Curran
Date: 26 November 2020	Time: 10am	Location: Zoom Online Meeting OR 84 Parkes Street, Temora (Board Room)
Attendees: Peter McLean (Chairperson) (Zoom), Geoff Twomey (Zoom), Cr David McCann, Michele Curran, Aaron Drenovski (Zoom), Rebecca Alexander (National Audits Group) (Zoom)		
Apologies: Phil Swaffield (National Audits Group)		

1. Welcome and Apologies

The meeting was opened at 10.05am.

2. Declarations of Pecuniary and Non-Pecuniary Interests

No pecuniary or non-pecuniary interests were declared.

3. Confirmation of Previous Minutes

RECOMMENDATION on the motion of Geoff Twomey and Cr David McCann that the minutes of the meeting held 30 September 2020 having been circulated to members be confirmed as a true and accurate record.

4. Business Arising from Minutes

No business was arising from minutes.

5. Chairperson Report

The Committee received and noted the Chairperson's verbal report.

- Natural Disaster Royal Commission Report was released, key points:
 - Response capability considerations, National Register proposed
 - Essential services supply chain review
 - Risk mitigation measures
- Central Coast Council financial issues: will have an impact on future KPI and cash flow monitoring requirements

6. General Manager Report

The Committee received and noted the General Manager's verbal report.



- 30 year Asset Management Plan report presented to Council. Constituent councils will also receive a briefing
- Tenders approved at last Council meeting: Electrical Switchboard and Critical Valve Replacement
- Tenders to be approved at the December Council meeting: Jugiong WTP demolition and Oura HV Civil Works
- 2020/21 Financial Statement Code changes proposed

7. Review of Internal Audits

RECOMMENDATION on the motion of Cr David McCann and Geoff Twomey that the Committee:

- a) Receive and note the Internal Audit Report for Contract and Contractor Management; and
- b) Endorse management's response to the findings to be included in the Audit Action Register.

Rebecca Alexander left the meeting at 10.35am.

8. PP024 Fraud and Corruption Prevention Policy

RECOMMENDATION on the motion of Geoff Twomey and Cr David McCann that the Committee:

- a) Review and endorse PP024 Fraud and Corruption Prevention Policy;
- b) Recommend to Council the adoption of PP024 Fraud and Corruption Prevention Policy.

9. Cyber Security Initiatives

RECOMMENDATION on the motion of Cr David McCann and Geoff Twomey that the Committee receive and note the report on Goldenfields Water's cyber security initiatives, noting Council's membership with the Australian Cyber Security Centre's Joint Cyber Security Centres Partnership Program and the development of a Data Breach and Response Plan being underway.

10. Review of Action Items Progress Report

RECOMMENDATION on the motion of Geoff Twomey and Cr David McCann that the Committee receive and note the Action Items Progress Report.

NEXT MEETING: 10am Thursday 4 February 2021

There being no further matters requiring the attention of the Committee the meeting was declared closed at 11am.

GOLDENFIELDS WATER COUNTY COUNCIL – DECEMBER 2020

WATER PRODUCTION REPORT

Report prepared by Production and Services Manager

COUNCIL OFFICER RECOMMENDATION

That the Water Production Report be received and noted.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

03 Strategic Water Management

BACKGROUND

Goldenfields Water provides the essential water requirements of about 40,000 people spread over an area in excess of 20,000 square kilometres between the Lachlan & Murrumbidgee Rivers in the South West of NSW.

Goldenfields Waters' supply system consists of five separate water schemes, Jugiong, Oura, Mt Arthur, Mt Daylight and Hylands Bridge. Goldenfields Water carries out water supply functions within the Local Government areas of Bland, Coolamon, Cootamundra, Hilltops, Junee, Temora, and parts of Narrandera and Wagga Wagga.

Hilltops Shire Council, Cootamundra Gundagai Shire Council and Riverina Water County Council are retailers, who purchase bulk water from Goldenfields and supply the water to retail customers in their respective local government areas.

REPORT

Jugiong drinking Water Scheme

The Jugiong drinking water scheme sources water from the Murrumbidgee River and has an extraction licence entitlement of 5590ML per annum. Water from the Murrumbidgee River is treated through a 40ML/day, conventional Water Treatment Plant that consists of: Coagulation, Flocculation, Clarification, Filtration, Disinfection and Fluoridation.

