



# AGENDA

## CULTURE, ECONOMY AND CORPORATE COMMITTEE

### 8 MARCH 2021

MEMBERSHIP: Councillors J Diffey, V Etheridge, D Grant, D Gumley, A Jones, S Lawrence, G Mohr, K Parker, J Ryan and B Shields.

The meeting is scheduled to commence at \_\_\_\_\_ pm.

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<b>CEC21/5</b>	<b>LEAVE OF ABSENCE (ID21/274)</b>	
<b>CEC21/6</b>	<b>REPORT OF THE DUBBO REGIONAL COUNCIL AIRPORTS PANEL - MEETING 1 MARCH 2021 (ID21/343)</b> The Committee had before it the report of the Dubbo Regional Council Airports Panel meeting held 1 March 2021.	3
<b>CEC21/7</b>	<b>FIVE YEAR POST AMALGAMATION BOOK (ID21/259)</b> The Committee had before it the report dated 1 March 2021 from the Manager Corporate Image and Communications regarding Five Year Post Amalgamation Book.	7
<b>CEC21/8</b>	<b>QUARTERLY REPORT ON DOCUMENTS EXECUTED UNDER THE POWER OF ATTORNEY (ID21/275)</b> The Committee had before it the report dated 22 February 2021 from the Governance and Internal Control Manager regarding Quarterly Report on Documents Executed Under the Power of Attorney.	11
<b>CEC21/9</b>	<b>INVESTMENTS UNDER SECTION 625 OF THE LOCAL GOVERNMENT ACT - FEBRUARY 2021 (ID21/222)</b> The Committee had before it the report dated 1 March 2021 from the Chief Financial Officer regarding Investments Under Section 625 of the Local Government Act - February 2021.	14

<b>CEC21/10</b>	<b>INCREASE TO BANK GUARANTEE FACILITY LIMIT (ID21/231)</b> The Committee had before it the report dated 12 February 2021 from the Chief Financial Officer regarding Increase to Bank Guarantee Facility Limit.	18
<b>CEC21/11</b>	<b>WRITING OFF RATES AND CHARGES AND DEBTS (ID21/236)</b> The Committee had before it the report dated 15 February 2021 from the Chief Financial Officer regarding Writing off Rates and Charges and Debts.	20
<b>CEC21/12</b>	<b>DRAFT RATES STRUCTURE FOR 2021/2022 (ID21/269)</b> The Committee had before it the report dated 19 February 2021 from the Revenue Accountant regarding Draft Rates Structure for 2021/2022.	25
<b>CEC21/13</b>	<b>LOCAL PURCHASING POLICY PROGRESS REPORT 2020 (ID21/214)</b> The Committee had before it the report dated 22 February 2021 from the Corporate Procurement Specialist regarding Local Purchasing Policy Progress Report 2020.	37



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## **Report of the Dubbo Regional Council Airports Panel - meeting 1 March 2021**

**AUTHOR:** Administration Officer - Governance &  
Internal Control  
**REPORT DATE:** 3 March 2021

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The Committee had before it the report of the Dubbo Regional Council Airports Panel meeting held 1 March 2021.

### **RECOMMENDATION**

**That the report of the Dubbo Regional Council Airports Panel meeting held on 1 March 2021, be adopted.**



**REPORT  
DUBBO REGIONAL COUNCIL AIRPORTS  
PANEL  
1 MARCH 2021**

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**PRESENT:** Councillors S Lawrence, G Mohr, J Ryan, B Shields, the Chief Executive Officer, the Director Culture and Economy and the Manager Dubbo City Regional Airport.

**ALSO IN ATTENDANCE:**

The Director Organisational Performance and the Executive Officer Culture and Economy.

Councillor B Shields assumed chairmanship of the meeting.

The proceedings of the meeting commenced at 12.00 pm.

**DRCAP21/1 LEAVE OF ABSENCE (ID21/168)**

A request for leave of absence was received from Councillor D Gumley who was absent from the meeting due to the personal reasons.

**DRCAP21/2 REPORT OF THE DUBBO REGIONAL COUNCIL AIRPORTS PANEL - MEETING 9  
NOVEMBER 2020 (ID21/169)**

The Committee had before it the report of the Dubbo Regional Council Airports Panel meeting held 9 November 2020.

**OUTCOME**

**That the report of the Dubbo Regional Council Airports Panel meeting held on 9 November 2020, be adopted.**

**DRCAP21/3 ROUTE DEVELOPMENT UPDATE (ID21/170)**

The Panel was addressed by The Manager Dubbo City Regional Airport regarding this matter.

**OUTCOME**

1. That the information provided by the Manager Dubbo City Regional Airport be noted.
2. That the Manager further explore data regarding value of the service by the health and business sector.
3. That a letter be sent to Deputy Prime Minister, Michael McCormack, and Federal Member, Mark Coulton, regarding the intended and unintended positive outcomes.
4. That discussions with the identified airline regarding the identified new destination continue.

**DRCAP21/4 DRAFT BUDGET (ID21/171)**

The Panel was addressed by the Director Culture and Economy and the Manager Dubbo City Regional Airport regarding this matter.

**OUTCOME**

1. That the Landing Fees and Charges be increased by CPI in the draft revenue policy.
2. That advice regarding Landing Fees and Charges be provided to Airlines.
3. That a set fee for the security fee cost recovery process continue with a quarterly review in the next financial year.

**DRCAP21/5 WELLINGTON AERODROME AND RECREATION PARK UPDATE (ID21/172)**

The Panel was addressed by the Manager Dubbo City Regional Airport regarding this matter.

**OUTCOME**

1. That the information provided by the Manager Dubbo City Regional Airport be noted.
2. That weekly inspections of the facility continue.
3. That necessary maintenance of the facility continue, to be undertaken in line with user safety requirements.

**DRCAP21/6 SECURITY UPDATE (ID21/173)**

The Panel was addressed by the Manager Dubbo City Regional Airport regarding this matter.

**OUTCOME**

1. That the information provided by the Manager Dubbo City Regional Airport be noted.
2. That a trial day be undertaken once the upgrade is complete.

**DRCAP21/7 CAFE TENDER (ID21/174)**

The Panel was addressed by the Manager Dubbo City Regional Airport regarding this matter.

**OUTCOME**

**That the tender submitted be accepted.**

**DRCAP21/8 COMMERCIAL ZONE - EOI PROCESS (ID21/175)**

The Panel was addressed by the Director Culture and Economy regarding this matter.

**OUTCOME**

**That the information provided by the Director Culture and Economy be noted.**

*Councillor J Ryan declared an interest in the matter and left the room and was out of sight during discussions on this matter. The reason being that Councillor J Ryan has family members in the accommodation sector.*

**DRCAP21/9 GENERAL OPERATIONS AND PROJECT UPDATE (ID21/176)**

The Panel was addressed by the Manager Dubbo City Regional Airport regarding this matter.

**OUTCOME**

- 1. That the information provided by the Manager Dubbo City Regional Airport be noted.**
- 2. That a precinct catch up be coordinated to coincide with an official opening of the landside café.**

The meeting closed at 1.36 pm.

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CHAIRMAN



DUBBO REGIONAL  
COUNCIL

## REPORT: Five Year Post Amalgamation Book

**AUTHOR:** Manager Corporate Image and  
Communications  
**REPORT DATE:** 1 March 2021  
**TRIM REFERENCE:** ID21/259

### EXECUTIVE SUMMARY

The Chief Executive Officer (CEO) has requested Corporate Image and Communications undertake preliminary investigations to research, compile materials and develop the framework and production plan required to produce a multi-page, full-colour corporate publication recognising and celebrating five years post amalgamation of the former Dubbo City Council and Wellington Shire Council.

To meet the anniversary date of amalgamation, 12 May 2021, approval to fund the production of, and commence production on a publication will need to be sought from Council in March. The publication would need to be finalised in early April 2021 with delivery, including printing, completed by no later than Monday, 26 April 2021.

As a corporate commemorative publication, the CEO has sought advice on the scope of works and costs involved to:

- Produce a full-colour publication – noting a publication of around 32 to 48 pages.
- Print, package and post/deliver the completed publication to all residential addresses across the local government area.

The intention of the corporate publication is to showcase and highlight the community assets and services that have been successfully introduced under Dubbo Regional Council's tenure that have significantly improved the community's way of life and services/assets provided to the community.

### FINANCIAL IMPLICATIONS

Noting a completed or finalised concept publication is required to adequately and accurately secure and confirm costs via official quotes, the following advice is based on producing a full-colour newspaper-style publication of 48 pages. It is important to note, the heavier and larger the publication, the higher the costs associated with production, postage and handling.

Funding is available through the CEO's General Expenses budget for the 2020/2021 financial year.

In providing the advice required, and to minimise financial implications, Corporate Image and Communications provides the following for consideration:

Five year post amalgamation newspaper

Full-colour newspaper style publication up to 48-pages printed on 55gsm (newspaper) paper stock, comprised of photographs, testimonials from key government and community entities, community testimonials and success stories highlighting the impact key facilities and services delivered by Dubbo Regional Council since amalgamation have had on the lives of people around the region. The completed publication is to be delivered to all residential addresses in the Dubbo Regional Council local government area prior to the amalgamation anniversary date of 12 May 2021.

**POLICY IMPLICATIONS**

In producing this product, noting it is comprised of endorsements and public testimonials provided freely by those participating and without inducements or political affiliation or favour, implied or otherwise, Dubbo Regional Council will adhere to the Model Code of Conduct for Local Councils in NSW, in particular 7.16 and 7.17 in the development of this publication.

Under the existing Council procurement policy, printing a final product, noting its expected complexity and cost, may exclude sourcing local printers as it may be out of service scope for local suppliers. It should be noted that a local supplier may not represent best value for money or fit for purpose requirements verses the suitability of national or overseas sourced print vendors off Vendor Panel or press industry specialist, such as those companies who print newspaper mastheads, to deliver project requirements.

