



COUNCIL MEETING

ATTACHMENTS UNDER SEPARATE COVER

7.00 PM, THURSDAY 27 SEPTEMBER 2018

Waverley Council
PO Box 9
Bondi Junction NSW 1355
DX 12006 Bondi Junction
Tel. 9083 8000
E-mail: info@waverley.nsw.gov.au

ATTACHMENTS UNDER SEPARATE COVER

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The Model Code of Conduct

for Local Councils
in NSW

2018



THE MODEL CODE OF CONDUCT FOR LOCAL COUNCILS IN NSW
2018**ACCESS TO SERVICES**

The Office of Local Government located at:

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

Postal Address: Locked Bag 3015, Nowra, NSW 2541

Phone: 02 4428 4100

Fax: 02 4428 4199

TTY: 02 4428 4209

Email: olg@olg.nsw.gov.au

Website: www.olg.nsw.gov.au

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Part 1: Introduction

Introduction

This *Model Code of Conduct for Local Councils in NSW* ("the Model Code of Conduct") is made under section 440 of the *Local Government Act 1993* ("LGA") and the *Local Government (General) Regulation 2005* ("the Regulation").

The Model Code of Conduct sets the minimum standards of conduct for council officials. It is prescribed by regulation to assist council officials to:

- understand and comply with the standards of conduct that are expected of them
- enable them to fulfil their statutory duty to act honestly and exercise a reasonable degree of care and diligence (section 439)
- act in a way that enhances public confidence in local government.

Section 440 of the LGA requires every council (including county councils) and joint organisation to adopt a code of conduct that incorporates the provisions of the Model Code of Conduct. A council's or joint organisation's adopted code of conduct may also include provisions that supplement the Model Code of Conduct and that extend its application to persons that are not "council officials" for the purposes of the Model Code of Conduct (eg volunteers, contractors and members of wholly advisory committees).

A council's or joint organisation's adopted code of conduct has no effect to the extent that it is inconsistent with the Model Code of Conduct. However, a council's or joint organisation's adopted code of conduct may prescribe requirements that are more onerous than those prescribed in the Model Code of Conduct.

Councillors, administrators, members of staff of councils, delegates of councils, (including members of council committees that are delegates of a council) and any other person a council's adopted code of conduct applies to, must comply with the applicable provisions of their council's code of conduct. It is the personal responsibility of council officials to comply with the standards in the code and to regularly review their personal circumstances and conduct with this in mind.

Failure by a councillor to comply with the standards of conduct prescribed under this code constitutes misconduct for the purposes of the LGA. The LGA provides for a range of penalties that may be imposed on councillors for misconduct, including suspension or disqualification from civic office. A councillor who has been suspended on three or more occasions for misconduct is automatically disqualified from holding civic office for five years.

Failure by a member of staff to comply with a council's code of conduct may give rise to disciplinary action.

Note: References in the Model Code of Conduct to councils are also to be taken as references to county councils and joint organisations.

Note: In adopting the Model Code of Conduct, joint organisations should adapt it to substitute the terms "board" for "council", "chairperson" for "mayor", "voting representative" for "councillor" and "executive officer" for "general manager".

Note: In adopting the Model Code of Conduct, county councils should adapt it to substitute the term "chairperson" for "mayor" and "member" for "councillor".

Part 2: Definitions

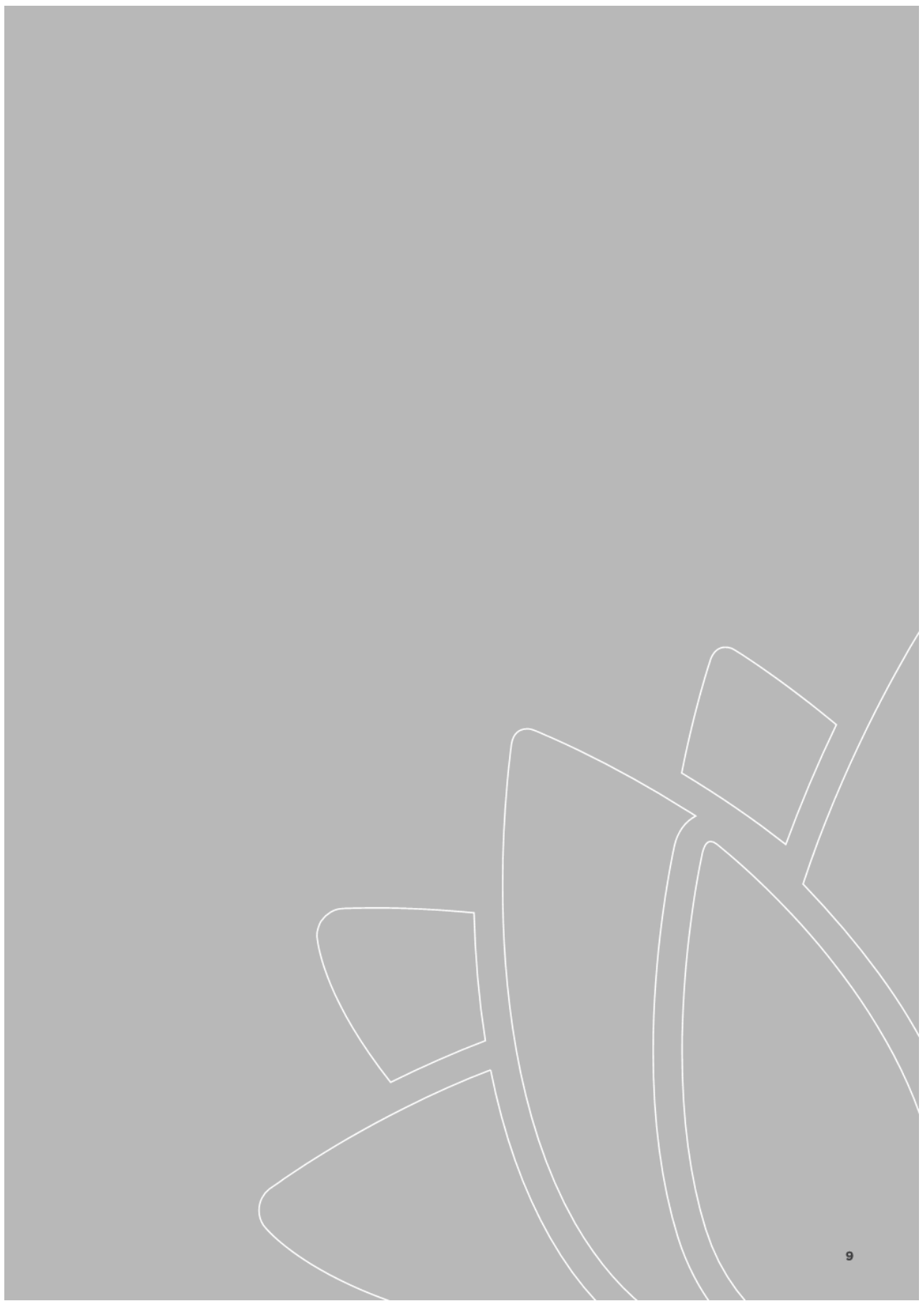
Definitions

In this code the following terms have the following meanings:

administrator	an administrator of a council appointed under the LGA other than an administrator appointed under section 66
committee	see the definition of “council committee”
complaint	a code of conduct complaint made for the purposes of clauses 4.1 and 4.2 of the Procedures
council	includes county councils and joint organisations
council committee	a committee established by a council comprising of councillors, staff or other persons that the council has delegated functions to
council committee member	a person other than a councillor or member of staff of a council who is a member of a council committee other than a wholly advisory committee
council official	includes councillors, members of staff of a council, administrators, council committee members, delegates of council and, for the purposes of clause 4.16, council advisers
councillor	any person elected or appointed to civic office, including the mayor and includes members and chairpersons of county councils and voting representatives of the boards of joint organisations and chairpersons of joint organisations
conduct	includes acts and omissions
delegate of council	a person (other than a councillor or member of staff of a council) or body, and the individual members of that body, to whom a function of the council is delegated
designated person	a person referred to in clause 4.8
election campaign	includes council, state and federal election campaigns
environmental planning instrument	has the same meaning as it has in the <i>Environmental Planning and Assessment Act 1979</i>
general manager	includes the executive officer of a joint organisation
joint organisation	a joint organisation established under section 400O of the LGA
LGA	the <i>Local Government Act 1993</i>
local planning panel	a local planning panel constituted under the <i>Environmental Planning and Assessment Act 1979</i>
mayor	includes the chairperson of a county council or a joint organisation

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members of staff of a council	includes members of staff of county councils and joint organisations
the Office	Office of Local Government
personal information	information or an opinion (including information or an opinion forming part of a database and whether or not recorded in a material form) about an individual whose identity is apparent or can reasonably be ascertained from the information or opinion
the Procedures	the <i>Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW</i> prescribed under the Regulation
the Regulation	the <i>Local Government (General) Regulation 2005</i>
voting representative	a voting representative of the board of a joint organisation
wholly advisory committee	a council committee that the council has not delegated any functions to



Part 3:

General Conduct Obligations

General conduct

- 3.1 You must not conduct yourself in a manner that:
- a) is likely to bring the council or other council officials into disrepute
 - b) is contrary to statutory requirements or the council's administrative requirements or policies
 - c) is improper or unethical
 - d) is an abuse of power
 - e) causes, comprises or involves intimidation or verbal abuse
 - f) involves the misuse of your position to obtain a private benefit
 - g) constitutes harassment or bullying behaviour under this code, or is unlawfully discriminatory.
- 3.2 You must act lawfully and honestly, and exercise a reasonable degree of care and diligence in carrying out your functions under the LGA or any other Act (*section 439*).

Fairness and equity

- 3.3 You must consider issues consistently, promptly and fairly. You must deal with matters in accordance with established procedures, in a non-discriminatory manner.
- 3.4 You must take all relevant facts known to you, or that you should be reasonably aware of, into consideration and have regard to the particular merits of each case. You must not take irrelevant matters or circumstances into consideration when making decisions.
- 3.5 An act or omission in good faith, whether or not it involves error, will not constitute a breach of clauses 3.3 or 3.4.

Harassment and discrimination

- 3.6 You must not harass or unlawfully discriminate against others, or support others who harass or unlawfully discriminate against others, on the grounds of sex, pregnancy, breastfeeding, race, age, marital or domestic status, homosexuality, disability, transgender status, infectious disease, carer's responsibilities or political, religious or other affiliation.
- 3.7 For the purposes of this code, "harassment" is any form of behaviour towards a person that:
- a) is not wanted by the person
 - b) offends, humiliates or intimidates the person, and
 - c) creates a hostile environment.

Bullying

- 3.8 You must not engage in bullying behaviour towards others.
- 3.9 For the purposes of this code, "bullying behaviour" is any behaviour in which:
- a) a person or a group of people repeatedly behaves unreasonably towards another person or a group of persons, and
 - b) the behaviour creates a risk to health and safety.
- 3.10 Bullying behaviour may involve, but is not limited to, any of the following types of behaviour:
- a) aggressive, threatening or intimidating conduct
 - b) belittling or humiliating comments
 - c) spreading malicious rumours
 - d) teasing, practical jokes or 'initiation ceremonies'

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- e) exclusion from work-related events
 - f) unreasonable work expectations, including too much or too little work, or work below or beyond a worker's skill level
 - g) displaying offensive material
 - h) pressure to behave in an inappropriate manner.
- 3.11 Reasonable management action carried out in a reasonable manner does not constitute bullying behaviour for the purposes of this code. Examples of reasonable management action may include, but are not limited to:
- a) performance management processes
 - b) disciplinary action for misconduct
 - c) informing a worker about unsatisfactory work performance or inappropriate work behaviour
 - d) directing a worker to perform duties in keeping with their job
 - e) maintaining reasonable workplace goals and standards
 - f) legitimately exercising a regulatory function
 - g) legitimately implementing a council policy or administrative processes.
- a) take reasonable care for your own health and safety
 - b) take reasonable care that your acts or omissions do not adversely affect the health and safety of other persons
 - c) comply, so far as you are reasonably able, with any reasonable instruction that is given to ensure compliance with the WH&S Act and any policies or procedures adopted by the council to ensure workplace health and safety
 - d) cooperate with any reasonable policy or procedure of the council relating to workplace health or safety that has been notified to council staff
 - e) report accidents, incidents, near misses, to the general manager or such other staff member nominated by the general manager, and take part in any incident investigations
 - f) so far as is reasonably practicable, consult, co-operate and coordinate with all others who have a duty under the WH&S Act in relation to the same matter.

Work health and safety

- 3.12 All council officials, including councillors, owe statutory duties under the *Work Health and Safety Act 2011* (WH&S Act). You must comply with your duties under the WH&S Act and your responsibilities under any policies or procedures adopted by the council to ensure workplace health and safety. Specifically, you must:

Land use planning, development assessment and other regulatory functions

- 3.13 You must ensure that land use planning, development assessment and other regulatory decisions are properly made, and that all parties are dealt with fairly. You must avoid any occasion for suspicion of improper conduct in the exercise of land use planning, development assessment and other regulatory functions.

- 3.14 In exercising land use planning, development assessment and other regulatory functions, you must ensure that no action, statement or communication between yourself and others conveys any suggestion of willingness to improperly provide concessions or preferential or unduly unfavourable treatment.

Binding caucus votes

- 3.15 You must not participate in binding caucus votes in relation to matters to be considered at a council or committee meeting.
- 3.16 For the purposes of clause 3.15, a binding caucus vote is a process whereby a group of councillors are compelled by a threat of disciplinary or other adverse action to comply with a predetermined position on a matter before the council or committee, irrespective of the personal views of individual members of the group on the merits of the matter before the council or committee.
- 3.17 Clause 3.15 does not prohibit councillors from discussing a matter before the council or committee prior to considering the matter in question at a council or committee meeting, or from voluntarily holding a shared view with other councillors on the merits of a matter.
- 3.18 Clause 3.15 does not apply to a decision to elect the mayor or deputy mayor, or to nominate a person to be a member of a council committee or a representative of the council on an external body.

Obligations in relation to meetings

- 3.19 You must comply with rulings by the chair at council and committee meetings or other proceedings of the council unless a motion dissenting from the ruling is passed.
- 3.20 You must not engage in bullying behaviour (as defined under this Part) towards the chair, other council officials or any members of the public present during council or committee meetings or other proceedings of the council (such as, but not limited to, workshops and briefing sessions).
- 3.21 You must not engage in conduct that disrupts council or committee meetings or other proceedings of the council (such as, but not limited to, workshops and briefing sessions), or that would otherwise be inconsistent with the orderly conduct of meetings.
- 3.22 If you are a councillor, you must not engage in any acts of disorder or other conduct that is intended to prevent the proper or effective functioning of the council, or of a committee of the council. Without limiting this clause, you must not:
- a) leave a meeting of the council or a committee for the purposes of depriving the meeting of a quorum, or
 - b) submit a rescission motion with respect to a decision for the purposes of voting against it to prevent another councillor from submitting a rescission motion with respect to the same decision, or
 - c) deliberately seek to impede the consideration of business at a meeting.

Part 4:

Pecuniary Interests

What is a pecuniary interest?

- 4.1 A pecuniary interest is an interest that you have in a matter because of a reasonable likelihood or expectation of appreciable financial gain or loss to you or a person referred to in clause 4.3.
- 4.2 You will not have a pecuniary interest in a matter if the interest is so remote or insignificant that it could not reasonably be regarded as likely to influence any decision you might make in relation to the matter, or if the interest is of a kind specified in clause 4.6.
- 4.3 For the purposes of this Part, you will have a pecuniary interest in a matter if the pecuniary interest is:
- a) your interest, or
 - b) the interest of your spouse or de facto partner, your relative, or your partner or employer, or
 - c) a company or other body of which you, or your nominee, partner or employer, is a shareholder or member.
- 4.4 For the purposes of clause 4.3:
- a) Your “relative” is any of the following:
 - i) your parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descendant or adopted child
 - ii) your spouse’s or de facto partner’s parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descendant or adopted child
 - iii) the spouse or de facto partner of a person referred to in paragraphs (i) and (ii).
 - b) “de facto partner” has the same meaning as defined in section 21C of the *Interpretation Act 1987*.

- 4.5 You will not have a pecuniary interest in relation to a person referred to in subclauses 4.3(b) or (c):
- a) if you are unaware of the relevant pecuniary interest of your spouse, de facto partner, relative, partner, employer or company or other body, or
 - b) just because the person is a member of, or is employed by, a council or a statutory body, or is employed by the Crown, or
 - c) just because the person is a member of, or a delegate of a council to, a company or other body that has a pecuniary interest in the matter, so long as the person has no beneficial interest in any shares of the company or body.

What interests do not have to be disclosed?

- 4.6 You do not have to disclose the following interests for the purposes of this Part:
- a) your interest as an elector
 - b) your interest as a ratepayer or person liable to pay a charge
 - c) an interest you have in any matter relating to the terms on which the provision of a service or the supply of goods or commodities is offered to the public generally, or to a section of the public that includes persons who are not subject to this code
 - d) an interest you have in any matter relating to the terms on which the provision of a service or the supply of goods or commodities is offered to your relative by the council in the same manner and subject to the same conditions as apply to persons who are not subject to this code

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- e) an interest you have as a member of a club or other organisation or association, unless the interest is as the holder of an office in the club or organisation (whether remunerated or not)
 - f) if you are a council committee member, an interest you have as a person chosen to represent the community, or as a member of a non-profit organisation or other community or special interest group, if you have been appointed to represent the organisation or group on the council committee
 - g) an interest you have relating to a contract, proposed contract or other matter, if the interest arises only because of a beneficial interest in shares in a company that does not exceed 10 per cent of the voting rights in the company
 - h) an interest you have arising from the proposed making by the council of an agreement between the council and a corporation, association or partnership, being a corporation, association or partnership that has more than 25 members, if the interest arises because your relative is a shareholder (but not a director) of the corporation, or is a member (but not a member of the committee) of the association, or is a partner of the partnership
 - i) an interest you have arising from the making by the council of a contract or agreement with your relative for, or in relation to, any of the following, but only if the proposed contract or agreement is similar in terms and conditions to such contracts and agreements as have been made, or as are proposed to be made, by the council in respect of similar matters with other residents of the area:
 - i) the performance by the council at the expense of your relative of any work or service in connection with roads or sanitation
 - ii) security for damage to footpaths or roads
 - iii) any other service to be rendered, or act to be done, by the council by or under any Act conferring functions on the council, or by or under any contract
 - j) an interest relating to the payment of fees to councillors (including the mayor and deputy mayor)
 - k) an interest relating to the payment of expenses and the provision of facilities to councillors (including the mayor and deputy mayor) in accordance with a policy under section 252 of the LGA
 - l) an interest relating to an election to the office of mayor arising from the fact that a fee for the following 12 months has been determined for the office of mayor
 - m) an interest of a person arising from the passing for payment of a regular account for the wages or salary of an employee who is a relative of the person
 - n) an interest arising from being covered by, or a proposal to be covered by, indemnity insurance as a councillor or a council committee member
 - o) an interest arising from the appointment of a councillor to a body as a representative or delegate of the council, whether or not a fee or other recompense is payable to the representative or delegate.
- 4.7 For the purposes of clause 4.6, "relative" has the same meaning as in clause 4.4, but includes your spouse or de facto partner.

What disclosures must be made by a designated person?

4.8 Designated persons include:

- a) the general manager
- b) other senior staff of the council for the purposes of section 332 of the LGA
- c) a person (other than a member of the senior staff of the council) who is a member of staff of the council or a delegate of the council and who holds a position identified by the council as the position of a designated person because it involves the exercise of functions (such as regulatory functions or contractual functions) that, in their exercise, could give rise to a conflict between the person's duty as a member of staff or delegate and the person's private interest
- d) a person (other than a member of the senior staff of the council) who is a member of a committee of the council identified by the council as a committee whose members are designated persons because the functions of the committee involve the exercise of the council's functions (such as regulatory functions or contractual functions) that, in their exercise, could give rise to a conflict between the member's duty as a member of the committee and the member's private interest.

4.9 A designated person:

- a) must prepare and submit written returns of interests in accordance with clauses 4.21, and
- b) must disclose pecuniary interests in accordance with clause 4.10.

4.10 A designated person must disclose in writing to the general manager (or if the person is the general manager, to the council) the nature of any pecuniary interest the person has in any council matter with which the person is dealing as soon as practicable after becoming aware of the interest.

4.11 Clause 4.10 does not require a designated person who is a member of staff of the council to disclose a pecuniary interest if the interest relates only to the person's salary as a member of staff, or to their other conditions of employment.

4.12 The general manager must, on receiving a disclosure from a designated person, deal with the matter to which the disclosure relates or refer it to another person to deal with.

4.13 A disclosure by the general manager must, as soon as practicable after the disclosure is made, be laid on the table at a meeting of the council and the council must deal with the matter to which the disclosure relates or refer it to another person to deal with.

What disclosures must be made by council staff other than designated persons?

4.14 A member of staff of council, other than a designated person, must disclose in writing to their manager or the general manager the nature of any pecuniary interest they have in a matter they are dealing with as soon as practicable after becoming aware of the interest.

4.15 The staff member's manager or the general manager must, on receiving a disclosure under clause 4.14, deal with the matter to which the disclosure relates or refer it to another person to deal with.

What disclosures must be made by council advisers?

- 4.16 A person who, at the request or with the consent of the council or a council committee, gives advice on any matter at any meeting of the council or committee, must disclose the nature of any pecuniary interest the person has in the matter to the meeting at the time the advice is given. The person is not required to disclose the person's interest as an adviser.
- 4.17 A person does not breach clause 4.16 if the person did not know, and could not reasonably be expected to have known, that the matter under consideration at the meeting was a matter in which they had a pecuniary interest.

What disclosures must be made by a council committee member?

- 4.18 A council committee member must disclose pecuniary interests in accordance with clause 4.28 and comply with clause 4.29.
- 4.19 For the purposes of clause 4.18, a "council committee member" includes a member of staff of council who is a member of the committee.

What disclosures must be made by a councillor?

- 4.20 A councillor:
- a) must prepare and submit written returns of interests in accordance with clause 4.21, and

- b) must disclose pecuniary interests in accordance with clause 4.28 and comply with clause 4.29 where it is applicable.

Disclosure of interests in written returns

- 4.21 A councillor or designated person must make and lodge with the general manager a return in the form set out in schedule 2 to this code, disclosing the councillor's or designated person's interests as specified in schedule 1 to this code within 3 months after:
- a) becoming a councillor or designated person, and
 - b) 30 June of each year, and
 - c) the councillor or designated person becoming aware of an interest they are required to disclose under schedule 1 that has not been previously disclosed in a return lodged under paragraphs (a) or (b).
- 4.22 A person need not make and lodge a return under clause 4.21, paragraphs (a) and (b) if:
- a) they made and lodged a return under that clause in the preceding 3 months, or
 - b) they have ceased to be a councillor or designated person in the preceding 3 months.
- 4.23 A person must not make and lodge a return that the person knows or ought reasonably to know is false or misleading in a material particular.
- 4.24 The general manager must keep a register of returns required to be made and lodged with the general manager.

Pecuniary Interests

- 4.25 Returns required to be lodged with the general manager under clause 4.21(a) and (b) must be tabled at the first meeting of the council after the last day the return is required to be lodged.
- 4.26 Returns required to be lodged with the general manager under clause 4.21(c) must be tabled at the next council meeting after the return is lodged.
- 4.27 Information contained in returns made and lodged under clause 4.21 is to be made publicly available in accordance with the requirements of the Government Information (Public Access) Act 2009, the Government Information (Public Access) Regulation 2009 and any guidelines issued by the Information Commissioner.

Disclosure of pecuniary interests at meetings

- 4.28 A councillor or a council committee member who has a pecuniary interest in any matter with which the council is concerned, and who is present at a meeting of the council or committee at which the matter is being considered, must disclose the nature of the interest to the meeting as soon as practicable.
- 4.29 The councillor or council committee member must not be present at, or in sight of, the meeting of the council or committee:
 - a) at any time during which the matter is being considered or discussed by the council or committee, or
 - b) at any time during which the council or committee is voting on any question in relation to the matter.
- 4.30 In the case of a meeting of a board of a joint organisation, a voting representative is taken to be present at the meeting for

the purposes of clauses 4.28 and 4.29 where they participate in the meeting by telephone or other electronic means.

- 4.31 A disclosure made at a meeting of a council or council committee must be recorded in the minutes of the meeting.
- 4.32 A general notice may be given to the general manager in writing by a councillor or a council committee member to the effect that the councillor or council committee member, or the councillor's or council committee member's spouse, de facto partner or relative, is:
 - a) a member of, or in the employment of, a specified company or other body, or
 - b) a partner of, or in the employment of, a specified person.

Such a notice is, unless and until the notice is withdrawn or until the end of the term of the council in which it is given (whichever is the sooner), sufficient disclosure of the councillor's or council committee member's interest in a matter relating to the specified company, body or person that may be the subject of consideration by the council or council committee after the date of the notice.

- 4.33 A councillor or a council committee member is not prevented from being present at and taking part in a meeting at which a matter is being considered, or from voting on the matter, merely because the councillor or council committee member has an interest in the matter of a kind referred to in clause 4.6.
- 4.34 A person does not breach clauses 4.28 or 4.29 if the person did not know, and could not reasonably be expected to have known, that the matter under consideration at the meeting was a matter in which they had a pecuniary interest.

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4.35 Despite clause 4.29, a councillor who has a pecuniary interest in a matter may participate in a decision to delegate consideration of the matter in question to another body or person.

4.36 Clause 4.29 does not apply to a councillor who has a pecuniary interest in a matter that is being considered at a meeting if:

- a) the matter is a proposal relating to:
 - i) the making of a principal environmental planning instrument applying to the whole or a significant portion of the council's area, or
 - ii) the amendment, alteration or repeal of an environmental planning instrument where the amendment, alteration or repeal applies to the whole or a significant portion of the council's area, and
- b) the pecuniary interest arises only because of an interest of the councillor in the councillor's principal place of residence or an interest of another person (whose interests are relevant under clause 4.3) in that person's principal place of residence, and
- c) the councillor made a special disclosure under clause 4.37 in relation to the interest before the commencement of the meeting.

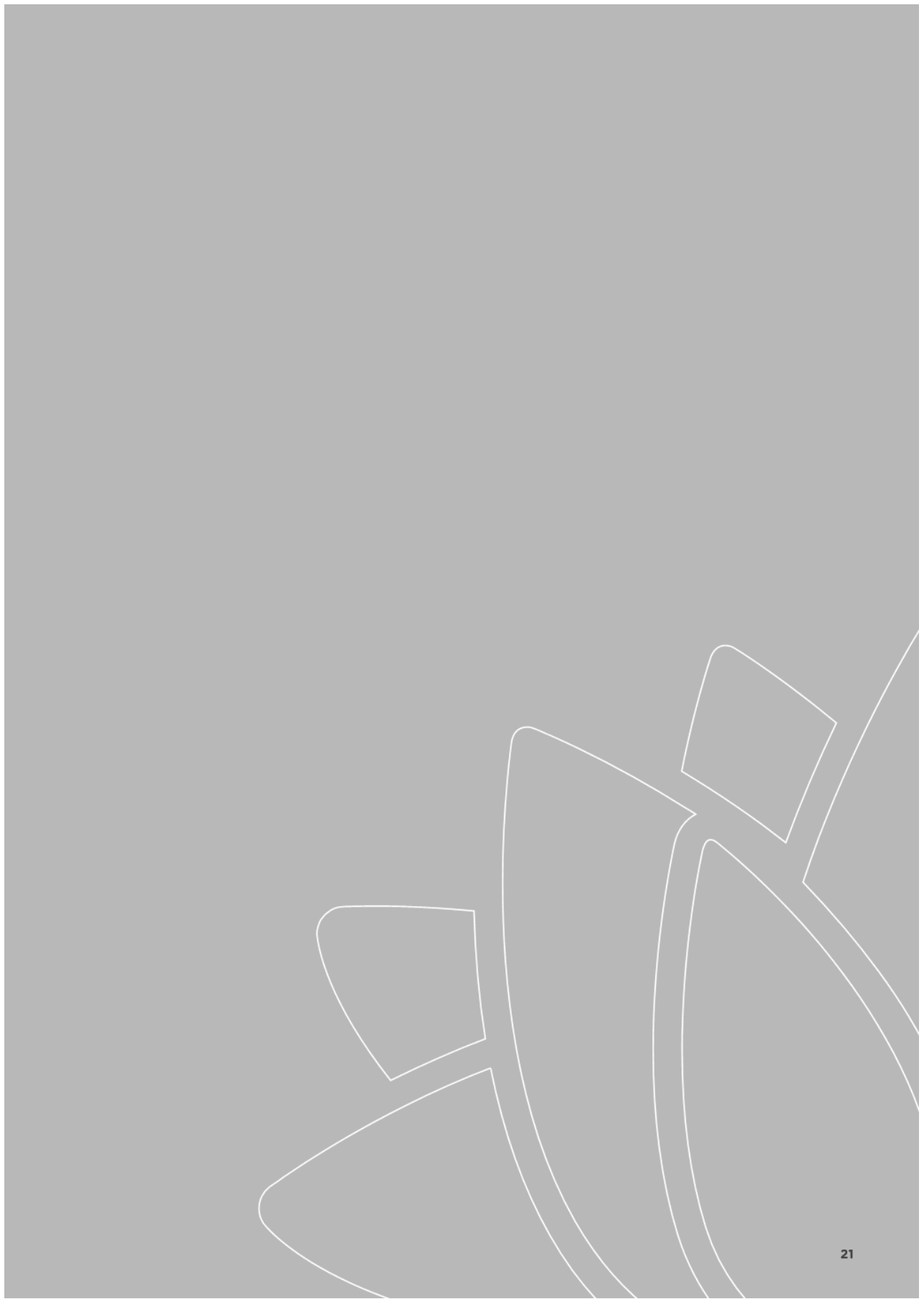
4.37 A special disclosure of a pecuniary interest made for the purposes of clause 4.36(c) must:

- a) be in the form set out in schedule 3 of this code and contain the information required by that form, and
- b) be laid on the table at a meeting of the council as soon as practicable after the disclosure is made, and the information contained in the special disclosure is to be recorded in the minutes of the meeting.

4.38 The Minister for Local Government may, conditionally or unconditionally, allow a councillor or a council committee member who has a pecuniary interest in a matter with which the council is concerned to be present at a meeting of the council or committee, to take part in the consideration or discussion of the matter and to vote on the matter if the Minister is of the opinion:

- a) that the number of councillors prevented from voting would be so great a proportion of the whole as to impede the transaction of business, or
- b) that it is in the interests of the electors for the area to do so.

4.39 A councillor or a council committee member with a pecuniary interest in a matter who is permitted to be present at a meeting of the council or committee, to take part in the consideration or discussion of the matter and to vote on the matter under clause 4.38, must still disclose the interest they have in the matter in accordance with clause 4.28.



Part 5:

Non-Pecuniary Conflicts of Interest

What is a non-pecuniary conflict of interest?

- 5.1 Non-pecuniary interests are private or personal interests a council official has that do not amount to a pecuniary interest as defined in clause 4.1 of this code. These commonly arise out of family or personal relationships, or out of involvement in sporting, social, religious or other cultural groups and associations, and may include an interest of a financial nature.
- 5.2 A non-pecuniary conflict of interest exists where a reasonable and informed person would perceive that you could be influenced by a private interest when carrying out your official functions in relation to a matter.
- 5.3 The personal or political views of a council official do not constitute a private interest for the purposes of clause 5.2.
- 5.4 Non-pecuniary conflicts of interest must be identified and appropriately managed to uphold community confidence in the probity of council decision-making. The onus is on you to identify any non-pecuniary conflict of interest you may have in matters that you deal with, to disclose the interest fully and in writing, and to take appropriate action to manage the conflict in accordance with this code.
- 5.5 When considering whether or not you have a non-pecuniary conflict of interest in a matter you are dealing with, it is always important to think about how others would view your situation.
- 5.6 Where you have a non-pecuniary conflict of interest in a matter for the purposes of clause 5.2, you must disclose the relevant private interest you have in relation to the matter fully and in writing as soon as practicable after becoming aware of the non-pecuniary conflict of interest and on each occasion on which the non-pecuniary conflict of interest arises in relation to the matter. In the case of members of council staff other than the general manager, such a disclosure is to be made to the staff member's manager. In the case of the general manager, such a disclosure is to be made to the mayor.
- 5.7 If a disclosure is made at a council or committee meeting, both the disclosure and the nature of the interest must be recorded in the minutes on each occasion on which the non-pecuniary conflict of interest arises. This disclosure constitutes disclosure in writing for the purposes of clause 5.6.
- 5.8 How you manage a non-pecuniary conflict of interest will depend on whether or not it is significant.
- 5.9 As a general rule, a non-pecuniary conflict of interest will be significant where it does not involve a pecuniary interest for the purposes of clause 4.1, but it involves:
 - a) a relationship between a council official and another person who is affected by a decision or a matter under consideration that is particularly close, such as a current or former spouse or de facto partner, a relative for the purposes of clause 4.4 or another person from the council official's extended family that the council official has a close personal relationship with, or another person living in the same household
 - b) other relationships with persons who are affected by a decision or a matter under consideration that are particularly close, such as friendships and business relationships. Closeness is defined by the nature of the friendship or business relationship, the frequency of contact and the duration of the friendship or relationship

Managing non-pecuniary conflicts of interest

- 5.6 Where you have a non-pecuniary conflict of interest in a matter for the purposes of clause 5.2, you must disclose the relevant private interest you have in relation to the matter fully and in writing as soon as

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- c) an affiliation between the council official and an organisation (such as a sporting body, club, religious, cultural or charitable organisation, corporation or association) that is affected by a decision or a matter under consideration that is particularly strong. The strength of a council official's affiliation with an organisation is to be determined by the extent to which they actively participate in the management, administration or other activities of the organisation
 - d) membership, as the council's representative, of the board or management committee of an organisation that is affected by a decision or a matter under consideration, in circumstances where the interests of the council and the organisation are potentially in conflict in relation to the particular matter
 - e) a financial interest (other than an interest of a type referred to in clause 4.6) that is not a pecuniary interest for the purposes of clause 4.1
 - f) the conferral or loss of a personal benefit other than one conferred or lost as a member of the community or a broader class of people affected by a decision.
- 5.10 Significant non-pecuniary conflicts of interest must be managed in one of two ways:
- a) by not participating in consideration of, or decision making in relation to, the matter in which you have the significant non-pecuniary conflict of interest and the matter being allocated to another person for consideration or determination, or
 - b) if the significant non-pecuniary conflict of interest arises in relation to a matter under consideration at a council or committee meeting, by managing the conflict of interest as if you had a pecuniary interest in the matter by complying with clauses 4.28 and 4.29.
- 5.11 If you determine that you have a non-pecuniary conflict of interest in a matter that is not significant and does not require further action, when disclosing the interest you must also explain in writing why you consider that the non-pecuniary conflict of interest is not significant and does not require further action in the circumstances.
- 5.12 If you are a member of staff of council other than the general manager, the decision on which option should be taken to manage a non-pecuniary conflict of interest must be made in consultation with and at the direction of your manager. In the case of the general manager, the decision on which option should be taken to manage a non-pecuniary conflict of interest must be made in consultation with and at the direction of the mayor.
- 5.13 Despite clause 5.10(b), a councillor who has a significant non-pecuniary conflict of interest in a matter, may participate in a decision to delegate consideration of the matter in question to another body or person.
- 5.14 Council committee members are not required to declare and manage a non-pecuniary conflict of interest in accordance with the requirements of this Part where it arises from an interest they have as a person chosen to represent the community, or as a member of a non-profit organisation or other community or special interest group, if they have been appointed to represent the organisation or group on the council committee.

Political donations

5.15 Councillors should be aware that matters before council or committee meetings involving their political donors may also give rise to a non-pecuniary conflict of interest.

5.16 Where you are a councillor and have received or knowingly benefitted from a reportable political donation:

- a) made by a major political donor in the previous four years, and
- b) the major political donor has a matter before council,

you must declare a non-pecuniary conflict of interest in the matter, disclose the nature of the interest, and manage the conflict of interest as if you had a pecuniary interest in the matter by complying with clauses 4.28 and 4.29. A disclosure made under this clause must be recorded in the minutes of the meeting.

5.17 For the purposes of this Part:

- a) a "reportable political donation" has the same meaning as it has in section 6 of the *Electoral Funding Act 2018*
- b) "major political donor" has the same meaning as it has in the *Electoral Funding Act 2018*.

5.18 Councillors should note that political donations that are not a "reportable political donation", or political donations to a registered political party or group by which a councillor is endorsed, may still give rise to a non-pecuniary conflict of interest. Councillors should determine whether or not such conflicts are significant for the purposes of clause 5.9 and take the appropriate action to manage them.

5.19 Despite clause 5.16, a councillor who has received or knowingly benefitted from a reportable political donation of the kind referred to in that clause, may participate in a decision to delegate consideration of the matter in question to another body or person.

Loss of quorum as a result of compliance with this Part

5.20 A councillor who would otherwise be precluded from participating in the consideration of a matter under this Part because they have a non-pecuniary conflict of interest in the matter is permitted to participate in consideration of the matter if:

- a) the matter is a proposal relating to:
 - i) the making of a principal environmental planning instrument applying to the whole or a significant portion of the council's area, or
 - ii) the amendment, alteration or repeal of an environmental planning instrument where the amendment, alteration or repeal applies to the whole or a significant portion of the council's area, and
- b) the non-pecuniary conflict of interest arises only because of an interest that a person has in that person's principal place of residence, and
- c) the councillor discloses the interest they have in the matter that would otherwise have precluded their participation in consideration of the matter under this Part in accordance with clause 5.6.

5.21 The Minister for Local Government may, conditionally or unconditionally, allow a councillor or a council committee member who is precluded under this Part from participating in the consideration of a matter to be present at a meeting of the council or committee, to take part in the consideration or discussion of the matter and to vote on the matter if the Minister is of the opinion:

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- a) that the number of councillors prevented from voting would be so great a proportion of the whole as to impede the transaction of business, or
 - b) that it is in the interests of the electors for the area to do so.
- 5.22 Where the Minister exempts a councillor or committee member from complying with a requirement under this Part under clause 5.21, the councillor or committee member must still disclose any interests they have in the matter the exemption applies to, in accordance with clause 5.6.

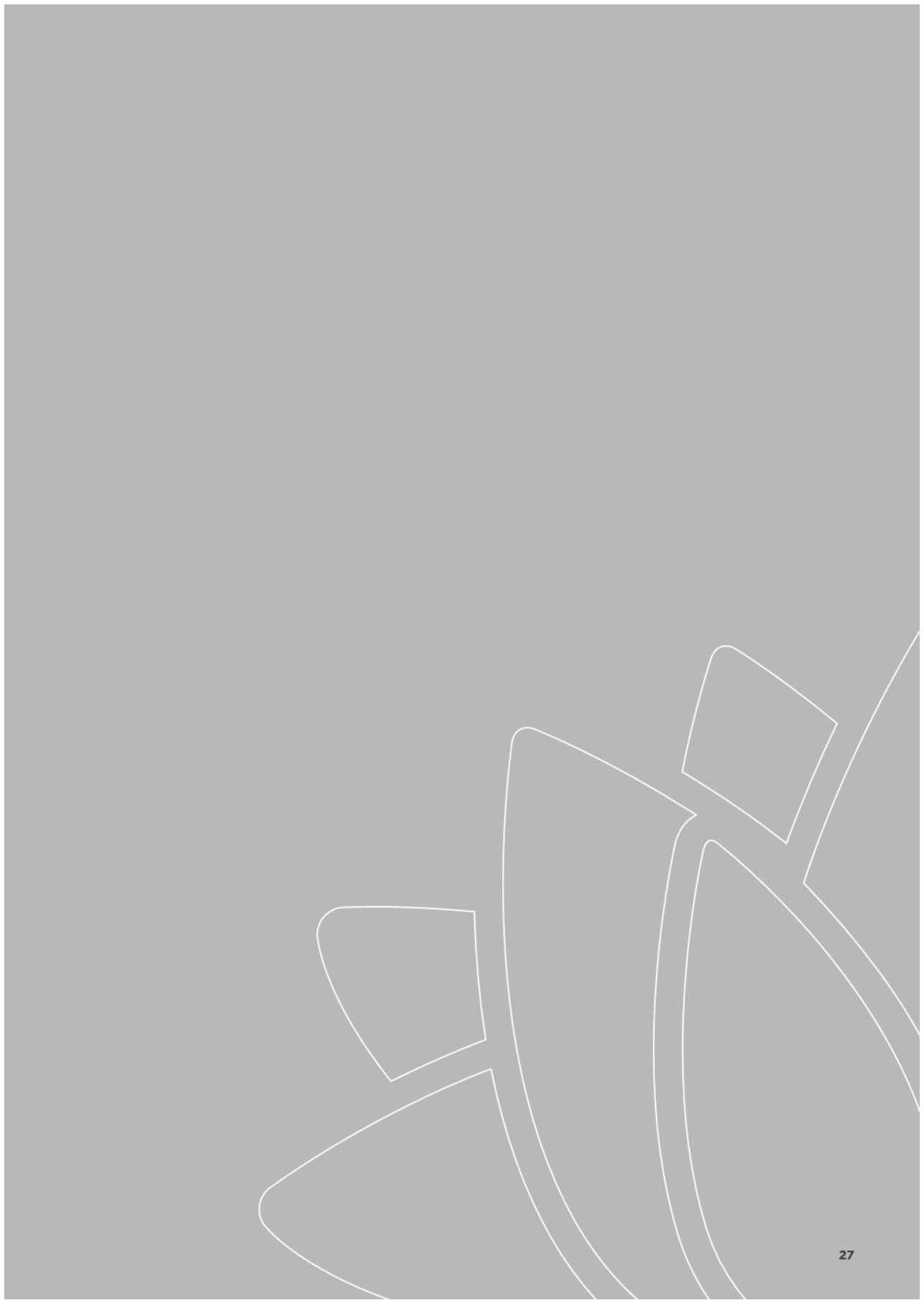
Other business or employment

- 5.23 The general manager must not engage, for remuneration, in private employment, contract work or other business outside the service of the council without the approval of the council.
- 5.24 A member of staff must not engage, for remuneration, in private employment, contract work or other business outside the service of the council that relates to the business of the council or that might conflict with the staff member's council duties unless they have notified the general manager in writing of the employment, work or business and the general manager has given their written approval for the staff member to engage in the employment, work or business.
- 5.25 The general manager may at any time prohibit a member of staff from engaging, for remuneration, in private employment, contract work or other business outside the service of the council that relates to the business of the council, or that might conflict with the staff member's council duties.

- 5.26 A member of staff must not engage, for remuneration, in private employment, contract work or other business outside the service of the council if prohibited from doing so.
- 5.27 Members of staff must ensure that any outside employment, work or business they engage in will not:
- a) conflict with their official duties
 - b) involve using confidential information or council resources obtained through their work with the council including where private use is permitted
 - c) require them to work while on council duty
 - d) discredit or disadvantage the council
 - e) pose, due to fatigue, a risk to their health or safety, or to the health and safety of their co-workers.

Personal dealings with council

- 5.28 You may have reason to deal with your council in your personal capacity (for example, as a ratepayer, recipient of a council service or applicant for a development consent granted by council). You must not expect or request preferential treatment in relation to any matter in which you have a private interest because of your position. You must avoid any action that could lead members of the public to believe that you are seeking preferential treatment.
- 5.29 You must undertake any personal dealings you have with the council in a manner that is consistent with the way other members of the community deal with the council. You must also ensure that you disclose and appropriately manage any conflict of interest you may have in any matter in accordance with the requirements of this code.



Part 6:

Personal Benefit

- 6.1 For the purposes of this Part, a gift or a benefit is something offered to or received by a council official or someone personally associated with them for their personal use and enjoyment.
- 6.2 A reference to a gift or benefit in this Part does not include:
- a) a political donation for the purposes of the *Electoral Funding Act 2018*
 - b) a gift provided to the council as part of a cultural exchange or sister-city relationship that is not converted for the personal use or enjoyment of any individual council official or someone personally associated with them
 - c) attendance by a council official at a work-related event or function for the purposes of performing their official duties, or
 - d) free or subsidised meals, beverages or refreshments of token value provided to council officials in conjunction with the performance of their official duties such as, but not limited to:
 - i) the discussion of official business
 - ii) work-related events such as council-sponsored or community events, training, education sessions or workshops
 - iii) conferences
 - iv) council functions or events
 - v) social functions organised by groups, such as council committees and community organisations.

Gifts and benefits

- 6.3 You must avoid situations that would give rise to the appearance that a person or body is attempting to secure favourable treatment from you or from the council, through the provision of gifts, benefits or hospitality of any kind to you or someone personally associated with you.
- 6.4 A gift or benefit is deemed to have been accepted by you for the purposes of this Part, where it is received by you or someone personally associated with you.

How are offers of gifts and benefits to be dealt with?

- 6.5 You must not:
- a) seek or accept a bribe or other improper inducement
 - b) seek gifts or benefits of any kind
 - c) accept any gift or benefit that may create a sense of obligation on your part, or may be perceived to be intended or likely to influence you in carrying out your public duty
 - d) subject to clause 6.7, accept any gift or benefit of more than token value as defined by clause 6.9
 - e) accept an offer of cash or a cash-like gift as defined by clause 6.13, regardless of the amount
 - f) participate in competitions for prizes where eligibility is based on the council being in or entering into a customer-supplier relationship with the competition organiser
 - g) personally benefit from reward points programs when purchasing on behalf of the council.

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6.6 Where you receive a gift or benefit of any value other than one referred to in clause 6.2, you must disclose this promptly to your manager or the general manager in writing. The recipient, manager, or general manager must ensure that, at a minimum, the following details are recorded in the council's gift register:

- a) the nature of the gift or benefit
- b) the estimated monetary value of the gift or benefit
- c) the name of the person who provided the gift or benefit, and
- d) the date on which the gift or benefit was received.

6.7 Where you receive a gift or benefit of more than token value that cannot reasonably be refused or returned, the gift or benefit must be surrendered to the council, unless the nature of the gift or benefit makes this impractical.

Gifts and benefits of token value

6.8 You may accept gifts and benefits of token value. Gifts and benefits of token value are one or more gifts or benefits received from a person or organisation over a 12-month period that, when aggregated, do not exceed a value of \$50. They include, but are not limited to:

- a) invitations to and attendance at local social, cultural or sporting events with a ticket value that does not exceed \$50
- b) gifts of alcohol that do not exceed a value of \$50
- c) ties, scarves, coasters, tie pins, diaries, chocolates or flowers or the like
- d) prizes or awards that do not exceed \$50 in value.

Gifts and benefits of more than token value

6.9 Gifts or benefits that exceed \$50 in value are gifts or benefits of more than token value for the purposes of clause 6.5(d) and, subject to clause 6.7, must not be accepted.

6.10 Gifts and benefits of more than token value include, but are not limited to, tickets to major sporting events (such as international matches or matches in national sporting codes) with a ticket value that exceeds \$50, corporate hospitality at a corporate facility at major sporting events, free or discounted products or services for personal use provided on terms that are not available to the general public or a broad class of persons, the use of holiday homes, artworks, free or discounted travel.

6.11 Where you have accepted a gift or benefit of token value from a person or organisation, you must not accept a further gift or benefit from the same person or organisation or another person associated with that person or organisation within a single 12-month period where the value of the gift, added to the value of earlier gifts received from the same person or organisation, or a person associated with that person or organisation, during the same 12-month period would exceed \$50 in value.

6.12 For the purposes of this Part, the value of a gift or benefit is the monetary value of the gift or benefit inclusive of GST.

“Cash-like gifts”

- 6.13 For the purposes of clause 6.5(e), “cash-like gifts” include but are not limited to, gift vouchers, credit cards, debit cards with credit on them, prepayments such as phone or internet credit, lottery tickets, memberships or entitlements to discounts that are not available to the general public or a broad class of persons.

Improper and undue influence

- 6.14 You must not use your position to influence other council officials in the performance of their official functions to obtain a private benefit for yourself or for somebody else. A councillor will not be in breach of this clause where they seek to influence other council officials through the proper exercise of their role as prescribed under the LGA.
- 6.15 You must not take advantage (or seek to take advantage) of your status or position with council, or of functions you perform for council, in order to obtain a private benefit for yourself or for any other person or body.

Part 7:

Relationships Between Council Officials

Obligations of councillors and administrators

- 7.1 Each council is a body politic. The councillors or administrator/s are the governing body of the council. Under section 223 of the LGA, the role of the governing body of the council includes the development and endorsement of the strategic plans, programs, strategies and policies of the council, including those relating to workforce policy, and to keep the performance of the council under review.
- 7.2 Councillors or administrators must not:
- a) direct council staff other than by giving appropriate direction to the general manager by way of council or committee resolution, or by the mayor or administrator exercising their functions under section 226 of the LGA
 - b) in any public or private forum, direct or influence, or attempt to direct or influence, any other member of the staff of the council or a delegate of the council in the exercise of the functions of the staff member or delegate
 - c) contact a member of the staff of the council on council-related business unless in accordance with the policy and procedures governing the interaction of councillors and council staff that have been authorised by the council and the general manager
 - d) contact or issue instructions to any of the council's contractors, including the council's legal advisers, unless by the mayor or administrator exercising their functions under section 226 of the LGA.

- 7.3 Despite clause 7.2, councillors may contact the council's external auditor or the chair of the council's audit risk and improvement committee to provide information reasonably necessary for the external auditor or the audit, risk and improvement committee to effectively perform their functions.

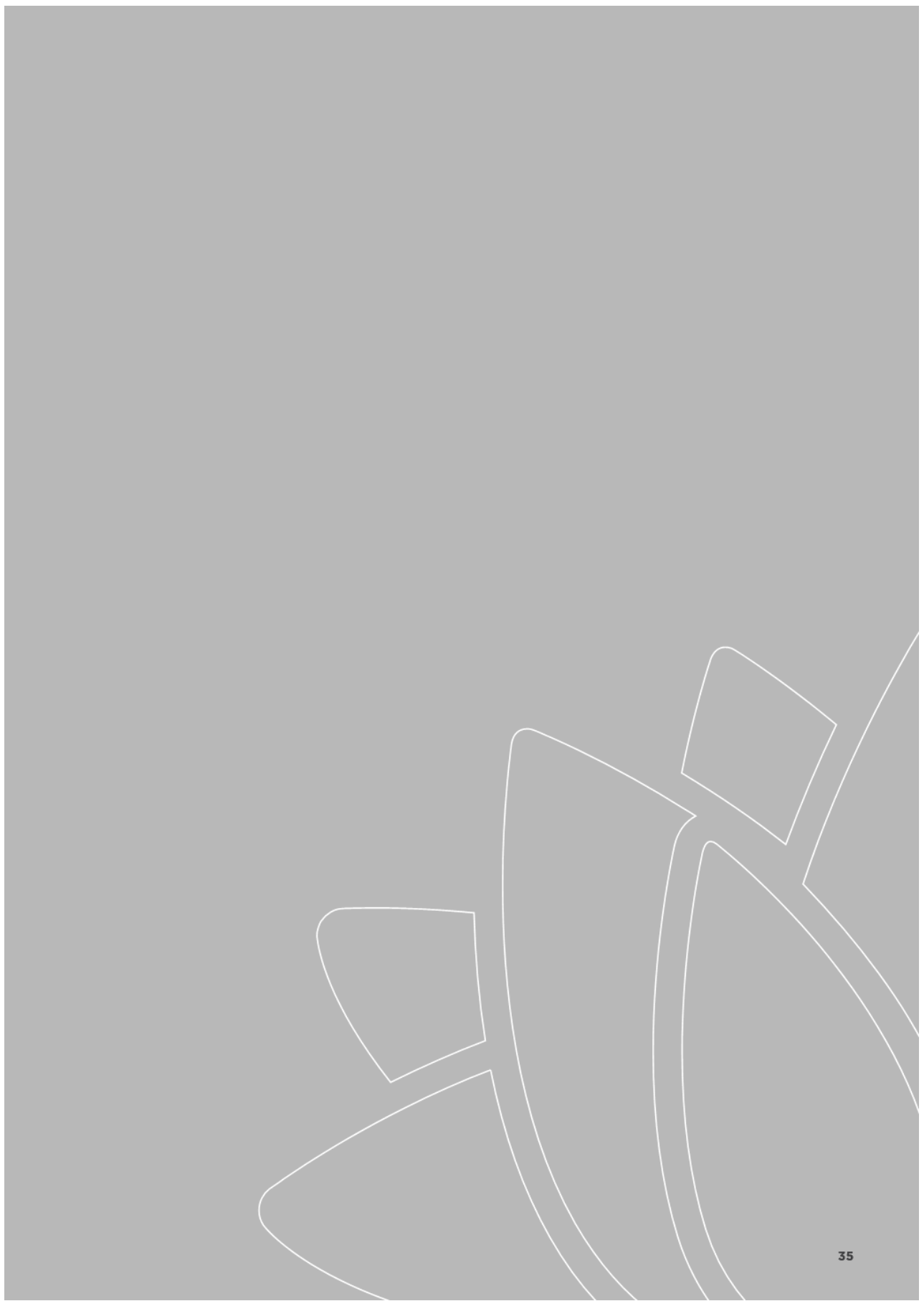
Obligations of staff

- 7.4 Under section 335 of the LGA, the role of the general manager includes conducting the day-to-day management of the council in accordance with the strategic plans, programs, strategies and policies of the council, implementing without undue delay, lawful decisions of the council and ensuring that the mayor and other councillors are given timely information and advice and the administrative and professional support necessary to effectively discharge their official functions.
- 7.5 Members of staff of council must:
- a) give their attention to the business of the council while on duty
 - b) ensure that their work is carried out ethically, efficiently, economically and effectively
 - c) carry out reasonable and lawful directions given by any person having authority to give such directions
 - d) give effect to the lawful decisions, policies and procedures of the council, whether or not the staff member agrees with or approves of them
 - e) ensure that any participation in political activities outside the service of the council does not interfere with the performance of their official duties.

