

*Bogan*  
SHIRE

# Annual Report 2011/2012



*Comfortable Country Living*

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# About Bogan Shire

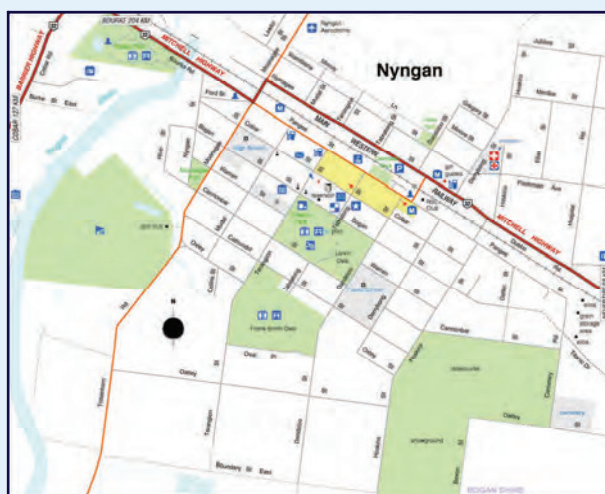
Bogan Shire, situated in Western New South Wales, has an area of 14,610 square kilometres, equivalent to about 1.8% of the State's land surface. The geographical centre of the State lies within the Shire boundaries. The Shire has an estimated population of 3012. Nyngan, the Shire's Administrative Centre, is located on the Bogan River at the junction of the Mitchell and Barrier Highways - an ideal rest point for the weary traveller.

There is an abundance of productive agricultural land for sheep and cattle production and large scale cropping enterprises. Nyngan's farmers are highly competitive on local and international markets and the large quantity of agricultural produce is conducive to the development of value adding industries and marketing ventures.

Nyngan offers warm hospitality and all the facilities of a modern rural township. Three Motels, two Caravan Parks and Hotels provide a choice of accommodation options. Three licensed Clubs cater for entertainment and relaxation. The town also boasts a selection of cafes, restaurants and take-away food outlets for dining.

The Bogan Shire has 1 high school, four primary schools, 1 pre-school, a mobile pre-school, and a TAFE Campus. Nyngan's medical needs are catered for by the new Nyngan Health Service (Multi-purpose Health Centre which incorporates a nursing home complex) and a network of health professionals including two doctors.

The recreational and sporting facilities in Nyngan are excellent and include facilities for bowls, golf, tennis, dancing, swimming, rugby union, rugby league, touch football, cricket, netball, fishing, boating, canoeing, water-skiing, soccer, little athletics and pony club. Whether you are looking for an outback experience or a place to escape the hectic pace of the city life, we hope that a visit to the Bogan Shire will show you what real *"Comfortable Country Living"* is all about.





## *General Manager's Message*

Council continued to deliver important services to our community over the last 12 months such as our program of routine rural road maintenance, water and sewer, parks and gardens and support for a range of community events such as Australia Day, Nyngan Show and Ag Expo.

The heavy rains and flooding which occurred in December and January caused widespread damage to roads within the Shire resulting in a repair bill of \$1,037,699. Apart from emergency repairs, most remedial work could only be undertaken in the 2012/13 financial year following approval of Council's claim by the NSW Roads and Maritime Services.

Road construction continued this year with a further 3km of the Hermidale Nymagee Road, 2.2km of the Colane Road and 2km of the Mulla Road being sealed.

Following investigation into the most appropriate course of action to address concerns relating to the condition of the Nyngan pool, phase one of the planned works commenced, being the installation of new starting blocks which comply with current standards.

Having identified significant community concerns regarding problem cats and dogs Council commenced an extensive public consultation and education campaign highlighting the responsibilities of owners and offering a microchipping service. These activities have since been followed up with an enforcement program in response to the issues identified.

Council and the Bogan Shire community continued on the track to implementation of the new state-wide Integrated Planning and Reporting approach to strategic and operational planning and reporting with the adoption of our Community Strategic Plan, Delivery Program and Operational Plan. Some very successful community engagement was conducted with residents expressing their views on a range of matters from rail transport to the need for retail outlets and improving the appearance of the main street and approaches to town. The views and ideas of our high and primary school students captured some thought provoking ideas but also aligned in several respects with the aspirations of the wider community.

The community has endorsed "Comfortable Country Living" as the vision for Bogan Shire. I believe we have maintained our progress towards that goal during the year under review and I look forward to working with the community, Councillors and council staff in the year to come.

**Derek Francis**

General Manager

# Organisational Structure





## Mission Statement

*"Comfortable  
Country  
Living"*

*To provide a  
comfortable country lifestyle  
by progressively improving  
the level of appropriate facilities  
and services and encouraging  
growth and economic development  
that is responsive to the needs of  
the community*

*Keyword Definition – Comfortable*

**Safe and secure (both physically and financially protected),  
affordable, enjoyable, and relaxed community environment.**

# Mission Statement

## DESIRED OUTCOMES

### Safe and Secure

- Economic viability for the shire as a whole – sustained business activity and continuing economic development
- Effective regulation and law enforcement
- Safe and trafficable road networks
- Full range of health services readily available
- Sanitation standards maintained
- Water quality assured
- Effective sewerage systems in place
- Flood Protection provided
- Protection and promotion of natural and man-made environments

### Enjoyable

- Quality sporting and recreation facilities provided
- Cultural and social fabric of the community encouraged and supported
- Library service catering for the broader community
- The latest communication mediums are easily accessible
- High standard of service maintained through successful management of assets

### Affordable

- Lower cost of living relative to regional and capital centres of population
- Competitive and diverse commercial enterprises
- Equitable distribution of rates, fees and charges
- Efficient and effective delivery of services

### Relaxed

- The more laid-back qualities associated with “country” living are not lost
- Community and social fabric promoted and supported



# Statement of Business Ethics

Bogan Shire Council is committed to the highest standards of honesty, fairness and integrity in all its business dealings.

Council operates according to an adopted Code of Conduct that sets out the standards of behaviour that Councillors and staff are expected to abide by when dealing with customers, suppliers, members of the community and public and when interacting with work colleagues.

With increasing business interaction between Council and the private sector it is important that standards of ethical behaviour expected of councillors and staff are maintained by members of the private sector in their dealings with Council.

Compliance with the standards contained within the document will ensure the best level of service can be provided to the community.

## Values

The way Bogan Shire Council makes decisions, takes action and conducts business is defined by the following values.

- Honesty and integrity
- Meeting community expectations
- Open transparent decision making
- Equity and fair dealings
- Mutual Respect
- Accountability for our actions

## Business Principles

The core principles underpinning all the business dealings of Bogan Shire Council are:

### Obtaining the Best Value for Money

This does not mean that the best value for money equates to the lowest price. Council will use a number of factors to determine best value for money. Included are cost, quality, reliability, whole life running cost and timelines.

# *Statement of Business Ethics*

## **Impartiality and Fairness**

Council will be objective, even handed and reasonable through business dealings. Council's business dealings will be transparent and open to public scrutiny whenever possible, subject to confidentiality and privacy obligations.

## **Compliance with Legal and Statutory Obligations**

Council at all times will adhere to all legal and statutory obligations.

## **What you can expect from Council and Staff**

In order to maintain the highest standards of integrity and ethical conduct, Councillors and staff are required to comply with a Code of Conduct which includes:

1. Be accountable for actions
2. Act with fairness and equity
3. Exercise authority appropriately and transparently
4. Be responsible for their safety and that of others
5. Ensure awareness and compliance with Code of Conduct
6. Avoid actual and perceived conflicts of interest
7. Maintain confidentiality and privacy of information
8. Not engage in external employment that may create a conflict, affect work performance, use resources or information of Council, or bring discredit to Council
9. Report corruption, maladministration and wastage



# Statement of Business Ethics

## What Bogan Shire Council expects from its providers

Council expects private sector providers of goods and services will observe the following principles when dealing with Council;

1. Act ethically, fairly and honestly in dealing with Council
2. Be economically, socially and environmentally responsible in the provision of goods and services
3. Respect the conditions set out in Council documents
4. Comply with Councils procurement and purchasing policy and procedures
5. Respect the obligation of Councillors and staff to comply with the Council Code of Conduct
6. Do not lobby Councillors or Staff
7. Provide accurate and reliable information and advice when requested
8. Declare actual or perceived conflicts when aware such exists
9. Do not divulge privileged or confidential information to unauthorised persons
10. Do not engage in cohesive practises
11. Do not offer Councillors or staff inducements or incentives designed to improperly influence the conduct of their duties

## Compliance

Council requires all providers to comply with the "Statement of Business Ethics". The principles are consistent with those of other public sector agencies, and are based on guidelines from the NSW Independent Commission against Corruption.

Non compliance could result in:

1. Termination of contracts
2. Loss of future opportunity
3. Investigation for corruption
4. Criminal Prosecution

## Council Contact Information



### Visit us:

Council Chambers are located at 81 Cobar Street, Nyngan NSW 2825

**Office Hours:** Monday to Friday from 8.00am – 4.30pm

### Contact us:

**Telephone:** (02) 6835 9000

**Fax:** (02) 6835 9011

**Email:** [admin@bogan.nsw.gov.au](mailto:admin@bogan.nsw.gov.au)

**Webpage:** [www.bogan.nsw.gov.au](http://www.bogan.nsw.gov.au)

### Write to us:

If you wish to write to Council on any matter, the letter should be addressed to:

*The General Manager  
Bogan Shire Council  
PO Box 221  
NYNGAN NSW 2825*

# Council Contact Information

## Meet with Staff:

Council staff are available during office hours to answer enquiries. It is good practice, although not essential, to make a prior appointment to see staff. This will ensure the staff member you require is available at the time.

## Attend Council meetings:

There are 12 Ordinary Council meetings each year, one per month. Council meetings are held on the fourth Thursday of each month, except the December meeting which is held on the third Thursday of the month. All meetings start at 9.30am. Meetings are held at the Council Chambers on Cobar Street, Nyngan. Council meetings are attended by all Councillors and Management Staff of the Council.

All meetings of Council are open for the public to attend, with the exception of closed meeting items. You may address Council in the Public Forum regarding a matter for consideration by Council in the meeting Business Paper. Notification to address the Council must be given 7 days before the day of the meeting. A Special Council Meeting may be called in between Ordinary Council Meetings if a matter of urgency arises that cannot wait until the next ordinary meeting. At least 24 hours notice must be given to call a Special Meeting. Bogan Shire Council comprises of nine Councillors, with the general election held every four years, usually in September. The next election is scheduled for September 2012.

## After Hours Service / Other Council Contacts

Works Depot:	02 6835 9060
Engineering Department:	02 6835 9027
Ranger:	0428 607 407
Swimming Pool:	02 6835 9100
Rural Fire Service:	02 6822 4422
Bogan Bush Mobile:	02 6835 9090
Public Library:	02 6835 9080
Museum:	02 6832 1052

# Statutory Information

## **s428(4)(b) cl 132 Amount of Rates and Charges Written Off During the Year**

The following amounts of Rates and Charges were written off during the period 01.07.2011 to 30.06.2012

General Rates	<i>Pensioners</i>	\$48,905
	<i>Postponed/Other</i>	\$3,424
Water Rates	<i>Pensioners</i>	\$16,710
Sewerage Rates	<i>Pensioners</i>	\$14,698
	<i>Postponed/Other</i>	\$0
Interest Charges	<i>Postponed/Other</i>	\$2,281
<b>Total Rates and Charges Written Off</b>		<b>\$86,018</b>

It should be noted that Council receives a subsidy payment from the Department of Local Government for 55% of the Pensioner write-offs for the year. In 2011/12 this subsidy amounted to \$44,173.

## **s428(4)(b) cl 217(1)(a3) Legal Proceedings**

Council had no reportable legal proceedings.

## **s428(4)(b) cl 217(1)(a1) Elected Members**

### **Elected Member Expenses**

The Mayoral Allowance for the year was set by Council at \$15,580 with \$3,116 (20%) of this paid to the Deputy Mayor as remuneration for services carried out on behalf of Council in the Mayor's absence. Councillors' annual remuneration was set at \$7,750 and was paid in twelve (12) monthly payments.

Councillors' travelling expenses, when using their own vehicle to attend Council functions and meetings, are reimbursed at the rates prescribed under the Car Allowance provisions of the Notional Agreement Preserving the Local Government State Award, with reimbursement of actual costs of incidentals subject to production of adequate documentation to substantiate claims.

The Mayor is provided with a motor vehicle (costs of \$3,500 are included under travelling expenses) and an office (costs are included under office costs). Lunch and morning tea is provided for Councillors on meeting days.



## Statutory Information

The following costs have been incurred by Council during the 2011/2012 financial year relating to the provision of councillor facilities and the payment of councillor expenses.

Office Expenses	\$945
Telephone Expenses	\$965
Attendance at Conferences	\$22,189
Training	\$0
Interstate Visits	\$0
Overseas Visits	\$0
Spouse/Partner Expenses	\$0
Insurance	\$3,150
Childcare	\$0
<b>Total Sundry Elected Members Cost</b>	<b>\$27,249</b>

### **s428(4)(b) cl 217(1)(a) Details of overseas visits by councillors, council staff or other persons representing council**

No overseas visits were taken in 2011/2012 financial year.

### **s428(4)(b) cl 217(1)(b) Senior Staff Employment of Senior Staff**

During the year Council employed one senior staff member under contract, the General Manager. Total remuneration, including salaries, superannuation, motor vehicle and rental assistance is shown in the table below.

Total Salary	\$110,204
Total amount payable by Council (salary sacrifice & superannuation)	\$9918
Total value non-cash benefits	\$10,824
<b>Total</b>	<b>\$130,946</b>

### **s428(4)(b) cl 217(1)(a2) Major Contracts Awarded**

During the 2011/2012 financial year there were 2 contracts awarded - Rock crushing to the value of \$340,000 (Neill Earthmoving Pty Ltd) and the supply of a Jetpatcher to the value of \$291,000 (Tracserv Dubbo).

# Statutory Information

## **s428(4)(b) cl 217(1)(a4) Summary of Resolutions made under Section 67 Concerning Work Carried Out on Private Land**

Council did not subsidise any private works undertaken during the year.

## **s428(4)(b) cl 217(1)(a5) Total Contributed or Otherwise Granted Under Section 356**

The total amount contributed or otherwise granted under Section 356 for the 2011/2012 financial year was \$11,138. The details of this amount are as follows:

Donation of Funding / Services to Sporting & Non-Profit bodies	\$2,300
Donations to Non-Profit Organisations	\$2,100
Community Celebrations	\$4,438
Student Scholarships	\$1,800
Donation of Rates for Non-Profit Organisations	
<b>TOTAL</b>	<b>\$11,138</b>

## **s428(4)(b) cl 217(1)(a6) External Bodies Exercising Council Functions**

The external bodies that were delegated functions by Council during the year are as follows:

Committee	Function
Nyngan Museum Management	Care and control of Museum
Mid-State Shearing Shed Museum	Care and control of Museum
Bogan Bush Mobile	Provision of Mobile Pre-School services to out-lying rural areas
Hermidale Sports Ground	Care and control of grounds and the organisation of activities
Collerreina Hall	Care and control of grounds and the organisation of activities
Nyngan Rugby Union Clubhouse	Care and control of Clubhouse
Bogan Shire Community Arts	Organisation of community arts
Friends of the Cemetery	Care of Cemetery Grounds
Nyngan Garden Club	Assisting with Town Beautification

## **s428(4)(b) cl 217(1)(a7) Controlling Interest in Companies**

Council held no controlling interest in any company during the 2011/2012 period.

## **s428(4)(b) cl 217(1)(a8) Partnerships, Cooperatives and Joint Ventures**

Bogan Shire is incorporated within the North Western Library Association with the shires of Coonamble, Gilgandra and Warren. Council's financial interest in this association is reported in Note 19 to the General Purpose Financial Reports.

Council is also a member of the Orana Regional Organisation of Council (OROC) group of councils fostering development, industry and tourism within the region.

## **s428(4)(b) cl 217(1)(a9) Activities to Implement EEO Management Plan**

The EEO Policy and Management Plan are due for review and update. The review has been further delayed with recent staff changes but is expected to be completed within the next financial year.

## **s428(2)(f) cl 217(1)(f) Activities Relating to Enforcing and Ensuring Compliance with the Companion Animals Act and Regulation**

### **Lodgement of Pound Data returns with the department.**

#### 2011/2012 Seizure Activity

During the year Council seized 14 companion animals and 16 companion animals were voluntarily surrendered of which all were euthanized.

Lodgement of pound data was sent to the Department of Local Government.

### **Lodgement of Data relating to Dog attacks with the department.**

Council has received some reports of dog attacks which have been attended to, with the owners being cautioned and/or the dogs destroyed.

### **Amount of funding spent relating to Companion animal management and activities.**

Council expended a net \$105,665 on activities relating to the management and control of companion animals during the 2011/2012 financial year. A further detailed breakup of the income and expenditure for the management and control of companion animals in the Bogan Shire is listed below:

## Statutory Information

<b>Income</b>	<b>\$</b>
Registration Fees	720
Other Fees (Microchipping, impounding)	1,822
<b>Total Income</b>	<b>2,542</b>
<b>Expenditure</b>	
Impounding & Controlling Expenses	72,956
Administration	33,681
<b>Other Expenses</b>	<b>1,570</b>
<b>Total Expenses</b>	<b>108,207</b>
<b>TOTAL COST OF COMPANION ANIMAL OPERATIONS</b>	<b>\$105,665</b>

### **Companion animal community education programs carried out.**

Council undertook a limited education program via the use of local media resources such as the council column in the local paper to distribute information to the general public; information was also made available at both Council offices and the Public Library.

### **Strategies Council has in place to promote and assist the de-sexing of dogs and cats.**

Council has significantly reduced the cost of lifelong registration for both de-sexed dogs and cats, with the fee being equivalent to 23% of the normal registration fee to encourage residents to have their companion animals de-sexed. This fee is reduced even further for pensioners in the Bogan Shire to help make the de-sexing of animals an affordable and attractive option for all sectors in the community.

### **Strategies in place to comply with the requirement under section 64 (Companion Animals Act) to seek alternatives to euthanasia for unclaimed animals**

Before destroying a seized or surrendered animal it is the duty of the Council to consider whether there is an alternative action to that of destroying the animal and (if practicable) to adopt any such alternative. Information regarding any impounded animal is available at the main offices of Council for members of the public to access when required.

### **Off Leash areas provided in the council area**

Council provides one 'Off Leash' area which is the area north of the Work's Depot between the levee bank and the Bogan River to the south eastern corner: **Lot 3, DP 746465, (opposite property "Yelate")**

# Annexure One Financial Statements



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# Bogan Shire Council

GENERAL PURPOSE FINANCIAL STATEMENTS  
for the year ended 30 June 2012

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*Comfortable Country Living*

# Bogan Shire Council

## General Purpose Financial Statements

for the financial year ended 30 June 2012

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### Overview

(i) These financial statements are General Purpose Financial Statements and cover the consolidated operations for Bogan Shire Council.

(ii) Bogan Shire Council is a body politic of NSW, Australia - being constituted as a Local Government area by proclamation and is duly empowered by the Local Government Act (LGA) 1993 of NSW.

Council's Statutory Charter is specified in Paragraph 8 of the LGA and includes;

- carrying out activities and providing goods, services & facilities appropriate to the current & future needs of the Local community and of the wider public
- responsibility for administering regulatory requirements under the LGA and other applicable legislation, &
- a role in the management, improvement and development of the resources of the local government area.

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

(iii) All figures presented in these financial statements are presented in Australian Currency.

(iv) These financial statements were authorised for issue by the Council on 08/11/12.  
Council has the power to amend and reissue the financial statements.

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# Bogan Shire Council

## General Purpose Financial Statements

for the financial year ended 30 June 2012

## Understanding Council's Financial Statements

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### Introduction

Each year, individual Local Governments across NSW are required to present a set of audited Financial Statements to their Council & Community.

### What you will find in the Statements

The Financial Statements set out the financial performance, financial position & cash flows of Council for the financial year ended 30 June 2012.

The format of the Financial Statements is standard across all NSW Councils and complies with both the accounting & reporting requirements of Australian Accounting Standards and requirements as set down by the NSW Division 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 & ownership of the Financial Statements.

### About the Primary Financial Statements

The Financial Statements incorporate 5 "primary" financial statements:

#### 1. An Income Statement

A summary of Council's financial performance for the year, listing all income & expenses.

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

#### 2. A Statement of Comprehensive Income

Primarily records changes in the fair values of Council's Infrastructure, Property, Plant & Equip.

#### 3. A Balance Sheet

A 30 June snapshot of Council's Financial Position including its Assets & Liabilities.

#### 4. A Statement of Changes in Equity

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

### 5. A 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 5 Primary Financial Statements.

### About the Auditor's Reports

Council's Financial Statements are required to be audited by external accountants (that generally specialize in Local Government).

In NSW, the Auditor provides 2 audit reports:

1. An opinion on whether the Financial Statements present fairly the Council's financial performance & position, &
2. Their observations on the conduct of the Audit including the Council's financial performance & financial position.

### Who uses the Financial Statements ?

The Financial Statements are publicly available documents & must be presented at a Council meeting between 7 days & 5 weeks after the date of the Audit Report.

Submissions from the public can be made to Council up to 7 days subsequent to the public presentation of the Financial Statements.

Council is required to forward an audited set of Financial Statements to the Division of Local Government.

## Bogan Shire Council

### General Purpose Financial Statements

for the financial year ended 30<sup>th</sup> June 2012

### Statement by Councillors and Management

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

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

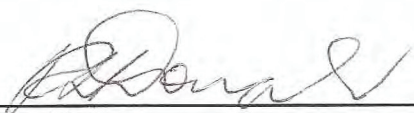

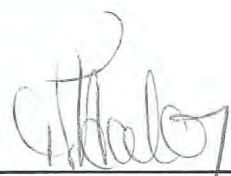
- The Local Government Act 1993 (as amended) and the Regulations made thereunder,
- The Australian Accounting Standards and professional pronouncements, and
- The Local Government Code of Accounting Practice and Financial Reporting.