**RECOMMENDATION**

- 1. That the report of the Manager Corporate Image and Communications, dated 1 March 2021, be noted.**
- 2. That Council approve production of a newspaper style five year post amalgamation print project.**
- 3. That Council approve a budget of \$50,000 for Corporate Image and Communications to manage the overall production, print, and delivery of the newspaper style five year post amalgamation print project with any unspent budget returned to Council's consolidated revenue.**

*Andrew Parsons*

Manager Corporate Image and Communications



## BACKGROUND

The CEO has requested Corporate Image and Communications undertake preliminary investigations to commence researching, compiling materials and developing the framework and production plan required to produce a multi-page, full-colour corporate publication recognising and celebrating five years post amalgamation of the former Dubbo City Council and Wellington Shire Council.

The intention of the corporate publication is to showcase and highlight the community assets and services that have been successfully introduced under Dubbo Regional Council's tenure that have significantly improved the community's way of life and services/assets provided to the community. The corporate publication would comprise testimonials and editorial content from representatives from the community, community groups, tiers of government (local, state and federal) and organisations providing testimonials of support, appreciation and success stories that showcase the achievements of Dubbo Regional Council five years post amalgamation.

## REPORT

To meet the anniversary date of amalgamation, 12 May 2021, this publication will need to be finalised in early April 2021 with delivery, including printing, finalised by no later than Monday, 26 April 2021.

As a corporate commemorative publication, the CEO has sought advice on the scope of works and costs involved to:

- Produce a full-colour newspaper style publication, approximately 48 pages in length
- Print, package and post (distribute) the completed publication to all residential addresses across the local government area

The corporate publication would comprise photographs, testimonials and editorial content from community representatives, community groups, tiers of government (local, state and federal) and organisations providing testimonials of support, appreciation and success stories that showcase the achievements of Dubbo Regional Council five years post amalgamation.

The corporate publication would comprise accompanying imagery of those interviewed, images of key Council assets 'now' and 'then' spanning five years post amalgamation, along with testimonials and editorial short-form and long-form text produced in-house by Corporate Image and Communications.

Corporate Image and Communications is working on the concept of the publication being delivered to residents as a corporately styled tabloid sized newspaper. In considering delivery of a physical publication, Corporate Image and Communications will need to take into account size, weight and potential production costs, including postage/distribution of approximately 22,000 copies to meet the request for residents throughout the local government area to receive a copy in their mailbox. In considering the production of a corporate style publication, Corporate Image and Communications has taken into account a

conceptual standard newspaper comprised tabloid style/size newspaper, printed on economical 55gsm (standard) newspaper stock. Corporate Image and Communications would recommend any printed publication to be comprised of 16 page blocks (including cover), that is 16 page, 32 page or 48 page – the latter being a sizable weighted product.

## SUMMARY

Corporate Image and Communications has undertaken preliminary investigations to commence researching, compiling materials and developing the framework and production plan required to produce a multi-page, full-colour corporate publication recognising and celebrating five years post amalgamation of the former Dubbo City Council and Wellington Shire Council.

The size and style of the corporate publication envisaged to suit the content is based on a tabloid full-colour print newspaper. The following takes into account the product being produced in-house, that is, written and designed by Corporate Image and Communications, a third party editor to review all content prior to final production or print, and production of a corporate styled newspaper publication.

### Five year post amalgamation newspaper

*Producing a full-colour tabloid style newspaper on 55gsm paper stock for delivery to all residential addresses in the local government area:*

- Production and design – provided in-house as ‘normal duties’ with limited outsourced services such as proof-reading and quality assurance \$4,000
- Print estimate for 22,000 copies, approximately 48 pages, full-colour
  - a. Approximate print only cost (based on 48 pages) provided by a press in Tamworth, NSW - \$21,000
  - b. Approximate print only cost (based on 48 pages) provided by a national press in Richmond, NSW - \$11,000
- Transport by road, handling and distribution by mailhouse to Dubbo local government area addresses - \$14,000
- Postage to 21,500 residential addresses via Australia Post, including postcodes 2830, 2820, 2818, 2831 and 2822 - \$13,000 – does not include transport of printed items from printers
- Allow 20 per cent project contingency on final costs



DUBBO REGIONAL  
COUNCIL

## REPORT: Quarterly Report on Documents Executed Under the Power of Attorney

**AUTHOR:** Governance and Internal Control  
Manager  
**REPORT DATE:** 22 February 2021  
**TRIM REFERENCE:** ID21/275

### EXECUTIVE SUMMARY

At the February 2018 Ordinary meeting of Council held 26 February 2018, Council resolved:

1. *That Council delegate to Michael Gerard McMahon, General Manager, a prescribed power of attorney in accordance with the General Power of Attorney attached to the report as Appendix 1.*
2. *That Council authorise the Mayor and Deputy Mayor to execute the General Power of Attorney under the Common Seal of the Council.*
3. *That the General Manager report to Council every three months on all documents signed under the prescribed Power of Attorney.*

In accordance with point three of this resolution, this report provides a listing of documents signed under the Power of Attorney delegated to the Chief Executive Officer from 1 December 2020 to 28 February 2021.

### FINANCIAL IMPLICATIONS

There are no financial implications arising from this report.

### POLICY IMPLICATIONS

There are no policy implications arising from this report.

### RECOMMENDATION

**That the information contained within the report of the Governance and Internal Control Manager, dated 22 February 2021, be noted.**

*Susan Wade*  
Governance and Internal Control Manager

REPORT

In accordance with point three of the abovementioned resolution, following is a listing of documents signed under the Power of Attorney delegated to the Chief Executive Officer from 1 December 2020 to 28 February 2021, for your information:

Date Sealed	Details of Document
24/11/2020	Sale contract - Keswick Estate Stage 5 Release 1 - Lot 511 to Jacob Douglas Sandry - DP1260295
01/12/2020	Lease Contract - Lot 8 DP 1254517 - Hangar Site 19, 2 Howe Street, Dubbo to Country Imaging Pty Ltd - Period 02/09/2019 to 01/09/2024.
01/12/2020	Lease Contract - Lot 8 DP 1254517 - Hangar Site 19, 2 Howe Street, Dubbo to Country Imaging Pty Ltd - Period 02/09/2024 to 01/09/2029.
01/12/2020	Lease Contract - Lot 8 DP 1254517 - Hangar Site 19, 2 Howe Street, Dubbo to Country Imaging Pty Ltd - Period 02/09/29 to 01/09/2034.
01/12/2020	Lease Contract - Lot 8 DP 1254517 - Hangar Site 19, 2 Howe Street, Dubbo to Country Imaging Pty Ltd - Period 02/09/2034 to 01/09/2039.
02/12/2020	Tender Contract - T20-025 - Contract for Construction of Wellington Caves Megafauna Exhibition - Thylacine Design and Project Management.
08/12/2020	Sale contract for Keswick Estate Stage 5 Release 1 - Lot 538 DP 1260295 - Chandra Mohan Balya
12/11/2020	Tender Contract for T20-018 - The Contract for The Design and Construction of Aeration Tower Facility at John Gilbert Water Treatment Plant - CRS Water Pty Ltd.
09/12/2020	Sale Contract - Keswick Estate Stage 5 Release 1 - Lot 543 DP1260295 - William Joseph and Brenda Lucy Robinson
11/12/2020	Sale Contract - Keswick Estate Stage 5 Release 1 - Lot 503 DP1260295 - Michael and Stacey O'Neill
11/12/2020	Sale Contract - Keswick Estate 2.67205 ha of Vacant Land - Lot 339 DP1241303 - Berakah Christian Education T/As Dubbo Christian School
15/12/2020	Execution of Acquisition and Road Works Deed - 4L & 5 L Boothenba Road, Dubbo (Lot 126 DP1187388 and lot 10 DP576498) - Hopes Bus Service
21/12/2020	Execution of Contract of Sale for Lot 22 DP 1223592 Moffat Estate Stage 3, Dubbo to Mark. Cameron and Peta COGGAN
21/12/2020	Execution of Deed of Boundary Adjustment for Council Part 22 DP 1223592 to be undertaken to increase the area of Lot 27 by 5,250 m2.
21/12/2020	Execution of Contract for Sale for 92 Macquarie Street, Dubbo to Dubbo Regional Council
23/12/2020	Execution of Contract for The Supply and Installation of power and lighting for Swift Street and Arthur Street, Wellington - Specialized Electrical Pty Ltd