Inappropriate interactions

7.6 You must not engage in any of the following inappropriate interactions:

- a) councillors and administrators approaching staff and staff organisations to discuss individual or operational staff matters (other than matters relating to broader workforce policy), grievances, workplace investigations and disciplinary matters
- b) council staff approaching councillors and administrators to discuss individual or operational staff matters (other than matters relating to broader workforce policy), grievances, workplace investigations and disciplinary matters
- c) subject to clause 8.6, council staff refusing to give information that is available to other councillors to a particular councillor
- d) councillors and administrators who have lodged an application with the council, discussing the matter with council staff in staff-only areas of the council
- e) councillors and administrators approaching members of local planning panels or discussing any application that is either before the panel or that will come before the panel at some future time, except during a panel meeting where the application forms part of the agenda and the councillor has a right to be heard by the panel at the meeting
- f) councillors and administrators being overbearing or threatening to council staff
- g) council staff being overbearing or threatening to councillors or administrators
- h) councillors and administrators making personal attacks on council staff or engaging in conduct towards staff that would be contrary to the general conduct provisions in Part 3 of this code in public forums including social media
- i) councillors and administrators directing or pressuring council staff in the performance of their work, or recommendations they should make
- j) council staff providing ad hoc advice to councillors and administrators without recording or documenting the interaction as they would if the advice was provided to a member of the community
- k) council staff meeting with applicants or objectors alone AND outside office hours to discuss planning applications or proposals
- l) councillors attending on-site inspection meetings with lawyers and/or consultants engaged by the council associated with current or proposed legal proceedings unless permitted to do so by the council's general manager or, in the case of the mayor or administrator, unless they are exercising their functions under section 226 of the LGA.



Part 8:

Access to Information and Council Resources

Councillor and administrator access to information

- 8.1 The general manager is responsible for ensuring that councillors and administrators can access information necessary for the performance of their official functions. The general manager and public officer are also responsible for ensuring that members of the public can access publicly available council information under the *Government Information (Public Access) Act 2009* (the GIPA Act).
- 8.2 The general manager must provide councillors and administrators with the information necessary to effectively discharge their official functions.
- 8.3 Members of staff of council must provide full and timely information to councillors and administrators sufficient to enable them to exercise their official functions and in accordance with council procedures.
- 8.4 Members of staff of council who provide any information to a particular councillor in the performance of their official functions must also make it available to any other councillor who requests it and in accordance with council procedures.
- 8.5 Councillors and administrators who have a private interest only in council information have the same rights of access as any member of the public.
- 8.6 Despite clause 8.4, councillors and administrators who are precluded from participating in the consideration of a matter under this code because they have a conflict of interest in the matter, are not entitled to request access to council information in relation to the matter unless the information is otherwise

available to members of the public, or the council has determined to make the information available under the GIPA Act.

Councillors and administrators to properly examine and consider information

- 8.7 Councillors and administrators must ensure that they comply with their duty under section 439 of the LGA to act honestly and exercise a reasonable degree of care and diligence by properly examining and considering all the information provided to them relating to matters that they are required to make a decision on.

Refusal of access to information

- 8.8 Where the general manager or public officer determine to refuse access to information requested by a councillor or administrator, they must act reasonably. In reaching this decision they must take into account whether or not the information requested is necessary for the councillor or administrator to perform their official functions (see clause 8.2) and whether they have disclosed a conflict of interest in the matter the information relates to that would preclude their participation in consideration of the matter (see clause 8.6). The general manager or public officer must state the reasons for the decision if access is refused.

Use of certain council information

- 8.9 In regard to information obtained in your capacity as a council official, you must:
- a) subject to clause 8.14, only access council information needed for council business
 - b) not use that council information for private purposes
 - c) not seek or obtain, either directly or indirectly, any financial benefit or other improper advantage for yourself, or any other person or body, from any information to which you have access by virtue of your office or position with council
 - d) only release council information in accordance with established council policies and procedures and in compliance with relevant legislation.

Use and security of confidential information

- 8.10 You must maintain the integrity and security of confidential information in your possession, or for which you are responsible.
- 8.11 In addition to your general obligations relating to the use of council information, you must:
- a) only access confidential information that you have been authorised to access and only do so for the purposes of exercising your official functions
 - b) protect confidential information
 - c) only release confidential information if you have authority to do so
 - d) only use confidential information for the purpose for which it is intended to be used

- e) not use confidential information gained through your official position for the purpose of securing a private benefit for yourself or for any other person
- f) not use confidential information with the intention to cause harm or detriment to the council or any other person or body
- g) not disclose any confidential information discussed during a confidential session of a council or committee meeting or any other confidential forum (such as, but not limited to, workshops or briefing sessions).

Personal information

- 8.12 When dealing with personal information you must comply with:
- a) the *Privacy and Personal Information Protection Act 1998*
 - b) the *Health Records and Information Privacy Act 2002*
 - c) the Information Protection Principles and Health Privacy Principles
 - d) the council's privacy management plan
 - e) the Privacy Code of Practice for Local Government

Use of council resources

- 8.13 You must use council resources ethically, effectively, efficiently and carefully in exercising your official functions, and must not use them for private purposes, except when supplied as part of a contract of employment (but not for private business purposes), unless this use is lawfully authorised and proper payment is made where appropriate.

8.14 Union delegates and consultative committee members may have reasonable access to council resources and information for the purposes of carrying out their industrial responsibilities, including but not limited to:

- a) the representation of members with respect to disciplinary matters
- b) the representation of employees with respect to grievances and disputes
- c) functions associated with the role of the local consultative committee.

8.15 You must be scrupulous in your use of council property, including intellectual property, official services, facilities, technology and electronic devices and must not permit their misuse by any other person or body.

8.16 You must avoid any action or situation that could create the appearance that council property, official services or public facilities are being improperly used for your benefit or the benefit of any other person or body.

8.17 You must not use council resources (including council staff), property or facilities for the purpose of assisting your election campaign or the election campaigns of others unless the resources, property or facilities are otherwise available for use or hire by the public and any publicly advertised fee is paid for use of the resources, property or facility.

8.18 You must not use the council letterhead, council crests, council email or social media or other information that could give the appearance it is official council material:

- a) for the purpose of assisting your election campaign or the election campaign of others, or
- b) for other non-official purposes.

8.19 You must not convert any property of the council to your own use unless properly authorised.

Internet access and use of social media

8.20 You must not use council's computer resources or mobile or other devices to search for, access, download or communicate any material of an offensive, obscene, pornographic, threatening, abusive or defamatory nature, or that could otherwise lead to criminal penalty or civil liability and/or damage the council's reputation.

8.21 You must not use social media to post or share comments, photos, videos, electronic recordings or other information that:

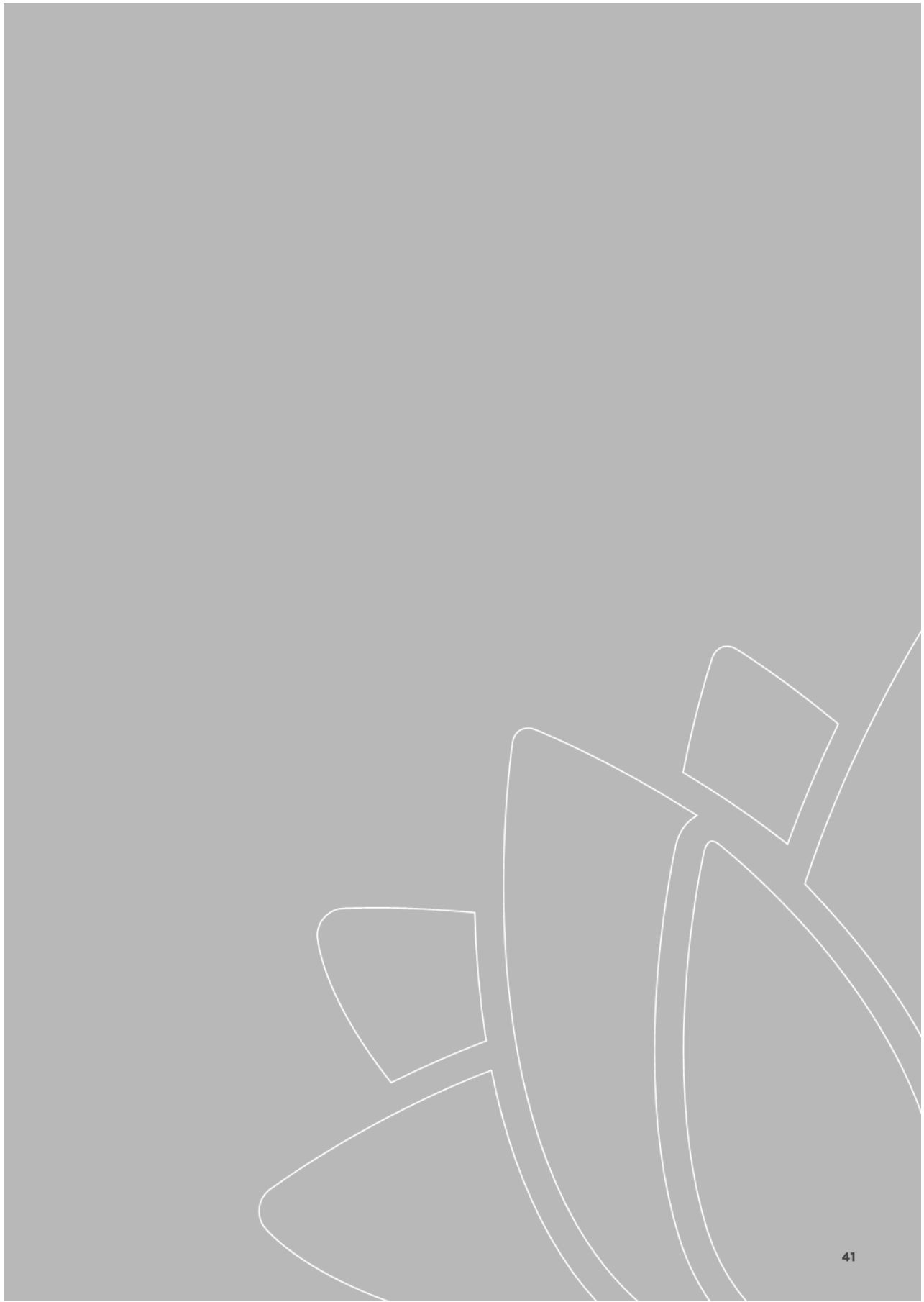
- a) is offensive, humiliating, threatening or intimidating to other council officials or those that deal with the council
- b) contains content about the council that is misleading or deceptive
- c) divulges confidential council information
- d) breaches the privacy of other council officials or those that deal with council
- e) contains allegations of suspected breaches of this code or information about the consideration of a matter under the Procedures, or
- f) could be perceived to be an official comment on behalf of the council where you have not been authorised to make such comment.

Council record keeping

- 8.22 You must comply with the requirements of the *State Records Act 1998* and the council's records management policy.
- 8.23 All information created, sent and received in your official capacity is a council record and must be managed in accordance with the requirements of the *State Records Act 1998* and the council's approved records management policies and practices.
- 8.24 All information stored in either soft or hard copy on council supplied resources (including technology devices and email accounts) is deemed to be related to the business of the council and will be treated as council records, regardless of whether the original intention was to create the information for personal purposes.
- 8.25 You must not destroy, alter, or dispose of council information or records, unless authorised to do so. If you need to alter or dispose of council information or records, you must do so in consultation with the council's records manager and comply with the requirements of the *State Records Act 1998*.

Councillor access to council buildings

- 8.26 Councillors and administrators are entitled to have access to the council chamber, committee room, mayor's office (subject to availability), councillors' rooms, and public areas of council's buildings during normal business hours and for meetings. Councillors and administrators needing access to these facilities at other times must obtain authority from the general manager.
- 8.27 Councillors and administrators must not enter staff-only areas of council buildings without the approval of the general manager (or their delegate) or as provided for in the procedures governing the interaction of councillors and council staff.
- 8.28 Councillors and administrators must ensure that when they are within a staff only area they refrain from conduct that could be perceived to improperly influence council staff decisions.



Part 9:

Maintaining the Integrity of this Code

Complaints made for an improper purpose

- 9.1 You must not make or threaten to make a complaint or cause a complaint to be made alleging a breach of this code for an improper purpose.
- 9.2 For the purposes of clause 9.1, a complaint is made for an improper purpose where it is trivial, frivolous, vexatious or not made in good faith, or where it otherwise lacks merit and has been made substantially for one or more of the following purposes:
- a) to bully, intimidate or harass another council official
 - b) to damage another council official's reputation
 - c) to obtain a political advantage
 - d) to influence a council official in the exercise of their official functions or to prevent or disrupt the exercise of those functions
 - e) to influence the council in the exercise of its functions or to prevent or disrupt the exercise of those functions
 - f) to avoid disciplinary action under the Procedures
 - g) to take reprisal action against a person for making a complaint alleging a breach of this code
 - h) to take reprisal action against a person for exercising a function prescribed under the Procedures
 - i) to prevent or disrupt the effective administration of this code under the Procedures.

Detrimental action

- 9.3 You must not take detrimental action or cause detrimental action to be taken against a person substantially in reprisal for a complaint they have made alleging a breach of this code.
- 9.4 You must not take detrimental action or cause detrimental action to be taken against a person substantially in reprisal for any function they have exercised under the Procedures.
- 9.5 For the purposes of clauses 9.3 and 9.4, a detrimental action is an action causing, comprising or involving any of the following:
- a) injury, damage or loss
 - b) intimidation or harassment
 - c) discrimination, disadvantage or adverse treatment in relation to employment
 - d) dismissal from, or prejudice in, employment
 - e) disciplinary proceedings.

Compliance with requirements under the Procedures

- 9.6 You must not engage in conduct that is calculated to impede or disrupt the consideration of a matter under the Procedures.
- 9.7 You must comply with a reasonable and lawful request made by a person exercising a function under the Procedures. A failure to make a written or oral submission invited under the Procedures will not constitute a breach of this clause.
- 9.8 You must comply with a practice ruling made by the Office under the Procedures.

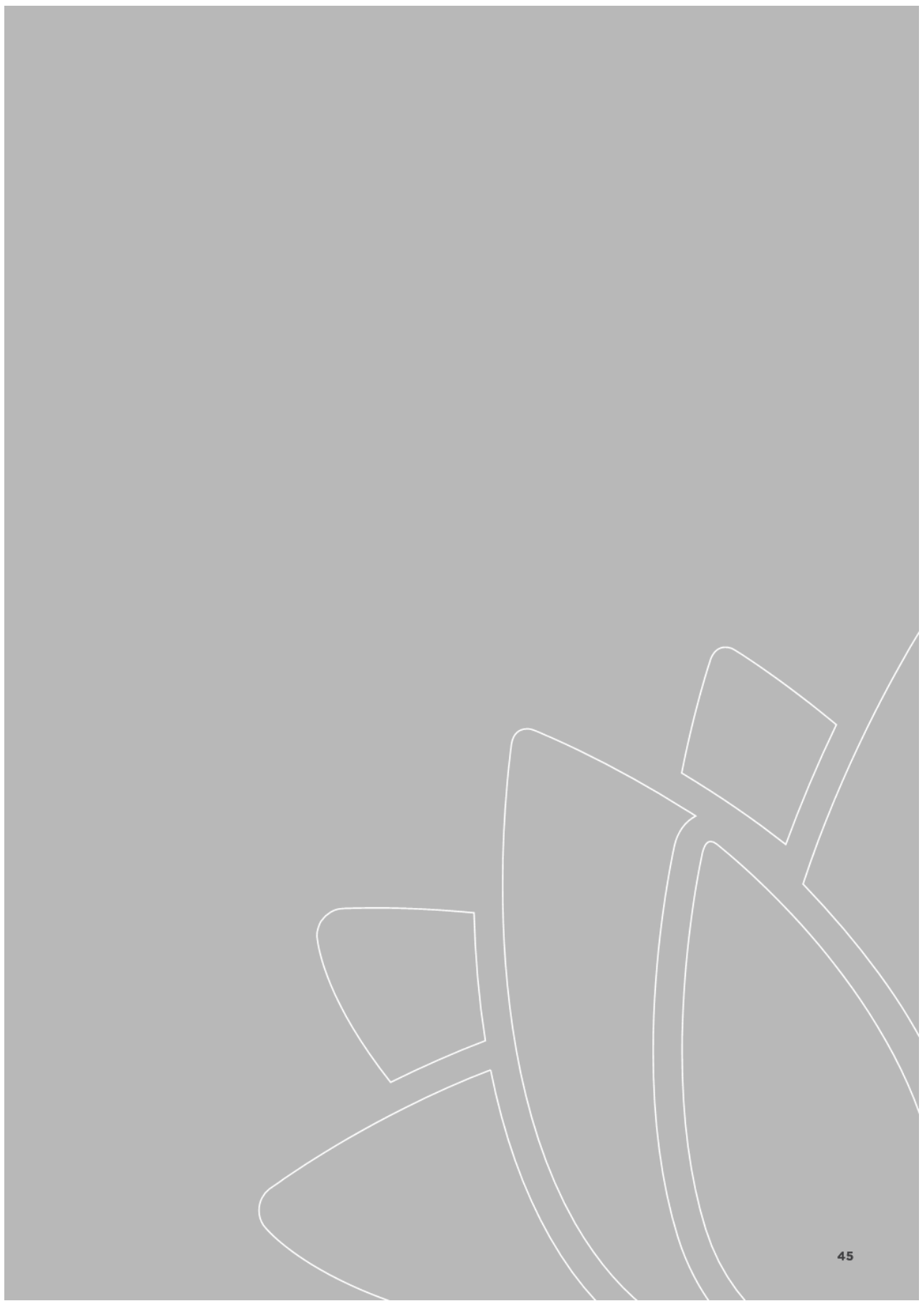
- 9.9 Where you are a councillor or the general manager, you must comply with any council resolution requiring you to take action as a result of a breach of this code.


Disclosure of information about the consideration of a matter under the Procedures

- 9.10 All allegations of breaches of this code must be dealt with under and in accordance with the Procedures.
- 9.11 You must not allege breaches of this code other than by way of a complaint made or initiated under the Procedures.
- 9.12 You must not make allegations about, or disclose information about, suspected breaches of this code at council, committee or other meetings, whether open to the public or not, or in any other forum, whether public or not.
- 9.13 You must not disclose information about a complaint you have made alleging a breach of this code or a matter being considered under the Procedures except for the purposes of seeking legal advice, unless the disclosure is otherwise permitted under the Procedures.
- 9.14 Nothing under this Part prevents a person from making a public interest disclosure to an appropriate public authority or investigative authority under the *Public Interest Disclosures Act 1994*.

Complaints alleging a breach of this Part

- 9.15 Complaints alleging a breach of this Part by a councillor, the general manager or an administrator are to be managed by the Office. This clause does not prevent the Office from referring an alleged breach of this Part back to the council for consideration in accordance with the Procedures.
- 9.16 Complaints alleging a breach of this Part by other council officials are to be managed by the general manager in accordance with the Procedures.





Schedule 1:

Disclosures of Interest and Other Matters in Written Returns Submitted Under Clause 4.21

Part 1: Preliminary

Definitions

1. For the purposes of the schedules to this code, the following definitions apply:

address means:

- a) in relation to a person other than a corporation, the last residential or business address of the person known to the councillor or designated person disclosing the address, or
- b) in relation to a corporation, the address of the registered office of the corporation in New South Wales or, if there is no such office, the address of the principal office of the corporation in the place where it is registered, or
- c) in relation to any real property, the street address of the property.

de facto partner has the same meaning as defined in section 21C of the *Interpretation Act 1987*.

disposition of property means a conveyance, transfer, assignment, settlement, delivery, payment or other alienation of property, including the following:

- a) the allotment of shares in a company
- b) the creation of a trust in respect of property
- c) the grant or creation of a lease, mortgage, charge, easement, licence, power, partnership or interest in respect of property
- d) the release, discharge, surrender, forfeiture or abandonment, at law or in equity, of a debt, contract or chose in action, or of an interest in respect of property

- e) the exercise by a person of a general power of appointment over property in favour of another person
- f) a transaction entered into by a person who intends by the transaction to diminish, directly or indirectly, the value of the person's own property and to increase the value of the property of another person.

gift means a disposition of property made otherwise than by will (whether or not by instrument in writing) without consideration, or with inadequate consideration, in money or money's worth passing from the person to whom the disposition was made to the person who made the disposition, but does not include a financial or other contribution to travel.

interest means:

- a) in relation to property, an estate, interest, right or power, at law or in equity, in or over the property, or
- b) in relation to a corporation, a relevant interest (within the meaning of section 9 of the *Corporations Act 2001* of the Commonwealth) in securities issued or made available by the corporation.

listed company means a company that is listed within the meaning of section 9 of the *Corporations Act 2001* of the Commonwealth.

occupation includes trade, profession and vocation.

professional or business association means an incorporated or unincorporated body or organisation having as one of its objects or activities the promotion of the economic interests of its members in any occupation.

property includes money.

return date means:

The Model Code of Conduct for Local Councils in NSW

- a) in the case of a return made under clause 4.21(a), the date on which a person became a councillor or designated person
- b) in the case of a return made under clause 4.21(b), 30 June of the year in which the return is made
- c) in the case of a return made under clause 4.21(c), the date on which the councillor or designated person became aware of the interest to be disclosed.

relative includes any of the following:

- a) a person's spouse or de facto partner
- b) a person's parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descendant or adopted child
- c) a person's spouse's or de facto partner's parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descendant or adopted child
- d) the spouse or de facto partner of a person referred to in paragraphs (b) and (c).

travel includes accommodation incidental to a journey.

Matters relating to the interests that must be included in returns

- 2. *Interests etc. outside New South Wales:* A reference in this schedule or in schedule 2 to a disclosure concerning a corporation or other thing includes any reference to a disclosure concerning a corporation registered, or other thing arising or received, outside New South Wales.
- 3. *References to interests in real property:* A reference in this schedule or in schedule 2 to real property in which a councillor or designated person has an interest includes a reference to any real property situated in Australia in which the councillor or designated person has an interest.
- 4. *Gifts, loans etc. from related corporations:* For the purposes of this schedule and schedule 2, gifts or contributions to travel given, loans made, or goods or services supplied, to a councillor or designated person by two or more corporations that are related to each other for the purposes of section 50 of the *Corporations Act 2001* of the Commonwealth are all given, made or supplied by a single corporation.

Part 2: Pecuniary interests to be disclosed in returns

Real property

5. A person making a return under clause 4.21 of this code must disclose:
 - a) the street address of each parcel of real property in which they had an interest on the return date, and
 - b) the street address of each parcel of real property in which they had an interest in the period since 30 June of the previous financial year, and
 - c) the nature of the interest.
6. An interest in a parcel of real property need not be disclosed in a return if the person making the return had the interest only:
 - a) as executor of the will, or administrator of the estate, of a deceased person and not as a beneficiary under the will or intestacy, or
 - b) as a trustee, if the interest was acquired in the ordinary course of an occupation not related to their duties as the holder of a position required to make a return.
7. An interest in a parcel of real property need not be disclosed in a return if the person ceased to hold the interest prior to becoming a councillor or designated person.
8. For the purposes of clause 5 of this schedule, "interest" includes an option to purchase.

Gifts

9. A person making a return under clause 4.21 of this code must disclose:
 - a) a description of each gift received in the period since 30 June of the previous financial year, and
 - b) the name and address of the donor of each of the gifts.
10. A gift need not be included in a return if:
 - a) it did not exceed \$500, unless it was among gifts totalling more than \$500 made by the same person during a period of 12 months or less, or
 - b) it was a political donation disclosed, or required to be disclosed, under Part 3 of the *Electoral Funding Act 2018*, or
 - c) the donor was a relative of the donee, or
 - d) subject to paragraph (a), it was received prior to the person becoming a councillor or designated person.
11. For the purposes of clause 10 of this schedule, the amount of a gift other than money is an amount equal to the value of the property given.

Contributions to travel

12. A person making a return under clause 4.21 of this code must disclose:
 - a) the name and address of each person who made any financial or other contribution to the expenses of any travel undertaken by the person in the period since 30 June of the previous financial year, and
 - b) the dates on which the travel was undertaken, and
 - c) the names of the states and territories, and of the overseas countries, in which the travel was undertaken.

The Model Code of Conduct for Local Councils in NSW

13. A financial or other contribution to any travel need not be disclosed under this clause if it:
- a) was made from public funds (including a contribution arising from travel on free passes issued under an Act or from travel in government or council vehicles), or
 - b) was made by a relative of the traveller, or
 - c) was made in the ordinary course of an occupation of the traveller that is not related to their functions as the holder of a position requiring the making of a return, or
 - d) did not exceed \$250, unless it was among gifts totalling more than \$250 made by the same person during a 12-month period or less, or
 - e) was a political donation disclosed, or required to be disclosed, under Part 3 of the *Electoral Funding Act 2018*, or
 - f) was made by a political party of which the traveller was a member and the travel was undertaken for the purpose of political activity of the party in New South Wales, or to enable the traveller to represent the party within Australia, or
 - g) subject to paragraph (d) it was received prior to the person becoming a councillor or designated person.
14. For the purposes of clause 13 of this schedule, the amount of a contribution (other than a financial contribution) is an amount equal to the value of the contribution.

Interests and positions in corporations

15. A person making a return under clause 4.21 of this code must disclose:
- a) the name and address of each corporation in which they had an interest or held a position (whether remunerated or not) on the return date, and
 - b) the name and address of each corporation in which they had an interest or held a position in the period since 30 June of the previous financial year, and
 - c) the nature of the interest, or the position held, in each of the corporations, and
 - d) a description of the principal objects (if any) of each of the corporations, except in the case of a listed company.
16. An interest in, or a position held in, a corporation need not be disclosed if the corporation is:
- a) formed for the purpose of providing recreation or amusement, or for promoting commerce, industry, art, science, religion or charity, or for any other community purpose, and
 - b) required to apply its profits or other income in promoting its objects, and
 - c) prohibited from paying any dividend to its members.
17. An interest in a corporation need not be disclosed if the interest is a beneficial interest in shares in a company that does not exceed 10 per cent of the voting rights in the company.
18. An interest or a position in a corporation need not be disclosed if the person ceased to hold the interest or position prior to becoming a councillor or designated person.

Interests as a property developer or a close associate of a property developer

19. A person making a return under clause 4.21 of this code must disclose whether they were a property developer, or a close associate of a corporation that, or an individual who, is a property developer, on the return date.

20. For the purposes of clause 19 of this schedule:

close associate, in relation to a corporation or an individual, has the same meaning as it has in section 53 of the *Electoral Funding Act 2018*.

property developer has the same meaning as it has in Division 7 of Part 3 of the *Electoral Funding Act 2018*.

Positions in trade unions and professional or business associations

21. A person making a return under clause 4.21 of the code must disclose:
- the name of each trade union, and of each professional or business association, in which they held any position (whether remunerated or not) on the return date, and
 - the name of each trade union, and of each professional or business association, in which they have held any position (whether remunerated or not) in the period since 30 June of the previous financial year, and
 - a description of the position held in each of the unions and associations.

22. A position held in a trade union or a professional or business association need not be disclosed if the person ceased to hold the position prior to becoming a councillor or designated person.

Dispositions of real property

23. A person making a return under clause 4.21 of this code must disclose particulars of each disposition of real property by the person (including the street address of the affected property) in the period since 30 June of the previous financial year, under which they wholly or partly retained the use and benefit of the property or the right to re-acquire the property.
24. A person making a return under clause 4.21 of this code must disclose particulars of each disposition of real property to another person (including the street address of the affected property) in the period since 30 June of the previous financial year, that is made under arrangements with, but is not made by, the person making the return, being a disposition under which the person making the return obtained wholly or partly the use of the property.
25. A disposition of real property need not be disclosed if it was made prior to a person becoming a councillor or designated person.

Sources of income

26. A person making a return under clause 4.21 of this code must disclose:
 - a) each source of income that the person reasonably expects to receive in the period commencing on the first day after the return date and ending on the following 30 June, and
 - b) each source of income received by the person in the period since 30 June of the previous financial year.
27. A reference in clause 26 of this schedule to each source of income received, or reasonably expected to be received, by a person is a reference to:
 - a) in relation to income from an occupation of the person:
 - i) a description of the occupation, and
 - ii) if the person is employed or the holder of an office, the name and address of their employer, or a description of the office, and
 - iii) if the person has entered into a partnership with other persons, the name (if any) under which the partnership is conducted, or
 - b) in relation to income from a trust, the name and address of the settlor and the trustee, or
 - c) in relation to any other income, a description sufficient to identify the person from whom, or the circumstances in which, the income was, or is reasonably expected to be, received.

28. The source of any income need not be disclosed by a person in a return if the amount of the income received, or reasonably expected to be received, by the person from that source did not exceed \$500, or is not reasonably expected to exceed \$500, as the case may be.
29. The source of any income received by the person that they ceased to receive prior to becoming a councillor or designated person need not be disclosed.
30. A fee paid to a councillor or to the mayor or deputy mayor under sections 248 or 249 of the LGA need not be disclosed.


Debts

31. A person making a return under clause 4.21 of this code must disclose the name and address of each person to whom the person was liable to pay any debt:
 - a) on the return date, and
 - b) at any time in the period since 30 June of the previous financial year.
32. A liability to pay a debt must be disclosed by a person in a return made under clause 4.21 whether or not the amount, or any part of the amount, to be paid was due and payable on the return date or at any time in the period since 30 June of the previous financial year, as the case may be.
33. A liability to pay a debt need not be disclosed by a person in a return if:
 - a) the amount to be paid did not exceed \$500 on the return date or in the period since 30 June of the previous financial year, as the case may be, unless:

- i) the debt was one of two or more debts that the person was liable to pay to one person on the return date, or at any time in the period since 30 June of the previous financial year, as the case may be, and
 - ii) the amounts to be paid exceeded, in the aggregate, \$500, or
- b) the person was liable to pay the debt to a relative, or
- c) in the case of a debt arising from a loan of money the person was liable to pay the debt to an authorised deposit-taking institution or other person whose ordinary business includes the lending of money, and the loan was made in the ordinary course of business of the lender, or
- d) in the case of a debt arising from the supply of goods or services:
 - i) the goods or services were supplied in the period of 12 months immediately preceding the return date, or were supplied in the period since 30 June of the previous financial year, as the case may be, or
 - ii) the goods or services were supplied in the ordinary course of any occupation of the person that is not related to their duties as the holder of a position required to make a return, or
- e) subject to paragraph (a), the debt was discharged prior to the person becoming a councillor or designated person.

Discretionary disclosures

34. A person may voluntarily disclose in a return any interest, benefit, advantage or liability, whether pecuniary or not, that is not required to be disclosed under another provision of this Schedule.



Schedule 2: Form of Written Return of Interests Submitted Under Clause 4.21

‘Disclosures by councillors and designated persons’ return

1. The pecuniary interests and other matters to be disclosed in this return are prescribed by Schedule 1 of the *Model Code of Conduct for Local Councils in NSW* (the Model Code of Conduct).
2. If this is the first return you have been required to lodge with the general manager after becoming a councillor or designated person, do not complete Parts C, D and I of the return. All other parts of the return should be completed with appropriate information based on your circumstances at the return date, that is, the date on which you became a councillor or designated person.
3. If you have previously lodged a return with the general manager and you are completing this return for the purposes of disclosing a new interest that was not disclosed in the last return you lodged with the general manager, you must complete all parts of the return with appropriate information for the period from 30 June of the previous financial year or the date on which you became a councillor or designated person, (whichever is the later date), to the return date which is the date you became aware of the new interest to be disclosed in your updated return.
4. If you have previously lodged a return with the general manager and are submitting a new return for the new financial year, you must complete all parts of the return with appropriate information for the 12-month period commencing on 30 June of the previous year to 30 June this year.
5. This form must be completed using block letters or typed.

6. If there is insufficient space for all the information you are required to disclose, you must attach an appendix which is to be properly identified and signed by you.
7. If there are no pecuniary interests or other matters of the kind required to be disclosed under a heading in this form, the word “NIL” is to be placed in an appropriate space under that heading.

Important information

This information is being collected for the purpose of complying with clause 4.21 of the Model Code of Conduct.

You must not lodge a return that you know or ought reasonably to know is false or misleading in a material particular (see clause 4.23 of the Model Code of Conduct). Complaints about breaches of these requirements are to be referred to the Office of Local Government and may result in disciplinary action by the council, the Chief Executive of the Office of Local Government or the NSW Civil and Administrative Tribunal.

The information collected on this form will be kept by the general manager in a register of returns. The general manager is required to table all returns at a council meeting.

Information contained in returns made and lodged under clause 4.21 is to be made publicly available in accordance with the requirements of the *Government Information (Public Access) Act 2009*, the *Government Information (Public Access) Regulation 2009* and any guidelines issued by the Information Commissioner.

You have an obligation to keep the information contained in this return up to date. If you become aware of a new interest that must be disclosed in this return, or an interest that you have previously failed to disclose, you must submit an updated return within three months of becoming aware of the previously undisclosed interest.

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Disclosure of pecuniary interests and other matters by *[full name of councillor or designated person]*

as at *[return date]*

in respect of the period from *[date]* to *[date]*

[councillor's or designated person's signature]

[date]

A. Real Property

Street address of each parcel of real property in which I had an interest at the return date/at any time since 30 June	Nature of interest

B. Sources of income

1 Sources of income I reasonably expect to receive from an occupation in the period commencing on the first day after the return date and ending on the following 30 June

Sources of income I received from an occupation at any time since 30 June

Description of occupation	Name and address of employer or description of office held (if applicable)	Name under which partnership conducted (if applicable)

2 Sources of income I reasonably expect to receive from a trust in the period commencing on the first day after the return date and ending on the following 30 June

Sources of income I received from a trust since 30 June

Name and address of settlor	Name and address of trustee

3 Sources of other income I reasonably expect to receive in the period commencing on the first day after the return date and ending on the following 30 June

Sources of other income I received at any time since 30 June

[Include description sufficient to identify the person from whom, or the circumstances in which, that income was received]

C. Gifts

Description of each gift I received at any time since 30 June	Name and address of donor

Schedule 2

D. Contributions to travel

Name and address of each person who made any financial or other contribution to any travel undertaken by me at any time since 30 June	Dates on which travel was undertaken	Name of States, Territories of the Commonwealth and overseas countries in which travel was undertaken
---	--------------------------------------	---

E. Interests and positions in corporations

Name and address of each corporation in which I had an interest or held a position at the return date/at any time since 30 June	Nature of interest (if any)	Description of position (if any)	Description of principal objects (if any) of corporation (except in case of listed company)
---	-----------------------------	----------------------------------	---

F. Were you a property developer or a close associate of a property developer on the return date? (Y/N)**G. Positions in trade unions and professional or business associations**

Name of each trade union and each professional or business association in which I held any position (whether remunerated or not) at the return date/at any time since 30 June	Description of position
---	-------------------------

H. Debts

Name and address of each person to whom I was liable to pay any debt at the return date/at any time since 30 June

I. Dispositions of property

1 Particulars of each disposition of real property by me (including the street address of the affected property) at any time since 30 June as a result of which I retained, either wholly or in part, the use and benefit of the property or the right to re-acquire the property at a later time

2 Particulars of each disposition of property to a person by any other person under arrangements made by me (including the street address of the affected property), being dispositions made at any time since 30 June, as a result of which I obtained, either wholly or in part, the use and benefit of the property

J. Discretionary disclosures

Schedule 3:

Form of Special Disclosure of Pecuniary Interest Submitted Under Clause 4.37

1. This form must be completed using block letters or typed.
2. If there is insufficient space for all the information you are required to disclose, you must attach an appendix which is to be properly identified and signed by you.

“Relative” is defined by clause 4.4 of the Model Code of Conduct as meaning your, your spouse’s or your de facto partner’s parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descendant or adopted child and the spouse or de facto partner of any of those persons.

Important information

This information is being collected for the purpose of making a special disclosure of pecuniary interests under clause 4.36(c) of the *Model Code of Conduct for Local Councils in NSW* (the Model Code of Conduct).

The special disclosure must relate only to a pecuniary interest that a councillor has in the councillor’s principal place of residence, or an interest another person (whose interests are relevant under clause 4.3 of the Model Code of Conduct) has in that person’s principal place of residence.

Clause 4.3 of the Model Code of Conduct states that you will have a pecuniary interest in a matter because of the pecuniary interest of your spouse or your de facto partner or your relative or because your business partner or employer has a pecuniary interest. You will also have a pecuniary interest in a matter because you, your nominee, your business partner or your employer is a member of a company or other body that has a pecuniary interest in the matter.

You must not make a special disclosure that you know or ought reasonably to know is false or misleading in a material particular. Complaints about breaches of these requirements are to be referred to the Office of Local Government and may result in disciplinary action by the Chief Executive of the Office of Local Government or the NSW Civil and Administrative Tribunal.

This form must be completed by you before the commencement of the council or council committee meeting at which the special disclosure is being made. The completed form must be tabled at the meeting. Everyone is entitled to inspect it. The special disclosure must be recorded in the minutes of the meeting.

The Model Code of Conduct for Local Councils in NSW

Special disclosure of pecuniary interests by *[full name of councillor]*

in the matter of *[insert name of environmental planning instrument]*

which is to be considered at a meeting of the *[name of council or council committee (as the case requires)]*

to be held on the day of 20 .

Pecuniary interest

Address of the affected principal place of residence of the councillor or an associated person, company or body (the identified land)

Relationship of identified land to councillor
[Tick or cross one box.]

☐ The councillor has an interest in the land (e.g. is the owner or has another interest arising out of a mortgage, lease, trust, option or contract, or otherwise).

☐ An associated person of the councillor has an interest in the land.

☐ An associated company or body of the councillor has an interest in the land.

Matter giving rise to pecuniary interest¹

Nature of the land that is subject to a change in zone/planning control by the proposed LEP (the subject land)²

[Tick or cross one box]

☐ The identified land.

☐ Land that adjoins or is adjacent to or is in proximity to the identified land.

Current zone/planning control

[Insert name of current planning instrument and identify relevant zone/planning control applying to the subject land]

- 1 Clause 4.1 of the Model Code of Conduct provides that a pecuniary interest is an interest that a person has in a matter because of a reasonable likelihood or expectation of appreciable financial gain or loss to the person. A person does not have a pecuniary interest in a matter if the interest is so remote or insignificant that it could not reasonably be regarded as likely to influence any decision the person might make in relation to the matter, or if the interest is of a kind specified in clause 4.6 of the Model Code of Conduct.
- 2 A pecuniary interest may arise by way of a change of permissible use of land adjoining, adjacent to or in proximity to land in which a councillor or a person, company or body referred to in clause 4.3 of the Model Code of Conduct has a proprietary interest.

Schedule 3

Proposed change of zone/planning control

*[Insert name of proposed LEP and identify
proposed change of zone/planning control
applying to the subject land]*

Effect of proposed change of zone/planning
control on councillor or associated person

*[Insert one of the following: "Appreciable
financial gain" or "Appreciable financial loss"]*

*[If more than one pecuniary interest is to be declared, reprint the above box and fill in for each
additional interest.]*

Councillor's signature

Date

[This form is to be retained by the council's general manager and included in full in the minutes of
the meeting]



Procedures for the
Administration of

The Model Code of Conduct

for Local Councils in NSW

August 2018



PROCEDURES FOR THE ADMINISTRATION OF THE MODEL CODE OF CONDUCT FOR LOCAL COUNCILS IN NSW

August 2018

ACCESS TO SERVICES

The Office of Local Government located at:

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

Postal Address: Locked Bag 3015, Nowra, NSW 2541

Phone: 02 4428 4100

Fax: 02 4428 4199

TTY: 02 4428 4209

Email: olg@olg.nsw.gov.au

Website: www.olg.nsw.gov.au

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Part 1: Introduction



Introduction

These procedures ("the Model Code Procedures") are prescribed for the administration of the *Model Code of Conduct for Local Councils in NSW* ("the Model Code of Conduct").

The Model Code of Conduct is made under section 440 of the *Local Government Act 1993* ("the LGA") and the *Local Government (General) Regulation 2005* ("the Regulation"). Section 440 of the LGA requires every council (including county councils) and joint organisation to adopt a code of conduct that incorporates the provisions of the Model Code of Conduct.

The Model Code Procedures are made under section 440AA of the LGA and the Regulation. Section 440AA of the LGA requires every council (including county councils) and joint organisation to adopt procedures for the administration of their code of conduct that incorporate the provisions of the Model Code Procedures.

In adopting procedures for the administration of their adopted codes of conduct, councils and joint organisations may supplement the Model Code Procedures. However, provisions that are not consistent with those prescribed under the Model Code Procedures will have no effect.

Note: References in these procedures to councils are also to be taken as references to county councils and joint organisations.

Note: In adopting the Model Code Procedures, joint organisations should adapt them to substitute the terms "board" for "council", "chairperson" for "mayor", "voting representative" for "councillor" and "executive officer" for "general manager".

Note: In adopting the Model Code Procedures, county councils should adapt them to substitute the term "chairperson" for "mayor" and "member" for "councillor".

Note: Parts 6, 7, 8 and 11 of these procedures apply only to the management of code of conduct complaints about councillors (including the mayor) or the general manager.

Part 2:

Definitions

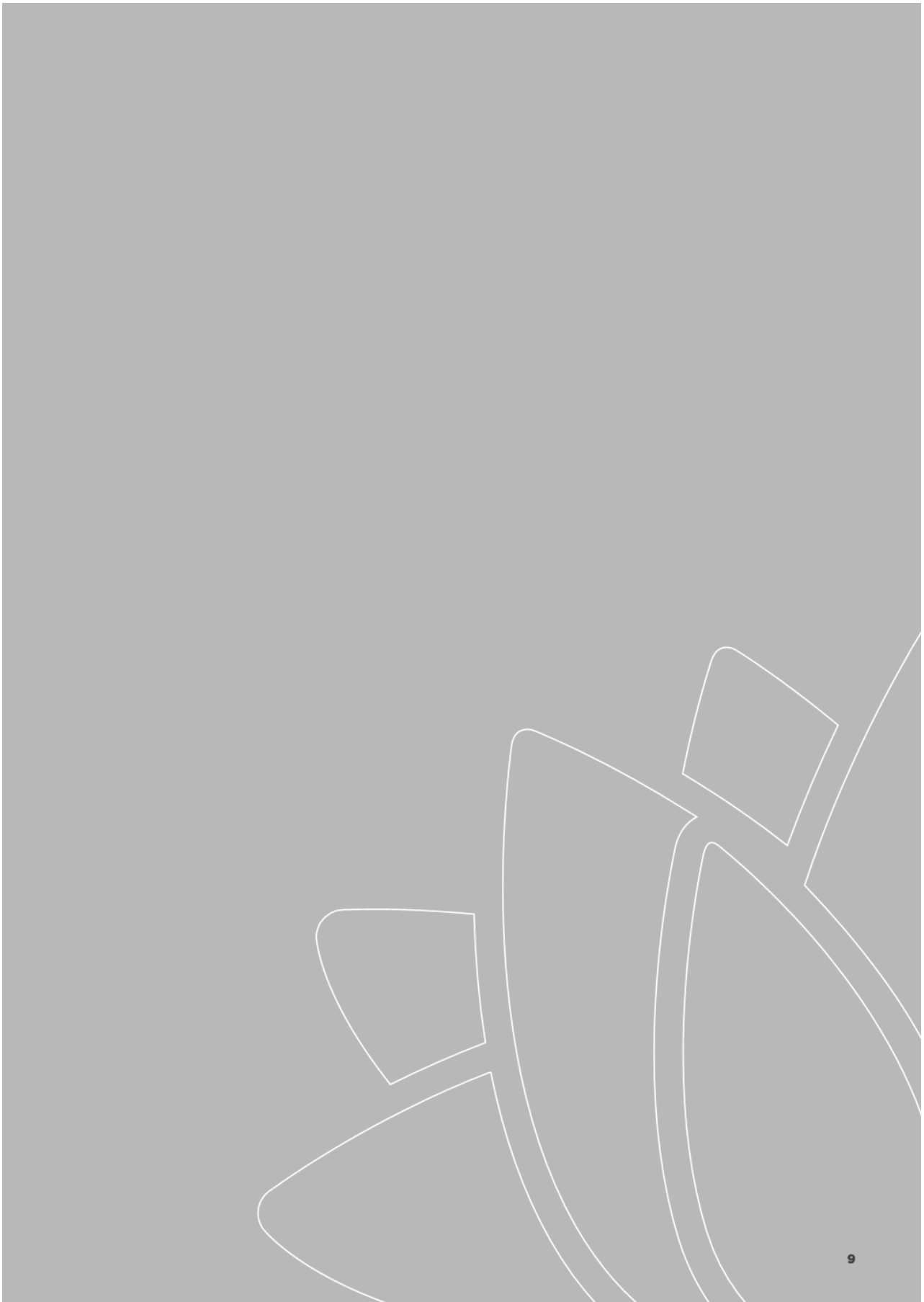
Definitions

In these procedures the following terms have the following meanings:

administrator	an administrator of a council appointed under the LGA other than an administrator appointed under section 66
code of conduct	a code of conduct adopted under section 440 of the LGA
code of conduct complaint	a complaint that is a code of conduct complaint for the purposes of clauses 4.1 and 4.2 of these procedures
complainant	a person who makes a code of conduct complaint
complainant councillor	a councillor who makes a code of conduct complaint
complaints coordinator	a person appointed by the general manager under these procedures as a complaints coordinator
conduct reviewer	a person appointed under these procedures to review allegations of breaches of the code of conduct by councillors or the general manager
council	includes county councils and joint organisations
council committee	a committee established by a council comprising of councillors, staff or other persons that the council has delegated functions to
council committee member	a person other than a councillor or member of staff of a council who is a member of a council committee other than a wholly advisory committee
councillor	any person elected or appointed to civic office, including the mayor, and includes members and chairpersons of county councils and voting representatives of the boards of joint organisations and chairpersons of joint organisations
council official	any councillor, member of staff of council, administrator, council committee member, delegate of council and, for the purposes of clause 4.16 of the Model Code of Conduct, council adviser
delegate of council	a person (other than a councillor or member of staff of a council) or body, and the individual members of that body, to whom a function of the council is delegated
external agency	a state government agency such as, but not limited to, the Office, the ICAC, the NSW Ombudsman or the police
general manager	includes the executive officer of a joint organisation
ICAC	the Independent Commission Against Corruption
investigator	a conduct reviewer
joint organisation	a joint organisation established under section 4000 of the LGA

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LGA	the <i>Local Government Act 1993</i>
mayor	includes the chairperson of a county council or a joint organisation
members of staff of a council	includes members of staff of county councils and joint organisations
the Office	the Office of Local Government
the Regulation	the <i>Local Government (General) Regulation 2005</i>
respondent	a person whose conduct is the subject of investigation by a conduct reviewer under these procedures
wholly advisory committee	a council committee that the council has not delegated any functions to



Part 3:

Administrative Framework

The establishment of a panel of conduct reviewers

- 3.1 The council must by resolution establish a panel of conduct reviewers.
- 3.2 The council may by resolution enter into an arrangement with one or more other councils to share a panel of conduct reviewers including through a joint organisation or another regional body associated with the councils.
- 3.3 The panel of conduct reviewers is to be established following a public expression of interest process.
- 3.4 An expression of interest for members of the council's panel of conduct reviewers must, at a minimum, be advertised locally and in the Sydney metropolitan area.
- 3.5 To be eligible to be a conduct reviewer, a person must, at a minimum, meet the following requirements:
 - a) an understanding of local government, and
 - b) knowledge of investigative processes including but not limited to procedural fairness requirements and the requirements of the *Public Interest Disclosures Act 1994*, and
 - c) knowledge and experience of one or more of the following:
 - i) investigations
 - ii) law
 - iii) public administration
 - iv) public sector ethics
 - v) alternative dispute resolution, and
 - d) meet the eligibility requirements for membership of a panel of conduct reviewers under clause 3.6.
- 3.6 A person is not eligible to be a conduct reviewer if they are:
 - a) a councillor, or
 - b) a nominee for election as a councillor, or
 - c) an administrator, or
 - d) an employee of a council, or
 - e) a member of the Commonwealth Parliament or any State Parliament or Territory Assembly, or
 - f) a nominee for election as a member of the Commonwealth Parliament or any State Parliament or Territory Assembly, or
 - g) a person who has a conviction for an indictable offence that is not an expired conviction.
- 3.7 A person is not precluded from being a member of the council's panel of conduct reviewers if they are a member of another council's panel of conduct reviewers.
- 3.8 An incorporated or other entity may be appointed to a council's panel of conduct reviewers where the council is satisfied that all the persons who will be undertaking the functions of a conduct reviewer on behalf of the entity meet the selection and eligibility criteria prescribed under this Part.
- 3.9 A panel of conduct reviewers established under this Part is to have a term of up to four years.
- 3.10 The council may terminate the panel of conduct reviewers at any time by resolution. Where a panel of conduct reviewers has been terminated, conduct reviewers who were members of the panel may continue to deal with any matter referred to them under these procedures prior to the termination of the panel until they have finalised their consideration of the matter.