**To the best of our knowledge and belief, these Financial Statements:**

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

**We are not aware of any matter that would render the Reports false or misleading in any way.**

**Signed in accordance with a resolution of Council made on 27<sup>th</sup> September 2012.**

  
\_\_\_\_\_  
R L Donald  
MAYOR  
\_\_\_\_\_  
J E Hampstead  
COUNCILLOR  
\_\_\_\_\_  
D A Francis  
GENERAL MANAGER  
\_\_\_\_\_  
T P Haley  
RESPONSIBLE ACCOUNTING OFFICER

## Bogan Shire Council

## Income Statement

for the financial year ended 30 June 2012

Budget <sup>(1)</sup>			Actual	Actual
2012	\$ '000	Notes	2012	2011
<b>Income from Continuing Operations</b>				
<b>Revenue:</b>				
3,410	Rates & Annual Charges	3a	3,561	3,289
999	User Charges & Fees	3b	2,317	1,400
360	Interest & Investment Revenue	3c	331	365
126	Other Revenues	3d	259	263
5,391	Grants & Contributions provided for Operating Purposes	3e,f	6,272	5,614
-	Grants & Contributions provided for Capital Purposes	3e,f	927	2,947
<b>Other Income:</b>				
-	Net gains from the disposal of assets	5	17	182
-	Net Share of interests in Joint Ventures & Associated			
-	Entities using the equity method	19	6	-
<b>10,286</b>	<b>Total Income from Continuing Operations</b>		<b>13,690</b>	<b>14,060</b>
<b>Expenses from Continuing Operations</b>				
4,305	Employee Benefits & On-Costs	4a	4,407	3,873
144	Borrowing Costs	4b	21	57
2,228	Materials & Contracts	4c	2,883	2,814
2,798	Depreciation & Amortisation	4d	3,386	3,183
-	Impairment	4d	-	-
1,319	Other Expenses	4e	1,291	1,330
-	Net Share of interests in Joint Ventures & Associated			
-	Entities using the equity method	19	-	12
<b>10,794</b>	<b>Total Expenses from Continuing Operations</b>		<b>11,988</b>	<b>11,269</b>
<b>(508)</b>	<b>Operating Result from Continuing Operations</b>		<b>1,702</b>	<b>2,791</b>
<b>Discontinued Operations</b>				
-	Net Profit/(Loss) from Discontinued Operations	24	-	-
<b>(508)</b>	<b>Net Operating Result for the Year</b>		<b>1,702</b>	<b>2,791</b>
(508)	Net Operating Result attributable to Council		1,702	2,791
-	Net Operating Result attributable to Minority Interests		-	-
<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>				
<b>(508)</b>			<b>775</b>	<b>(156)</b>

(1) Original Budget as approved by Council - refer Note 16

## Bogan Shire Council

## Statement of Comprehensive Income

for the financial year ended 30 June 2012

\$ '000	Notes	Actual 2012	Actual 2011
Net Operating Result for the year (as per Income statement)		1,702	2,791
<b>Other Comprehensive Income</b>			
Gain (loss) on revaluation of I,PP&E	20b (ii)	3,459	5,077
Gain (loss) on revaluation of available-for-sale investments	20b (ii)	-	-
Gain (loss) on revaluation of other reserves	20b (ii)	-	-
Realised (gain) loss on available-for-sale investments recognised in P&L	20b (ii)	-	-
Realised (gain) loss from other reserves recognised in P&L	20b (ii)	-	-
Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	-
Other Movements in Reserves	20b (ii)	-	(1,232)
<b>Total Other Comprehensive Income for the year</b>		<b>3,459</b>	<b>3,845</b>
<b>Total Comprehensive Income for the Year</b>		<b>5,161</b>	<b>6,636</b>
<b>Total Comprehensive Income attributable to Council</b>		<b>5,161</b>	<b>6,636</b>
<b>Total Comprehensive Income attributable to Minority Interests</b>		<b>-</b>	<b>-</b>



# Bogan Shire Council

## Balance Sheet as at 30 June 2012

\$ '000	Notes	Actual 2012	Actual 2011	Actual 2010
<b>ASSETS</b>				
<b>Current Assets</b>				
Cash & Cash Equivalents	6a	4,192	3,572	2,435
Investments	6b	1,800	1,320	3,320
Receivables	7	1,942	2,232	1,359
Inventories	8	254	260	286
Other	8	192	194	203
Non-current assets classified as 'held for sale'	22	-	-	-
<b>Total Current Assets</b>		<b>8,380</b>	<b>7,578</b>	<b>7,603</b>
<b>Non-Current Assets</b>				
Investments	6b	-	-	-
Receivables	7	320	388	500
Inventories	8	-	-	-
Infrastructure, Property, Plant & Equipment	9	223,339	219,453	363,719
Investments accounted for using the equity method	19	67	61	73
Investment Property	14	-	-	-
Intangible Assets	25	-	-	-
Other	8	-	-	-
<b>Total Non-Current Assets</b>		<b>223,726</b>	<b>219,902</b>	<b>364,292</b>
<b>TOTAL ASSETS</b>		<b>232,106</b>	<b>227,480</b>	<b>371,895</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
Payables	10	580	975	591
Borrowings	10	24	377	430
Provisions	10	825	757	868
<b>Total Current Liabilities</b>		<b>1,429</b>	<b>2,109</b>	<b>1,889</b>
<b>Non-Current Liabilities</b>				
Payables	10	-	-	-
Borrowings	10	3	4	379
Provisions	10	188	42	52
<b>Total Non-Current Liabilities</b>		<b>191</b>	<b>46</b>	<b>431</b>
<b>TOTAL LIABILITIES</b>		<b>1,620</b>	<b>2,155</b>	<b>2,320</b>
<b>Net Assets</b>		<b>230,486</b>	<b>225,325</b>	<b>369,575</b>
<b>EQUITY</b>				
Retained Earnings	20	141,554	139,852	143,133
Revaluation Reserves	20	88,932	85,473	226,442
Council Equity Interest		230,486	225,325	369,575
Minority Equity Interest		-	-	-
<b>Total Equity</b>		<b>230,486</b>	<b>225,325</b>	<b>369,575</b>

# Bogan Shire Council

## Statement of Changes in Equity for the financial year ended 30 June 2012

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Interest	Minority Interest	Total Equity
<b>2012</b>						
<b>Opening Balance</b> (as per Last Year's Audited Accounts)		144,692	231,519	<b>376,211</b>	-	<b>376,211</b>
a. Correction of Prior Period Errors	20 (c)	(4,840)	(146,046)	<b>(150,886)</b>	-	<b>(150,886)</b>
b. Changes in Accounting Policies (prior year effects)	20 (d)	-	-	-	-	-
<b>Revised Opening Balance</b> (as at 1/7/11)		<b>139,852</b>	<b>85,473</b>	<b>225,325</b>	-	<b>225,325</b>
<b>c. Net Operating Result for the Year</b>		<b>1,702</b>	-	<b>1,702</b>	-	<b>1,702</b>
d. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Rsve	20b (ii)	-	3,459	<b>3,459</b>	-	<b>3,459</b>
- Revaluations: Other Reserves	20b (ii)	-	-	-	-	-
- Transfers to Income Statement	20b (ii)	-	-	-	-	-
- Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	-	-	-	-
- Other Movements	20b (ii)	-	-	-	-	-
<b>Other Comprehensive Income</b>		-	<b>3,459</b>	<b>3,459</b>	-	<b>3,459</b>
<b>Total Comprehensive Income</b> (c&d)		<b>1,702</b>	<b>3,459</b>	<b>5,161</b>	-	<b>5,161</b>
e. Distributions to/(Contributions from) Minority Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
<b>Equity - Balance at end of the reporting period</b>		<b>141,554</b>	<b>88,932</b>	<b>230,486</b>	-	<b>230,486</b>

\$ '000	Notes	Retained Earnings	Reserves (Refer 20b)	Council Interest	Minority Interest	Total Equity
<b>2011</b>						
<b>Opening Balance</b> (as per Last Year's Audited Accounts)		143,133	226,442	<b>369,575</b>	-	<b>369,575</b>
a. Correction of Prior Period Errors	20 (c)	(4,840)	(146,046)	<b>(150,886)</b>	-	<b>(150,886)</b>
b. Changes in Accounting Policies (prior year effects)	20 (d)	-	-	-	-	-
<b>Revised Opening Balance</b> (as at 1/7/10)		<b>138,293</b>	<b>80,396</b>	<b>218,689</b>	-	<b>218,689</b>
<b>c. Net Operating Result for the Year</b>		<b>2,791</b>	-	<b>2,791</b>	-	<b>2,791</b>
d. Other Comprehensive Income						
- Revaluations : IPP&E Asset Revaluation Rsve	20b (ii)	-	5,077	<b>5,077</b>	-	<b>5,077</b>
- Revaluations: Other Reserves	20b (ii)	-	-	-	-	-
- Transfers to Income Statement	20b (ii)	-	-	-	-	-
- Impairment (loss) reversal relating to I,PP&E	20b (ii)	-	-	-	-	-
- Changes in Accounting Policies	20b (ii)	(1,232)	-	<b>(1,232)</b>	-	<b>(1,232)</b>
<b>Other Comprehensive Income</b>		<b>(1,232)</b>	<b>5,077</b>	<b>3,845</b>	-	<b>3,845</b>
<b>Total Comprehensive Income</b> (c&d)		<b>1,559</b>	<b>5,077</b>	<b>6,636</b>	-	<b>6,636</b>
e. Distributions to/(Contributions from) Minority Interests		-	-	-	-	-
f. Transfers between Equity		-	-	-	-	-
<b>Equity - Balance at end of the reporting period</b>		<b>139,852</b>	<b>85,473</b>	<b>225,325</b>	-	<b>225,325</b>

## Bogan Shire Council

## Statement of Cash Flows

for the financial year ended 30 June 2012

Budget			Actual	Actual
2012	\$ '000	Notes	2012	2011
<b>Cash Flows from Operating Activities</b>				
<b><u>Receipts:</u></b>				
3,760	Rates & Annual Charges		3,490	3,223
999	User Charges & Fees		2,439	1,600
360	Investment & Interest Revenue Received		315	344
5,391	Grants & Contributions		7,329	8,816
126	Other		863	95
<b><u>Payments:</u></b>				
(4,305)	Employee Benefits & On-Costs		(4,259)	(3,991)
(2,228)	Materials & Contracts		(3,590)	(3,181)
(144)	Borrowing Costs		(23)	(59)
(1,319)	Other		(1,449)	(1,847)
<b>2,640</b>	<b>Net Cash provided (or used in) Operating Activities</b>	11b	<b>5,115</b>	<b>5,000</b>
<b>Cash Flows from Investing Activities</b>				
<b><u>Receipts:</u></b>				
-	Sale of Investment Securities		1,320	5,300
207	Sale of Infrastructure, Property, Plant & Equipment		458	117
-	Deferred Debtors Receipts		269	262
<b><u>Payments:</u></b>				
-	Purchase of Investment Securities		(1,800)	(3,300)
(3,292)	Purchase of Infrastructure, Property, Plant & Equipment		(4,388)	(5,814)
<b>(3,085)</b>	<b>Net Cash provided (or used in) Investing Activities</b>		<b>(4,141)</b>	<b>(3,435)</b>
<b>Cash Flows from Financing Activities</b>				
<b><u>Receipts:</u></b>				
1,008	Proceeds from Borrowings & Advances		-	-
<b><u>Payments:</u></b>				
(412)	Repayment of Borrowings & Advances		(354)	(428)
<b>596</b>	<b>Net Cash Flow provided (used in) Financing Activities</b>		<b>(354)</b>	<b>(428)</b>
<b>151</b>	<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>		<b>620</b>	<b>1,137</b>
1,955	plus: <b>Cash &amp; Cash Equivalents - beginning of year</b>	11a	3,572	2,435
<b>2,106</b>	<b>Cash &amp; Cash Equivalents - end of the year</b>	11a	<b>4,192</b>	<b>3,572</b>
Additional Information:				
	plus: <b>Investments on hand - end of year</b>	6b	1,800	1,320
	<b>Total Cash, Cash Equivalents &amp; Investments</b>		<b>5,992</b>	<b>4,892</b>

Please refer to Note 11 for information on the following:

- Non Cash Financing & Investing Activities.
- Financing Arrangements.
- Net cash flow disclosures relating to any Discontinued Operations

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

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n/a - not applicable



# Bogan Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2012

### Note 1. Summary of Significant Accounting Policies

The principal accounting policies adopted by Council in the preparation of these consolidated financial statements are set out below in order to assist in its general understanding.

Under Australian Accounting Standards (AASB's), accounting policies are defined as those specific principles, bases, conventions, rules and practices applied by a reporting entity (in this case Council) in preparing and presenting its financial statements.

#### (a) Basis of preparation

##### (i) Background

These financial statements are general purpose financial statements which have been prepared in accordance with;

- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board,
- the Local Government Act (1993) & Regulation, and
- the Local Government Code of Accounting Practice and Financial Reporting.

For the purpose of preparing these financial statements, Council has been deemed to be a not-for-profit entity.

##### (ii) Compliance with International Financial Reporting Standards (IFRSs)

Because Australian Accounting Standards (AASB's) are sector neutral, some standards either:

- (a) have local Australian content and prescription that is specific to the Not-For-Profit sector (including Local Government) which are not in compliance with IFRS's, or
- (b) specifically exclude application by Not for Profit entities.

Accordingly in preparing these financial statements and accompanying notes, Council has been unable to comply fully with International Accounting Standards, but has complied fully with Australian Accounting Standards.

Under the Local Government Act (LGA), Regulations and Local Government Code of Accounting Practice & Financial Reporting, it should be noted that Councils in NSW only have a requirement to comply with Australian Accounting Standards.

##### (iii) New and amended standards adopted by Council

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2011 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

##### (iv) Early adoption of Accounting Standards

Council has not elected to apply any pronouncements before their operative date in the annual reporting period beginning 1 July 2011.

Refer further to paragraph (ab) relating to a summary of the effects of Standards with future operative dates..

##### (v) Basis of Accounting

These financial statements have been prepared under the **historical cost convention** except for:

- (i) financial assets and liabilities at fair value through profit or loss, available-for-sale financial assets and investment properties which are all valued at fair value,
- (ii) the write down of any Asset on the basis of Impairment (if warranted) and
- (iii) certain classes of Infrastructure, property, plant & equipment that are accounted for at fair valuation.

The accrual basis of accounting has also been applied in their preparation.

##### (vi) Changes in Accounting Policies

Council's accounting policies have been consistently applied to all the years presented, unless otherwise stated.

There have also been no changes in accounting policies when compared with previous financial statements unless otherwise stated [refer Note 20(d)].

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

#### Note 1. Summary of Significant Accounting Policies (continued)

##### (vii) Critical Accounting Estimates

The preparation of financial statements requires the use of certain critical accounting estimates (in conformity with AASB's).

Accordingly this 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 entity 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 of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below.

- (i) Estimated fair values of investment properties
- (ii) Estimated fair values of infrastructure, property, plant and equipment.
- (iii) Estimated tip remediation provisions.

##### **Critical judgements in applying the entity's accounting policies**

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

##### (b) Revenue recognition

Council recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Council's activities as described below.

Council bases any estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is measured at the fair value of the consideration received or receivable.

Revenue is measured on major income categories as follows:

##### **Rates, Annual Charges, Grants and Contributions**

Rates, annual charges, grants and contributions (including developer contributions) are recognised as revenues when the Council obtains control over the assets comprising these receipts.

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.

A provision for the impairment on rates receivables has not been established as unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and is valued at their fair value at the date of transfer.

Revenue from Contributions is recognised when the Council either obtains control of the contribution or the right to receive it, (i) it is probable that the economic benefits comprising the contribution will flow to the Council and (ii) the amount of the contribution can be measured reliably.

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 undischarged at balance date, the unused grant or contribution is disclosed in Note 3(g).

Note 3(g) also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

#### Note 1. Summary of Significant Accounting Policies (continued)

The Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of S94 of the EPA Act 1979.

Whilst Council generally incorporates these amounts as part of a Development Consents Order, such developer contributions are only recognised as income upon their physical receipt by Council, due to the possibility that individual Development Consents may not be acted upon by the applicant and accordingly would not be payable to Council.

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.

A detailed Note relating to developer contributions can be found at Note 17.

##### User Charges, Fees and Other Income

User charges, fees and other income (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

A provision for the impairment of these receivables is recognised when collection in full is no longer probable.

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

##### Sale of Infrastructure, Property, Plant and Equipment

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

##### Interest and Rents

Rents are recognised as revenue on a proportional basis when the payment is due, the value of the payment is notified, or the payment is received, whichever first occurs.

Interest Income from Cash & Investments is accounted for using the Effective Interest method in accordance with AASB 139.

##### (c) Principles of Consolidation

These financial statements incorporate (i) the assets and liabilities of Council and any Entities (or operations) that it **controls** (as at 30/6/12) and (ii) all the related operating results (for the financial year ended the 30th June 2012).

The financial statements also include Council's share of the assets, liabilities, income and expenses of any **Jointly Controlled Operations** under the appropriate headings.

In the process of reporting on Council's activities as a single unit, all inter-entity year end balances and reporting period transactions have been eliminated in full between Council and its controlled entities.

##### (i) The Consolidated Fund

In accordance with the provisions of Section 409(1) of the LGA 1993, all money and property received by Council is held in the Council's Consolidated Fund unless it is required to be held in the Council's Trust Fund.

The Consolidated Fund and other entities through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this report.

The following entities have been included as part of the Consolidated Fund:

- *Bogan Shire Council General Purpose Operations*
- *Bogan Shire Council Water Supply Fund*
- *Bogan Shire Council Sewerage Fund*

Due to their immaterial value and nature, the following Committees, Entities & Operations have been excluded from consolidation:

- *Nyngan Museum Management Committee*
- *Bogan Bush Mobile Management Committee*
- *Mid State Shearing Shed Management Committee*
- *Hermidale Sports Ground Management Committee*
- *Collierreina Hall Management Committee*
- *Coolabah Hall Management Committee*
- *Nyngan Rugby Union Clubhouse Management Committee*

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

#### Note 1. Summary of Significant Accounting Policies (continued)

##### (ii) The Trust Fund

In accordance with the provisions of Section 411 of the Local Government Act 1993 (as amended), a separate and distinct Trust Fund is maintained to account for all money and property 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 property subject to Council's control have been included in these statements.

Trust monies and property held by Council but not subject to the control of Council, have been excluded from these statements.

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

##### (iii) Joint Ventures

###### Jointly Controlled Assets & Operations

The proportionate interests in the assets, liabilities and expenses of a Joint Venture Activity have been incorporated throughout the financial statements under the appropriate headings.

###### Jointly Controlled Entities

Any interests in Joint Venture Entities & Partnerships are accounted for using the equity method and is carried at cost.

Under the equity method, the share of the profits or losses of the partnership is recognised in the income statement, and the share of movements in retained earnings & reserves is recognised in the balance sheet.

##### (iv) Associated Entities

Where Council has the power to participate in the financial and operating decisions (of another entity), ie. where Council is deemed to have "significant influence" over the other entities operations but neither controls nor jointly controls the entity, then Council accounts for such interests using the equity method of accounting – in a similar fashion to Joint Venture Entities & Partnerships.

Such entities are usually termed Associates.

##### (v) County Councils

Council is not a member of any County Councils.

##### (vi) Additional Information

Note 19 provides more information in relation to Joint Venture Entities, Associated Entities and Joint Venture Operations where applicable.

##### (d) Leases

All Leases entered into by Council are reviewed and classified on inception date as either a Finance Lease or an Operating Lease.

###### Finance Leases

Leases of property, plant and equipment where the Council 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 lower of the fair value of the leased property and the present value of the minimum lease payments.

The corresponding rental obligations, net of finance charges, are included in borrowings.

Each lease payment is allocated between the liability outstanding and the recognition of a finance charge.

The interest element of the finance charge is costed 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.

Property, plant and equipment acquired under finance leases is depreciated over the shorter of each leased asset's useful life and the lease term.

###### Operating Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor 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.

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

#### Note 1. Summary of Significant Accounting Policies (continued)

Lease income from operating leases is recognised in income on a straight-line basis over the lease term.

##### (e) Cash and Cash Equivalents

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 balance sheet but are incorporated into Cash & Cash Equivalents for presentation of the Cash Flow Statement.

##### (f) Investments and Other Financial Assets

Council (in accordance with AASB 139) classifies each of its investments into one of the following categories for measurement purposes:

- **financial assets at fair value through profit or loss**,
- **loans and receivables**,
- **held-to-maturity investments**, and
- **available-for-sale financial assets**.

Each classification depends on the purpose/intention for which the investment was acquired & at the time it was acquired.

Management determines each Investment classification at the time of initial recognition and re-evaluates this designation at each reporting date.

##### (i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets that are “held for trading”.

A financial asset is classified in the “held for trading” category if it is acquired principally for the purpose of selling in the short term.

Assets in this category are primarily classified as current assets as they are primarily held for trading &/or are expected to be realised within 12 months of the balance sheet date.

##### (ii) Loans and receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market.

They arise when the Council provides money, goods or services directly to a debtor with no intention (or in some cases ability) of selling the resulting receivable.

They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets.

##### (iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Council's management has the positive intention and ability to hold to maturity.

In contrast to the “Loans & Receivables” classification, these investments are generally quoted in an active market.

Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the reporting date, which are classified as current assets.

##### (iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories.

Investments must be designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Accordingly, this classification principally comprises marketable equity securities, but can include all types



## Bogan Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2012

#### Note 1. Summary of Significant Accounting Policies (continued)

of financial assets that could otherwise be classified in one of the other investment categories.

They are generally included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date or the term to maturity from the reporting date is less than 12 months.

##### Financial Assets – Reclassification

Council may choose to reclassify a non-derivative trading financial asset out of the held-for-trading category if the financial asset is no longer held for the purpose of selling it in the near term.

Financial assets other than loans and receivables are permitted to be reclassified out of the held-for-trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near term.

Council may also choose to reclassify financial assets that would meet the definition of loans and receivables out of the held-for-trading or available-for-sale categories if it has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification.

Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made.

Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

##### General Accounting & Measurement of Financial Instruments:

###### (i) Initial Recognition

Investments are initially recognised (and measured) at fair value, plus in the case of investments not at "fair value through profit or loss", directly attributable transactions costs

Purchases and sales of investments are recognised on trade-date - the date on which the Council commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Council has transferred substantially all the risks and rewards of ownership.

###### (ii) Subsequent Measurement

**Available-for-sale financial assets** and **financial assets at fair value through profit and loss** are subsequently carried at fair value.

**Loans and receivables** and **held-to-maturity** investments are carried at amortised cost using the effective interest method.

Realised and unrealised gains and losses arising from changes in the fair value of the financial assets classified as **"fair value through profit or loss"** category are included in the income statement in the period in which they arise.

Unrealised gains and losses arising from changes in the fair value of non monetary securities classified as **"available-for-sale"** are recognised in equity in the available-for-sale investments revaluation reserve.

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

##### Impairment

Council assesses at each balance date 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.

If there is evidence of impairment for any of Council's financial assets carried at amortised cost (eg. loans

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

#### Note 1. Summary of Significant Accounting Policies (continued)

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. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

As a practical expedient, the group may measure impairment on the basis of an instrument's fair value using an observable market price.