23/12/2020	Sale Contract - Moffatt Estate Stage 3 - Lot 44 (35) Purvis Lane, Dubbo - Karen McGuire Holdings Pty Ltd
14/01/2021	Proposed Road Dedication under Section 16 of Roads act for DP1269394, Wellington North Solar Farm
19/01/2021	Sale Contract - Moffatt Estate Stage 3 - Lot 46 - IOR Property Group No.2 Pty Ltd ATF IOR Property Trust No.2.
10/01/2021	Tender Contract for T20-038 - The Contract for Supply of Ready-Mix Concrete - Dubbo Mini Mix and Landscaping Supplies
10/01/2021	Tender Contract for T20-038 - The Contract for Supply of Ready-Mix Concrete - KB Concrete Pty Ltd
25/02/2021	Contract for Release of Redundant Restriction and Positive Covenant Property Lot 2518 DP 1251541 No 5 Freshwater Drive, Dubbo
08/02/2021	Tender Contract for T20/015 - Supply of hire light vehicles, plant and equipment.
12/02/2021	Sale Contract for Lot 192 DP578202, 3 Queen Street, Montefiores Estate
09/02/2021	Contract Document for T20-019 - Construction of Dubbo Water Main Replacement Program
12/02/2021	Notice of Compulsory Acquisition of Land - Lot 2 DP1265086 - Fashions Mount Road, Mumbil
25/02/2021	Sale Contract – 29 King Street, Wellington – Lot 1 DP1265086 – Fashions Mount Road, Mumbil.
25/02/2021	Execution of Easement (release and creation) for Powerlines over Lot 500 DP1260295 and Lot 25 DP 1207529 – Keswick Estate
25/02/2021	Surrender of Lease – Part Folio Identifier 14 1191075 being Hangar Site no. 4 located at Dubbo City Regional Airport – W & E Maas Holdings Pty Ltd
25/02/2021	Deed of Surrender – Hangar Site No. 4, Dubbo Regional Airport, Dubbo NSW 2830 – W& E MAAS Holdings Pty Ltd
25/02/2021	Lease – Part Lot 152 DP 1235260 – Hangar Site 4, 2 Howe Street, Dubbo Regional Airport, Dubbo – W & E MAAS Holdings Pty Ltd – Period from 15 February 2021 to 14 February 2026
25/02/2021	Lease – Part Lot 152 DP 1235260 – Hangar Site 4, 2 Howe Street, Dubbo Regional Airport, Dubbo – W & E MAAS Holdings Pty Ltd – Period from 15 February 2026 to 14 February 2031
25/02/2021	Lease – Part Lot 152 DP 1235260 – Hangar Site 4, 2 Howe Street, Dubbo Regional Airport, Dubbo – W & E MAAS Holdings Pty Ltd – Period from 15 February 2031 to 14 February 2036
25/02/2021	Lease – Part Lot 152 DP 1235260 – Hangar Site 4, 2 Howe Street, Dubbo Regional Airport, Dubbo – W & E MAAS Holdings Pty Ltd –Period from 15 February 2036 to 14 February 2041.



## **REPORT: Investments Under Section 625 of the Local Government Act - February 2021**

**AUTHOR:** Chief Financial Officer  
**REPORT DATE:** 1 March 2021  
**TRIM REFERENCE:** ID21/222

### **EXECUTIVE SUMMARY**

As required by Clause 212 of the Local Government (General) Regulation 2005, set out below are the details of all monies that Council has invested under Section 625 of the Local Government Act as at 28 February 2021.

Investments, when placed, have been done so in accordance with the Local Government Act, Local Government Regulations and Council's Investment Policy and Strategy. Interest on investments for the month of 28 February 2021 has been accounted for on an accrual basis. This report details investments and annualised returns for the month of February 2021.

### **FINANCIAL IMPLICATIONS**

Interest earned on investments has been included within Council's 2020/2021 Operational Plan, with total income generated from the Investment Portfolio forecast to be in excess of \$2,500,000.

### **POLICY IMPLICATIONS**

There are no policy implications arising from this report.

### **RECOMMENDATION**

**That the information contained within the report of the Chief Financial Officer, dated 1 March 2021, be noted.**

*Michael Howlett*  
Chief Financial Officer

## PORTFOLIO OVERVIEW

The below table details Council's current investment portfolio:

Compliant	Bank Group	Term	Rating	Invested	Invested (%)	Limit (%)	Limit (\$)	Available
✓	NAB	Long	AA-	94,703,000.52	41.61	100.00	-	132,870,550.00
✓	Northern Territory Treasury	Long	AA-	10,000,000.00	4.39	100.00	-	217,573,550.52
✓	Commonwealth Bank	Long	AA-	4,500,000.00	1.98	100.00	-	223,073,550.52
✓	Westpac	Long	AA-	49,000,000.00	21.53	100.00	-	178,573,550.52
✓	UBS AG	Long	A+	4,500,562.50	1.98	30.00	-	63,771,502.66
✓	Suncorp	Long	A+	4,000,000.00	1.76	30.00	-	64,272,065.16
✓	Bank of China	Long	A-	4,520,083.50	1.99	20.00	-	40,994,626.60
✓	Bank of Communications	Long	A-	3,765,300.00	1.66	20.00	-	41,749,410.10
✓	Australian Unity Bank	Long	BBB+	2,000,000.00	0.88	10.00	-	20,757,355.05
✓	Bendigo and Adelaide	Long	BBB+	7,500,000.00	3.30	10.00	-	15,257,355.05
✓	BOQ	Long	BBB+	21,072,500.00	9.26	10.00	-	1,684,855.05
✗	AMP Bank	Long	BBB	19,000,000.00	8.35	5.00	-	-7,621,322.47
✓	Newcastle Permanent	Long	BBB	1,012,104.00	0.45	5.00	-	10,366,573.53
✓	Macquarie Credit Union	Long	Unrated	2,000,000.00	0.88	5.00	-	9,378,677.53
<b>TOTALS</b>				<b>227,573,550.52</b>	<b>100.00</b>			

^ NAB is inclusive of Councils cash account.

^ AMP is inclusive of Councils 31 day notice saver account.

^ All Council investment with AMP are short term. By S and P Standard AMP short term investment are categorised as A2 for all the short term investment. Hence, Council is compliant to invest in AMP short term investments.

## INTEREST INCOME

The below table details payments of interest paid to Council between 1 February and 28 February 2021:

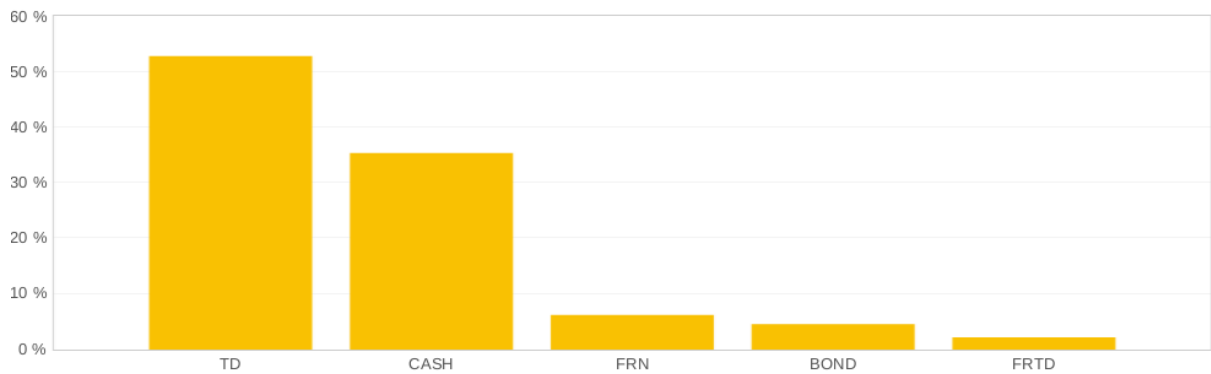
Issuer	Rating	Type	Alloc	Frequency	Value	Purchase	Maturity	Coupon Date	Type	Rate	Received
Macquarie Credit Union	Unrated	TD	WATER	At Maturity	2,000,000.00	08/02/2020	18/02/2021	18/02/2021	Maturity	1.6500	33,994.52
AMP Bank	BBB	TD	WATER	At Maturity	5,000,000.00	24/08/2020	22/02/2021	22/02/2021	Maturity	0.8000	19,945.21
BOQ	BBB+	TD	WATER	Annual	2,572,500.00	23/01/2019	23/02/2021	23/02/2021	Maturity	2.9000	5,927.32
Commonwealth Bank	AA-	FRTD	GENERAL	Quarterly	500,000.00	09/05/2016	10/05/2021	09/02/2021	Periodic	1.1010	1,387.56
Westpac	AA-	TD	GENERAL	Quarterly	2,000,000.00	31/05/2017	31/05/2021	26/02/2021	Periodic	2.9000	13,983.56
Westpac	AA-	TD	GENERAL	Quarterly	2,000,000.00	31/05/2017	31/05/2022	26/02/2021	Periodic	3.0700	14,803.29
Bank of China (Australia) Ltd	A-	FRN	SEWER	Quarterly	4,500,000.00	06/11/2020	06/11/2023	08/02/2021	Periodic	0.8512	9,864.59
<b>TOTALS</b>					<b>18,572,500.00</b>						<b>99,906.05</b>

^ Interest received consists of payments made to Council's allocated bank account and are exclusive of accruing interest.

### INVESTMENT BY ASSET CLASS

The following table details Councils investment holdings by investment type:

Code	Number of Trades	Invested	Invested (%)
TD	32	119,572,500.00	52.54
CASH	3	79,703,000.52	35.02
FRN	4	13,798,050.00	6.06
BOND	2	10,000,000.00	4.39
FRTD	3	4,500,000.00	1.98
<b>TOTALS</b>	<b>43</b>	<b>227,573,550.52</b>	<b>100.0</b>

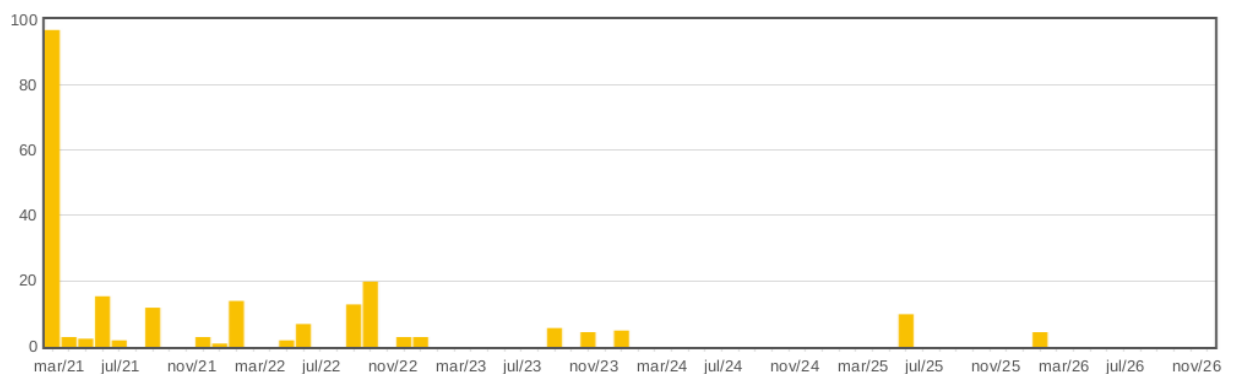


*^Legend: TD = Term Deposit, FRTD = Floating Rate Term Deposit, FRN = floating Rate Note*