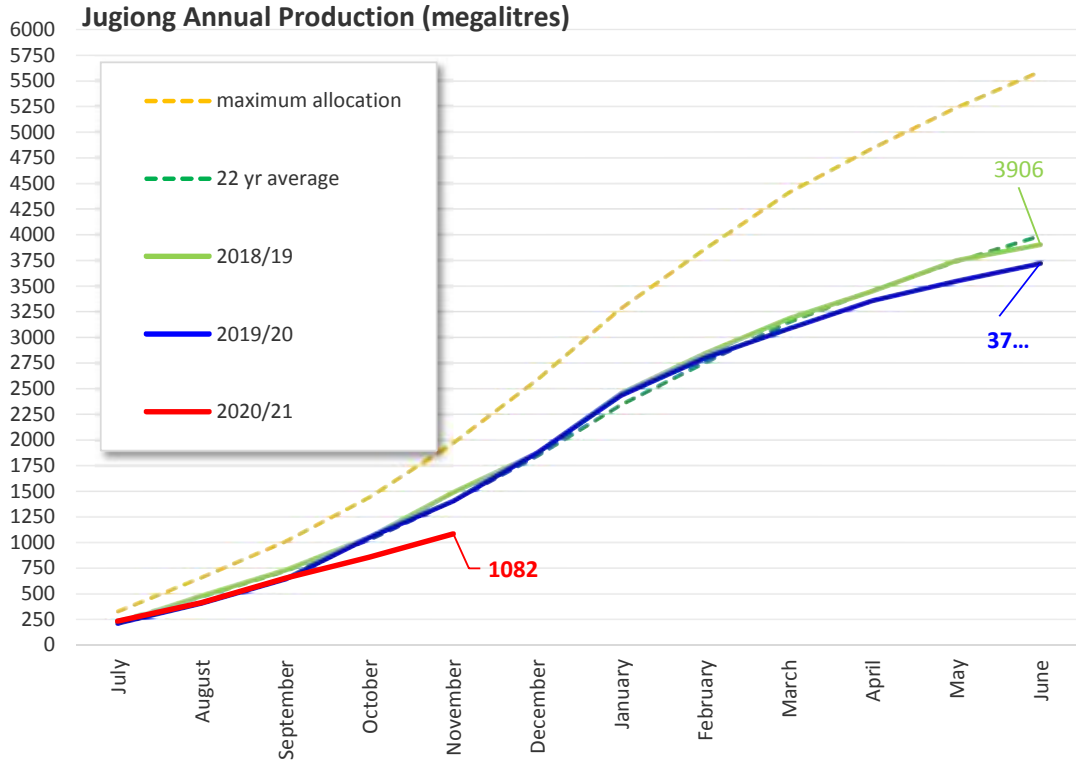
The Jugiong Scheme has 14 sets of reservoirs and 8 pumping stations. The Jugiong Scheme supplies bulk water to the Hilltops and Cootamundra-Gundagai Regional Councils for supply to the townships of Cootamundra, Harden and Young with a population of approximately 6800, 2200 and 8000 respectively.

Goldenfields Water also provides additional retail supply to approximately 600 customers in the villages of Stockinbingal, Wallendbeen and Springdale.

GOLDENFIELDS WATER COUNTY COUNCIL – DECEMBER 2020

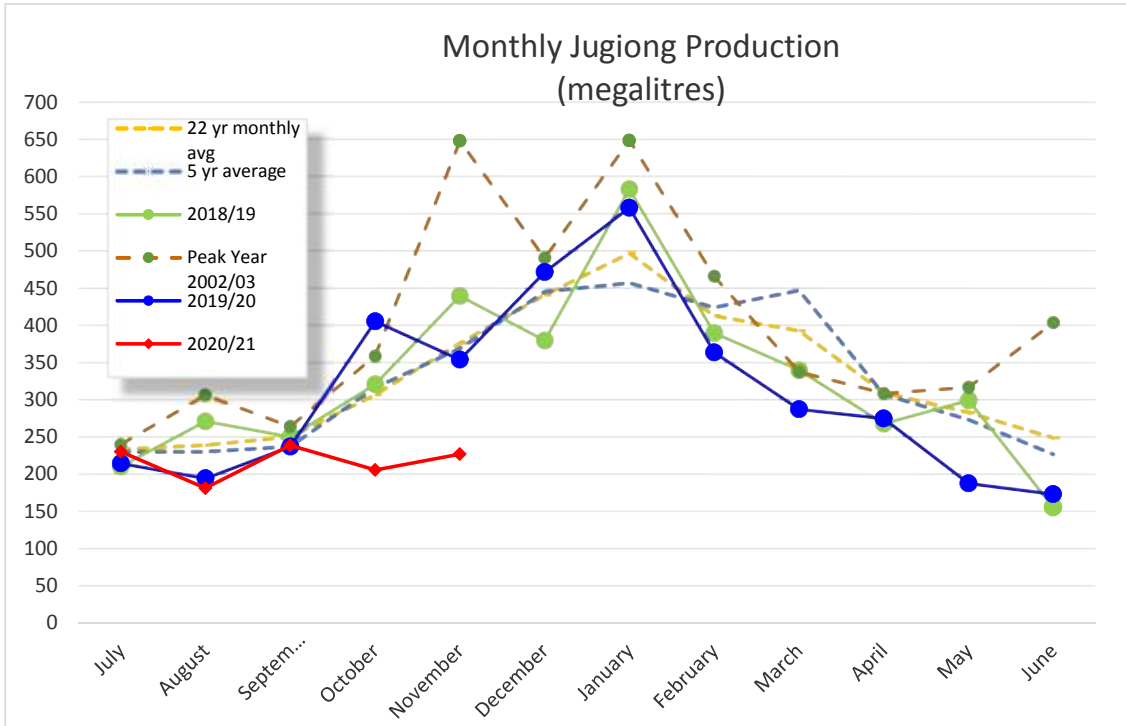
Jugiong annual water production is trending in a similar fashion to previous years.

For the first 5 months of the 2020/21 financial year, 1082ML of water has been extracted from the Murrumbidgee River and processed at the Jugiong Water Treatment plant. Totals for each month are as follows: July 230.19ML, August 180.95ML, September 238.32ML, October 205.48ML and November 180.95 ML. As compared to the same period in 2019/20 where 1405ML was produced, This is a 23% reduction compared to the same period in 2019/20, as indicated by the graph below.



GOLDENFIELDS WATER COUNTY COUNCIL – DECEMBER 2020

As mentioned above, Jugiong monthly water production has decreased by 23% especially over the past 2 months as indicated below, this is due mainly to high rainfall and cooler than usual weather during spring.