##### (iii) Types of Investments

Council has an approved Investment Policy in order to undertake its investment of money in accordance with (and to comply with) Section 625 of the Local Government Act and S212 of the LG (General) Regulation 2005.

Investments are placed and managed in accordance with the Policy and having particular regard to authorised investments prescribed under the Ministerial Local Government Investment Order.

Council maintains its investment Policy in compliance with the Act and ensures that it or its representatives exercise care, diligence and skill that a prudent person would exercise in investing Council funds.

Council amended its policy following revisions to the Ministerial Local Government Investment Order arising from the Cole Inquiry recommendations. Certain investments that Council holds are no longer prescribed (eg. managed funds, CDOs, and equity linked notes), however they have been retained under grandfathering provisions of the Order. These will be disposed of when most financially advantageous to Council.

##### (g) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date.

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques.

Council uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date.

Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held.

If the market for a financial asset is not active (and for unlisted securities), the Council establishes fair value by using valuation techniques.

These include reference to the fair values of recent arm's length transactions, involving the same instruments or other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Council for similar financial instruments.

##### (h) Receivables

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less any provision for impairment.

Receivables (excluding Rates & Annual Charges) are generally due for settlement no more than 30 days from the date of recognition.

The collectibility of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off in accordance with Council's policy.

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

#### Note 1. Summary of Significant Accounting Policies (continued)

A provision for impairment (ie. an allowance account) relating to receivables is established when there is objective evidence that the Council will not be able to collect all amounts due according to the original terms of each receivable.

The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

Impairment losses are recognised in the Income Statement within other expenses.

When a receivable for which an impairment allowance had been recognised becomes uncollectible 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.

#### (i) Inventories

##### Raw Materials and Stores, Work in Progress and Finished Goods

Raw materials and stores, work in progress and finished goods in respect of business undertakings are all stated at the lower of cost and net realisable value.

Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Costs are assigned to individual items of inventory on the basis of weighted average costs.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories held in respect of non-business undertakings have been valued at cost subject to adjustment for loss of service potential.

#### (j) Infrastructure, Property, Plant and Equipment (I,PP&E)

##### Acquisition of assets

Council's non current assets have been progressively revalued to fair value in accordance with a staged implementation as advised by the Division of Local Government.

At balance date, the following classes of I,PP&E were stated at their Fair Value;

- **Investment Properties** – refer Note 1(p),
- **Water and Sewerage Networks**  
(External Valuation)
- **Operational Land** (External Valuation)
- **Buildings – Specialised/Non Specialised**  
(External Valuation)
- **Plant and Equipment**  
(as approximated by depreciated historical cost)
- **Roads Assets incl. roads, bridges & footpaths**  
(Internal Valuation)
- **Drainage Assets** (Internal Valuation)
- **Bulk Earthworks** (Internal Valuation)
- **Community Land** (Internal Valuation)
- **Land Improvements**  
(as approximated by depreciated historical cost)
- **Other Structures**  
(as approximated by depreciated historical cost)
- **Other Assets**  
(as approximated by depreciated historical cost)

##### Initial Recognition

On initial recognition, an assets cost is measured at its fair value, plus all expenditure that is directly attributable to the acquisition.

Where settlement of any part of an asset's cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of recognition (ie. date of exchange) of the asset to arrive at fair value.

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

#### Note 1. Summary of Significant Accounting Policies (continued)

The discount rate used is the Council's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Where infrastructure, property, plant and equipment assets are acquired for no cost or for an amount other than cost, the assets are recognised in the financial statements at their fair value at acquisition date - being the amount that the asset could have been exchanged between knowledgeable willing parties in an arm's length transaction.

##### Subsequent costs

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.

##### Asset Revaluations (including Indexation)

In accounting for Asset Revaluations relating to Infrastructure, Property, Plant & Equipment:

- 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 recognised via the profit or loss, then increase is first recognised in profit or loss.
- Decreases that reverse previous increases of the same asset are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset, with all other decreases charged to the Income statement.

Water and sewerage network assets are indexed annually between full revaluations in accordance with the latest indices provided in the NSW Office of Water - Rates Reference Manual.

For all other assets, Council assesses at each reporting date whether there is any indication that a revalued asset's carrying amount may differ

materially from that which would be determined if the asset were revalued at the reporting date.

If any such indication exists, Council determines the asset's fair value and revalues the asset to that amount.

Full revaluations are undertaken for all assets on a 5 year cycle.

##### Capitalisation Thresholds

Items of infrastructure, property, plant and equipment are not capitalised unless their cost of acquisition exceeds the following;

##### Land

- council land	100% Capitalised
- open space	100% Capitalised
- land under roads (purchases after 30/6/08)	100% Capitalised

##### Plant & Equipment

Office Furniture	> \$5,000
Office Equipment	> \$5,000
Other Plant & Equipment	> \$5,000

##### Buildings & Land Improvements

Park Furniture & Equipment	> \$2,000
Building	
- construction/extensions	100% Capitalised
- renovations	> \$10,000
Other Structures	> \$2,000

##### Water & Sewer Assets

Reticulation extensions	> \$5,000
Other	> \$5,000

##### Stormwater Assets

Drains & Culverts	> \$5,000
Other	> \$5,000

##### Transport Assets

Road construction & reconstruction	> \$10,000
Bridge construction & reconstruction	> \$10,000

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

#### Note 1. Summary of Significant Accounting Policies (continued)

##### Depreciation

Depreciation on Council's infrastructure, property, plant and equipment assets is calculated using the straight line method in order to allocate an assets cost (net of residual values) over its estimated useful life.

Land is not depreciated.

Estimated useful lives for Council's I,PP&E include:

##### Plant & Equipment

- Office Equipment	5 to 10 years
- Office furniture	10 to 20 years
- Computer Equipment	4 years
- Vehicles	5 to 8 years
- Heavy Plant/Road Making equip.	5 to 8 years
- Other plant and equipment	5 to 15 years

##### Other Equipment

- Playground equipment	5 to 15 years
- Benches, seats etc	10 to 20 years

##### Buildings

- Buildings : Masonry	50 to 100 years
- Buildings : Other	20 to 40 years

##### Stormwater Drainage

- Drains	80 to 100 years
- Culverts	50 to 80 years

##### Transportation Assets

- Sealed Roads : Surface	15 to 25 years
- Sealed Roads : Structure	20 to 50 years
- Unsealed roads	10 to 20 years

- Bridge : Concrete	80 to 100 years
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##### Water & Sewer Assets

- Dams and reservoirs	80 to 100 years
- Bores	20 to 40 years

- Reticulation pipes : PVC	70 to 80 years
- Reticulation pipes : Other	25 to 75 years
- Pumps and telemetry	15 to 20 years

##### Other Infrastructure Assets

- Bulk earthworks	Infinite
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All asset residual values and useful lives are reviewed and adjusted (where appropriate), at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount – refer Note 1(s) on Asset Impairment.

##### Disposal and De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Council's Income Statement in the year the asset is derecognised.

##### (k) Land

Land (other than Land under Roads) is in accordance with Part 2 of Chapter 6 of the Local Government Act (1993) classified as either Operational or Community.

This classification of Land is disclosed in Note 9(a).

##### (l) 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 acquired after 1 July 2008 is recognised in accordance with AASB 116 – Property, Plant and Equipment.

##### (m) Intangible Assets

Council has not classified any assets as Intangible.

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

#### Note 1. Summary of Significant Accounting Policies (continued)

##### (n) 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 the reserves are recognised within Council's Income Statement.

Representations are currently being sought across State and Local Government to develop a consistent accounting treatment for Crown Reserves across both tiers of government.

##### (o) Rural Fire Service assets

Under section 119 of the Rural Fires Act 1997, *"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"*.

At present, the accounting for such fire fighting equipment is not treated in a consistent manner across all Councils.

Until such time as discussions on this matter have concluded and the legislation changed, Council will continue to account for these assets as it has been doing in previous years, which is to incorporate the assets, their values and depreciation charges within these financial statements.

##### (p) Investment property

Investment property comprises land &/or buildings that are principally held for long-term rental yields, capital gains or both that is not occupied by Council.

Council has not classified any assets as investment property.

##### (q) Provisions for close down, restoration and for environmental clean up costs – including Tips and Quarries

Close down, Restoration and Remediation costs include the dismantling and demolition of infrastructure, the removal of residual materials and the remediation of disturbed areas.

Estimated close down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs.

Provisions for close down and restoration costs do not include any additional obligations which are expected to arise from future disturbance.

Costs are estimated on the basis of a closure plan.

The cost estimates are calculated annually during the life of the operation to reflect known developments, eg updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

Close down, Restoration and Remediation costs are a normal consequence of tip and quarry operations, and the majority of close down and restoration expenditure is incurred at the end of the life of the operations.

Although the ultimate cost to be incurred is uncertain, Council estimates the respective costs based on feasibility and engineering studies using current restoration standards and techniques.

The amortisation or 'unwinding' of the discount applied in establishing the net present value of provisions is charged to the income statement in each accounting period.

This amortisation of the discount is disclosed as a borrowing cost in Note 4(b).

Other movements in the provisions for Close down, Restoration and Remediation costs including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations and revisions to discount rates are capitalised within property, plant and equipment.



## Bogan Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2012

#### Note 1. Summary of Significant Accounting Policies (continued)

These costs are then depreciated over the lives of the assets to which they relate.

Where rehabilitation is conducted systematically over the life of the operation, rather than at the time of closure, provision is made for the estimated outstanding continuous rehabilitation work at each balance sheet date and the cost is charged to the income statement.

Provision is made for the estimated present value of the costs of environmental clean up obligations outstanding at the balance sheet date.

These costs are charged to the income statement.

Movements in the environmental clean up provisions are presented as an operating cost, except for the unwind of the discount which is shown as a borrowing cost.

Remediation procedures generally commence soon after the time the damage, remediation process and estimated remediation costs become known, but may continue for many years depending on the nature of the disturbance and the remediation techniques.

As noted above, the ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other locations.

The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production rates.

As a result there could be significant adjustments to the provision for close down and restoration and environmental clean up, which would affect future financial results.

Specific Information relating to Council's provisions relating to Close down, Restoration and Remediation costs can be found at Note 26.

#### **(r) Non-Current Assets (or Disposal Groups) "Held for Sale" & Discontinued Operations**

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of

either (i) their carrying amount and (ii) fair value less costs to sell, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The exception to this is plant and motor vehicles which are turned over on a regular basis. Plant and motor vehicles are retained in Non Current Assets under the classification of Infrastructure, Property, Plant and Equipment - unless the assets are to be traded in after 30 June and the replacement assets were already purchased and accounted for as at 30 June.

For any assets or disposal groups classified as Non-Current Assets "held for sale", an impairment loss is recognised at any time when the assets carrying value is greater than its fair value less costs to sell.

Non-current assets "held for sale" are not depreciated or amortised while they are classified as "held for sale".

Non-current assets classified as "held for sale" are presented separately from the other assets in the balance sheet.

A Discontinued Operation is a component of the entity that has been disposed of or is classified as "held for sale" and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations are presented separately on the face of the income statement.

#### **(s) Impairment of assets**

All Council's I,PP&E is subject to an annual assessment of impairment.

Assets that are subject to amortisation are reviewed 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.

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

#### Note 1. Summary of Significant Accounting Policies (continued)

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For non-cash generating assets of Council such as roads, drains, public buildings etc - value in use is represented by the "deprival value" of the asset which is approximated as its written down replacement cost.

Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Goodwill & other Intangible Assets that have an indefinite useful life and are not subject to amortisation are tested annually for impairment.

#### (t) Payables

These amounts represent liabilities and include goods and services provided to the Council prior to the end of financial year which are unpaid.

The amounts for goods and services are unsecured and are usually paid within 30 days of recognition.

#### (u) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred.

Borrowings are subsequently measured at amortised cost.

Amortisation results in any difference between the proceeds (net of transaction costs) and the redemption amount being recognised in the Income Statement over the period of the borrowings using the effective interest method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

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

#### (v) Borrowing costs

Borrowing costs are expensed

#### (w) Provisions

Provisions for legal claims, service warranties and other like liabilities are recognised when:

- Council has a present legal or constructive obligation as a result of past events;
- it is more likely than not that an outflow of resources will be required to settle the obligation; and
- the amount has been reliably estimated.

Provisions are not recognised for future operating losses.

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.

#### (x) Employee benefits

##### (i) Short Term Obligations

Short term employee benefit obligations include liabilities for wages and salaries (including non-monetary benefits), annual leave and vesting sick

## Bogan Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2012

#### Note 1. Summary of Significant Accounting Policies (continued)

leave expected to be settled within the 12 months after the reporting period.

Leave liabilities are recognised in the provision for employee benefits in respect of employees' services up to the reporting date with other short term employee benefit obligations disclosed under payables.

These provisions are measured at the amounts expected to be paid when the liabilities are settled.

Liabilities for non vesting sick leave are recognised at the time when the leave is taken and measured at the rates paid or payable, and accordingly no Liability has been recognised in these reports.

Wages & salaries, annual leave and vesting sick leave are all classified as Current Liabilities.

#### (ii) Other Long Term Obligations

The liability for all long service and annual leave in respect of services provided by employees up to the reporting date (which is not expected to be settled within the 12 months after the reporting period) are recognised in the provision for employee benefits.

These liabilities are measured at the present value of the expected future payments to be made 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 then discounted using market yields at the reporting date based on national government bonds with terms to maturity and currency that match as closely as possible the estimated future cash outflows.

Due to the nature of when and how Long Service Leave can be taken, all Long Service Leave for employees with 4 or more years of service has been classified as Current, as it has been deemed that Council does not have the unconditional right to defer settlement beyond 12 months – even though it is not anticipated that all employees with more than 4 years service (as at reporting date) will apply for and take their leave entitlements in the next 12 months.

#### (iii) 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.

#### Defined Benefit Plans

A liability or asset in respect of defined benefit superannuation plans would ordinarily be recognised in the balance sheet, and measured as the present value of the defined benefit obligation at the reporting date plus unrecognised actuarial gains (less unrecognised actuarial losses) less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost.

The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

However, when this information is not reliably available, Council can account for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans – i.e. as an expense when they become payable.

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named the "Local Government Superannuation Scheme – Pool B"

This Scheme has been deemed to be a "multi employer fund" for the purposes of AASB 119.

Sufficient information is not available to account for the Scheme as a defined benefit plan (in accordance with AASB 119) because the assets to the scheme are pooled together for all Councils.

Accordingly, Council's contributions to the scheme for the current reporting year have been recognised as an expense and disclosed as part of Superannuation Expenses at Note 4(a).

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

#### Note 1. Summary of Significant Accounting Policies (continued)

The Local Government Superannuation Scheme has advised member councils that, as a result of the global financial crisis, it has a significant deficiency of assets over liabilities amounting to around \$334 million at 30 June 2012.

As a result, they have asked for significant increases in future contributions to recover that deficiency.

Council's share of that deficiency cannot be accurately calculated as the Scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils.

For this reason, no liability for the deficiency has been recognised in these financial statements.

Council has, however, disclosed a contingent liability in note 18 to reflect the possible obligation that may arise should the Scheme require immediate payment to correct the deficiency.

##### Defined Contribution 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.

##### (iv) Employee Benefit On-Costs

Council has recognised at year end the aggregate on-cost liabilities arising from employee benefits, and in particular those on-cost liabilities that will arise when payment of current employee benefits is made in future periods.

These amounts include Superannuation and Workers Compensation expenses which will be payable upon the future payment of certain Leave Liabilities accrued as at 30/6/12.

##### (y) Self insurance

Council does not self insure.

##### (z) Allocation between current and non-current assets & liabilities

In the determination of whether an asset or liability is classified as current or non-current, consideration is

given to the time when each asset or liability is expected to be settled.

The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle.

##### Exceptions

In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months (such as vested long service leave), the liability is classified as current even if not expected to be settled within the next 12 months.

In the case of inventories that are "held for trading", these are also classified as current even if not expected to be realised in the next 12 months.

##### (aa) Taxes

The Council is exempt from both Commonwealth Income Tax and Capital Gains Tax.

Council does however have to comply with both Fringe Benefits Tax and Goods and Services Tax (GST).

##### Goods & Services Tax (GST)

Income, expenses and assets are all recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO).

In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the revenue / expense.

Receivables and payables within the Balance Sheet are stated inclusive of any applicable GST.

The net amount of GST recoverable from or payable to the ATO is included as a current asset or current liability in the Balance Sheet.

Operating cash flows within the Cash Flow Statement are on a gross basis, ie. they are inclusive of GST where applicable.

Investing and Financing cash flows are treated on a net basis (where recoverable from the ATO), ie. they are exclusive of GST. Instead, the GST component

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

#### Note 1. Summary of Significant Accounting Policies (continued)

of investing and financing activity cash flows which are recoverable from or payable to the ATO are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from (or payable to) the ATO.

##### **(ab) New accounting standards and UIG interpretations**

Certain new (or amended) accounting standards and interpretations have been published that are not mandatory for reporting periods ending 30 June 2012.

**Council has not adopted any of these standards early.**

Council's assessment of the impact of these new standards and interpretations is set out below.

##### **Applicable to Local Government with implications:**

***AASB 9 Financial Instruments, AASB 2009 11 Amendments to Australian Accounting Standards arising from AASB 9 and AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) (effective from 1 January 2013)***

AASB 9 Financial Instruments addresses the classification, measurement and derecognition of financial assets and financial liabilities.

The standard is not applicable until 1 January 2013 but is available for early adoption.

When adopted, the standard will affect in particular the Council's accounting for its available-for-sale financial assets, since AASB 9 only permits the recognition of fair value gains and losses in other comprehensive income if they relate to equity investments that are not held for trading. Fair value gains and losses on available-for-sale debt investments, for example, will therefore have to be recognised directly in profit or loss.

There will be no impact on Council's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are

designated at fair value through profit or loss and Council does not have any such liabilities.

The derecognition rules have been transferred from AASB 139 Financial Instruments: Recognition and Measurement and have not been changed

***AASB 10 - Consolidated Financial Statements, AASB 11 - Joint Arrangements, AASB 12 - Disclosure of Interests in Other Entities, revised AASB 127 - Separate Financial Statements and AASB 128 - Investments in Associates and Joint Ventures and AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards (effective 1 January 2013)***

In August 2011, the AASB issued a suite of five new and amended standards which address the accounting for joint arrangements, consolidated financial statements and associated disclosures.

AASB 10 replaces all of the guidance on control and consolidation in AASB 127 Consolidated and Separate Financial Statements, and Interpretation 12 Consolidation – Special Purpose Entities.

The core principle that a consolidated entity presents a parent and its subsidiaries as if they are a single economic entity remains unchanged, as do the mechanics of consolidation.

However, the standard introduces a single definition of control that applies to all entities.

It focuses on the need to have both power and rights or exposure to variable returns.

Power is the current ability to direct the activities that significantly influence returns. Returns must vary and can be positive, negative or both. Control exists when the investor can use its power to affect the amount of its returns.

There is also new guidance on participating and protective rights and on agent/principal relationships. Council does not expect the new standard to have a significant impact on its composition.

AASB 11 introduces a principles based approach to accounting for joint arrangements.

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

#### Note 1. Summary of Significant Accounting Policies (continued)

The focus is no longer on the legal structure of joint arrangements, but rather on how rights and obligations are shared by the parties to the joint arrangement.

Based on the assessment of rights and obligations, a joint arrangement will be classified as either a joint operation or a joint venture.

Joint ventures are accounted for using the equity method, and the choice to proportionately consolidate will no longer be permitted.

Parties to a joint operation will account their share of revenues, expenses, assets and liabilities in much the same way as under the previous standard.

AASB 11 also provides guidance for parties that participate in joint arrangements but do not share joint control.

Council's investment in the joint venture partnership will be classified as a joint venture under the new rules.

As Council already applies the equity method in accounting for this investment, AASB 11 will not have any impact on the amounts recognised in its financial statements.

AASB 12 sets out the required disclosures for entities reporting under the two new standards, AASB 10 and AASB 11, and replaces the disclosure requirements currently found in AASB 127 and AASB 128.

Application of this standard by Council will not affect any of the amounts recognised in the financial statements, but will impact the type of information disclosed in relation to Council's investments.

Amendments to AASB 128 provide clarification that an entity continues to apply the equity method and does not remeasure its retained interest as part of ownership changes where a joint venture becomes an associate, and vice versa. The amendments also introduce a "partial disposal" concept. Council is still assessing the impact of these amendments.

Council does not expect to adopt the new standards before their operative date. They would therefore be first applied in the financial statements for the annual reporting period ending 30 June 2014.

#### ***AASB 13 Fair Value Measurement and AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13 (effective 1 January 2013)***

AASB 13 was released in September 2011.

It explains how to measure fair value and aims to enhance fair value disclosures. Council has yet to determine which, if any, of its current measurement techniques will have to change as a result of the new guidance.

It is therefore not possible to state the impact, if any, of the new rules on any of the amounts recognised in the financial statements. However, application of the new standard will impact the type of information disclosed in the notes to the financial statements.

Council does not intend to adopt the new standard before its operative date, which means that it would be first applied in the annual reporting period ending 30 June 2014.

#### **Applicable to Local Government but no implications for Council;**

None

#### **Applicable to Local Government but not relevant to Council at this stage;**

#### ***Revised AASB 119 Employee Benefits, AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) and AASB 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements (effective 1 January 2013)***

In September 2011, the AASB released a revised standard on accounting for employee benefits.

It requires the recognition of all remeasurements of defined benefit liabilities/assets immediately in other comprehensive income (removal of the so-called 'corridor' method) and the calculation of a net interest expense or income by applying the discount rate to the net defined benefit liability or asset.

This replaces the expected return on plan assets that is currently included in profit or loss.



## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

#### Note 1. Summary of Significant Accounting Policies (continued)

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The standard also introduces a number of additional disclosures for defined benefit liabilities/assets and could affect the timing of the recognition of termination benefits.

The amendments will have to be implemented retrospectively.

Council does not recognise defined benefit assets and liabilities for the reasons set out in note 1 (s)(iii) and so these changes will not have an impact on its reported results.

#### **Not applicable to Local Government per se;**

None

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

#### **(ac) Rounding of amounts**

Unless otherwise indicated, amounts in the financial statements have been rounded off to the nearest thousand dollars.

#### **(ad) Comparative Figures**

To ensure comparability with the current reporting period's figures, some comparative period line items and amounts may have been reclassified or individually reported for the first time within these financial statements and/or the notes.

#### **(ae) Disclaimer**

Nothing contained within these statements may be taken to be an admission of any liability to any person under any circumstance.