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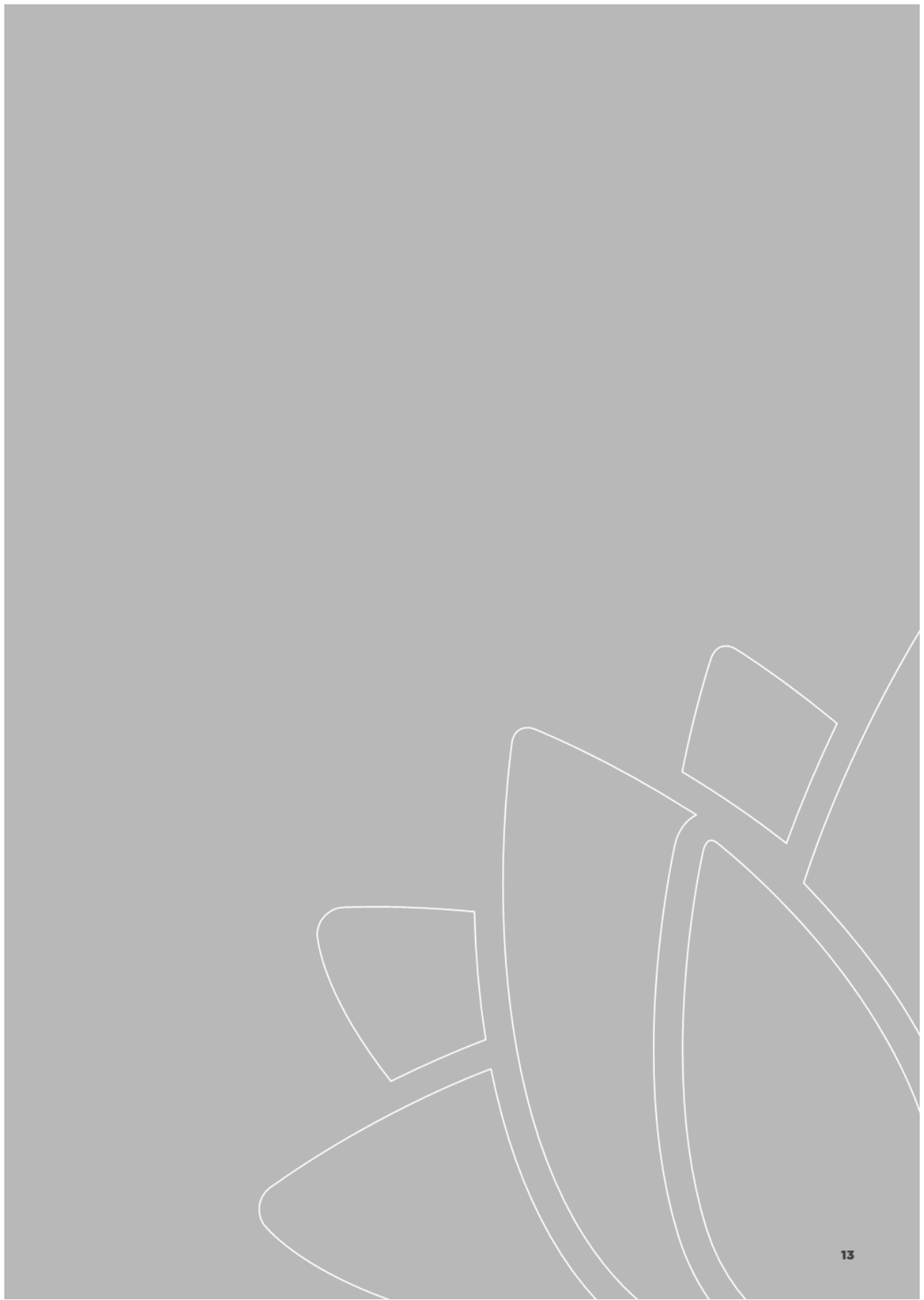
- 3.11 When the term of the panel of conduct reviewers concludes or is terminated, the council must establish a new panel of conduct reviewers in accordance with the requirements of this Part.
- 3.12 A person who was a member of a previous panel of conduct reviewers established by the council may be a member of subsequent panels of conduct reviewers established by the council if they continue to meet the selection and eligibility criteria for membership of the panel.

The appointment of an internal ombudsman to a panel of conduct reviewers

- 3.13 Despite clause 3.6(d), an employee of a council who is the nominated internal ombudsman of one or more councils may be appointed to a council's panel of conduct reviewers with the Office's consent.
- 3.14 To be appointed to a council's panel of conduct reviewers, an internal ombudsman must meet the qualification requirements for conduct reviewers prescribed under clause 3.5 as modified by the operation of clause 3.13.
- 3.15 An internal ombudsman appointed to a council's panel of conduct reviewers may also exercise the functions of the council's complaints coordinator. For the purposes of clause 6.1, an internal ombudsman who is a council's complaints coordinator and has been appointed to the council's panel of conduct reviewers, may either undertake a preliminary assessment and investigation of a matter referred to them under clauses 5.26 or 5.33 or refer the matter to another conduct reviewer in accordance with clause 6.2.
- 3.16 Clause 6.4(c) does not apply to an internal ombudsman appointed to a council's panel of conduct reviewers.

The appointment of complaints coordinators

- 3.17 The general manager must appoint a member of staff of the council or another person (such as, but not limited to, a member of staff of another council or a member of staff of a joint organisation or other regional body associated with the council), to act as a complaints coordinator. Where the complaints coordinator is a member of staff of the council, the complaints coordinator should be a senior and suitably qualified member of staff.
- 3.18 The general manager may appoint other members of staff of the council or other persons (such as, but not limited to, members of staff of another council or members of staff of a joint organisation or other regional body associated with the council), to act as alternates to the complaints coordinator.
- 3.19 The general manager must not undertake the role of complaints coordinator.
- 3.20 The person appointed as complaints coordinator or alternate complaints coordinator must also be a nominated disclosures coordinator appointed for the purpose of receiving and managing reports of wrongdoing under the *Public Interest Disclosures Act 1994*.
- 3.21 The role of the complaints coordinator is to:
- a) coordinate the management of complaints made under the council's code of conduct
 - b) liaise with and provide administrative support to a conduct reviewer
 - c) liaise with the Office and
 - d) arrange the annual reporting of code of conduct complaints statistics.



Part 4:

How May Code of Conduct Complaints be Made?

14

How May Code Of Conduct Complaints be Made?

What is a code of conduct complaint?

- 4.1 For the purpose of these procedures, a code of conduct complaint is a complaint that shows or tends to show conduct on the part of a council official in connection with their role as a council official or the exercise of their functions as a council official that would constitute a breach of the standards of conduct prescribed under the council's code of conduct if proven.
- 4.2 The following are not "code of conduct complaints" for the purposes of these procedures:
- a) complaints about the standard or level of service provided by the council or a council official
 - b) complaints that relate solely to the merits of a decision made by the council or a council official or the exercise of a discretion by the council or a council official
 - c) complaints about the policies or procedures of the council
 - d) complaints about the conduct of a council official arising from the exercise of their functions in good faith, whether or not involving error, that would not otherwise constitute a breach of the standards of conduct prescribed under the council's code of conduct.
- 4.3 Only code of conduct complaints are to be dealt with under these procedures. Complaints that do not satisfy the definition of a code of conduct complaint are to be dealt with under the council's routine complaints management processes.

When must a code of conduct complaint be made?

- 4.4 A code of conduct complaint must be made within three months of the alleged conduct occurring or within three months of the complainant becoming aware of the alleged conduct.
- 4.5 A complaint made after 3 months may only be accepted if the general manager or their delegate, or, in the case of a complaint about the general manager, the mayor or their delegate, is satisfied that the allegations are serious and compelling grounds exist for the matter to be dealt with under the code of conduct.

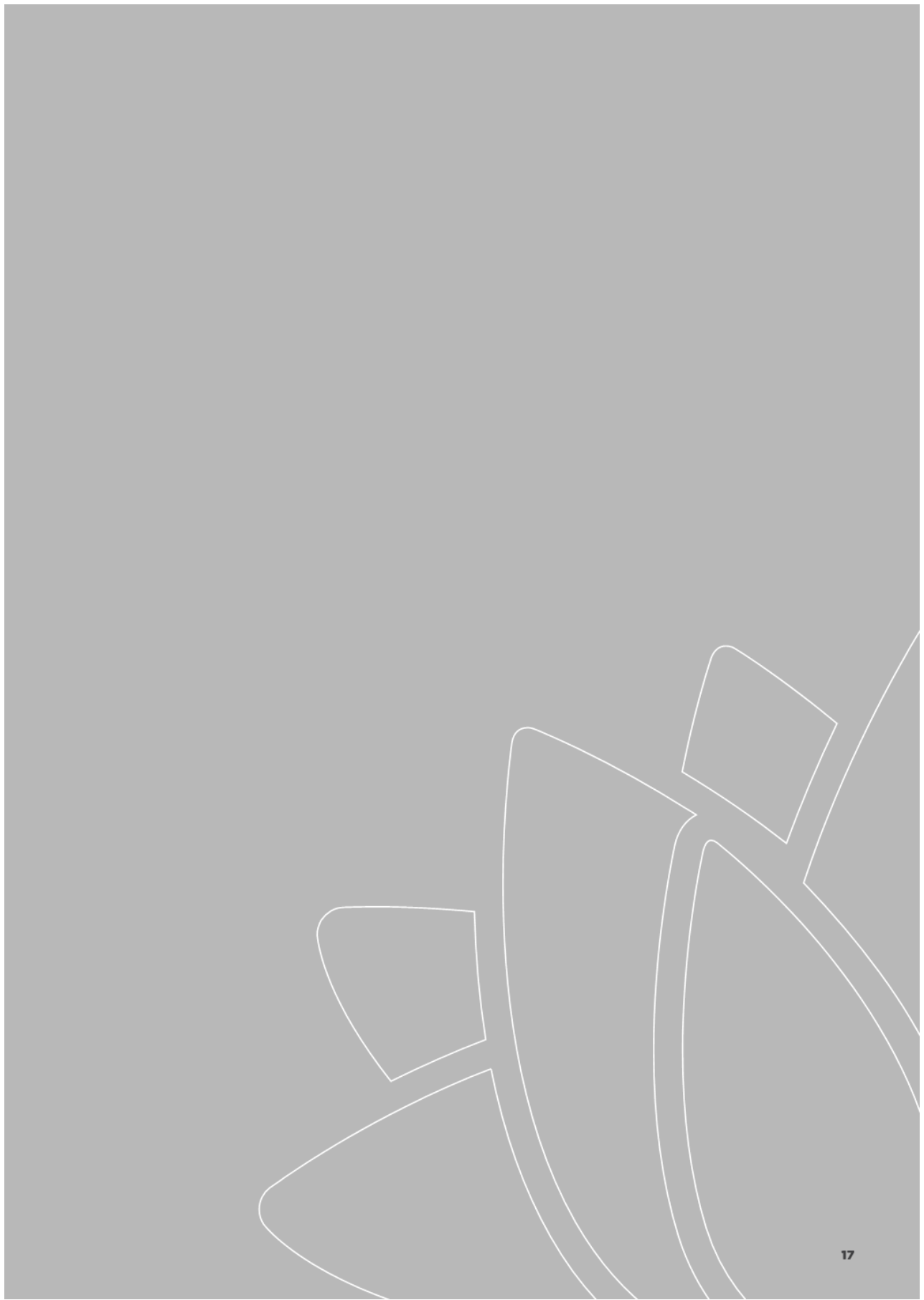
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How may a code of conduct complaint about a council official other than the general manager be made?

- 4.6 All code of conduct complaints other than those relating to the general manager are to be made to the general manager in writing. This clause does not operate to prevent a person from making a complaint to an external agency.
- 4.7 Where a code of conduct complaint about a council official other than the general manager cannot be made in writing, the complaint must be confirmed with the complainant in writing as soon as possible after the receipt of the complaint.
- 4.8 In making a code of conduct complaint about a council official other than the general manager, the complainant may nominate whether they want the complaint to be resolved by mediation or by other alternative means.
- 4.9 The general manager or their delegate, or, where the complaint is referred to a conduct reviewer, the conduct reviewer, must consider the complainant's preferences in deciding how to deal with the complaint.
- 4.10 Notwithstanding clauses 4.6 and 4.7, where the general manager becomes aware of a possible breach of the council's code of conduct, they may initiate the process for the consideration of the matter under these procedures without a written complaint.

How may a code of conduct complaint about the general manager be made?

- 4.11 Code of conduct complaints about the general manager are to be made to the mayor in writing. This clause does not operate to prevent a person from making a complaint about the general manager to an external agency.
- 4.12 Where a code of conduct complaint about the general manager cannot be made in writing, the complaint must be confirmed with the complainant in writing as soon as possible after the receipt of the complaint.
- 4.13 In making a code of conduct complaint about the general manager, the complainant may nominate whether they want the complaint to be resolved by mediation or by other alternative means.
- 4.14 The mayor or their delegate, or, where the complaint is referred to a conduct reviewer, the conduct reviewer, must consider the complainant's preferences in deciding how to deal with the complaint.
- 4.15 Notwithstanding clauses 4.11 and 4.12, where the mayor becomes aware of a possible breach of the council's code of conduct by the general manager, they may initiate the process for the consideration of the matter under these procedures without a written complaint.



Part 5:

How are Code of Conduct Complaints to be Managed?

How are Code of Conduct Complaints to be Managed?

Delegation by general managers and mayors of their functions under this Part

- 5.1 A general manager or mayor may delegate their functions under this Part to a member of staff of the council or to a person or persons external to the council other than an external agency. References in this Part to the general manager or mayor are also to be taken to be references to their delegates.

- d) relates to a matter the substance of which has previously been considered and addressed by the council and does not warrant further action, or
- e) is not made in a way that would allow the alleged conduct and any alleged breaches of the council's code of conduct to be readily identified.

Consideration of complaints by general managers and mayors

- 5.2 In exercising their functions under this Part, general managers and mayors may consider the complaint assessment criteria prescribed under clause 6.31.

How are code of conduct complaints about staff (other than the general manager) to be dealt with?

- 5.4 The general manager is responsible for the management of code of conduct complaints about members of staff of council (other than complaints alleging a breach of the pecuniary interest provisions contained in Part 4 of the code of conduct) and for determining the outcome of such complaints.

What complaints may be declined at the outset?

- 5.3 Without limiting any other provision in these procedures, the general manager or, in the case of a complaint about the general manager, the mayor, may decline to deal with a complaint under these procedures where they are satisfied that the complaint:

- a) is not a code of conduct complaint, or
- b) subject to clause 4.5, is not made within 3 months of the alleged conduct occurring or the complainant becoming aware of the alleged conduct, or
- c) is trivial, frivolous, vexatious or not made in good faith, or

- 5.5 The general manager must refer code of conduct complaints about members of staff of council alleging a breach of the pecuniary interest provisions contained in Part 4 of the code of conduct to the Office.
- 5.6 The general manager may decide to take no action in relation to a code of conduct complaint about a member of staff of council other than one requiring referral to the Office under clause 5.5 where they consider that no action is warranted in relation to the complaint.
- 5.7 Where the general manager decides to take no action in relation to a code of conduct complaint about a member of staff of council, the general manager must give the complainant reasons in writing for their decision and this shall finalise the consideration of the matter under these procedures.

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- 5.8 Code of conduct complaints about members of staff of council must be managed in accordance with the relevant industrial instrument or employment contract and make provision for procedural fairness including the right of an employee to be represented by their union.
- 5.9 Sanctions for breaches of the code of conduct by staff depend on the severity, scale and importance of the breach and must be determined in accordance with any relevant industrial instruments or contracts.

How are code of conduct complaints about delegates of council, council advisers and council committee members to be dealt with?

- 5.10 The general manager is responsible for the management of code of conduct complaints about delegates of council and council committee members (other than complaints alleging a breach of the pecuniary interest provisions contained in Part 4 of the code of conduct) and for determining the outcome of such complaints.
- 5.11 The general manager must refer code of conduct complaints about council advisers, delegates of council and council committee members alleging a breach of the pecuniary interest provisions contained in Part 4 of the code of conduct to the Office.
- 5.12 The general manager may decide to take no action in relation to a code of conduct complaint about a delegate of council or a council committee member other than one requiring referral to the Office

under clause 5.11 where they consider that no action is warranted in relation to the complaint.

- 5.13 Where the general manager decides to take no action in relation to a code of conduct complaint about a delegate of council or a council committee member, the general manager must give the complainant reasons in writing for their decision and this shall finalise the consideration of the matter under these procedures.
- 5.14 Where the general manager considers it to be practicable and appropriate to do so, the general manager may seek to resolve code of conduct complaints about delegates of council or council committee members, by alternative means such as, but not limited to, explanation, counselling, training, mediation, informal discussion, negotiation, a voluntary apology or an undertaking not to repeat the offending behaviour. The resolution of a code of conduct complaint under this clause is not to be taken as a determination that there has been a breach of the council's code of conduct.
- 5.15 Where the general manager resolves a code of conduct complaint under clause 5.14 to the general manager's satisfaction, the general manager must notify the complainant in writing of the steps taken to resolve the complaint and this shall finalise the consideration of the matter under these procedures.
- 5.16 Sanctions for breaches of the code of conduct by delegates of council and/or council committee members depend on the severity, scale and importance of the breach and may include one or more of the following:
- a) censure

How are Code of Conduct Complaints to be Managed?

- b) requiring the person to apologise to any person or organisation adversely affected by the breach in such a time and form specified by the general manager
 - c) prosecution for any breach of the law
 - d) removing or restricting the person's delegation
 - e) removing the person from membership of the relevant council committee.
- 5.17 Prior to imposing a sanction against a delegate of council or a council committee member under clause 5.16, the general manager or any person making enquiries on behalf of the general manager must comply with the requirements of procedural fairness. In particular:
- a) the substance of the allegation (including the relevant provision/s of the council's code of conduct that the alleged conduct is in breach of) must be put to the person who is the subject of the allegation, and
 - b) the person must be given an opportunity to respond to the allegation, and
 - c) the general manager must consider the person's response in deciding whether to impose a sanction under clause 5.16.

How are code of conduct complaints about administrators to be dealt with?

- 5.18 The general manager must refer all code of conduct complaints about administrators to the Office for its consideration.

- 5.19 The general manager must notify the complainant of the referral of their complaint in writing.

How are code of conduct complaints about councillors to be dealt with?

- 5.20 The general manager must refer the following code of conduct complaints about councillors to the Office:
- a) complaints alleging a breach of the pecuniary interest provisions contained in Part 4 of the code of conduct
 - b) complaints alleging a failure to comply with a requirement under the code of conduct to disclose and appropriately manage conflicts of interest arising from political donations (see section 328B of the LGA)
 - c) complaints alleging a breach of the provisions relating to the maintenance of the integrity of the code of conduct contained in Part 9 of the code of conduct
 - d) complaints that are the subject of a special complaints management arrangement with the Office under clause 5.49.
- 5.21 Where the general manager refers a complaint to the Office under clause 5.20, the general manager must notify the complainant of the referral in writing.
- 5.22 The general manager may decide to take no action in relation to a code of conduct complaint about a councillor, other than one requiring referral to the Office under clause 5.20, where they consider that no action is warranted in relation to the complaint.

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- 5.23 Where the general manager decides to take no action in relation to a code of conduct complaint about a councillor, the general manager must give the complainant reasons in writing for their decision within 21 days of receipt of the complaint and this shall finalise the consideration of the matter under these procedures.
- 5.24 Where the general manager considers it to be practicable and appropriate to do so, the general manager may seek to resolve code of conduct complaints about councillors, other than those requiring referral to the Office under clause 5.20, by alternative means such as, but not limited to, explanation, counselling, training, mediation, informal discussion, negotiation, a voluntary apology or an undertaking not to repeat the offending behaviour. The resolution of a code of conduct complaint under this clause is not to be taken as a determination that there has been a breach of the council's code of conduct.
- 5.25 Where the general manager resolves a code of conduct complaint under clause 5.24 to the general manager's satisfaction, the general manager must notify the complainant in writing of the steps taken to resolve the complaint within 21 days of receipt of the complaint and this shall finalise the consideration of the matter under these procedures.
- 5.26 The general manager must refer all code of conduct complaints about councillors, other than those referred to the Office under clause 5.20 or finalised under clause 5.23 or resolved under clause 5.24, to the complaints coordinator.

How are code of conduct complaints about the general manager to be dealt with?

- 5.27 The mayor must refer the following code of conduct complaints about the general manager to the Office:
- a) complaints alleging a breach of the pecuniary interest provisions contained in Part 4 of the code of conduct
 - b) complaints alleging a breach of the provisions relating to the maintenance of the integrity of the code of conduct contained in Part 9 of the code of conduct
 - c) complaints that are the subject of a special complaints management arrangement with the Office under clause 5.49.
- 5.28 Where the mayor refers a complaint to the Office under clause 5.27, the mayor must notify the complainant of the referral in writing.
- 5.29 The mayor may decide to take no action in relation to a code of conduct complaint about the general manager, other than one requiring referral to the Office under clause 5.27, where they consider that no action is warranted in relation to the complaint.
- 5.30 Where the mayor decides to take no action in relation to a code of conduct complaint about the general manager, the mayor must give the complainant reasons in writing for their decision within 21 days of receipt of the complaint and this shall finalise the consideration of the matter under these procedures.

How are Code of Conduct Complaints to be Managed?

- 5.31 Where the mayor considers it to be practicable and appropriate to do so, the mayor may seek to resolve code of conduct complaints about the general manager, other than those requiring referral to the Office under clause 5.27, by alternative means such as, but not limited to, explanation, counselling, training, mediation, informal discussion, negotiation, a voluntary apology or an undertaking not to repeat the offending behaviour. The resolution of a code of conduct complaint under this clause is not to be taken as a determination that there has been a breach of the council's code of conduct.
- 5.32 Where the mayor resolves a code of conduct complaint under clause 5.31 to the mayor's satisfaction, the mayor must notify the complainant in writing of the steps taken to resolve the complaint within 21 days of receipt of the complaint and this shall finalise the consideration of the matter under these procedures.
- 5.33 The mayor must refer all code of conduct complaints about the general manager, other than those referred to the Office under clause 5.27 or finalised under clause 5.30 or resolved under clause 5.31, to the complaints coordinator.

How are complaints about both the general manager and the mayor to be dealt with?

- 5.34 Where the general manager or mayor receives a code of conduct complaint that alleges a breach of the code of conduct by both the general manager and the mayor, the general manager or mayor must either:
- a) delegate their functions under this part with respect to the complaint to a member of staff of the council other than the general manager where the allegation is not serious, or to a person external to the council, or
 - b) refer the matter to the complaints coordinator under clause 5.26 and clause 5.35.

Referral of code of conduct complaints to external agencies

- 5.35 The general manager, mayor or a conduct reviewer may, at any time, refer a code of conduct complaint to an external agency for its consideration, where they consider such a referral is warranted.
- 5.36 The general manager, mayor or a conduct reviewer must report to the ICAC any matter that they suspect on reasonable grounds concerns or may concern corrupt conduct.
- 5.37 Where the general manager, mayor or conduct reviewer refers a complaint to an external agency under clause 5.35, they must notify the complainant of the referral in writing unless they form the view, on the advice of the relevant agency, that it would not be appropriate for them to do so.

Procedures for the Administration of the Model Code of Conduct for Local Councils in NSW

5.38 Referral of a matter to an external agency shall finalise consideration of the matter under these procedures unless the council is subsequently advised otherwise by the referral agency.

Disclosure of the identity of complainants

5.39 In dealing with matters under these procedures, information that identifies or tends to identify complainants is not to be disclosed unless:

- a) the complainant consents in writing to the disclosure, or
- b) it is generally known that the complainant has made the complaint as a result of the complainant having voluntarily identified themselves as the person who made the complaint, or
- c) it is essential, having regard to procedural fairness requirements, that the identifying information be disclosed, or
- d) a conduct reviewer is of the opinion that disclosure of the information is necessary to investigate the matter effectively, or
- e) it is otherwise in the public interest to do so.

5.40 Clause 5.39 does not apply to code of conduct complaints made by councillors about other councillors or the general manager.

5.41 Where a councillor makes a code of conduct complaint about another councillor or the general manager, and the complainant councillor considers that compelling grounds exist that would warrant information that identifies or tends to identify them as the complainant not to be disclosed, they may request in writing that such information not be disclosed.

5.42 A request made by a complainant councillor under clause 5.41 must be made at the time they make a code of conduct complaint and must state the grounds upon which the request is made.

5.43 The general manager or mayor, and where the matter is referred to a conduct reviewer, the conduct reviewer, must consider a request made under clause 5.41 before disclosing information that identifies or tends to identify the complainant councillor, but they are not obliged to comply with the request.

5.44 Where a complainant councillor makes a request under clause 5.41, the general manager or mayor or, where the matter is referred to a conduct reviewer, the conduct reviewer, shall notify the councillor in writing of their intention to disclose information that identifies or tends to identify them prior to disclosing the information.

Code of conduct complaints made as public interest disclosures

5.45 These procedures do not override the provisions of the *Public Interest Disclosures Act 1994*. Code of conduct complaints that are made as public interest disclosures under that Act are to be managed in accordance with the requirements of that Act, the council's internal reporting policy, and any guidelines issued by the NSW Ombudsman that relate to the management of public interest disclosures.

5.46 Where a councillor makes a code of conduct complaint about another councillor or the general manager as a public interest disclosure, before the matter may be dealt with under these

How are Code of Conduct Complaints to be Managed?

procedures, the complainant councillor must consent in writing to the disclosure of their identity as the complainant.

- 5.47 Where a complainant councillor declines to consent to the disclosure of their identity as the complainant under clause 5.46, the general manager or the mayor must refer the complaint to the Office for consideration. Such a referral must be made under section 26 of the *Public Interest Disclosures Act 1994*.

Special complaints management arrangements

- 5.48 The general manager may request in writing that the Office enter into a special complaints management arrangement with the council in relation to code of conduct complaints made by or about a person or persons.
- 5.49 Where the Office receives a request under clause 5.48, it may agree to enter into a special complaints management arrangement if it is satisfied that the number or nature of code of conduct complaints made by or about a person or persons has:
- a) imposed an undue and disproportionate cost burden on the council's administration of its code of conduct, or
 - b) impeded or disrupted the effective administration by the council of its code of conduct, or
 - c) impeded or disrupted the effective functioning of the council.

- 5.50 A special complaints management arrangement must be in writing and must specify the following:

- a) the code of conduct complaints the arrangement relates to, and
- b) the period that the arrangement will be in force.


- 5.51 The Office may, by notice in writing, amend or terminate a special complaints management arrangement at any time.

- 5.52 While a special complaints management arrangement is in force, an officer of the Office (the assessing OLG officer) must undertake the preliminary assessment of the code of conduct complaints specified in the arrangement in accordance with the requirements of Part 6 of these procedures.

- 5.53 Where, following a preliminary assessment, the assessing OLG officer determines that a code of conduct complaint warrants investigation by a conduct reviewer, the assessing OLG officer shall notify the complaints coordinator in writing of their determination and the reasons for their determination. The complaints coordinator must comply with the recommendation of the assessing OLG officer.

- 5.54 Prior to the expiry of a special complaints management arrangement, the Office may, at the request of the general manager, review the arrangement to determine whether it should be renewed or amended.

- 5.55 A special complaints management arrangement shall expire on the date specified in the arrangement unless renewed under clause 5.54.



Part 6:

Preliminary Assessment of Code of Conduct Complaints About Councillors or the General Manager by Conduct Reviewers

**Preliminary Assessment of Code of Conduct Complaints About
Councillors or the General Manager by Conduct Reviewers**

Referral of code of conduct complaints about councillors or the general manager to conduct reviewers

- 6.1 The complaints coordinator must refer all code of conduct complaints about councillors or the general manager that have not been referred to an external agency or declined or resolved by the general manager, mayor or their delegate and that have been referred to them under clauses 5.26 or 5.33, to a conduct reviewer within 21 days of receipt of the complaint by the general manager or the mayor.
- 6.2 For the purposes of clause 6.1, the complaints coordinator will refer a complaint to a conduct reviewer selected from:
- a) a panel of conduct reviewers established by the council, or
 - b) a panel of conduct reviewers established by an organisation approved by the Chief Executive of the Office.
- 6.3 In selecting a suitable conduct reviewer, the complaints coordinator may have regard to the qualifications and experience of members of the panel of conduct reviewers. Where the conduct reviewer is an incorporated or other entity, the complaints coordinator must also ensure that the person assigned to receive the referral on behalf of the entity meets the selection and eligibility criteria for conduct reviewers prescribed under Part 3 of these procedures.
- 6.4 A conduct reviewer must not accept the referral of a code of conduct complaint where:
- a) they have a conflict of interest in relation to the matter referred to them, or
 - b) a reasonable apprehension of bias arises in relation to their consideration of the matter, or
 - c) they or their employer has entered into one or more contracts with the council (other than contracts relating to the exercise of their functions as a conduct reviewer) in the 2 years preceding the referral, and they or their employer have received or expect to receive payments under the contract or contracts of a value that, when aggregated, exceeds \$100,000, or
 - d) at the time of the referral, they or their employer are the council's legal service provider or are a member of a panel of legal service providers appointed by the council.
- 6.5 For the purposes of clause 6.4(a), a conduct reviewer will have a conflict of interest in a matter where a reasonable and informed person would perceive that they could be influenced by a private interest when carrying out their public duty (see clause 5.2 of the Model Code of Conduct).
- 6.6 For the purposes of clause 6.4(b), a reasonable apprehension of bias arises where a fair-minded observer might reasonably apprehend that the conduct reviewer might not bring an impartial and unprejudiced mind to the matter referred to the conduct reviewer.
- 6.7 Where the complaints coordinator refers a matter to a conduct reviewer, they will provide the conduct reviewer with a copy of the code of conduct complaint and any other information relevant to the matter held by the council, including any information about previous proven

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breaches and any information that would indicate that the alleged conduct forms part of an ongoing pattern of behaviour.

- 6.8 The complaints coordinator must notify the complainant in writing that the matter has been referred to a conduct reviewer, and advise which conduct reviewer the matter has been referred to.
- 6.9 Conduct reviewers must comply with these procedures in their consideration of matters that have been referred to them and exercise their functions in a diligent and timely manner.
- 6.10 The complaints coordinator may at any time terminate the referral of a matter to a conduct reviewer and refer the matter to another conduct reviewer where the complaints coordinator is satisfied that the conduct reviewer has failed to:
 - a) comply with these procedures in their consideration of the matter, or
 - b) comply with a lawful and reasonable request by the complaints coordinator, or
 - c) exercise their functions in a timely or satisfactory manner.
- 6.11 Where the complaints coordinator terminates a referral to a conduct reviewer under clause 6.10, they must notify the complainant and any other affected person in writing of their decision and the reasons for it and advise them which conduct reviewer the matter has been referred to instead.

Preliminary assessment of code of conduct complaints about councillors or the general manager by a conduct reviewer

- 6.12 The conduct reviewer is to undertake a preliminary assessment of a complaint referred to them by the complaints coordinator for the purposes of determining how the complaint is to be managed.
- 6.13 The conduct reviewer may determine to do one or more of the following in relation to a complaint referred to them by the complaints coordinator:
 - a) to take no action
 - b) to resolve the complaint by alternative and appropriate strategies such as, but not limited to, explanation, counselling, training, mediation, informal discussion, negotiation, a voluntary apology or an undertaking not to repeat the offending behaviour
 - c) to refer the matter back to the general manager or, in the case of a complaint about the general manager, the mayor, for resolution by alternative and appropriate strategies such as, but not limited to, explanation, counselling, training, mediation, informal discussion, negotiation, a voluntary apology or an undertaking not to repeat the offending behaviour
 - d) to refer the matter to an external agency
 - e) to investigate the matter.
- 6.14 In determining how to deal with a matter under clause 6.13, the conduct reviewer must have regard to the complaint assessment criteria prescribed under clause 6.31.

**Preliminary Assessment of Code of Conduct Complaints About
Councillors or the General Manager by Conduct Reviewers**

- 6.15 The conduct reviewer may make such enquiries the conduct reviewer considers to be reasonably necessary to determine what options to exercise under clause 6.13.
- 6.16 The conduct reviewer may request the complaints coordinator to provide such additional information the conduct reviewer considers to be reasonably necessary to determine what options to exercise in relation to the matter under clause 6.13. The complaints coordinator will, as far as is reasonably practicable, supply any information requested by the conduct reviewer.
- 6.17 The conduct reviewer must refer to the Office any complaints referred to them that should have been referred to the Office under clauses 5.20 and 5.27.
- 6.18 The conduct reviewer must determine to take no action on a complaint that is not a code of conduct complaint for the purposes of these procedures.
- 6.19 The resolution of a code of conduct complaint under clause 6.13, paragraphs (b) or (c) is not to be taken as a determination that there has been a breach of the council's code of conduct.
- 6.20 Where the conduct reviewer completes their preliminary assessment of a complaint by determining to exercise an option under clause 6.13, paragraphs (a), (b) or (c), they must provide the complainant with written notice of their determination and provide reasons for it, and this will finalise consideration of the matter under these procedures.
- 6.21 Where the conduct reviewer refers a complaint to an external agency, they must notify the complainant of the referral in writing unless they form the view, on the advice of the relevant agency, that it would not be appropriate for them to do so.
- 6.22 The conduct reviewer may only determine to investigate a matter where they are satisfied as to the following:
- a) that the complaint is a code of conduct complaint for the purposes of these procedures, and
 - b) that the alleged conduct is sufficiently serious to warrant investigation, and
 - c) that the matter is one that could not or should not be resolved by alternative means.
- 6.23 In determining whether a matter is sufficiently serious to warrant investigation, the conduct reviewer is to consider the following:
- a) the harm or cost that the alleged conduct has caused to any affected individuals and/or the council
 - b) the likely impact of the alleged conduct on the reputation of the council and public confidence in it
 - c) whether the alleged conduct was deliberate or undertaken with reckless intent or negligence
 - d) any previous proven breaches by the person whose alleged conduct is the subject of the complaint and/or whether the alleged conduct forms part of an ongoing pattern of behaviour.
- 6.24 The conduct reviewer must complete their preliminary assessment of the complaint within 28 days of referral of the matter to them by the complaints coordinator and notify the complaints coordinator in writing of the outcome of their assessment.
- 6.25 The conduct reviewer is not obliged to give prior notice to or to consult with any person before making a determination in relation to their preliminary assessment of a complaint, except as may be specifically required under these procedures.

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Referral back to the general manager or mayor for resolution

- 6.26 Where the conduct reviewer determines to refer a matter back to the general manager or to the mayor to be resolved by alternative and appropriate means, they must write to the general manager or, in the case of a complaint about the general manager, to the mayor, recommending the means by which the complaint may be resolved.
- 6.27 The conduct reviewer must consult with the general manager or mayor prior to referring a matter back to them under clause 6.13(c).
- 6.28 The general manager or mayor may decline to accept the conduct reviewer's recommendation. In such cases, the conduct reviewer may determine to deal with the complaint by other means under clause 6.13.
- 6.29 Where the conduct reviewer refers a matter back to the general manager or mayor under clause 6.13(c), the general manager or, in the case of a complaint about the general manager, the mayor, is responsible for implementing or overseeing the implementation of the conduct reviewer's recommendation.
- 6.30 Where the conduct reviewer refers a matter back to the general manager or mayor under clause 6.13(c), the general manager, or, in the case of a complaint about the general manager, the mayor, must advise the complainant in writing of the steps taken to implement the conduct reviewer's recommendation once these steps have been completed.

Complaints assessment criteria

- 6.31 In undertaking the preliminary assessment of a complaint, the conduct reviewer must have regard to the following considerations:
- a) whether the complaint is a code of conduct complaint for the purpose of these procedures
 - b) whether the complaint has been made in a timely manner in accordance with clause 4.4, and if not, whether the allegations are sufficiently serious for compelling grounds to exist for the matter to be dealt with under the council's code of conduct
 - c) whether the complaint is trivial, frivolous, vexatious or not made in good faith
 - d) whether the complaint discloses prima facie evidence of conduct that, if proven, would constitute a breach of the code of conduct
 - e) whether the complaint raises issues that would be more appropriately dealt with by an external agency
 - f) whether there is or was an alternative and satisfactory means of redress available in relation to the conduct complained of
 - g) whether the complaint is one that can be resolved by alternative and appropriate strategies such as, but not limited to, explanation, counselling, training, informal discussion, negotiation, a voluntary apology or an undertaking not to repeat the offending behaviour
 - h) whether the issue/s giving rise to the complaint have previously been addressed or resolved

**Preliminary Assessment of Code of Conduct Complaints About
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- i) any previous proven breaches of the council's code of conduct
- j) whether the conduct complained of forms part of an ongoing pattern of behaviour
- k) whether there were mitigating circumstances giving rise to the conduct complained of
- l) the seriousness of the alleged conduct (having regard to the criteria specified in clause 6.23)
- m) the significance of the conduct or the impact of the conduct for the council
- n) how much time has passed since the alleged conduct occurred
- o) such other considerations that the conduct reviewer considers may be relevant to the assessment of the complaint.

Part 7:

Investigations of Code of Conduct Complaints About Councillors or the General Manager

Investigations of Code of Conduct Complaints About Councillors or the General Manager

What matters may a conduct reviewer investigate?

- 7.1 A conduct reviewer (hereafter referred to as an “investigator”) may investigate a code of conduct complaint that has been referred to them by the complaints coordinator and any matters related to or arising from that complaint.
- 7.2 Where an investigator identifies further separate possible breaches of the code of conduct that are not related to or arise from the code of conduct complaint that has been referred to them, they are to report the matters separately in writing to the general manager, or, in the case of alleged conduct on the part of the general manager, to the mayor.
- 7.3 The general manager or the mayor or their delegate is to deal with a matter reported to them by an investigator under clause 7.2 as if it were a new code of conduct complaint in accordance with these procedures.

How are investigations to be commenced?

- 7.4 The investigator must at the outset of their investigation provide a written notice of investigation to the respondent. The notice of investigation must:
 - a) disclose the substance of the allegations against the respondent, and
 - b) advise of the relevant provisions of the code of conduct that apply to the alleged conduct, and
 - c) advise of the process to be followed in investigating the matter, and
- d) advise the respondent of the requirement to maintain confidentiality, and
- e) invite the respondent to make a written submission in relation to the matter within at least 14 days or such other period specified by the investigator in the notice, and
- f) provide the respondent the opportunity to address the investigator on the matter within such reasonable time specified in the notice.
- 7.5 The respondent may, within 7 days of receipt of the notice of investigation, request in writing that the investigator provide them with such further information they consider necessary to assist them to identify the substance of the allegation against them. An investigator will only be obliged to provide such information that the investigator considers reasonably necessary for the respondent to identify the substance of the allegation against them.
- 7.6 An investigator may at any time prior to issuing a draft report, issue an amended notice of investigation to the respondent in relation to the matter referred to them.
- 7.7 Where an investigator issues an amended notice of investigation, they must provide the respondent with a further opportunity to make a written submission in response to the amended notice of investigation within at least 14 days or such other period specified by the investigator in the amended notice.
- 7.8 The investigator must also, at the outset of their investigation, provide written notice of the investigation to the complainant, the complaints coordinator and the general manager, or in the case of a complaint about the general manager, to the complainant, the complaints coordinator and the mayor. The notice must:

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- a) advise them of the matter the investigator is investigating, and
- b) in the case of the notice to the complainant, advise them of the requirement to maintain confidentiality, and
- c) invite the complainant to make a written submission in relation to the matter within at least 14 days or such other period specified by the investigator in the notice.

- 7.13 Where the respondent accepts the opportunity to address the investigator in person, they may have a support person or legal adviser in attendance. The support person or legal adviser will act in an advisory or support role to the respondent only. They must not speak on behalf of the respondent or otherwise interfere with or disrupt proceedings.
- 7.14 The investigator must consider all written and oral submissions made to them in relation to the matter.

Written and oral submissions

- 7.9 Where the respondent or the complainant fails to make a written submission in relation to the matter within the period specified by the investigator in their notice of investigation or amended notice of investigation, the investigator may proceed to prepare their draft report without receiving such submissions.
- 7.10 The investigator may accept written submissions received outside the period specified in the notice of investigation or amended notice of investigation.
- 7.11 Prior to preparing a draft report, the investigator must give the respondent an opportunity to address the investigator on the matter being investigated. The respondent may do so in person or by telephone or other electronic means.
- 7.12 Where the respondent fails to accept the opportunity to address the investigator within the period specified by the investigator in the notice of investigation, the investigator may proceed to prepare a draft report without hearing from the respondent.

How are investigations to be conducted?

- 7.15 Investigations are to be undertaken without undue delay.
- 7.16 Investigations are to be undertaken in the absence of the public and in confidence.
- 7.17 Investigators must make any such enquiries that may be reasonably necessary to establish the facts of the matter.
- 7.18 Investigators may seek such advice or expert guidance that may be reasonably necessary to assist them with their investigation or the conduct of their investigation.
- 7.19 An investigator may request that the complaints coordinator provide such further information that the investigator considers may be reasonably necessary for them to establish the facts of the matter. The complaints coordinator will, as far as is reasonably practicable, provide the information requested by the investigator.

Investigations of Code of Conduct Complaints About Councillors or the General Manager

Referral or resolution of a matter after the commencement of an investigation

- 7.20 At any time after an investigator has issued a notice of investigation and before they have issued a draft report, an investigator may determine to:
- a) resolve the matter by alternative and appropriate strategies such as, but not limited to, explanation, counselling, training, mediation, informal discussion, negotiation, a voluntary apology or an undertaking not to repeat the offending behaviour, or
 - b) refer the matter to the general manager, or, in the case of a complaint about the general manager, to the mayor, for resolution by alternative and appropriate strategies such as, but not limited to, explanation, counselling, training, mediation, informal discussion, negotiation, a voluntary apology or an undertaking not to repeat the offending behaviour, or
 - c) refer the matter to an external agency.
- 7.21 Where an investigator determines to exercise any of the options under clause 7.20 after the commencement of an investigation, they must do so in accordance with the requirements of Part 6 of these procedures relating to the exercise of these options at the preliminary assessment stage.
- 7.22 The resolution of a code of conduct complaint under clause 7.20, paragraphs (a) or (b) is not to be taken as a determination that there has been a breach of the council's code of conduct.

- 7.23 Where an investigator determines to exercise any of the options under clause 7.20 after the commencement of an investigation, they may by written notice to the respondent, the complainant, the complaints coordinator and the general manager, or in the case of a complaint about the general manager, to the respondent, the complainant, the complaints coordinator and the mayor, discontinue their investigation of the matter.
- 7.24 Where the investigator discontinues their investigation of a matter under clause 7.23, this shall finalise the consideration of the matter under these procedures.
- 7.25 An investigator is not obliged to give prior notice to or to consult with any person before making a determination to exercise any of the options under clause 7.20 or to discontinue their investigation except as may be specifically required under these procedures.

Draft investigation reports

- 7.26 When an investigator has completed their enquiries and considered any written or oral submissions made to them in relation to a matter, they must prepare a draft of their proposed report.
- 7.27 The investigator must provide their draft report to the respondent and invite them to make a written submission in relation to it within at least 14 days or such other period specified by the investigator.
- 7.28 Where the investigator proposes to make adverse comment about any other person (an affected person) in their report, they must also provide the affected person with relevant extracts of their draft report containing such comment and invite the affected person to make a written submission in relation to it within at least 14 days or such other period specified by the investigator.

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- 7.29 The investigator must consider written submissions received in relation to the draft report prior to finalising their report in relation to the matter.
- 7.30 The investigator may, after consideration of all written submissions received in relation to their draft report, make further enquiries into the matter. If, as a result of making further enquiries, the investigator makes any material change to their proposed report that makes new adverse comment about the respondent or an affected person, they must provide the respondent or affected person as the case may be with a further opportunity to make a written submission in relation to the new adverse comment.
- 7.31 Where the respondent or an affected person fails to make a written submission in relation to the draft report within the period specified by the investigator, the investigator may proceed to prepare and issue their final report without receiving such submissions.
- 7.32 The investigator may accept written submissions in relation to the draft report received outside the period specified by the investigator at any time prior to issuing their final report.
- 7.33 Where an investigator issues a notice of investigation they must prepare a final report in relation to the matter unless the investigation is discontinued under clause 7.23.
- 7.34 An investigator must not prepare a final report in relation to the matter at any time before they have finalised their consideration of the matter in accordance with the requirements of these procedures.
- 7.35 The investigator's final report must:
- a) make findings of fact in relation to the matter investigated, and,
 - b) make a determination that the conduct investigated either,
 - i) constitutes a breach of the code of conduct, or
 - ii) does not constitute a breach of the code of conduct, and
 - c) provide reasons for the determination.
- 7.36 Where the investigator determines that the conduct investigated constitutes a breach of the code of conduct, the investigator may make one or more of the following recommendations:
- a) that the council revise any of its policies, practices or procedures
 - b) that the respondent undertake any training or other education relevant to the conduct giving rise to the breach
 - c) that the respondent be counselled for their conduct
 - d) that the respondent be removed from membership of a committee of the council or any other body or organisation that the respondent serves on as the council's representative
 - e) that the respondent gives an undertaking not to repeat the offending behaviour in such time and form specified by the recommendation
 - f) that the respondent apologise to any person or organisation affected by the breach in such a time and form specified by the recommendation
 - g) that findings of inappropriate conduct be made public by publishing the investigator's findings and determination in the minutes of the council meeting at which the matter is considered

Investigations of Code of Conduct Complaints About Councillors or the General Manager

- h) in the case of a breach by the general manager, that action be taken under the general manager's contract
 - i) in the case of a breach by a councillor, that the councillor be formally censured for the breach under section 440G of the LGA
 - j) in the case of a breach by a councillor, that the council resolves as follows:
 - i) that the councillor be formally censured for the breach under section 440G of the LGA, and
 - ii) that the matter be referred to the Office for further action under the misconduct provisions of the LGA.
- 7.37 Where the investigator determines that the conduct investigated does not constitute a breach of the code of conduct, the investigator may make one or more of the following recommendations:
- a) that the council revise any of its policies, practices or procedures
 - b) that a person or persons undertake any training or other education.
- 7.38 In making a recommendation under clause 7.36, the investigator may have regard to the following:
- a) the seriousness of the breach
 - b) whether the breach can be easily remedied or rectified
 - c) whether the respondent has remedied or rectified their conduct
 - d) whether the respondent has expressed contrition
 - e) whether there were any mitigating circumstances
 - f) the age, physical or mental health or special infirmity of the respondent
 - g) whether the breach is technical or trivial only
 - h) any previous proven breaches
 - i) whether the breach forms part of an ongoing pattern of behaviour
 - j) the degree of reckless intention or negligence of the respondent
 - k) the extent to which the breach has affected other parties or the council as a whole
 - l) the harm or potential harm to the reputation of the council or local government in general arising from the conduct
 - m) whether the findings and recommendations can be justified in terms of the public interest and would withstand public scrutiny
 - n) whether an educative approach would be more appropriate than a punitive one
 - o) the relative costs and benefits of taking formal disciplinary action as opposed to taking no action or taking informal action
 - p) what action or remedy would be in the public interest.
- 7.39 Where the investigator proposes to make a recommendation under clause 7.36(j), the investigator must first consult with the Office on their proposed findings, determination and recommendation prior to finalising their report, and must take any comments by the Office into consideration when finalising their report.
- 7.40 At a minimum, the investigator's final report must contain the following information:
- a) a description of the allegations against the respondent

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- b) the relevant provisions of the code of conduct that apply to the alleged conduct investigated
 - c) a statement of reasons as to why the matter warranted investigation (having regard to the criteria specified in clause 6.23)
 - d) a statement of reasons as to why the matter was one that could not or should not be resolved by alternative means
 - e) a description of any attempts made to resolve the matter by use of alternative means
 - f) the steps taken to investigate the matter
 - g) the facts of the matter
 - h) the investigator's findings in relation to the facts of the matter and the reasons for those findings
 - i) the investigator's determination and the reasons for that determination
 - j) any recommendations.
- 7.41 The investigator must provide a copy of their report to the complaints coordinator and the respondent.
- 7.42 At the time the investigator provides a copy of their report to the complaints coordinator and the respondent, the investigator must provide the complainant with a written statement containing the following information:
- a) the investigator's findings in relation to the facts of the matter and the reasons for those findings
 - b) the investigator's determination and the reasons for that determination
 - c) any recommendations, and
 - d) such other additional information that the investigator considers may be relevant.
- 7.43 Where the investigator has determined that there has not been a breach of the code of conduct, the complaints coordinator must provide a copy of the investigator's report to the general manager or, where the report relates to the general manager's conduct, to the mayor, and this will finalise consideration of the matter under these procedures.
- 7.44 Where the investigator has determined that there has been a breach of the code of conduct and makes a recommendation or recommendations under clause 7.36, paragraph (a) only, the complaints coordinator must provide a copy of the investigator's report to the general manager. Where the general manager agrees with the recommendation/s, the general manager is responsible for implementing the recommendation/s.
- 7.45 Where the investigator has determined that there has been a breach of the code of conduct and makes a recommendation or recommendations under clause 7.36, paragraphs (b) or (c) only, the complaints coordinator must provide a copy of the investigator's report to the general manager or, where the report relates to the general manager's conduct, to the mayor. The general manager is responsible for arranging the implementation of the recommendation/s where the report relates to a councillor's conduct. The mayor is responsible for arranging the implementation of the recommendation/s where the report relates to the general manager's conduct.
- 7.46 Where the investigator has determined that there has been a breach of the code of conduct and makes a recommendation or recommendations under clause 7.36, paragraphs (d) to (j) (whether or not in conjunction with recommendations made under clause 7.36, paragraphs (a) to (c)),

Investigations of Code of Conduct Complaints About Councillors or the General Manager

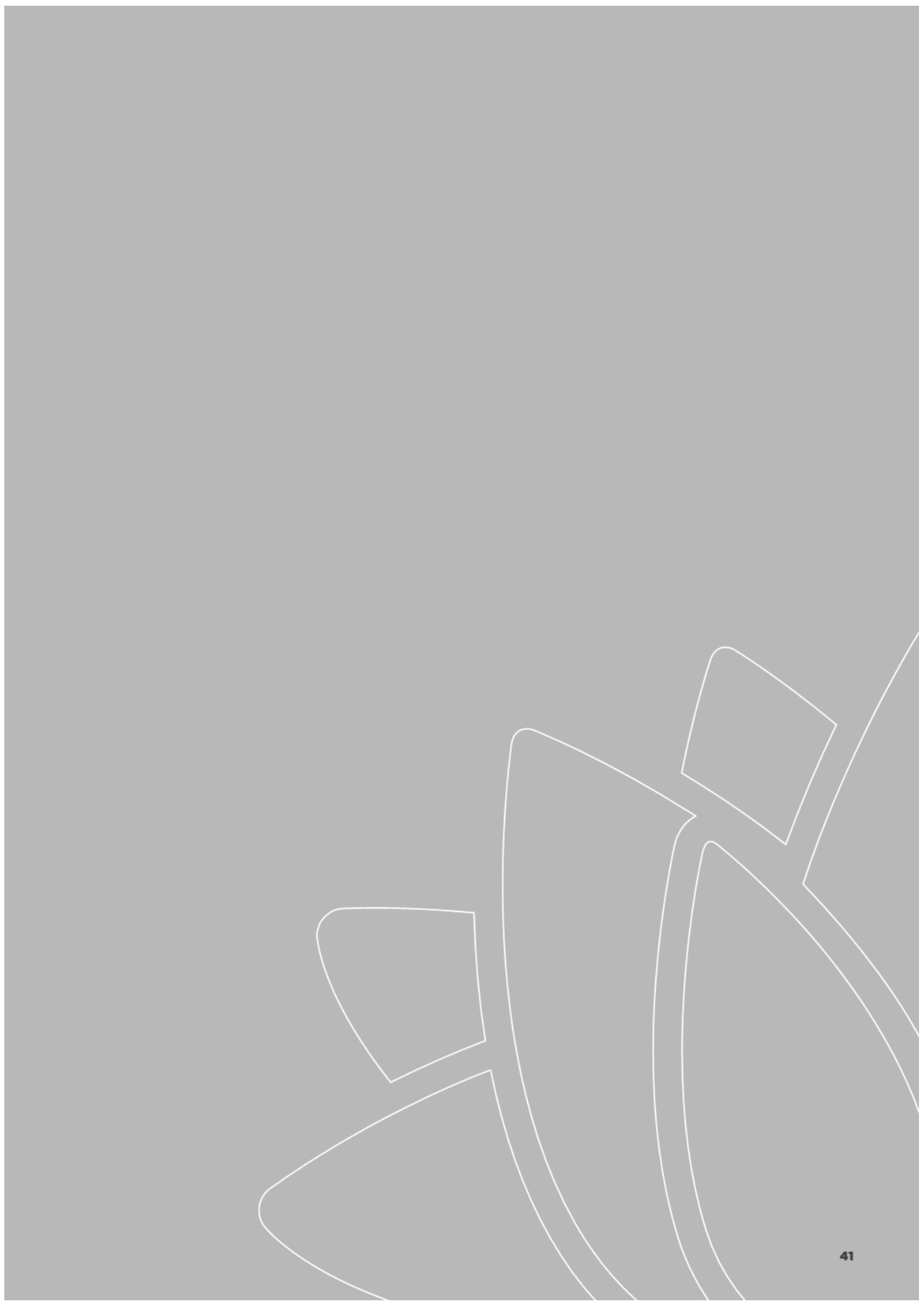
the complaints coordinator must, where practicable, arrange for the investigator's report to be reported to the next ordinary council meeting for the council's consideration, unless the meeting is to be held within the 4 weeks prior to an ordinary local government election, in which case the report must be reported to the first ordinary council meeting following the election.