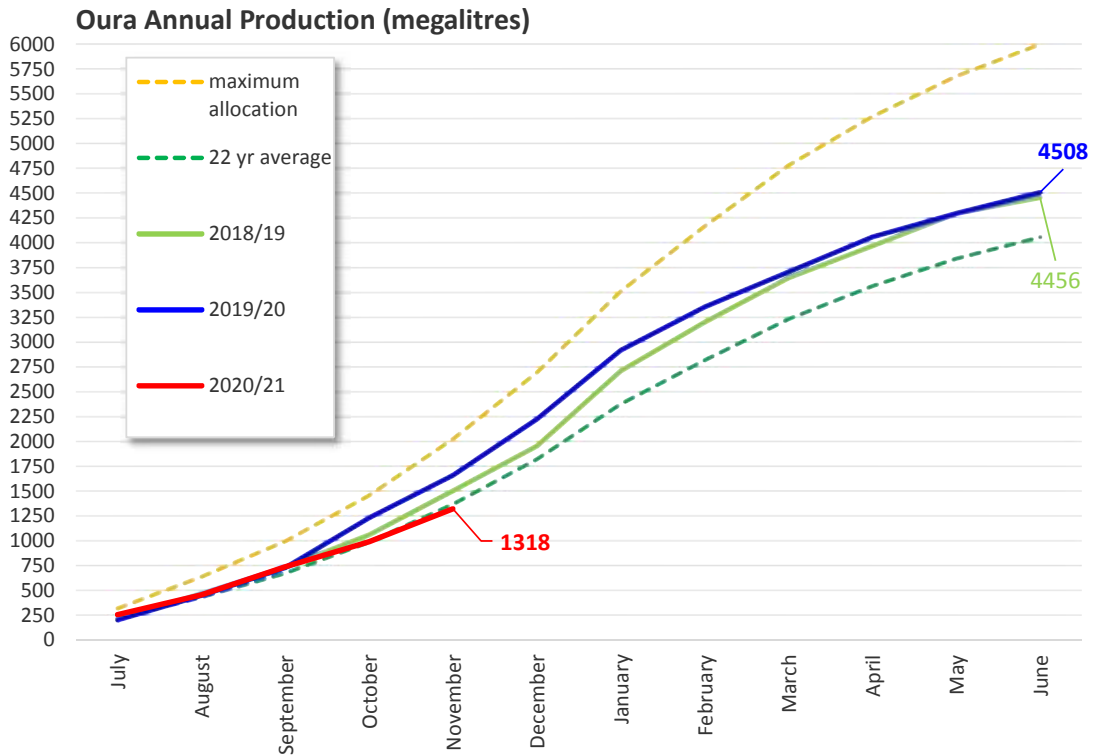
GOLDENFIELDS WATER COUNTY COUNCIL – DECEMBER 2020

Oura Drinking Water Scheme

The water source at Oura is the Murrumbidgee inland alluvial aquifer, this water is extracted from 4 bores namely: Bores 2, 3, 4 and 6. The raw water then goes through a treatment process at the Oura Water Treatment Plant that includes Aeration, Disinfection and Fluoridation.

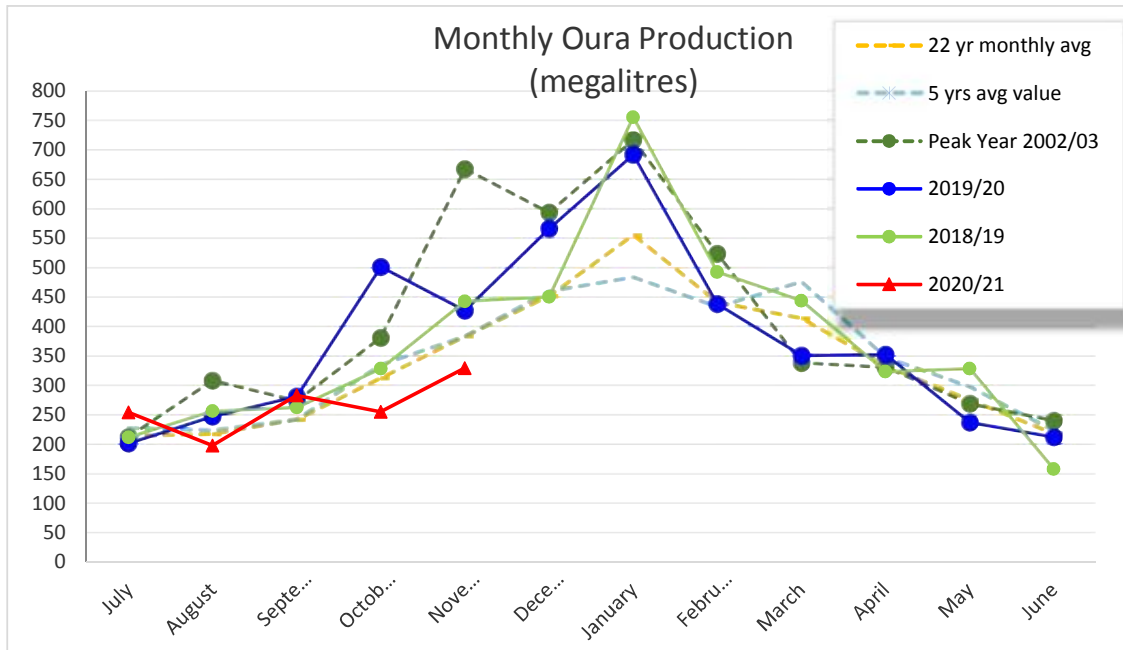
The Oura scheme has 33 sets of reservoirs and 19 pumping stations, produces drinking water for approximately 14,600 people in the Bland, Coolamon, Junee, Narrandera and Temora Shires. The Oura scheme can also supply water to the Northern side of the rural area of Wagga Wagga City when required.