# Bogan Shire Council

## Notes to the Financial Statements for the financial year ended 30 June 2012

### 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 & Non-current)	
	Original Budget 2012	Actual 2012	Actual 2011	Original Budget 2012	Actual 2012	Actual 2011	Original Budget 2012	Actual 2012	Actual 2011	Actual 2012	Actual 2011		
Governance	-	-	-	217	444	240	(217)	(444)	(240)	-	-	81	-
Administration	390	309	491	2,401	1,082	1,411	(2,011)	(773)	(920)	35	40	11,068	13,984
Public Order & Safety	122	178	218	366	401	329	(244)	(223)	(111)	260	215	438	1,694
Health	12	31	41	54	50	45	(42)	(19)	(4)	-	-	387	398
Environment	532	586	411	444	802	1,211	88	(216)	(800)	-	-	626	39,085
Community Services & Education	272	284	277	339	319	269	(67)	(35)	8	267	264	394	368
Housing & Community Amenities	101	136	123	1,160	245	531	(1,059)	(109)	(408)	18	-	8,797	1,723
Water Supplies	864	1,094	905	1,298	1,292	1,289	(434)	(198)	(384)	-	-	14,526	16,182
Sewerage Services	604	491	521	461	382	410	143	109	111	-	-	8,499	7,232
Recreation & Culture	35	67	50	1,478	1,090	1,319	(1,443)	(1,023)	(1,269)	22	35	10,051	10,054
Fuel & Energy	-	-	-	-	-	-	-	-	-	-	-	-	-
Agriculture	-	-	-	-	-	-	-	-	-	-	-	-	-
Mining, Manufacturing & Construction	-	-	-	27	-	-	(27)	-	-	-	-	-	-
Transport & Communication	1,742	4,210	5,063	2,174	5,743	3,528	(432)	(1,533)	1,535	932	2,396	176,303	135,814
Economic Affairs	197	112	565	375	138	675	(178)	(26)	(110)	-	-	869	885
Total Functions & Activities	4,871	7,498	8,665	10,794	11,988	11,257	(5,923)	(4,490)	(2,592)	1,534	2,950	232,039	227,419
Share of gains/(losses) in Associates & Joint Ventures (using the Equity Method)	-	6	-	-	-	12	-	6	(12)	-	-	67	61
General Purpose Income <sup>1</sup>	5,415	6,186	5,395	-	-	-	5,415	6,186	5,395	3,612	2,841	-	-
Operating Result from Continuing Operations	10,286	13,690	14,060	10,794	11,988	11,269	(508)	1,702	2,791	5,146	5,791	232,106	227,480

1. Includes: Rates & Annual Charges (incl. Ex-Gratia), United General Purpose Grants & Unrestricted Interest & Investment Income.

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

### 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:

#### GOVERNANCE

Costs relating to the Council's role as a component of democratic government, including elections, members' fees and expenses, subscriptions to local authority associations, meetings of council and policy making committees, area representation and public disclosure and compliance.

#### ADMINISTRATION

Corporate Support and Other Support Services (not otherwise attributed to the listed functions / activities).

#### PUBLIC ORDER & SAFETY

Fire protection, animal control, beach control, enforcement of local government regulations, emergency services, other.

#### HEALTH

Inspection, immunisations, food control, health centres, other, administration.

#### ENVIRONMENT

Noxious plants and insect/vermin control, other environmental protection, solid waste management, street cleaning, drainage, stormwater management.

#### COMMUNITY SERVICES & EDUCATION

Administration, family day care, child care, youth services, other family and children, aged and disabled, migrant services, Aboriginal services, other community services, education.

#### HOUSING & COMMUNITY AMENITIES

Housing, town planning, street lighting, other sanitation and garbage, public cemeteries, public conveniences, other community amenities.

#### WATER SUPPLIES

#### SEWERAGE SERVICES

#### RECREATION & CULTURE

Public libraries, museums, art galleries, community centres, public halls, other cultural services, swimming pools, sporting grounds, parks and gardens (lakes), other sport and recreation.

#### FUEL & ENERGY - Gas Supplies

#### MINING, MANUFACTURING & CONSTRUCTION

Building control, abattoirs, quarries & pits, other.

#### TRANSPORT & COMMUNICATION

Urban roads, sealed rural roads, unsealed rural roads, bridges, footpaths, aerodromes, parking areas, bus shelters and services, water transport, RTA works, other.

#### ECONOMIC AFFAIRS

Camping areas, caravan parks, tourism and area promotion, industrial development promotion, saleyards and markets, real estate development, commercial nurseries, other business undertakings.

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

### Note 3. Income from Continuing Operations

\$ '000	Notes	Actual 2012	Actual 2011
<b>(a). Rates &amp; Annual Charges</b>			
<b>Ordinary Rates</b>			
Residential		249	239
Farmland		1,460	1,422
Mining		483	470
Business		179	181
<b>Total Ordinary Rates</b>		<b>2,371</b>	<b>2,312</b>
<b>Special Rates</b>			
Nil			
<b>Annual Charges</b> (pursuant to s.496, s.496A, s.496B, s.501 & s.611)			
Domestic Waste Management Services		361	270
Water Supply Services		439	345
Sewerage Services		312	285
Waste Management Services (non-domestic)		78	77
<b>Total Annual Charges</b>		<b>1,190</b>	<b>977</b>
<b>TOTAL RATES &amp; ANNUAL CHARGES</b>		<b>3,561</b>	<b>3,289</b>

Council has used 2008 year valuations provided by the NSW Valuer General in calculating its rates.

## Bogan Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2012

## Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2012	Actual 2011
<b>(b). User Charges &amp; Fees</b>			
<b>Specific User Charges</b> (per s.502 - Specific "actual use" charges)			
Water Supply Services		519	433
Sewerage Services		119	162
<b>Total User Charges</b>		<b>638</b>	<b>595</b>
<b>Other User Charges &amp; Fees</b>			
<b>(i) Fees &amp; Charges - Statutory &amp; Regulatory Functions</b> (per s.608)			
Planning & Building Regulation		61	74
Private Works - Section 67		59	277
Registration Fees		3	3
Section 149 Certificates (EPA Act)		10	9
Section 603 Certificates		3	5
Other		9	18
<b>Total Fees &amp; Charges - Statutory/Regulatory</b>		<b>145</b>	<b>386</b>
<b>(ii) Fees &amp; Charges - Other (incl. General User Charges)</b> (per s.608)			
Admission & Service Fees		6	7
Cemeteries		33	27
Leaseback Fees - Council Vehicles		9	-
Library & Art Gallery		4	3
Museum		5	6
Park Rents		3	3
RMS (formerly RTA) Charges (State Roads not controlled by Council)		1,468	372
Saleyards		1	1
Waste Disposal Tipping Fees		5	-
<b>Total Fees &amp; Charges - Other</b>		<b>1,534</b>	<b>419</b>
<b>TOTAL USER CHARGES &amp; FEES</b>		<b>2,317</b>	<b>1,400</b>

## Bogan Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2012

## Note 3. Income from Continuing Operations (continued)

\$ '000	Notes	Actual 2012	Actual 2011
<b>(c). Interest &amp; Investment Revenue (incl. losses)</b>			
<b>Interest &amp; Dividends</b>			
- Interest on Overdue Rates & Annual Charges		59	50
- Interest earned on Investments (interest & coupon payment income)		257	286
<b>Amortisation of Premiums &amp; Discounts</b>			
- Interest Free (& Interest Reduced) Loans provided		15	29
<b><u>TOTAL INTEREST &amp; INVESTMENT REVENUE</u></b>		<b><u>331</u></b>	<b><u>365</u></b>
<b>Interest Revenue is attributable to:</b>			
<b>Unrestricted Investments/Financial Assets:</b>			
Overdue Rates & Annual Charges (General Fund)		37	50
General Council Cash & Investments		203	242
<b>Restricted Investments/Funds - External:</b>			
Water Fund Operations		36	10
Sewerage Fund Operations		51	51
Domestic Waste Management operations		4	12
<b><u>Total Interest &amp; Investment Revenue Recognised</u></b>		<b><u>331</u></b>	<b><u>365</u></b>
<b>(d). Other Revenues</b>			
Rental Income - Other Council Properties		121	56
Legal Fees Recovery - Rates & Charges (Extra Charges)		11	5
Insurance Policy Regate		83	127
Sales - Scrap Metal		37	5
Adjustment - GST		-	18
Adjustment Systems Payments Received in Advance		-	20
Other		7	32
<b><u>TOTAL OTHER REVENUE</u></b>		<b><u>259</u></b>	<b><u>263</u></b>



## Bogan Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2012

## Note 3. Income from Continuing Operations (continued)

\$ '000	2012 Operating	2011 Operating	2012 Capital	2011 Capital
<b>(e). Grants</b>				
<b>General Purpose (Untied)</b>				
Financial Assistance - General Component	1,995	1,572	-	-
Financial Assistance - Local Roads Component	1,605	1,258	-	-
Pensioners' Rates Subsidies - General Component	12	11	-	-
<b>Total General Purpose</b>	<b>3,612</b>	<b>2,841</b>	<b>-</b>	<b>-</b>
<b>Specific Purpose</b>				
Pensioners' Rates Subsidies:				
- Water	10	8	-	-
- Sewerage	8	8	-	-
- Domestic Waste Management	16	13	-	-
Bushfire & Emergency Services	260	215	-	-
Community Care	267	250	-	-
Employment & Training Programs	3	11	-	-
Flood Restoration	418	474	-	-
Heritage & Cultural	3	10	-	3
Library	22	22	-	-
Street Lighting	15	14	-	-
Transport (Roads to Recovery)	458	749	-	-
Transport (Other Roads & Bridges Funding)	-	-	19	1,173
L G Reform Fund	30	-	-	-
Other	5	-	-	-
<b>Total Specific Purpose</b>	<b>1,515</b>	<b>1,774</b>	<b>19</b>	<b>1,176</b>
<b>Total Grants</b>	<b>5,127</b>	<b>4,615</b>	<b>19</b>	<b>1,176</b>
<b>Grant Revenue is attributable to:</b>				
- Commonwealth Funding	4,328	3,829	-	-
- State Funding	799	786	19	1,176
	<b>5,127</b>	<b>4,615</b>	<b>19</b>	<b>1,176</b>

## Bogan Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2012

## Note 3. Income from Continuing Operations (continued)

\$ '000	2012 Operating	2011 Operating	2012 Capital	2011 Capital
(f). Contributions				
<b>Developer Contributions:</b>				
(s93 & s94 - EP&A Act, s64 of the NSW LG Act):				
Nil				
<b>Other Contributions:</b>				
Heritage/Cultural	2	-	-	-
On Road Diesel Fuel Grant	57	43	-	-
Other Councils - Joint Works/Services	25	25	-	-
Recreation & Culture	-	-	19	7
Roads & Bridges	-	-	889	1,764
RMS Contributions (Regional Roads, Block Grant)	974	811	-	-
Water Supplies (excl. Section 64 contributions)	87	110	-	-
Other	-	10	-	-
<b>Total Other Contributions</b>	<b>1,145</b>	<b>999</b>	<b>908</b>	<b>1,771</b>
<b>Total Contributions</b>	<b>1,145</b>	<b>999</b>	<b>908</b>	<b>1,771</b>
<b>TOTAL GRANTS &amp; CONTRIBUTIONS</b>	<b>6,272</b>	<b>5,614</b>	<b>927</b>	<b>2,947</b>

\$ '000	Actual 2012	Actual 2011
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## (g). Restrictions relating to Grants and Contributions

**Certain grants & contributions are obtained by Council on condition that they be spent in a specified manner:**

Unexpended at the Close of the Previous Reporting Period	612	917
<b>add:</b> Grants & contributions recognised in the current period but not yet spent:	222	580
<b>less:</b> Grants & contributions recognised in a previous reporting period now spent:	(612)	(885)
<b>Net Increase (Decrease) in Restricted Assets during the Period</b>	<b>(390)</b>	<b>(305)</b>
<b>Unexpended and held as Restricted Assets</b>	<b>222</b>	<b>612</b>
<b>Comprising:</b>		
- Specific Purpose Unexpended Grants	222	612
	<b>222</b>	<b>612</b>

## Bogan Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2012

## Note 4. Expenses from Continuing Operations

\$ '000	Notes	Actual 2012	Actual 2011
<b>(a) Employee Benefits &amp; On-Costs</b>			
Salaries and Wages		3,336	3,091
Employee Leave Entitlements (ELE)		642	453
Superannuation		343	368
Workers' Compensation Insurance		69	105
Fringe Benefit Tax (FBT)		24	30
Training Costs (other than Salaries & Wages)		87	98
Other		77	38
<b>Total Employee Costs</b>		<b>4,578</b>	<b>4,183</b>
less: Capitalised Costs		(171)	(310)
<b><u>TOTAL EMPLOYEE COSTS EXPENSED</u></b>		<b><u>4,407</u></b>	<b><u>3,873</u></b>
Number of "Equivalent Full Time" Employees at year end		50	55
<b>(b) Borrowing Costs</b>			
<b>(i) Interest Bearing Liability Costs</b>			
Interest on Loans		21	57
<b>Total Interest Bearing Liability Costs</b>		<b>21</b>	<b>57</b>
less: Capitalised Costs		-	-
<b>Total Interest Bearing Liability Costs Expensed</b>		<b>21</b>	<b>57</b>
<b>(ii) Other Borrowing Costs</b>			
Nil			
<b><u>TOTAL BORROWING COSTS EXPENSED</u></b>		<b><u>21</u></b>	<b><u>57</u></b>

# Bogan Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2012

### Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2012	Actual 2011
<b>(c) Materials &amp; Contracts</b>			
Raw Materials & Consumables		1,257	1,033
Contractor & Consultancy Costs		1,578	1,685
Auditors Remuneration <sup>(1)</sup>		30	41
Legal Expenses:			
- Legal Expenses: Other		4	49
- Legal Expenses: Debt Recovery		14	6
<b>Total Materials &amp; Contracts</b>		<b>2,883</b>	<b>2,814</b>
less: Capitalised Costs		-	-
<b>TOTAL MATERIALS &amp; CONTRACTS</b>		<b>2,883</b>	<b>2,814</b>

#### 1. Auditor Remuneration

During the year, the following fees were incurred for services provided by the Council's Auditor (& the Auditors of other Consolidated Entities):

##### (i) Audit and Other Assurance Services

- Audit & review of financial statements: Council's Auditor
- Other audit & assurance services

##### Total Auditor Remuneration

30	28
-	13
<b>30</b>	<b>41</b>

\$ '000	Notes	Impairment Costs		Depreciation/Amortisation	
		Actual 2012	Actual 2011	Actual 2012	Actual 2011
(d) Depreciation, Amortisation & Impairment					
Plant and Equipment		-	-	466	388
Office Equipment		-	-	68	65
Furniture & Fittings		-	-	4	7
Buildings - Non Specialised		-	-	130	127
Buildings - Specialised		-	-	46	46
Other Structures		-	-	53	83
Infrastructure:					
- Roads, Bridges & Footpaths		-	-	2,099	1,962
- Stormwater Drainage		-	-	29	29
- Water Supply Network		-	-	370	360
- Sewerage Network		-	-	121	114
Other Assets					
- Library Books		-	-	-	1
- Other		-	-	-	1
<b>Total Depreciation &amp; Impairment Costs</b>		<b>-</b>	<b>-</b>	<b>3,386</b>	<b>3,183</b>
less: Capitalised Costs		-	-	-	-
less: Impairments (to)/from ARR [Equity]	9a	-	-	-	-
<b>TOTAL DEPRECIATION &amp; IMPAIRMENT COSTS EXPENSED</b>		<b>-</b>	<b>-</b>	<b>3,386</b>	<b>3,183</b>

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

#### Note 4. Expenses from Continuing Operations (continued)

\$ '000	Notes	Actual 2012	Actual 2011
<b>(e) Other Expenses</b>			
Other Expenses for the year include the following:			
Advertising		13	48
Bad & Doubtful Debts		19	18
Bank Charges		15	13
Cleaning		39	40
Computer Software Charges		79	138
Contributions/Levies to Other Levels of Government		131	98
Councillor Expenses - Mayoral Fee		16	15
Councillor Expenses - Councillors' Fees		67	65
Councillors' Expenses (incl. Mayor) - Other (excluding fees above)		18	43
Donations, Contributions & Assistance to other organisations (Section 356)		39	50
Electricity & Heating		205	69
Insurance		372	401
Postage		9	7
Printing & Stationery		42	47
Street Lighting		62	66
Subscriptions & Publications		28	50
Telephone & Communications		65	66
Valuation Fees		31	14
Other		41	82
<b>Total Other Expenses</b>		<b>1,291</b>	<b>1,330</b>
less: Capitalised Costs		-	-
<b><u>TOTAL OTHER EXPENSES</u></b>		<b><u>1,291</u></b>	<b><u>1,330</u></b>

#### Note 5. Gains or Losses from the Disposal of Assets

<b>Plant &amp; Equipment</b>			
Proceeds from Disposal - Plant & Equipment		231	344
less: Carrying Amount of P&E Assets Sold / Written Off		(214)	(162)
<b>Net Gain/(Loss) on Disposal</b>		<b>17</b>	<b>182</b>
<b>Financial Assets*</b>			
Proceeds from Disposal / Redemptions / Maturities - Financial Assets		1,320	5,300
less: Carrying Amount of Financial Assets Sold / Redeemed / Matured		(1,320)	(5,300)
<b>Net Gain/(Loss) on Disposal</b>		<b>-</b>	<b>-</b>
<b><u>NET GAIN/(LOSS) ON DISPOSAL OF ASSETS</u></b>		<b><u>17</u></b>	<b><u>182</u></b>

## Bogan Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2012

## Note 6a. - Cash Assets and Note 6b. - Investment Securities

\$ '000	Notes	2012 Actual Current	2012 Actual Non Current	2011 Actual Current	2011 Actual Non Current
<b>Cash &amp; Cash Equivalents (Note 6a)</b>					
Cash on Hand and at Bank		6	-	140	-
Cash-Equivalent Assets <sup>1</sup>					
- Deposits at Call		2,186	-	812	-
- Short Term Deposits		2,000	-	2,620	-
<b>Total Cash &amp; Cash Equivalents</b>		<b>4,192</b>	<b>-</b>	<b>3,572</b>	<b>-</b>
<b>Investment Securities (Note 6b)</b>					
- Long Term Deposits		1,800	-	1,320	-
<b>Total Investment Securities</b>		<b>1,800</b>	<b>-</b>	<b>1,320</b>	<b>-</b>
<b>TOTAL CASH ASSETS, CASH EQUIVALENTS &amp; INVESTMENTS</b>		<b>5,992</b>	<b>-</b>	<b>4,892</b>	<b>-</b>

<sup>1</sup> Those Investments where time to maturity (from date of purchase) is < 3 mths.

**Cash, Cash Equivalents & Investments were  
classified at year end in accordance with  
AASB 139 as follows:**

**Cash & Cash Equivalents**

a. "At Fair Value through the Profit &amp; Loss"

<b>4,192</b>	<b>-</b>	<b>3,572</b>	<b>-</b>
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**Investments**

a. "Held to Maturity"

6(b-ii)

Investments

1,800	-	1,320	-
<b>1,800</b>	<b>-</b>	<b>1,320</b>	<b>-</b>

**Note 6(b-i)****Reconciliation of Investments  
classified as "Held to Maturity"**

Balance at the Beginning of the Year	1,320	-	3,320	-
Additions	1,800	-	3,300	-
Disposals (sales & redemptions)	(1,320)	-	(5,300)	-
<b>Balance at End of Year</b>	<b>1,800</b>	<b>-</b>	<b>1,320</b>	<b>-</b>

**Comprising:**

- Long Term Deposits	1,800	-	1,320	-
<b>Total</b>	<b>1,800</b>	<b>-</b>	<b>1,320</b>	<b>-</b>

## Bogan Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2012

## Note 6c. Restricted Cash, Cash Equivalents &amp; Investments - Details

\$ '000	2012 Actual Current	2012 Actual Non Current	2011 Actual Current	2011 Actual Non Current
<b>Total Cash, Cash Equivalents and Investment Securities</b>	<b>5,992</b>	<b>-</b>	<b>4,892</b>	<b>-</b>
<b>attributable to:</b>				
External Restrictions (refer below)	2,305	-	2,394	-
Internal Restrictions (refer below)	2,251	-	1,768	-
Unrestricted	1,436	-	730	-
	<b>5,992</b>	<b>-</b>	<b>4,892</b>	<b>-</b>

2012 \$ '000	Opening Balance	Transfers to Restrictions	Transfers from Restrictions	Closing Balance
<b>Details of Restrictions</b>				
<b>External Restrictions - Included in Liabilities</b>				
Specific Purpose Unexpended Loans-General (A)	69	-	-	69
<b>External Restrictions - Included in Liabilities</b>	<b>69</b>	<b>-</b>	<b>-</b>	<b>69</b>
<b>External Restrictions - Other</b>				
Specific Purpose Unexpended Grants (F)	612	-	(390)	222
Water Supplies (G)	446	101	-	547
Sewerage Services (G)	1,267	200	-	1,467
<b>External Restrictions - Other</b>	<b>2,325</b>	<b>301</b>	<b>(390)</b>	<b>2,236</b>
<b>Total External Restrictions</b>	<b>2,394</b>	<b>301</b>	<b>(390)</b>	<b>2,305</b>
<b>Internal Restrictions</b>				
Plant & Vehicle Replacement	455	-	(255)	200
Employees Leave Entitlement	291	-	-	291
Carry Over Works	760	1,562	(720)	1,602
Bush Mobile Service	108	-	(60)	48
Roads & Ancillary Services	26	-	-	26
Strategic Planning	18	-	-	18
Town Planning	11	-	-	11
Village Amenities	68	4	(17)	55
Other	31	-	(31)	-
<b>Total Internal Restrictions</b>	<b>1,768</b>	<b>1,566</b>	<b>(1,083)</b>	<b>2,251</b>
<b>TOTAL RESTRICTIONS</b>	<b>4,162</b>	<b>1,867</b>	<b>(1,473)</b>	<b>4,556</b>

A Loan moneys which must be applied for the purposes for which the loans were raised.

F Grants which are not yet expended for the purposes for which the grants were obtained. (refer Note 1)

G Water, Sewerage, Domestic Waste Management (DWM) &amp; other Special Rates/Levies/Charges are externally restricted assets and must be applied for the purposes for which they were raised.