### FUTURE MATURITY CASHFLOW

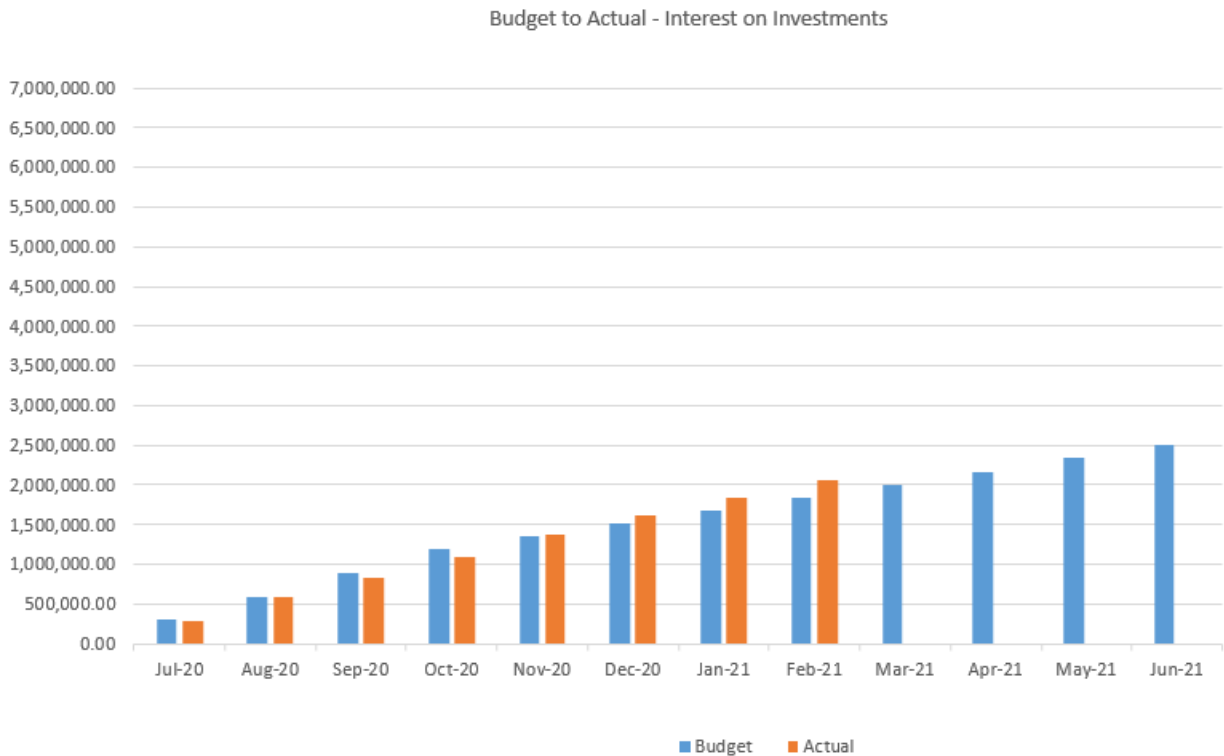
The below table details the expected cash flow of future investment maturity:

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2021	-	-	96,703,000	3,000,000	2,500,000	15,500,000	2,000,000	-	12,000,000	-	-	3,000,000	134,703,000.52
2022	1,012,104	14,072,500	-	-	2,000,000	7,000,000	-	-	13,000,000	20,000,000	-	3,000,000	60,084,604.00
2023	3,000,000	-	-	-	-	-	-	-	5,765,300	-	4,520,083	-	13,285,383.50
2024	5,000,000	-	-	-	-	-	-	-	-	-	-	-	5,000,000.00
2025	-	-	-	-	-	10,000,000	-	-	-	-	-	-	10,000,000.00
2026	-	4,500,562	-	-	-	-	-	-	-	-	-	-	4,500,562.50
<b>TOTALS</b>													<b>227,573,550.52</b>





**BUDGET TO ACTUAL – INTEREST ON INVESTMENTS**



**SUMMARY**

**Cash Account**

Council outperformed the 11am Official Cash Rate market benchmark for one month annualised return of 0.10%, achieving a return of 0.50% for its At Call investments for the month of February 2021.

**Investment Portfolio**

Council outperformed the one month annualised Bloomberg AusBond Bank Bill Index of 0.00%, with an average return of 0.69% for its overall portfolio return



DUBBO REGIONAL  
COUNCIL

## REPORT: Increase to Bank Guarantee Facility Limit

**AUTHOR:** Chief Financial Officer  
**REPORT DATE:** 12 February 2021  
**TRIM REFERENCE:** ID21/231

### EXECUTIVE SUMMARY

The purpose of this report is to consider an increase of Council's bank guarantee facility limit with National Australia Bank (NAB) in relation to major project construction occurring in the Local Government Area. This report recommends that Council increase the facility limit from \$50,000 to \$200,000.

### FINANCIAL IMPLICATIONS

The bank guarantee facility limit with National Australia Bank will increase from \$50,000 to \$200,000.

### POLICY IMPLICATIONS

There are no policy implications arising from this report.

### RECOMMENDATION

1. That the report of the Chief Financial Officer, dated 12 February 2021, be noted.
2. That Council's bank guarantee facility limit with the National Australia Bank be increased from \$50,000 to \$200,000.
3. That Council enter into a new Business Letter of Offer document in favour of National Australia Bank.
4. That the Chief Executive Officer be authorised to complete any documentation under delegated Power of Attorney.

*Michael Howlett*  
Chief Financial Officer

## REPORT

Council recently completed and awarded the quotation for the Transactional Banking Services to NAB. The quotation documents noted that Dubbo Regional Council *requires access to a bank guarantee facility with a value up to \$200,000 but able to be increased at the Principal's request.*

Council currently has a bank guarantee facility limit of \$50,000 in relation to major project construction occurring in the Local Government Area. The limit was increased from \$10,000 on 24 September 2018 when Council resolved:

- “1. *That Councils bank guarantee facility limit with the National Australia Bank be increased from \$10,000 to \$50,000.*
2. *That the Chief Executive Officer be authorised to complete any documentation under delegated “Power of Attorney”.*

NAB have advised that to proceed with the increase, Council is required to undertake the following:

- Chief Executive Officer to sign a Business Letter of Variation document under Power of Attorney.
- Council to provide a copy of the Resolution pursuant to which it has agreed to enter into and execute a new Business Letter of Variation document in favour of NAB.
- The signed Business Letter of Variation document is to be returned to NAB.

A ‘Bank Guarantee Request’ is to be signed by two of Council’s signatories and returned to NAB when a new bank guarantee is to be issued.



DUBBO REGIONAL  
COUNCIL

## REPORT: Writing off Rates and Charges and Debts

**AUTHOR:** Chief Financial Officer  
**REPORT DATE:** 15 February 2021  
**TRIM REFERENCE:** ID21/236

### EXECUTIVE SUMMARY

Council has an adopted Policy for Debt Recovery and Financial Hardship and has a responsibility to maintain effective control over debts owed to Council including rates, charges, interest and fees. Council must ensure that monies owed are collected in a timely, efficient and effective manner to finance its operations, ensure effective cash flow management and reduce the likely occurrence of unrecoverable debts.

This report outlines and defines the set amount above which any debt may only be written off by Council resolution.

### FINANCIAL IMPLICATIONS

A key indicator of council financial performance is the outstanding rates and charges ratio. The ratio reflects the impact of uncollected rates and charges on liquidity. The effective management of outstanding debts is essential to meet performance benchmarks and to reduce the likelihood of writing off uncollectable debts.

### POLICY IMPLICATIONS

Once adopted, the attached draft Writing off Rates and Charges and Debts Policy will become a Policy of Council.

### RECOMMENDATION

- 1. That the report of the Chief Financial Officer, dated 15 February 2021, be noted.**
- 2. That the draft Writing off Rates and Charges and Debts Policy, as attached at Appendix 1, be adopted.**

*Michael Howlett*  
Chief Financial Officer

## REPORT

Council has an adopted Policy for Debt Recovery and Financial Hardship and has a responsibility to maintain effective control over debts owed to Council including rates, charges, interest and fees. Council must ensure that monies owed are collected in a timely, efficient and effective manner to finance its operations, ensure effective cash flow management and reduce the likely occurrence of unrecoverable debts.

Clause 131 of the Local Government (General) Regulation requires Council, from time to time, by resolution, to fix the amount of rates and charges above which any individual rate or charge may be written off only by resolution of the Council.

Clause 213 of the Local Government (General) Regulation requires Council, from time to time, by resolution, to fix the amount above which debts to the Council other than rates and charges, may be written off only by resolution of the Council.

The Chief Executive Officer currently does not have the delegation to approve the writing off of accounts greater than \$20,000.

The attached policy (**Appendix 1**) notes that the amount delegated to the Chief Executive Officer is to be set as the amount above which any debt may only be written off by Council resolution.