Consideration of the final investigation report by council

- 7.47 The role of the council in relation to a final investigation report is to impose a sanction if the investigator has determined that there has been a breach of the code of conduct and has made a recommendation in their final report under clause 7.36, paragraphs (d) to (j) (whether or not in conjunction with recommendations made under clause 7.36, paragraphs (a) to (c)).
- 7.48 The council is to close its meeting to the public to consider the final investigation report in cases where it is permitted to do so under section 10A of the LGA.
- 7.49 Where the complainant is a councillor, they must absent themselves from the meeting and take no part in any discussion or voting on the matter. The complainant councillor may absent themselves without making any disclosure of interest in relation to the matter unless otherwise required to do so under the code of conduct.
- 7.50 Prior to imposing a sanction, the council must provide the respondent with an opportunity to make a submission to the council. A submission may be made orally or in writing. The respondent is to confine their submission to addressing the investigator's recommendation/s.
- 7.51 Once the respondent has made their submission they must absent themselves from the meeting and, where they are a councillor, take no part in any discussion or voting on the matter.
- 7.52 The council must not invite submissions from other persons for the purpose of seeking to rehear evidence previously considered by the investigator.
- 7.53 Prior to imposing a sanction, the council may by resolution:
- a) request that the investigator make additional enquiries and/or provide additional information to it in a supplementary report, or
 - b) seek an opinion from the Office in relation to the report.
- 7.54 The council may, by resolution, defer further consideration of the matter pending the receipt of a supplementary report from the investigator or an opinion from the Office.
- 7.55 The investigator may make additional enquiries for the purpose of preparing a supplementary report.
- 7.56 Where the investigator prepares a supplementary report, they must provide copies to the complaints coordinator who shall provide a copy each to the council and the respondent.
- 7.57 The investigator is not obliged to notify or consult with any person prior to submitting the supplementary report to the complaints coordinator.
- 7.58 The council is only required to provide the respondent a further opportunity to make an oral or written submission on a supplementary report if the supplementary report contains new information that is adverse to them.
- 7.59 A council may by resolution impose one or more of the following sanctions on a respondent:

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| <ul style="list-style-type: none"> a) that the respondent undertake any training or other education relevant to the conduct giving rise to the breach b) that the respondent be counselled for their conduct c) that the respondent be removed from membership of a committee of the council or any other body or organisation that the respondent serves on as the council's representative d) that the respondent gives an undertaking not to repeat the offending behaviour in such time and form specified by the resolution e) that the respondent apologise to any person or organisation affected by the breach in such a time and form specified by the resolution f) that findings of inappropriate conduct be made public by publishing the investigator's findings and determination in the minutes of the meeting g) in the case of a breach by the general manager, that action be taken under the general manager's contract for the breach h) in the case of a breach by a councillor, that the councillor be formally censured for the breach under section 440G of the LGA i) in the case of a breach by a councillor: <ul style="list-style-type: none"> i) that the councillor be formally censured for the breach under section 440G of the LGA, and | <ul style="list-style-type: none"> ii) that the matter be referred to the Office for further action under the misconduct provisions of the LGA. <p>7.60 The council is not obliged to adopt the investigator's recommendation/s. Where the council proposes not to adopt one or more of the investigator's recommendation/s, the council must resolve not to adopt the recommendation/s and state in its resolution the reasons for its decision.</p> <p>7.61 Where the council proposes to impose a sanction on the respondent under clause 7.59 that is different to the sanction recommended by the investigator in their final report, the council must state in its resolution the reasons for its decision.</p> <p>7.62 Where the council resolves not to adopt the investigator's recommendation/s or imposes a sanction on the respondent under clause 7.59 that is different to the sanction recommended by the investigator, the complaints coordinator must notify the Office of the council's decision and the reasons for it.</p> |
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Part 8:

Oversight and Rights of Review

The Office's powers of review

- 8.1 The Office may, at any time, whether or not in response to a request, review the consideration of a matter under a council's code of conduct where it is concerned that a person has failed to comply with a requirement prescribed under these procedures or has misinterpreted or misapplied the standards of conduct prescribed under the code of conduct in their consideration of a matter.
- 8.2 The Office may direct any person, including the council, to defer taking further action in relation to a matter under consideration under the council's code of conduct pending the completion of its review. Any person the subject of a direction must comply with the direction.
- 8.3 Where the Office undertakes a review of a matter under clause 8.1, it will notify the complaints coordinator and any other affected persons, of the outcome of the review.

Complaints about conduct reviewers

- 8.4 The general manager or their delegate must refer code of conduct complaints about conduct reviewers to the Office for its consideration.
- 8.5 The general manager must notify the complainant of the referral of their complaint about the conduct reviewer in writing.
- 8.6 The general manager must implement any recommendation made by the Office as a result of its consideration of a complaint about a conduct reviewer.

Practice rulings

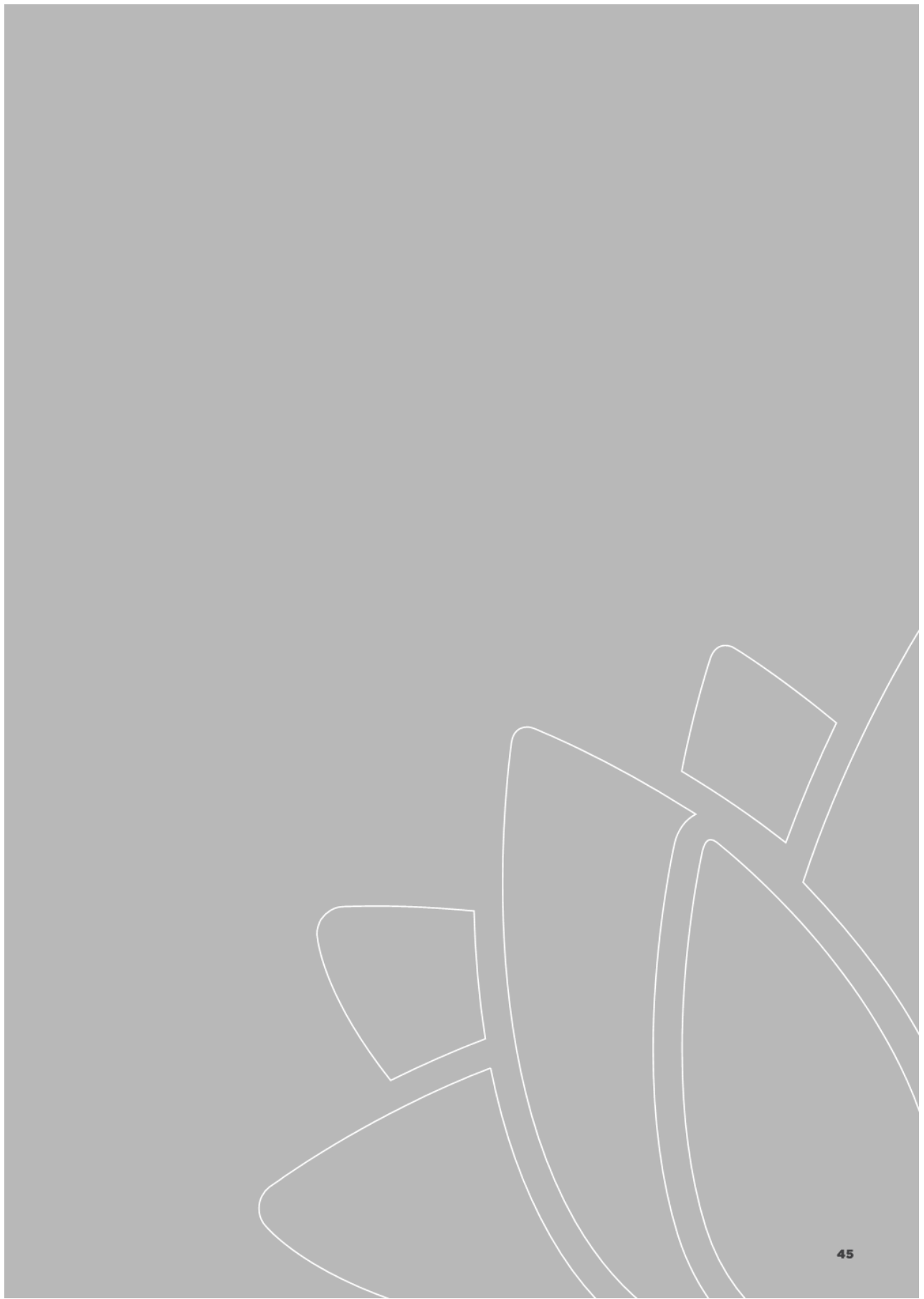
- 8.7 Where a respondent and an investigator are in dispute over a requirement under these procedures, either person may make a request in writing to the Office to make a ruling on a question of procedure (a practice ruling).
- 8.8 Where the Office receives a request in writing for a practice ruling, the Office may provide notice in writing of its ruling and the reasons for it to the person who requested it and to the investigator, where that person is different.
- 8.9 Where the Office makes a practice ruling, all parties must comply with it.
- 8.10 The Office may decline to make a practice ruling. Where the Office declines to make a practice ruling, it will provide notice in writing of its decision and the reasons for it to the person who requested it and to the investigator, where that person is different.

Review of decisions to impose sanctions

- 8.11 A person who is the subject of a sanction imposed under Part 7 of these procedures other than one imposed under clause 7.59, paragraph (i), may, within 28 days of the sanction being imposed, seek a review of the investigator's determination and recommendation by the Office.
- 8.12 A review under clause 8.11 may be sought on the following grounds:
 - a) that the investigator has failed to comply with a requirement under these procedures, or
 - b) that the investigator has misinterpreted or misapplied the standards of conduct prescribed under the code of conduct, or

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- c) that in imposing its sanction, the council has failed to comply with a requirement under these procedures.
- 8.13 A request for a review made under clause 8.11 must be made in writing and must specify the grounds upon which the person believes the investigator or the council has erred.
- 8.14 The Office may decline to conduct a review, in cases where the grounds upon which the review is sought are not sufficiently specified.
- 8.15 The Office may undertake a review of a matter without receiving a request under clause 8.11.
- 8.16 The Office will undertake a review of the matter on the papers. However, the Office may request that the complaints coordinator provide such further information that the Office considers reasonably necessary for it to review the matter. The complaints coordinator must, as far as is reasonably practicable, provide the information requested by the Office.
- 8.17 Where a person requests a review under clause 8.11, the Office may direct the council to defer any action to implement a sanction. The council must comply with a direction to defer action by the Office.
- 8.18 The Office must notify the person who requested the review and the complaints coordinator of the outcome of the Office's review in writing and the reasons for its decision. In doing so, the Office may comment on any other matters the Office considers to be relevant.
- 8.19 Where the Office considers that the investigator or the council has erred, the Office may recommend that a decision to impose a sanction under these procedures be reviewed.
- 8.20 In the case of a sanction implemented by the general manager or mayor under clause 7.45, where the Office recommends that the decision to impose a sanction be reviewed:
- a) the complaints coordinator must provide a copy of the Office's determination in relation to the matter to the general manager or the mayor, and
 - b) the general manager or mayor must review any action taken by them to implement the sanction, and
 - c) the general manager or mayor must consider the Office's recommendation in doing so.
- 8.21 In the case of a sanction imposed by the council by resolution under clause 7.59, where the Office recommends that the decision to impose a sanction be reviewed:
- a) the complaints coordinator must, where practicable, arrange for the Office's determination to be tabled at the next ordinary council meeting unless the meeting is to be held within the 4 weeks prior to an ordinary local government election, in which case it must be tabled at the first ordinary council meeting following the election, and
 - b) the council must:
 - i) review its decision to impose the sanction, and
 - ii) consider the Office's recommendation in doing so, and
 - iii) resolve to either rescind or reaffirm its previous resolution in relation to the matter.
- 8.22 Where, having reviewed its previous decision in relation to a matter under clause 8.21, the council resolves to reaffirm its previous decision, the council must state in its resolution its reasons for doing so.



Part 9:

Procedural Irregularities

Procedural Irregularities

- 9.1 A failure to comply with these procedures does not, on its own, constitute a breach of the code of conduct, except as may be otherwise specifically provided under the code of conduct.
- 9.2 A failure to comply with these procedures will not render a decision made in relation to a matter invalid where:
- a) the non-compliance is isolated and/or minor in nature, or
 - b) reasonable steps are taken to correct the non-compliance, or
 - c) reasonable steps are taken to address the consequences of the non-compliance.

Part 10: Practice Directions

Practice Directions

- 10.1 The Office may at any time issue a practice direction in relation to the application of these procedures.
- 10.2 The Office will issue practice directions in writing, by circular to all councils.
- 10.3 All persons performing a function prescribed under these procedures must consider the Office's practice directions when performing the function.



Part 11:

Reporting Statistics on Code of Conduct Complaints About Councillors and the General Manager

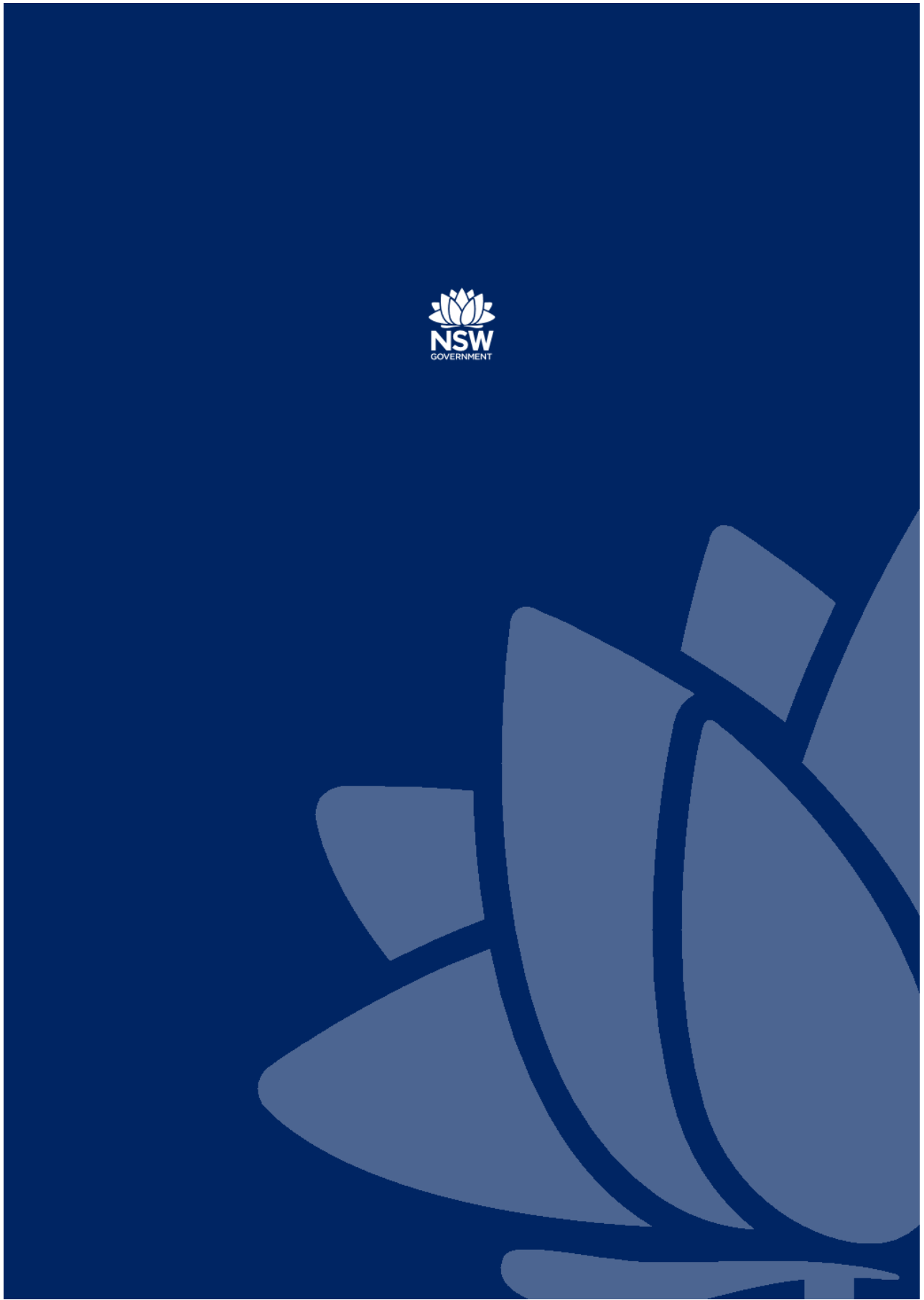
Reporting Statistics on Code of Conduct Complaints About Councillors and the General Manager

- 11.1 The complaints coordinator must arrange for the following statistics to be reported to the council within 3 months of the end of September of each year:
- a) the total number of code of conduct complaints made about councillors and the general manager under the code of conduct in the year to September (the reporting period)
 - b) the number of code of conduct complaints referred to a conduct reviewer during the reporting period
 - c) the number of code of conduct complaints finalised by a conduct reviewer at the preliminary assessment stage during the reporting period and the outcome of those complaints
 - d) the number of code of conduct complaints investigated by a conduct reviewer during the reporting period
 - e) without identifying particular matters, the outcome of investigations completed under these procedures during the reporting period
 - f) the number of matters reviewed by the Office during the reporting period and, without identifying particular matters, the outcome of the reviews, and
 - g) the total cost of dealing with code of conduct complaints made about councillors and the general manager during the reporting period, including staff costs.
- 11.2 The council is to provide the Office with a report containing the statistics referred to in clause 11.1 within 3 months of the end of September of each year.

Part 12:

Confidentiality

- 12.1 Information about code of conduct complaints and the management and investigation of code of conduct complaints is to be treated as confidential and is not to be publicly disclosed except as may be otherwise specifically required or permitted under these procedures.
- 12.2 Where a complainant publicly discloses information on one or more occasions about a code of conduct complaint they have made or purported to make, the general manager or their delegate may, with the consent of the Office, determine that the complainant is to receive no further information about their complaint and any future code of conduct complaint they make or purport to make.
- 12.3 Prior to seeking the Office's consent under clause 12.2, the general manager or their delegate must give the complainant written notice of their intention to seek the Office's consent, invite them to make a written submission within at least 14 days or such other period specified by the general manager or their delegate, and consider any submission made by them.
- 12.4 In giving its consent under clause 12.2, the Office must consider any submission made by the complainant to the general manager or their delegate.
- 12.5 The general manager or their delegate must give written notice of a determination made under clause 12.2 to:
- a) the complainant
 - b) the complaints coordinator
 - c) the Office, and
 - d) any other person the general manager or their delegate considers should be notified of the determination.
- 12.6 Any requirement under these procedures that a complainant is to be provided with information about a code of conduct complaint that they have made or purported to make, will not apply to a complainant the subject of a determination made by the general manager or their delegate under clause 12.2.
- 12.7 Clause 12.6 does not override any entitlement a person may have to access to council information under the *Government Information (Public Access) Act 2009* or to receive information under the *Public Interest Disclosures Act 1994* in relation to a complaint they have made.





DRAFT

ANNUAL FINANCIAL STATEMENTS

For the financial year ending 30 June 2018

Incorporating: General Purpose Financial Statements, Special Purpose, Financial Statements, Special Schedules

Waverley Council

GENERAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2018

*"We are united by a common passion for our
beautiful home between the city and the sea."*



Waverley Council

General Purpose Financial Statements for the year ended 30 June 2018

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Overview

Waverley Council is constituted under the Local Government Act 1993 (NSW) and has its principal place of business at:

Cnr. Paul St and Bondi Rd
Bondi Junction NSW 2022

Council's guiding principles are detailed in Chapter 3 of the LGA and includes:

- principles applying to the exercise of functions generally by council,
- principles to be applied when making decisions,
- principles of community participation,
- principles of sound financial management, and
- principles for strategic planning relating to the development of an integrated planning and reporting framework.

A description of the nature of Council's operations and its principal activities are provided in Note 2(b).

Through the use of the internet, we have ensured that our reporting is timely, complete and available at minimum cost. All press releases, financial statements and other information are publicly available on our website: www.waverley.nsw.gov.au.

Waverley Council

General Purpose Financial Statements for the year ended 30 June 2018

Understanding Council's financial statements

Introduction

Each year, individual local governments across New South Wales are required to present a set of audited financial statements to their council and community.

What you will find in the statements

The financial statements set out the financial performance, financial position and cash flows of Council for the financial year ended 30 June 2018.

The format of the financial statements is standard across all NSW Councils and complies with both the accounting and reporting requirements of Australian Accounting Standards and requirements as set down by the Office of Local Government.

About the Councillor/Management Statement

The financial statements must be certified by senior staff as 'presenting fairly' the Council's financial results for the year and are required to be adopted by Council – ensuring both responsibility for and ownership of the financial statements.

About the primary financial statements

The financial statements incorporate five 'primary' financial statements:

1. The Income Statement

Summarises Council's financial performance for the year, listing all income and expenses.

This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

2. The Statement of Comprehensive Income

Primarily records changes in the fair value of Council's Infrastructure, Property, Plant and Equipment.

3. The Statement of Financial Position

A 30 June snapshot of Council's financial position indicating its assets, liabilities and "net wealth".

4. The Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "net wealth".

5. The Statement of Cash Flows

Indicates where Council's cash came from and where it was spent. This statement also displays Council's original adopted budget to provide a comparison between what was projected and what actually occurred.

About the Notes to the Financial Statements

The Notes to the Financial Statements provide greater detail and additional information on the five primary financial statements.

About the Auditor's Reports

Council's annual financial statements are required to be audited by the NSW Audit Office. In NSW the auditor provides 2 audit reports:

1. an opinion on whether the financial statements present fairly the Council's financial performance and position, and
2. their observations on the conduct of the audit, including commentary on the Council's financial performance and financial position.

Who uses the financial statements?

The financial statements are publicly available documents and must be presented at a Council meeting between seven days and five weeks after the date of the Audit Report.

The public can make submissions to Council up to seven days subsequent to the public presentation of the financial statements.

Council is required to forward an audited set of financial statements to the Office of Local Government.

Waverley Council

General Purpose Financial Statements

for the year ended 30 June 2018

Statement by Councillors and Management

made pursuant to Section 413(2)(c) of the *Local Government Act 1993 (NSW)* (as amended)

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

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

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

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

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

Signed in accordance with a resolution of Council made on 27 September 2018.

John Wakefield
Mayor
27 September 2018

Dominic Wy Kanak
Councillor
27 September 2018

Ross McLeod
General Manager
27 September 2018

Teena Su
Responsible Accounting Officer
27 September 2018

Financial Statements 2018

Waverley Council

Income Statement

for the year ended 30 June 2018

Original unaudited budget 2018	\$ '000	Notes	Actual 2018	Actual 2017
Income from continuing operations				
Revenue:				
58,970	Rates and annual charges	3a	59,104	57,375
36,141	User charges and fees	3b	35,575	34,230
3,771	Interest and investment revenue	3c	4,583	4,481
17,044	Other revenues	3d	18,361	20,448
8,183	Grants and contributions provided for operating purposes	3e,f	8,020	9,521
13,550	Grants and contributions provided for capital purposes	3e,f	10,671	8,663
Other income:				
1,360	Net gains from the disposal of assets	5	—	—
—	Fair value increment on investment property	10	8,099	3,388
139,019	Total income from continuing operations		144,413	138,106
Expenses from continuing operations				
62,474	Employee benefits and on-costs	4a	55,865	58,268
122	Borrowing costs	4b	120	142
23,573	Materials and contracts	4c	22,266	22,975
22,281	Depreciation and amortisation	4d	19,902	19,211
22,169	Other expenses	4e	24,984	22,295
—	Net losses from the disposal of assets	5	3,379	4,042
130,619	Total expenses from continuing operations		126,516	126,933
8,400	Operating result from continuing operations		17,897	11,173
8,400	Net operating result for the year		17,897	11,173
8,400	Net operating result attributable to Council		17,897	11,173
Net operating result for the year before grants and contributions provided for capital purposes				
(5,150)			7,226	2,510

This statement should be read in conjunction with the accompanying notes.

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Financial Statements 2018

Waverley Council

Statement of Comprehensive Income
for the year ended 30 June 2018

\$ '000	Notes	2018	2017
Net operating result for the year (as per Income Statement)		17,897	11,173
Other comprehensive income:			
Amounts that will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of IPP&E	9a	—	32,835
Total items which will not be reclassified subsequently to the operating result		—	32,835
Total other comprehensive income for the year		—	32,835
Total comprehensive income for the year		17,897	44,008
Total comprehensive income attributable to Council		17,897	44,008

This statement should be read in conjunction with the accompanying notes.

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Financial Statements 2018

Waverley Council

Statement of Financial Position

as at 30 June 2018

\$ '000	Notes	2018	2017
ASSETS			
Current assets			
Cash and cash equivalents	6a	18,213	14,505
Investments	6b	136,069	129,222
Receivables	7	6,767	8,476
Other	8	817	954
Total current assets		161,866	153,157
Non-current assets			
Investments	6b	17,500	14,000
Receivables	7	2,117	1,604
Infrastructure, property, plant and equipment	9	940,516	944,410
Investment property	10	154,795	145,945
Total non-current assets		1,114,928	1,105,959
TOTAL ASSETS		1,276,794	1,259,116
LIABILITIES			
Current liabilities			
Payables	11	20,854	18,176
Income received in advance	11	1,419	1,288
Borrowings	11	412	815
Provisions	12	14,555	16,462
Total current liabilities		37,240	36,741
Non-current liabilities			
Borrowings	11	3,346	3,758
Provisions	12	514	820
Total non-current liabilities		3,860	4,578
TOTAL LIABILITIES		41,100	41,319
Net assets		1,235,694	1,217,797
EQUITY			
Accumulated surplus	13	704,302	686,405
Revaluation reserves	13	531,392	531,392
Total equity		1,235,694	1,217,797

This statement should be read in conjunction with the accompanying notes.

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Financial Statements 2018

Waverley Council

Statement of Changes in Equity
for the year ended 30 June 2018

\$ '000	Notes	2018	IPP&E	Total equity	2017	IPP&E	Total equity
		Accumulated surplus	revaluation reserve		Accumulated surplus	revaluation reserve	
Opening balance		686,405	531,392	1,217,797	674,330	499,459	1,173,789
Net operating result for the year prior to correction of errors and changes in accounting policies		17,897	—	17,897	11,173	—	11,173
Net operating result for the year		17,897	—	17,897	11,173	—	11,173
Other comprehensive income							
— Gain (loss) on revaluation of IPP&E	9a	—	—	—	—	32,835	32,835
Other comprehensive income		—	—	—	—	32,835	32,835
Total comprehensive income (c&d)		17,897	—	17,897	11,173	32,835	44,008
Transfers between equity items		—	—	—	902	(902)	—
Equity – balance at end of the reporting period		704,302	531,392	1,235,694	686,405	531,392	1,217,797

This statement should be read in conjunction with the accompanying notes.

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Financial Statements 2018

Waverley Council

Statement of Cash Flows

for the year ended 30 June 2018

Original unaudited budget 2018	\$ '000	Notes	Actual 2018	Actual 2017
Cash flows from operating activities				
Receipts:				
59,042	Rates and annual charges		59,445	56,843
36,222	User charges and fees		37,952	36,976
3,794	Investment and interest revenue received		4,431	3,597
21,646	Grants and contributions		19,132	17,986
–	Bonds, deposits and retention amounts received		306	342
17,089	Other		22,295	23,805
Payments:				
(53,640)	Employee benefits and on-costs		(58,460)	(57,016)
(31,348)	Materials and contracts		(26,476)	(25,897)
(145)	Borrowing costs		(122)	(133)
–	Bonds, deposits and retention amounts refunded		(126)	(178)
(22,102)	Other		(23,377)	(22,415)
30,558	Net cash provided (or used in) operating activities	14b	34,998	33,910
Cash flows from investing activities				
Receipts:				
–	Sale of investment securities		126,538	164,910
1,360	Sale of investment property		–	–
–	Sale of infrastructure, property, plant and equipment		845	5,729
Payments:				
(3,848)	Purchase of investment securities		(136,675)	(180,822)
–	Purchase of investment property		(751)	(251)
(36,945)	Purchase of infrastructure, property, plant and equipment		(20,432)	(24,268)
(39,433)	Net cash provided (or used in) investing activities		(30,475)	(34,702)
Cash flows from financing activities				
Receipts:				
–	Proceeds from borrowings and advances		–	2,200
Payments:				
(815)	Repayment of borrowings and advances		(815)	(960)
(815)	Net cash flow provided (used in) financing activities		(815)	1,240
(9,690)	Net increase/(decrease) in cash and cash equivalents		3,708	448
20,900	Plus: cash and cash equivalents – beginning of year	14a	14,505	14,057
11,210	Cash and cash equivalents – end of the year	14a	18,213	14,505
Additional Information:				
plus:	Investments on hand – end of year	6b	153,569	143,222
	Total cash, cash equivalents and investments		171,782	157,727

This statement should be read in conjunction with the accompanying notes.

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Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

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n/a – not applicable

Waverley Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 1. Basis of preparation

These financial statements were authorised for issue by Council on 27/09/2018.

Council has the power to amend and reissue these financial statements.

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the *Local Government Act 1993 (NSW)* and Regulations, and the Local Government Code of Accounting Practice and Financial Reporting. Council is a not-for-profit entity for the purpose of preparing these financial statements.

The financial statements are presented in Australian dollars and are rounded to the nearest thousand dollars.

Full dollars have been used in Note 21 Related party disclosures in relation to the disclosure of specific related party transactions.

Unless otherwise indicated, all amounts disclosed in the financial statements are actual amounts.

Specific budgetary amounts have been included for comparative analysis (to actuals) in the following reports and notes:

- Income statement
- Statement of cash flows
- Note 19 – Material budget variations

and are clearly marked.

(a) New and amended standards adopted by Council

There have been no new (or amended) accounting standards adopted by Council in this year's financial statements which have had any material impact on reported financial position, performance or cash flows.

(b) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities and certain classes of infrastructure, property, plant and equipment and investment property.

(c) Significant accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 1. Basis of preparation (continued)

of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- (i) estimated fair values of investment properties –refer Note 10,
- (ii) estimated fair values of infrastructure, property, plant and equipment – refer Note 9,
- (iii) employee benefit provisions – refer Note 12.

Significant judgements in applying the Council's accounting policies

- (iv) Impairment of receivables

Council has made a significant judgement about the impairment of a number of its receivables in Note 7.

Monies and other assets received by Council

(a) The Consolidated Fund

In accordance with the provisions of Section 409(1) of the *Local Government Act 1993 (NSW)*, all money and other assets received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund.

Cash and other assets of the following entities have been included as part of the Consolidated Fund:

- General purpose operations

(b) The Trust Fund

In accordance with the provisions of Section 411 of the *Local Government Act 1993 (NSW)* (as amended), a separate and distinct Trust Fund is maintained to account for all money and other assets received by the Council in trust which must be applied only for the purposes of, or in accordance with the trusts relating to those monies. Trust monies and other assets subject to Council's control have been included in these reports.

The following Trust monies and other assets are held by Council but are not considered to be under the control of Council and therefore are excluded from these financial statements:

- Staff Charitable Funds

A separate statement of monies held in the Trust Fund is available for inspection at the Council office by any person free of charge.

Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to the taxation authority is included with other receivables or payables in the Statement of Financial Position.

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 1. Basis of preparation (continued)

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which that are recoverable from, or payable to the taxation authority are presented as operating cash flows.

New accounting standards and interpretations issued not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for the current reporting period and which have not been applied.

As at the date of authorisation of these financial statements, Council considers that the standards and interpretations listed below will have an impact upon future published financial statements ranging from additional and / or revised disclosures to actual changes as to how certain transactions and balances are accounted for.

Effective for annual reporting periods beginning on or after 1 July 2018

- AASB 9 *Financial Instruments*

This replaces AASB 139 *Financial Instruments: Recognition and Measurement*, and addresses the classification, measurement and disclosure of financial assets and liabilities.

The standard introduces a new impairment model that requires impairment provisions to be based on expected credit losses, rather than incurred credit losses.

Based on assessments to date, Council expects a small increase to impairment losses however the standard is not expected to have a material impact overall.

Effective for annual reporting periods beginning on or after 1 July 2019

- AASB 15 *Revenue from Contracts with Customers*, AASB 1058 *Income of Not-for-Profit Entities* and AASB 2016-8 *Amendments to Australian Accounting Standards - Australian Implementation Guidance for Not-for-Profit Entities*

AASB 15 will replace AASB 118 *Revenue*, AASB 111 *Construction Contracts* and a number of Interpretations. AASB 2016-8 provides Australian requirements and guidance for not-for-profit entities in applying AASB 9 and AASB 15, and AASB 1058 will replace AASB 1004 *Contributions*.

Together they contain a comprehensive and robust framework for the recognition, measurement and disclosure of income including revenue from contracts with customers.

While Council is still reviewing the way that income is measured and recognised to identify whether there will be any material impact arising from these standards, these standards may affect the timing of the recognition of some grants and donations.

- AASB 16 *Leases*

Council is currently a party to leases that are not recognised in the Statement of Financial Position.

It is likely that some of these leases will need to be included in the Statement of Financial Position when this standard comes into effect.

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 1. Basis of preparation (continued)

A lease liability will initially be measured at the present value of the lease payments to be made over the lease term.

A corresponding right-of-use asset will also be recognised over the lease term.

Council has not elected to apply any pronouncements before their operative date in these financial statements.

Financial Statements 2018

Waverley Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 2(a). Council functions/activities – financial information

Functions/activities	Income, expenses and assets have been directly attributed to the following functions/activities. Details of these functions/activities are provided in Note 2(b).									
	Income from continuing operations		Expenses from continuing operations		Operating result from continuing operations		Grants included in income from continuing operations		Total assets held (current and non-current)	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Asset Management Services	17,589	13,628	26,474	23,250	(8,885)	(9,622)	1,779	1,908	322,419	322,084
Beach Services, Maintenance & Safety	655	765	5,574	5,453	(4,919)	(4,688)	4	6	286	371
Cemetery Services	1,256	1,713	1,270	1,170	(14)	543	49	115	49,697	50,355
Child Care Services	7,398	7,353	7,551	7,500	(153)	(147)	3,049	3,022	6,573	6,501
Community Services	665	947	1,883	2,110	(1,218)	(1,163)	384	486	160,953	164,225
Corporate Support Services	52,332	51,594	11,990	12,374	40,342	39,220	2,199	2,867	69,958	46,467
Cultural Services	573	587	4,043	4,193	(3,470)	(3,606)	1	8	–	10
Customer Services & Communication	1	2	1,281	1,201	(1,280)	(1,199)	–	–	–	1,249
Development, Building & Health Services	13,612	12,015	9,943	10,210	3,669	1,805	176	–	15,658	11,009
Emergency Management Services	38	45	214	223	(176)	(178)	–	–	1,029	1,072
Environmental Services	619	511	2,175	2,890	(1,556)	(2,379)	367	273	731	1,026
Governance, Integrated Planning & Community Engagement	8	6	4,850	5,444	(4,842)	(5,438)	5	–	–	–
Library Services	281	384	3,618	3,708	(3,337)	(3,324)	226	331	39,891	40,783
Parking Services	26,140	26,664	9,972	9,308	16,168	17,356	–	–	13,338	13,951
Parks Services & Maintenance	112	104	7,757	9,687	(7,645)	(9,583)	–	–	172,331	171,690
Place Management	630	555	689	615	(59)	(60)	–	–	–	–
Recreation Services	18	359	428	461	(410)	(102)	13	347	277	256
Regulatory Services	1,006	221	1,276	1,638	(270)	(1,417)	–	–	–	–
Social & Affordable Housing	984	496	1,838	4,336	(854)	(3,840)	–	–	51,307	52,308
Traffic & Transport Services	–	–	10	3	(10)	(3)	–	–	42,078	43,068
Urban Open Space Maintenance & Accessibility	537	1,084	4,188	1,547	(3,651)	(463)	–	–	318,264	322,730
Waste Services	19,959	19,073	19,492	19,612	467	(539)	95	105	12,004	9,961
Total functions and activities	144,413	138,106	126,516	126,933	17,897	11,173	8,347	9,468	1,276,794	1,259,116

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Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 2(b). Council functions/activities – component descriptions

Details relating to the Council's functions/activities as reported in Note 2(a) are as follows:

Asset Management Services

This service includes planning for renewal of assets, financial management and project delivery of works on vital infrastructure. The Service contributes to every aspect of Council's operations, to our ability to deliver our services cost effectively and to the community's social, environmental and economic well being.

Beach Services, Maintenance & Safety

This service includes beach safety, beach maintenance and cleaning and also supports voluntary surf lifesaving clubs.

Cemetery Services

This service currently includes interment of ashes and remains at two sites, Waverley and South Head. Waverley Cemetery is a fully operational Cemetery with sales in excess of \$1million per annum.

Child Care Services

Providing quality, affordable long day care and family day care for children aged 0-5 as well as parenting programs and counselling for families.

Community Services

Council provides a range of community services within Waverley in addition to supporting a broad range of community organisations. Our services and support for other groups and agencies ensure that the community has access to relevant, accessible and affordable facilities, spaces, programs and activities.

Corporate Support Services

This service includes a range of professional support services for financial planning and management, workforce planning, organisational development and performance management, business systems improvement, risk management and insurance, procurement, telecommunications and IT and special projects to support the Executive in customer service and organisational review.

Cultural Services

Council provides and supports a range of activities that celebrate and strengthen an appreciation of our cultural heritage and diversity.

Customer Services & Communication

This area is responsible for ensuring that customer service is provided in a professional, friendly and timely way, and that our community is informed about Council's plans, initiatives, services and activities. Provide additional information about the objectives of each function or activity...

Development, Building & Health Services

This service involves preparing new Local Environmental Plans, Development Control Plans and Planning Strategies relating to future land use planning and heritage conservation.

It also assesses and determines development applications in accordance with the EP&A Act and provides Council with a digital mapping service.

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 2(b). Council functions/activities – component descriptions (continued)

Details relating to the Council's functions/activities as reported in Note 2(a) are as follows:

Emergency Management Services

Waverley and Woollahra have a joint relationship in funding and supporting the local SES unit and it is a requirement under the NSW State Emergency Act.

Environmental Services

This is a growing service area covering all aspects of the aquatic, biological and air environments. Its sub-services are specifically geared to meet the requirements of our Environmental Action Plan 2 (EAP2) adopted in February 2010. EAP2 is a key element of Waverley's resourcing strategy for Waverley Together 2.

Governance, Integrated Planning & Community Engagement

This service is designed to ensure we can engage with our community in an open and responsive way, discussing and making decisions with them about their future on the basis of sound and balanced judgement and policies. It also ensures that we can be properly held to account for planning decisions and for the efficiency and effectiveness of the services we deliver.

Library Services

The Library offers information, recreation and entertainment as well as opportunities for people to train, learn or simply interact with neighbours and friends. The Library is a major education and community capacity building resource.

Parking Services

This service provides substantial community safety and amenity by ensuring that our very limited supply of public parking opportunities (limited relative to demand) is shared fairly by all. This service is more effectively delivered if its implemented in close conjunction with Environmental Services and Traffic and Transport Services.

Parks Services & Maintenance

This service maintains and cares for Council's 99 parks. The park and reserves are divided into a number of categories including regional parks, coastal reserves, small parks, pocket parks, linkages and remnant vegetation.

Place Management

Bondi Beach and Bondi Junction are important places for Waverley residents and for the wider Sydney community. They contain a world famous beach and one of Sydney's most vibrant retail precincts and play a significant role in delivering recreational and commercial experiences to the region. A Place Management approach has been adopted to allow Council to give special focus to these areas, as well as ensuring that our smaller retail villages continue thrive.

An ongoing challenge for the Place Managers is to find the right balance between the needs of visitors, residents and the business sector.

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 2(b). Council functions/activities – component descriptions (continued)

Details relating to the Council's functions/activities as reported in Note 2(a) are as follows:

Recreation Services

This includes all aspects of sport and active leisure, from broad LGA-wide planning, through to the detailed design and construction of specific facilities. A newly emerging area is sports facilities management, programming and maintenance.

Regulatory Services

In the summer season there is an increased demand for this service due to the large influx of visitors. Core areas of focus are:

- Monitoring building sites to ensure adequate pollution control is in place
- Ensuring companion animals are effectively and responsibly managed and cared for in accordance with the Companion Animals Act and Regulation
- Providing education material and information to the public investigating reports of abandoned vehicles and removing them in accordance with Impounding Act
- The quantitative volume of noise, time, place and the frequency of the noise

Social & Affordable Housing

This service includes creating and managing secure housing for local people on very low incomes in addition to providing medium term accommodation at subsidised rents to those on low-to-middle income levels.

Traffic & Transport Services

This service helps ensure that traffic flows as smoothly, efficiently and safely in Waverley as is possible, given the very small amount of road space we have to share, relative to the very high demand of the residents and visitors who use it.

The service also functions to help provide as many alternatives as possible to private car use including planning and design of pedestrian and cycling routes, and negotiation with the community and other levels of government for improved traffic and parking distribution systems such as residential preferred parking schemes.

Urban Open Space Maintenance & Accessibility

This service maintains the roads, footpaths, drains, trees and grass along the 123.46 km of local and regional roads within Waverley Council.

Waste Services

This service provides waste and recycling collection services to 28,500 residential properties as well as a commercial collection to businesses within Waverley Council.

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 3. Income from continuing operations

\$ '000	2018	2017
(a) Rates and annual charges		
Ordinary rates		
Residential	31,152	30,409
Business	11,728	11,444
Total ordinary rates	42,880	41,853
Annual charges (pursuant to s.496, s.496A, s.496B, s.501 & s.611)		
Domestic waste management services	16,166	15,466
Section 611 charges	58	56
Total annual charges	16,224	15,522
TOTAL RATES AND ANNUAL CHARGES	59,104	57,375

Council has used 2017 year valuations provided by the NSW Valuer General in calculating its rates.

Accounting policy for rates and annual charges

Rates, annual charges, grants and contributions (including developer contributions) are recognised as revenue when the Council obtains control over the assets comprising these receipts. Developer contributions may only be expended for the purposes for which the contributions were required, but the Council may apply contributions according to the priorities established in work schedules.

Control over assets acquired from rates and annual charges is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

(b) User charges and fees

Specific user charges (per s.502 – specific 'actual use' charges)		
Waste management services (non-domestic)	3,407	3,141
Total specific user charges	3,407	3,141
Other user charges and fees		
(i) Fees and charges – statutory and regulatory functions (per s.608)		
Hoarding/crane permits	1,326	1,420
Planning and building regulation	2,717	2,199
Section 149 certificates (EPA Act)	216	234
Section 603 certificates	115	129
Total fees and charges – statutory/regulatory	4,374	3,982

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 3. Income from continuing operations (continued)

\$ '000	2018	2017
(b) User charges and fees (continued)		
(ii) Fees and charges – other (incl. general user charges (per s.608))		
Admission and service fees	337	169
Bus shelter fees	1,411	1,372
Car parking fees	5,815	5,981
Car parking meter income	11,222	10,824
Cemeteries	1,189	1,511
Child care	4,304	4,271
Leaseback fees – Council vehicles	135	133
Park rents	513	499
Restoration charges	181	291
Road opening permits	186	106
Temporary truck zone permit	1,595	1,101
Other	906	849
Total fees and charges – other	27,794	27,107
TOTAL USER CHARGES AND FEES	35,575	34,230

Accounting policy for user charges and fees

User charges and fees are recognised as revenue when the service has been provided.

(c) Interest and investment revenue (including losses)

Interest		
– Overdue rates and annual charges (incl. special purpose rates)	130	146
– Cash and investments	4,281	4,152
Fair value adjustments		
– Fair valuation movements in investments (at fair value or held for trading)	172	183
TOTAL INTEREST AND INVESTMENT REVENUE	4,583	4,481

Interest revenue is attributable to:**Unrestricted investments/financial assets:**

Overdue rates and annual charges (general fund)	130	146
General Council cash and investments	4,308	4,077

Restricted investments/funds – external:

Development contributions		
– Section 7.11	52	54
Domestic waste management operations	79	141

Restricted investments/funds – internal:

Internally restricted assets	14	63
Total interest and investment revenue recognised	4,583	4,481

Accounting policy for interest and investment revenue

Interest income is recognised using the effective interest rate at the date that interest is earned.

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Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 3. Income from continuing operations (continued)

\$ '000	Notes	2018	2017
(d) Other revenues			
Rental income – investment property	10	2,377	2,497
Rental income – other council properties		5,304	5,191
Ex gratia rates		23	23
Fines		158	206
Fines – parking		8,921	9,400
Legal fees recovery – rates and charges (extra charges)		6	–
Legal fees recovery – other		194	236
Insurance claim recoveries		200	565
Recycling income (non-domestic)		193	211
Sale of abandoned vehicles		1	1
Sales – general		99	121
Other		885	1,997
TOTAL OTHER REVENUE		18,361	20,448

Accounting policy for other revenue

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Council and specific criteria have been met for each of the Council's activities as described below. Council bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Parking fees and fines are recognised as revenue when the service has been provided, or when the penalty has been applied, whichever occurs first.

Rental income is accounted for on a straight-line basis over the lease term.

Miscellaneous sales are recognised when physical possession has transferred to the customer which is deemed to be the point of transfer of risks and rewards.

Other income is recorded when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 3. Income from continuing operations (continued)

\$ '000	2018 Operating	2017 Operating	2018 Capital	2017 Capital
(e) Grants				
General purpose (untied)				
Current year allocation				
Financial assistance – general component	749	2,423	–	–
Financial assistance – local roads component	207	421	–	–
Payment in advance – future year allocation				
Financial assistance – general component	775	–	–	–
Financial assistance – local roads component	224	–	–	–
Other				
Pensioners' rates subsidies – general component	167	187	–	–
Other grants	220	340	–	–
Total general purpose	2,342	3,371	–	–
Specific purpose				
Pensioners' rates subsidies:				
– Domestic waste management	95	105	–	–
Child care	3,049	3,022	–	–
Community care	459	486	–	–
Community centres	–	–	–	40
Employment and training programs	4	6	–	–
Environmental protection	285	271	–	–
Library	91	49	–	–
Library – per capita	136	134	–	–
Recreation and culture	–	3	–	347
Street lighting	185	181	–	–
Transport (roads to recovery)	402	464	–	–
Transport (other roads and bridges funding)	32	294	1,253	660
Other	14	35	–	–
Total specific purpose	4,752	5,050	1,253	1,047
Total grants	7,094	8,421	1,253	1,047
Grant revenue is attributable to:				
– Commonwealth funding	5,869	6,529	–	337
– State funding	1,225	1,888	1,253	710
– Other funding	–	4	–	–
	7,094	8,421	1,253	1,047

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 3. Income from continuing operations (continued)

\$ '000	Notes	2018 Operating	2017 Operating	2018 Capital	2017 Capital
(f) Contributions					
Developer contributions:					
(s7.4 & s7.11 – EP&A Act, s64 of the LGA):					
Cash contributions					
S 7.4 – contributions using planning agreements		–	–	6,507	4,331
S 7.12 – fixed development consent levies		–	–	2,865	3,214
Total developer contributions – cash		–	–	9,372	7,545
Total developer contributions	22	–	–	9,372	7,545
Other contributions:					
Cash contributions					
Community services		234	423	–	–
Other councils – joint works/services		625	614	–	–
Recreation and culture		63	56	46	49
Other		4	7	–	22
Total other contributions – cash		926	1,100	46	71
Total other contributions		926	1,100	46	71
Total contributions		926	1,100	9,418	7,616
TOTAL GRANTS AND CONTRIBUTIONS		8,020	9,521	10,671	8,663

Accounting policy for contributions

Control over grants and contributions is normally obtained upon their receipt (or acquittal) and is valued at the fair value of the granted or contributed asset at the date of transfer.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were un-discharged at reporting date, the unused grant or contribution is disclosed above.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided at reporting date.

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 3. Income from continuing operations (continued)

\$ '000	2018	2017
(g) Unspent grants and contributions		
Certain grants and contributions are obtained by Council on condition that they be spent in a specified manner:		
Operating grants		
Unexpended at the close of the previous reporting period	1,681	691
Add: operating grants recognised in the current period but not yet spent	1,179	1,087
Less: operating grants recognised in a previous reporting period now spent	(1,056)	(97)
Unexpended and held as restricted assets (operating grants)	1,804	1,681
Capital grants		
Add: capital grants recognised in the current period but not yet spent	86	–
Unexpended and held as restricted assets (capital grants)	86	–
Contributions		
Unexpended at the close of the previous reporting period	10,821	7,481
Add: contributions recognised in the current period but not yet spent	9,043	7,560
Add: contributions received for the provision of goods and services in a future period	(4,206)	(4,220)
Unexpended and held as restricted assets (contributions)	15,658	10,821

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 4. Expenses from continuing operations

\$ '000	2018	2017
(a) Employee benefits and on-costs		
Salaries and wages	45,985	45,767
Travel expenses	202	185
Employee leave entitlements (ELE)	2,843	5,277
Superannuation	5,004	5,019
Workers' compensation insurance	1,894	1,989
Fringe benefit tax (FBT)	128	120
Training costs (other than salaries and wages)	368	332
Other	273	218
Total employee costs	56,697	58,907
Less: capitalised costs	(832)	(639)
TOTAL EMPLOYEE COSTS EXPENSED	55,865	58,268
Number of 'full-time equivalent' employees (FTE) at year end	583	585

Accounting policy for employee benefits and on-costs

Employee benefit expenses are recorded when the service has been provided by the employee.

Retirement benefit obligations

All employees of the Council are entitled to benefits on retirement, disability or death. Council contributes to various defined benefit plans and defined contribution plans on behalf of its employees.

Superannuation plans

Contributions to defined contribution plans are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Council participates in a Defined Benefit Plan under the Local Government Superannuation Scheme, however, when sufficient information to account for the plan as a defined benefit is not available and therefore Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable – refer to Note 17 for more information.

(b) Borrowing costs**Interest bearing liability costs**

Interest on loans	120	142
Total interest bearing liability costs expensed	120	142
TOTAL BORROWING COSTS EXPENSED	120	142

Accounting policy for borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 4. Expenses from continuing operations (continued)

\$ '000	2018	2017
(c) Materials and contracts		
Raw materials and consumables	6,627	7,309
Contractor and consultancy costs	7,129	5,986
Contractor and consultancy costs (temporary staff)	3,635	4,452
Auditors remuneration ⁽²⁾	78	73
Infringement notice contract costs (SEINS)	1,212	1,310
Legal expenses:		
– Legal expenses: planning and development	710	879
– Legal expenses: other	477	725
Operating leases:		
– Operating lease rentals: minimum lease payments ⁽¹⁾	1,848	1,747
Other (fuel and gas)	550	494
TOTAL MATERIALS AND CONTRACTS	22,266	22,975

Operating leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to Council as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease.

1. Operating lease payments are attributable to:

Buildings	741	721
Computers	982	837
Motor vehicles	125	189
	1,848	1,747

2. Auditor remuneration

During the year the following fees were paid or payable for services provided by the auditor of Council, related practices and non-related audit firms

Non NSW Auditor-General audit firms:**(i) Audit and other assurance services**

Audit and review of financial statements	78	73
Remuneration for audit and other assurance services	78	73
Total remuneration of non NSW Auditor-General audit firms	78	73
Total Auditor remuneration	78	73

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 4. Expenses from continuing operations (continued)

\$ '000	Notes	2018	2017
(d) Depreciation, amortisation and impairment			
Depreciation and amortisation			
Plant and equipment		2,165	2,030
Office equipment		339	304
Infrastructure:			
– Buildings – non-specialised		2,796	2,911
– Buildings – specialised		3,943	3,517
– Other structures		791	539
– Roads		4,965	4,997
– Footpaths		1,413	1,432
– Stormwater drainage		1,152	1,159
– Other open space/recreational assets		2,077	2,058
Other assets:			
– Library books		214	217
– Other		47	47
Total gross depreciation and amortisation costs		19,902	19,211
TOTAL DEPRECIATION, AMORTISATION AND IMPAIRMENT / REVALUATION DECREMENT COSTS EXPENSED		19,902	19,211

Accounting policy for depreciation, amortisation and impairment expenses**Depreciation and amortisation**

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives. Useful lives are included in Note 9 for IPPE assets.

Impairment of non-financial assets

Intangible assets that have an indefinite useful life or are not yet available for use are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Impairment losses for revalued assets are firstly offset against the amount in the revaluation surplus for the class of asset, with only the excess to be recognised in the Income Statement.