For the first 5 months of the 2020/21 financial year, 1318ML of water has been extracted from the Oura Borefield and processed at the Oura Water Treatment Plant. Totals for each month are as follows: July 253.87 ML, August 197.58 ML, September 282.91 ML, October 254.89ML and November 329.11ML. This is a 20.53% reduction as compared to the same period in 2019/20 where 1658.86ML was produced. This is depicted in the graph below, although a reduction still trending in a similar fashion to historical years.



GOLDENFIELDS WATER COUNTY COUNCIL – DECEMBER 2020

As mentioned above, Ora monthly water production has reduced by 20.53% compared to the previous period in 2019/20. This is due mainly to high rainfall and cooler than usual weather during spring.



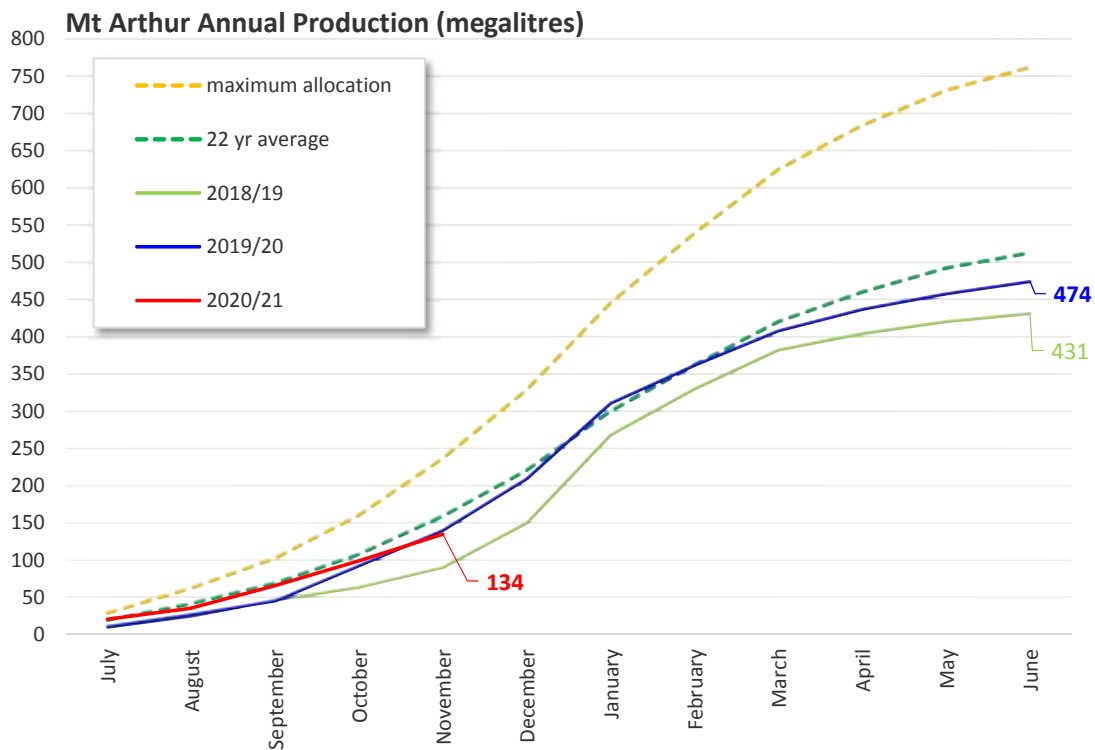
GOLDENFIELDS WATER COUNTY COUNCIL – DECEMBER 2020

Mount Arthur Drinking Water Scheme

The Mount Arthur Water Source is from the Lachlan Fold belt Aquifer System. The water is extracted via two bores, bores 1 and 2 located in the Wagga Wagga City Council area South of Matong. The water is disinfected before distribution through 9 sets of reservoirs supplying approximately 2400 people with water in the Coolamon shire.

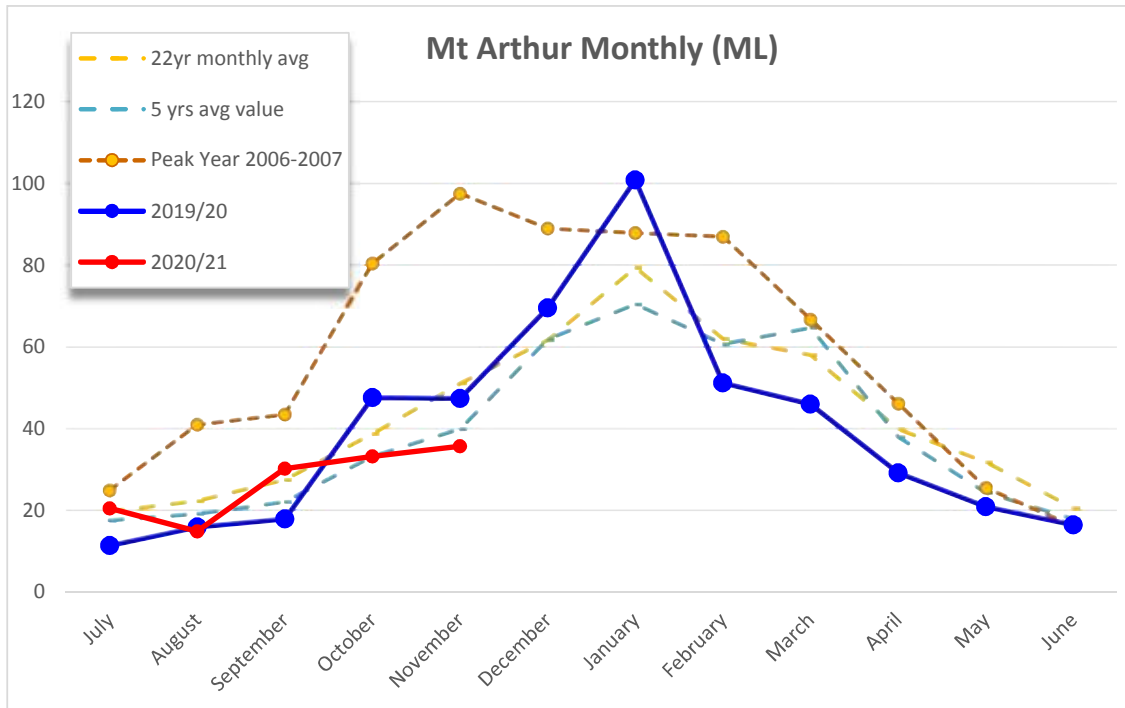
It should be noted that a new Bore 1 is currently being developed to replace the existing Bore site and associated assets. Upon completion, testing and commissioning of the new Bore 1, the old bore will be decommissioned and removed. Water quality and hydraulic capacity requirements appear to be positive at this stage; however actual confirmation of this cannot be known until full commissioning of the bore occurs.