## Bogan Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2012

## Note 7. Receivables

\$ '000	Notes	2012		2011	
		Current	Non Current	Current	Non Current
<b>Purpose</b>					
Rates & Annual Charges		258	288	200	265
Interest & Extra Charges		51	76	67	74
User Charges & Fees		508	80	414	133
Private Works		24	-	18	-
Contributions to Works		462	-	543	-
Capital Debtors (being sale of assets)					
- Other Asset Sales		-	-	227	-
Accrued Revenues					
- Interest on Investments		48	-	26	-
Government Grants & Subsidies		548	-	468	-
Deferred Debtors		40	-	272	22
Other Debtors		20	-	13	-
<b>Total</b>		<b>1,959</b>	<b>444</b>	<b>2,248</b>	<b>494</b>
<b>less: Provision for Impairment</b>					
Rates & Annual Charges		(7)	(66)	(6)	(57)
Interest & Extra Charges		(8)	(47)	(8)	(40)
User Charges & Fees		(2)	(11)	(2)	(9)
<b>Total Provision for Impairment - Receivables</b>		<b>(17)</b>	<b>(124)</b>	<b>(16)</b>	<b>(106)</b>
<b><u>TOTAL NET RECEIVABLES</u></b>		<b><u>1,942</u></b>	<b><u>320</u></b>	<b><u>2,232</u></b>	<b><u>388</u></b>
<b>Externally Restricted Receivables</b>					
<b>Water Supply</b>					
- Rates & Availability Charges		311	43	150	40
- Other		96	-	254	-
<b>Sewerage Services</b>					
- Rates & Availability Charges		41	26	28	19
- Other		34	-	44	-
<b>Domestic Waste Management</b>		<b>98</b>	<b>-</b>	<b>89</b>	<b>-</b>
<b>Total External Restrictions</b>		<b>580</b>	<b>69</b>	<b>565</b>	<b>59</b>
<b>Internally Restricted Receivables</b>					
Nil					
<b>Unrestricted Receivables</b>		<b>1,362</b>	<b>251</b>	<b>1,667</b>	<b>329</b>
<b>TOTAL NET RECEIVABLES</b>		<b>1,942</b>	<b>320</b>	<b>2,232</b>	<b>388</b>

## Notes on Debtors above:

- (i) Rates & Annual Charges Outstanding are secured against the property.
- (ii) Doubtful Rates Debtors are provided for where the value of the property is less than the debt outstanding.  
An allowance for other doubtful debts is made when there is objective evidence that a receivable is impaired.
- (iii) Interest was charged on overdue rates & charges at 11.00% (2011 9.00%).  
Generally all other receivables are non interest bearing.
- (iv) Please refer to Note 15 for issues concerning Credit Risk and Fair Value disclosures.

## Bogan Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2012

#### Note 8. Inventories & Other Assets

\$ '000	Notes	2012		2011	
		Current	Non Current	Current	Non Current
<b>Inventories</b>					
Stores & Materials		254	-	260	-
<b>Total Inventories</b>		<b>254</b>	<b>-</b>	<b>260</b>	<b>-</b>
<b>Other Assets</b>					
Prepayments		192	-	194	-
<b>Total Other Assets</b>		<b>192</b>	<b>-</b>	<b>194</b>	<b>-</b>
<b><u>TOTAL INVENTORIES / OTHER ASSETS</u></b>		<b><u>446</u></b>	<b><u>-</u></b>	<b><u>454</u></b>	<b><u>-</u></b>

#### Externally Restricted Assets

There are no restrictions applicable to the above assets.

## Bogan Shire Council

Notes to the Financial Statements  
for the financial year ended 30 June 2012

## Note 9a. Infrastructure, Property, Plant &amp; Equipment

\$ '000	as at 30/6/2011						Asset Movements during the Reporting Period						as at 30/6/2012			
	At Cost	At Fair Value	Accumulated Dep'n	Impairment	Carrying Value	Asset Additions	WDV of Asset Disposals	Depreciation Expense	Adjustments & Transfers	Revaluation Decrements to Equity (ARR)	Revaluation Increments to Equity (ARR)	At Cost	At Fair Value	Accumulated Dep'n	Impairment	Carrying Value
Plant & Equipment	-	7,506	3,847	-	3,659	1,016	(214)	(466)	52	-	-	-	7,894	3,847	-	4,047
Office Equipment	-	441	261	-	180	5	-	(68)	-	-	-	-	446	329	-	117
Furniture & Fittings	-	130	117	-	13	8	-	(4)	-	-	-	-	139	122	-	17
Land:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Operational Land	-	172	-	-	172	-	-	-	-	-	-	-	172	-	-	172
- Community Land	-	2,504	-	-	2,504	-	-	-	(52)	-	-	-	2,452	-	-	2,452
Buildings - Non Specialised	-	15,636	2,656	-	12,980	56	-	(130)	-	-	-	-	15,693	2,787	-	12,906
Buildings - Specialised	-	2,234	780	-	1,454	547	-	(46)	-	-	-	-	2,780	825	-	1,955
Other Structures	-	10,723	3,279	-	7,444	135	-	(53)	(5,408)	-	-	-	2,870	752	-	2,118
Infrastructure:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Roads, Bridges, Footpaths	-	140,320	110,628	-	29,692	2,211	-	(2,099)	5,460	-	-	-	66,880	31,616	-	35,264
- Bulk Earthworks (non-depreciable)	-	137,149	-	-	137,149	-	-	-	-	-	-	-	137,149	-	-	137,149
- Stormwater Drainage	-	44,859	38,301	-	6,558	-	-	(29)	-	-	-	-	7,237	708	-	6,529
- Water Supply Network	-	26,204	15,822	-	10,382	29	-	(370)	-	-	3,680	-	30,221	16,500	-	13,721
- Sewerage Network	-	10,542	3,277	-	7,265	20	-	(121)	(52)	(221)	-	-	11,076	4,185	-	6,891
Other Assets:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Library Books	-	16	15	-	1	-	-	-	-	-	-	-	16	15	-	1
- Other	-	154	154	-	-	-	-	-	-	-	-	-	154	154	-	-
<b>TOTAL INFRASTRUCTURE, PROPERTY, PLANT &amp; EQUIP.</b>	-	<b>398,590</b>	<b>179,137</b>	-	<b>219,453</b>	<b>4,027</b>	<b>(214)</b>	<b>(3,386)</b>	-	<b>(221)</b>	<b>3,680</b>	-	<b>285,179</b>	<b>61,840</b>	-	<b>223,339</b>

Additions to Depreciable Land Improvements, Buildings, Other Structures & Infrastructure Assets are made up of Asset Renewals (\$2,168) and New Assets (\$1,859). Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

## Bogan Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2012

#### Note 9b. Externally Restricted Infrastructure, Property, Plant & Equipment

\$ '000 Class of Asset	Actual 2012				Actual 2011			
	At Cost	At Fair Value	A/Dep & Impairm't	Carrying Value	At Cost	At Fair Value	A/Dep & Impairm't	Carrying Value
<b>Water Supply</b>								
Office Equipment	-	-	-	-	-	81	19	62
Infrastructure	-	30,222	16,500	13,722	-	26,123	15,804	10,319
<b>Total Water Supply</b>	-	30,222	16,500	13,722	-	26,204	15,823	10,381
<b>Sewerage Services</b>								
Plant & Equipment	-	72	20	52	-	72	13	59
Infrastructure	-	11,075	4,185	6,890	-	10,028	3,100	6,928
<b>Total Sewerage Services</b>	-	11,147	4,205	6,942	-	10,542	3,277	7,265
<b>Domestic Waste Management</b>								
Plant & Equipment	-	491	161	330	-	386	138	248
Buildings	-	-	-	-	-	27	5	22
Other Assets	-	-	-	-	-	40	10	30
<b>Total DWM</b>	-	491	161	330	-	453	153	300
<b>TOTAL RESTRICTED I,PP&amp;E</b>	-	41,860	20,866	20,994	-	37,199	19,253	17,946

#### Note 9c. Infrastructure, Property, Plant & Equipment - Current Year Impairments

Council has recognised no impairment losses during the reporting period nor reversed any prior period losses.

## Bogan Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2012

## Note 10a. Payables, Borrowings &amp; Provisions

\$ '000	Notes	2012		2011	
		Current	Non Current	Current	Non Current
Payables					
Goods & Services - operating expenditure		495	-	447	-
Goods & Services - capital expenditure		-	-	361	-
Payments Received In Advance		44	-	34	-
Accrued Expenses:					
- Borrowings		2	-	4	-
- Salaries & Wages		-	-	59	-
ATO - Net GST Payable		36	-	62	-
Other		3	-	8	-
Total Payables		580	-	975	-
Borrowings					
Loans - Secured <sup>1</sup>		24	3	377	4
Total Borrowings		24	3	377	4
Provisions					
Employee Benefits;					
Annual Leave		380	-	321	-
Long Service Leave		445	188	436	42
Sub Total - Aggregate Employee Benefits		825	188	757	42
Total Provisions		825	188	757	42
Total Payables, Borrowings & Provisions		1,429	191	2,109	46

## (i) Liabilities relating to Restricted Assets

	2012		2011	
	Current	Non Current	Current	Non Current
<b>Externally Restricted Assets</b>				
Water	9	-	44	-
Sewer	-	-	1	-
Liabilities relating to externally restricted assets	9	-	45	-
<b>Internally Restricted Assets</b>				
Nil				
<b>Total Liabilities relating to restricted assets</b>	<b>9</b>	<b>-</b>	<b>45</b>	<b>-</b>

<sup>1.</sup> Loans are secured over the General Rating Income of Council

Disclosures on Liability Interest Rate Risk Exposures, Fair Value Disclosures & Security can be found in Note 15.

## Bogan Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2012

#### Note 10a. Payables, Borrowings & Provisions (continued)

\$ '000	2012	2011
(ii) Current Liabilities not anticipated to be settled within the next 12 months		
The following Liabilities, even though classified as current, are not expected to be settled in the next 12 months.		
Provisions - Employees Benefits	610	370
	<b>610</b>	<b>370</b>

#### Note 10b. Description of and movements in Provisions

Class of Provision	2011	2012				
	Opening Balance as at 1/7/11	Additional Provisions	Decrease due to Payments	Remeasurement effects due to Discounting	Unused amounts reversed	Closing Balance as at 30/6/12
Annual Leave	321	236	(177)	-	-	380
Long Service Leave	478	204	(49)	-	-	633
<b>TOTAL</b>	<b>799</b>	<b>440</b>	<b>(226)</b>	<b>-</b>	<b>-</b>	<b>1,013</b>

a. Employees Leave Entitlements & On-Costs represents those benefits accrued and payable and an estimate of those that will become payable in the future as a result of past service.

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

#### Note 11. Statement of Cash Flows - Additional Information

\$ '000	Notes	Actual 2012	Actual 2011
<b>(a) Reconciliation of Cash Assets</b>			
Total Cash & Cash Equivalent Assets	6a	4,192	3,572
Less Bank Overdraft	10	-	-
<b>BALANCE as per the STATEMENT of CASH FLOWS</b>		<b>4,192</b>	<b>3,572</b>

#### (b) Reconciliation of Net Operating Result to Cash provided from Operating Activities

<b>Net Operating Result from Income Statement</b>		<b>1,702</b>	<b>2,791</b>
Adjust for non cash items:			
Depreciation & Amortisation		3,386	3,183
Net Losses/(Gains) on Disposal of Assets		(17)	(182)
Amortisation of Premiums, Discounts & Prior Period Fair Valuations			
- Interest on all fair value adjusted Interest Free Advances made by Council		(15)	(29)
Share of Net (Profits) or Losses of Associates/Joint Ventures		(6)	12
<b>+/- Movement in Operating Assets and Liabilities &amp; Other Cash Items:</b>			
Decrease/(Increase) in Receivables		(142)	(786)
Increase/(Decrease) in Provision for Doubtful Debts		19	19
Decrease/(Increase) in Inventories		6	26
Decrease/(Increase) in Other Assets		2	9
Increase/(Decrease) in Payables		48	(4)
Increase/(Decrease) in accrued Interest Payable		(2)	(2)
Increase/(Decrease) in other accrued Expenses Payable		(59)	23
Increase/(Decrease) in Other Liabilities		(21)	61
Increase/(Decrease) in Employee Leave Entitlements		214	(121)
<b>NET CASH PROVIDED FROM/(USED IN)</b>			
<b>OPERATING ACTIVITIES from the STATEMENT of CASH FLOWS</b>		<b>5,115</b>	<b>5,000</b>

#### (c) Non-Cash Investing & Financing Activities

Nil

#### (d) Financing Arrangements

##### (i) Unrestricted access was available at balance date to the following lines of credit:

Bank Overdraft Facilities <sup>(1)</sup>	200	200
Credit Cards / Purchase Cards	10	10
<b>Total Financing Arrangements</b>	<b>210</b>	<b>210</b>

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

Interest rates on overdrafts are Interest Rates on Loans & Other Payables are disclosed in Note 15.



## Bogan Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2012

#### Note 12. Commitments for Expenditure

\$ '000	Notes	Actual 2012	Actual 2011
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##### (a) Capital Commitments (exclusive of GST)

Nil

##### (b) Finance Lease Commitments

Nil

##### (c) Operating Lease Commitments (Non Cancellable)

Nil

##### (d) Investment Property Commitments

Nil

##### (e) Investment in Associates / Joint Ventures - Commitments

For Capital Commitments and Other Commitments relating to Investments in Associates & Joint Ventures, refer to Note 19 (b)

## Bogan Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2012

## Note 13a(i). Statement of Performance Measurement - Indicators (Consolidated)

\$ '000	Amounts 2012	Indicator 2012	Prior Periods 20112010	
Local Government Industry Indicators				
1. Unrestricted Current Ratio				
Current Assets less all External Restrictions <sup>(1)</sup>	5,495	6.78 : 1	2.73	3.35
Current Liabilities less Specific Purpose Liabilities <sup>(2,3)</sup>	810			
2. Debt Service Ratio				
Debt Service Cost	375	3.71%	5.82%	7.16%
Income from Continuing Operations excluding Capital Items & Specific Purpose Grants/Contributions	10,103			
3. Rates & Annual Charges Coverage Ratio				
Rates & Annual Charges	3,561	26.01%	23.39%	29.14%
Income from Continuing Operations	13,690			
4. Rates, Annual Charges, Interest & Extra Charges Outstanding Percentage				
Rates, Annual & Extra Charges Outstanding	545	13.21%	13.18%	11.69%
Rates, Annual & Extra Charges Collectible	4,126			
5. Building & Infrastructure Renewals Ratio				
Asset Renewals <sup>(4)</sup>	1,859	66.51%	41.70%	40.19%
Depreciation, Amortisation & Impairment	2,795			

## Notes

<sup>(1)</sup> Refer Notes 6-8 inclusive.

Also excludes any Real Estate &amp; Land for resale not expected to be sold in the next 12 months

<sup>(2)</sup> Refer to Note 10(a).<sup>(3)</sup> Refer to Note 10(a)(ii) - excludes all payables & provisions not expected to be paid in the next 12 months (incl. ELE).<sup>(4)</sup> Asset Renewals represent the replacement &/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.

Asset Renewals include building and infrastructure assets only.

# Bogan Shire Council

## Notes to the Financial Statements for the financial year ended 30 June 2012

### Note 13a(ii). Statement of Performance Measurement - Graphs (Consolidated)

<div><div>1. Unrestricted Current Ratio</div><div><table><tr><th>Year</th><th>Ratio : 1</th></tr><tr><td>2009</td><td>3.41</td></tr><tr><td>2010</td><td>3.35</td></tr><tr><td>2011</td><td>2.73</td></tr><tr><td>2012</td><td>6.78</td></tr></table></div></div>	Year	Ratio : 1	2009	3.41	2010	3.35	2011	2.73	2012	6.78	<div><div>Purpose of Unrestricted Current Ratio</div><div>To assess the adequacy of working capital and its ability to satisfy obligations in the short term for the unrestricted activities of Council.</div></div>	<div><div>Commentary on 2011/12 Result</div><div>2011/12 Ratio6.78 : 1</div></div>
Year	Ratio : 1											
2009	3.41											
2010	3.35											
2011	2.73											
2012	6.78											
<div><div>2. Debt Service Ratio</div><div><table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2009</td><td>7.52%</td></tr><tr><td>2010</td><td>7.16%</td></tr><tr><td>2011</td><td>5.82%</td></tr><tr><td>2012</td><td>3.71%</td></tr></table></div></div>	Year	Ratio %	2009	7.52%	2010	7.16%	2011	5.82%	2012	3.71%	<div><div>Purpose of Debt Service Ratio</div><div>To assess the impact of loan principal &amp; interest repayments on the discretionary revenue of council.</div></div>	<div><div>Commentary on 2011/12 Result</div><div>2011/12 Ratio3.71%</div></div>
Year	Ratio %											
2009	7.52%											
2010	7.16%											
2011	5.82%											
2012	3.71%											
<div><div>3. Rates &amp; Annual Charges Coverage Ratio</div><div><table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2009</td><td>29.69%</td></tr><tr><td>2010</td><td>29.14%</td></tr><tr><td>2011</td><td>23.39%</td></tr><tr><td>2012</td><td>26.01%</td></tr></table></div></div>	Year	Ratio %	2009	29.69%	2010	29.14%	2011	23.39%	2012	26.01%	<div><div>Purpose of Rates &amp; Annual Charges Coverage Ratio</div><div>To assess the degree of Council's dependence upon revenue from rates and annual charges and to assess the security of Council's income.</div></div>	<div><div>Commentary on 2011/12 Result</div><div>2011/12 Ratio26.01%</div></div>
Year	Ratio %											
2009	29.69%											
2010	29.14%											
2011	23.39%											
2012	26.01%											
<div><div>4. Rates, Annual Charges, Interest &amp; Extra Charges Outstanding Percentage</div><div><table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2009</td><td>11.30%</td></tr><tr><td>2010</td><td>11.69%</td></tr><tr><td>2011</td><td>13.18%</td></tr><tr><td>2012</td><td>13.21%</td></tr></table></div></div>	Year	Ratio %	2009	11.30%	2010	11.69%	2011	13.18%	2012	13.21%	<div><div>Purpose of Rates &amp; Annual Charges Outstanding Ratio</div><div>To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.</div></div>	<div><div>Commentary on 2011/12 Result</div><div>2011/12 Ratio13.21%</div></div>
Year	Ratio %											
2009	11.30%											
2010	11.69%											
2011	13.18%											
2012	13.21%											
<div><div>5. Building &amp; Infrastructure Renewals Ratio</div><div><table><tr><th>Year</th><th>Ratio %</th></tr><tr><td>2009</td><td>31.52%</td></tr><tr><td>2010</td><td>40.19%</td></tr><tr><td>2011</td><td>41.70%</td></tr><tr><td>2012</td><td>66.51%</td></tr></table></div></div>	Year	Ratio %	2009	31.52%	2010	40.19%	2011	41.70%	2012	66.51%	<div><div>Purpose of Asset Renewals Ratio</div><div>To assess the rate at which these assets are being renewed relative to the rate at which they are depreciating.</div></div>	<div><div>Commentary on Result</div><div>2011/12 Ratio66.51%</div></div>
Year	Ratio %											
2009	31.52%											
2010	40.19%											
2011	41.70%											
2012	66.51%											

# Bogan Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2012

### Note 13b. Statement of Performance Measurement - Indicators (by Fund)

\$ '000	Water 2012	Sewer 2012	General <sup>1</sup> 2012
<b>Local Government Industry Indicators</b>			
<b>1. Unrestricted Current Ratio</b>			
Current Assets less all External Restrictions <sup>(1)</sup>	<b>106.00 :</b>	No	<b>6.78 : 1</b>
Current Liabilities less Specific Purpose Liabilities <sup>(2,3)</sup>	<b>1</b>	Liabilities	
prior period:	255.25 : 1	8604.20 : 1	2.73 : 1
<b>2. Debt Service Ratio</b>			
Debt Service Cost	<b>0.00%</b>	<b>0.00%</b>	<b>4.35%</b>
Income from Continuing Operations excluding Capital Items & Specific Purpose Grants/Contributions	prior period: 0.00%	3.83%	6.62%
<b>3. Rates &amp; Annual Charges Coverage Ratio</b>			
Rates & Annual Charges	<b>40.09%</b>	<b>63.67%</b>	<b>23.21%</b>
Income from Continuing Operations	prior period: 38.01%	59.39%	20.86%
<b>4. Rates, Annual Charges, Interest &amp; Extra Charges Outstanding Percentage</b>			
Rates, Annual & Extra Charges Outstanding	<b>80.64%</b>	<b>21.14%</b>	<b>3.68%</b>
Rates, Annual & Extra Charges Collectible	prior period: 55.23%	14.92%	8.33%
<b>5. Building &amp; Infrastructure Renewals Ratio</b>			
Asset Renewals (Building & Infrastructure assets)	<b>0.00%</b>	<b>0.00%</b>	<b>80.69%</b>
Depreciation, Amortisation & Impairment	prior period: 0.00%	0.00%	15.71%

#### Notes

<sup>(1)</sup> General Fund refers to all of Council's activities except for its Water & Sewer activities which are listed separately.

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

#### Note 14. Investment Properties

\$ '000

Council has not classified any Land or Buildings as "Investment Properties"

#### Note 15. Financial Risk Management

##### 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 & Financial Liabilities recognised in the financial statements is presented below.

	Carrying Value		Fair Value	
	2012	2011	2012	2011
<b>Financial Assets</b>				
Cash and Cash Equivalents	4,192	3,572	4,192	3,572
Investments				
- "Held to Maturity"	1,800	1,320	1,800	1,320
Receivables	2,262	2,620	2,251	2,606
<b>Total Financial Assets</b>	<b>8,254</b>	<b>7,512</b>	<b>8,243</b>	<b>7,498</b>
<b>Financial Liabilities</b>				
Payables	536	941	230	928
Loans / Advances	27	381	27	381
<b>Total Financial Liabilities</b>	<b>563</b>	<b>1,322</b>	<b>257</b>	<b>1,309</b>

Fair Value is determined as follows:

- **Cash & Cash Equivalents, Receivables, Payables** - are estimated to be the carrying value which approximates mkt value.
- **Borrowings & Held to Maturity Investments** - are based upon estimated future cash flows discounted by the current market interest rates applicable to assets & liabilities with similar risk profiles, unless quoted market prices are available.
- Financial Assets classified (i) **"at fair value through profit & 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.

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

#### Note 15. Financial Risk Management (continued)

\$ '000

##### (a) Cash & Cash Equivalents, Financial assets 'at fair value through the profit & Loss', "Available-for-sale" financial assets & "Held-to-maturity" Investments

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

Council's Finance area manages the Cash & Investments portfolio with the assistance of independent advisors.

Council has an Investment Policy which complies with the Local Government Act & Minister's Investment Order. This Policy is regularly reviewed by Council and its staff and an Investment Report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance.

The major risk associated with Investments is price risk - the risk that the capital value of Investments may fluctuate due to changes in market prices, whether these 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.

Cash & Investments are also subject to interest rate risk - the risk that movements in interest rates could affect returns and income.

A further risk associated with Cash & Investments is 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.