Impairment of financial assets

Council assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 4. Expenses from continuing operations (continued)

\$ '000	2018	2017
(e) Other expenses		
Abandonment of fines by office of state debt recovery	1,984	952
Advertising	408	431
Bad and doubtful debts	–	131
Bank charges	849	807
Car park levy	120	124
Cleaning	1,551	1,285
Computer software charges	1,821	1,543
Contributions/levies to other levels of government	339	2
– Department of planning levy	490	350
– Emergency services levy (includes FRNSW, SES, and RFS levies)	116	130
– NSW fire brigade levy	1,596	1,601
Councillor expenses – mayoral fee	40	41
Councillor expenses – councillors' fees	226	226
Councillors' expenses (incl. mayor) – other (excluding fees above)	160	137
Donations, contributions and assistance to other organisations (Section 356)	706	647
Electricity and heating	582	592
Family day care subsidy	762	766
Insurance	1,324	1,297
Land tax – crown land	521	555
Office expenses (including computer expenses)	348	85
Postage	178	187
Printing and stationery	669	559
Street lighting	951	1,008
Subscriptions and publications	358	292
Telephone and communications	206	232
Valuation fees	90	132
Waste disposal charges	7,284	6,695
Water rates and charges	336	321
Other	969	1,167
Total other expenses	24,984	22,295
TOTAL OTHER EXPENSES	24,984	22,295

Accounting policy for other expenses

Other expenses are recorded on an accruals basis as the Council receives the goods or services.

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 5. Gains or losses from the disposal of assets

\$ '000	Notes	2018	2017
Plant and equipment	9		
Proceeds from disposal – plant and equipment		845	321
Less: carrying amount of plant and equipment assets sold/written off		(336)	(165)
Net gain/(loss) on disposal		509	156
Infrastructure	9		
Proceeds from disposal – infrastructure		–	5,408
Less: carrying amount of infrastructure assets sold/written off		(3,926)	(9,616)
Net gain/(loss) on disposal		(3,926)	(4,208)
Financial assets ⁽¹⁾	6		
Proceeds from disposal/redemptions/maturities – financial assets		126,538	164,910
Less: carrying amount of financial assets sold/redeemed/matured		(126,500)	(164,900)
Net gain/(loss) on disposal		38	10
NET GAIN/(LOSS) ON DISPOSAL OF ASSETS		(3,379)	(4,042)
1. Financial assets disposals/redemptions include:			
– Net gain/(loss) from financial instruments 'at fair value through profit and loss'		38	10
Net gain/(loss) on disposal of financial instruments		38	10

Accounting policy for disposal of assets

The gain or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer and the asset is derecognised.

Note 6(a). Cash and cash equivalent assets

Cash and cash equivalents		
Cash on hand and at bank	8,881	1,157
Cash-equivalent assets		
– Deposits at call	2,650	6,800
– Managed funds	6,682	6,548
Total cash and cash equivalents	18,213	14,505

Accounting policy for cash and cash equivalents

For Statement of Cash Flow presentation purposes, cash and cash equivalents includes cash on hand; deposits held at call with financial institutions; other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value; and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 6(b). Investments

\$ '000	2018 Current	2018 Non-current	2017 Current	2017 Non-current
Investments				
a. 'At fair value through the profit and loss'				
– 'Held for trading'	31,069	–	29,222	–
b. 'Held to maturity'	105,000	17,500	100,000	14,000
Total investments	136,069	17,500	129,222	14,000
TOTAL CASH ASSETS, CASH EQUIVALENTS AND INVESTMENTS	154,282	17,500	143,727	14,000
Financial assets at fair value through the profit and loss				
NCD's, FRN's (with maturities > 3 months)	31,069	–	29,222	–
Total	31,069	–	29,222	–
Held to maturity investments				
Long term deposits	105,000	17,500	100,000	14,000
Total	105,000	17,500	100,000	14,000

Accounting policy for investments**Classification**

Council classifies its financial assets in the following categories: financial assets at fair value through profit or loss; loans and receivables; held-to-maturity investments; and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short-term. Assets in this category are held at fair value with changes in value taken through profit or loss at each reporting period.

(b) Held to maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that Council's management has the positive intention and ability to hold to maturity. Assets in this category are measured at amortised cost.

Recognition and de-recognition

Regular purchases and sales of financial assets are recognised on trade-date: the date on which Council commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Investments are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and Council has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the income statement as gains and losses from investment securities.

Impairment of available for sale investments

In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

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Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 6(c). Restricted cash, cash equivalents and investments – details

\$ '000	2018 Current	2018 Non-current	2017 Current	2017 Non-current
Total cash, cash equivalents and investments	154,282	17,500	143,727	14,000
attributable to:				
External restrictions (refer below)	5,179	17,500	4,067	14,000
Internal restrictions (refer below)	135,862	–	132,690	–
Unrestricted	13,241	–	6,970	–
	154,282	17,500	143,727	14,000

\$ '000	2018	2017
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Details of restrictions

External restrictions – other

Developer contributions – general	15,616	10,821
Specific purpose unexpended grants	1,890	1,087
Domestic waste management	5,173	5,565
Other	–	594
External restrictions – other	22,679	18,067
Total external restrictions	22,679	18,067

Internal restrictions

Plant and vehicle replacement	5,499	4,445
Infrastructure replacement	10,750	9,237
Employees leave entitlement	4,832	5,496
Carry over works	5,871	6,062
Deposits, retentions and bonds	11,779	9,797
Affordable housing	1,764	1,669
Cemetery funds	1,892	2,369
Election	123	379
Future capital works	11,166	11,929
IT equipment and upgrade	2,732	1,935
Insurance claims	200	200
Investment strategy	67,614	68,087
Looking good	53	53
Parking meters	3,429	2,828
Parking – off-street	654	204
Social housing	758	679
Street tree (sewer) aerial building	252	252
Unexpended loans	51	51
Other	6,443	7,018
Total internal restrictions	135,862	132,690
TOTAL RESTRICTIONS	158,541	150,757

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Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 7. Receivables

\$ '000	2018		2017	
	Current	Non-current	Current	Non-current
Purpose				
Rates and annual charges	1,100	562	1,431	572
Interest and extra charges	112	148	140	93
User charges and fees	1,811	–	2,106	–
Accrued revenues				
– Interest on investments	1,442	–	1,481	–
– Interest on impaired investments	–	–	8	–
– Other income accruals	1,133	–	335	–
Government grants and subsidies	–	–	349	–
Parking fines	1,311	2,790	2,857	2,735
Total	6,909	3,500	8,707	3,400
Less: provision for impairment				
User charges and fees	(142)	–	(231)	–
Parking fines	–	(1,383)	–	(1,796)
Total provision for impairment – receivables	(142)	(1,383)	(231)	(1,796)
TOTAL NET RECEIVABLES	6,767	2,117	8,476	1,604
Externally restricted receivables				
Domestic waste management	931	223	924	231
Total external restrictions	931	223	924	231
Unrestricted receivables	5,836	1,894	7,552	1,373
TOTAL NET RECEIVABLES	6,767	2,117	8,476	1,604
Movement in provision for impairment of receivables			2018	2017
Balance at the beginning of the year			2,027	1,949
+ new provisions recognised during the year			–	130
– amounts already provided for and written off this year			(51)	(53)
– amounts provided for but recovered during the year			(451)	–
Balance at the end of the year			1,525	2,026

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 7. Receivables (continued)

Accounting policy for receivables

Recognition and measurement

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets. Loans and receivables are included in other receivables (Note 8) and receivables (Note 7) in the Statement of Financial Position. Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are generally due for settlement within 30 days.

Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Impairment

For loans and receivables the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in profit or loss.

Collectability of receivables is reviewed on an on-going basis. Debts that are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of receivables) is used when there is objective evidence that Council will not be able to collect all amounts due according to the original terms of the receivables.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the receivable is impaired. When a receivable for which an impairment allowance had been recognised becomes uncollectable in a subsequent period it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the Income statement.

Note 8. Inventories and other assets

\$ '000	2018		2017	
	Current	Non-current	Current	Non-current
Other assets				
Prepayments	817	—	954	—
TOTAL OTHER ASSETS	817	—	954	—

Externally restricted assets

There are no restrictions applicable to the above assets.

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 9(a). Infrastructure, property, plant and equipment

Asset class \$ '000	as at 30/6/2017			Asset movements during the reporting period					as at 30/6/2018		
	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount	Additions renewals	Additions new assets	Carrying value of disposals	Depreciation expense	WIP transfers	Gross carrying amount	Accumulated depreciation and impairment	Net carrying amount
Capital work in progress	11,394	–	11,394	10,899	–	(866)	–	(2,714)	18,713	–	18,713
Plant and equipment	20,313	11,743	8,570	212	2,503	(336)	(2,165)	–	19,634	10,851	8,783
Office equipment	10,506	8,882	1,624	–	140	–	(339)	–	10,646	9,221	1,425
Land:											
– Operational land	78,473	–	78,473	301	–	–	–	38	78,811	–	78,811
– Community land	275,427	–	275,427	–	–	–	–	–	275,427	–	275,427
Infrastructure:											
– Buildings – non-specialised	123,310	38,144	85,166	210	–	–	(2,796)	–	123,521	40,940	82,581
– Buildings – specialised	119,966	60,082	59,884	584	154	–	(3,943)	–	120,704	64,025	56,679
– Other structures	25,402	9,815	15,587	139	168	(36)	(791)	487	26,117	10,564	15,553
– Roads	348,254	137,629	210,625	2,115	89	(1,738)	(4,965)	1,069	348,545	141,350	207,195
– Footpaths	49,425	13,288	36,137	1,882	19	(927)	(1,413)	111	50,151	14,342	35,809
– Stormwater drainage	136,514	45,444	91,070	134	–	(43)	(1,152)	–	136,585	46,575	90,010
– Other open space/recreational assets	102,160	35,738	66,422	288	228	(316)	(2,077)	1,009	103,118	37,564	65,554
Other assets:											
– Library books	3,347	2,130	1,217	–	206	–	(214)	–	3,553	2,344	1,209
– Other	4,020	1,206	2,814	–	–	–	(47)	–	4,020	1,253	2,767
TOTAL INFRASTRUCTURE, PROPERTY, PLANT AND EQUIP.	1,308,511	364,101	944,410	16,764	3,507	(4,262)	(19,902)	–	1,319,545	379,029	940,516

Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 9(a). Infrastructure, property, plant and equipment (continued)

Accounting policy for infrastructure, property, plant and equipment

Infrastructure, property, plant and equipment are held at fair value. Independent valuations are performed at least every five years, however the carrying amount of assets is assessed at each reporting date to confirm that it is not materially different from current fair value.

Water and sewerage network assets are indexed at each reporting period in accordance with the Rates Reference Manual issued by Crown Lands and Water (CLAW).

Increases in the carrying amounts arising on revaluation are credited to the asset revaluation reserve. To the extent that the increase reverses a decrease previously recognising profit or loss relating to that asset class, the increase is first recognised as profit or loss. Decreases that reverse previous increases of assets in the same class are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Plant and equipment	Years	Other equipment	Years
Office equipment	5 to 10	Playground equipment	5 to 15
Office furniture	10 to 20	Benches, seats etc.	10 to 20
Computer equipment	4		
Vehicles	5 to 8	Buildings	
Heavy plant/road making equipment	5 to 8	Buildings: masonry	50 to 100
Other plant and equipment	5 to 15	Buildings: other	20 to 40
Water and sewer assets		Stormwater assets	
Dams and reservoirs	80 to 100	Drains	80 to 100
Bores	20 to 40	Culverts	50 to 80
Reticulation pipes: PVC	70 to 80	Flood control structures	80 to 100
Reticulation pipes: other	25 to 75		
Pumps and telemetry	15 to 20		
Transportation assets		Other infrastructure assets	
Sealed roads: surface	20	Bulk earthworks	20
Sealed roads: structure	50	Swimming pools	50
Unsealed roads	20	Unsealed roads	20
Bridge: concrete	100	Other open space/recreational assets	20
Bridge: other	50	Other infrastructure	20
Road pavements	60		
Kerb, gutter and footpaths	40		

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 9(a). Infrastructure, property, plant and equipment (continued)

Accounting policy for infrastructure, property, plant and equipment (continued)

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Income statement.

Land under roads

Land under roads is land under roadways and road reserves including land under footpaths, nature strips and median strips.

Council has elected not to recognise land under roads acquired before 1 July 2008 in accordance with AASB 1051 Land Under Roads.

Land under roads acquired after 1 July 2008 is recognised in accordance with AASB 116 Property, Plant and Equipment.

Crown reserves

Crown Reserves under Council's care and control are recognised as assets of the Council. While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated. Improvements on Crown Reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating to the reserves are recognised within Council's Income Statement.

Rural Fire Service assets

Under section 119 of the *Rural Fire Services Act 1997 (NSW)*, "all fire fighting equipment purchased or constructed wholly or from money to the credit of the Fund is to be vested in the council of the area for or on behalf of which the fire fighting equipment has been purchased or constructed".

Until such time as discussions on this matter have concluded and the legislation changed, Council will/will not recognise rural fire service assets including land, buildings, plant and vehicles.

Note 9(b). Externally restricted infrastructure, property, plant and equipment

\$ '000

Class of asset	2018			2017		
	Gross carrying amount	Accumulated depn. and impairment	Net carrying amount	Gross carrying amount	Accumulated depn. and impairment	Net carrying amount
Domestic waste management						
Plant and equipment	10,883	6,142	4,741	11,351	7,291	4,060
Total DWM	10,883	6,142	4,741	11,351	7,291	4,060
TOTAL RESTRICTED IPP&E	10,883	6,142	4,741	11,351	7,291	4,060

Waverley Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 10. Investment property

\$ '000	2018	2017
(a) Investment property at fair value		
Investment property on hand	154,795	145,945
Reconciliation of annual movement:		
Opening balance	145,945	142,306
– Capitalised expenditure – this year	751	251
– Net gain/(loss) from fair value adjustments	8,099	3,388
CLOSING BALANCE – INVESTMENT PROPERTY	154,795	145,945

(b) Valuation basis

The basis of valuation of investment property is fair value, being the amounts for which the properties could be exchanged between willing parties in arms length transaction, based on current prices in an active market for similar properties in the same location and condition and subject to similar leases.

(c) Contractual obligations at reporting date

Refer to Note 16 for disclosures relating to any capital and service obligations that have been contracted.

(d) Leasing arrangements – Council as lessor

The investment property are leased to tenants under long-term operating leases with rentals payable monthly.

Future minimum lease payments receivable under non-cancellable investment property operating leases not recognised in the financial statements are receivable as follows:

Within 1 year	2,566	2,555
Later than 1 year but less than 5 years	4,620	6,729
Later than 5 years	8	–
Total minimum lease payments receivable	7,194	9,284

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 10. Investment property (continued)

\$ '000	2018	2017
(e) Investment property income and expenditure – summary		
Rental income from investment property:		
– Minimum lease payments	2,377	2,497
– Other income	3,980	4,236
Direct operating expenses on investment property:		
– that generated rental income	(2,025)	(1,880)
– that did not generate rental income	(539)	(490)
Net revenue contribution from investment property	3,793	4,363
plus:		
Fair value movement for year	8,099	3,388
Total income attributable to investment property	11,892	7,751

Accounting policy for investment property

Investment property, principally comprising freehold office buildings, is held for long-term rental yields and is not occupied by the Council. Changes in fair values are recorded in the income statement as part of other income.

Properties that are under construction for future use as investment property are regarded as investment property. These are also carried at fair value unless the fair value cannot yet be reliably determined. Where that is the case, the property will be accounted for at cost until either the fair value becomes reliably determinable or construction is complete.

Waverley Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 11. Payables and borrowings

\$ '000	2018		2017	
	Current	Non-current	Current	Non-current
Payables				
Goods and services – operating expenditure	3,910	–	6,096	–
Goods and services – capital expenditure	–	–	162	–
Accrued expenses:				
– Borrowings	25	–	27	–
– Salaries and wages	965	–	1,082	–
– Other expenditure accruals	3,812	–	892	–
Security bonds, deposits and retentions	1,202	–	1,022	–
ATO – net GST payable	–	–	12	–
Builders deposits	10,578	–	8,777	–
Other	362	–	106	–
Total payables	20,854	–	18,176	–
Income received in advance				
Payments received in advance	1,419	–	1,288	–
Total income received in advance	1,419	–	1,288	–
Borrowings				
Loans – secured ¹	412	3,346	815	3,758
Total borrowings	412	3,346	815	3,758
TOTAL PAYABLES AND BORROWINGS	22,685	3,346	20,279	3,758

(a) Payables and borrowings relating to restricted assets

	2018		2017	
	Current	Non-current	Current	Non-current
Externally restricted assets				
Domestic waste management	1,229	246	2,024	90
Payables and borrowings relating to externally restricted assets	1,229	246	2,024	90
Total payables and borrowings relating to restricted assets	1,229	246	2,024	90
Total payables and borrowings relating to unrestricted assets	21,456	3,100	18,255	3,668
TOTAL PAYABLES AND BORROWINGS	22,685	3,346	20,279	3,758

¹. Loans are secured over the general rating income of Council

Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note 18.

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 11. Payables and borrowings (continued)

\$ '000	2018	2017
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(b) Current payables and borrowings not anticipated to be settled within the next twelve months

The following payables and borrowings, even though classified as current, are not expected to be settled in the next 12 months.

Payables – security bonds, deposits and retentions	10,699	8,801
	10,699	8,801

(c) Changes in liabilities arising from financing activities

Class of borrowings	2017	Non-cash changes				2018
	Opening balance as at 1/7/17	Cash flows	Acquisition	Fair value changes	Other non-cash movements	Closing balance as at 30/6/18
Loans – secured	4,573	(815)	–	–	–	3,758
TOTAL	4,573	(815)	–	–	–	3,758

\$ '000	2018	2017
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(d) Financing arrangements

Unrestricted access was available at balance date to the following lines of credit:

Bank overdraft facilities ⁽¹⁾	250	250
Credit cards/purchase cards	30	25
Total financing arrangements	280	275

Undrawn facilities as at balance date:

– Bank overdraft facilities	250	250
– Credit cards/purchase cards	30	25
Total undrawn financing arrangements	280	275

1. The bank overdraft facility may be drawn at any time and may be terminated by the bank without notice.

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 11. Payables and borrowings (continued)

Accounting policy for payables and borrowings

Payables

These amounts represent liabilities for goods and services provided to the Council prior to the end of financial year that are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the Statement of Financial Position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or finance cost.

Borrowings are classified as current liabilities unless Council has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Finance leases

Leases of property, plant and equipment where Council, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that Council will obtain ownership at the end of the lease term.

Waverley Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 12. Provisions

\$ '000	2018		2017	
	Current	Non-current	Current	Non-current
Provisions				
Employee benefits:				
Annual leave	5,215	–	5,881	–
Sick leave	1,571	–	1,967	–
Long service leave	7,124	514	7,922	820
Gratuities	445	–	445	–
Time off in lieu	200	–	247	–
TOTAL PROVISIONS	14,555	514	16,462	820

(a) Provisions relating to restricted assets

There are no restricted assets (external or internal) applicable to the above provisions

\$ '000	2018	2017
(b) Current provisions not anticipated to be settled within the next twelve months		
The following provisions, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions – employees benefits	10,000	13,996
	10,000	13,996

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 12. Provisions (continued)

\$ '000

(c) Description of and movements in provisions

2018	ELE provisions					Total
	Annual leave	Sick leave	Long service leave	ELE on-costs	Other employee benefits	
At beginning of year	5,881	1,967	8,742	–	692	17,282
Additional provisions	2,604	–	143	–	96	2,843
Amounts used (payments)	(3,270)	(396)	(1,247)	–	(143)	(5,056)
Total ELE provisions at end of year	5,215	1,571	7,638	–	645	15,069

2017	ELE provisions					Total
	Annual leave	Sick leave	Long service leave	ELE on-costs	Other employee benefits	
At beginning of year	5,294	2,205	7,917	–	674	16,090
Additional provisions	3,445	–	1,674	–	176	5,295
Amounts used (payments)	(2,858)	(238)	(849)	–	(158)	(4,103)
Total ELE provisions at end of year	5,881	1,967	8,742	–	692	17,282

Accounting policy for provisions

Provisions are recognised when Council has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 12. Provisions (continued)

Accounting policy for provisions (continued)

Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be wholly settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Other long-term employee benefit obligations

The liability for long service leave and annual leave that is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the Statement of Financial Position if the Council does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

Note 13. Accumulated surplus, revaluation reserves, changes in accounting policies, changes in accounting estimates and errors

Nature and purpose of reserves

Infrastructure, property, plant and equipment revaluation reserve

The infrastructure, property, plant and equipment revaluation reserve is used to record increments / decrements of non-current asset values due to their revaluation.

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 14. Statement of cash flows – additional information

\$ '000	Notes	2018	2017
(a) Reconciliation of cash assets			
Total cash and cash equivalent assets	6a	18,213	14,505
Less bank overdraft	11	–	–
Balance as per the Statement of Cash Flows		18,213	14,505
(b) Reconciliation of net operating result to cash provided from operating activities			
Net operating result from Income Statement		17,897	11,173
Adjust for non-cash items:			
Depreciation and amortisation		19,902	19,211
Net losses/(gains) on disposal of assets		3,379	4,042
Losses/(gains) recognised on fair value re-measurements through the P&L:			
– Investments classified as 'at fair value' or 'held for trading'		(172)	(183)
– investment property		(8,099)	(3,388)
+/- Movement in operating assets and liabilities and other cash items:			
Decrease/(increase) in receivables		1,698	681
Increase/(decrease) in provision for doubtful debts		(502)	78
Decrease/(increase) in other assets		137	(48)
Increase/(decrease) in payables		(2,186)	(833)
Increase/(decrease) in accrued interest payable		(2)	9
Increase/(decrease) in other accrued expenses payable		2,803	659
Increase/(decrease) in other liabilities		2,356	1,317
Increase/(decrease) in employee leave entitlements		(2,213)	1,192
Net cash provided from/(used in) operating activities from the Statement of Cash Flows		34,998	33,910

Waverley Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 15. Interests in other entities

\$ '000

Joint arrangements

Joint operations

(a) Council is involved in the following joint operations (JO's)

Name of joint operation	Principal activity	Place of business	Interest in ownership		Interest in voting	
			2018	2017	2018	2017
Bourke Road Integrated Facility	Council main depot operation		59%	59%	50%	50%

(b) Council assets employed in the joint operations

	2018	2017
Council's own assets employed in the operations		
Current assets:		
Receivables	51	76
Non-current assets		
Property, plant and equipment	18,543	19,813
Total assets – Council owned	18,594	19,889
Total net assets employed – Council and jointly owned	18,594	19,889

Accounting policy for joint arrangements

Joint operations

In relation to its joint operations, where the venturer has the rights to the individual assets and obligations arising from the arrangement, the Council has recognised:

- its assets, including its share of any assets held jointly
- its liabilities, including its share of any liabilities incurred jointly
- its share of the revenue from the sale of the output by the joint operation
- its expenses, including its share of any expenses incurred jointly.

These figures are incorporated into the relevant line item in the primary statements

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 16. Commitments for expenditure

\$ '000	2018	2017
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(a) Capital commitments (exclusive of GST)

Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities:

Property, plant and equipment

Buildings	444	1,029
Plant and equipment	2,962	2,599
Infrastructure	2,129	2,109
Total commitments	5,535	5,737

These expenditures are payable as follows:

Within the next year	5,535	5,737
Total payable	5,535	5,737

Sources for funding of capital commitments:

Section 7.11 and 64 funds/reserves	1,137	508
Unexpended grants	5	78
Externally restricted reserves	2,928	560
Internally restricted reserves	1,465	4,555
Unexpended loans	–	36
Total sources of funding	5,535	5,737

(b) Operating lease commitments (non-cancellable)

a. Commitments under non-cancellable operating leases at the reporting date, but not recognised as liabilities are payable:

Within the next year	66	160
Later than one year and not later than 5 years	64	81
Total non-cancellable operating lease commitments	130	241

b. Non-cancellable operating leases include the following assets:

Motor Vehicles - \$127k, and IT equipment - \$114k.

Contingent Rentals may be payable depending on the condition of items or usage during the term of the leases, average 4 years

Conditions relating to operating leases:

- All operating lease agreements are secured only against the leased asset.
- No lease agreements impose any financial restrictions on Council regarding future debt etc.

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 17. Contingencies and other liabilities/assets not recognised

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge and disclosure is considered relevant to the users of Council's financial report.

LIABILITIES NOT RECOGNISED:

1. Guarantees

(i) Defined benefit superannuation contribution plans

Council participates in an employer-sponsored defined benefit superannuation scheme, and makes contributions as determined by the superannuation scheme's trustees.

Member councils bear responsibility of ensuring there are sufficient funds available to pay out the required benefits as they fall due.

The schemes most recent full actuarial review indicated that the net assets of the scheme were not sufficient to meet the accrued benefits of the schemes defined benefit member category with member councils required to make significantly higher contributions in future years.

The Local Government Superannuation Scheme however is unable to provide Council with an accurate estimate of its share of the net deficit and accordingly Council has not recorded any net liability from its defined benefit scheme obligations in accordance with AASB 119.

Future contributions made to the defined benefit scheme to rectify the net deficit position will be recognised as an expense when they become payable – similar to the accounting for defined contributions plans.

(ii) Statewide Limited

Council is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to local government.

Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the net assets or liabilities reflects Council's contributions to the pool and the result of insurance claims within each of the fund years.

The future realisation and finalisation of claims incurred but not reported to 30/6 this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

(iii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW local government industry and specifically Council.

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 17. Contingencies and other liabilities/assets not recognised (continued)

LIABILITIES NOT RECOGNISED (continued):

1. Guarantees (continued)

(iii) StateCover Limited (continued)

Council has a contingent liability to contribute further equity in the event of the erosion of the company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

These future equity contributions would be required to maintain the company's minimum level of net assets in accordance with its licence requirements.

(iv) Other guarantees

Council has provided no other guarantees other than those listed above.

2. Other liabilities

(i) Third party claims

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its insurance coverage and does not expect any material liabilities to eventuate.

(ii) Potential land acquisitions due to planning restrictions imposed by Council

Council has classified a number of privately owned land parcels as local open space or bushland.

As a result, where notified in writing by the various owners, Council will be required to purchase these land parcels.

At reporting date, reliable estimates as to the value of any potential liability (and subsequent land asset) from such potential acquisitions has not been possible.

(iv) Legal Expenses

Court's normal practice that parties bear their own under the Environmental Planning & Assessment Act (as amended). Pursuant to that act, certain persons aggrieved by a planning decision of the Council may appeal to the Land & Environment Court. It is the Court's normal practice that parties bear their own legal costs.

At reporting date, all known costs have been recognised, but the amount of further costs cannot be known until the appeals are determined.

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 17. Contingencies and other liabilities/assets not recognised (continued)

ASSETS NOT RECOGNISED:

(i) Land under roads

As permitted under AASB 1051, Council has elected not to bring to account land under roads that it owned or controlled up to and including 30/6/08.

(ii) Infringement notices/fines

Fines and penalty income, the result of Council issuing infringement notices is followed up and collected by the Infringement Processing Bureau.

Council's revenue recognition policy for such income is to account for it as revenue on receipt.

Accordingly, at year end, there is a potential asset due to Council representing issued but unpaid infringement notices.

Due to the limited information available on the status, value and duration of outstanding notices, Council is unable to determine the value of outstanding income.

(iii) Affordable Housing

Under Council's Development Consent Policy 1 (DCP1) developers can if they wish for gain increased floor space ratio.

To offset the increased floor space ratio the developer makes available to council Affordable Housing for low to moderate income persons.

Council and the applicant enter into a Deed of Agreement to offer council a unit or units in either perpetuity or fixed periods of time.

These units are managed by a Community Organisation identified by Council. Affordable Housing units offered to council in perpetuity are recognised as an asset while those fixed for periods of time are not recognised in council's accounts.

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 18. Financial risk management

\$ '000

Risk management

Council's activities expose it to a variety of financial risks including **(1)** price risk, **(2)** credit risk, **(3)** liquidity risk and **(4)** interest rate risk.

The Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by Council's finance section under policies approved by the Council.

A comparison by category of the carrying amounts and fair values of Council's financial assets and financial liabilities recognised in the financial statements is presented below.

	Carrying value		Fair value	
	2018	2017	2018	2017
Financial assets				
Cash and cash equivalents	18,213	14,505	18,212	14,505
Investments				
– 'Held for trading'	31,069	29,222	138,904	29,222
– 'Held to maturity'	122,500	114,000	14,600	114,000
Receivables	8,884	10,080	9,900	10,080
Total financial assets	180,666	167,807	181,616	167,807
Financial liabilities				
Payables	20,854	18,176	20,831	18,176
Loans/advances	3,758	4,573	3,758	4,573
Total financial liabilities	24,612	22,749	24,589	22,749

Fair value is determined as follows:

- **Cash and cash equivalents, receivables, payables** – are estimated to be the carrying value that approximates market value.
- **Borrowings and held-to-maturity investments** – are based upon estimated future cash flows discounted by the current mkt interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.
- Financial assets classified (i) '**at fair value through profit and loss**' or (ii) '**available-for-sale**' – are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 18. Financial risk management (continued)

\$ '000

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital.

Council's finance area manages the cash and Investments portfolio with the assistance of independent advisors.

Council has an investment policy which complies with the *Local Government Act 1993* and Ministerial Investment Order 625. This policy is regularly reviewed by Council and its staff and a monthly Investment report is provided to Council setting out the make-up and performance of the portfolio as required by Local Government regulations.

The risks associated with the investments held are:

- **Price risk** – the risk that the capital value of Investments may fluctuate due to changes in market prices, whether there changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest rate risk** – the risk that movements in interest rates could affect returns and income.
- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

Council also seeks advice from independent advisers before placing any funds in cash equivalents and investments.

(a) Market risk – price risk and interest rate risk

The following represents a summary of the sensitivity of Council's Income Statement and accumulated surplus (for the reporting period) due to a change in either the price of a financial asset or the interest rates applicable.

It is assumed that the change in interest rates would have been constant throughout the reporting period.

	Increase of values/rates		Decrease of values/rates	
	Profit	Equity	Profit	Equity
2018				
Possible impact of a 10% movement in market values	3,107	3,107	(3,107)	(3,107)
Possible impact of a 1% movement in interest rates	1,407	1,407	(1,407)	(1,407)
2017				
Possible impact of a 10% movement in market values	2,922	2,922	(2,922)	(2,922)
Possible impact of a 1% movement in interest rates	1,285	1,285	(1,285)	(1,285)

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Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 18. Financial risk management (continued)

\$ '000

(b) Credit risk

Council's major receivables comprise (i) rates and annual charges and (ii) user charges and fees.

The major risk associated with these receivables is credit risk – the risk that debts due and payable to Council may not be repaid in full.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of Council to secure a charge over the land relating to the debts – that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates which further encourages the payment of debt.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The level of outstanding receivables is reported to Council monthly and benchmarks are set and monitored for acceptable collection performance.

Council makes suitable provision for doubtful receivables as required and carries out credit checks on most non-rate debtors.

There are no material receivables that have been subjected to a re-negotiation of repayment terms.

A profile of Council's receivables credit risk at balance date follows:

	2018 Rates and annual charges	2018 Other receivables	2017 Rates and annual charges	2017 Other receivables
(i) Ageing of receivables – %				
Current (not yet overdue)	0%	59%	0%	59%
Overdue	100%	41%	100%	41%
	100%	100%	100%	100%
(ii) Ageing of receivables – value				
Rates and annual charges			2018	2017
< 1 year overdue			1,662	2,003
			1,662	2,003
Other receivables				
Current			5,144	5,973
0 – 30 days overdue			505	98
31 – 60 days overdue			130	147
61 – 90 days overdue			22	90
> 91 days overdue			2,946	3,796
			8,747	10,104

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Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 18. Financial risk management (continued)

\$ '000

(c) Liquidity risk

Payables and borrowings are both subject to liquidity risk – the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Payment terms can (in extenuating circumstances) also be extended and overdraft facilities utilised as required.

Borrowings are also subject to interest rate risk – the risk that movements in interest rates could adversely affect funding costs and debt servicing requirements. Council manages this risk by borrowing long term and fixing the interest rate on a 4-year renewal basis. The Finance Section regularly reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

The contractual undiscounted cash outflows (ie. principal and interest) of Council's payables and borrowings are set out in the maturity table below:

\$ '000	Weighted average interest rate	Subject to no maturity	≤ 1 Year	payable in:		Total cash outflows	Actual carrying values
				1 – 5 Years	> 5 Years		
2018							
Trade/other payables	-	1,202	19,665	-	-	20,867	20,854
Loans and advances	2.68%	-	412	1,766	1,580	3,758	3,758
Total financial liabilities		1,202	20,077	1,766	1,580	24,625	24,612
2017							
Trade/other payables	-	1,022	17,154	-	-	18,176	18,176
Loans and advances	3.03%	-	815	1,717	2,041	4,573	4,573
Total financial liabilities		1,022	17,969	1,717	2,041	22,749	22,749

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 19. Material budget variations

\$ '000

Council's original financial budget for 17/18 was adopted by the Council on dd/mm/yy and is not required to be audited.

While the Income Statement included in this General Purpose Financial Report must disclose the original budget adopted by Council, the *Local Government Act 1993* requires Council to review its financial budget on a quarterly basis, so that it is able to manage the various variations between actuals versus budget that invariably occur throughout the year.

This note sets out the details of **material variations** between Council's original budget and its actual results for the year as per the Income Statement – even though such variations may have been adjusted for during each quarterly budget review.

Note that for variations* of budget to actual :

Material variations represent those variances that amount to **10%** or more of the original budgeted figure.

F = Favourable budget variation, **U** = Unfavourable budget variation

\$ '000	2018 Budget	2018 Actual	2018 Variance*	
REVENUES				
Rates and annual charges	58,970	59,104	134	0% F
User charges and fees	36,141	35,575	(566)	(2%) U
Interest and investment revenue	3,771	4,583	812	22% F
Interest earned from cash investments has achieved higher than original anticipated largely attributed to a well-diversified investment strategy and spending on capital expense is lower than anticipated.				
Other revenues	17,044	18,361	1,317	8% F
Operating grants and contributions	8,183	8,020	(163)	(2%) U
Capital grants and contributions	13,550	10,671	(2,879)	(21%) U
Grants originally estimated for number of capital projects were lower the actual due to projects timeline deferral.				
Net gains from disposal of assets	1,360	–	(1,360)	(100%) U
The proceeds from plant replacement program did not fully delivered hence its associated fleet disposal was lower than originally anticipated. Plus other infrastructure assets wrote off were not anticipated in the budget.				
Fair value increment on investment property	–	8,099	8,099	0% F
Movement from desktop fair valuation on the Investment Property portfolio is not anticipated in the budget.				

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 19. Material budget variations (continued)

\$ '000	2018 Budget	2018 Actual	2018 Variance*	
EXPENSES				
Employee benefits and on-costs	62,474	55,865	6,609	11% F
The lower than anticipated employees cost was due to position vacancies.				
Borrowing costs	122	120	2	2% F
Materials and contracts	23,573	22,266	1,307	6% F
The lower than anticipated spending was largely due to the three bins replacement project deferral.				
Depreciation and amortisation	22,281	19,902	2,379	11% F
Delay in capital works program projects and other capital spending have resulted a lower depreciation expense than original anticipated.				
Other expenses	22,169	24,984	(2,815)	(13%) U
Net losses from disposal of assets	—	3,379	(3,379)	0% U
The losses from disposal of assets largely contributed to the infrastructure assets such as roads, footpath, kerbs & gutter, etc., to meet the partial write off requirements. These infrastructure assets partially wrote off as resulted from renewal/upgrades works were not in the budget.				

Budget variations relating to Council's Cash Flow Statement include:

Cash flows from operating activities	30,558	34,998	4,440	14.5% F
The actual cash inflows from operating activities is better than the original budget largely attributed to a higher income receipts.				
Cash flows from investing activities	(39,433)	(30,475)	8,958	(22.7%) F
The actual cash outflows from investing activities is higher than the original budget largely due to more cash to invest on the financial market.				
Cash flows from financing activities	(815)	(815)	—	0.0% F

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 20. Fair value measurement

\$ '000

The Council measures the following asset and liability classes at fair value on a recurring basis:

- Infrastructure, property, plant and equipment
- Investment property
- Financial assets and liabilities

The fair value of assets and liabilities must be estimated in accordance with various accounting standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a 'level' in the fair value hierarchy as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values:

Fair value measurement hierarchy		Level 1 Quoted prices in active mkts	Level 2 Significant observable inputs	Level 3 Significant unobservable inputs	Total
2018	Date of latest valuation				
Recurring fair value measurements					
Financial assets					
Investments					
– ‘Held for trading’	30/06/18	–	–	31,069	31,069
Total financial assets		–	–	31,069	31,069
Investment property					
Investment properties	30/06/18	–	–	154,795	154,795
Total investment property		–	–	154,795	154,795
Infrastructure, property, plant and equipment					
Buildings – non-specialised	30/06/17	–	–	82,399	82,399
Buildings special	30/06/17	–	–	56,860	56,860
Community land	30/06/17	–	–	275,427	275,427
Operational land	30/06/17	–	–	78,811	78,811
Footpaths	30/06/16	–	–	35,808	35,808
Roads	30/06/16	–	–	207,195	207,195
Stormwater drainage	30/06/16	–	–	90,010	90,010
Office equipment and furniture	30/06/16	–	–	1,425	1,425
Plant and equipment	30/06/16	–	–	8,784	8,784
Open space and recreation	30/06/16	–	–	65,554	65,554
Library books and resources	30/06/16	–	–	1,209	1,209
Other structures	30/06/16	–	–	15,553	15,553
Other assets	30/06/16	–	–	2,766	2,766
Total infrastructure, property, plant and equipment		–	–	921,801	921,801

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Waverley Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 20. Fair value measurement

\$ '000

(1) The following table presents all assets and liabilities that have been measured and recognised at fair values:

		Fair value measurement hierarchy			
2017		Level 1	Level 2	Level 3	Total
	Date of latest valuation	Quoted prices in active mkts	Significant observable inputs	Significant unobservable inputs	
Recurring fair value measurements					
Financial assets					
Investments					
– ‘Held for trading’	30/06/17	–	–	29,222	29,222
Total financial assets		–	–	29,222	29,222
Investment property					
Investment properties	30/06/17	–	–	145,945	145,945
Total investment property		–	–	145,945	145,945
Infrastructure, property, plant and equipment					
Buildings – non-specialised	30/06/17	–	85,166	–	85,166
Buildings special	30/06/17	–	–	59,884	59,884
Community land	30/06/17	–	–	275,427	275,427
Operational land	30/06/17	–	78,473	–	78,473
Footpaths	30/06/15	–	–	36,137	36,137
Roads	30/06/15	–	–	210,625	210,625
Stormwater drainage	30/06/15	–	–	91,070	91,070
Office equipment and furniture	30/06/17	–	–	1,624	1,624
Plant and equipment	30/06/17	–	8,570	–	8,570
Open space and recreation	30/06/17	–	–	66,422	66,422
Library books and resources	30/06/17	–	–	1,217	1,217
Other structures	30/06/17	–	–	15,587	15,587
Other assets	30/06/17	–	–	2,814	2,814
Total infrastructure, property, plant and equipment		–	172,209	760,807	933,016

(2) Transfers between level 1 and level 2 fair value hierarchies

During the year, there were no transfers between level 1 and level 2 fair value hierarchies for recurring fair value measurements.

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 20. Fair value measurement (continued)

(3) Valuation techniques used to derive level 2 and level 3 fair values

Where Council is unable to derive fair valuations using quoted market prices of identical assets (i.e. level 1 inputs), Council instead utilises a spread of both observable inputs (level 2 inputs) and unobservable inputs (level 3 inputs).

The fair valuation techniques Council has employed while utilising level 2 and level 3 inputs are as follows:

Financial assets

At fair value through profit and loss are represented by Floating Rate Notes, Covered Bonds and Term Deposits. Council obtains valuations from its Investment Advisor on a monthly basis and at the end of each accounting period to ensure the financial statements reflect the most up to date valuation. The valuations of Floating Rate Notes are sourced base on mid-market prices. That is, valuations are marked at the mid-point of the bid and ask prices in the secondary market. This price represents a general market value for the asset. There has been no change to the valuation techniques during the reporting period.

Investment properties

The valuation of Council's investment properties was undertaken at June 2017 by Scott Fullarton Valuations Pty Ltd, FAPI, Certified Practising Valuer, Registration No. VAL2144.

Investment properties such as commercial units, commercial terraces and retail shops have been valued as market value, having regard to the "highest and best use", taking in consideration the criteria of physical possibility, legal permissibility and financial feasibility. Implied within these criteria is the recognition of the contribution of that specific use to community environment or to community development goals, in addition to wealth maximisation to the individual owner.

The valuation technique utilised is Level 2 inputs (observable inputs), where applicable, included:

- Current rental income
- Rent reviews
- Capitalisation rate
- Price per square metre
- Direct comparison to sales evidence
- Zoning
- Location
- Land area and configuration
- Planning controls

Other investment properties such as public car park and shopping centre office space have been valued using Cost approach with Level 3 valuation inputs. There has been no change to the valuation process during the reporting period.

Operational Land

The asset class comprises all of Council's land classified as Operational Land under the NSW Local Government Act 1993. The last valuation was undertaken at June 2017 and was performed by Scott Fullarton Valuations Pty Ltd, FAPI, Certified Practising Valuer, Registration No. VAL2144.

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 20. Fair value measurement (continued)

Operational land has been valued at market value, having regard to the "highest and best use", after identifying all elements that would be taken into account by buyers and sellers in settling the price, including but not limited to:

- The land's description and/or dimensions;
- Planning and other constraints on development; and
- The potential for alternative use.

Sale prices of comparable land parcels in close proximity were adjusted for differences in key attributes such as size and configuration. The most significant inputs into this valuation approach are price per square metre. Since extensive professional judgements were required to determine the inputs these assets were classified as having been valued using Level 3 valuation input. There has been no change to the valuation process during the reporting period.

Community Land

Valuations of all Council's Community Land and Council managed land were based on either the land value provided by the Valuer-General or an average unit rate based on land value for similar properties where the Valuer-General did not provide a land value having regard to the highest and best use for this land. As these rates were not considered to be observable market evidence they have been classified as Level 3. There has been no change to the valuation process during the reporting period.

Buildings – Non Specialised and Specialised

Council's buildings are valued utilising the cost approach by Scott Fullarton Valuations Pty Ltd in June 2017. The approach estimated the replacement cost of each building and componentising of significant parts with different useful lives and taking into account a range of factors. The unit rates could be supported by market evidence (Level 2 inputs), other inputs (such as estimates of residual value, useful life and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such, these assets have been valued using Level 3 inputs. There has been no change to the valuation process during the reporting period.

Roads

The roads asset class includes roads, defined as the trafficable portion of a road, between but not including the kerb and gutter. It also includes "other roads" assets including Bridges, Carparks, Kerb and Gutter and Traffic facilities.

The 'Cost Approach' using Level 3 inputs was used to value the road carriageway and other road infrastructure. Valuations for the road carriageway, comprising surface, pavement and formation were based primarily on unit rates derived from the Councils schedule of rates tender. Other inputs (such as estimates pattern of consumption, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. Additionally due to limitations in the historical records of very long lived assets there is some uncertainty regarding the actual design, specifications and dimensions of some assets. There has been no change to the valuation process during the reporting period

Footpaths

The 'Cost Approach' using Level 3 inputs was used to value footpaths. Valuation for the footpath was based primarily on unit rates derived from the Councils schedule of rates tender. Other inputs (such as estimates pattern of consumption, asset condition and useful life) required extensive professional judgement and

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 20. Fair value measurement (continued)

impacted significantly on the final determination of fair value. Additionally due to limitations in the historical records of very long lived assets there some uncertainty regarding the actual design, specifications and dimensions of some assets. There has been no change to the valuation process during the reporting period.

Stormwater Drainage

Assets within this class comprise pits, pipes, open channels, headwalls and various types of water quality devices.

The 'Cost Approach' estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on linear metres of certain diameter pipes and prices per pit on similar could be supported from market evidence (Level 2) other inputs) such as estimates of pattern of consumption, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value.

Additionally due to limitations in the historical records of very long lived assets there is uncertainty regarding the actual design, specifications and dimensions of some assets. There has been no change to the valuation process during the reporting period.

Plant & Equipment, Office Equipment and Furniture & Fittings

Plant & Equipment, Office Equipment and Furniture & Fittings are valued at cost but are disclosed at fair value in the notes. The carrying amount of these assets is assumed to approximate fair value due to the nature of the items. Examples of assets within these classes are as follows:

- Plant and Equipment Trucks, tractors, ride on mowers, street sweepers, earthmoving equipment, buses and motor vehicles
- Office Equipment Refrigerators, electronic appliances, flat-screen monitors and computer equipment
- Furniture & Fittings Chairs, desks and display systems.

The key unobservable inputs to the valuation are the remaining useful life and residual value. Council reviews the value of these assets against quoted prices for the gross current replacement cost of similar assets and by taking account of the pattern of consumption, estimated remaining useful life and the residual value. There has been no change to the valuation process during the reporting period.

Other Open Space / Recreational Assets

Assets within this class comprise Soft Fall Surfaces, BBQs, Regional Sporting Facilities and Playgrounds. All assets in this class were valued in-house by experienced engineering & asset management staff. While some elements of gross replacement values could be supported from market evidence (Level 2 input) other inputs (such as estimates of pattern of consumption, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. There has been no change to the valuation process during the reporting period.

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 20. Fair value measurement (continued)

Library Books and Resources

Library Books are valued at cost but are disclosed at fair value in the notes. The carrying amount of these assets is assumed to approximate fair value due to the nature of the items.

Council reviews the value of these assets against quoted prices for the gross current replacement cost of similar assets and by taking account of the pattern of consumption, estimated remaining useful life and the residual value. There has been no change to the valuation process during the reporting period.

Other Structures

This asset class comprises Mall Light, Shade Structure, Flag Pole, Planter Boxes and Garden Beds.

The cost approach has been utilised whereby the replacement cost was estimated for each asset by taking into account a range of factors. While some elements of gross replacement values could be supported from market evidence (Level 2 input) other inputs (such as estimates of pattern of consumption, residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were all classified as having been valued using Level 3 valuation inputs. There has been no change to the valuation process during the reporting period.

Other Assets

This asset class comprises trees and other miscellaneous assets.

The cost approach has been utilised whereby the replacement cost was estimated for each asset by taking into account a range of factors. While some elements of gross replacement values could be supported from market evidence (Level 2 input) other inputs (such as estimates of pattern of consumption, residual value, asset condition and useful life) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were all classified as having been valued using Level 3 valuation inputs. There has been no change to the valuation process during the reporting period.

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 20. Fair value measurement (continued)

\$ '000

(4). Fair value measurements using significant unobservable inputs (level 3)

a. The following tables present the changes in level 3 fair value asset classes.

	Financial Assets	Investment Properties	Buildings	Land	Total
Opening balance – 1/7/16	27,717	142,306	133,921	336,900	640,844
Transfers from/(to) another asset class	–	–	(2,205)	–	(2,205)
Purchases (GBV)	–	251	3,364	3,250	6,865
Disposals (WDV)	–	–	(1,197)	(1,490)	(2,687)
Depreciation and impairment	–	–	(6,428)	–	(6,428)
FV gains – other comprehensive income	–	3,388	17,595	15,240	36,223
Closing balance – 30/6/17	27,717	145,945	145,050	353,900	672,612
Purchases (GBV)	3,352	751	948	338	5,389
Depreciation and impairment	–	–	(6,739)	–	(6,739)
FV gains – Income Statement	–	8,099	–	–	8,099
Closing balance – 30/6/18	31,069	154,795	139,259	354,238	679,361

	Plant & Equipment	Infrastruc- ture	Other Assets	Total
Opening balance – 1/7/16	9,083	415,387	4,061	428,531
Transfers from/(to) another asset class	–	2,205	–	2,205
Purchases (GBV)	3,610	17,380	234	21,224
Disposals (WDV)	(165)	(4,946)	–	(5,111)
Depreciation and impairment	(2,334)	(10,185)	(264)	(12,783)
Closing balance – 30/6/17	10,194	419,841	4,031	434,066
Purchases (GBV)	2,854	7,736	206	10,796
Disposals (WDV)	(336)	(3,060)	–	(3,396)
Depreciation and impairment	(2,503)	(10,397)	(262)	(13,162)
Closing balance – 30/6/18	10,209	414,120	3,975	428,304

Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 20. Fair value measurement (continued)

\$ '000

(4). Fair value measurements using significant unobservable inputs (level 3) (continued)

b. Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value.

The following table summarises the quantitative information relating to the significant unobservable inputs used in deriving the various level 3 asset class fair values.

Class	Fair value (30/6/18) \$'000	Valuation technique/s	Unobservable inputs
Financial assets			
Investments	153,569	Advisor report	* Unit price
Investment property			
Commercial Office, Retail and Carpark	154,795	Valuer report	* Estimated rental Value (rate per square metre) * Rental Yield
IPP&E			
Buildings	139,259	Non-Specialised Buildings: Market Value Specialised Buildings: Depreciated replacement cost	* Gross replacement cost * Asset Condition * Remaining useful life
Community Land	275,427	Land values obtained from the NSW Valuer- General	* Price Per square metre
Operational Land	78,811	Market Value	* Price Per square metre
Footpaths	35,808	Unit rates per m2 or length	* Gross replacement cost * Asset Condition * Remaining useful life
Roads	207,195	Unit rates per m2 or length	* Gross replacement cost * Asset Condition * Remaining useful life
Stormwater Drainage	90,010	Unit rates per m2 or length	* Gross replacement cost * Asset Condition * Remaining useful life
Plant & Equipment	8,784	Historical Cost	* Gross replacement cost * Remaining useful life
Office Equipment	1,425	Historical Cost	* Gross replacement cost * Remaining useful life

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Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 20. Fair value measurement (continued)

\$ '000

(4). Fair value measurements using significant unobservable inputs (level 3) (continued)

b. Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value. (continued)

Class	Fair value (30/6/18) \$'000	Valuation technique/s	Unobservable inputs
IPP&E (continued)			
Open Space & Recreation	65,554	Depreciated replacement cost	* Gross replacement cost * Asset Condition * Remaining useful life
Library Books	1,209	Historical Cost	* Gross replacement cost * Remaining useful life
Other Structures	15,553	Depreciated replacement cost	* Gross replacement cost * Asset Condition * Remaining useful life
Other Assets	2,766	Historical Cost	* Gross replacement cost * Remaining useful life

(5). Highest and best use

All of Council's non-financial assets are considered as being utilised for their highest and best use.

Waverley Council

Notes to the Financial Statements for the year ended 30 June 2018

Note 21. Related party transactions

\$ '000

a. Key management personnel

Key management personnel (KMP) of the Council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.

The aggregate amount of KMP compensation included in the Income Statement is:

Compensation:	2018	2017
Short-term benefits	1,389	1,332
Post-employment benefits	187	101
Termination benefits	33	17
Total	1,609	1,450

Financial Statements 2018

Waverley Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 21. Related party transactions (continued)

b. Other transactions with KMP and their related parties (continued)

Nature of the transaction		Value of transactions during year	Outstanding balance (incl. loans and commitments)	Terms and conditions	Provisions for doubtful debts outstanding	Doubtful debts expense recognised
		Actual \$	Actual \$		Actual \$	Actual \$
2018						
Grants & Contributions Provided to Waverley Action for Youth Services	1	79,000	-		-	-
Subsidised Property Rental from Waverley Action for Youth Services	2	12,000	-		-	-
2017						
Grants & Contributions provided to Waverley Action for Youth Services	1	80,000	-		-	-
Subsidised Property Rental from Waverley Action for Youth Services	2	11,000	2,000		-	-

- 1 Council Provides a Community Grants Program to ensure the delivery of a range of services to the local community. A KMP is a member of the management committee of one of its supported Community Organisations - Waverley Action For Youth Services.
- 2 A KMP is member of the Waverley Action For Youth Services (WAYS) management committee. WAYS rents two properties for its operation from Council and Council provides rental subsidies of \$60k annually to WAYS for the two property leases. WAYS paid the Council at \$12k of rent and utility expenses in 2017/18.

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Waverley Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 22. Statement of developer contributions

\$ '000

Under the *Environmental Planning and Assessment Act 1979*, Council has significant obligations to provide Section 7.11 (contributions towards provision or improvement of amenities or services) infrastructure in new release areas.