### Appendices:

[1](#) Draft Council Policy - Writing off Rates and Charges and Debts



DUBBO  
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## COUNCIL POLICY

### Writing off Rates and Charges and Debts

**Date** 15 February 2021  
**Council Resolution Date** 8 March 2021  
**Clause Number** CCL

**Responsible Position** Chief Financial Officer  
**Branch** Financial Operations  
**Division** Organisational Performance  
**Version** 1  
**TRIM Reference Number**  
**Review Period** Annually (or when a change in regulation necessitates a review)  
**Review Date** March 2022  
**Consultation**

Document Revision History	
Description	Date
Notes	

## **POLICY**

### **PURPOSE**

Council has a responsibility to maintain effective control over debts owed to Council including rates, charges, interest and fees. Council must ensure that monies owed are collected in a timely, efficient and effective manner to finance its operations, ensure effective cash flow management and reduce the likely occurrence of unrecoverable debts.

Clause 131 of the Local Government (General) Regulation requires Council, from time to time, by resolution, to fix the amount of rates and charges above which any individual rate or charge may be written off only by resolution of the Council.

Clause 213 of the Local Government (General) Regulation requires Council, from time to time, by resolution, to fix the amount above which debts to the Council other than rates and charges, may be written off only by resolution of the Council.

This policy defines the set amount where any debt above this amount may only be written off by Council resolution.

### **BACKGROUND AND RELATED LEGISLATION**

This Policy is prepared in accordance with Clause 131 (1), and Clause 213 (2) of the Local Government (General) Regulation 2005.

### **SCOPE**

The Policy applies to all Council staff, elected members of Council and contracted service providers.

This Policy applies to all debtors (including ratepayers) who have outstanding monies owed to Council.

### **DEFINITIONS**

To assist in interpretation, the following definitions apply:

<b>Term</b>	<b>Definition</b>
<b>Act</b>	Local Government Act 1993
<b>Council</b>	Dubbo Regional Council
<b>Debtor</b>	A person, organisation, company or other entity that has a debt or legal obligation to pay an amount to Council
<b>Rates and Charges</b>	Ordinary Rates and Annual Charges levied in accordance with the Local Government Act 1993
<b>Ratepayer</b>	The person liable for payment of Rates and Charges for the property in accordance with section 560 of the Local Government Act, 1993
<b>Write Off</b>	A debt declared non recoverable

## **POLICY**

The amount delegated to the Chief Executive Officer is to be set as the amount above which a rate or charge may only be written off by resolution of Council in accordance with Clause 131 (1) of the Local Government (General) Regulation 2005.

The amount delegated to the Chief Executive Officer is to be set as the amount above which debts may only be written off by resolution of Council in accordance with Clause 213 (2) of the Local Government (General) Regulation 2005.

An amount of rates or charges, or a debt of or below the amount delegated to the Chief Executive Officer can be written off either by resolution of the Council or by order in writing of the Chief Executive Officer.

A resolution or order writing off an amount of rates or charges must:

- a) Specify the name of the person whose debt is being written off, and
- b) Identify the account concerned, and
- c) Specify the amount written off

or must refer to a record kept by the council in which those particulars are recorded.

An amount of rates and charges can be written off under Clause 131 of the Local Government (General) Regulation 2005 only:

- If there is an error in the assessment, or
- If the amount is not lawfully recoverable, or
- As a result of a decision of the Court, or
- If the Council or the Chief Executive Officer believes, on reasonable grounds, that an attempt to recover the amount would not be cost effective.

A debt can be written off under Clause 213 (2) of the Local Government (General) Regulation 2005 only:

- If the debt is not lawfully recoverable, or
- As a result of a decision of a court, or
- If the council or the Chief Executive Officer believes on reasonable grounds that an attempt to recover the debt would not be cost effective.

The fact that an amount of rates or charge, or a debt owing to Council is written off under Clause 131 or 213 of the Local Government (General) Regulation 2005 does not prevent Council from taking legal proceedings to recover the amount or the debt.

## **RESPONSIBILITIES**

The Chief Financial Officer is responsible for enacting this policy.





DUBBO REGIONAL  
COUNCIL

## REPORT: Draft Rates Structure for 2021/2022

**AUTHOR:** Revenue Accountant  
**REPORT DATE:** 19 February 2021  
**TRIM REFERENCE:** ID21/269

### EXECUTIVE SUMMARY

The NSW Office of Local Government requires all merged Councils in NSW to establish a new, equitable rating structure and to transition to it by 1 July 2021.

The proposed 2021/2022 Draft Rate Structure incorporates a General Income variation increase (rate pegging limit) of 2.0% being the full General Income variation permitted for the 2021/2022 year as set by IPART.

This report addresses the Rates Harmonisation Project currently underway and provides a recommendation for the adoption of categories and sub-categories for rating purposes and of a Draft Rate Structure to form a community information program and preparation of the Revenue Policy contained within the 2021/2022 Draft Operational Plan.

### FINANCIAL IMPLICATIONS

The rates harmonisation project does not increase the total amount of rates that Council can levy and collect as this is governed by 'rate pegging' legislation.

There are no financial implications arising from this report. This report itself does not result in any direct financial implications as the actual ad valorem (rate in the \$) and minimum rates applicable under the 2021/2022 financial year will be determined as part of the Revenue Policy contained within the Draft 2021/2022 Operational Plan.

### POLICY IMPLICATIONS

The determination of the Draft Rates Structure to apply for the 2021/2022 financial year is a key policy decision. The structure, once determined, forms part of the Revenue Policy contained within the Draft 2021/2022 Operational Plan.

**RECOMMENDATION**

- 1. That the report of the Revenue Accountant, dated 19 February 2021, be noted.**
- 2. That Council adopt the Rate Categories and Sub-categories outlined in the 'Proposed Categories and Sub-categories' tables within this report.**
- 3. That Council adopt the Draft Rate Structure contained within the report as the basis for a community information program and preparation of the Revenue Policy contained within the 2021/2022 Draft Operational Plan.**
- 4. That the 2021/2022 Draft Rate Structure incorporate a General Income variation (the rate pegging limit) of 2.0% being the maximum minimum permitted for the 2021/2022 rating year as determined by IPART.**

*Bronwyn Maxwell*  
Revenue Accountant

## BACKGROUND

The rating structures for Dubbo City Council and Wellington Council were required to be maintained for four rating years due to the Rates Path Freeze.

As a merged Council, Dubbo Regional Council is required to establish a new, equitable rating structure, and have the rates structure harmonised by 1 July 2021.

The *Local Government (Council Amalgamations) Proclamation 2016* which created Dubbo Regional Council contained the following clause in respect of the rating structure and categorisation of land for rating purposes.

### **Rating structure and categorisation of land for rating purposes**

- (1) This clause applies to the levying of rates for the 2016/2017 rating year.
- (2) The structure for rates applied by a former council to rates levied for a parcel of land in a former area for the 2015/2016 rating year is to be applied by the new council to that parcel.
- (3) The category or sub-category applied to a parcel of land in a former area for rating purposes for the 2015/2016 rating year is to be applied by the new council to that parcel.
- (4) It does not matter that different rating structures apply to different parcels because of this subclause.
- (5) This clause does not prevent a person from applying for a review of a category under section 525 of the Act or from making an appeal under section 526 of that Act.
- (6) The rating structure is to be reviewed within the first term of the new council following the first election of the council.

The *Local Government Act 1993* was subsequently amended by the inclusion of section 218CB 'Transitional provision for maintenance of pre-amalgamation rate paths' which allowed the Minister for Local Government to make a determination that allowed for the rating structures of the former councils to remain in place for a period of 3 years after such a determination was made.

The Minister at the time made such a determination in May 2017 which meant that the rate structures of the former councils remained in place until 30 June 2020.

Further changes to the Act provided the Minister with the ability to extend the 'rate freeze' provisions for a further 12 months. Council chose to accept the additional 12-month extension, the result being that Council is required to have a single or 'harmonised' rates structure in place by 30 June 2021 taking effect for the 2021/2022 financial year.

## REPORT

Rates Harmonisation does not increase the total amount of rates that Council can levy and collect. This is governed by the general income requirements of the Act and by the rate pegging and special rate variation process overseen by the Independent Pricing and Regulatory Tribunal (IPART).

The announced rate peg for the 2021/2022 rating year is 2%. It is recommended that Council increase its general rate income by the full 2%. Council will not be applying to IPART for a special rate variation above the rate peg for the 2021/2022 rating year.

### Legislative Requirements

The legislative framework for setting rates and designing rating structures is set out in Chapter 15 of the *Local Government Act 1993*. The focus of this report and of the Council workshops has been on the development of a fair and equitable Rate Structure that addresses the Ordinary rates levied by Council.

Separate work is being undertaken in respect of annual charges, specifically water and sewer charges. Council has already harmonised Domestic Waste Charges. The rates that will be levied on an individual ratepayer are based on a combination of the category (or sub-category) that applies to the land, the valuation of that land and the structure of the rate determined by Council.

### Impact on Ratepayers

The objectives of the Rates Harmonisation Project were:

1. To develop an equitable rating structure that distributes the rates burden fairly across the Dubbo Regional Council local government area.
2. To minimise the impact of sudden, unexpected rate increase experienced by ratepayers.

The Rates Harmonisation Project will impact the amount of rates that will be levied and payable by individual ratepayers. There will be ratepayers who will receive a decrease in their rates as a result of this process. Similarly, there will be ratepayers who will experience an increase in the level of rates payable that will be above the 2% rate peg. This is unavoidable outcome of the requirement to move to a single or 'harmonised' rate structure.

As legislation requires the Residential Ordinary, Business Ordinary and Farmland Ordinary rating categories to be 'harmonised' and Council must adopt a single rate structure to apply to each 'harmonised' category, there is no solution that will not produce outlier increases and decreases for individual ratepayers.

As there are significant differences between the existing rating structures, including the use of different rating methods for categories that are being harmonised, the move to a single category will result in movement of yield between the former areas and between ratepayers.

The objective of the Rates Harmonisation Project has been to produce an equitable rating structure that complies with the *Local Government Act 1993*, distributes the rate burden fairly, whilst balancing this objective with the requirement to reduce sudden, unexpected increases for the majority of ratepayers. The proposed rating structure is for an ad valorem rate subject to a minimum rate as this reduces the impact on the majority of ratepayers who are within rating sub-categories that have not been impacted by the Rates Harmonisation Project.