For the first 5 months of the 2020/21 financial year, 134ML of water has been extracted from the Mt Arthur Borefield. Totals for each month are as follows: July 20.44 ML, August 14.87 ML, September 30.18 ML, October 33.23ML and November 35.67ML. This is a reduction compared to the first 5 months for 2019/20 where 140.22ML was produced. As can be seen in the graph below trending in a similar fashion to historical years.



GOLDENFIELDS WATER COUNTY COUNCIL – DECEMBER 2020

Mt Arthur monthly water production for the first 5 months is a bit varied compared to the same period in 2019/20. This is due mainly to high rainfall and cooler than usual weather during spring.

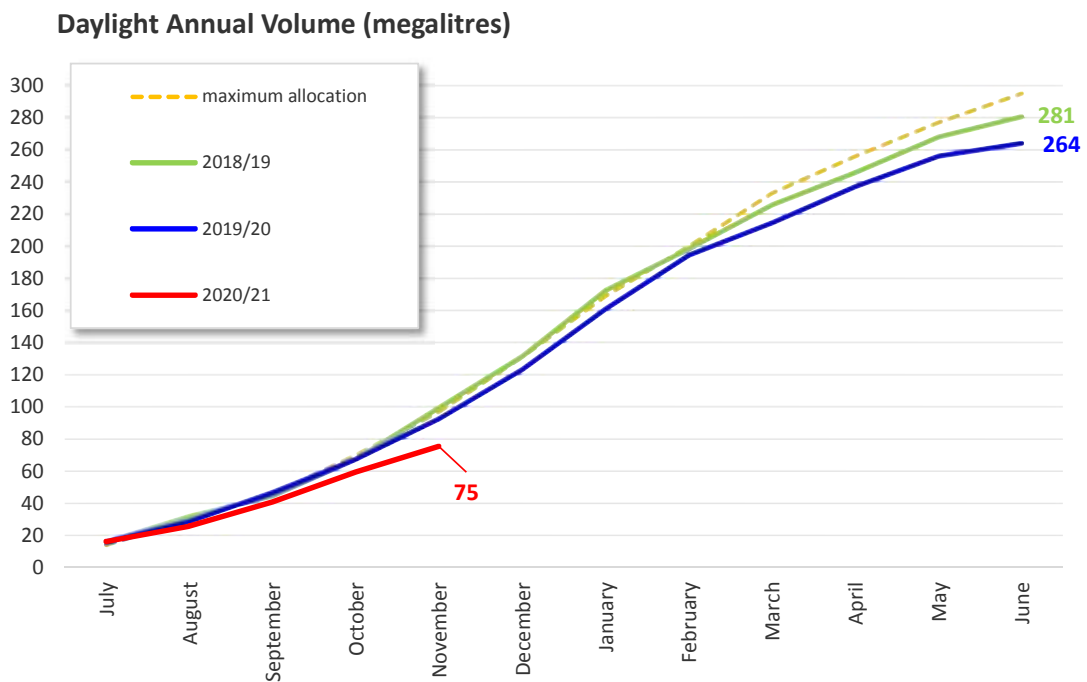


GOLDENFIELDS WATER COUNTY COUNCIL – DECEMBER 2020

Mount Daylight Drinking Water Scheme

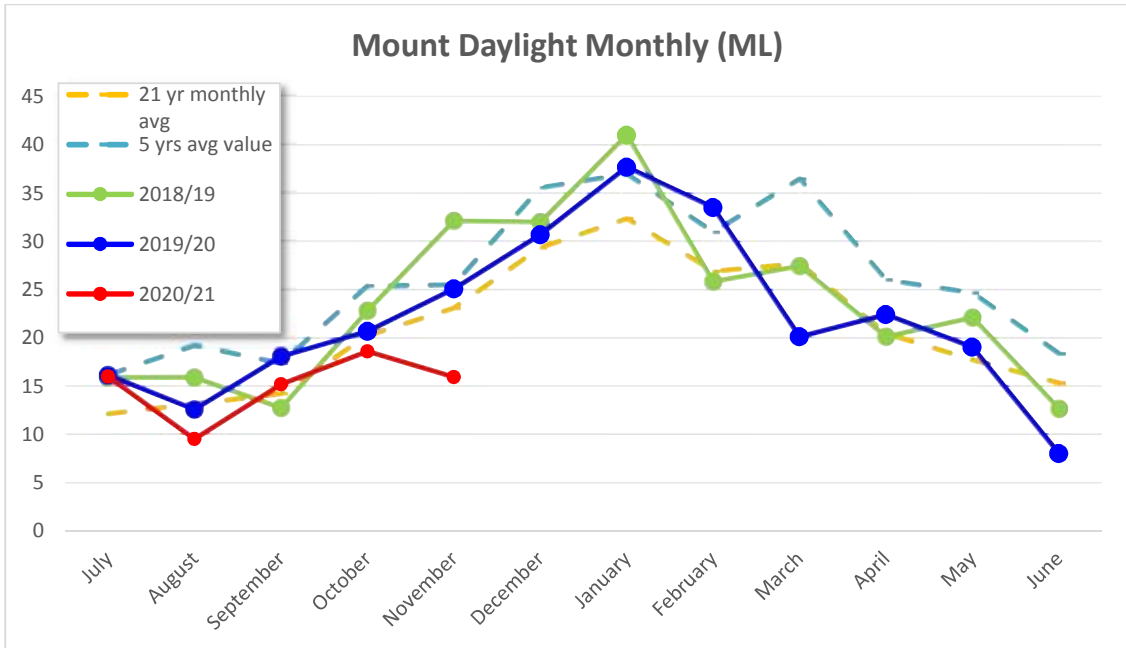
The Mount Daylight water source is from the Lower Lachlan alluvium aquifer. The Mount Daylight bores are jointly operated with Carathool Shire Council. Carathool Shire Council is responsible for bore management. There are 7 sets of reservoirs in the Mt Daylight scheme. Mt Daylight supplies water to approximately 125 people in the villages of Naradhan, Weethalle and Tallimba which is located within the Bland Shire.