It is possible that the funds contributed may be less than the cost of this infrastructure, requiring Council to borrow or use general revenue to fund the difference.

SUMMARY OF CONTRIBUTIONS AND LEVIES

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
S7.12 levies – under a plan	2,474	2,864	–	52	(2,980)	–	2,410	–
Total S7.11 and S7.12 revenue under plans	2,474	2,864	–	52	(2,980)	–	2,410	–
S7.4 planning agreements	8,347	6,507	–	–	(1,648)	–	13,206	–
Total contributions	10,821	9,371	–	52	(4,628)	–	15,616	–

S7.12 LEVIES – UNDER A PLAN

PURPOSE	Opening balance	Contributions received during the year		Interest earned in year	Expenditure during year	Internal borrowing (to)/from	Held as restricted asset	Cumulative internal borrowings due/(payable)
		Cash	Non-cash					
Roads	2,474	2,864	–	52	(2,980)	–	2,410	–
Total	2,474	2,864	–	52	(2,980)	–	2,410	–

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Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 23(a). Statement of performance measures – consolidated results

\$ '000	Amounts 2018	Indicator 2018	Prior periods 2017	2016	Benchmark
Local government industry indicators – consolidated					
1. Operating performance ratio					
Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions less operating expenses	2,334	1.86%	2.37%	3.20%	> 0.00%
Total continuing operating revenue ⁽¹⁾ excluding capital grants and contributions	125,471				
2. Own source operating revenue ratio					
Total continuing operating revenue ⁽¹⁾ excluding all grants and contributions	117,451	86.27%	86.48%	89.39%	> 60.00%
Total continuing operating revenue ⁽¹⁾	136,142				
3. Unrestricted current ratio					
Current assets less all external restrictions ⁽²⁾	155,756	10.17x	12.43x	11.84x	> 1.5x
Current liabilities less specific purpose liabilities ^(3, 4)	15,312				
4. Debt service cover ratio					
Operating result ⁽¹⁾ before capital excluding interest and depreciation/impairment/amortisation	22,356	23.91x	20.27x	24.74x	> 2x
Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)	935				
5. Rates, annual charges, interest and extra charges outstanding percentage					
Rates, annual and extra charges outstanding	1,922	3.13%	3.78%	2.92%	5%
Rates, annual and extra charges collectible	61,476				
6. Cash expense cover ratio					
Current year's cash and cash equivalents plus all term deposits	140,713	15.44 mths	14.5 mths	12.6 mths	> 3 mths
Payments from cash flow of operating and financing activities	9,115				

Notes

⁽¹⁾ Excludes fair value adjustments and reversal of revaluation decrements, net gain/(loss) on sale of assets and the net share of interests in joint ventures and associates.

⁽²⁾ Refer Notes 6-8 inclusive.

Also excludes any real estate and land for resale not expected to be sold in the next 12 months.

⁽³⁾ Refer to Notes 11 and 12.

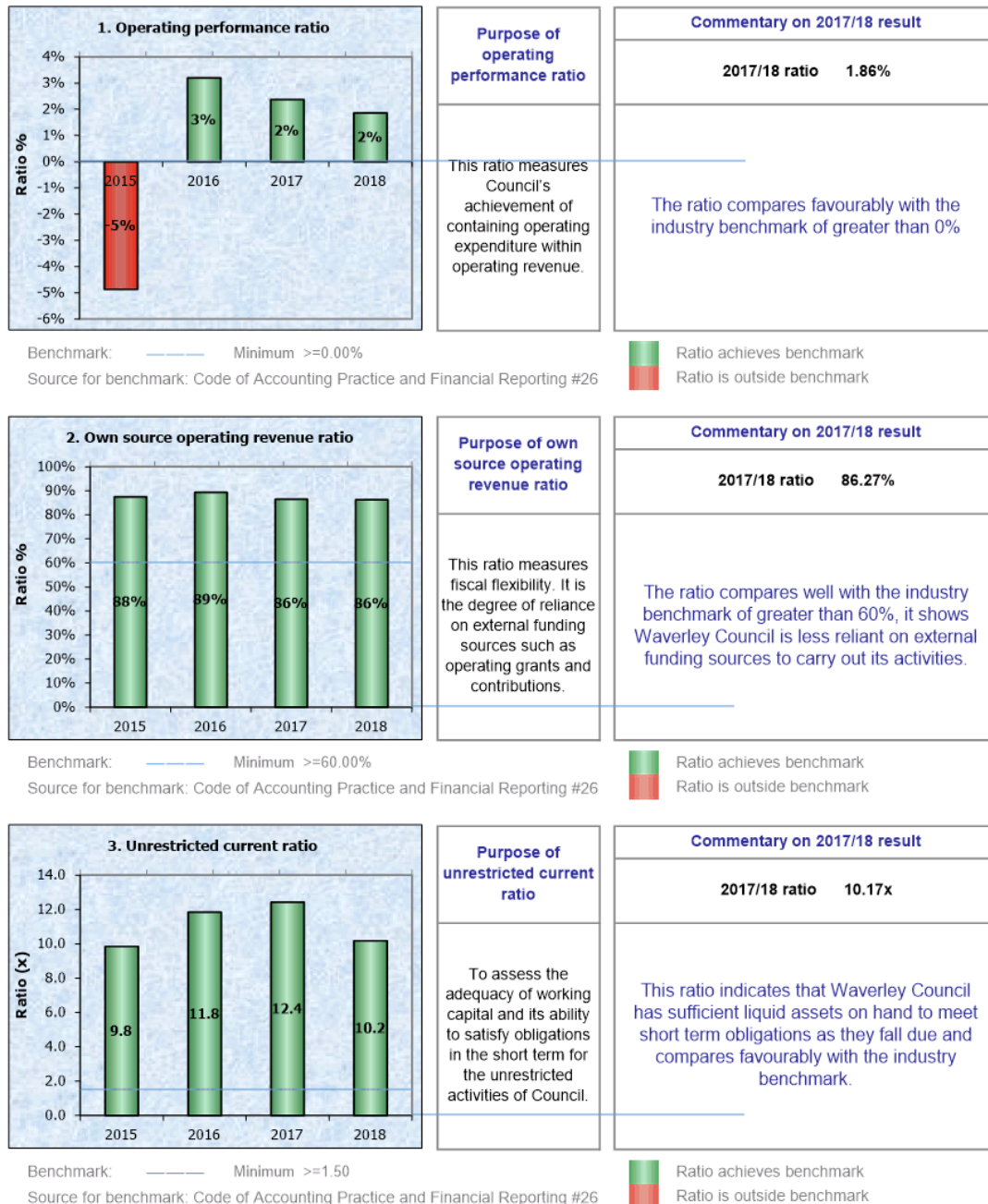
⁽⁴⁾ Refer to Note 11(b) and 12(b) – excludes all payables and provisions not expected to be paid in the next 12 months (incl. ELE).

END OF AUDITED FINANCIAL STATEMENTS

Waverley Council

Notes to the Financial Statements
for the year ended 30 June 2018

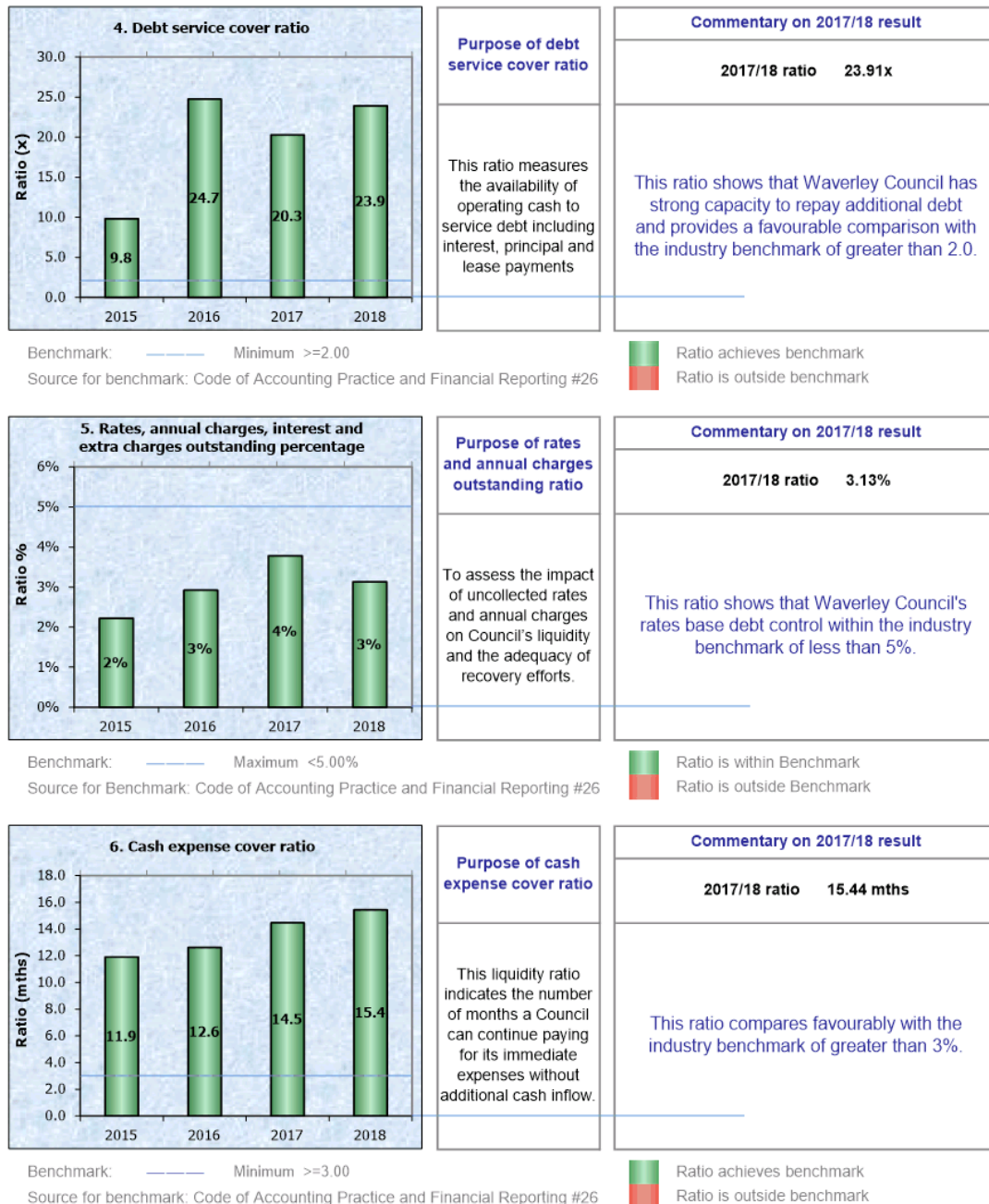
Note 23(b). Statement of performance measures – consolidated results (graphs)



Waverley Council

Notes to the Financial Statements
for the year ended 30 June 2018

Note 23(b). Statement of performance measures – consolidated results (graphs)



Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 24. Financial review and commentary

\$ '000

Key financial figures of Council over the past 5 years (consolidated)

	Actual 2018	Actual 2017	Actual 2016	Actual 2015	Actual 2014
Financial performance figures					
Inflows:					
Rates and annual charges revenue	59,104	57,375	55,992	54,467	52,867
User charges revenue	35,575	34,230	35,414	32,705	31,977
Interest and investment revenue (losses)	4,583	4,481	4,366	2,890	2,637
Grants income – operating and capital	8,347	9,468	8,176	8,409	6,192
Total income from continuing operations	144,413	138,106	138,013	180,021	123,078
Sale proceeds from IPP&E	845	5,729	11,796	83,149	167
New loan borrowings and advances	–	2,200	2,252	–	–
Outflows:					
Employee benefits and on-cost expenses	55,865	58,268	55,794	56,269	54,229
Borrowing costs	120	142	95	153	189
Materials and contracts expenses	22,266	22,975	22,254	24,884	17,974
Total expenses from continuing operations	126,516	126,933	120,226	119,934	113,026
Total cash purchases of IPP&E	20,432	24,268	29,570	21,553	24,093
Total loan repayments (incl. finance leases)	815	960	836	1,118	1,252
Operating surplus/(deficit) (excl. capital income)	7,226	2,510	12,621	53,142	187
Financial position figures					
Current assets	161,866	153,157	151,436	124,974	95,600
Current liabilities	37,240	36,741	34,480	33,306	39,860
Net current assets	124,626	116,416	116,956	91,668	55,740
Available working capital (Unrestricted net current assets)	9,427	6,811	5,769	11,296	31,295
Cash and investments – unrestricted	13,241	6,970	4,736	1,016	2,077
Cash and investments – internal restrictions	135,862	132,690	121,526	112,376	41,536
Cash and investments – total	171,782	157,727	141,174	130,171	57,013
Total borrowings outstanding (Loans, advances and finance leases)	3,758	4,573	3,333	1,917	3,035
Total value of IPP&E (excl. land and earthwork)	965,307	954,611	933,932	889,023	831,810
Total accumulated depreciation	379,029	364,101	354,416	340,292	341,621
Indicative remaining useful life (as a % of GBV)	61%	62%	62%	62%	59%

Source: published audited financial statements of Council (current year and prior year)

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Waverley Council

Notes to the Financial Statements

for the year ended 30 June 2018

Note 25. Council information and contact details

Principal place of business:

Cnr. Paul St and Bondi Rd
Bondi Junction NSW 2022

Contact details**Mailing address:**

PO Box 9
Bondi Junction NSW 1355

Opening hours:

Customer Service Centre
55 Spring Street, Bondi Junction
Monday to Friday 8:30am to 5:00pm

Telephone: 02 9369 8000

Facsimile: 02 9387 1820

Internet: www.waverley.nsw.gov.au

Email: info@waverley.nsw.gov.au

Officers**GENERAL MANAGER**

Ross McLeod

RESPONSIBLE ACCOUNTING OFFICER

Teena Su

PUBLIC OFFICER

[name here...](#)

AUDITORS

The Audit Office of New South Wales
Level 15, 1 Margaret St, Sydney

Elected members**MAYOR**

John Wakefield

COUNCILLORS

[name here...](#)

[name here...](#)

[name here...](#)

[name here...](#)

[name here...](#)

[name here...](#)

[name here...](#)

[name here...](#)

[name here...](#)

[name here...](#)

[name here...](#)

[name here...](#)

Other information

ABN: 99 999 999 999

Waverley Council

SPECIAL PURPOSE FINANCIAL STATEMENTS
for the year ended 30 June 2018

*"We are united by a common passion for our
beautiful home between the city and the sea."*



SPFS 2018

Waverley Council

Special Purpose Financial Statements

for the year ended 30 June 2018

Contents

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2

2. Special Purpose Financial Statements:

Income Statement – Other Business Activities

3

Statement of Financial Position – Other Business Activities

5

3. Notes to the Special Purpose Financial Statements

7

4. Auditor's Report

Background

(i) These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.

(ii) The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, state or local, should operate without net competitive advantages over other businesses as a result of their public ownership.

(iii) For Council, the principle of competitive neutrality and public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation, and **(b)** those activities with a turnover of more than \$2 million that Council has formally declared as a business activity (defined as Category 1 activities).

(iv) In preparing these financial statements for Council's self-classified Category 1 businesses and ABS-defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax-equivalent regime payments and debt guarantee fees (where the business benefits from Council's borrowing position by comparison with commercial rates).

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Waverley Council

Special Purpose Financial Statements

for the year ended 30 June 2018

Statement by Councillors and Management

made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

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

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

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

- present fairly the operating result and financial position for each of Council's declared business activities for the year, and
- accord with Council's accounting and other records.

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

Signed in accordance with a resolution of Council made on 27 September 2018.

John Wakefield
Mayor

Dominic Wy Kanak
Councillor

Ross McLeod
General Manager

Teena Su
Responsible Accounting Officer

SPFS 2018

Waverley Council

Income Statement of Council's Other Business Activities

for the year ended 30 June 2018

	Property Category 1		Commercial Waste Category 1	
\$ '000	2018	2017	2018	2017
Income from continuing operations				
User charges	4,012	4,232	3,798	3,533
Other income	10,480	5,889	—	—
Total income from continuing operations	14,492	10,121	3,798	3,533
Expenses from continuing operations				
Employee benefits and on-costs	528	516	184	207
Materials and contracts	959	960	54	78
Depreciation, amortisation and impairment	76	76	14	17
Other expenses	1,066	1,026	2,816	2,497
Total expenses from continuing operations	2,629	2,578	3,068	2,799
Surplus (deficit) from continuing operations before capital amounts	11,863	7,543	730	734
Surplus (deficit) from continuing operations after capital amounts	11,863	7,543	730	734
Surplus (deficit) from all operations before tax	11,863	7,543	730	734
Less: corporate taxation equivalent (30%) [based on result before capital]	(3,559)	(2,263)	(219)	(220)
SURPLUS (DEFICIT) AFTER TAX	8,304	5,280	511	514
Plus opening retained profits	145,788	142,179	93	114
Plus adjustments for amounts unpaid:				
– Corporate taxation equivalent	3,559	2,263	219	220
Less:				
– Dividend paid	(2,843)	(3,934)	(665)	(755)
Closing retained profits	154,808	145,788	158	93
Return on capital %	n/a	n/a	n/a	n/a
Subsidy from Council	—	—	—	—

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SPFS 2018

Waverley Council

Income Statement of Council's Other Business Activities

for the year ended 30 June 2018

Cemetery

Category 2

\$ '000	2018	2017
Income from continuing operations		
User charges	1,189	1,511
Interest	14	63
Grants and contributions provided for non-capital purposes	49	3
Other income	3	1
Total income from continuing operations	1,255	1,578
Expenses from continuing operations		
Employee benefits and on-costs	657	598
Materials and contracts	311	450
Depreciation, amortisation and impairment	42	39
Other expenses	59	80
Total expenses from continuing operations	1,069	1,167
Surplus (deficit) from continuing operations before capital amounts	186	411
Surplus (deficit) from continuing operations after capital amounts	186	411
Surplus (deficit) from all operations before tax	186	411
Less: corporate taxation equivalent (30%) [based on result before capital]	(56)	(123)
SURPLUS (DEFICIT) AFTER TAX	130	288
Plus opening retained profits	17,084	17,348
Plus adjustments for amounts unpaid:		
– Corporate taxation equivalent	56	123
Less:		
– Dividend paid	(1,220)	(675)
Closing retained profits	16,050	17,084
Return on capital %	0.4%	0.9%
Subsidy from Council	1,063	731

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SPFS 2018

Waverley Council

Statement of Financial Position – Council's Other Business Activities

as at 30 June 2018

	Property Category 1		Commercial Waste Category 1	
\$ '000	2018	2017	2018	2017
ASSETS				
Current assets				
Receivables	244	–	241	185
Total Current Assets	244	–	241	185
Non-current assets				
Investment property	154,795	145,945	–	–
Total non-current assets	154,795	145,945	–	–
TOTAL ASSETS	155,039	145,945	241	185
LIABILITIES				
Current liabilities				
Payables	92	–	–	–
Provisions	62	80	83	92
Total current liabilities	154	80	83	92
TOTAL LIABILITIES	154	80	83	92
NET ASSETS	154,885	145,865	158	93
EQUITY				
Accumulated surplus	154,808	145,788	158	93
Revaluation reserves	77	77	–	–
TOTAL EQUITY	154,885	145,865	158	93

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SPFS 2018

Waverley Council

Statement of Financial Position – Council's Other Business Activities
as at 30 June 2018

	Cemetery Category 2	
\$ '000	2018	2017
ASSETS		
Current assets		
Cash and cash equivalents	1,872	2,369
Receivables	–	7
Total Current Assets	1,872	2,376
Non-current assets		
Infrastructure, property, plant and equipment	47,501	47,980
Total non-current assets	47,501	47,980
TOTAL ASSETS	49,373	50,356
LIABILITIES		
Current liabilities		
Payables	64	–
Provisions	78	91
Total current liabilities	142	91
TOTAL LIABILITIES	142	91
NET ASSETS	49,231	50,265
EQUITY		
Accumulated surplus	16,050	17,084
Revaluation reserves	33,181	33,181
TOTAL EQUITY	49,231	50,265

SPFS 2018

Waverley Council

Special Purpose Financial Statements
for the year ended 30 June 2018

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Note	Details	Page
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Waverley Council

Notes to the Special Purpose Financial Statements

for the year ended 30 June 2018

Note 1. Significant accounting policies

A statement summarising the supplemental accounting policies adopted in the preparation of the Special Purpose Financial Statements (SPFS) for National Competition Policy (NCP) reporting purposes follows.

These financial statements are SPFS prepared for use by Council and the Office of Local Government. For the purposes of these statements, the Council is a non-reporting not-for-profit entity.

The figures presented in these Special Purpose Financial Statements have been prepared in accordance with the recognition and measurement criteria of relevant Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

The disclosures in these Special Purpose Financial Statements have been prepared in accordance with the Local Government Act 1993 (NSW), the Local Government (General) Regulation, and the Local Government Code of Accounting Practice and Financial Reporting.

The statements are prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, current values of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the National Competition Policy.

National Competition Policy

Council has adopted the principle of 'competitive neutrality' in its business activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government.

The framework for its application is set out in the June 1996 NSW government policy statement titled 'Application of National Competition Policy to Local Government'.

The Pricing and Costing for Council Businesses, A Guide to Competitive Neutrality issued by the Office of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to activities and provide a standard for disclosure requirements.

These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, return on investments (rate of return), and dividends paid.

Declared business activities

In accordance with *Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality*, Council has declared that the following are to be considered as business activities:

Category 1

(where gross operating turnover is over \$2 million)

a. Waverley Council Property Services

Comprising the whole of the operations and assets of the property services, commercial properties controlled by Waverley Council.

b. Waverley Council Trade Waste Services

Comprising the whole of the operations and assets of the commercial waste services which service the area of Waverley. This service collects and disposes of waste collected from commercial premises.

Waverley Council

Notes to the Special Purpose Financial Statements

for the year ended 30 June 2018

Note 1. Significant accounting policies (continued)

Category 2

(where gross operating turnover is less than \$2 million)

a. Waverley & South Head Cemeteries

Comprising the whole of the operations and assets of both the Waverley & South Head Cemeteries.

This business operates from offices located at Waverley Cemetery dealing with maintenance, sales and burials.

Monetary amounts

Amounts shown in the financial statements are in Australian currency and rounded to the nearest thousand dollars.

(i) Taxation-equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs.

However, where Council does not pay some taxes which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council-nominated business activities and are reflected in Special Purpose Financial Statements.

For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

Notional rate applied (%)

Corporate income tax rate – 30%

Land tax – the first \$629,000 of combined land values attracts 0%. For the combined land values in excess of \$629,001 up to \$3,846,000 the rate is 1.6% + \$100. For the remaining combined land value that exceeds \$3,846,000 a premium marginal rate of 2.0% applies.

Payroll tax – 5.45% on the value of taxable salaries and wages in excess of \$750,000.

Income tax

An income tax equivalent has been applied on the profits of the business activities.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level - gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the corporate income tax rate, currently 30%.

Income tax is only applied where a gain/ (loss) from ordinary activities before capital amounts has been achieved.

Waverley Council

Notes to the Special Purpose Financial Statements

for the year ended 30 June 2018

Note 1. Significant accounting policies (continued)

Since the taxation equivalent is notional – that is, it is payable to Council as the ‘owner’ of business operations – it represents an internal payment and has no effect on the operations of the Council. Accordingly, there is no need for disclosure of internal charges in the SPFS.

The rate applied of 30% is the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

Local government rates and charges

A calculation of the equivalent rates and charges payable on all category 1 businesses has been applied to all land assets owned or exclusively used by the business activity.

Loan and debt guarantee fees

The debt guarantee fee is designed to ensure that council business activities face ‘true’ commercial borrowing costs in line with private sector competitors.

In order to calculate a debt guarantee fee, Council has determined what the differential borrowing rate would have been between the commercial rate and Council’s borrowing rate for its business activities.

(ii) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed.

Subsidies occur when Council provides services on a less-than-cost-recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations.

Accordingly, ‘subsidies disclosed’ (in relation to National Competition Policy) represents the difference between revenue generated from ‘rate of return’ pricing and revenue generated from prices set by Council in any given financial year.

The overall effect of subsidies is contained within the Income Statement of each reported business activity.

(iii) Return on investments (rate of return)

The NCP policy statement requires that councils with Category 1 businesses ‘would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field’.

Such funds are subsequently available for meeting commitments or financing future investment strategies.

The actual rate of return achieved by each business activity is disclosed at the foot of each respective Income Statement.

The rate of return is calculated as follows:

$$\frac{\text{Operating result before capital income + interest expense}}{\text{Written down value of I, PP\&E as at 30 June}}$$

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 2.63% at 30/6/18.

SPFS 2018

Waverley Council

Notes to the Special Purpose Financial Statements for the year ended 30 June 2018

Note 1. Significant accounting policies (continued)

(iv) Dividends

Council is not required to pay dividends to either itself (as owner of a range of businesses) or to any external entities.

END OF AUDITED SPECIAL PURPOSE FINANCIAL STATEMENTS

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Waverley Council

SPECIAL SCHEDULES
for the year ended 30 June 2018

*"We are united by a common passion for our
beautiful home between the city and the sea."*



Waverley Council

Special Schedules

for the year ended 30 June 2018

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Special Schedule 4	Water Supply – Statement of Financial Position	n/a
Special Schedule 5	Sewerage Service Operations – incl. Income Statement	n/a
Special Schedule 6	Sewerage Service – Statement of Financial Position	n/a
Notes to Special Schedules 3 and 5		n/a
Special Schedule 7	Report on Infrastructure Assets	6

¹ Special Schedules are not audited (with the exception of Special Schedule 2).

Background

- (i) These Special Schedules have been designed to meet the requirements of special purpose users such as;
- the NSW Grants Commission
 - the Australian Bureau of Statistics (ABS),
 - the NSW Office of Water (NOW), and
 - the Office of Local Government (OLG).
- (ii) The financial data is collected for various uses including;
- the allocation of Financial Assistance Grants,
 - the incorporation of Local Government financial figures in national statistics,
 - the monitoring of loan approvals,
 - the allocation of borrowing rights, and
 - the monitoring of the financial activities of specific services.

Waverley Council

Special Schedule 1 – Net Cost of Services
for the year ended 30 June 2018

\$'000				
Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
Governance	–	–	–	–
Administration	26,594	62,546	46	35,998
Public order and safety				
Fire service levy, fire protection, emergency services	1,980	152	–	(1,828)
Beach control	5,498	609	–	(4,889)
Enforcement of local government regulations	1,177	948	–	(229)
Animal control	99	58	–	(41)
Other	22	–	–	(22)
Total public order and safety	8,776	1,767	–	(7,009)
Health	955	275	–	(680)
Environment				
Noxious plants and insect/vermin control	7	–	–	(7)
Other environmental protection	1,547	213	5	(1,329)
Solid waste management	18,769	20,361	–	1,592
Street cleaning	3,610	1	–	(3,609)
Drainage	1,948	–	–	(1,948)
Stormwater management	–	–	–	–
Total environment	25,881	20,575	5	(5,301)
Community services and education				
Administration and education	977	57	–	(920)
Social protection (welfare)	65	1	–	(64)
Aged persons and disabled	1,438	885	–	(553)
Children's services	7,868	7,430	–	(438)
Total community services and education	10,348	8,373	–	(1,975)
Housing and community amenities				
Public cemeteries	1,072	1,256	–	184
Public conveniences	293	71	–	(222)
Street lighting	988	216	–	(772)
Town planning	7,261	5,184	9,371	7,294
Other community amenities	206	–	–	(206)
Total housing and community amenities	9,820	6,727	9,371	6,278
Water supplies	–	–	–	–
Sewerage services	–	–	–	–

Waverley Council

Special Schedule 1 – Net Cost of Services (continued)
for the year ended 30 June 2018

\$'000

Function or activity	Expenses from continuing operations	Income from continuing operations		Net cost of services
		Non-capital	Capital	
Recreation and culture				
Public libraries	4,932	314	—	(4,618)
Museums	—	—	—	—
Art galleries	22	—	—	(22)
Community centres and halls	—	—	—	—
Performing arts venues	—	—	—	—
Other performing arts	—	—	—	—
Other cultural services	4,464	736	—	(3,728)
Sporting grounds and venues	2,195	541	—	(1,654)
Swimming pools	76	—	—	(76)
Parks and gardens (lakes)	7,388	232	—	(7,156)
Other sport and recreation	13	50	—	37
Total recreation and culture	19,090	1,873	—	(17,217)
Fuel and energy	—	—	—	—
Agriculture	—	—	—	—
Mining, manufacturing and construction				
Building control	807	1,305	—	498
Other mining, manufacturing and construction	—	—	—	—
Total mining, manufacturing and const.	807	1,305	—	498
Transport and communication				
Urban roads (UR) – local	9,746	775	1,249	(7,722)
Urban roads – regional	—	—	—	—
Sealed rural roads (SRR) – local	—	—	—	—
Sealed rural roads (SRR) – regional	—	—	—	—
Unsealed rural roads (URR) – local	—	—	—	—
Unsealed rural roads (URR) – regional	—	—	—	—
Bridges on UR – local	—	—	—	—
Bridges on SRR – local	—	—	—	—
Bridges on URR – local	—	—	—	—
Bridges on regional roads	—	—	—	—
Parking areas	9,972	26,141	—	16,169
Footpaths	3,881	—	—	(3,881)
Aerodromes	—	—	—	—
Other transport and communication	13	1,417	—	1,404
Total transport and communication	23,612	28,333	1,249	5,970
Economic affairs				
Camping areas and caravan parks	—	—	—	—
Other economic affairs	633	1,968	—	1,335
Total economic affairs	633	1,968	—	1,335
Totals – functions	126,516	133,742	10,671	17,897
General purpose revenues ⁽¹⁾	—	—	—	—
Share of interests – joint ventures and associates using the equity method	—	—	—	—
NET OPERATING RESULT ⁽²⁾	126,516	133,742	10,671	17,897

(1) Includes: rates and annual charges (including ex gratia, excluding water and sewer), non-capital general purpose

(2) As reported in the Income Statement

grants, interest on investments (excluding externally restricted assets) and interest on overdue rates and annual charges

Waverley Council

Special Schedule 2 – Permissible income for general rates

for the year ended 30 June 2019

\$'000		Calculation 2018/19	Calculation 2017/18
Notional general income calculation ⁽¹⁾			
Last year notional general income yield	a	43,975	42,980
Plus or minus adjustments ⁽²⁾	b	(66)	226
Notional general income	c = (a + b)	43,909	43,206
Permissible income calculation			
Special variation percentage ⁽³⁾	d	0.00%	0.00%
Or rate peg percentage	e	2.30%	1.50%
Or crown land adjustment (incl. rate peg percentage)	f	0.00%	0.00%
Less expiring special variation amount	g	—	—
Plus special variation amount	$h = d \times (c - g)$	—	—
Or plus rate peg amount	$i = c \times e$	1,010	648
Or plus Crown land adjustment and rate peg amount	$j = c \times f$	—	—
Sub-total	k = (c + g + h + i + j)	44,919	43,854
Plus (or minus) last year's carry forward total	l	0	38
Less valuation objections claimed in the previous year	m	(83)	—
Sub-total	n = (l + m)	(83)	38
Total permissible income	o = k + n	44,836	43,892
Less notional general income yield	p	44,833	43,975
Catch-up or (excess) result	q = o - p	3	(83)
Plus income lost due to valuation objections claimed ⁽⁴⁾	r	—	83
Less unused catch-up ⁽⁵⁾	s	—	—
Carry forward to next year	t = q + r - s	3	0

Notes

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916*.
- (3) The 'special variation percentage' is inclusive of the rate peg percentage and where applicable Crown land adjustment.
- (4) Valuation objections are unexpected changes in land values as a result of land owners successfully objecting to the land value issued by the Valuer-General. Councils can claim the value of the income lost due to valuation objections in any single year.
- (5) Unused catch-up amounts will be deducted if they are not caught up within 2 years. Usually councils will have a nominal carry forward figure. These amounts can be adjusted for in setting the rates in a future year.
- (6) Carry forward amounts which are in excess (an amount that exceeds the permissible income) require ministerial approval by order published in the *NSW Government Gazette* in accordance with section 512 of the *Local Government Act 1993*. The OLG will extract these amounts from Council's Special Schedule 2 in the financial data return (FDR) to administer this process.

Special Schedules 2018

Waverley Council

Special Schedule 2 – Independent Auditors Report for the year ended 30 June 2019

Report on Special Schedule 2

Insert here signed Independent Auditors Report

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Special Schedules 2018

Waverley Council

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2018

\$'000

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2017/18 Required maintenance ^a	2017/18 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Buildings												
	Council Offices/ Administration Centres	–	–	674	812	12,587	24,425	0%	28%	69%	3%	0%
	Council Works Depot	–	–	763	743	9,241	10,885	99%	0%	1%	0%	0%
	Council Public Halls	682	682	210	133	23,716	66,326	26%	0%	70%	4%	0%
	Libraries	–	–	625	549	23,156	36,238	0%	100%	0%	0%	0%
	Cultural Facilities	–	–	1,522	1,338	13,771	21,086	82%	0%	17%	1%	0%
	Other Buildings	120	120	1,260	1,259	51,693	78,409	11%	64%	23%	2%	0%
	Specialised Buildings	500	500	302	391	4,942	6,790	82%	7%	11%	0%	0%
	Other	–	–	936	905	154	37,020	0%	100%	0%	0%	0%
	Sub-total	1,302	1,302	6,292	6,130	139,260	281,179	21.2%	46.5%	30.5%	1.8%	0.0%
Other structures												
	Other structures	291	291	332	349	15,553	26,103	57%	22%	14%	6%	1%
	Sub-total	291	291	332	349	15,553	26,103	57.0%	22.0%	14.0%	6.0%	1.0%
Roads												
	Sealed roads	166	166	1,616	1,641	56,092	80,666	37%	54%	7%	2%	0%
	Footpaths	90	90	2,710	2,462	35,808	50,151	53%	33%	13%	1%	0%
	Other road assets	–	–	2,854	2,830	16,021	26,643	46%	43%	10%	1%	0%
	Sealed roads structure	–	–	–	–	68,619	144,601	0%	0%	99%	0%	1%
	Kerb and Gutter	829	829	22	62	66,464	96,649	49%	34%	13%	3%	1%
	Sub-total	1,085	1,085	7,202	6,995	243,004	398,710	29.1%	26.2%	42.8%	1.3%	0.6%

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Special Schedules 2018

Waverley Council

Special Schedule 7 – Report on Infrastructure Assets as at 30 June 2018 (continued)

\$'000

Asset class	Asset category	Estimated cost to bring assets to satisfactory standard	Estimated cost to bring to the agreed level of service set by Council	2017/18 Required maintenance ^a	2017/18 Actual maintenance	Net carrying amount	Gross replacement cost (GRC)	Assets in condition as a percentage of gross replacement cost				
								1	2	3	4	5
Stormwater drainage	Stormwater drainage	115	115	77	86	17,137	24,633	22%	75%	3%	0%	0%
	Stormwater Conduits			339	378	72,873	111,952	12%	71%	17%	0%	0%
	Sub-total	115	115	416	464	90,010	136,585	13.8%	71.7%	14.5%	0.0%	0.0%
Open space/recreational assets	Swimming pools	3,008	3,008	6,862	5,936	65,554	103,118	36%	40%	21%	2%	1%
	Sub-total	3,008	3,008	6,862	5,936	65,554	103,118	36.0%	40.0%	21.0%	2.0%	1.0%
	TOTAL – ALL ASSETS	5,801	5,801	21,104	19,874	553,381	945,695	26.1%	40.2%	31.9%	1.5%	0.4%

Notes:

a Required maintenance is the amount identified in Council's asset management plans.

Infrastructure asset condition assessment 'key'

1	Excellent/very good	No work required (normal maintenance)
2	Good	Only minor maintenance work required
3	Satisfactory	Maintenance work required
4	Poor	Renewal required
5	Very poor	Urgent renewal/upgrading required

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Waverley Council

Special Schedule 7 – Report on Infrastructure Assets (continued)
for the year ended 30 June 2018

	Amounts 2018	Indicator 2018	Prior periods		Benchmark
			2017	2016	
Infrastructure asset performance indicators * consolidated					
1. Buildings and infrastructure renewals ratio ⁽¹⁾					
Asset renewals ⁽²⁾	16,765	97.83%	77.08%	127.22%	>= 100%
Depreciation, amortisation and impairment	17,137				
2. Infrastructure backlog ratio ⁽¹⁾					
Estimated cost to bring assets to a satisfactory standard	5,801	1.05%	1.10%	1.39%	< 2.00%
Net carrying amount of infrastructure assets	553,381				
3. Asset maintenance ratio					
Actual asset maintenance	19,874	94.17%	98.24%	104.40%	> 100%
Required asset maintenance	21,104				
4. Cost to bring assets to agreed service level					
Estimated cost to bring assets to an agreed service level set by Council	5,801	0.61%	0.69%	0.87%	
Gross replacement cost	945,695				

Notes

* All asset performance indicators are calculated using the asset classes identified in the previous table.

⁽¹⁾ Excludes Work In Progress (WIP)

⁽²⁾ Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

Waverley Council

Special Schedule 7 – Report on Infrastructure Assets (continued)
for the year ended 30 June 2018

<p>1. Buildings and infrastructure renewals ratio</p> <p>Benchmark: Minimum $\geq 100.00\%$ Source for benchmark: Code of Accounting Practice and Financial Reporting #26</p>	<p>Purpose of asset renewals ratio</p> <p>To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 Ratio 97.83%</p> <p>Waverley Council's infrastructure asset upgrades and renewals are carried out as per its Strategic Asset Management Plan (SAMP) and ensure sufficient spending to bring up its assets to the community satisfactory level.</p>
<p>2. Infrastructure backlog ratio</p> <p>Benchmark: Maximum $< 2.00\%$ Source for benchmark: Code of Accounting Practice and Financial Reporting #26</p>	<p>Purpose of infrastructure backlog ratio</p> <p>This ratio shows what proportion the backlog is against the total value of a Council's infrastructure.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 Ratio 1.05%</p> <p>This ratio shows that Waverley Council has a small proportion of infrastructure backlog and compares favourably with the industry benchmark of less than 2%.</p>
<p>3. Asset maintenance ratio</p> <p>Benchmark: Minimum $> 100.00\%$ Source for benchmark: Code of Accounting Practice and Financial Reporting #26</p>	<p>Purpose of asset maintenance ratio</p> <p>Compares actual vs. required annual asset maintenance. A ratio above 100% indicates Council is investing enough funds to stop the infrastructure backlog growing.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 Ratio 94.17%</p> <p>This ratio indicates Waverley Council's spending on asset maintenance is sufficient to stop the infrastructure backlog growing.</p>
<p>4. Cost to bring assets to agreed service level</p> <p>Benchmark: Minimum $> 100.00\%$ Source for benchmark: Code of Accounting Practice and Financial Reporting #26</p>	<p>Purpose of agreed service level ratio</p> <p>This ratio provides a snapshot of the proportion of outstanding renewal works compared to the total value of assets under Council's care and stewardship.</p>	<p>Commentary on 2017/18 result</p> <p>2017/18 Ratio 0.61%</p> <p>This ratio shows that Waverley Council has a small proportion of outstanding infrastructure upgrade/renewal works as compared to the total value of its assets.</p>



WAVERLEY
COUNCIL

55 Spring St, Bondi Junction, NSW 2022

PO Box 9 Bondi Junction NSW 1355

info@waverley.nsw.gov.au

waverley.nsw.gov.au

Telephone enquiries

General business **9083 8000**

General fax **9387 1820**

TTY/voice calls for hearing/speech impaired **133 677**

After hours emergencies **9083 8000**



Asbestos Policy

Responsible Officer	Manager, Risk and Safety
Date adopted by Executive Leadership Team	N/A
Date adopted by Council	2013
Version	2
Review date	17 July 2018
TRIM reference	A05/0190



Policy Amendments

Version	Date	Responsible Officer	Description
2	17 July 2018		[Summary of what was amended]

Council disclaimer

This policy was formulated to be consistent with Council's legislative obligations and within the scope of Council's powers. This policy should be read in conjunction with relevant legislation, guidelines and codes of practice. In the case of any discrepancies, the most recent legislation should prevail.

This policy is based upon the *Model Asbestos Policy for NSW Councils* developed by the Heads of Asbestos Coordination Authorities to promote a consistent Local Government approach to asbestos management across NSW.

This policy does not constitute legal advice. Legal advice should be sought in relation to particular circumstances and liability will not be accepted for losses incurred as a result of reliance on this policy.

DRAFT



WAVERLEY
COUNCIL

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1. Introduction

Waverley Council acknowledges the serious health hazard of exposure to asbestos.

In Australia, asbestos was gradually phased out of building materials in the 1980s and the supply and installation of asbestos containing goods has been prohibited since 31 December 2003. Yet asbestos legacy materials still exist in many homes, buildings and other assets and infrastructure. It is estimated that one in three Australian homes contains asbestos.

Where material containing asbestos is in a non-friable form (that is, cannot be crushed by hand into a powder), undisturbed and painted or otherwise sealed, it may remain safely in place. However, where asbestos containing material is broken, damaged, disturbed or mishandled, fibres can become loose and airborne posing a risk to health. Breathing in dust containing asbestos fibres can cause asbestosis, lung cancer and mesothelioma.

It is often difficult to identify the presence of asbestos by sight. Where a material cannot be identified or is suspected to be asbestos, it is best to assume that the material is asbestos and take appropriate precautions. Further information about asbestos and the health impacts of asbestos can be found in Appendix A and website links to additional information are provided in Appendix B.

Council has an important dual role in minimising exposure to asbestos, as far as is reasonably practicable, for both:

- residents and the public within the Waverley area (LGA)
- workers (employees and other persons) in Council workplaces.

Council's legislative functions for minimising the risks from asbestos apply in various scenarios including:

- as a responsible employer
- contaminated land management
- Council land, building and asset management
- emergency response
- land use planning (including development approvals and demolition)
- management of naturally occurring asbestos
- regulation of activities (non-work sites)
- waste management and regulation.

1.1 Purpose

This policy aims to outline:

- the role of Council and other organisations in managing asbestos
- Council's relevant regulatory powers
- Council's approach to dealing with naturally occurring asbestos, sites contaminated by asbestos and emergencies or incidents
- general advice for residents on renovating homes that may contain asbestos
- Council's development approval process for developments that may involve asbestos and conditions of consent



- waste management and regulation procedures for asbestos waste in the LGA
- Council's approach to managing asbestos containing materials in Council workplaces
- sources of further information.

1.2 Scope

This policy applies to all of the Waverley LGA within Council's jurisdiction.

The policy provides information for Council workers, the local community and wider public. Part 1 of the policy includes the sections that are likely to be of most interest to the local community and wider public. Part 2 is information that applies to workers associated with Council including employees, contractors, consultants, and volunteers (as defined by the NSW *Work Health and Safety Regulation 2017*). Definitions for key terms used in the policy are provided in Appendix C and acronyms are listed in Appendix D.

The policy applies to friable, non-friable (bonded) and naturally occurring asbestos (where applicable) within the LGA.

The policy outlines Council's commitment and responsibilities in relation to safely managing asbestos and contains general advice. For specific advice, individuals are encouraged to contact Council or the appropriate organisation (contact details are listed in Appendix E).

The policy does not provide detail on specific procedures. Practical guidance on how to manage risks associated with asbestos and asbestos containing material can be found in the:

- *Code of practice on how to manage and control asbestos in the workplace* (catalogue no. WC03560) published by SafeWork NSW.
- *Code of practice on how to safely remove asbestos* published by SafeWork NSW (catalogue no. WC03561) published by SafeWork NSW.
- Additional guidance material listed in Appendix B.

Detailed information on Council's procedures and plans may be found in other documents, which are referenced in part 2 under section 18.1.



2. Definitions

2.1 Definitions are provided in Appendix C.

3. Roles and responsibilities of Council

3.1 Educating residents

Council shall assist residents to access appropriate information and advice on the:

- prohibition of the use and re-use of asbestos containing materials
- requirements in relation to development, land management and waste management
- risks of exposure to asbestos
- safe management of asbestos containing materials
- safe removal and disposal of minor quantities of asbestos containing materials.

Educational information and website links for educational materials can be found in Appendices A and B.

3.2 Managing land

Council is responsible for managing public land. This may include land with naturally occurring asbestos as described in section 5 and land contaminated with asbestos as outlined in section 6.

3.3 Managing waste

Where Council is the appropriate regulatory authority, Council is responsible for:

- Issuing clean up notices to address illegal storage or disposal of asbestos waste or after an emergency or incident (under the *Protection of the Environment Operations Act 1997*).
- Issuing prevention or clean up notices where asbestos waste has been handled (including stored, transported or disposed of) in an unsatisfactory manner (under the *Protection of the Environment Operations Act 1997*).
- Issuing penalty infringement notices for improper transport of asbestos (under the *Protection of the Environment Operations Act 1997*).
- Applying planning controls to proposals to dispose of asbestos waste on-site, seeking advice from the Environment Protection Authority (EPA) on this matter and making notation on planning certificates (section 149 certificates) where on-site disposal is permitted.

Waste facilities that are licensed to accept asbestos waste are listed in Appendix F.

3.4 Regulatory responsibilities

Council has regulatory responsibilities under the following legislation, policies and standards in situations where Council is the appropriate regulatory authority or planning authority:

- *Demolition work code of practice demolition work 2016*
- *Contaminated Land Management Act 1997*



- *Environmental Planning and Assessment Act 1979*
- *Environmental Planning and Assessment Regulation 2000*
- *Local Government Act 1993*
- *Protection of the Environment Operations Act 1997*
- *Protection of the Environment Operations (General) Regulation 2009*
- *Protection of the Environment Operations (Waste) Regulation 2014* *Protection of the Environment Operations (Waste) Regulation 2014*
- *State Environmental Planning Policy (Exempt and Complying Development Codes) 2008*
- *State Environmental Planning Policy No. 55 – Remediation of Land.*

Additional legislation, policies and standards relating to the safe management of asbestos are listed in Appendix G.

The situations in which Council has a regulatory role in the safe management of asbestos are listed in Table 1.

Table 1: Situations in which Council has a regulatory role in managing asbestos

Issue	Council's role	Section of policy
Contaminated land	<ul style="list-style-type: none"> • Record known asbestos site contamination on section 149 certificates where practicable and for Council workplaces, record on Council's asbestos register. • Notify stakeholders of land use planning policy requirements relating to contamination. • Manage residential asbestos contaminated land that is not declared 'significantly contaminated' under the <i>Contaminated Land Management Act 1997</i> (excluding oversight of removal or remediation work which is the role of SafeWork). 	Sections 6
Development assessment	<ul style="list-style-type: none"> • Assess development applications for approval under the <i>Environmental Planning and Assessment Act 1979</i>. • Set conditions of consent for renovations, alterations, additions, demolitions or other developments requiring consent and which may involve disturbance of asbestos containing materials. • Ensure compliance with development conditions. • Apply conditions relating to development involving friable and non-friable asbestos material under the relevant legislation and planning codes and as outlined in section 9. 	Section 9



Issue	Council's role	Section of policy
Demolition	<ul style="list-style-type: none"> Approve demolition under the <i>Environmental Planning and Assessment Act 1979</i>. Council certifiers approve development as complying development under the <i>State Environmental Planning Policy (Exempt and Complying Development Codes) 2008</i>. 	Section 9
Emergencies and incidents	<ul style="list-style-type: none"> Regulate the clean up of asbestos waste following emergencies where sites are handed over to the Council or a local resident by an emergency service organisation (excluding oversight of licensed removal or remediation work which is the role of SafeWork). Council may consider the need to issue a clean up notice, prevention notice or cost compliance notice under the <i>Protection of the Environment Operations Act 1997</i>. 	Section 7
Naturally occurring asbestos	<ul style="list-style-type: none"> Verify compliance with environmental planning and assessment legislation for development applications that could disturb naturally occurring asbestos. Prepare an asbestos management plan for Council workplaces or road works which occur on land containing naturally occurring asbestos. 	Section 5
Residential premises	<ul style="list-style-type: none"> Respond to any public health risks (risks to Council workers and wider public) relating to the removal of asbestos containing materials or asbestos work at residential properties that does not involve a business or undertaking. Respond to complaints about unsafe work at a residential property that is undertaken by a resident (not a worker, which is the role of SafeWork). Respond to public health risks posed by derelict properties or asbestos materials in residential settings. 	Section 9
Waste	<ul style="list-style-type: none"> Manage waste facilities in accordance with environmental protection legislation. Respond to illegal storage, illegal dumping and orphan waste. Regulate non-complying transport of asbestos containing materials. 	Section 10

3.5 Responsibilities to workers

Council is committed to fulfilling its responsibilities to workers under the *NSW Work Health and Safety Act 2011* and *NSW Work Health and Safety Regulation 2017* and maintaining a safe work environment through Council's:

- general responsibilities



- education, training and information for workers
- health monitoring for workers
- procedures for identifying and managing asbestos containing materials in Council premises.

These responsibilities are outlined in Part 2.

4. Other stakeholders involved in managing asbestos

Council is committed to working collaboratively with other government agencies and where appropriate, other stakeholders as needed to respond to asbestos issues.

Appendix E notes useful contacts and Appendix H notes agencies involved in managing asbestos. Various asbestos scenarios requiring stakeholders to work together are outlined in Appendix I.

Part 1 – Asbestos in the Local Government Area: Information for the Community

5. Naturally occurring asbestos

Council is not aware of any naturally occurring asbestos in the LGA. Department of Planning and Environment has not identified Waverley LGA as a high, medium or low risk area for Naturally Occurring Asbestos.

Naturally occurring asbestos only poses a health risk when elevated levels of fibres are released into the air, either by human activities or by natural weathering and these fibres are breathed in by people. Information on naturally occurring asbestos, work processes that have the potential to release naturally occurring asbestos fibres into the air and known locations of naturally occurring asbestos in NSW is provided in Appendix A under section 2.1. This information is indicative, and not a complete picture of all naturally occurring asbestos in NSW.

5.1 Responsibilities for naturally occurring asbestos

For naturally occurring asbestos that will remain undisturbed by any work practice, Council is the lead regulator.

Where development applications propose activities that may disturb areas of naturally occurring asbestos (such as excavation), any consent or approval should contain conditions requiring: testing to determine if asbestos is present, and the development of an asbestos management plan if the testing reveals naturally occurring asbestos is present. Council will verify compliance with environmental planning and assessment legislation and together with the EPA and SafeWork will coordinate enforcement where non-compliance is suspected.

Where naturally occurring asbestos will be disturbed due to a work process, including roadwork, excavation and remediation work, SafeWork is the lead regulator. Requirements for workplaces are summarised in the *Naturally-occurring asbestos fact sheet* (catalogue no.



WC03728) published by SafeWork. Where naturally occurring asbestos is part of a mineral extraction process, NSW Department of Industry is the lead regulator.

The SafeWork NSW website provides further information on naturally occurring asbestos and supporting documents on what people can do to avoid contact with naturally occurring asbestos.

5.2 Managing naturally occurring asbestos

Where naturally occurring asbestos is encountered or suspected, the risk from disturbance of the naturally occurring asbestos should be assessed by an occupational hygienist.

The management of naturally occurring asbestos that stays in its natural state is not prohibited if managed in accordance with an asbestos management plan. Requirements for risk management, asbestos management plans and provisions for workers are outlined in the *Naturally-occurring asbestos fact sheet* (catalogue no. WC03728) published by SafeWork.

5.3 Management of naturally occurring asbestos by Council

Council will aim to prevent the exposure of workers and the public to any naturally occurring asbestos that is known or discovered in the Council workplace.

If naturally occurring asbestos is discovered in the LGA, Council will develop risk controls, an asbestos management plan in relation to the naturally occurring asbestos and provide guidance materials where necessary.

6. Contamination of land with asbestos

6.1 Responsibility for cleaning up contaminated land

Responsibility for cleaning up contaminated land lies with the person responsible for contaminating the land or the relevant landowner.

Council may issue a clean up notice to the occupier of premises at or from which Council reasonably suspects that a pollution incident has occurred, or is occurring, requiring asbestos waste to be removed (under part 4.2 of the *Protection of the Environment Operations Act 1997*).