### **Categorisation of Land**

*Section 496 of the Local Government Act* states that there are four categories of rateable land – farmland; residential; mining and business, and that Council may divide these categories into sub-categories in accordance with section 529 of the Act.

Relevant sections of the Act are reproduced below:

*514 Categorisation of land for purposes of Ordinary rates*

*Before making an ordinary rate, the council must have declared each parcel of rateable land in its area to be within one or other of the following categories:*

- *Farmland*
- *Residential*
- *Mining*
- *Business*

*529 Rate may be the same or different within a category*

- (1) Before making an ordinary rate, a council may determine a sub-category or sub-categories for one or more categories of rateable land in its area.*
- (2) A Sub-category may be determined –*
  - (a) For the category “farmland” – according to the intensity of land use, the irrigability of the land or economic factors affecting the land, or*
  - (b) For the category of “residential” – according to whether the land is rural residential land or is within a centre of population, or*
  - (c) For the category of “mining” according to the kind of mining involved*
  - (d) For the category of “business” – according to a centre of activity.*
- (3) The ad valorem amount (the amount in the dollar) of the ordinary rate may be the same for all land within a category or it may be different for different sub-categories*
- (4) Land may be taken to be irrigable for rating for the purposes of subsection (2)(a) if, and only if, it is subject of a water right within the meaning of the Valuation of Land Act 1916.*

Sections 515 – 528 deal with the procedural aspects of categorisation of land for rating purposes.

Dubbo City Council and Wellington Council had categorised and sub-categorised parcels of rateable land to meet the requirements of their Council and the Act. For the purposes of this project a detailed review of the existing categorisation of land was not undertaken; it was assumed that the existing categorisation declarations were correct. Attention has focussed on combining the existing rate structures into a single rate structure.

In accordance with section 520 of the Act a council must give notice to each rateable person of the category declared for each parcel of land for which the person is rateable.

In accordance with section 523

- (1) a council need not annually review a declaration that a parcel is within a particular category, but may review a declaration
  - (a) As part of a general review of the categorisation of all or a number of parcels of land, or*
  - (b) Because it has reason to believe that a parcel of land should be differently categorised.**
- (2) A council must review a declaration if required to do so in accordance with section 525 by a person who is rateable in respect of a parcel of land to which the declaration applies.*

Accordingly, Council may conduct future reviews of the categorisation of all or a number of parcels of land as Council determines appropriate. In addition, Council undertakes an annual review of the rating structure as part of the preparation for the annual Revenue Policy and may review the sub-categories, or their boundaries, if determined necessary.

The adoption of the rating categories and sub-categories within Council's Draft Rating Structure will form the basis of community information, providing the community opportunities to understand the likely impact of the 'harmonised' rate structure on their individual circumstances and to provide feedback to Council as part of the Draft Operational Plan.

Adopting the Rating Categories and sub-categories contained within this report will also allow Council to undertake the administrative process of issuing a Declaration of Rating Category letter to each ratepayer. In accordance with the Act, ratepayers then have the opportunity to object to the rating category or sub-category determined by Council to apply to their parcel of land.

### **Proposed Categories and Sub-Categories**

A detailed description of the area to which each rate category and sub-category applies is detailed in **Appendix 1**.

#### Residential

Residential sub-categories may be determined:

- According to whether the land is rural residential, or
- According to a centre of population

As per the requirements of the Local Government Act 1993 both the former councils had a Residential Ordinary rating category. The existing Residential Ordinary categories must be merged. It is proposed that in addition to the Residential rate category the following sub-categories be retained in the new structure. Not all residential properties will be sub-categorised. The Residential rate will apply to properties that are not sub-categorised.

Category	Sub-Category
Residential	
	Residential Dubbo Urban
	Residential Village
	Residential Richmond
	Residential Firgrove
	Residential Wellington
	Residential Geurie

#### Business

Business sub-categories may be determined:

- According to a centre of activity

As per the requirements of the Local Government Act 1993 both the former councils had a Business Ordinary rating category. The existing Business Ordinary Categories must be merged. It is proposed that in addition to the Business rate category the following sub-categories be retained in the new structure. Not all Business properties will be sub-categorised. The Business rate will apply to properties that are not sub-categorised.

Category	Sub-Category
Business	
	Business CBD
	Business East Dubbo
	Business Cobra Street
	Business Wellington Road
	Business Wellington

#### Farmland

Farmland sub-categories may be determined:

- According to intensity of use, or
- Economic factors affecting the land

As per the requirements of the Local Government Act 1993 both former Council's had a Farmland Ordinary rating category. The Farmland Ordinary categories must be merged. It is not proposed to introduce sub-categories.

Category
Farmland

### Mining

Section 517 of the Local Government Act states land is to be categorised as 'mining' if it is a parcel of rateable land valued as one assessment and its dominant use is for a coal mine or a metalliferous mine.

Mining sub-categories may be determined:

- According to the kind of mining involved

Both the former councils had a Mining category. It is proposed to adopt one mining category applicable to metalliferous mines.

Category
Mining

### **Draft Rate Structure**

The existing rating structure for Dubbo City Council consisted of an ad valorem rate subject to a minimum rate, whilst the Wellington structure consisted of Base Amounts to which an ad valorem amount is added.

The proposed structure for each rate category and sub-category are all configured on the ad valorem rate subject to a Minimum rate methodology.

Following the release of advice by the Office of Local Government regarding how minimum rates that currently exceed the statutory minimum rate limit (Statutory Limit) will be treated and the release of guidelines in November 2020, Council applied to the Office of Local Government to include minimum rates in the new structure that exceed the 2021/2022 Statutory Limit of \$565.00.

Council's application seeks to set minimum ordinary rates in the 2021/2022 rating structure for the following categories and sub-categories that are above the 2021/2022 Statutory Minimum Limit for minimum ordinary rates:

Proposed Ordinary Rates Category or Sub-Category
Residential Urban
Residential Firgrove
Residential Richmond
Business
Business Central Business District
Business East Dubbo
Business Cobra Street
Business Wellington Road
Business Wellington



The actual ad valorem (rate in the \$) and minimum rates applicable for the 2021/2022 financial year will be determined as part of the Revenue Policy contained within the Draft 2021/2022 Operational Plan following notification from the Office of Local Government. This is necessary as the minimum rate applicable to each sub-category must be known in order to determine the ad valorem amount necessary to achieve the required rate yield from each category and sub-category.

## SUMMARY

The NSW Office of Local Government requires all merged councils in NSW to establish a new, equitable rating structure and transition to it by 1 July 2021. Dubbo Regional Council is required to adopt a harmonised rating structure that meets the legislative requirements as set in the Local Government Act 1993. Council must harmonise the rates for the existing Residential Ordinary, Business Ordinary and Farmland Ordinary rating categories.

Following the release of advice by the Office of Local Government regarding how minimum rates that currently exceed the statutory minimum rate limit (Statutory Limit) will be treated and the release of guidelines in November 2020, Council applied to the Office of Local Government to include minimum rates in the new structure that exceed the 2021/2022 Statutory Limit of \$565.00.

The adoption of the Rating Categories and sub-categories within this report will allow Council to issue Declaration of Category letters to ratepayers and provide the basis for community consultation regarding the proposed Rating categories and sub-categories and the areas to which they will apply.

The ad valorem rates and minimum rates applicable for the 2021/2022 financial year will be determined as part of the Revenue Policy contained within the 2021/2022 Draft Operational Plan.

Appendices:

[1](#) Schedule A - Rating category descriptions

## Annexure A

### Schedule of Rating Categories and Sub-Categories

Ordinary Rates - Land to which rate Category or Sub-Category applies:

- a. Residential  
All properties categorised as “residential” outside the defined “Residential Dubbo Urban”, “Residential Wellington”, “Geurie”, “Residential Village”, “Firgrove Estate” and “Richmond Estate” areas.
- b. Residential - Dubbo Urban  
All residential properties declared “Residential Dubbo Urban” being in the area generally described as that part of the City of Dubbo which lies within an area bounded by Talbragar River, Old Gilgandra Road, Boothenda Road, Yarrandale Road, Cobbora Road, Bushland Drive, western boundary of Lots 221 and 222 DP 1239477, Buninyong Road, South Buninyong Road, Railway Lane, Wellington Road, the western boundary of Lot 51 DP 612578, the eastern and southern boundary of Lot 2508 DP 1093568, eastern and southern boundary of Lot 2492 DP 623366, Sheraton Road, western boundary of Lot 2 DP 880413, northern boundary of Lot 6 DP 582736 and Lot 31 DP 738069, Hennessy Drive inclusive of parcels south of Hennessy Drive described as Lots 7000, 7001 and 7002 DP 1139564, Old Dubbo Road, area on southern side of Macquarie Street zoned R2 to the Water Treatment Plant boundary, Macquarie River, southern boundary of Lot 16 DP 753233, Newell Highway, Blackbutt Road, Joira Road, Minore Road, Western Railway Line, area zoned IN2 on the western side of railway line bounded by Lot 7 DP 223428 Lot 52 DP 1028071 Lot 2 DP 1183095, Narromine Road, Dubbo Aerodrome, Blizzardfield Road, Bunglegumbie Road, northern and eastern boundary Lot 7 DP 250606, eastern boundary Lot 6 DP 250606, northern boundary Lot 5 DP 250606, Macquarie River, southern boundary Lot 261 DP 575016, Brisbane Street North Dubbo and Newell Highway.
- c. Residential - Firgrove  
All residential properties within the “Firgrove Estate” development.
- d. Residential - Richmond  
All residential properties within the “Richmond Estate” development.
- e. Residential – Village  
All residential properties within the villages of Ballimore, Eumungerie and Wongarbon zoned RU5 (Village) under the Dubbo Local Environmental Plan 2011 and all residential properties declared Residential Village being in the area generally described as that part of Brocklehurst which lies within an area bounded by Wambianna Street, western boundary of Lots 147 and 148 DP 754328, northern boundary of Lot 1 DP 1001551 and the Newell Highway.
- g. Residential - Wellington  
All residential properties declared “Residential Wellington” being in the area generally described as that part of the town of Wellington which lies within an area bounded by