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
<b>2012</b>				
Possible impact of a 10% movement in Market Values	50	50	(50)	(50)
Possible impact of a 1% movement in Interest Rates	-	-	-	-
<b>2011</b>				
Possible impact of a 10% movement in Market Values	-	-	-	-
Possible impact of a 1% movement in Interest Rates	50	50	(50)	(50)

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

#### Note 15. Financial Risk Management (continued)

\$ '000

##### (b) Receivables

Council's major receivables comprise (i) Rates & Annual charges and (ii) User Charges & 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 & 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.

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:

	2012	2012	2011	2011
	Rates & Annual Charges	Other Receivables	Rates & Annual Charges	Other Receivables
<b>(i) Ageing of Receivables</b>				
Current (not yet overdue)	207	1,502	175	1,812
Past due by up to 30 days	49	46	41	60
Past due between 31 and 180 days	55	117	49	154
Past due between 181 and 365 days	60	174	52	228
Past due by more than 1 year	175	18	148	23
	<b>546</b>	<b>1,857</b>	<b>465</b>	<b>2,277</b>
<b>(ii) Movement in Provision for Impairment of Receivables</b>			2012	2011
Balance at the beginning of the year			122	103
+ new provisions recognised during the year			19	19
<b>Balance at the end of the year</b>			<b>141</b>	<b>122</b>

# Bogan Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2012

### Note 15. Financial Risk Management (continued)

\$ '000

#### (c) Payables & Borrowings

Payables & 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 & overdraft facilities utilised as required.

The contractual undiscounted cash outflows (ie. principal and interest) of Council's Payables & Borrowings are set out in the Liquidity Table below:

\$ '000	Subject to no maturity	payable in:						Total Cash Outflows	Actual Carrying Values
		≤ 1 Year	1-2 Yrs	2-3 Yrs	3-4 Yrs	4-5 Yrs	> 5 Yrs		
2012									
Trade/Other Payables	-	436	-	-	-	-	-	436	536
Loans & Advances	-	25	1	2	-	-	-	28	27
Total Financial Liabilities	-	461	1	2	-	-	-	464	563
2011									
Trade/Other Payables	-	975	-	-	-	-	-	975	941
Loans & Advances	-	379	28	1	-	-	-	408	381
Total Financial Liabilities	-	1,354	28	1	-	-	-	1,383	1,322

Borrowings are also subject to interest rate risk - the risk that movements in interest rates could adversely affect funding costs & debt servicing requirements. Council manages this risk through the diversification of borrowing types, maturities & interest rate structures.

The following interest rates were applicable to Council's Borrowings at balance date:

	2012		2011	
	Carrying Value	Average Interest Rate	Carrying Value	Average Interest Rate
Trade/Other Payables	536	0.0%	941	0.0%
Loans & Advances - Fixed Interest Rate	27	7.4%	381	7.4%
	<b>563</b>		<b>1,322</b>	



## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

### Note 16. Material Budget Variations

\$ '000

Council's Original Financial Budget for 11/12 was adopted by the Council on 24 June 2011.

While the Income Statement included in this General Purpose Financial Report must disclose the Original Budget adopted by Council, the Local Government Act 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	2012 Budget	2012 Actual	2012 Variance* -----		
<b>REVENUES</b>					
<b>Rates &amp; Annual Charges</b>	<b>3,410</b>	<b>3,561</b>	<b>151</b>	4%	<b>F</b>
<b>User Charges &amp; Fees</b>	<b>999</b>	<b>2,317</b>	<b>1,318</b>	132%	<b>F</b>
In early 2011/12 Council was awarded additional work relating to maintenance & improvement to State Highways under the RMS Contract as well as being required during the year to do additional work as ordered, generating additional income of approx. \$1.2m.					
<b>Interest &amp; Investment Revenue</b>	<b>360</b>	<b>331</b>	<b>(29)</b>	(8%)	<b>U</b>
<b>Other Revenues</b>	<b>126</b>	<b>259</b>	<b>133</b>	106%	<b>F</b>
Additional Rental Income \$78k, Profit on Sale of Plant \$18k and Sale of Old Materials \$37k.					
<b>Operating Grants &amp; Contributions</b>	<b>5,391</b>	<b>6,272</b>	<b>881</b>	16%	<b>F</b>
Prepayment of 2 Instalments 2012-13 Financial Assistance Grant \$150k Additional Regional Roads Redpair Program					
<b>Capital Grants &amp; Contributions</b>	<b>-</b>	<b>927</b>	<b>927</b>	0%	<b>F</b>
<b>Net Gains from Disposal of Assets</b>	<b>-</b>	<b>17</b>	<b>17</b>	0%	<b>F</b>
<b>Share of Net Profits - Joint Ventures &amp; Associates</b>	<b>-</b>	<b>6</b>	<b>6</b>	0%	<b>F</b>

## Bogan Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2012

## Note 16. Material Budget Variations (continued)

\$ '000	2012 Budget	2012 Actual	2012 ----- Variance* -----		
<b>EXPENSES</b>					
<b>Employee Benefits &amp; On-Costs</b>	<b>4,305</b>	<b>4,407</b>	<b>(102)</b>	(2%)	<b>U</b>
<b>Borrowing Costs</b>	<b>144</b>	<b>21</b>	<b>123</b>	85%	<b>F</b>
The 2011/12 Original Budget included new Load Funds of 1.08m which were not raised as the expenditure was funded from General Revenues.					
<b>Materials &amp; Contracts</b>	<b>2,228</b>	<b>2,883</b>	<b>(655)</b>	(29%)	<b>U</b>
Additional work carried out on State Highways as required by RMS.					
<b>Depreciation &amp; Amortisation</b>	<b>2,798</b>	<b>3,386</b>	<b>(588)</b>	(21%)	<b>U</b>
Review of Infrastructure (Roads, etc.) valuations carried out during the year resulting in amended depreciation for these assets.					
<b>Other Expenses</b>	<b>1,319</b>	<b>1,291</b>	<b>28</b>	2%	<b>F</b>

## Budget Variations relating to Council's Cash Flow Statement include:

<b>Cash Flows from Operating Activities</b>	<b>2,640</b>	<b>5,115</b>	<b>2,475</b>	93.8%	<b>F</b>
The available cash estimated as being available at the beginning of the year in the Original Budget was under-estimated as well as additional revenue generated by work carried out for the RMS on State Highways and completion of construction of the Yarrandale Road.					
<b>Cash Flows from Investing Activities</b>	<b>(3,085)</b>	<b>(4,141)</b>	<b>(1,056)</b>	34.2%	<b>U</b>
Increased Capital Expenditure on Roads mainly completion of Yarrandale Road and additional funding for Regional Roads.					
<b>Cash Flows from Financing Activities</b>	<b>596</b>	<b>(354)</b>	<b>(950)</b>	(159.4%)	<b>U</b>
Loan funds provided for in the Original Budget not taken up.					

## Bogan Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2012

#### Note 17. Statement of Developer Contributions

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\$ '000

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Council currently has no S94 Developer Contribution Plans or S94 Funds on hand from prior years.

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

## Note 18. Contingencies & Other Assets/Liabilities Not Recognised

\$ '000

The following assets and liabilities do not qualify for recognition in the Balance Sheet, but their knowledge & 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 it's 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 Councils 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.

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.

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

#### Note 18. Contingencies & Other Assets/Liabilities Not Recognised (continued)

\$ '000

##### LIABILITIES NOT RECOGNISED (continued):

##### 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) S94 Plans

Council levies Section 94/94A Contributions upon various development across the Council area through the required Contributions Plans.

As part of these Plans, Council has received funds for which it will be required to expend the monies in accordance with those Plans.

As well, these Plans indicate proposed future expenditure to be undertaken by Council, which will be funded by making levies and receipting funds in future years or where a shortfall exists by the use of Council's General Funds.

These future expenses do not yet qualify as liabilities as of the Reporting Date, but represent Councils intention to spend funds in the manner and timing set out in those Plans.

###### (iii) 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 (& subsequent land asset) from such potential acquisitions has not been possible.

##### 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 & including 30/6/08.

###### (ii) Infringement Notices/Fines

Fines & Penalty Income, the result of Council issuing Infringement Notices is followed up and collected by the Infringement Processing Bureau.

Councils 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.

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

#### Note 19. Controlled Entities, Associated Entities & Interests in Joint Ventures

\$ '000

Council's objectives can and in some cases are best met through the use of separate entities & operations.

These operations and entities range from 100% ownership and control through to lower levels of ownership and control via co-operative arrangements with other Councils, Bodies and other Outside Organisations.

The accounting and reporting for these various entities, operations and arrangements varies in accordance with accounting standards, depending on the level of Councils (i) interest and (ii) control and the type (form) of entity/operation, as follows;

##### Subsidiaries

**Note 19(a)**

Operational Arrangements where Councils Control (but not necessarily Interest) exceeds 50%

##### Associated Entities & Joint Venture Entities

**Note 19(b) (i)&(ii)**

Arrangements in the form of a Separate Entity that deploys the resources of the operation itself. Under Associated Entities, Council significantly influences the operations (but does not control them, whilst for JV Entities, Council Jointly Controls the Operations with other parties.

##### Joint Venture Operations

**Note 19(c)**

Arrangements that do not comprise an actual individual entity which can deploy the resources of the individual participants. Under JV Operations, Council Jointly Controls the operations with the Other Parties involved.

##### Subsidiaries, Associated Entities and Joint Ventures Not Recognised

**Note 19(d)**

#### Accounting Recognition:

(i) **Subsidiaries disclosed under Note 19(a), and Joint Venture Operations disclosed at Note 19(c), are accounted for on a Line by Line Consolidation basis within the Income Statement and Balance Sheet.**

(ii) **Associated Entities and Joint Venture Entities as per Notes 19(b)(i) & (ii) are accounted for using the Equity Accounting Method - and are disclosed as a 1 line entry in both the Income Statement and Balance Sheet.**

	Council's Share of Net Income		Council's Share of Net Assets	
	Actual 2012	Actual 2011	Actual 2012	Actual 2011
Associated Entities	-	-	-	-
Joint Venture Entities	6	(12)	67	61
<b>Total</b>	<b>6</b>	<b>(12)</b>	<b>67</b>	<b>61</b>

# Bogan Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2012

### Note 19. Controlled Entities, Associated Entities & Interests in Joint Ventures

\$ '000

#### 19(a) Subsidiaries (ie. Entities & Operations controlled by Council)

Council has no interest in any Subsidiaries.

#### 19(b) Associated Entities & Joint Venture Entities

##### (i) ASSOCIATED ENTITIES

Council has no interest in any Associated Entities.

##### (ii) JOINT VENTURE ENTITIES

##### (a) Carrying Amounts

Name of Entity	Principal Activity	2012	2011
North Western Regional Library	Community Library Services	67	61
<b>Total Carrying Amounts - Joint Venture Entities</b>		<b>67</b>	<b>61</b>

##### (b) Relevant Interests

Name of Entity	Interest in Outputs		Interest in Ownership		Proportion of Voting Power	
	2012	2011	2012	2011	2012	2011
North Western Regional Library	25%	25%	25%	25%	25%	25%

##### (c) Movement in Carrying Amounts

	North Western Regional Library	
	2012	2011
Opening Balance	61	73
Share in Operating Result	6	(12)
<b>Council's Equity Share in the Joint Venture Entity</b>	<b>67</b>	<b>61</b>

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

### Note 19. Controlled Entities, Associated Entities & Interests in Joint Ventures

\$ '000

#### 19(b) Associated Entities & Joint Venture Entities (continued)

##### (d) Share of Joint Ventures Assets & Liabilities

	Assets		Liabilities		Net Assets
	Current	Non Current	Current	Non Current	
<b>2012</b>					
North Western Regional Library	13	54	-	-	67
<b>Totals</b>	<b>13</b>	<b>54</b>	<b>-</b>	<b>-</b>	<b>67</b>
<b>2011</b>					
North Western Regional Library	2	59	-	-	61
<b>Totals</b>	<b>2</b>	<b>59</b>	<b>-</b>	<b>-</b>	<b>61</b>

##### (e) Share of Joint Ventures Revenues, Expenses & Results

	2012			2011		
	Revenues	Expenses	Result	Revenues	Expenses	Result
North Western Regional Library	55	49	6	40	52	(12)
<b>Totals</b>	<b>55</b>	<b>49</b>	<b>6</b>	<b>40</b>	<b>52</b>	<b>(12)</b>

##### (f) Contingent Liabilities of Joint Venture Entities

	2012	2011
Share of Contingent Liabilities incurred jointly with other Participants	25%	25%
Share of Contingent Liabilities for which Council is severally liable	25%	25%

No material losses are anticipated in respect of any of the above contingent liabilities

#### 19(c) Joint Venture Operations

Council has no interest in any Joint Venture Operations.

#### 19(d) Subsidiaries, Associated Entities & Joint Venture Operations Not Recognised

The following Subsidiaries, Associated Entities & Joint Ventures have not been recognised in this Financial Report.



## Bogan Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2012

## Note 20. Equity - Retained Earnings and Revaluation Reserves

\$ '000	Notes	Actual 2012	Actual 2011
<b>a. Retained Earnings</b>			
<b>Movements in Retained Earnings were as follows:</b>			
Balance at beginning of Year (from previous years audited accounts)		144,692	143,133
a. Correction of Prior Period Errors	20 (c)	(4,840)	(4,840)
b. Changes in Accounting Policies (prior period effects)	20 (d)	-	-
c. Changes in Accounting Policies	20 (d)	-	(1,232)
d. Other Comprehensive Income (excl. direct to Reserves transactions)		-	-
e. Net Operating Result for the Year		1,702	2,791
f. Distributions to/(Contributions from) Minority Interests		-	-
g. Transfers between Equity		-	-
<b>Balance at End of the Reporting Period</b>		<b>141,554</b>	<b>139,852</b>

**b. Reserves****(i) Reserves are represented by:**

- Infrastructure, Property, Plant & Equipment Revaluation Reserve	88,932	231,519
<b>Total</b>	<b>88,932</b>	<b>231,519</b>

**(ii). Reconciliation of movements in Reserves:****Infrastructure, Property, Plant & Equipment Revaluation Reserve**

- Opening Balance	231,519	226,442
- Revaluations for the year	9(a) 3,459	5,077
- Correction of Prior Period Errors	20(c) (146,046)	-
<b>- Balance at End of Year</b>	<b>88,932</b>	<b>231,519</b>

**TOTAL VALUE OF RESERVES**

<b>88,932</b>	<b>231,519</b>
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**(iii). Nature & Purpose of Reserves****Infrastructure, Property, Plant & Equipment Revaluation Reserve**

- The Infrastructure, Property, Plant & Equipment Revaluation Reserve is used to record increments/decrements of Non Current Asset values due to their revaluation.

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

#### Note 20. Equity - Retained Earnings and Revaluation Reserves (continued)

\$ '000	Notes	Actual 2012	Actual 2011
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##### c. Correction of Error/s relating to a Previous Reporting Period

###### Correction of errors as disclosed in last year's financial statements:

Council revalued the following asset classes for the 11/12 Year End:

Roads, Bridges, Footpaths

Stormwater Drainage

The infrastructure replacement costs adopted in the original Asset Management Plan were based on valuations developed from state wide unit rates adjusted for rural areas such as Nyngan.

The replacement costs in the current plan are based on unit rates that relate specifically to Bogan Shire and are developed from actual costs. Council's estimate is a site specific assessment based on actual Bogan Shire conditions.

Many of the assets such as bridges, culverts, kerb and gutter, footpaths, etc. are similar in both valuations but it is in the area of rural roads where the topography and geology unique to the Shire greatly affect the estimated replacement values.

The current replacement cost for the Levee Bank was amended to correctly record the actual length to be valued. This was the major variation to the revaluation of Stormwater Drainage.

**In accordance with AASB 108 - Accounting Policies, Changes in Accounting Estimates and Errors, the above Prior Period Errors have been recognised retrospectively.**

**These amounted to the following Equity Adjustments:**

- Adjustments to Closing Equity - 30/6/11 (relating to adjustments for the 30/6/11 year end)	(150,886)	-
<b>Total Prior Period Adjustments - Prior Period Errors</b>	<b>(150,886)</b>	<b>-</b>

##### d. Voluntary Changes in Accounting Policies

Change in methodology in valuing community land. Adjustment has been made against the current year balance of retained earnings because it was found to be too impractical to restate the prior year comparatives.

- the amount of the retrospective application that was taken to the prior period opening & closing balances of equity	(1,232)
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**In accordance with AASB 108 - Accounting Policies, Changes in Accounting Estimates and Errors, the above changes in Accounting Policy have been recognised retrospectively.**

**These amounted to the following Equity Adjustments:**

- Adjustments to Closing Equity - 30/6/11 (relating to adjustments for the 30/6/11 year end)	-	(1,232)
<b>Total Prior Period Adjustments - Accounting Policy Changes</b>	<b>-</b>	<b>(1,232)</b>

# Bogan Shire Council

## Notes to the Financial Statements

for the financial year ended 30 June 2012

### Note 21. Financial Result & Financial Position by Fund

Income Statement by Fund \$ '000	Actual 2012	Actual 2012	Actual 2012
	Water	Sewer	General <sup>1</sup>
<b>Continuing Operations</b>			
<b>Income from Continuing Operations</b>			
Rates & Annual Charges	439	312	2,810
User Charges & Fees	523	119	1,675
Interest & Investment Revenue	36	51	244
Other Revenues	-	-	259
Grants & Contributions provided for Operating Purposes	97	8	6,167
Grants & Contributions provided for Capital Purposes	-	-	927
<b>Other Income</b>			
Net Gains from Disposal of Assets	-	-	17
Share of interests in Joint Ventures & Associates using the Equity Method	-	-	6
<b>Total Income from Continuing Operations</b>	<b>1,095</b>	<b>490</b>	<b>12,105</b>
<b>Expenses from Continuing Operations</b>			
Employee Benefits & on-costs	241	53	4,113
Borrowing Costs	-	-	21
Materials & Contracts	621	197	2,065
Depreciation & Amortisation	370	121	2,895
Impairment	-	-	-
Other Expenses	61	11	1,219
Interest & Investment Losses	-	-	-
<b>Total Expenses from Continuing Operations</b>	<b>1,293</b>	<b>382</b>	<b>10,313</b>
<b>Operating Result from Continuing Operations</b>	<b>(198)</b>	<b>108</b>	<b>1,792</b>
<b>Discontinued Operations</b>			
Net Profit/(Loss) from Discontinued Operations	-	-	-
<b>Net Operating Result for the Year</b>	<b>(198)</b>	<b>108</b>	<b>1,792</b>
<b>Net Operating Result attributable to each Council Fund</b>	<b>(198)</b>	<b>108</b>	<b>1,792</b>
<b>Net Operating Result attributable to Minority Interests</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Operating Result for the year before Grants and Contributions provided for Capital Purposes</b>	<b>(198)</b>	<b>108</b>	<b>865</b>

<sup>1</sup> General Fund refers to all Council's activities other than Water & Sewer.

NB. All amounts disclosed above are Gross - that is, they include internal charges & recoveries made between the Funds.

## Bogan Shire Council

## Notes to the Financial Statements

as at 30 June 2012

## Note 21. Financial Result &amp; Financial Position by Fund

Balance Sheet by Fund \$ '000	Actual 2012	Actual 2012	Actual 2012
<b>ASSETS</b>	<b>Water</b>	<b>Sewer</b>	<b>General<sup>1</sup></b>
<b>Current Assets</b>			
Cash & Cash Equivalents	547	1,467	2,178
Investments	-	-	1,800
Receivables	407	41	1,494
Inventories	-	-	254
Other	-	34	158
Non-current assets classified as 'held for sale'	-	-	-
<b>Total Current Assets</b>	<b>954</b>	<b>1,542</b>	<b>5,884</b>
<b>Non-Current Assets</b>			
Investments	-	-	-
Receivables	43	26	251
Inventories	-	-	-
Infrastructure, Property, Plant & Equipment	13,722	6,942	202,675
Investments Accounted for using the equity method	-	-	67
Investment Property	-	-	-
Intangible Assets	-	-	-
Other	-	-	-
<b>Total Non-Current Assets</b>	<b>13,765</b>	<b>6,968</b>	<b>202,993</b>
<b>TOTAL ASSETS</b>	<b>14,719</b>	<b>8,510</b>	<b>208,877</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	9	-	571
Borrowings	-	-	24
Provisions	-	-	825
<b>Total Current Liabilities</b>	<b>9</b>	<b>-</b>	<b>1,420</b>
<b>Non-Current Liabilities</b>			
Payables	-	-	-
Borrowings	-	-	3
Provisions	-	-	188
<b>Total Non-Current Liabilities</b>	<b>-</b>	<b>-</b>	<b>191</b>
<b>TOTAL LIABILITIES</b>	<b>9</b>	<b>-</b>	<b>1,611</b>
<b>Net Assets</b>	<b>14,710</b>	<b>8,510</b>	<b>207,266</b>
<b>EQUITY</b>			
Retained Earnings	6,125	6,605	128,824
Revaluation Reserves	8,585	1,905	78,442
<b>Total Equity</b>	<b>14,710</b>	<b>8,510</b>	<b>207,266</b>

<sup>1</sup> General Fund refers to all Council's activities other than Water & Sewer.

NB. All amounts disclosed above are Gross - that is, they include internal receivables &amp; payables between the Funds.

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

#### Note 22. "Held for Sale" Non Current Assets & Disposal Groups

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\$ '000

---

Council did not classify any Non Current Assets or Disposal Groups as "Held for Sale".

#### Note 23. Events occurring after Balance Sheet Date

---

Events that occur after the reporting date of 30 June 2012, up to and including the date when the financial statements are "authorised for issue" have been taken into account in preparing these statements.

Council has adopted the date of receipt of the Auditors' Report as the appropriate "authorised for issue" date relating to these General Purpose Financial Statements.

Accordingly, the "authorised for issue" date is 08/11/12.

Events that occur after the Reporting Date represent one of two types:

##### **(i) Events that have provided evidence of conditions that existed at the Reporting Date**

These financial statements (and the figures therein) incorporate all "adjusting events" that provided evidence of conditions that existed at 30 June 2012.

##### **(ii) Events that have provided evidence of conditions that arose after the Reporting Date**

These financial statements (& figures therein) do not incorporate any "non adjusting events" that have occurred after 30 June 2012 and which are only indicative of conditions that arose after 30 June 2012.

**Council is unaware of any material or significant "non adjusting events" that should be disclosed.**

#### Note 24. Discontinued Operations

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Council has not classified any of its Operations as "Discontinued".

## Bogan Shire Council

### Notes to the Financial Statements for the financial year ended 30 June 2012

#### Note 25. Intangible Assets

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\$ '000

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Intangible Assets represent identifiable non-monetary asset without physical substance.

Council is unaware of any control over Intangible Assets that warrant recognition in the Financial Statements, including either internally generated and developed assets or purchased assets.