Council may also issue prevention notices (under part 4.3 of the *Protection of the Environment Operations Act 1997*) to ensure good environmental practice. If a person does not comply with a prevention notice given to the person, Council employees, agents or contractors may take action to cause compliance with the notice.

Any reasonable costs incurred by Council in monitoring or enforcing clean up and prevention notices may be recovered through a compliance cost notice (under part 4.5 of the *Protection of the Environment Operations Act 1997*). Council shall keep records of: tasks undertaken; the hours Council employees have spent undertaking those tasks; and expenses incurred.

During site redevelopment Council will consider contamination with asbestos containing materials in the same way as other forms of contamination as stipulated by the *Environmental Planning and Assessment Act 1979*. That is, Council will apply the general requirements of *State Environmental Planning Policy (SEPP) No. 55 – Remediation of Land* and the *Managing Land Contamination: Planning Guidelines SEPP 55 – Remediation of Land*.



Council provides information about land contamination on planning certificates (issued under section 149 of the *Environmental Planning and Assessment Act 1979*) as outlined in section 6.2.

For sites that are 'significantly contaminated' and require a major remediation program independent of any rezoning or development applications, the EPA and SafeWork are the lead regulatory authorities as outlined in Appendix A under section 2.4.2.

The management of Council workplaces contaminated with asbestos is outlined in section 14.4.

6.2 Finding out if land is contaminated

A person may request from Council a planning certificate containing advice on matters including whether Council has a policy to restrict the use of land due to risks from contamination. Certificates are issued under section 149(2) of the *Environmental Planning and Assessment Act 1979*.

Factual information relating to past land use and other matters relevant to contamination may also be provided, even when land use is not restricted. When Council receives a request for a certificate under section 149(2), it may also inform applicants of any further information available under section 149(5). Council may also use section 149(5) certificates to record other information, particularly anything else of a factual nature about contamination which Council deems appropriate (such as details of land history, assessment, testing and remediation).

Council records can only indicate known contaminated sites. Any site may potentially be contaminated.

Council may issue notices to land owners or occupiers requiring information about land it has reason to believe may be contaminated by asbestos using section 192 and section 193 of the *Protection of the Environment Operations Act 1997*.

6.3 Duty to report contaminated land

A person whose activities have contaminated land or a landowner whose land has been contaminated is required to notify the EPA when they become aware of the contamination (under section 60 of the *Contaminated Land Management Act 1997*). Situations where this is required are explained in the document: *Guidelines on the duty to report contamination under the Contaminated Land Management Act 1997*.

The EPA will inform Council of contaminated land matters relating to the LGA as required under section 59 of the *Contaminated Land Management Act 1997*.

6.4 Derelict buildings

Concerns regarding potential health risks from derelict properties may be directed to Council. Derelict properties include abandoned buildings, fire damaged buildings and otherwise dilapidated buildings. Where derelict properties contain friable asbestos and asbestos is exposed, either from human activities or weathering, this poses a potential risk to public health.

Council may respond to derelict properties that pose a demonstrable public health risk using a range of regulatory tools according to the particular circumstances.

Council may issue a clean up notice or prevention notice and compliance cost notice as noted in section 6.1.



Council may also order a person to demolish or remove a building if the building is so dilapidated as to present harm to its occupants or to persons or property in the neighbourhood (under section 121B 2(c) of the *Environmental Planning and Assessment Act 1979*). An order may require immediate compliance with its terms in circumstances which the person who gives the order believes constitute a serious risk to health or safety or an emergency (under section 121M of the *Environmental Planning and Assessment Act 1979*). If a person fails to comply with the terms of an order, Council may act under section 121ZJ of the *Environmental Planning and Assessment Act 1979* to give effect to the terms of the order, including the carrying out of any work required by the order.

If the derelict building is on a site that is a workplace then SafeWork is the lead agency responsible for ensuring that asbestos is removed by appropriately licensed removalists.

7. Responding to emergencies and incidents

Emergencies and incidents such as major collapses, cyclones, explosions, fires, storms, or vandalism can cause damage to buildings or land that contain asbestos. This may include working with state agencies in accordance with the NSW Asbestos Emergency Plan and the Disaster Assistance Guidelines. This can create site contamination issues and potentially expose emergency service workers and the wider public to asbestos. Emergencies or incidents can arise from natural hazards, or from accidental or deliberate human activities including criminal activity.

7.1 Responsibilities in the clean up after an emergency or incident

Council may play a role in ensuring that asbestos containing materials are cleaned up after an emergency or incident. If the emergency or incident occurs at a workplace, SafeWork is the lead agency.

Council may issue a clean up, prevention, cost compliance or penalty infringement notice as outlined in section 3.3 and section 6.1.

Alternatively, Council may act under the *Environmental Planning and Assessment Act 1979* as outlined in section 6.4 of this policy.

Council will determine an appropriate response depending on the nature of the situation.

This may include to:

- Seek advice from an occupational hygienist on the likely level of risk and appropriate controls required.
- Liaise with or consult the appropriate agencies.
- Inform emergency personnel of any hazards known to Council as soon as practicable.
- Follow the *Code of practice on how to safely remove asbestos* (catalogue no. WC03561) published by SafeWork NSW.
- Ensure that any Council workers attending the site have appropriate training and are wearing appropriate personal protective equipment.
- Exclude the public from the site.
- Inform the public of the potential sources of exposure to asbestos, health risks and emergency management response.
- Minimise the risks posed by any remaining structures (see section 6.4).



- Address the risks posed by disturbed asbestos containing materials by engaging a licensed removalist (as outlined in section 14.6.2) or issuing a clean up or prevention notice (as outlined in section 6.4) to ensure asbestos containing materials are removed for disposal.
- Ensure that the site is kept damp, at all times or sprayed with PVA glue, particularly where friable asbestos is present, if considered appropriate (noting that in some instances this may not be appropriate, for example if there are live electrical conductors or if major electrical equipment could be permanently damaged or made dangerous by contact with water).
- Ensure that asbestos containing materials are disposed of at a facility licensed to accept asbestos waste and sight proof of appropriate disposal through weighbridge dockets or similar documentation.

7.2 Advice to the public regarding clean up after an emergency or incident

During a clean up after an emergency or incident, the possibility of neighbours being exposed to asbestos fibres may be very low if precautions are taken to minimise the release and inhalation of asbestos dust and fibres.

As a precautionary measure, where Council is involved in a clean-up, Council may consider advising those in neighbouring properties to:

- avoid unnecessary outdoor activity and do not put any laundry outside during the clean up
- close all external doors and windows and stay indoors during the clean up
- consider avoiding using air conditioners that introduce air from outside into the home during the clean up
- dispose of any laundry that may have been contaminated with asbestos as asbestos waste after the clean-up (advice on disposing of asbestos waste is provided in section 10)
- wipe dusty surfaces with a damp cloth and bag and dispose of the cloth as asbestos waste after the clean-up (advice on disposing of asbestos waste is provided in section 10)
- any other measures recommended by an occupational hygienist following assessment of the situation.

8. Council's process for changing land use

Council recognises the need to exercise care when changing zoning for land uses, approving development or excavating land due to the potential to uncover known or unknown asbestos material from previous land uses (for example, where a site has been previously been used as a landfill or for on-site burial of asbestos waste).

State Environmental Planning Policy No. 55 – Remediation of Land states that land must not be developed if it is unsuitable for a proposed use because it is contaminated. If the land is unsuitable, remediation must take place before the land is developed.

Managing sites contaminated with asbestos material is addressed in section 6.



9. Council's process for assessing development

This section applies to development applications assessed under the *Environmental Planning and Assessment Act 1979* and complying development applications assessed under the *State Environmental Planning Policy (Exempt and Complying Development Codes) 2008* or Council's complying codes (see section 9.5.2). This includes alterations and additions to residential development, which may include internal work as well as extensions to the existing main structure, or changes to outbuildings, sheds or garages.

This section also covers renovations that do not require development consent or a complying development certificate. Development consent is not required to maintain an existing structure. For example, the replacement of windows, doors and ceilings may involve the removal of asbestos but is categorised as exempt development under the *Environmental Planning and Assessment Act 1979* and does not require development consent. In these instances, Council has an educative role in providing owners and occupiers with advice and information about the identification and safe management of asbestos.

9.1 Responsibilities for approving development

Council is the consent authority for the majority of development applications in the LGA. The Sydney Planning Panel (SPP) is also consent authority for certain local or regional development. Council may have representation on the SPP.

Council or the JRPP may impose conditions of consent and a waste disposal policy to a development consent to ensure the safe removal of asbestos, where asbestos has been identified or may be reasonably assumed to be present.

Either Council or a private certifier may assess a complying development certificate. Where a private certifier is engaged to assess a complying development certificate, the private certifier is responsible for ensuring that the proposed development activities include adequate plans for the safe removal and disposal of asbestos.

This also applies to the demolition of buildings. Certifiers are able to issue a complying development certificate under the Demolition Code of the *State Environmental Planning Policy (Exempt and Complying Development Codes) 2008*. Further information on demolition is provided in section 9.4.

When a private certifier issues a complying development certificate and is appointed as the Principal Certifying Authority for the development it is the certifier's responsibility to follow up to ensure that works including asbestos handling, removal and disposal if present, are carried out appropriately in accordance with the *Environmental Planning and Assessment Regulation 2000* (clause 136E). Compliance is covered in section 9.7.

9.2 Providing advice to home owners, renovators and developers

Council is committed to providing information to minimise the risks from asbestos in the LGA. Information is provided below and in Appendix A. Appendix B lists additional sources of information on how to deal safely with the risks of asbestos and Appendix J lists asbestos containing products that may be found around the home.

The key points are:

- Before any renovation, maintenance or demolition work is carried out, any asbestos or asbestos containing materials should be identified (refer to section 9.3).
- Where a material cannot be identified or it is suspected to be asbestos, it is best to assume that the material is asbestos and take appropriate precautions.



- If asbestos containing materials can be maintained in good condition it is recommended that they be safely contained, left alone and periodically checked to monitor their condition, until demolition or redevelopment.
If asbestos materials cannot be safely contained, they should be removed as outlined in section 9.4.
- For demolition or redevelopment, any asbestos containing materials should be safely removed and disposed of prior to the work commencing.

Anyone who is undertaking renovations themselves without a contractor is encouraged to refer to Appendices A and B for more information and contact Council where they require further advice or clarification. Anyone engaging an asbestos removal contractor may contact SafeWork with any queries as SafeWork regulates asbestos removal by workers (as explained in section 9.4). Contact details for Council and SafeWork are provided in Appendix E.

9.3 Identifying asbestos

Information on common places where asbestos is likely to be found in residential, commercial and industrial premises with materials from prior to 2004 on the premises is provided in Appendix A.

A person may apply to Council for a planning certificate (called a section 149 certificate) for the relevant land. Council may provide information on a planning certificate including whether Council has a policy to restrict the use of land due to risks from asbestos contamination, as outlined in section 6.2.

Council aims to ensure that records are, as far as possible, accurate. In some instances, Council may not have up-to-date information about asbestos for a property. Council may be able to provide general advice on the likelihood of asbestos being present on the land based on the age of the buildings or structures on the land. A general guide to the likelihood of asbestos presence based on building age is provided in Appendix A under section 2.2.

The most accurate way to find out if a building or structure contains asbestos is to obtain an asbestos inspection by a person competent in the identification and assessment of asbestos, such as an occupational hygienist (a competent person is defined by the *NSW Work Health and Safety Regulation 2017*). This is highly advisable before undertaking major renovations to buildings constructed, or containing materials from prior to 2004.

Property owners and agents are encouraged to inform any tenants or occupiers of the presence of asbestos and to address any potential asbestos hazards where appropriate.

Property owners who let their properties out are required to identify any asbestos within those properties before any work is carried out (this includes residential properties).

The *Work Health and Safety Regulation 2017* states that the person conducting a business or undertaking in any building constructed before 31 December 2003 must identify if there is any asbestos in the building.

All commercial properties that contain asbestos must have and maintain a current asbestos register and asbestos management plan.

9.4 Removing asbestos, refurbishments and demolitions

9.4.1 Removing asbestos at domestic premises

If development is undertaken by contractors, as is the case with a lot of home renovations, then the work is considered to be at a workplace and is regulated by SafeWork under the *NSW Work Health and Safety Regulation 2017*. This requires that a person conducting a



business or undertaking who is to carry out refurbishment or demolition of residential premises must ensure that all asbestos that is likely to be disturbed by the refurbishment or demolition is identified and, so far as reasonably practicable, is removed before the refurbishment or demolition is commenced.

Depending on the nature and quantity of asbestos to be removed, a licence may be required to remove the asbestos. The requirements for licenses are outlined below and summarised in the table in Appendix K. SafeWork is responsible for issuing asbestos licences.

Friable asbestos must only be removed by a licensed removalist with a friable (Class A) asbestos removal licence. Except in the case of the removal of:

- asbestos containing dust associated with the removal of non-friable asbestos, or
- asbestos containing dust that is not associated with the removal of friable or non-friable asbestos and is only a minor contamination (which is when the asbestos contamination is incidental and can be cleaned up in less than one hour).

The removal of more than 10 square metres of non-friable asbestos or asbestos containing material must be carried out by a licensed non-friable (Class B) or a friable (Class A) asbestos removalist.

The removal of asbestos containing dust associated with the removal of more than 10 square metres of non-friable asbestos or asbestos containing material requires a non-friable (Class B) asbestos removal licence or a friable (Class A) asbestos removal licence.

Removal of 10 square metres or less of non-friable asbestos may be undertaken without a licence. However, given the risks involved, Council encourages residents to consider engaging a licensed asbestos removal contractor. The cost of asbestos removal by a licensed professional is comparable in price to most licensed tradespeople including electricians, plumbers and tilers.

All asbestos removal should be undertaken in accordance with the *Code of practice on how to safely remove asbestos* (catalogue no. WC03561).

If a residential premise is a workplace, the licensed asbestos removalist must inform the following persons before licensed asbestos removal work is carried out:

- the person who commissioned the work
- a person conducting a business or undertaking at the workplace
- the owner and occupier of the residential premises
- anyone occupying premises in the immediate vicinity of the workplace (as described in section 467 of the *NSW Work Health and Safety Regulation 2017*).

In certain circumstances, a premise may be used for both residential and commercial purposes and is therefore classified as a workplace.

All licensed asbestos removal must be:

- supervised by a supervisor named to SafeWork
- notified to SafeWork at least five days prior to the work commencing.

Requirements for the transport and disposal of asbestos waste are covered in section 10.

9.4.2 Removing asbestos at workplaces

The *NSW Work Health and Safety Regulation 2017* specifies requirements for demolition and refurbishment at a workplace with structures or plants constructed or installed before 31 December 2003. SafeWork is the lead agency for regulating the safe management of asbestos at workplaces.



9.4.3 Obtaining approval for demolition

In most circumstances demolition of a structure requires development consent or a complying development certificate. Applicants need to enquire to Council as to whether and what type of approval is required. Where a development application is required Council's standard conditions need to be applied to ensure that asbestos is safely managed. Council's conditions for development consent are referred to in section 9.6.

A wide range of development, including residential, industrial and commercial development, can be approved for demolition as complying development under the Demolition Code of the *State Environmental Planning Policy (Exempt and Complying Development Codes) 2008* and the *Environmental Planning and Assessment Regulation 2000* provides mandatory conditions for complying development certificate applications.

Demolition work is classified as high risk construction work in the *NSW Work Health and Safety Regulation 2017* and demolition licenses are required for some demolition work. The *Demolition work code of practice 2015* provides practical guidance on how to manage the risks associated with the demolition of buildings and structures.

Demolition of development that would be exempt development under the *State Environmental Planning Policy (Exempt and Complying Development Codes) 2008* is also exempt development and does not require consent. This includes minor structures such as carports, fences, sheds and the like.

9.5 Exempt or complying development

9.5.1 Exempt development

Exempt development does not require any planning or construction approval if it meets the requirements of the *State Environmental Planning Policy (Exempt and Complying Development Codes) 2008*. The code requires any development complies with the Australian Standard 2301-2001 Demolition of Structures. Council advises that all asbestos removal work should be carried out in accordance with the *Code of practice on how to safely remove asbestos* (catalogue no. WC03561).

This means that there is no ability for Council or a private certifier to impose safeguards for the handling of asbestos through conditions of development consent. However, Council advises that all asbestos removal work should be carried out in accordance with the *Code of practice on how to safely remove asbestos* (catalogue no. WC03561).

9.5.2 Complying development

The *Environmental Planning and Assessment Regulation 2000* (clause 136E) outlines conditions under which a complying development certificate can be issued for development that involves building work or demolition work and friable or non-friable asbestos.

Applications for complying development certificates must include details of the estimated area (if any) in square metres of friable and/or non-friable asbestos material that will be disturbed, repaired or removed in carrying out the development (under Schedule 1 part 2 of the *Environmental Planning and Assessment Regulation 2000*).

Where more than 10 square metres of non-friable asbestos is to be removed, a contract evidencing the engagement of a licensed asbestos removal contractor is to be provided to the principal certifying authority. The contract must specify the landfill site lawfully able to accept asbestos to which the removed asbestos will be delivered.



If the contract indicates that asbestos will be removed to a specified landfill site, the person having the benefit of the complying development certificate must give the principal certifying authority a copy of a receipt from the operator of the landfill site stating that all the asbestos material referred to in the contract has been received by the operator.

If the work involves less than 10 square metres of non-friable asbestos and is not undertaken by a licensed contractor, it should still be undertaken in a manner that minimises risks as detailed in the *Code of practice on how to safely remove asbestos* (catalogue no. WC03561). In instances where asbestos removal is less than 10 square metres of non-friable asbestos and not from a place of work, then SafeWork would not be the agency responsible for regulating this activity. Concerns or complaints may be directed to Council as outlined in section 11.

The *State Environmental Planning Policy (Exempt and Complying Development Codes) 2008* outlines the requirements for the applicant to notify their neighbours that works may include asbestos removal.

Further requirements to inform other persons of licensed asbestos removal are described in section 467 of the *NSW Work Health and Safety Regulation 2017* as noted in section 9.4.1 of this policy.

9.6 Development applications

If a proposed building does not meet the requirements of exempt or complying development then the alternative planning approval pathway is a development application (DA). A DA can only be approved by a local Council, the JRPP or, for very large, State-significant development proposals, the State Government. A development application needs to be prepared and it will be assessed in accordance with the requirements of relevant environmental planning instruments and the development standards established by Council. Council may undertake a site inspection as part of the DA assessment.

9.6.1 Pre-development application advice regarding asbestos

Council's pre-DA service enables proponents to discuss asbestos-related issues with Council prior to lodging a DA, if the issue is raised. Council may inform applicants of this policy, fact sheets or websites. Generally this may be most relevant to structures erected or modified before the 1980s and any other structure that could be reasonably suspected to contain asbestos including those with building materials from prior to 2004.

9.6.2 Conditions of consent

Council will impose conditions of consent on development applications that relate to work that may involve asbestos. Council could require conditions to be satisfied prior to granting development approval or prior to issuing an Occupation Certificate.

Further information is provided in the *Guide to the Model Asbestos Policy*.

9.7 Compliance and enforcement

9.7.1 Responsibilities for compliance and enforcement

The controls rely on information being provided and checked by the principal certifying authority which may be either the local Council or a private certifier. A private certifier has powers under the *Environmental Planning and Assessment Act 1979* to issue construction certificates, compliance certificates, complying development certificates, occupation certificates and to carry out mandatory inspections. Councils will not always be the principal



certifying authority. When a Council is not nominated as the principal certifying authority for a complying development certificate or development application, the Council may not have any knowledge of the asbestos matter. Accordingly, coordination of compliance and/or enforcement actions between the Council and the private certifier will be required.

Council may take action on any development for which Council has issued the development consent, even when not appointed as the principal certifying authority to ensure enforcement. Where Council receives a complaint about a development for which Council is not the principal certifying authority, Council should consider whether Council is the appropriate authority to resolve the matter. Complaints that warrant action by Councils because of their greater enforcement powers include:

- urgent matters, for example, a danger to the public or a significant breach of the development consent or legislation
- matters that are not preconditions to the issue of the occupation/subdivision certificate.

In relation to naturally occurring asbestos, Council is to verify compliance with environmental planning and assessment legislation and together with the EPA and SafeWork is to coordinate enforcement where non-compliance is suspected.

9.7.2 Compliance strategies

Illegal works include:

- works that are undertaken without a required development consent or complying development certificate
- works that are undertaken that do not comply with the conditions of the development consent or complying development certificate.

Where Council becomes aware of illegal work involving asbestos or asbestos containing materials, Council will notify SafeWork if the site is a workplace.

The *Environmental Planning and Assessment Act 1979* empowers Council to issue orders to direct specific work be undertaken to comply with a development consent.

Council may need to issue an order under the *Local Government Act 1993* (section 124) to direct a person to 'do or refrain from doing such things as are specified in the order to ensure that land is, or premises are, placed or kept in a safe or healthy condition.'

Council may also issue a clean up notice or prevention notice under the *Protection of the Environment Operations Act 1997* as outlined in section 6.1 of this policy.

Council may audit asbestos-related demolition works which Council has recently approved by using a legal notice under section 192 of the *Protection of the Environment Operations Act 1997* to require developers to provide information and records regarding disposal of their asbestos waste.

10. Managing asbestos as a waste

It is illegal to dispose of asbestos waste in domestic garbage bins or to recycle, reuse, bury or illegally dump asbestos waste. Asbestos must not be placed in general waste skip bins, yet there have been instances where asbestos has been illegally placed in skip bins by third parties. Members of the public need to be aware of this hazard and may need to secure their skip bins to prevent a third party from illegally disposing of asbestos in the skip bin.



Asbestos waste (in any form) must only be disposed of at a landfill site that may lawfully receive asbestos waste.

10.1 Responsibilities for asbestos waste management

Council's responsibilities for asbestos waste management are outlined in section 3.3.

The handling and, where appropriate, temporary storage of asbestos waste at worksites is regulated by SafeWork NSW.

The EPA regulates premises that have or require an environment protection licence in accordance with the *Protection of the Environment Operations Act 1997*. A licence is required where more than 5 tonnes of asbestos waste, brought from off-site, is stored at any time. All other sites where asbestos waste is stored, typically those that are non-work sites, are regulated by local Councils.

10.2 Handling asbestos waste for disposal

The *Code of practice on how to safely remove asbestos* (catalogue no. WC03561) provides details on waste containment and disposal and controls applicable to all types of asbestos removal (in section 4.8 of the Code).

10.3 Transporting asbestos waste

The following requirements apply to the transport of asbestos waste and non-compliance with these requirements is an offence under clause 78 of the *Protection of the Environment Operations (Waste) Regulation 2014*:

- (a) any part of any vehicle in which the person [transports](#) the waste is covered, and leak-proof, during the [transportation](#), and
- (b) if the waste consists of bonded asbestos material-it is securely packaged during the [transportation](#), and
- (c) if the waste consists of friable asbestos material-it is kept in a sealed container during [transportation](#), and
- (d) if the waste consists of asbestos-contaminated soils-it is wetted down.

Asbestos waste that is transported interstate must be tracked in accordance with the *Protection of the Environment Operations (Waste) Regulation 2014*. The transport of asbestos waste in NSW must be recorded from the place of generation to its final destination. The waste tracking system is administered by the EPA. Operators that use the EPA's WasteLocate system will be in compliance with these requirements. Information about EPA's WasteLocate system can be found at: www.epa.nsw.gov.au/wasteregulation/transport-asbestos-tyres.htm

An environment protection licence issued by the EPA is required to transport asbestos waste interstate where any load contains more than 100 kilograms of asbestos waste or more than 10m².

It is an offence to transport waste to a place that cannot lawfully receive that waste, or cause or permit waste to be so transported (under section 143 of the *Protection of the Environment Operations Act 1997*). Penalty notices may be issued for \$7,500 (to individuals) and \$15,000 (to corporations). NSW courts may impose penalties up to \$250,000 (for individuals) and \$1,000,000 (for corporations) found guilty of committing this offence.



10.4 Disposing of asbestos waste at waste facilities

Persons delivering waste to a landfill site must comply with the following requirements:

- a person delivering waste that contains asbestos to a landfill site must inform the landfill occupier of the presence of asbestos when delivering the waste.
- when unloading and disposing of asbestos waste at a landfill site, the waste must be unloaded and disposed of in such a manner as to prevent the generation of dust or the stirring up of dust.

Non-compliance with these requirements is an offence under the Protection of the Environment Operations (Waste) Regulation 2014 and these offences attract strong penalties. Protection of the Environment Operations (Waste) Regulation 2014 Protection of the Environment Operations (Waste) Regulation 2014.

10.4.1 Situations in which asbestos waste may be rejected from waste facilities

Asbestos waste may be rejected from a waste facility if the waste is:

- not correctly packaged for delivery and disposal (as per sections 10.2 and 10.3)
- not disclosed by the transporter as being asbestos or asbestos containing materials, or
- taken to a waste facility that does not accept asbestos waste.

Where waste is rejected, the waste facility must inform the transporter of the waste of a waste facility to which the waste may be transported, that is, a waste facility at which the waste can be legally accepted (as required by the *Protection of the Environment Operations (Waste) Regulation 2014*).

Individuals may be fined \$7,500 and corporations may be fined \$15,000 under the Protection of the Environment Operations Act 1997 and Protection of the Environment Operations (Waste) Regulation 2014 for transporting asbestos waste to a facility that cannot lawfully receive asbestos waste. Protection of the Environment Operations (Waste) Regulation 2014 Protection of the Environment Operations (Waste) Regulation 2014 Protection of the Environment Operations (Waste) Regulation 2014 Protection of the Environment Operations (Waste) Regulation 2014.

10.5 Illegal dumping of asbestos waste

Illegal landfilling, which is waste used as fill material, with or without the consent of the owner or occupier of the land and without the necessary Council or EPA approvals, is also considered to be illegal dumping and pollution of land.

Illegal dumping of asbestos waste in public places such as parks, streets or nature strips can attract regulatory action including:

- on the spot fines of up to \$15,000
- prosecution for pollution of land of up to \$1 million for a corporation and \$120,000 for each day the offence continues (under section 142A of the *Protection of the Environment Operations Act 1997*), or
- up to \$1 million, or seven years imprisonment, or both for an individual (under section 119 of the *Protection of the Environment Operations Act 1997*).

The responsibility for cleaning up illegally dumped waste lies with the person or company that deposited the waste. If they cannot be identified the relevant occupier or landowner becomes the responsible party.



Local Councils are the appropriate regulatory authority for illegal dumping unless:

- the activity was part of the carrying on of an activity listed in Schedule 1 of the *Protection of the Environment Operations Act 1997*
- the activity was carried out by a public authority or the state, or
- the site is regulated by a different authority such as the Minister for Planning.

A handbook to assist Aboriginal communities to prevent and arrange the clean up of illegal dumping (published by the EPA) is noted in Appendix B.

10.6 Asbestos remaining on-site

The disposal of asbestos on site is not encouraged as it requires an effective ongoing system of long term management to ensure the material does not pose unacceptable risks to future site activities and occupants. For on-site burial of asbestos waste, Council will seek advice from the EPA. Council will confirm if on-site disposal is permitted under planning controls whether or not consent is required and will require recording of on-site disposal on the zoning certificate (section 149 certificate).

11. Complaints and investigations

Complaints and inquiries may be directed to Council about incidents in public places and private properties. Complaints and inquiries regarding a workplace should be directed to SafeWork NSW. Complaints and inquiries regarding licensed premises under the *Protection of the Environment Operations Act 1997* should be directed to the EPA.

Council will respond to complaints and inquiries regarding:

- Council's requirements in relation to development, land management and waste management
- derelict properties
- general asbestos safety issues
- illegal dumping
- safe removal and disposal of minor quantities of asbestos materials
- unsafe work at a residential property conducted by a homeowner or tenant.

Complaints about Council in relation to asbestos may be directed to the NSW Ombudsman.



Part 2 – Management of asbestos risks within Council

12. Rights and responsibilities of workers at Council workplace

12.1 Duties of Council workers at Council workplace

12.1.1 The General Manager

The General Manager has a duty to exercise due diligence to ensure that Council complies with the *NSW Work Health and Safety Act 2011* and the *NSW Work Health and Safety Regulation 2017*. This includes taking reasonable steps to ensure that Council has and uses appropriate resources and processes to eliminate or minimise risks associated with asbestos.

12.1.2 Workers

Workers have a duty to take reasonable care for their own health and safety and that they do not adversely affect the health and safety of other persons. Accordingly workers:

- must comply with this policy and any reasonable instruction or procedure relating to health and safety at the workplace
- must use any personal protective equipment provided, in accordance with information, training and reasonable instruction provided so far as the worker is reasonably able
- may cease, or refuse to carry out, work if the worker has a reasonable concern that to carry out the work would expose them, or other persons, to a serious health or safety risk, emanating from an immediate or imminent exposure to a hazard
- should ensure they are using the latest version of all relevant procedures, plans, guidelines and legislation (refer to Appendix G).

Managers are responsible for ensuring workers who report to them have access to this policy and appropriate information, documentation and training.

12.1.3 Prohibited work activities

Council will not permit the use of the following on asbestos or asbestos containing material:

- high pressured water spray (unless for firefighting or fire protection purposes), or
- compressed air.

Council will not permit the following equipment to be used on asbestos or asbestos containing material unless the use of the equipment is controlled in accordance with the *NSW Work Health and Safety Regulation 2017*:

- power tools
- brooms (note brooms are allowed for use on vinyl floor tiles), or
- any other implements that cause the release of airborne asbestos into the atmosphere.

12.2 Responsibilities of Council to Council workers

12.2.1 Council's general responsibilities

Council has general responsibilities under the *NSW Work Health and Safety Act 2011* and the *NSW Work Health and Safety Regulation 2017*. Accordingly Council will:



- not use any asbestos containing materials (unless in accordance with part 8.1 (419) of the *NSW Work Health and Safety Regulation 2017*) and will not cause or permit asbestos waste in any form to be reused or recycled
- ensure that exposure of a person at the workplace to airborne asbestos is eliminated so far as is reasonably practicable
- ensure that the exposure standard for asbestos (defined in Appendix C) is not exceeded in the workplace
- notify SafeWork immediately if persons are likely to be affected by asbestos fibres or if an air monitoring process records respirable asbestos fibre levels above 0.02 fibres/ml of air
- ensure that any contractors engaged to undertake the removal of asbestos for Council are appropriately licensed
- consult with workers as required by the *Work Health and Safety Act 2011*.

Council will not import asbestos or asbestos containing material into Australia as prohibited under the *Customs (Prohibited Imports) Regulations 1956*. If plant or other materials are imported from countries where asbestos is not yet prohibited, Council shall ensure the plant or materials do not contain asbestos prior to supply or use in the workplace.

12.2.2 Education, training and information for workers

As required by the *NSW Work Health and Safety Act 2011* and *NSW Work Health and Safety Regulation 2017*, Council will:

- provide any information, training, instruction or supervision that is necessary to protect all persons at the workplace from risks to their health and safety arising from work carried out as part of the conduct of Council business
- ensure workers who Council reasonably believes may be involved in asbestos removal work or the carrying out of asbestos-related work in the workplace are trained in the identification, safe handling and suitable control measures for asbestos and asbestos containing material.

Council may also provide information and training to Council employees who may need to respond to asbestos issues related to renovations and developments as outlined in section 9.

Topics training may cover are outlined in the *Code of practice on how to safely remove asbestos* (catalogue no. WC03561). Education and training will only be provided by appropriately accredited individuals. A record of asbestos training undertaken by each worker will be kept until five years after the day the worker ceases to work for Council.

A list of workers who have received the appropriate training to respond to asbestos hazards is available on Councils Records Management System.

12.2.3 Health monitoring for workers

Council will ensure health monitoring is provided to a worker if they are carrying out licensed asbestos removal work, other ongoing asbestos removal work or asbestos-related work at the workplace for Council and are at risk of exposure to asbestos when carrying out the work.

The health monitoring will be consistent with the *Code of practice on how to safely remove asbestos* (catalogue no. WC03561) and meet the requirements of the *NSW Work Health and Safety Regulation 2017* (part 8.5 Division 1).



Health counselling may be appropriate where a heightened sense of concern exists for individuals possibly exposed to elevated levels of airborne asbestos fibres.

Employees who were exposed to asbestos in the past and if there is a risk to the health of the employee as a result of that exposure, are covered by the *NSW Work Health and Safety Regulation 2017* (clauses 435-444). Council will ensure these employees are kept on the health monitoring program.

Council may wish to refer to any plan / procedures / forms / record keeping systems that council may have for health monitoring for workers and the council employee responsible for coordinating the health monitoring. If council does not have any plans or procedures, council may include a commitment to develop a health monitoring plan/ procedures based on the *Code of practice on how to safely remove asbestos (catalogue no. WC03561) and part 8.5 Division 1 of the NSW Work Health and Safety Regulation 2011*.

13. Identifying and recording asbestos hazards in Council workplace

This section outlines how Council will identify and record asbestos hazards in the workplace. This section does not cover naturally occurring asbestos which is addressed in section 5 or illegal dumping which is addressed in section 10.5.

13.1 Identifying asbestos

Council will ensure, so far as is reasonably practicable, that all asbestos or asbestos containing material at the workplace is identified by a competent person (as defined by the *NSW Work Health and Safety Regulation 2017*). If a material cannot be identified or accessed, it will be assumed to be asbestos. This does not apply if Council has reasonable grounds to believe that asbestos or asbestos containing material is not present.

13.1.1 Material sampling

Council may choose to identify asbestos or asbestos containing material by arranging for a sample to be analysed. Where Council arranges sampling of asbestos containing material, this will be undertaken by an appropriately trained and competent Council worker or a competent person will be contracted to undertake this task. Analysis of the sample must only be carried out by a National Association of Testing Authorities (NATA) accredited laboratory (refer to Appendix E) or a laboratory approved or operated by the regulator.

13.2 Indicating the presence and location of asbestos

Council will clearly indicate the presence and location of any asbestos or asbestos containing material identified or assumed at the workplace. Where it is reasonably practicable to do so, Council will indicate the presence and location of the asbestos or asbestos containing material by a label.

13.3 Asbestos register

Council has an asbestos register which is kept in the TRIM D18/55414. The document owner is Manager, Risk & Safety.

Council's asbestos register will be maintained to ensure the register lists all identified (or assumed) asbestos in the workplace and information in the register is up to date. The asbestos register will be accessible, reviewed, revised and otherwise managed as mandated by the *NSW Work Health and Safety Regulation 2017* (clauses 425 – 428).



Council will ensure that any worker carrying out or intending to carry out work at a Council workplace that involves a risk of exposure to airborne asbestos or contact with asbestos containing material is given a copy of the asbestos register.

13.4 Suspected asbestos

If a worker suspects there is asbestos in a Council workplace, they should inform their manager or supervisor. A competent worker should check the asbestos register for existing asbestos locations and control measures and may need to arrange for an inspection and sampling of the material (refer to section 13.1.1). If it is likely that asbestos or suspected asbestos is present, the asbestos register will be updated and workers will be notified of any newly identified asbestos locations.

Council may need to manage the suspected asbestos as outlined in section 14. If the suspected asbestos has been disturbed and has, or could, become airborne, Council may need to respond immediately as outlined in section 15.

14. Managing asbestos-related risks in the Council workplace

14.1 Asbestos management plan

Council has an asbestos management plan for asbestos in Trim and Oracle (intranet).

The asbestos management plan will be accessible, reviewed, revised and otherwise managed as mandated by the *NSW Work Health and Safety Regulation 2017* clause 429.

14.2 Asbestos management plan for naturally occurring asbestos

Council is not aware of any naturally occurring asbestos in the workplace. If naturally occurring asbestos is discovered, Council will prepare an asbestos management plan in relation to the naturally occurring asbestos in accordance with the *NSW Work Health and Safety Regulation 2017* part 8.4 (Management of naturally occurring asbestos).

14.3 Management options for asbestos-related risks in the Council workplace

Council's asbestos management plan includes decisions and reasons for decisions about the management of asbestos at the workplace.

Options for managing asbestos-related risks include:

- removal of asbestos or asbestos containing materials (preferred wherever reasonably practicable)
- interim control measures: enclosure (only for non-friable asbestos), encapsulation (when the original asbestos bond is still intact) or sealing (where the sealed material is unlikely to be subject to mechanical damage) asbestos containing material, to be implemented along with regular inspections by a competent person
- leaving asbestos containing material in situ (deferring action).

Council may undertake an asbestos risk assessment, in consultation with workers and/or their representatives, in order to inform decision-making. Only competent persons will perform risk assessments or any subsequent reviews or revisions of risk assessments.

For all asbestos work or asbestos-related work, safe work practices will be in place and suitable personal protective equipment will be used.



14.4 Sites contaminated with asbestos that are Council workplaces

Where asbestos is identified as contaminating a workplace, the site will be included in Council's asbestos register and asbestos management plan.

Council may need to ensure that an exposure assessment is undertaken and that appropriate risk management options are determined and implemented.

For asbestos in soil or aggregate, a suitably qualified occupational hygienist must carry out an assessment if the material in the soil and aggregate is unknown or classified as friable.

Council should engage specialists, who may include asbestos removalists, for all cases except in the case of minor, non-friable contaminations.

Further details on managing land contaminated with asbestos may be found in section 6.

14.5 Demolition or refurbishment of Council buildings and assets

Council will ensure that before any demolition or refurbishment of a Council structure or plant constructed or installed before 31 December 2003 is undertaken, the asbestos register is reviewed and a copy provided to the business undertaking the demolition or refurbishment. Council will ensure that any asbestos that is likely to be disturbed is identified and, so far as is reasonably practicable removed.

14.6 Removal of asbestos in the Council workplace

Removal of asbestos or asbestos containing materials in the Council workplace will be undertaken in accordance with the:

- *NSW Work Health and Safety Act 2011*
- *NSW Work Health and Safety Regulation 2017*.

Council may also refer to the *Code of practice on how to safely remove asbestos* (catalogue no. WC03561).

For licensed asbestos removal work, a licensed asbestos removalist must meet the requirements of the *NSW Work Health and Safety Regulation 2017* including the requirements to:

- notify SafeWork at least five days prior to the asbestos removal work commencing. However, in the case of emergency work, such as burst pipes, fires and illegally dumped asbestos, Council may request to SafeWork that this five days period be waived
- prepare, supply and keep an asbestos removal control plan
- obtain a copy of the asbestos register for the workplace before carrying out asbestos removal work at the workplace (this does not apply if the asbestos removal work is to be carried out at residential premises, for example cleaning up asbestos that has been illegally dumped at a residential premises) inform the person with management or control of the workplace that the licensed asbestos removal work is to be carried out at the workplace
- erect signs and barricades
- limit access to the asbestos removal area
- properly dispose of asbestos waste and dispose of, or treat, contaminated personal protective equipment
- arrange a clearance inspection and clearance certificate.



Where Council is informed that asbestos removal work is to be carried out at the workplace, Council will inform workers and those in the immediate vicinity of the workplace and limit access to the asbestos removal area as per the *NSW Work Health and Safety Regulation 2017*.

14.6.1 Removal by contractors

Where Council commissions the removal of asbestos at the workplace, Council will ensure asbestos removal work is carried out only by a licensed asbestos removalist who is appropriately licensed to carry out the work, unless specified in the *NSW Work Health and Safety Regulation 2017* that a licence is not required.

Where Council requires the services of asbestos removalists, Council will require the licence details of asbestos removalists prior to engaging their services and will verify the licence details with SafeWork's Certification Unit prior to entering a contract or agreement with the licensed asbestos removalists.

Council is required to ensure that the work is carried out by a competent person who has been trained in the identification and safe handling of, and suitable control measures for, asbestos and asbestos containing material. Council will therefore require a statement in a written contract or agreement with the licensed asbestos removalist that the licensed asbestos removalist who will undertake the work has been adequately trained.

Council will provide a copy of the asbestos register to the licensed asbestos removalist.

Where Council becomes aware of any breaches by licensed asbestos removalists, Council will report this to SafeWork.

14.6.2 Clearance inspections and certificates

Where Council commissions any licensed asbestos removal work, Council will ensure that once the licensed asbestos removal work has been completed, a clearance inspection is carried out and a clearance certificate is issued by an independent licensed asbestos assessor (for Class A asbestos removal work) or an independent competent person (in any other case) before the asbestos removal area is re-occupied.

The friable asbestos clearance certificate will require visual inspection as well as air monitoring of the asbestos removal site. Air monitoring is mandatory for all friable asbestos removal. The air monitoring must be conducted before and during Class A asbestos removal work by an independent licensed asbestos assessor.

The friable asbestos clearance certificate is to state that there was no visible asbestos residue in the area or vicinity of the area where the work was carried out and that the airborne asbestos fibre level was less than 0.01 asbestos fibres/ml.

Council will require a statement in a written contract or agreement with the licensed asbestos removalist that the licensed asbestos removalist who will undertake the work has been adequately trained and is provided with appropriate health monitoring by their employer.

The licensed asbestos removalist is to provide the following documentation prior to carrying out asbestos removal work:

- Asbestos removal control plan
- Public liability certificate of currency
- Workers compensation certificate of currency
- SafeWork NSW confirmation details to carry out the removal work



15. Accidental disturbance of asbestos by workers

In situations where asbestos is accidentally disturbed by Council work and has, or could, become airborne, Council will act to minimise exposure of workers and the wider public to airborne asbestos.

It may be appropriate that Council:

- stop works in the vicinity of the asbestos immediately
- inform the site supervisor immediately, inform necessary workers and record the incident
- evacuate the area
- provide personal protective equipment and briefing to appropriately trained workers who will respond to the incident
- restrict access to the area and ensure only appropriately trained and equipped Council workers attend the site
- exclude the public from the site and provide information to the public if in a public area
- wet surfaces to reduce the dust levels
- prevent the spread of contamination by using wash down facilities
- provide information, training and supervision to all workers potentially at risk
- contact SafeWork to report the disturbance. SafeWork must be immediately notified if persons are likely to be effected by asbestos fibres or if an air monitoring process records a level above 0.02 fibres/ml of air
- implement an air monitoring program to assess asbestos exposure levels and specific risk control measures.
- liaise with or consult the appropriate agencies
- seek advice from an occupational hygienist
- follow the Code of practice on how to safely remove asbestos (catalogue no. WC03561)
- ensure that asbestos materials are disposed of at a facility licensed to accept asbestos materials, and where contractors have been engaged to dispose of asbestos waste, sight proof of appropriate disposal through weighbridge dockets or similar documentation
- update the asbestos register and notify workers of any newly identified asbestos locations.

16. Council's role in the disposal of asbestos waste

16.1 Responding to illegal dumping

Where Council commissions the removal of illegally dumped asbestos material or suspected asbestos material, Council will ensure this is undertaken in accordance with section 14.6.2.

Where Council becomes aware of illegally dumped asbestos material outside of Council's jurisdiction, Council will promptly notify the relevant authority.



16.2 Re-excavation of landfill sites

The re-excavation of a Council landfill site where significant quantities of asbestos waste are deposited should only be considered with reference to any available records on the nature, distribution and quantities of asbestos waste required under the relevant legislation, and consultation with the Environment Protection Authority (as the appropriate regulatory authority under the *Protection of the Environment Operations Act 1997*).

17. Advice to tenants and prospective buyers of Council owned property

Council may provide advisory notes to tenants and prospective buyers of Council owned property that is likely to contain asbestos.

Council may request that tenants in Council property:

- advise Council of any hazards relating to asbestos
- minimise damage to asbestos containing material
- co-operate with Council in facilitating any risk management work arranged by Council
- act on advice from Council to minimise risks from asbestos.

18. Implementing Council's Asbestos Policy

18.1 Supporting documents

The implementation of this policy is supported by Council's:

- conditions of consent
- guidelines for disposing of asbestos waste.

Council also has several internal documents that support this policy.

- asbestos management plan
- asbestos register
- complaints handling procedures
- incident report form
- training registers/ records (relevant to identifying, handling and removing of asbestos materials).

18.2 Communicating the policy

This is a publicly available policy. The policy is to be made available via:

- Council's website www.waverley.nsw.gov.au
- Council's electronic record keeping system, TRIM

All employees shall receive information about the policy at induction.



Any workers (including employees, contractors, consultants and, where relevant, volunteers and members of the public) who are involved in any activity or activities listed in Appendix A under section 3 on behalf of, or for, Council shall be provided with access to a copy of this policy and relevant supporting documents. This includes any workers involved in commencing, arranging, undertaking, regulating, inspecting or supervising a potentially hazardous activity or activities. Managers are responsible for ensuring workers who report to them have access to the policy and appropriate information, documentation and training in asbestos awareness (as per the NSW *Work Health and Safety Regulation 2017*) prior to planning the activity or activities. Further information about training is noted in section 12.2.2 of this policy.

Council shall incorporate a statement regarding compliance with this policy in all relevant contracts and agreements with workers (including employees, contractors, consultants and, where relevant, volunteers and members of the public).

In the case of any substantive revisions to the policy, the revisions will be approved by the General Manager and the General Manager will notify all persons who may have cause to undertake, arrange or supervise any activities listed in Appendix A under section 3 on behalf of, or for, Council.

18.3 Non-compliance with the policy

Failure by workers to adhere to the policy and failure by managers to adequately inform relevant workers of this policy shall be considered non-compliance with this policy.

The appropriate supervisor, manager, director, or the General Manager, shall take action in the case on non-compliance with the policy and this may include providing education and training, issuing a verbal or written warning, altering the worker's duties, or in the case of serious breaches, terminating the worker's services. Each case shall be assessed on its merits with the aim of achieving a satisfactory outcome for all parties.

Workers should approach their supervisor or manager if they are experiencing difficulties in understanding or implementing the policy or if they are concerned that other workers are not complying with the policy.

19. Variations to this policy

Council reserves the right to review, vary or revoke this policy. The General Manager may allow variations to the policy for minor issues in individual cases.



Appendices

Appendix A – General information and guidance

1. What is asbestos?

Asbestos is the generic term for a number of naturally occurring, fibrous silicate materials. If asbestos is disturbed it can release dangerous fine particles of dust containing asbestos fibres. Breathing in dust containing elevated levels of asbestos fibres can cause asbestosis, lung cancer and mesothelioma.

There are two major groups of asbestos:

- the serpentine group contains chrysotile, commonly known as white asbestos
- the amphibole group contains amosite (brown asbestos) and crocidolite (blue asbestos) as well as some other less common types (such as tremolite, actinolite and anthophyllite).

Further information about the different types of asbestos can be found in Environmental Health Standing Committee (enHealth), *Asbestos: A guide for householders and the general public*, Australian Health Protection Principal Committee, Canberra, 2013 (available at:

www.health.gov.au/internet/publications/publishing.nsf/Content/asbestos-toc~asbestos-about)

[http://www.health.gov.au/internet/main/publishing.nsf/content/FB262D7C35664103CA257420001F2D74/\\$File/asbestos.pdf](http://www.health.gov.au/internet/main/publishing.nsf/content/FB262D7C35664103CA257420001F2D74/$File/asbestos.pdf)

In Australia, in the past asbestos was mined and widely used in the manufacture of a variety of materials. Asbestos was gradually phased out of building materials in the 1980s and the supply and installation of asbestos containing goods has been prohibited in Australia since 31 December 2003.

Asbestos legacy materials still exist in many homes, buildings and other assets. It is estimated that 1 in 3 Australian homes contains building materials with asbestos. Where the material containing asbestos is in a non-friable form (or bonded), undisturbed, and painted or otherwise sealed, it may remain safely in place. However, where the asbestos containing material is broken, damaged or mishandled, fibres can become loose and airborne posing a risk to health. Disturbing or removing asbestos unsafely can create a health hazard.

It is often difficult to identify the presence of asbestos by sight. If you are in doubt, it is best to assume that you are dealing with asbestos and take every precaution. The most accurate way to find out whether a material contains asbestos is to obtain an asbestos inspection by a person competent in the identification and assessment of asbestos such as an occupational hygienist. It can be unsafe for an unqualified person to take a sample of asbestos. Licensed asbestos removalists can be found by using the telephone directory. Council encourages residents to ask the contractor for a copy of their licence prior to engaging them. Residents can then check with SafeWork NSW (phone 13 10 50) to confirm the contractor has the appropriate class of licence for the asbestos removal job.



2. Where is asbestos found?

Asbestos can be found where it occurs naturally and in a variety of materials (from prior to 2004) in residential, commercial and industrial premises and on public and private land.

2.1 Naturally occurring asbestos

Naturally occurring asbestos refers to the natural geological occurrence of asbestos minerals found in association with geological deposits including rock, sediment or soil.

Asbestos is found as a naturally occurring mineral in many areas of NSW. Asbestos may occur in veins within rock formations. [The map provided in Appendix L](#) gives an indication of areas in NSW known to have naturally occurring asbestos. Council is not aware of any naturally occurring asbestos within the Waverley area.

Work processes that have the potential to inadvertently release naturally occurring asbestos into the air include:

- agriculture
- forestry
- landscaping
- mining
- other excavation or construction activities
- pipe works and telecommunications works
- road construction and road works.

Further information can be found in this policy under section 5 and in the *Naturally-occurring asbestos fact sheet* (catalogue no. WC03728) published by SafeWork, which provides a photograph of naturally occurring asbestos.

The SafeWork NSW website provides further information on naturally occurring asbestos and supporting documents on what people can do to avoid contact with naturally occurring asbestos.

2.2 Residential premises

As a general rule, a house built:

- Before the mid 1980s – is highly likely to contain asbestos containing products.
- Between the mid 1980s and 1990 – is likely to contain asbestos containing products.
- After 1990 – is unlikely to contain asbestos containing products. However, some houses built in the 1990s and early 2000s may have still used asbestos cement materials until the total ban on any activity involving asbestos products became effective from December 2003.

Pipelines installed prior to 1992, particularly black surface coated and grey surface pipes, may contain asbestos.

It is important to note, the most accurate way to find out whether a material contains asbestos is by engaging a licensed asbestos removalist or occupational hygienist to inspect and arrange testing where necessary.

Fibre cement sheeting, commonly known as 'fibro', 'asbestos sheeting' or 'AC sheeting' (asbestos containing sheeting) is the most commonly found legacy asbestos material in



residential premises. Other asbestos containing materials were used in 'fibro' houses but also found in brick and timber housing stock from that period. Asbestos materials were sold under a range of commercial names. Some asbestos containing materials found in New South Wales domestic settings are listed in Appendix J.

Common places where asbestos is likely to be found in and around homes include:

Outside

- backyard garden sheds, carports, garages and dog kennels
- electrical meter boards
- imitation brick cladding
- lining under eaves
- wall and roof materials (flat, patterned or corrugated asbestos sheeting).

Inside

- insulation materials in heaters and stoves
- interior walls and sheeting
- sheet materials in wet areas (bathroom, toilet and laundry walls, ceilings and floors)
- vinyl floor tiles, the backing to cushion vinyl flooring and underlay sheeting for ceramic tiles including kitchen splashback.

Asbestos can also be found in:

- angle mouldings (internal and external)
- board around windows and fireplaces
- brake pads and clutch pads to vehicles
- buried and dumped waste materials
- carpet underlay
- ceilings (ceiling tiles or sprayed coatings or loose in the ceiling cavity and may have moved to wall cavities, cornices and sub-floor areas) cement flooring
- external toilets
- fencing
- guttering, downpipes and vent pipes
- inside appliances eg irons, whitegoods
- gable ends
- outbuildings
- ridge capping
- swimming pools – reinforcing marble swimming pools
- ventilators – internal and external.

Other places asbestos can be found are listed in Appendix J.



2.3 Commercial and industrial premises

In commercial and industrial premises, asbestos may be found in the abovementioned places and also:

- asbestos rope or fabric in expansion joints (for example exhaust flues) and insulation
- bituminous waterproof membrane on flat roofs
- brake disc pads and brake linings
- cloth, tapes, ropes and gaskets for packing
- electrical switchboards and duct heater units
- fillers and filters
- fire doors
- lagging on pipes such as heater flues
- lift motor rooms
- pipes, casing for water and electrical/ telecommunication services
- rubber, plastics, thermosetting resins, adhesives, paints, coatings, caulking compounds and sealants for thermal, electrical and insulation applications
- structural beams of buildings
- yarns and textiles eg fire blankets.

Other places asbestos can be found are listed in Appendix J.