Mitchell Highway, Goolma Road, western boundary of Lot 2 DP 806578, Macquarie River, McLeod Street, Warne Street, Marsh Street, Maughan Street, McLeod Street, southern boundary of Lots 3 and 4 Section 17 DP 711299, western boundary of Lot 147 DP 756920, Western boundary of Lot 337 DP 728783, Charles Street, Pierce Street, Samuel Street, the western boundary of lots 68 and 69 DP 756920, Pierce Street, northern boundary of Lot 7002 DP 1020770, Barton Street, Belle Street, Curtis Street, eastern boundary of Lot 3 and 4 DP 759073, Lot 1 Section 82 DP 759073, unformed end of Zouch Street, western boundary of Lots 7 and 10 DP 783257, Maxwell Street, Bell River, southern and eastern boundary of Lot 31 DP 1099008, southern, eastern and northern boundary of Lot 289 DP 756920, Gobolion Street, Bell River, Macquarie River, Lay Street, Tollemache Street, eastern boundary of Lot 10 DP 1122385, southern and eastern boundary of Part Lot 2 DP 334986, Mitchell Highway.

h. Residential - Geurie

All residential properties declared “Residential Geurie” being in the area generally described as that the village of Geurie which lies within an area bounded Geurie Street, Greenbank Street, Lot 154 DP 754313, Fitzroy Street, Comobella Road, western boundary of Lots 1 and 10, section 5 DP 758438, Lot 1 DP 123355, Lots 1 and 10 section 15 DP 758438, Mitchell Highway, western boundary of Lots 195 and 196 DP 184019, Morley Street, Whitely Street, Cass Street, Old Dubbo Road and Mitchell Highway.

i. Business

All properties categorised as “business” except those within the defined “Central Business District”, “East Dubbo”, “Cobra Street” and “Wellington Road” areas or within the “township of Wellington” (which is defined in the Residential Wellington sub-category description).

j. Business - Central Business District

All “business” properties within the area described as that part of the City of Dubbo which lies within the area bounded by Erskine Street, Darling Street, Cobra Street and the Macquarie River.

k. Business - East Dubbo Area

All “business” properties within the area bounded by Wheelers Lane, Birch Avenue, Windsor Parade and the Mitchell Highway.

l. Business - Cobra Street Area

All “business” properties zoned Business Development B5 in the area fronting Cobra Street within the area bounded by the Molong Railway line to the west and the eastern and southern boundaries of Lot 121 DP1074142 and the northern boundary of Lot 304 DP 754308.

m. Business - Wellington Road

All "business" properties zoned Business Development B5 in the area fronting Wellington Road known as "Blue Ridge Estate" within the area bounded by Sheraton Road to the west, Wellington Road (Mitchell Highway) to the north, the eastern boundary of Lot 4 DP 1144575 and Capital Drive to the east and Blueridge Drive and the Northern Boundary of Lot 2506 DP 1082413 as the southern boundary. Those properties to the south of Blueridge Drive will be re-categorised as Business Ordinary.

o. Business - Wellington

All "business" properties within the township of Wellington (as defined in the Residential Wellington sub-category).

p. Farmland

All land which has been declared "farmland".

r. Mining - Ordinary

All land which has been declared "mining".



DUBBO REGIONAL  
COUNCIL

## REPORT: Local Purchasing Policy Progress Report 2020

**AUTHOR:** Corporate Procurement Specialist  
**REPORT DATE:** 22 February 2021  
**TRIM REFERENCE:** ID21/214

### EXECUTIVE SUMMARY

At the Ordinary Council Meeting held 27 July 2020 Council adopted the Local Purchasing Policy and Local Purchasing Action Plan.

This report provides progress of the outcomes achieved under the Local Purchasing Policy and the Local Purchasing Action Plan including comparative results of local and non-local procurement spends from 1 September 2020 to 31 December 2020.

Councils preferred sourcing platform for supplier engagement, VendorPanel, has seen an increase of membership to the Dubbo Regional Council pre-approved local supplier listing from 109 to 360 since September 2020.

Best value is achieved through the evaluation and application of Councils policies to engage suppliers including overall value for money, quality and expertise.

The local purchasing policy success can be best seen in the lower value goods and services that are not as specialised.

### FINANCIAL IMPLICATIONS

There are no financial implications arising from this report.

### POLICY IMPLICATIONS

There are no policy implications arising from this report.

### RECOMMENDATION

- 1. That the report of the Corporate Procurement Specialist, dated 22 February 2021, be noted.**
- 2. That a further report be provided to Council in June 2021 updating the Local Purchasing Policy progress.**

*Elizabeth Bell*  
Corporate Procurement Specialist

## BACKGROUND

At the Ordinary Council Meeting held 27 July 2020 Council adopted the Local Purchasing Policy and Local Purchasing Action Plan. This replaced the previous Policy, community support based procurement and provides for more targeted provisions to assist local business.

Stakeholder engagement sessions and surveys commenced March 2020 revealed recurring themes. These themes assisted in the focus of the Local Purchasing Action Plan. The suppliers Council engage felt opportunities existed in the following categories:

- Accountability and Transparency
- Education and Training
- Awareness of and Access to Council work for Local Business
- Social Procurement

By implementing the Local Purchasing Policy, Council's aim was to achieve best value, while also addressing opportunities to:

- Develop a policy that was simple, easy to understand and apply;
- Strengthen Council's commitment to supporting the local economy;
- Have a meaningful impact and advantage for qualified local suppliers;
- Enhanced transparency of Council procurement and improved probity matters; and
- Improved communication between Council and suppliers.

## REPORT

This report provides progress of the outcomes achieved under the Local Purchasing Policy and the Local Purchasing Action Plan including comparative results of local and non-local procurement spends from 1 September 2020 to 31 December 2020.

In its implementation, the policy included a temporary provision for COVID-19 financial impacts – this was an additional advantage at evaluation in favour of local suppliers, the application of this provision resulted in immaterial costs to Council and is no longer calculated at evaluation as it ceased 31 December 2020.

### **Accountability and Transparency**

Council endorsed VendorPanel as its preferred sourcing platform for supplier engagement. To fulfil transparency, services are offered through VendorPanel by requests for quote or by direct engagement using the lists available; the marketplace, Dubbo Regional Council's list of local pre-qualified suppliers, or Local Government Procurements pre- approved list.

**Education, Training and Awareness of and Access to Council work for Local Business**

Since September 2020, Council have offered multiple workshops and training to staff and local suppliers to assist in interpretation of the Policy, registration and the use of VendorPanel, and local supplier profile management.

Council have increased awareness of the Policy and of future works and opportunities to do business with Council through a range of media campaigns; including print ad, radio, and social media.

Access to view and submit a Tender is available through a link on the website and has been appearing on Facebook and LinkedIn.

**Social Procurement**

Council are active members of Supply Nation. Certified and registered membership increases have risen at Supply Nation since September. VendorPanel also allows Council to identify suppliers that are also registered with Supply Nation and engagement of these suppliers can be completed through either platform.

**“Case Studies”**

The response to the Local Purchasing Policy in its practical applications and implementation has drawn a positive response from all stakeholders. The outcome is open fresh lines of communication between our buyers and suppliers. By applying the policy and openly testing the local market in the first instance for every purchase, ad hoc lower value procurements have been successful.

As an example a replacement effluent pump and mixer was needed, the original was installed some years ago within a construction. To be identical, fit into the space and address the requirements the item was available from the original non-local supplier. In response to the policy, the specification request was sent to all local businesses and to the original supplier which tested the market and opened lines of communication. The item was successfully sourced from a local Pump and Irrigation business with the quoted amounts below:

<b>Effluent Pump and Mixer</b>	
Non-local business invited - 1	Local businesses invited - 19
<b>Non local supplier response - 1</b>	<b>Local responses - 3</b>
\$18,867.00	\$13,600.00*
	\$17,215.00
	\$22,137.00

Similarly, supply and installation of a 200,000 litre water tank was needed. Aesthetically, ideally it will best match the style and finished height of an existing tank at the site. The specific request was offered to all of the businesses registered in the LGA against that category of supply.

<b>Zincalume Tank</b>	
Non-local business invited - 0	Local business invited - 23
	<b>Local responses - 3</b>
	\$14,855.00*
	\$15,954.00
	\$21,835.00

The number of businesses interested in doing business with Council has increased in the LGA and Dubbo Regional Council pre-approved local supplier listing from 109 to 360 registrations on Vendor Panel since September 2020. The category seeing the highest percentage increase in registrations is within the Building and Construction related sector, with a 53% increase.

Best value needs to be achieved while procuring goods and services on behalf of Council. Provisions are managed and applied within Council's policy to engage suppliers to achieve overall value for money including quality and expertise.

### Comparative Results

Since September 2020, the total value of payments made to suppliers in the period to 31 December 2020 was \$27,775,018. Of these payments, \$8,894,469 were made to local suppliers.

In this same period, the value of orders issued was \$20,417,044; of these, \$10,887,917 were made to local suppliers. Represented in the value of orders are Tenders awarded to non-local suppliers with a value of \$4,777,567. These orders represent the highest portion of spend:

- T20-018 - The design and construction of Aeration tower facility upgrade at John Gilbert Water Treatment Plant Dubbo;
- T20-025 - Construction of Wellington Caves Megafauna Exhibit;
- Supply of Plant items 2236, 213, 219;
- T20-011 - Design and construction of water reservoir cathodic protection;
- T20-033 – Supply of plant and equipment for removal of basalt rock on Boundary Road stage 2.