For the first 5 months of the 2020/21 financial year, 75ML of water has been extracted from the Mt Daylight Borefield. Totals for each month are as follows: July 16.01 ML, August 9.52 ML, September 15.2 ML, October 18.6ML and November 15.94ML. This is a lower volume compared to the same period for 2019/20 where 92.59ML was produced. As can be seen in the graph below trending in a similar fashion to historical years.



GOLDENFIELDS WATER COUNTY COUNCIL – DECEMBER 2020

As mentioned above, the Mt Daylight monthly water production is trending at a reduced rate than previous year’s period. This is simply due to higher than average rainfall and colder weather.

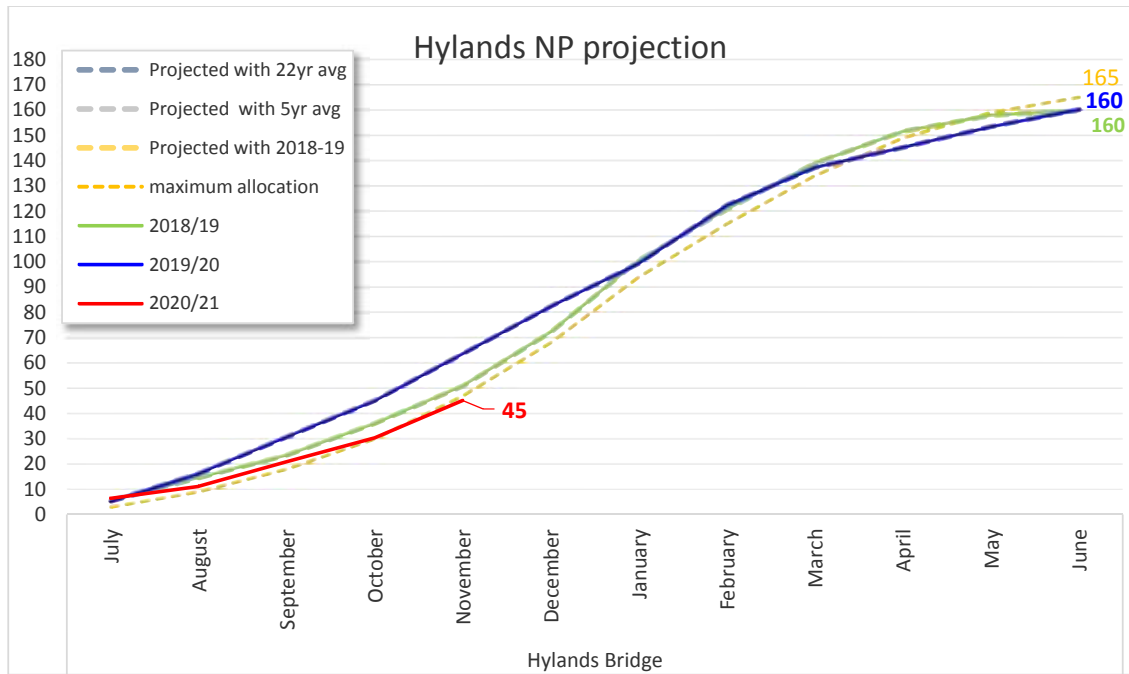


GOLDENFIELDS WATER COUNTY COUNCIL – DECEMBER 2020

Hylands Bridge - Non Potable

Hylands Bridge supplies Non Potable water to Barellan and Binya. The water is sourced through the Murrumbidgee Irrigation Area where Goldenfields Water holds 165ML shareholding for water entitlement.

For the first 5 months of the 2020/21 financial year, 45ML of water has been extracted from the Hylands Bridge Raw Water scheme. Totals for each month are as follows: July 6.37ML, August 4.71ML, September 9.65ML, October 9.46ML and November 14.82ML. This is a reduced volume compared to the first quarter for 2019/20 where 63.71ML was produced. As can be seen in the graph below trending in a similar fashion to historical years.



FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council’s financial position.