#### Note 26. Reinstatement, Rehabilitation & Restoration Liabilities

---

Council has no outstanding obligations to make, restore, rehabilitate or reinstate any of its assets/operations.

## Bogan Shire Council

### Notes to the Financial Statements

for the financial year ended 30 June 2012

### Note 27. Council Information & Contact Details

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#### Principal Place of Business:

81 Cobar Street  
Nyngan NSW 2825

#### Contact Details

##### Mailing Address:

PO Box 221  
Nyngan NSW 2825

##### Opening Hours:

8:30am to 4:30pm  
Monday to Friday

**Telephone:** 02 6835 9000

**Facsimile:** 02 6835 9011

**Internet:** [www.bogan.local-e.nsw.gov.au](http://www.bogan.local-e.nsw.gov.au)

**Email:** [admin@boganshire.nsw.gov.au](mailto:admin@boganshire.nsw.gov.au)

#### Officers

##### GENERAL MANAGER

D A Francis

##### RESPONSIBLE ACCOUNTING OFFICER

T P Haley

##### PUBLIC OFFICER

Theresa Haley

##### AUDITORS

Hill Rogers Spencer Steer  
Chartered Accountants

#### Elected Members

##### MAYOR

R L Donald

##### COUNCILLORS

J E Hampstead OAM (Deputy Mayor)

J L Douglas

L H Dutton

H J Griffiths

A M Kennedy

E M McLaughlin

G R J Neill

K M Ryan

#### Other Information

**ABN:** 68 886 242 083

**BOGAN SHIRE COUNCIL**

**GENERAL PURPOSE FINANCIAL STATEMENTS**

**INDEPENDENT AUDITORS' REPORT**

---

**REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying **general purpose financial statements** of **Bogan Shire Council**, which comprises the Balance Sheet as at 30 June 2012, Income Statement, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, a summary of significant accounting policies and other explanatory notes and the Statement by Councillors and Management. The financial statements include the consolidated financial statements of the economic entity and the entities it controlled at year end or from time to time during the year.

***Responsibility of Council for the Financial Statements***

The Council is responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Local Government Act 1993. This responsibility includes the maintenance of adequate accounting records and internal controls designed to prevent and detect fraud and error; designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

***Auditors' Responsibility***

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. Our audit responsibility does not extend to the original budget information disclosed in the Income Statement, Statement of Cash Flows, and Note 2(a) or the budget variation explanations disclosed in Note 16. Nor does our responsibility extend to the projected future developer contributions and costs disclosed in Note 17. Accordingly, no opinion is expressed on these matters.

**Assurance Partners**

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Steer Assurance Partners

ABN 56 435 338 966



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Council's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial statements. Our audit did not involve an analysis of the prudence of business decisions made by Council or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Independence**

In conducting our audit, we followed applicable independence requirements of Australian professional ethical pronouncements.

#### **Auditor's Opinion**

In our opinion,

- (a) the Council's accounting records have been kept in accordance with the requirements of the Local Government Act 1993, Chapter 13 part 3 Division 2; and
- (b) the financial statements:
  - (i) have been presented in accordance with the requirements of this Division;
  - (ii) are consistent with the Council's accounting records;
  - (iii) present fairly the Council's financial position, the results of its operations and its cash flows; and
  - (iv) are in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia.
- (c) all information relevant to the conduct of the audit has been obtained; and
- (d) there are no material deficiencies in the accounting records or financial statements that we have become aware of during the course of the audit.

#### **Emphasis of Matter**

Without qualification to the opinion expressed above, we draw attention to the mandatory requirement for councils to prepare financial reports and have them audited within four (4) months of the end of the financial year.

#### **HILL ROGERS SPENCER STEER**



**GARY MOTTAU**  
Partner

Dated at Sydney this 8<sup>th</sup> day of November 2012

8 November 2012

The Mayor  
Bogan Shire Council  
PO Box 221  
**NYNGAN NSW 2825**

Mayor,

### **Audit Report - Year Ended 30 June 2012**

We are pleased to advise completion of the audit of Council's books and records for the year ended 30 June 2012 and that all information required by us was readily available. We have signed our reports as required under Section 417(1) of the Local Government Act, 1993 and the Local Government Code of Accounting Practice and Financial Reporting to the General and Special Purpose Financial Statements.

Our audit has been conducted in accordance with Australian Auditing Standards so as to express an opinion on both the General and Special Purpose Financial Statements of the Council. We have ensured that the accounts have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) and the Local Government Code of Accounting Practice and Financial Reporting.

This report on the conduct of the audit is also issued under Section 417(1) and we now offer the following comments on the financial statements and the audit;

## **1. RESULTS FOR THE YEAR**

### **1.1 Operating Result**

The operating result for the year was a surplus of \$1.702 million as compared with of \$2.791 million in the previous year.

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ABN 56 435 338 966



Hill Rogers  
Spencer Steer

The following table sets out the results for the year and the extent (%) that each category of revenue and expenses contributed to the total.

	2012 \$000	% of Total	2011 \$000	% of Total	Increase (Decrease) \$000
<b>Revenues before capital items</b>					
Rates & annual charges	3,561	28%	3,289	30%	272
User charges, fees & other revenues	2,599	20%	1,845	17%	754
Grants & contributions provided for operating purposes	6,272	49%	5,614	51%	658
Interest & investment revenue	331	3%	365	3%	(34)
	<b>12,763</b>	<b>100%</b>	<b>11,113</b>	<b>100%</b>	<b>1,650</b>
<b>Expenses</b>					
Employee benefits & costs	4,407	37%	3,873	34%	534
Materials, contracts & other expenses	4,174	35%	4,156	37%	18
Depreciation, amortisation & impairment	3,386	28%	3,183	28%	203
Borrowing costs	21	0%	57	1%	(36)
	<b>11,988</b>	<b>100%</b>	<b>11,269</b>	<b>100%</b>	<b>719</b>
<b>Surplus/(Deficit) before capital items</b>	<b>775</b>		<b>(156)</b>		<b>931</b>
Grants & contributions provided for capital purposes	927		2,947		(2,020)
<b>Net Surplus/(Deficit) for the year</b>	<b>1,702</b>		<b>2,791</b>		<b>(1,089)</b>

The table above shows an overall decrease compared with the previous year of \$1.089 million and can mainly be attributed to a reduction in capital grants and contributions received.

## 1.2 Funding Result

The operating result does not take into account all revenues and all expenditures and in reviewing the overall financial performance of Council it is useful to take into account the total source of revenues and where they were spent during the year which is illustrated in the table below.

**Funds were provided by:-**

**Operating Result (as above)**

**Add back non funding items:-**

- Depreciation, amortisation & impairment
- Book value of non-current assets sold
- (Surplus)/Deficit in joint ventures

Transfers from externally restricted assets (net)

Transfers from internal reserves (net)

Repayments from deferred debtors

Net Changes in current/non-current assets & liabilities

2012  
\$'000

2011  
\$'000

1,702

2,791

3,386

3,183

214

162

(6)

12

5,296

6,148

38

227

0

180

254

233

260

0

5,848

6,788

**Funds were applied to:-**

Purchase and construction of assets

Principal repaid on loans

Transfers to internal reserves (net)

Net Changes in current/non-current assets & liabilities

(4,027)

(6,120)

(354)

(428)

(483)

0

0

(281)

(4,864)

(6,829)

**Increase/(Decrease) in Available Working Capital**

984

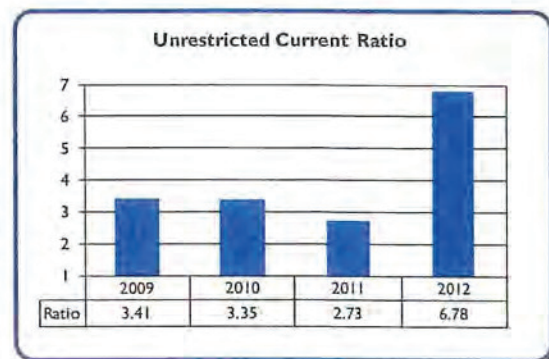
(41)

## 2. FINANCIAL POSITION

### 2.1 Unrestricted Current Ratio

The Unrestricted Current Ratio is a financial indicator specific to local government and represents Council's ability to meet its debts and obligations as they fall due.

After eliminating externally restricted assets and current liabilities not expected to be paid within the next 12 months net current assets amounted to \$4.685 million representing a factor of 6.78 to 1.



### 2.2 Available Working Capital – (Working Funds)

A more meaningful financial indicator specific to local government is the level of **Available Working Capital**. Net Current Assets are adjusted by eliminating both external and internal reserves held for future purposes.



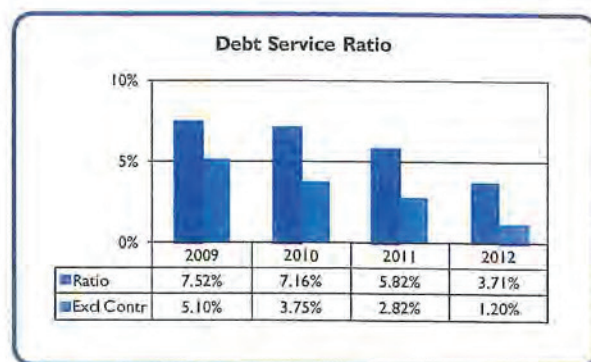
At the close of the year the Available Working Capital of Council stood at \$2.633 million as detailed below;

	2012	2011	Change
	\$'000	\$'000	\$'000
<b>Net Current Assets (Working Capital) as per</b>			
<b>Accounts</b>	<b>6,951</b>	<b>5,469</b>	<b>1,482</b>
<b>Add:</b> Payables & provisions not expected to be realised in the next 12 months included above	610	370	240
<b>Adjusted Net Current Assets</b>	<b>7,561</b>	<b>5,839</b>	<b>1,722</b>
<b>Add:</b> Budgeted & expected to pay in the next 12 months			
- Borrowings	24	377	(353)
- Employees leave entitlements	215	387	(172)
- Deferred debtors	(40)	(272)	232
<b>Less:</b> Externally restricted assets	(2,876)	(2,914)	38
<b>Less:</b> Internally restricted assets	(2,251)	(1,768)	(483)
<b>Available Working Capital as at 30 June</b>	<b>2,633</b>	<b>1,649</b>	<b>984</b>

The balance of Available Working Capital should be at a level to manage Council's day to day operations including the financing of hard core debtors, stores and to provide a buffer against unforeseen and unbudgeted expenditures. Taking into consideration the nature and level of the internally restricted assets (Reserves) set aside we are of the opinion that Available Working Capital as at 30 June 2012 was sound.

### 2.3 Debt

Operating revenue (excluding special purpose grants and contributions) required to service debt (loan repayments) was 3.71%. This ratio includes the repayment of \$254,000 toward the Yarrandale Road works loan which Council receives full reimbursement. The exclusion of this repayment reduces this ratio to 1.20%.



### 2.4 Summary

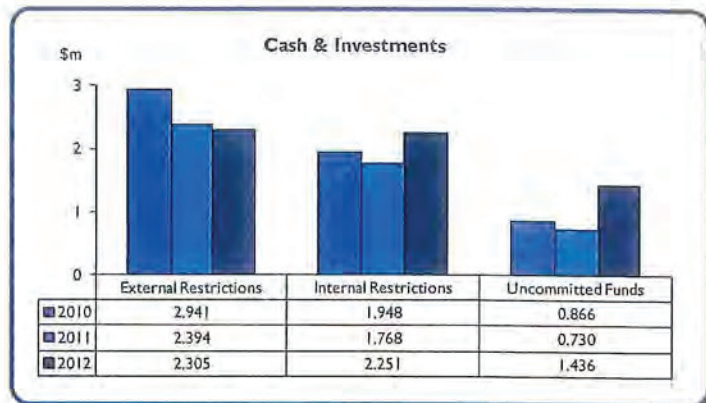
Council's overall financial position, when taking into account the above financial indicators was, in our opinion, sound.

### 3. CASH ASSETS

#### 3.1 Cash & Investments

Cash and investments held at the close of the year amounted to \$5.992 million as compared with \$4.892 million and \$5.755 million at the close of financial years 2011 and 2010 respectively.

The table alongside summarises the purposes for which cash and investments were held.



**Externally restricted cash and investments** are restricted in their use by externally imposed requirements and consisted of unexpended grant funding of \$222,000, unexpended loans of \$69,000 and water and sewerage funds of \$2.014 million.

**Internally restricted cash and investments** have been restricted in their use by resolution or policy of Council to reflect forward plans, identified programs of works, and are, in fact, Council's "**Reserves**". These Reserves totalled \$2.251 million and their purposes are more fully disclosed in Note 6 of the financial statements.

**Unrestricted cash and investments** amounted to \$1.436 million, which is available to provide liquidity for day to day operations.

#### 3.2 Cash Flows

The Statement of Cash Flows illustrates the flow of cash moving in and out of Council during the year and reveals that Cash Assets increased by \$620,000 to \$4.192 million at the close of the year.

In addition to operating activities which contributed net cash of \$5.115 million were the proceeds from the sale of investment securities (\$1.32 million), asset sales (\$458,000) and repayments by deferred debtors (\$269,000). Cash outflows other than operating activities were used to repay loans (\$354,000), purchase investment securities (\$1.8 million) and purchase and construct assets (\$4.388 million).



Hill Rogers  
Spencer Steer

#### 4. RECEIVABLES

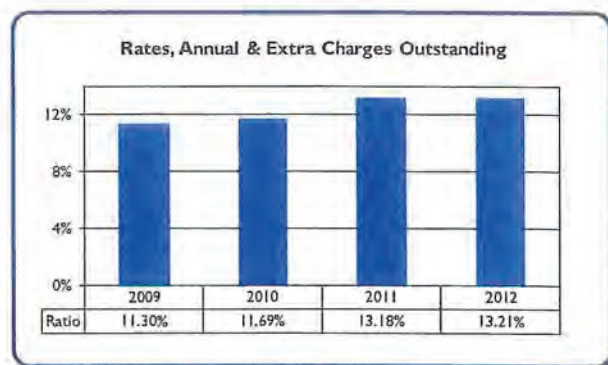
##### 4.1 Rates & Annual Charges (excluding interest & extra charges)

Net rates and annual charges levied during the year totalled \$3.561 million and represented 26.01% of Council's total revenues. Including arrears, the total rates and annual charges collectible was \$3.963 million of which \$3.490 million (88.06%) was collected.

##### 4.2 Rates, Annual & Extra Charges

Arrears of rates, annual & extra charges stood at \$545,000 at the end of the year and represented 13.21% of those receivables.

The adverse trend in arrears, as illustrated in the accompanying graph, indicates a need to examine recovery policies in respect of outstanding balances.



##### 4.3 Other Receivables

Receivables (other than rates, annual & extra charges) amounted to \$1.730 million and consisted mainly of user charges, fees & contributions to works (\$1.074 million) and government grants and subsidies (\$548,000).

Those considered to be uncertain of collection have been provided for as doubtful debts and this provision amounted to \$13,000.

#### 5. PAYABLES

**Employees Leave Entitlements** Council's provision for its liability toward employees leave entitlements and associated on costs amounted to \$1.013 million.

A cash reserve of \$291,000 was held at year end representing 29% of this liability and, was in our opinion, sufficient to enable Council to meet unbudgeted and unanticipated retirements.

Hill Rogers  
Spencer Steer

## **6. FAIR VALUATION OF ASSETS**

The valuation at 'fair value' of Council's infrastructure, property, plant and equipment was completed last year and was the subject of a comprehensive review by management during the year. This review identified that incorrect unit values have been applied in previous years when valuing the gross replacement cost of some asset types of roads and drains, especially rural roads.

Correcting the application of unit rates resulted in a decrease to opening equity of \$150.886 million. Further details of the correction are provided in Note 20 to the Financial Statements.

## **7. MANAGEMENT LETTER**

A letter was issued to management during the year in respect of our examination of certain aspects of Council's accounting systems and internal controls necessary to produce reliable financial reports that we considered warrant attention. A response was received from management.

## **8. CONCLUSION**

We wish to record our appreciation to your General Manager and his staff for their ready co-operation and the courtesies extended to us during the conduct of the audit.

Yours faithfully,

**HILL ROGERS SPENCER STEER**



**GARY MOTTAU**

Partner



# Annexure Two Objectives and Performance



## **1. Administration**

### **Goal**

To manage the affairs and resources of Council and meet statutory requirements to reflect the view and best interests of ratepayers in the most cost effective manner

### **Administration incorporates the following functions of Bogan Shire Council:**

Governance - Effectively plan, coordinate and manage Council's activities through the use of appropriate policy, technology and business systems

Financial Management – Provide quality financial management and accounting services to ensure best possible outcomes to Council in both the long and short term.

Human Resources – Develop and implement effective and comprehensive systems and policies to manage and motivate staff

Information Technology – Provision of day to day IT processes and to meet the needs of future Council business.

## **Future Directions/Strategies**

### **1.1 Governance**

Review the organisation's strategic direction

Provision of accurate and timely information for decision making

Process review and improvement

Long term community sustainability

<b>Key Actions</b>	<b>Responsibility</b>	<b>Means</b>	<b>Performance Assessment</b>
<b>1.1.1</b> Governance is open and transparent	General Manager	Ensure governance complies with spirit and intent of Local Government Act	Community Satisfaction No. of complaints
<b>1.1.2</b> Appropriate policies and plans in place to effect sustainability	General Manager	Review Policies and Plans to ensure they meet current and strategic environment	Policies reviewed by 30/06/11 Community sustainability plan developed
<b>1.1.3</b> Community involvement in decision making	General Manager	Review community communications strategy	Regular information provided Increased community engagement

<b>1.1.4</b> Timely distribution of business paper	General Manager	Staff reports provided 10 days prior to meetings	Distributed 7 days prior to meeting date Available to community
<b>1.1.5</b> Community involvement in decision making	General Manager	Review community communications strategy Review s355 committees	Regular information provided Increased community engagement s355 committees properly constituted and delegated functions
<b>1.1.6</b> Adequate insurance cover provided	Corporate Services	Cover reviewed annually with broker	Insurances placed with satisfactory risk level
<b>1.1.7</b> Records compliant with State Records Requirements	Manager Corporate Services	Utilise internal/external resources to develop information management system	Complies with legislation

## Future Directions/Strategies

### 1.2 *Financial Management*

Provision of accurate and timely information for decision making

Process review and improvement

Long term financial sustainability

Key Actions	Responsibility	Means	Performance Assessment
<b>1.2.1</b> Ensure Compliance with legislative and other requirements.	Manager Corporate Services	Annual statements audited Budget review completed  GST Activity Statement, FBT returns completed Rates returns completed, audited	Lodged on time  Completed monthly & within 4 weeks of quarter end Lodged on time  Lodged on time
<b>1.2.2</b> Maintain long term financial viability	Manager Corporate Services	Analysis of council financial position	Regular updates provided to Council
<b>1.2.3</b> Annual budget incorporated in management plan	Manager Corporate Services	Staff and council input to plan	Completed and presented to May Council meeting annually
<b>1.2.4</b> Ongoing improvement to reporting systems	Manager Corporate Services	Review of reporting tools managerial needs	User Satisfaction
<b>1.2.5</b> Pursue recovery of all revenues raised by Council	Manager Corporate Services	Internal and external recovery activity	% of outstanding debts declines each year



**Future Directions/Strategies****1.3 Human Resources**

Review of existing Human Resource functions and improve effectiveness

Maintain Council Remuneration and Personnel systems

<b>Key Actions</b>	<b>Responsibility</b>	<b>Means</b>	<b>Performance Assessment</b>
<b>1.3.1</b> Review organisation structure to ensure effectiveness of Council	General Manager	Review of organisational structure	Organisation structure meets needs of Council Organisation structure is understood by all staff Staff understand where their position fits into the structure
<b>1.3.2</b> HR policies meet legislative and organisational needs	General Manager	Review of HR policies	HR policies and procedures comply with legislation and meet needs of Council
<b>1.3.3</b> Maintain status as an EEO employer	General Manager	Review EEO policy Develop EEO plan	EEO policy adopted by Council EEO plan adopted by Council
<b>1.3.4</b> Develop and maintain induction procedures and comprehensive training plan	Mgr Corp Services Mgr Envir. Services, Manager Engineering Services	Skill gaps identified and individual development assessments performed	Training plan developed with implementation in progress Induction procedures developed All staff undertake induction within specified timeframe
<b>1.3.5</b> Maintain consultation procedures on safety matters within the organisation	Mgr Corp Services Mgr Envir. Services, Mgr Eng. Services	Ongoing consultative processes between staff and management	Quarterly meetings held, Salary progression rules reviewed
<b>1.3.6</b> Introduce effective communications process	General Manager	Communicate policy and procedures to staff	All staff included in communication process Managers and supervisors aware of dissemination of information

<b>1.3.7</b> Continue improvement to OH&S systems	Mgr Corp Services Mgr Envir. Services, Mgr Eng. Services	Quarterly meetings, review of existing procedures, review safety handbook	Number of lost time accidents reduced
<b>1.3.8</b> Current job Descriptions Maintained	Manager Corporate Services	Job descriptions reviewed with annual performance appraisal	Job descriptions current
<b>1.3.9</b> Develop new salary system	General Manager	Develop new salary system reflecting Govt Policy, industrial awards	New system to draft stage by 30/6/2011

**Future Directions/Strategies****1.4 Information Technology**

Harness IT resources to gain efficiencies and effective outcomes.