From September 2020 to December 2020, the approximated percentage spent across specialised categories/industry sectors is depicted below (Figure 1).



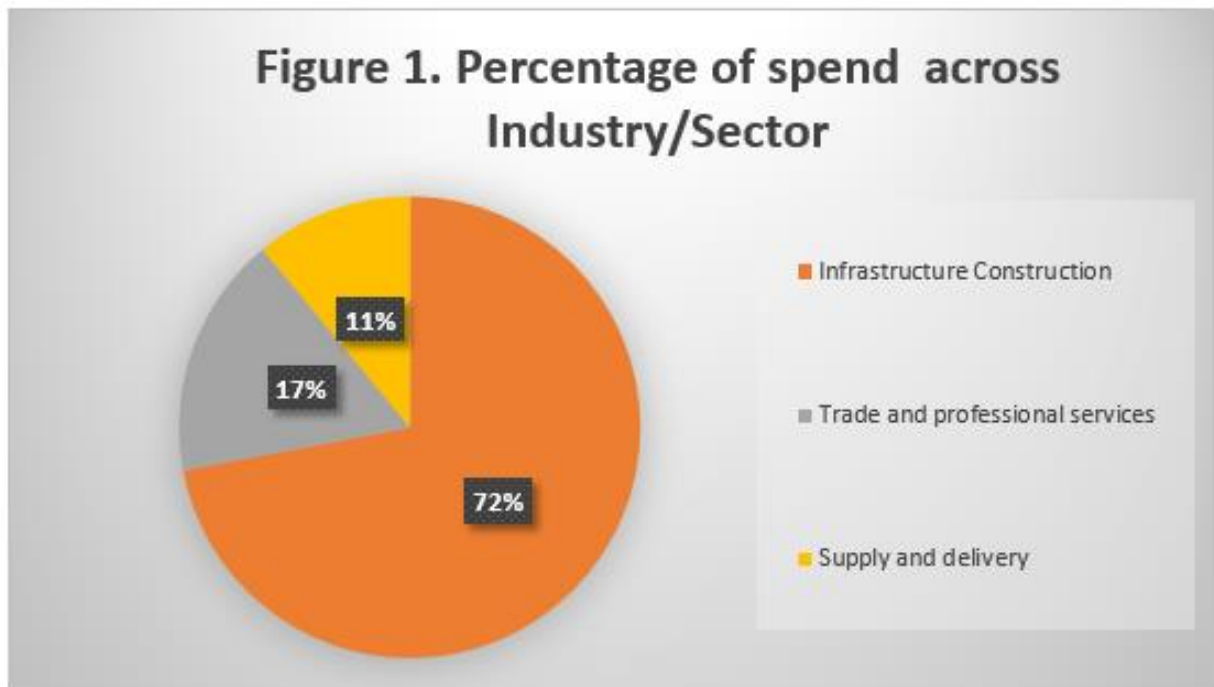


Figure 1: Approximated percentages spent across specialised categories/industry sectors

While the overall comparison of local spend over the period September 2020 to December 2020 is 32%. The local purchasing policy success can be best seen in the lower value goods and services that are not as specialised. Local expenditure below \$250,000 accounts for 63% (Figure 2).



Figure 2: Orders issued of value under \$250,000 – September 2020 – December 2020

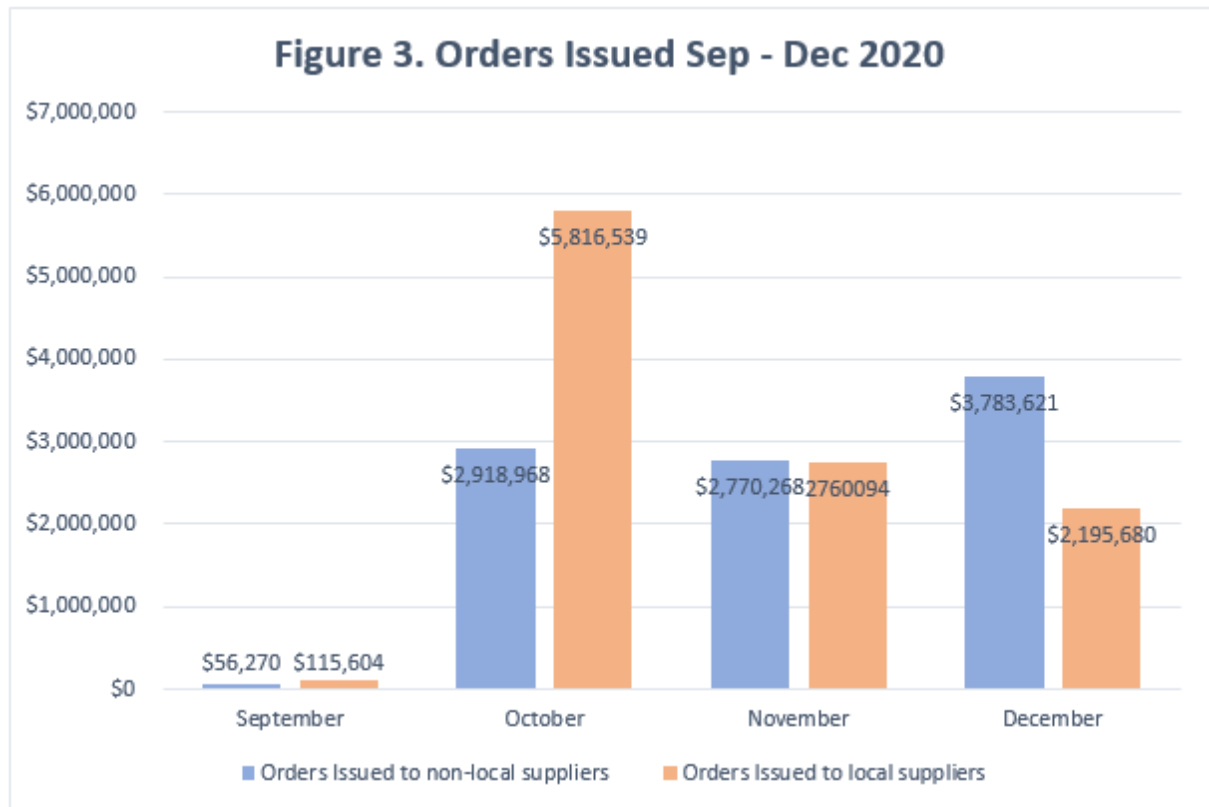


Figure 3: Order values September 2020 to December 2020

Figure 3 (above) shows order values that have been raised and issued to local and non-local suppliers for the months September 2020 to December 2020.

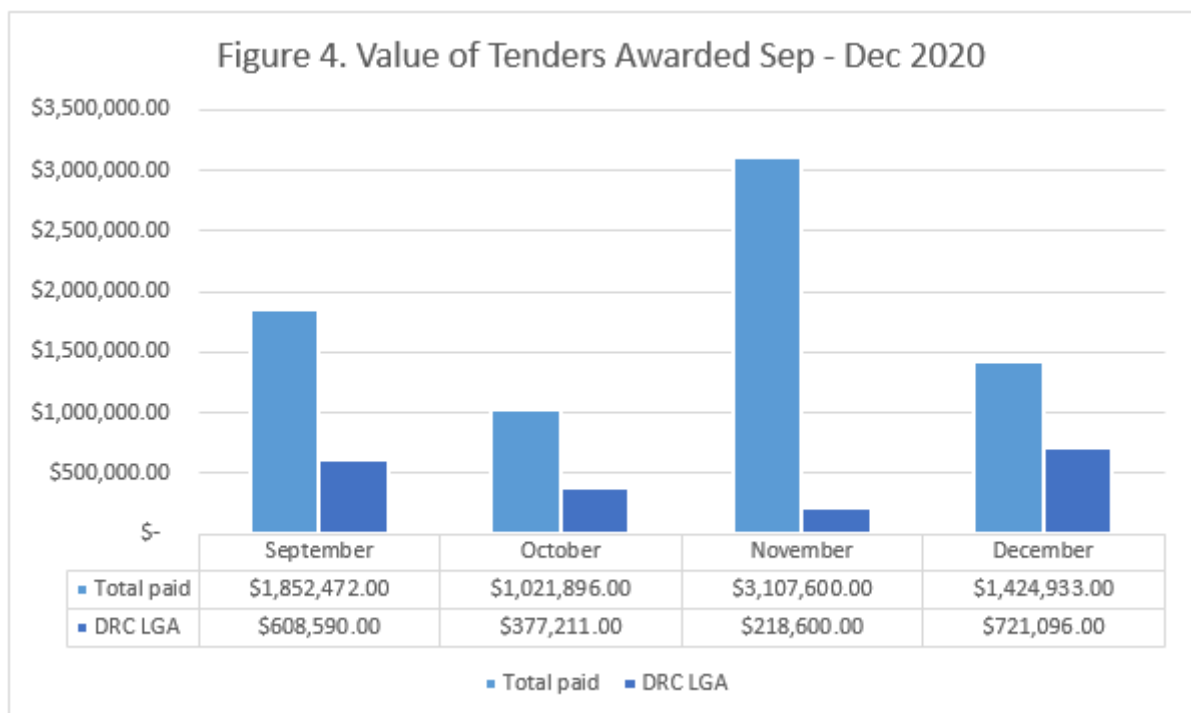


Figure 4: Value of tenders – September 2020 – December 2020

Figure 4 (above) depicts the value of Tenders awarded for the period September 2020 – December 2020. Tenders go through a stringent evaluation process, and frequently require highly specialised services that may not be available locally, or do not meet best value methods.