ATTACHMENTS: Nil

TABLED ITEMS: Nil

GOLDENFIELDS WATER COUNTY COUNCIL – DECEMBER 2020

ANNUAL DRINKING WATER MANAGEMENT SYSTEM REVIEW

Report prepared by Production & Services Manager

COUNCIL OFFICER RECOMMENDATION

That the Board review and accept the Drinking Water Management System Annual Review

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

01 Excellence in Service Provision

BACKGROUND

Goldenfields Water developed and adopted a Drinking Water Management System (DWMS) and associated Policy in February 2018. The purpose of the DWMS Annual Report is to inform and update New South Wales Department of Health (NSW Health) of Goldenfields Water County Councils (GWCC) implementation and ongoing assessment of its Drinking Water Management System. It also demonstrates that GWCC is compliant with requirement s25 Public Health Act 2010 to develop a Quality Assurance Program (QAP) in line with the framework for Drinking Water Quality Management in the Australian Drinking Water Guidelines.

REPORT

The 2019/2020 DWMS Annual Report is the third annual review completed under the current adopted DWMS that has been undertaken by Goldenfields Water staff. This Annual Report has utilised the entire 2019/20 data for both the Jugiong and Oura water supply systems. This data was made available from the implementation of WaterOutlook and ClearSCADA. Data is also utilised from NSW Health's Drinking Water Database where required.

In addition to the general progression of the DWMS, Goldenfields Water (GWCC) staff engaged its internal Auditor (National Audits Group) to review the DWMS and provide recommendations for improvement.

A key finding was that more transparency of data reported and adopted by the Board should occur. A full list of audit findings can be found in Appendix D of the report attached.

Throughout the reporting period GWCC have undertaken numerous water samples for both operational and verification monitoring. These samples are tested at the GWCC laboratory and/or an external NATA accredited laboratory for operational monitoring or NSW Health's FASS lab for verification or compliance purposes. GWCC also conducted a number of onsite tests for operational purposes which are presented below.

Water samples are tested for Physical, Chemical and Microbial properties in the water.

Throughout the reporting period GWCC have conducted a total of 1296 microbial water samples to be either tested by NSW Health and/or tested 'in-house' by GWCC Water Quality staff.

The drinking water is also tested throughout the period for chemicals which may be present in the water, a total of 168 water samples were carried out during the reporting period, and all were tested by NSW Health's FASS laboratory.

GOLDENFIELDS WATER COUNTY COUNCIL – DECEMBER 2020

GWCC also undertake pesticide sampling of the drinking water across the entire scheme. These samples are tested by a NATA accredited laboratory for the 2019/20 financial year. A total of 10 samples were tested for the presence of pesticides. All sample results were compliant with parameters set in the Australian Drinking Water Guidelines (ADWG).

It is also a requirement for GWCC to test for Radiological characteristics in the ground water supplies every 2 years. Samples for these tests were undertaken last reporting period and therefore no samples were tested for radiological characteristics during the 2019/20 reporting period. All bores will be tested in the 2020/21 period for radiological characteristics and 2021/22 for surface water.

Another initiative undertaken by GWCC is the monitoring of chlorine within the distribution system networks across the entire drinking water scheme. These tests are conducted routinely by the distribution staff and a total of 4149 chlorine test were conducted onsite throughout the year with hardcopy and softcopy results kept on file. These tests include both Total and Free chlorine results. A running spreadsheet of results is constantly updated by office staff once data is received by the distribution staff and is now located in GWCC new database Content Manager (doc 18/1344). WaterOutlook was rolled out to the distribution staff during this reporting period to upload the results of the chlorine tests via mobile platforms. Since this implementation of WaterOutlook to staff, there has been 2111 chlorine test results uploaded into the database.

The main obligations of Goldenfields Water managing their DWMS is to ensure that no breaches of Critical Control Points (CCP's) occur or if they do occur that they are reported, reviewed and corrected as part of a continual improvement process.

The following tables provide the total number of CCP exceedances registered throughout the 2019/20 financial year with the corresponding CCP number. The below table provides the CCP Number that correlates with the specific definition and critical limits that staff seek to manage.

CCP Number	Monitoring Parameter	Target Criterion	Adjustment Limit	Critical Limit
1 - Jugiong	Turbidity (Continuous online) Raw Water	Dependant on raw Water Quality		20% above set point for > 20minutes
2 - Jugiong	Turbidity (Continuous online) Filter Outlet	≤ 0.2 NTU	≥ 0.5 NTU	≥ 1.0 NTU
3 - Jugiong	Free Chlorine residual (Continuous online & alarmed) Finished Water	1.8mg/L	≤ 1.2mg/L or ≥ 2.0mg/L	Summer: ≤ 0.8mg/L for > 30min or ≥ 5.0mg/L Winter: ≤ 0.5mg/L for > 30min or ≥ 5.0mg/L
4 - Jugiong	Fluoride (Daily) Finished Water	1.0mg/L	< 0.95mg/L or > 1.05mg/L	< 0.9mg/L for > 72hrs or > 1.5mg/L
5 - Jugiong	System Integrity (monthly) Reservoir inspection	Secure, no evidence of break in or vermin	Visual identification of breach or vermin access to reservoir	Visual identification of vermin or containment in reservoir