2.4 Sites contaminated with asbestos

Contamination of soils from asbestos or asbestos containing materials can present a risk in urban and rural environments if the asbestos can give rise to elevated levels of airborne fibres that people can breathe. Whilst buried material may not give rise to airborne asbestos fibres if securely contained, inappropriate disturbance of this waste could give rise to harmful levels of asbestos fibres in air. Activities such as those listed in section 3 of this Appendix have the potential to encounter and disturb asbestos waste or contamination, particularly where the contamination is not known to be present at the site or has not been appropriately considered.

2.4.1 Situations where asbestos contamination may occur

Situations where asbestos contamination may occur include:

- industrial land, eg, asbestos-cement manufacturing facilities, former power stations, and rail and ship yards, especially workshops and depots
- waste disposal or dumping sites, including sites of illegal dumping eg, building waste
- sites with infill or burial of asbestos waste from former asbestos mining or manufacture processes
- buildings or structures damaged by fire or storm (particularly likely for those with pre-1980s building materials but also possible for those with materials from prior to 2004)
- land with fill or foundation material of unknown composition



- sites where buildings or structures have been constructed from asbestos containing material or where asbestos may have been used as insulation material, eg, asbestos roofing, sheds, garages, reservoir roofs, water tanks, boilers and demolition waste has been buried onsite
- sites where buildings or structures have been improperly demolished or renovated, or where relevant documentation is lacking (particularly likely for those with pre-1980s building materials but also those with materials from prior to 2004)
- disused services with asbestos containing piping such as water pipes (including sewage systems, water services and irrigation systems), underground electrical and telephone wires and telecommunications trenches or pits (usually within 1 metre of the surface).

2.4.2 Significantly contaminated land

For sites that are significantly contaminated, the EPA and SafeWork are the lead regulatory authorities. The *Contaminated Land Management Act 1997* applies to significantly contaminated land. In general, significant contamination is usually associated with former asbestos processing facilities or where large quantities of buried friable asbestos waste has been uncovered and is giving rise to measureable levels of asbestos fibres in air. Such sites require regulatory intervention to protect community health where the source of the contamination is not being addressed by the responsible person. The Environment Protection Authority has details of sites that have been nominated as significantly contaminated on its Public Register at: www.environment.nsw.gov.au/clm/publiclist.htm

If land is contaminated but not determined to be 'significant enough to warrant regulation' then the *Contaminated Land Management Act 1997* does not apply. In such cases the provisions within the planning legislation and/or the *Protection of the Environment Operations Act 1997* may be the appropriate mechanism for management of such contamination.

Guidance on assessing land can be found in the document: *Guidelines on the duty to report contamination under the Contaminated Land Management Act 1997*.

The Environment Protection Authority has details of sites that have been nominated as significantly contaminated on its Public Register at: www.epa.nsw.gov.au/clm/publiclist.htm

3. Potentially hazardous activities

A number of activities could cause asbestos to be inadvertently disturbed and consequently create a health risk.

Before undertaking any of the activities listed below, it should be considered whether asbestos containing materials may be present. If asbestos is present, these activities may be illegal or certain precautions may be required, or an appropriately licensed person may be required to undertake the activity.

Members of the public could inadvertently disturb asbestos through activities including:

- renovations, refurbishments or repairs particularly those involving power tools, boring, breaking, cutting, drilling, grinding, sanding or smashing asbestos containing materials
- sealing, painting, brushing and cleaning asbestos cement products
- demolitions of homes or other structures (dismantling or destruction)
- relocating a house, building or structure



- using compressed air on asbestos containing materials
- water blasting asbestos containing materials
- cleaning gutters on asbestos cement roofs
- handling asbestos cement conduits or boxes
- maintenance work such as plumbing and electrical work on or adjacent to asbestos containing materials such as working on electrical mounting boards
- maintenance or servicing of materials from vehicles, plant or equipment.
- checking, removing or replacing ceiling insulation which contains asbestos.

Council could inadvertently disturb asbestos through activities such as:

- abovementioned activities
- asset and building maintenance
- certifying
- inspections of sites and premises
- transport and disposal of illegally dumped materials
- collection, transport and disposal of incorrectly disposed of materials.

Naturally occurring asbestos and contaminated sites could be inadvertently disturbed during:

- road building
- site and construction work
- other excavation activities
- vehicle movements.

Natural processes can create a risk of exposure to asbestos including:

- extensive fire or storm damage to asbestos cement roofs or building materials
- extensive weathering and etching of unsealed asbestos cement roofs.

In addition, work that intentionally disturbs asbestos, such as sampling or removal, should be conducted by a competent person and in accordance with the relevant codes of practice and legislation.

4. Health hazards

Asbestos fibres can pose a risk to health if airborne, as inhalation is the main way that asbestos enters the body. The World Health Organisation has stated that concentrations of asbestos in drinking water from asbestos cement pipes do not present a hazard to human health.

Breathing in asbestos fibres can cause asbestosis, lung cancer and mesothelioma. The risk of contracting these diseases increases with the number of fibres inhaled and the risk of lung cancer from inhaling asbestos fibres is greatly increased if you smoke. Small fibres are the most dangerous and they are invisible to the naked eye. People who are at most risk are



those who have been exposed to high levels of asbestos for a long time. The symptoms of these diseases do not usually appear for some time (about 20 to 30 years) after the first exposure to asbestos.

Asbestosis is the irreversible scarring of lung tissue that can result from the inhalation of substantial amounts of asbestos over a period of years. It results in breathlessness that may lead to disability and, in some case, death.

Lung cancer can be caused by asbestos. Lung cancer is related to the amount of fibre that is breathed in and the risk of lung cancer is greatly increased in those who also smoke tobacco.

Mesothelioma is a cancer of the pleura (outer lung lining) or the peritoneum (the lining of the abdominal cavity). Mesothelioma rarely occurs less than 15 years from first exposure, and most cases occur over 30 years after first exposure. Accordingly, the rates of malignant mesothelioma (an incurable cancer) are expected to rise from the year 2012 to 2020 and are expected to peak in this time.

If asbestos fibres are in a stable material, for example bonded in asbestos-cement sheeting (such as fibro), and these materials are in good condition they pose little health risk. However, where fibro or other non-friable asbestos sheeting is broken, damaged or mishandled, fibres can become loose and airborne posing a risk to health. Disturbing or removing asbestos containing materials unsafely can create a hazard.

The occupational standard for asbestos is 0.1fibre/ml of air and the environmental standard is 0.01fibre/ml in air.

When someone has potentially been exposed to asbestos, or receives or expects they may receive a diagnosis of an asbestos-related disease, they may experience psychological distress, including anxiety and may be in need of support. Their family and those around them may also be vulnerable to psychological distress.



Appendix B – Further information

Aboriginal communities

Illegal dumping prevention and clean-up. Handbook for Aboriginal communities, 2008 (EPA)
www.environment.nsw.gov.au/waste/illdumpabcommshandbook.htm

Asbestos contractors

Choosing an asbestos consultant fact sheet (catalogue no. WC04547) (SafeWork NSW)
www.SafeWork.nsw.gov.au/formspublications/publications/Pages/Choosinganasbestosconsultant.aspx

For a listing of asbestos removal contractors in your area, refer to your local telephone directory or the Yellow Pages www.yellowpages.com.au or by contacting the Asbestos Removal Contractors Association NSW (ARCA) www.arca.asn.au Phone: (02) 8586 3521.

An asbestos removal contractor's licence can be verified by contacting the SafeWork NSW's Certification Unit on 13 10 50.

Demolition & Contractors Association (DCA) NSW
<http://demolitioncontractorsassociation.com.au>

Asbestos waste

Advice about safely disposing of household asbestos waste can be found at:
www.epa.nsw.gov.au/managewaste/house-asbestos.htm

Asbestos waste disposal facility search function on the Asbestos Safety and Eradication Agency website: www.asbestossafety.gov.au/search-disposal-facilities

Crackdown on Illegal Dumping: A Handbook for Local Government, 2007 (EPA)
www.epa.nsw.gov.au/illegaldumping/resources.htm

Illegally Dumped Asbestos Clean Up Program (IDACUP): Council may become involved in clean up activities of illegally dumped asbestos waste. Where the responsible party is unknown, unavailable, unwilling (despite a legal obligation to do so) or unable to pay for clean up within the timeframe required to avoid or at least minimise harm to the environment or public health, Council may apply for funding under the IDACUP. Information about the IDACUP is available at www.environment.nsw.gov.au/grants/IDACUP.htm

Regional Illegal Dumping (RID) Squads: are regionally based teams that specialise in dealing with illegal dumping. The squads are funded by the EPA and the member local councils who opt to work together and pool resources to tackle illegal dumping.

RIDonline is a statewide illegal dumping database and reporting tool to assist councils and the EPA develop a comprehensive picture of the extent of illegal dumping in NSW. Members of the community can assist by reporting illegal dumping online through the RIDonline App, available for the public to download in February 2016.

For more information on illegal dumping and safely disposing of asbestos waste visit the EPA website: www.epa.nsw.gov.au

Management of asbestos in recycled construction and demolition waste, 2010 (SafeWork NSW)
www.safework.nsw.gov.au/_data/assets/pdf_file/0017/18323/asbestos_recycled_construction_demolition_waste_2772.pdf

**Contaminated land**

Guidelines on the duty to report contamination under the Contaminated Land Management Act 1997, 2009 (EPA).

www.environment.nsw.gov.au/resources/clm/09438gldutycontclma.pdf

Managing land contamination: Planning guidelines SEPP 55 – Remediation of land, 1998
(Department of Planning and Infrastructure and EPA)

www.planning.nsw.gov.au/assessingdev/pdf/gu_contam.pdf

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Emergency management

Guidance Material: Asbestos and Fire-damaged Buildings, 2015 (EPA)

www.epa.nsw.gov.au/resources/waste/asbestos/150044-asbestos-fire-damaged-buildings.pdf

NSW Asbestos Emergency Plan: The NSW Asbestos Emergency sub plan details the specific arrangements for the coordinated funding and management of asbestos debris during and following a larger scale emergency, being an event that requires a significant and coordinated response, where the presence of asbestos containing material in the community poses a significant risk to public health and safety.

www.emergency.nsw.gov.au/publications/plans/sub-plans/asbestos.html

Environmental risk assessment

Environmental health risk assessment: Guidelines for assessing human health risks from environmental hazards, 2002 (Commonwealth of Australia)

<http://www.nphp.gov.au/enhealth/Council/pubs/pdf/envhazards.pdf>

Health

Asbestos and health risks fact sheet, 2007 (Ministry of Health)

http://www.health.nsw.gov.au/factsheets/environmental/asbestos_fs.html

Further advice concerning the health risks of asbestos can be obtained from your local public health unit. Contact details for public health units may be found at:

www.health.nsw.gov.au/publichealth/infectious/phus.asp

Renovation and development

Asbestos: A guide for householders and the general public, 2012 (Commonwealth of Australia)

[http://www.health.gov.au/internet/main/publishing.nsf/Content/7383C46948F649B7CA2579FA001AA20E/\\$File/asbestos-02-web-\(8may12\).pdf](http://www.health.gov.au/internet/main/publishing.nsf/Content/7383C46948F649B7CA2579FA001AA20E/$File/asbestos-02-web-(8may12).pdf)

Choosing and working with a principal certifying authority: A guide for anyone planning to build or subdivide, 2011 (Building Professionals Board)

<http://www.bpb.nsw.gov.au/resources/683/final%20PCA%20brochure.pdf>

Think asbestos website, 2011 (Asbestos Education Committee) (and Printable Website Handbook)

<http://www.asbestosawareness.com.au>

Working with asbestos guide, 2008 (SafeWork NSW)

<http://www.SafeWork.nsw.gov.au/formspublications/publications/Pages/Workingwithasbestosguide.aspx>

Practical guidance

Code of practice on how to manage and control asbestos in the workplace (catalogue no. WC03560) published by SafeWork NSW



<http://www.SafeWork.nsw.gov.au/formspublications/publications/Documents/how-to-manage-control-asbestos-workplace-code-of-practice-3560.pdf>

Code of practice on how to safely remove asbestos (catalogue no. WC03561) published by SafeWork NSW

<http://www.SafeWork.nsw.gov.au/formspublications/publications/Documents/how-to-safely-remove-asbestos-code-of-practice-3561.pdf>

Tenants

Tenants rights Fact sheet 26 Asbestos and lead, 2010 (Tenants NSW)

<http://www.tenants.org.au/publish/factsheet-26-asbestos-lead/index.php>

Tenants – Housing NSW tenants

Asbestos fact sheet, 2010 (Housing NSW)

<http://www.housing.nsw.gov.au/NR/rdonlyres/F4E1131F-2764-4CB1-BC07-98EB6C594085/0/Asbestos.pdf>



Appendix C – Definitions

The terms used in the policy are defined as below, consistent with the definitions in the:

- *Code of practice on how to manage and control asbestos in the workplace* (catalogue no. WC03560) published by SafeWork NSW
- *Code of practice on how to safely remove asbestos* (catalogue no. WC03561) published by SafeWork NSW
- *Contaminated Land Management Act 1997*
- *Environmental Planning and Assessment Act 1979*
- *Emergency Pollution and Orphan Waste Clean-Up Program Guidelines 2008*
- *Protection of the Environment Operations Act 1997*
- *Waste classification guidelines part 1 classifying waste 2008*
- *NSW Work Health and Safety Act 2011*
- *NSW Work Health and Safety Regulation 2017.*

Accredited certifier in relation to matters of a particular kind, means the holder of a certificate of accreditation as an accredited certifier under the *Building Professionals Act 2005* in relation to those matters.

Airborne asbestos means any fibres of asbestos small enough to be made airborne. For the purposes of monitoring airborne asbestos fibres, only respirable fibres are counted.

Asbestos means the asbestiform varieties of mineral silicates belonging to the serpentine or amphibole groups of rock forming minerals including the following:

- a. actinolite asbestos
- b. grunerite (or amosite) asbestos (brown)
- c. anthophyllite asbestos
- d. chrysotile asbestos (white)
- e. crocidolite asbestos (blue)
- f. tremolite asbestos
- g. a mixture that contains 1 or more of the minerals referred to in paragraphs (a) to (f).

Asbestos containing material (ACM) means any material or thing that, as part of its design, contains asbestos.

Asbestos-contaminated dust or debris (ACD) means dust or debris that has settled within a workplace and is, or is assumed to be, contaminated with asbestos.

Asbestos-related work means work involving asbestos that is permitted under the *Work Health and Safety Regulation 2017*, other than asbestos removal work.

Asbestos removal licence means a Class A asbestos removal licence or a Class B asbestos removal licence.



Asbestos removal work means:

- a. work involving the removal of asbestos or asbestos containing material, or
- b. Class A asbestos removal work or Class B asbestos removal work.

Asbestos removalist means a person conducting a business or undertaking who carries out asbestos removal work.

Asbestos waste means any waste that contains asbestos. This includes asbestos or asbestos containing material removed and disposable items used during asbestos removal work including plastic sheeting and disposable tools.

Certifying authority means a person who is authorised by or under section 85A of the *Environmental Planning and Assessment Act 1979* to issue complying development certificates, or is authorised by or under section 109D of the *Environmental Planning and Assessment Act 1979* to issue part 4A certificates.

Class A asbestos removal licence means a licence that authorises the carrying out of Class A asbestos removal work and Class B asbestos removal work by or on behalf of the licence holder.

Class A asbestos removal work means the removal of friable asbestos which must be licensed under clause 485 of the *Work Health and Safety Regulation 2017*. This does not include: the removal of ACD that is associated with the removal of non-friable asbestos, or ACD that is not associated with the removal of friable or non-friable asbestos and is only a minor contamination.

Class B asbestos removal licence means a licence that authorises the carrying out of Class B asbestos removal work by or on behalf of the licence holder.

Class B asbestos removal work means the removal of more than 10 square metres of non-friable asbestos or asbestos containing material work that is required to be licensed under clause 487, but does not include Class A asbestos removal work.

Competent person means: a person who has acquired through training or experience the knowledge and skills of relevant asbestos removal industry practice and holds:

- a. a certification in relation to the specified VET course for asbestos assessor work, or
- b. a tertiary qualification in occupational health and safety, occupational hygiene, science, building, construction or environmental health.

Complying development is a fast track, 10 day approval process where a building meets all of the predetermined standards established in either a state or local Council planning document. A complying development certificate can be issued by either a local Council or an accredited certifier.

**Complying development certificate**

Contaminant means any substance that may be harmful to health or safety.

Contamination of land means the presence in, on or under the land of a substance at a concentration above the concentration at which the substance is normally present in, on or under (respectively) land in the same locality, being a presence that presents a risk of harm to human health or any other aspect of the environment

Control measure, in relation to a risk to health and safety, means a measure to eliminate or minimise the risk.

Demolition work means work to demolish or dismantle a structure, or part of a structure that is loadbearing or otherwise related to the physical integrity of the structure, but does not include:

- a. the dismantling of formwork, falsework, or other structures designed or used to provide support, access or containment during construction work, or
- b. the removal of power, light or telecommunication poles.
- c.

Development means:

- a. the use of land
- b. the subdivision of land
- c. the erection of a building
- d. the carrying out of a work
- e. the demolition of a building or work
- f. any other act, matter or thing referred to in section 26 of the *Environmental Planning and Assessment Act 1979* that is controlled by an environmental planning instrument.
- g.

Development application means an application for consent under part 4 of the *Environmental Planning and Assessment Act 1979* to carry out development but does not include an application for a complying development certificate.

Emergency service organisation includes any of the following:

- a. the Ambulance Service of NSW
- b. Fire and Rescue NSW
- c. the NSW Rural Fire Service
- d. the NSW Police Force
- e. the State Emergency Service
- f. the NSW Volunteer Rescue Association Inc
- g. the NSW Mines Rescue Brigade established under the *Coal Industry Act 2001*



- h. an accredited rescue unit within the meaning of the *State Emergency and Rescue Management Act 1989*.

Exempt development means minor development that does not require any planning or construction approval because it is exempt from planning approval.

exposure standard for asbestos is a respirable fibre level of 0.1 fibres/ml of air measured in a person's breathing zone and expressed as a time weighted average fibre concentration calculated over an eight-hour working day and measured over a minimum period of four hours in accordance with the Membrane Filter Method or a method determined by the relevant regulator.

Friable asbestos means material that:

- i. is in a powder form or that can be crumbled, pulverised or reduced to a powder by hand pressure when dry
- j. contains asbestos.

Health means physical and psychological health.

Health monitoring, of a person, means monitoring the person to identify changes in the person's health status because of exposure to certain substances.

Independent, in relation to clearance inspections and air monitoring means:

- k. not involved in the removal of the asbestos
- l. not involved in a business or undertaking involved in the removal of the asbestos, in relation to which the inspection or monitoring is conducted.

In situ asbestos means asbestos or asbestos containing material fixed or installed in a structure, equipment or plant, but does not include naturally occurring asbestos.

Licence holder means: in the case of an asbestos assessor licence – the person who is licensed:

- a. to carry out air monitoring during Class A asbestos removal work
- b. to carry out clearance inspections of Class A asbestos removal work
- c. to issue clearance certificates in relation to Class A asbestos removal work, or
 - in the case of an asbestos removal licence – the person conducting the business or undertaking to whom the licence is granted, or
 - in the case of a major hazard facility licence – the operator of the major hazard facility to whom the licence is granted or transferred.
 -

Licensed asbestos assessor means a person who holds an asbestos assessor licence.



Licensed asbestos removalist means a person conducting a business or undertaking who is licensed under the *Work Health and Safety Regulation 2017* to carry out Class A asbestos removal work or Class B asbestos removal work.

Licensed asbestos removal work means asbestos removal work for which a Class A asbestos removal licence or Class B asbestos removal licence is required.

NATA means the National Association of Testing Authorities, Australia.

NATA-accredited laboratory means a testing laboratory accredited by NATA, or recognised by NATA either solely or with someone else.

Naturally occurring asbestos means the natural geological occurrence of asbestos minerals found in association with geological deposits including rock, sediment or soil.

Non-friable asbestos means material containing asbestos that is not friable asbestos, including material containing asbestos fibres reinforced with a bonding compound.

Note. Non-friable asbestos may become friable asbestos through deterioration (see definition of friable asbestos).

occupational hygienist means a person with relevant qualifications and experience in asbestos management who is a full member of the Australian Institute of Occupational Hygienists (AIOH).

Occupier includes a tenant or other lawful occupant of premises, not being the owner.

Officer means an officer as defined in the NSW *Work Health and Safety Act 2011*

Orphan waste means materials that have been placed or disposed of on a premises unlawfully that may have the potential to pose a risk to the environment or public health.

Person conducting a business or undertaking a 'person' is defined in laws dealing with interpretation of legislation to include a body corporate (company), unincorporated body or association and a partnership.

Personal protective equipment means anything used or worn by a person to minimise risk to the person's health and safety, including air supplied respiratory equipment.

Respirable asbestos fibre means an asbestos fibre that:

- a. is less than three micrometres wide
- b. more than five micrometres long



- c. has a length to width ratio of more than 3:1.

Specified VET course means:

- a. in relation to Class A asbestos removal work – the following VET courses:
 - remove non-friable asbestos
 - remove friable asbestos, or
- b. in relation to Class B asbestos removal work – the VET course Remove non-friable asbestos, or
- c. in relation to the supervision of asbestos removal work – the VET course Supervise asbestos removal, or
- d. in relation to asbestos assessor work – the VET course Conduct asbestos assessment associated with removal.

Structure means anything that is constructed, whether fixed or moveable, temporary or permanent, and includes:

- a. buildings, masts, towers, framework, pipelines, transport infrastructure and underground works (shafts or tunnels)
- b. any component of a structure
- c. part of a structure
- d. volunteer means a person who is acting on a voluntary basis (irrespective of whether the person receives out-of-pocket expenses).

Waste includes:

- any substance (whether solid, liquid or gaseous) that is discharged, emitted or deposited in the environment in such volume, constituency or manner as to cause an alteration in the environment, or
- any discarded, rejected, unwanted, surplus or abandoned substance, or
- any otherwise discarded, rejected, unwanted, surplus or abandoned substance intended for sale or for recycling, processing, recovery or purification by a separate operation from that which produced the substance, or
- any process, recycled, re-used or recovered substance produced wholly or partly from waste that is applied to land, or used as fuel, but only in the circumstances prescribed by the regulations, or
- any substance prescribed by the regulations made under the *Protection of the Environment Operations Act 1997* to be waste.

Waste facility means any premises used for the storage, treatment, processing, sorting or disposal of waste (except as provided by the regulations).

Worker a person is a worker if the person carries out work in any capacity for a person conducting a business or undertaking, including work as:

- a. an employee, or



- b. a contractor or subcontractor, or
- c. an employee of a contractor or subcontractor, or
- d. an employee of a labour hire company who has been assigned to work in the person's business or undertaking, or
- e. an outworker, or
- f. an apprentice or trainee, or
- g. a student gaining work experience, or
- h. a volunteer, or
- i. a person of a prescribed class.

Workplace a workplace is a place where work is carried out for a business or undertaking and includes any place where a worker goes, or is likely to be, while at work. Place includes: a vehicle, vessel, aircraft or other mobile structure, and any waters and any installation on land, on the bed of any waters or floating on any waters.

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**Appendix D – Acronyms**

ACD	Asbestos Containing Dust (an acronym used in the legislation)
ACM	Asbestos Containing Material (an acronym used in the legislation)
ARA	Appropriate Regulatory Authority (an acronym used in the legislation)
DA	Development Application
EPA	Environment Protection Authority
LGA	Local Government Area
NATA	National Association of Testing Authorities
NSW	New South Wales
SEPP	State Environmental Planning Policy
SPP	Sydney Planning Panel
VET	Vocational Education and Training

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Appendix E – Relevant contacts

Council's Customer Call Centre
Contact Phone number: 9369-8000

South Eastern Sydney Public Health Unit
Contact Phone Number: 9382-8333

Asbestos-related disease organisations (non-exhaustive)

Asbestos Diseases Foundation Australia Inc

Phone: (02) 9637 8759
Helpline: 1800 006 196
Email: info@adfa.org.au
Website: www.adfa.org.au

Asbestos Diseases Research Institute

Phone: (02) 9767 9800
Email: info@adri.org.au
Website: www.adri.org.au

Australian Institute of Occupational Hygienists Inc.

Phone: (03) 9336 2290
Email: admin@aioh.org.au
Website: www.aioh.org.au

Dust Diseases Board

Phone: (02) 8223 6600
Toll Free: 1800 550 027
Email: enquiries@ddb.nsw.gov.au
Website: www.ddb.nsw.gov.au

Environment Protection Authority (EPA)

Phone: (02) 9995 5000
Environment line: 13 15 55
Email: info@environment.nsw.gov.au
Website: www.environment.nsw.gov.au/epa

**Licensed Asbestos Contractors**

For a listing of asbestos removal contractors in your area, refer to your local telephone directory or the Yellow Pages website: www.yellowpages.com.au or contact:

Asbestos Removal Contractors Association NSW (ARCA)

Phone: (02) 9642 0011

Email: info@arca.net.au

Website: www.arca.asn.au

Verification of an asbestos removal contractor's licence can be checked by contacting SafeWork NSW's Certification Unit Phone: 13 10 50

Civil Contractors Federation (CCF)

Phone: (02) 9009 4000

Email: mtearle@civilcontractors.com

Website: www.civilcontractors.com

Demolition & Contractors Association (DCA) NSW

Phone: (02) 8586 3555

Email: demolitionassn@bigpond.com

Website: <http://demolitioncontractorsassociation.com.au>

Local Government and Shires Associations of NSW (LGSA)

Phone: (02) 9242 4000

Email: lgsa@lgsa.org.au

Website: www.lgsa.org.au

NSW Ombudsman

Phone: (02) 9286 1000

Toll free (outside Sydney metro): 1800 451 524

Email: nswombo@ombo.nsw.gov.au

Website: www.ombo.nsw.gov.au

Training providers (non-exhaustive)**TAFE NSW**

Phone: 1300 131 499

Website: www.tafensw.edu.au

Housing Industry Association (HIA)

Phone: (02) 9978 3333

Website: <http://hia.com.au/>

Local Government Training Institute

Phone: (02) 4922 2333

Website: www.lgti.com.au

**Comet Training**

Phone: (02) 9649 5000

Website: www.comet-training.com.au/site**Masters Builders Association (MBA)**

Phone: (02) 8586 3521

Website: www.masterbuilders.com.au**Asbestos Removal Contractors Association NSW (ARCA)**

Phone: (02) 9642 0011

Website: www.arca.asn.au**SafeWork NSW**

SafeWork Information Centre Phone: 13 10 50

SafeWork NSW – Asbestos/Demolition Hotline Phone: (02) 8260 5885

Website: www.SafeWork.nsw.gov.au

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Appendix F – Waste management facilities that accept asbestos wastes

Waste management facilities that can accept asbestos waste may be operated by Council, the State Government or private enterprise. The fees charged by the facility operators for waste received are determined by the facility.

Not all waste management centres accept asbestos waste from the public. Management of asbestos waste requires special precautions such as a separate disposal location away from other general waste and controls to prevent the liberation of asbestos fibres, such as the immediate covering of such waste.

There are no waste management facilities in Waverley that accept asbestos wastes, however below are the details of facilities that do accept asbestos waste.

A list of licensed landfills that may accept asbestos waste from the public is available on the EPA website at: <http://www.epa.nsw.gov.au/managewaste/house-asbestos-land.htm> Some of the landfills may accept non-friable asbestos waste but not friable asbestos waste. Some landfills may not accept large quantities of asbestos waste.

Always contact the landfill before taking asbestos waste to a landfill to find out whether asbestos is accepted and any requirements for delivering asbestos to the landfill. EPA does not endorse any of the landfills listed on the website or guarantee that they will accept asbestos under all circumstances.



Appendix G – Asbestos-related legislation, policies and standards

- *Demolition work code of practice 2015* (catalogue no. WC03841)
- *Contaminated Land Management Act 1997*
- *Code of practice on how to manage and control asbestos in the workplace* (catalogue no. WC03560) published by SafeWork NSW
- *Code of practice on how to safely remove asbestos* (catalogue no. WC03561) published by SafeWork NSW
- *Code of practice for demolition work* published by Safe Work Australia, 2012
- *Environmental Planning and Assessment Act 1979*
- *Environmental Planning and Assessment Regulation 2000*
- *Local Government Act 1993*
- *Local Government (General) Regulation 2005*
- *Protection of the Environment Operations (General) Regulation 2009*
- *Protection of the Environment Operations (Waste) Regulation 2014* *Protection of the Environment Operations (Waste) Regulation 2014*
- *Protection of the Environment Operations Act 1997*
- *State Environmental Planning Policy No. 55 – Remediation of Land*
- *State Environmental Planning Policy (Exempt and Complying Development Codes) 2008*
- *NSW Work Health and Safety Act 2011*
- *NSW Work Health and Safety Regulation 2017*
- *Workers' Compensation (Dust Diseases) Act 1942.*



Appendix H – Agencies roles and responsibilities

NSW organisations

Department of Planning and Environment (DP&E) and the Building Professionals Board (BPB)

DP&E's primary role in the management of asbestos relates to administration of State Environmental Planning Policies, and the *Environmental Planning and Assessment Act 1979* (and associated Regulation).

Whilst DP&E does not have an operational role in the management of asbestos, it has a regulatory function and provides policy support relating to asbestos and development. In assessing proposals for development under the *Environmental Planning and Assessment Act 1979*, consent authorities are required to consider the suitability of the subject land for the proposed development. This includes consideration of the presence of asbestos and its environmental impact.

Where asbestos represents contamination of the land (ie it is present in excess of naturally occurring levels), *State Environmental Planning Policy No. 55 – Remediation of Land* imposes obligations on developers and consent authorities in relation to remediation of the land and the assessment and monitoring of its effectiveness.

The *State Environmental Planning Policy (Exempt and Complying Development Codes) 2008* enables exempt and complying development across the state. While this includes demolition and the removal of asbestos, the *Environmental Planning and Assessment Regulation 2000* specifies particular conditions that must be contained in a complying development certificate in relation to the handling and lawful disposal of both friable and non-friable asbestos material under the *State Environmental Planning Policy (Exempt and Complying Development Codes) 2008*.

The Building Professionals Board (BPB) which reports to the Minister for Planning, also has a role in the management of asbestos. The BPB's role involves providing practice advice and educational programs to assist certifying authorities (private and Council) in carrying out their role and this includes education in relation to managing asbestos. The BPB certifies and audits both private and Council certifiers. Further information about the BPB may be found at: www.bpb.nsw.gov.au

Dust Diseases Board (DDB)

The DDB provides a system of no fault compensation to people who have developed a dust disease from occupational exposure to dust as a worker in New South Wales and to their dependants. The DDB's statutory function is to administer the *Workers' Compensation (Dust Diseases) Act 1942*. Services include:

- payment of compensation benefits to eligible workers and dependents
- co-ordination and payment of medical and related health care expenses of affected
- medical examination of workers exposed to dust in the workplace
- information and education.

Environment Protection Authority (EPA)

EPA's role is to regulate the classification, storage, transport and disposal of waste in NSW, including asbestos waste. The waste regulatory framework includes the *Protection of the Environment Operations Act 1997* and the *Protection of the Environment Operations (Waste) Regulation 2014*. Clause 42 of the *Protection of the Environment Operations (Waste) Regulation 2014* Protection of



the Environment Operations (Waste) Regulation 2014 sets out the special requirements relating to the transportation and disposal of asbestos waste.

EPA is the appropriate regulatory authority for activities that require an environment protection licence or are carried out by public authorities such as local Councils, the Roads and Traffic Authority and Sydney Water. Local Councils are the appropriate regulatory authority for activities that are not regulated by the EPA, which typically include building demolition, construction sites, residential properties, commercial sites and small to medium sized industrial facilities.

EPA is responsible for assisting Councils in fulfilling their regulatory responsibilities. EPA has developed resources to assist Local Government to regulate asbestos waste incidents and prevent illegal dumping. Website links to these resources are provided in Appendix B.

The EPA maintains the regulatory framework for the remediation of contaminated land (the *Contaminated Land Management Act 1997*) and actively regulates land that is declared to be 'significantly contaminated' under the *Contaminated Land Management Act 1997*.

Heads of Asbestos Coordination Authorities (HACA)

The HACA is chaired by the Chief Executive Officer of SafeWork NSW with senior officials from:

- Department of Planning and Environment
- NSW Department of Industry Office of Local Government
- Dust Diseases Board
- Environment Protection Authority
- Local Government NSW
- Ministry for Police and Emergency Services
- Ministry of Health
- Fire and Rescue NSW
- Office of Emergency Management
- Public Works NSW

The HACA group will improve the management, monitoring and response to asbestos issues in NSW by developing coordinated prevention programs. These programs include a comprehensive public awareness campaign to promote the safe handling of asbestos and help prevent the risk of exposure to asbestos-related diseases in the NSW community. Further information about the HACA can be found on the SafeWork website: www.SafeWork.nsw.gov.au.

Local Government NSW

Local Government NSW is the peak industry association that represents the interests of NSW general and special purpose Councils.

LGNWS aims to strengthen and protect an effective, democratic system of local government across NSW by supporting and advocating on behalf of member Councils and delivering a range of relevant, quality services.



LGNSW achieves this by:

- Actively and persuasively representing the views of local government to the NSW and Australian governments
- Providing effective, responsive and accountable leadership to member Councils
- Providing a comprehensive range of high-quality services and policy advice to members
- Increasing the capacity of local government to deliver quality services and meet the needs of local communities across NSW
- Enhancing the profile and building community trust in and awareness of local government.

NSW Ministry of Health

The NSW Ministry of Health does not have express statutory responsibilities for managing asbestos-related risks and incidents in NSW. The Ministry provides an expert advisory service to other governmental agencies on public health issues. This service may include technical information or assistance to prepare public health information bulletins.

NSW Ombudsman

The NSW Ombudsman is an independent and impartial watchdog body. The NSW Ombudsman is responsible for ensuring that public and private sector agencies and employees within its jurisdiction fulfil their functions appropriately. The NSW Ombudsman assists those agencies and their employees to be aware of their responsibilities to the public, to act reasonably and to comply with the law and best administrative practice.

Office of Fair Trading and the Building Professionals Board (BPB)

NSW Fair Trading safeguards the rights of all consumers and advises business and traders on fair and ethical practice. NSW Fair Trading provides services directly to individuals and businesses to create a fair, safe and equitable marketplace.

NSW Fair Trading is establishing a Loose-Fill Asbestos Implementation Taskforce responsible for overseeing and implementing the NSW Government Voluntary Purchase and Demolition Program for properties containing loose-fill asbestos insulation. The Loose-Fill Asbestos Implementation Taskforce will be in place until work is completed on the purchase and demolition of all properties that choose to participate in the Program.

The Building Professionals Board (BPB) is now part of Fair Trading and oversees building and subdivision certification. The BPB's role involves providing practice advice and educational programs to assist certifying authorities (private and council) in carrying out their role. The BPB certifies and audits both private and council certifiers. Further information about the BPB may be found at: www.bpb.nsw.gov.au



Office of Local Government

The Office of Local Government is responsible for local government across NSW. The Office's organisational purpose is to 'Strengthen Local Government' and its organisational outcome is 'Fit for the future councils leading strong communities'.

The Office has a policy, legislative, investigative and program focus in matters ranging from Local Government finance, infrastructure, governance, performance, collaboration and community engagement. The Office strives to work collaboratively with the Local Government sector and is the key adviser to the NSW Government on Local Government matters.

SafeWork NSW

SafeWork is responsible for the issuing and control of licences that are issued to all asbestos removal and demolition contractors. SafeWork works with the employers, workers and community of NSW to achieve safer and more productive workplaces, and effective recovery, return to work and security for injured workers.

SafeWork administers work health and safety, injury management, return to work and workers compensation laws, and manage the workers compensation system. SafeWork's activities include: health and safety, injuries and claims, licensing for some types of plant operators, registration of some types of plant and factories, training and assessment, medical and healthcare, law and policy.

The SafeWork website provides a wide range of asbestos resources, support networks and links at: www.SafeWork.nsw.gov.au/newlegislation2012/health-and-safety-topics/asbestos/Pages/default.aspx

National organisations

Asbestos Safety and Eradication Agency

The Asbestos Safety and Eradication Agency was established in 2013 to provide a national focus on asbestos issues which go beyond workplace safety to encompass environmental and public health issues. The agency's objective is to eliminate asbestos-related disease in Australia.

The agency has broad functions under its legislation, including:

- reporting on the implementation of the National Strategic Plan on Asbestos Awareness and Management (NSP); reviewing and amending the NSP as required and promoting the NSP
- providing advice to the Minister about asbestos safety
- liaising with all levels of government, agencies or bodies about the implementation of the NSP; as well as asbestos safety in general; and
- commissioning, monitoring and promoting research about asbestos safety.

The agency administers the National Asbestos Exposure Register which was created to record the details of members of the community who may have been exposed to asbestos. Registration forms are online at <https://www.asbestossafety.gov.au/national-asbestos-exposure-register>.

The agency also maintains a national database for asbestos disposal facilities, which members of the public can search to identify their nearest facility that accepts asbestos waste, available online at <https://www.asbestossafety.gov.au/search-disposal-facilities>



Councils interested in finding out more about the agency, updating information listed on the disposal database, or receiving information, flyers or brochures for distribution within the LGA should contact the agency at enquiries@asbestossafety.gov.au.

National Association of Testing Authorities (NATA)

This body has the role of providing accreditation to firms licensed to remove asbestos.

NSW (Head Office) and ACT

Phone: (02) 9736 8222

National Toll Free: 1800 621 666

Website: www.nata.asn.au

Environmental Health Committee (enHealth)

The Environmental Health Committee (enHealth) is a subcommittee of the Australian Health Protection Committee (AHPC). enHealth provides health policy advice, implementation of the National Environmental Health Strategy 2007-2012, consultation with key players, and the development and coordination of research, information and practical resources on environmental health matters at a national level.

Website: www.health.gov.au/internet/main/publishing.nsf/content/ohp-environ-enhealth-committee.htm

Safe Work Australia

Safe Work Australia is an Australian Government statutory agency established in 2009, with the primary responsibility of improving work health and safety and workers' compensation arrangements across Australia.

Phone: (02) 6121 5317

Email: info@safeworkaustralia.gov.au

Website: www.safeworkaustralia.gov.au



Appendix I – Scenarios illustrating which agencies lead a response in NSW

The tables show which agencies are responsible for regulating the following scenarios in NSW:

- emergency management
- naturally occurring asbestos
- residential settings
- site contamination
- waste
- workplaces.

Further details are provided in the *Asbestos Blueprint: A guide to roles and responsibilities for operational staff of state and local government*, 2011 (NSW Government).

Emergency management

Scenario	Lead organisation	Other regulators
Emergency response	Emergency services	Fire and Rescue (Hazmat) SafeWork NSW
Handover to Local Council, owner of property or NSW Police – crime scene following a minor incident	Local Council NSW Police	
Handover to State Emergency Recovery Controller	State Emergency Recovery Controller	Recovery Committee Local Council EPA SafeWork NSW
Handover to Recovery Committee following a significant incident	Recovery Committee (formed by State Emergency Recovery Controller)	Local Council EPA SafeWork NSW
Remediation not requiring a licensed removalist	Local Council	Principal Certifying Authority SafeWork NSW (workers)
Remediation requiring licensed removal work	SafeWork NSW	Local Council Principal Certifying Authority
Clearance Certificate issued by an Asbestos Assessor	SafeWork NSW	Principal Certifying Authority



Naturally occurring asbestos

Scenario	Lead organisation	Other regulators
Naturally occurring but will be disturbed due to a work process including remediation work	SafeWork NSW	Local Council EPA (<i>Protection of the Environment Operations Act 1997</i> Scheduled Activities Public Authorities)
Naturally occurring asbestos part of a mineral extraction process	NSW Department of Industry SafeWork NSW	Local Council EPA (<i>Protection of the Environment Operations Act 1997</i> Scheduled Activities Public Authorities)
Naturally occurring but will remain undisturbed by any work practice	Local Council	EPA (<i>Protection of the Environment Operations Act 1997</i> Scheduled Activities Public Authorities) SafeWork NSW (workers)
Soil contaminated with asbestos waste and going to be disturbed by a work practice	SafeWork NSW	EPA (<i>Protection of the Environment Operations Act 1997</i> Scheduled Activities Public Authorities, declared contaminated land sites)
Soil contaminated with asbestos waste but will remain undisturbed by any work practice	Local Council	EPA (<i>Protection of the Environment Operations Act 1997</i> Scheduled Activities Public Authorities, declared contaminated land sites) SafeWork NSW (workers on site)
Potential for exposure on public land	EPA (<i>Protection of the Environment Operations Act 1997</i> Scheduled Activities Public Authorities)	Local Council SafeWork NSW (workers on site)
Soil contaminated with asbestos waste but at a mine site	NSW Department of Industry EPA (<i>Protection of the Environment Operations Act 1997</i> Scheduled Activities Public Authorities)	Local Council



Residential settings

Scenario	Lead organisation	Other regulators
Safe Management of asbestos including: <ul style="list-style-type: none"> • identification • in situ management • removal requirements • disposal requirements. 	Local council Private Certifiers	SafeWork NSW EPA
Site contaminated due to past uses	Local council	SafeWork NSW EPA
Licensed removal work required	SafeWork NSW	Local council Private Certifiers
Removal does not require a licensed removalist	Local council Private Certifiers	SafeWork NSW (workers)
Transport or waste disposal issues	Local council	EPA
Derelict property with fibro debris	Local council or Multi-agency	Multi-agency

Site contamination

Scenario	Lead organisation	Other regulators
Asbestos illegally dumped	Local council	EPA SafeWork NSW
Site contamination at commercial premises	See Workplaces	
Site contamination at residential premises	See Residential settings	

Waste

Scenario	Lead organisation	Other regulators
Waste temporarily stored on-site	SafeWork NSW (worksites) EPA and Local council (non-worksites)	
Waste transported by vehicle	EPA	SafeWork NSW
Waste disposed of onsite	Council or EPA as illegal dumping or pollution of land if no valid council development consent	Local council (consent required to dispose onsite) (section 149 property certificate and development assessment process)
Waste going to landfill site	EPA (advice)	Local council (if managing licensed landfill)
Waste to be transported interstate	EPA	
Waste for export	Department of Immigration and Border Protection	SafeWork NSW Department of Employment



Workplaces

Scenario	Lead organisation	Other regulators
Asbestos installed/supplied after 2003 (illegally)	SafeWork NSW	
Risks to the health of workers	SafeWork NSW	
Asbestos management and asbestos going to be removed	SafeWork NSW NSW Department of Industry (mine sites)	
Risks to the health of the public from worksites	SafeWork NSW (Risks to workers) Local council (Risks to the wider public) Department of Planning and Infrastructure (part 3A approvals) EPA (<i>Protection of the Environment Operations Act 1997</i> licensed sites)	
Waste stored temporarily on-site at worksites	SafeWork NSW	
Transport or waste disposal issues	EPA	SafeWork NSW Local council
Asbestos contaminated clothing going to a laundry	SafeWork NSW	EPA Local council
Contaminated land not declared under the <i>Contaminated Land Management Act 1997</i>	Local council	EPA
'Significantly contaminated' land declared under the <i>Contaminated Land Management Act 1997</i>	EPA	Local council



Appendix J – Asbestos containing materials

Some asbestos containing materials found in New South Wales domestic settings (non-exhaustive list)

Asbestos containing materials	Approximate supply dates
Cement sheets	Imported goods supplied from 1903 locally made 'fribrolite' from 1917
Cement roofing / lining slates	Imported goods supplied from 1903 locally made 'fribrolite' from 1917
Mouldings and cover strips	Available by 1920s and 1930s
Super-six (corrugated) roofing	Available by 1920s and 1930s – 1985
'Tilex' decorative wall panels	Available by 1920s and 1930s
Pipes and conduit piping	Available by 1920s and 1930s
Motor vehicle brake linings	Available by 1920s and 1930s
Striated sheeting	Available from 1957
'Asbestolux' insulation boards	Available from 1957
'Shadowline' asbestos sheeting for external walls, gable ends and fences	Available from 1958 – 1985
Vinyl floor tiles impregnated with asbestos	Available up until 1960s
Asbestos containing paper backing for linoleum	Available up until 1960s
'Durasbestos' asbestos cement products	Available up until 1960s
'Tilex' marbled decorative wall panels	Available from early 1960s
'Tilex' weave pattern decorative wall panels	Available from early 1960s
'Hardiflex' sheeting	Available from 1960s – 1981
'Versilux' building board	Available from 1960s – 1982
'Hardiplank' and 'Hardigrain' woodgrain sheeting	Available from mid 1970s – 1981
Loose-fill, fluffy asbestos ceiling insulation	During the 1960s and 1970s, pure loose-fill asbestos was sold as ceiling insulation for residential and commercial premises. A Canberra based company known as 'Mr Fluffy' installed insulation in at least 1,000 homes in the ACT and is also understood to have installed insulation into homes in NSW.
Asbestos rope gaskets for wood heaters. Heater and stove insulation	Dates of supply availability unknown but prior to 31 December 2003
Compressed fibro-cement sheets	Available from 1960s – 1984
Villaboard	Available until 1981
Harditherm	Available until 1984
Highline	Available until 1985
Coverline	Available until 1985
Roofing accessories	Available until 1985
Pressure pipe	Available until 1987

**Sources:**

NSW Government, 2011, *Asbestos Blueprint: A guide to roles and responsibilities for operational staff of state and local government*.

NSW Taskforce Report: *Loose-Fill Asbestos Insulation in NSW Homes* (2015)

www.fairtrading.nsw.gov.au/biz_res/ftweb/pdfs/Tenants_and_home_owners/Loose_Fill_Abestos_Taskforce_Report.pdf (accessed October, 2015).

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Asbestos containing materials that may be found in various settings (non-exhaustive list)

A

Air conditioning duct, in the exterior or interior acoustic and thermal insulation

Arc shields in lift motor rooms or large electrical cabinets

Asbestos-based plastics products as electrical insulates and acid resistant compositions or aircraft seats

Asbestos ceiling tiles

Asbestos cement conduit

Asbestos cement electrical fuse boards

Asbestos cement external roofs and walls

Asbestos cement in the use of form work for pouring concrete

Asbestos cement internal flues and downpipes

Asbestos cement moulded products such as gutters, ridge capping, gas meter covers, cable troughs and covers

Asbestos cement pieces for packing spaces between floor joists and piers

Asbestos cement (underground) pit as used for traffic control wiring, telecommunications cabling etc

Asbestos cement render, plaster, mortar and coursework

Asbestos cement sheet

Asbestos cement sheet behind ceramic tiles

Asbestos cement sheet over exhaust canopies such as ovens and fume cupboards

Asbestos cement sheet internal walls and ceilings

Asbestos cement sheet underlay for vinyl

Asbestos cement storm drain pipes

Asbestos cement water pipes (usually underground)

Asbestos containing laminates, (such as Formica) used where heat resistance is required

Asbestos containing pegboard

Asbestos felts

Asbestos marine board, eg marinate

Asbestos mattresses used for covering hot equipment in power stations

Asbestos paper used variously for insulation, filtering and production of fire resistant laminates

Asbestos roof tiles

Asbestos textiles

Asbestos textile gussets in air conditioning ducting systems

Asbestos yarn



Autoclave/steriliser insulation

B

Bitumen-based water proofing such as malthoid (roofs and floors, also in brickwork)

Bituminous adhesives and sealants

Boiler gaskets

Boiler insulation, slabs and wet mix

Brake disc pads

Brake linings

C

Cable penetration insulation bags (typically Telecom)

Calorifier insulation

Car body filters (uncommon)

Caulking compounds, sealant and adhesives

Cement render

Chrysotile wicks in kerosene heaters

Clutch faces

Compressed asbestos cement panels for flooring, typically verandas, bathrooms and steps for demountable buildings

Compressed asbestos fibres (CAF) used in brakes and gaskets for plant and automobiles

D

Door seals on ovens

E

Electric heat banks – block insulation

Electric hot water services (normally no asbestos, but some millboard could be present)

Electric light fittings, high wattage, insulation around fitting (and bituminised)

Electrical switchboards see Pitch-based

Exhausts on vehicles

F

Filler in acetylene gas cylinders

Filters: beverage wine filtration

Fire blankets

Fire curtains

Fire door insulation

Fire-rated wall rendering containing asbestos with mortar

Fire-resistant plaster board, typically on ships



Fire-retardant material on steel work supporting reactors on columns in refineries in the chemical industry

Flexible hoses

Floor vinyl sheets

Floor vinyl tiles

Fuse blankets and ceramic fuses in switchboards

G

Galbestos™ roofing materials (decorative coating on metal roof for sound proofing)

Gaskets: chemicals, refineries

Gaskets: general

Gauze mats in laboratories/chemical refineries

Gloves: asbestos

H

Hairdryers: insulation around heating elements

Header (manifold) insulation

I

Insulation blocks

Insulation in electric reheat units for air conditioner systems

L

Laboratory bench tops

Laboratory fume cupboard panels

Laboratory ovens: wall insulation

Lagged exhaust pipes on emergency power generators

Lagging in penetrations in fireproof walls

Lift shafts: asbestos cement panels lining the shaft at the opening of each floor and asbestos packing around penetrations

Limpet asbestos spray insulation

Locomotives: steam, lagging on boilers, steam lines, steam dome and gaskets

M

Mastik

Millboard between heating unit and wall

Millboard lining of switchboxes

Mortar

P

Packing materials for gauges, valves, etc can be square packing, rope or loose fibre

Packing material on window anchorage points in high-rise buildings



Paint, typically industrial epoxy paints
Penetrations through concrete slabs in high rise buildings
Pipe insulation including moulded sections, water-mix type, rope braid and sheet
Plaster and plaster cornice adhesives
Pipe insulation: moulded sections, water-mix type, rope braid and sheet
Pitch-based (zelemite, ausbestos, lebah) electrical switchboard

R

Refractory linings
Refractory tiles
Rubber articles: extent of usage unknown

S

Sealant between floor slab and wall, usually in boiler rooms, risers or lift shafts
Sealant or mastik on windows
Sealants and mastik in air conditioning ducting joints
Spackle or plasterboard wall jointing compounds
Sprayed insulation: acoustic wall and ceiling
Sprayed insulation: beams and ceiling slabs
Sprayed insulation: fire retardant sprayed on nut internally, for bolts holding external building wall panels
Stoves: old domestic type, wall insulation

T

Tape and rope: lagging and jointing
Tapered ends of pipe lagging, where lagging is not necessarily asbestos
Tilux sheeting in place of ceramic tiles in bathrooms
Trailing cable under lift cabins
Trains: country – guards vans – millboard between heater and wall
Trains – Harris cars – sprayed asbestos between steel shell and laminex

V

Valve and pump insulation

W

Welding rods
Woven asbestos cable sheath

Source: *Environmental health notes number 2 guidelines for local government on asbestos*, 2005 (Victorian Department of Human Services).

http://www.health.vic.gov.au/environment/downloads/hs523_notes2_web.pdf



Appendix K– Asbestos licences

Type of licence	What asbestos can be removed?
Class A	<p>Can remove any amount or quantity of asbestos or asbestos containing material, including:</p> <ul style="list-style-type: none"> any amount of friable asbestos or asbestos containing material any amount of asbestos containing dust any amount of non-friable asbestos or asbestos containing material.
Class B	<p>Can remove:</p> <ul style="list-style-type: none"> any amount of non-friable asbestos or asbestos containing material <p>Note: A Class B licence is required for removal of more than 10 m² of non-friable asbestos or asbestos containing material but the licence holder can also remove up to 10 m² of non-friable asbestos or asbestos containing material.</p> <ul style="list-style-type: none"> asbestos containing dust associated with the removal of non-friable asbestos or asbestos containing material. <p>Note: A Class B licence is required for removal of asbestos containing dust associated with the removal of more than 10 m² of non-friable asbestos or asbestos containing material but the licence holder can also remove asbestos containing dust associated with removal of up to 10m² of non-friable asbestos or asbestos containing material.</p>
No licence required	<p>Can remove:</p> <ul style="list-style-type: none"> up to 10 m² of non-friable asbestos or asbestos containing material asbestos containing dust that is: <ul style="list-style-type: none"> associated with the removal of less than 10 m² of non-friable asbestos or asbestos containing material not associated with the removal of friable or non-friable asbestos and is only a minor contamination.

An asbestos removal contractor's licence can be verified by contacting SafeWork NSW's Certification Unit on 13 10 50.