GOLDENFIELDS WATER COUNTY COUNCIL – DECEMBER 2020

6 - Jugiong	Free chlorine residual (continuous online & alarmed) Prunevale and Cootamundra	0.8mg/L	≤ 0.5mg/L or ≥ 2.0mg/L	≤ 0.2mg/L or ≥ 5.0mg/L
1 - Oura	Free Chlorine residual (Daily) Treated Water	0.5mg/L	≤ 0.3mg/L or ≥ 1.0mg/L	≤ 0.2mg/L or ≥ 5.0mg/L
2 – Oura	Fluoride (Daily) Treated Water	1.0mg/L	< 0.9mg/L or > 1.2mg/L	< 0.9mg/L for > 72hrs or ≥ 1.5mg/L
3 – Oura	System Integrity (monthly) Reservoir inspection	Secure, no evidence of break in or vermin	Visual identification of breach or vermin access to reservoir	Visual identification of vermin or containment in reservoir
4 - Oura	Chlorine Residual (weekly) Wyalong and Thanowring Rd	0.5mg/L	≤ 0.35mg/L	≤ 0.25mg/L
1 – Mt Arthur	Free Chlorine residual (3 x weekly) Tank 4 Outlet	0.8mg/L	≤ 0.5mg/L or ≥ 2.0mg/L	≤ 0.3mg/L or ≥ 5.0mg/L
2 – Mt Arthur	System Integrity (monthly) Reservoir inspection	Secure, no evidence of break in or vermin	Visual identification of breach or vermin access to reservoir	Visual identification of vermin or containment in reservoir
1 – Mt Daylight	Free Chlorine Residual (continuous Online) Naradhan Reservoir	0.8mg/L	≤ 0.5mg/L or ≥ 2.0mg/L	≤ 0.3mg/L or ≥ 5.0mg/L
2 – Mt Daylight	System Integrity (monthly) Reservoir Inspection	Secure, no evidence of break in or vermin	Visual identification of breach or vermin access to reservoir	Visual identification of vermin or containment in reservoir

The below tables provide the list of exceedances that occurred during the 2019/2020 reporting period. For Jugiong CCP-3 is related maintaining a target level of Chlorine at the plant to ensure disinfection occurs. These breaches were not actual failures of dosing, they were actual failures of the Chlorine analysers that registered incorrect data. CCP-4 for Jugiong is related to Fluoride dosing. We had 3 breaches of this CCP during the 2019/20 period due to equipment failure. In these situations, the Fluoride system is shut off and therefore we record low readings. Receiving a low Fluoride reading is not a significant health related breach or safety concern.

Jugiong	CCP1	CCP2	CCP3	CCP4	CCP5	CCP6
Number of CCP exceedances	0	0	5	3	0	0

For Oura, CCP-2 is related to Fluoride target levels. As per the Jugiong Scheme, all breaches of CCP-2 were related to low readings due to equipment failure.

GOLDENFIELDS WATER COUNTY COUNCIL – DECEMBER 2020

Oura	CCP1	CCP2	CCP3	CCP4	CCP5	CCP6
Number of CCP exceedances	0	5	0	0	0	0

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council’s financial position.

ATTACHMENTS: Nil.

TABLED ITEMS: 2019/20 Drinking Water Management System Review - Final.

GOLDENFIELDS WATER COUNTY COUNCIL – DECEMBER 2020

UPDATE ON THE INSTALLATION OF BACKFLOW PREVENTION DEVICES

Report prepared by Engineering Manager

COUNCIL OFFICER RECOMMENDATION

That the Board note the information provided within the report

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

01 Excellence in Service Provision

BACKGROUND

At the 2016 August Council Meeting it was resolved to “adopt the Backflow Prevention Policy, and recover annual costs of implementing the policy by increasing usage and access charges”. As per the policy, Council has since began installing backflow prevention devices on all of its high risk rural customer connections.

REPORT

This report is to update the Board on the progress of the backflow prevention devices installation and ongoing management.

Installations

- A total of 1,347 backflow prevention devices have been installed at a total cost to date of \$1,413,805. This equates to an average cost of \$1,050 per device installed. This includes the device \$270, Large meter cover \$135, pressure reducing valve (where required) \$860 and other items such as raising the assembly or replacing meters as required.
- There are 134 devices remaining to be installed on GWCC customer connections. 42 of these installs are located between Ardlethan and Barellan and are scheduled to occur January – February next year. 52 of these installs are located on the Thanowring Road pipeline and will be undertaken as part of the pipeline construction project.
- There are an additional 133 devices to be installed on bulk customer connections. These are located on the trunk main between Rosehill and Young in the Hilltops Council area and are scheduled to be installed this financial year.
- Approximately 40 backflow devices either could not be installed or have been removed due to the existing low pressure conditions being further exacerbated by the devices which remove approximately 5m head pressure.

Testing and failures

Goldenfields Water staff have conducted an audit of backflow devices installed within the system to determine a testing regime. The results of the audit indicated that GWCC are experiencing a higher than expected failure rate of the devices. Initial investigation indicates that this is due to a combination of high pressures and pressure fluctuations that occur in our system. Staff are following up with the manufacturers for further information.

Goldenfields Water staff are trialling a different brand of backflow device which is more expensive (\$315 per device) but has a higher pressure rating (which will result in less pressure

GOLDENFIELDS WATER COUNTY COUNCIL – DECEMBER 2020

reducing valves being required) and is made from stainless steel material which is expected to experience significantly less wear.

Properties where devices could not be installed

Each property will need to be assessed on a case by case basis for the most appropriate method to implement an appropriate backflow prevention method. The outcomes of this will be workshopped with the Board to determine what a fair and reasonable outcome is for impacted customers whilst Council still meets its regulatory obligations.

Increase of usage and access charges

Usage and access charges have not yet been increased to recover the costs of the installation and testing of the backflow prevention devices. It is expected this will occur once all devices have been installed and the testing program has been developed. This will provide improved insight into the actual costs incurred and allow Goldenfields Water to levy the charges accordingly. At this stage all costs have been attributed to the Capital roll out of the devices.

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

ATTACHMENTS: Nil

TABLED ITEMS: Nil

NEXT MEETING

The next ordinary meeting of Council is scheduled to be held on Thursday 25 February 2021 at 10.00am

CLOSE OF BUSINESS

There being no further business requiring the attention of Council the meeting may be declared closed.