<b>Key Actions</b>	<b>Responsibility</b>	<b>Means</b>	<b>Performance Assessment</b>
<b>1.4.1</b> IT resource plan reflects requirements	Manager Corporate Services	Internal/external review of IT requirements	Plan developed reviewed annually Ensure system capable of meeting needs of GIS and communication technology
<b>1.4.2</b> Explore resource sharing options with other Councils	Manager Corporate Services	Interaction with neighbouring Shires	Feasibility determined, interest ascertained
<b>1.4.3</b> Maximise benefits of IT resources	Manager Corporate Services	Provision of internal/external training linked to training plan	Increased flexibility and use of IT resources

## **2. Public Order and Safety**

### **Goal:**

To manage and control infrastructure and coordinate activities to prevent injury to residents or property in the event of fire, flood or manmade incident

### **Public Order and Safety incorporates the following functions of Bogan Shire Council:**

Bush Fire Control – to provide efficient and effective measures for the prevention and reduction of fire impact on the local community

Animal Control - Implement controls on stray animals to ensure the general amenity of the Shire is maintained

Emergency Services – Support the Local Emergency Management Committee to ensure local emergencies are effectively managed and funding arrangements maintained to manage flood and storm events – includes support for the Nyngan State Emergency Service Unit

### **Future Directions/Strategies**

#### **Bush Fire Control**

Maintain an efficient response capacity in accordance with service standards

<b>Key Actions</b>	<b>Responsibility</b>	<b>Means</b>	<b>Performance Assessment</b>
<b>2.1.2</b> Liaise with RFS to provide fire protection to Bogan Shire area at affordable cost	General Manager	Ongoing protection services provided. Membership of RFS Liaise Committee	Service level agreement signed, reviewed annually



**Future Directions/Strategies**

## Animal Control

Continue ongoing management of stray animals to existing levels

Key Actions	Responsibility	Means	Performance Assessment
<b>2.2.1</b> Enhance level of control of stray animals	Manager Environmental Services	Ranger activity is used effectively	Stray animal complaints reduced on previous year
<b>2.2.2</b> Minimise public nuisance of animals	Manager Environmental Services	Identify areas for companion animal activity	Companion animals plan developed and reviewed annually

**Future Directions/Strategies**

## State Emergency Service

Provide support to the local SES group to ensure they are capable of responding to emergency situations

Support the Local Emergency Management Committee to ensure local emergencies are effectively managed

Key Actions	Responsibility	Means	Performance Assessment
<b>2.3.1</b> Increase existing level of contribution to SES	Manager Engineering Services	SES continuing operation to the benefit of the local community	Funding levels increased to include vehicle operating costs Review funding to fit new vehicle ensuring Nyngan unit is not disadvantaged
<b>2.3.2</b> Continue existing level of support to LEMC	Manager Engineering Services	LEMC continuing operation to the benefit of the local community	Support services provided Active participation continues

<p><b>2.3.3</b> Upgrade existing SES premises</p>	<p>Manager Environmental Services Manager Engineering Services</p>	<p>Develop a plan to repair the museum/SES building and improve accessibility and safety. Research options, feasibility and potential funding sources to upgrade present site &amp; facilities to meet safety training and operational needs.</p>	<p>Provide options report including estimated cost, funding sources and likely timeline. Liaise with SES</p>
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### 3. Health

**Goal:**

To provide a healthy environment and a level of service equivalent to community expectations.

**Health incorporates the following functions of Bogan Shire Council:**

- 3.1. Health Centres - Provide assistance to the service provider to ensure that the level of service to the community is satisfactory in the areas of health and dental services.
- 3.2. Ensure compliance with requirements of the Food Act and Safe Foods.

**Future Directions/Strategies****Health Centres**

Continue ongoing management of infrastructure to assist the provision of Health Services

Key Actions	Responsibility	Means	Performance Assessment
<b>3.1.1</b> Continue existing level of assistance to medical facilities within the Shire	Manager of Environmental Services	Consultation with community and health care providers	<ul style="list-style-type: none"><li>Continued high standard of medical service to the Shire</li></ul>
<b>3.1.2</b> Ensure level of dental services meet local requirements	General Manager	Consultation with health service providers	<ul style="list-style-type: none"><li>Dental service available</li></ul>
<b>3.1.3</b> Inspection annually and as required of food handling premises	Manager Environmental Services	Program of inspection developed	<ul style="list-style-type: none"><li>Compliance with Safe Foods Standards</li></ul>

### 3.2 Noxious Weeds

**Goal:** To protect the local environment and maintain productivity of land through control of noxious weeds.

#### Future Directions/Strategies

Provide advice and undertake inspection and control of noxious weeds in compliance with the Noxious Weeds Act.

Key Actions	Responsibility	Performance Indicators	Performance Assessment
Ensure Council's obligations under the Noxious Weeds Act 1993 are met in respect to maintenance of noxious weed density and distribution	Manager Environmental Services	<ul style="list-style-type: none"> <li>Meet Council's obligations under the Noxious Weeds Act 1993 with respect to noxious weeds present on Council, State and privately owned land.</li> <li>Prepare program of noxious weed control works.</li> </ul>	<ul style="list-style-type: none"> <li>Preparation of a rolling inspection plan to cover the whole Shire by June 2011</li> <li>Inspections and records accepted by Department of Primary Industries</li> <li>Delivery of programmed noxious weed control activities</li> </ul>
Ensure Council operations are in accordance with endorsed Regional Weed Control Plans	Manager Environmental Services	Comply with Plans	<ul style="list-style-type: none"> <li>Inspections and records accepted by Department of Primary Industries</li> </ul>
Preparation of Shire and weed specific Control Plans for targeted noxious weeds	Manager Environmental Services	Plans prepared and endorsed by Council and State Agencies	<ul style="list-style-type: none"> <li>Plans adopted by Council by December 2011</li> </ul>

#### **4. Community Service and Education**

**Goal:**

To provide community services which are accessible to all, meeting the social and personal needs of residents – particularly those who are unable to meet their own needs.

**Community Service and Education incorporates the following functions of Bogan Shire Council:**

- 4.1. Youth Services – address youth issues within the Shire
- 4.2. Aged and Disabled – recognise and assist the aged and disabled within the local community
- 4.3. Education – provision of mobile library/education services to remote locations
- 4.4. Other Community Services – addresses other social issues within the Shire

#### **Future Directions/Strategies**

**Youth Services**

Provide minor assistance to Youth Centres and service agency

<b>Key Actions</b>	<b>Responsibility</b>	<b>Means</b>	<b>Performance Assessment</b>
<b>4.1.1</b> Maintain youth week activities	CDO	Identification and application for funding	<ul style="list-style-type: none"><li>• Funding sourced</li></ul>
<b>4.1.2</b> Consult with youth on service requirements	CDO	Youth ideas sought	<ul style="list-style-type: none"><li>• Proposals considered in Management Plan 2011/2014</li></ul>

## Future Directions/Strategies

### 4.1 Aged and Disabled

- Provision of Senior Citizen Centre
- Implementation of a Pedestrian Access Mobility Plan

Key Actions	Responsibility	Means	Performance Assessment
<b>4.2.1</b> Maintain existing level of support Construction of pedestrian accesses to public areas	Manager Environmental Services  CDO CDO	Recognition of contribution of senior citizens Council funding	<ul style="list-style-type: none"> <li>• Centre maintained and accessible</li> <li>• Senior Citizens functions sponsored by Council</li> </ul> Pedestrian pathways complying Australian Standards

## Future Directions/Strategies

### 4.3 Education

- Provision of Bush Mobile service
- Provision of Education Scholarships

Key Actions	Responsibility	Means	Performance Assessment
<b>4.3.1</b> Maintain funding for Bush Mobile service	Manager Environmental Services	Ongoing provision of services  Consult with stakeholders	<ul style="list-style-type: none"> <li>• Obtain and acquit funding</li> <li>• Meeting held at least every quarter</li> </ul>
<b>4.3.2</b> Provide Education Assistance	General Manager	Funding provided for educational scholarships	<ul style="list-style-type: none"> <li>• Scholarships awarded annually</li> </ul>

## **Future Directions/Strategies**

### **4.4 Other Community Services**

- Maintain a social plan addressing current and future needs of the community

<b>Key Actions</b>	<b>Responsibility</b>	<b>Means</b>	<b>Performance Assessment</b>
<b>4.4.1</b> Maintain Social Plan reflecting community needs	General Manager	Internal/external resources  Consult with community and service providers	<ul style="list-style-type: none"><li>• Social Plan completed by 30/6/2011</li><li>• Plan identifies &amp; provides linkages to support service agencies</li></ul>

## **5. Housing and Community Amenities**

### **Goal:**

To provide financial and technical resource to deliver the planning and development control, waste management and community amenities required by the community

### **Community Amenities and Housing incorporates the following functions of Bogan Shire Council:**

- 5.1. Waste Management – To maintain a waste management service that provides a safe and environmentally sustainable method of collecting, transporting and disposal of waste.
- 5.2. Town Planning – to ensure controlled development within the Shire maintaining a balance between cost effective growth and environmental management
- 5.3. Buildings – To ensure all buildings owned and controlled by Council are maintained in an appropriate manner and utilised for their designated and appropriate purpose.
- 5.4. Other Community Amenities – To provide quality amenities to the local community including Cemeteries, Street Cleaning, Urban Stormwater Drainage and outlying village amenities.

## **Future Directions/Strategies**

### **5.1 Waste Management**

- Maintain collection, transportation and disposal of waste
- Develop a new Solid Waste Depot
- Commence kerb side collection and transfer of recyclable materials

<b>Key Actions</b>	<b>Responsibility</b>	<b>Means</b>	<b>Performance Assessment</b>
<b>5.1.1</b> Efficient collection service of solid waste. Kerb side collection of recyclable waste	Manager Environmental Services	Weekly collection provided Fortnightly collection of recyclable waste	<ul style="list-style-type: none"><li>• No complaints received</li></ul>



<b>5.1.2</b> Provide garbage depot that is safe and environmentally managed	Manager Environmental Services	Regular monitoring  OH&S inspections Develop new waste depot to comply with DECCW regulations and requirements	<ul style="list-style-type: none"> <li>• No incidents</li> <li>• Satisfactory OH&amp;S inspection</li> <li>• Compliance with Landfill Environmental Management Plan</li> </ul>
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### **Future Directions/Strategies**

#### **5.2 Town Planning**

- New Local Environmental Plan

<b>Key Actions</b>	<b>Responsibility</b>	<b>Means</b>	<b>Performance Assessment</b>
<b>5.2.1</b> Land Use Study	Manager Environmental Services	Participation in Regional Land Use Study Project leading to a new LEP to comply with new legislation	<ul style="list-style-type: none"> <li>• LEP adopted within timeframe specified by State Government</li> </ul>
<b>5.2.2</b> Undertake Heritage Study	Manager Environmental Services	Heritage study prerequisite for new LEP	<ul style="list-style-type: none"> <li>• Heritage report produced 30/06/11</li> </ul>
<b>5.2.3</b> Flood Plain Management study	Manager Environmental Services Manager Engineering Services	Prepare flood plain Management Plan – prerequisite for new LEP and for risk management	<ul style="list-style-type: none"> <li>• Flood Plain Management Plan adopted by 30/6/11</li> </ul>

## Future Directions/Strategies

### 5.3 Buildings

- Buildings inspected and maintained
- Asset Management Plan for buildings

Key Actions	Responsibility	Means	Performance Assessment
<b>5.3.1</b> Building inspected annually	Manager Services	Inspected prior to budget	<ul style="list-style-type: none"> <li>• Building fit for purpose</li> </ul>
<b>5.3.2</b> Building used appropriately	Manager Environmental Services	Building management plans reviewed	<ul style="list-style-type: none"> <li>• Building maintenance plan adopted 30/06/11</li> </ul>

## Future Directions/Strategies

### 5.4 Other Community Amenities

- Maintain cleaning of CBD and town streets
- Maintain cemetery grounds and dignity of operation
- Ensure maintenance and cleanliness of public amenities
- Ensure villages are clean and tidy

Key Actions	Responsibility	Means	Performance Assessment
<b>5.4.1</b> Provide clean and pleasant streetscape	Manager Environmental Services	CBD streets cleaned  Street sweeping continued	<ul style="list-style-type: none"> <li>• Number of complaints</li> <li>• Visual impact on Town</li> </ul>
<b>5.4.2</b> Cemetery operations are carried out in a dignified manner	Manager Engineering Services	Regular inspection of cemetery. Preparation for interment.	<ul style="list-style-type: none"> <li>• Clean and tidy surrounds – Number of complaints</li> </ul>
<b>5.4.3</b> Accurate cemetery records kept	Manager Engineering Services	Record all burial information	<ul style="list-style-type: none"> <li>• All records complete and accurate</li> </ul>

<b>5.4.4</b> Due respect paid to bereaved families	Manager Engineering Services	Assistance in design and ordering of plaques	<ul style="list-style-type: none"> <li>• Uniformity of plaques at cemetery</li> </ul>
<b>5.4.5</b> Maintain existing public conveniences in clean tidy manner	Manager Environmental Services	Monitor and control vandalism damage  Regularly clean and monitor facilities	<ul style="list-style-type: none"> <li>• Response within 1 day</li> <li>• No. of complaints</li> </ul>

## **6. Water Supply Infrastructure**

### **Goal:**

To provide sustainable and cost effective water supply service that meets National Health Guidelines.

### **Water Infrastructure incorporates the following functions of Bogan Shire Council:**

- 6.1 Water Supply – Provide cost effective water supply to local residents that meets National Health Guidelines

## **Future Directions/Strategies**

### **6.1 Water Supply**

- Provide adequate and safe public water supplies

<b>Key Actions</b>	<b>Responsibility</b>	<b>Means</b>	<b>Performance Assessment</b>
<b>6.1.1</b> Mains replacement program based on Asset Management Plan and Strategic Business Plan	Manager Engineering Services	Replacement of mains based on a needs assessment	<ul style="list-style-type: none"> <li>• Level of complaints</li> <li>• Asset management plan adopted 30/06/12</li> <li>• Strategic Business Plan completed by 31/12/12</li> </ul>

<b>6.1.2</b> Provision of permanent potable water to consumers in Nyngan	Manager Engineering Services	Treatment of water to meet National Health Guidelines  Respond to main breaks within 1 hour	<ul style="list-style-type: none"> <li>• Level of complaint</li> <li>• Testing results meet guidelines</li> </ul>
<b>6.1.3</b> Maintain financial viability	Manager Corporate Services	Review pricing structure each year  Review budget each year	<ul style="list-style-type: none"> <li>• Water funds remains viable</li> <li>• Review of operations presented to April Council meeting annually</li> </ul>
<b>6.1.4</b> Enhance security of water supply	Manager Engineering Services  General Manager	Weir & channel project underway  Investigate options to reduce water losses  Seek grant funds to implement approved projects  Develop drought management plan  Develop demand management plan  Develop an integrated Water Cycle Management Plan Active involvement in Lower Macquarie Water Utilities Alliance including sharing costs for developing Best Practice plans	<ul style="list-style-type: none"> <li>• Completion of current scheduled actions</li> <li>• Develop project for piping Albert Priest channel with other stakeholders</li> <li>• Undertake approved activities</li> <li>• Drought management plan adopted</li> <li>• Demand management plan adopted</li> <li>• I.W.C.M. Plan adopted</li> <li>• Participation in Alliance, progressive Best Practice implementation and improved processes for performance reporting</li> </ul>

<b>6.1.5</b> Asset Management	Manager Engineering Services	Component level of water assets recorded & valued	<ul style="list-style-type: none"> <li>• Components recorded at value</li> <li>• Assets revalued annually</li> </ul>
<b>6.1.6</b> Provision of potable water to villages	Manager Engineering Services	Investigate feasibility of a treated water supply for the villages	<ul style="list-style-type: none"> <li>• Investigate potential options as and when possibilities emerge (ongoing)</li> </ul>

## 7. Sewerage Infrastructure

### Goal:

To provide an adequate and safe sewerage system for all customers.

**Sewerage Infrastructure incorporates the following functions of Bogan Shire Council:**

- 7.1 Sewerage Treatment - Provide cost effective and environmentally sensitive disposal of waste water within the Shire

### Future Directions/Strategies

#### 7.1 Sewerage Service

- Provide efficient user pays sewerage service meeting best practise guidelines.

Key Actions	Responsibility	Means	Performance Assessment
<b>7.1.1</b> Ensure compliance with EPA license	Manager Engineering Services	Regular testing of waste water  Upgrade treated effluent disposal with re-use	<ul style="list-style-type: none"> <li>• Test results comply with guidelines</li> <li>• Nil discharge to waterway – completion of effluent re-use project</li> </ul>
<b>7.1.2</b> Maintain financial viability	Manager Corporate Services	Review sewer pricing  Review budget	<ul style="list-style-type: none"> <li>• Sewer funds remain viable</li> <li>• Review of operations presented to April Council meeting annually</li> </ul>

<b>7.1.3</b> Ensure management of liquid trade waste	Manager Environmental Services	Develop liquid trade waste policy	<ul style="list-style-type: none"> <li>Trade waste policy adopted 30/06/11</li> </ul>
<b>7.1.4</b> Asset Management	Manager Engineering Services	Component level of sewerage assets recorded & valued	<ul style="list-style-type: none"> <li>Components recorded at value</li> <li>Assets revalued annually</li> </ul>

## **8. Recreation and Culture**

### **Goal:**

Provide a variety of high quality facilities to meet the recreational and library needs for a wide cross section of the Shire population

### **Recreation and Culture incorporates the following functions of Bogan Shire Council:**

- 8.1 Libraries, Museums and Halls - Contribute to the cultural development of the Shire through the provision of Libraries, Museums and Halls
- 8.2 Swimming Pools - Provide high quality aquatic recreation facilities that cost effectively meets the needs of a wide cross section of the community
- 8.3 3 Parks, Gardens and Sportsgrounds - Provide high quality open space, public gardens, active and passive recreational areas that cost effectively meets the needs of users
- 8.4 Other Recreational and Cultural Services - Provide assistance to other local Recreational and Cultural pursuits to the benefit of the greater population of the Shire

## Future Directions/Strategies

### 8.1 Libraries, Museums and Halls

- Provide and enhance library services
- Maximise the use of halls
- Encourage attendance at the Museum

Key Actions	Responsibility	Means	Performance Assessment
<b>8.1.1</b> Provide public with access to information in the library management system via electronic means	Manager Corporate Services	Information is available at the libraries and via the internet	<ul style="list-style-type: none"> <li>• Comprehensive subject material available</li> <li>• Customer comment &amp; number of complaints</li> </ul>
<b>8.1.2</b> Provide the facility to satisfy the needs of the community	Manager Corporate Services	Maintain book stock  Maintain technology to current standards	<ul style="list-style-type: none"> <li>• Customer satisfaction &amp; number of complaints</li> </ul>
<b>8.1.3</b> Maintain North West Library Service	Manager Corporate Services	Participate in Library management	North West Library meets needs of the community
<b>8.1.4</b> Focus on community needs	Manager Corporate Services	Conduct reading program Maintain membership and circulation	<ul style="list-style-type: none"> <li>• Customer satisfaction</li> <li>• Increased participation</li> </ul>

## Future Directions/Strategies

### 8.2 Swimming Pool Facilities

- Provide safe and secure swimming pool facilities

Key Actions	Responsibility	Means	Performance Assessment
<b>8.2.1</b> Ensure health regulations are complied with	Manager Environmental Services	Monitor water quality daily	<ul style="list-style-type: none"> <li>• Testing meets guidelines</li> </ul>
<b>8.2.2</b> Maintain and operate complex in efficient manner	Manager Environmental Services	Provide supervision  Consult with user groups prior to season commencement	<ul style="list-style-type: none"> <li>• No adverse incidents</li> <li>• Customer satisfaction increased usage of facility</li> </ul>

## Future Directions/Strategies

### 8.3 Parks, Gardens, Sportsgrounds and Racecourse

- Implement Parks & Gardens Management Plan
- Continue maintenance of other parks, gardens and sportsgrounds
- Upgrade Showground

Key Actions	Responsibility	Performance Indicators	Performance Assessment
<b>8.3.1</b> Implement Parks & Gardens Management Plan	Manager Engineering Services	Implementation of Parks and Gardens Management Plan	<ul style="list-style-type: none"> <li>• POM adopted by 30/06/11</li> </ul>
<b>8.3.2</b> Continue existing level of maintenance of parks, gardens and sportsgrounds	Manager Engineering Services	Continue existing standard of maintenance parks, gardens and sportsgrounds within the Shire Showground Users Committee meet three times annually	<ul style="list-style-type: none"> <li>• Number of complaints</li> </ul>



<b>8.3.3</b> Maintain Showground to ensure reasonable standard of facility is provided.	Manager Engineering Services	Grounds/buildings maintained prior to events/show Use committee structure to advise on management showground events	<ul style="list-style-type: none"> <li>• Number of complaints</li> </ul>
<b>8.3.4</b> Maximise use of parks and showgrounds	Manager Engineering Services	Develop parks/sportsground s management plan	<ul style="list-style-type: none"> <li>• POM adopted by Council 30/06/11</li> </ul>

### **Future Directions/Strategies**

#### **8.4 Other Recreational and Cultural Services**

- Provide variety and exposure to other cultural activities

<b>Key Actions</b>	<b>Responsibility</b>	<b>Performance Indicators</b>	<b>Performance Assessment</b>
<b>8.4.1</b> Continue existing provision of other recreational and cultural services to their current levels	CPO	Continue standard of provision of other recreational and cultural services within the Shire	<ul style="list-style-type: none"> <li>• Cultural exhibitions and performances take place</li> </ul>

## **9. Mining, Manufacturing and Construction**

### **Goal:**

To effectively and responsibly manage quarry and gravel borrow pits, manufacturing and building activities within the Shire to promote sustainable growth to the area

### **Mining, Manufacturing and Construction incorporates the following functions of Bogan Shire Council:**

- 9.1 Quarry Operations - To effectively and responsibly manage Councils quarry activities to ensure profitable provision of road making material
- 9.2 Building Controls - To implement responsible building controls that promote sustainable growth within the Shire

### **Future Directions/Strategies**

#### **9.1 Quarry Operations**

- Ongoing efficient operation

<b>Key Actions</b>	<b>Responsibility</b>	<b>Means</b>	<b>Performance Assessment</b>
<b>9.1.1</b> Maintain capacity to reinstate pits	Manager Corporate Services	Adequate transfer to reserve funds	<ul style="list-style-type: none"><li>• Reserve funds maintained to meet reinstatement commitment</li></ul>
<b>9.1.2</b> Comply with Mining legislation	Manager Engineering Services	Comply with Mines Act and Mines OH&S Act for gravel pit operation	<ul style="list-style-type: none"><li>• Pits registered by 1/9/11</li><li>• Development consents for pits completed by 1/9/11</li><li>• Required statutory positions filled and nominated to Dept. of Primary Industries</li></ul>

## **Future Directions/Strategies**

### **9.2 Building Controls**

- Compliance with NSW Building Certification Scheme
- Provide guidance to customers on Construction Certificate applications.

<b>Key Actions</b>	<b>Responsibility</b>	<b>Means</b>	<b>Performance Assessment</b>
<b>9.2.1</b> Ensure compliance with NSW Building Certification Scheme	Manager Environmental Services	Inspections carried out, advice available	<ul style="list-style-type: none"><li>• Number of significant compliance issues</li></ul>
<b>9.2.2</b> Over the counter/ telephone/email advice to customers	Manager Environmental Services	Provision of timely advice	<ul style="list-style-type: none"><li>• Number of complaints due to lack of advice available</li></ul>

## **10. Transport and Communication**

### **Goal:**

To provide sustainable and cost effective transport infrastructure that allows safe vehicle and pedestrian movement within the Shire

### **Transport and Communication incorporates the following functions of Bogan Shire Council:**

- 10.1 Roads - To provide and maintain a safe and effective road network suited to the needs of the community, according to a hierarchy of arterial, distributor, collector and access road classification that establishes priorities and guides management of roads to minimise risk relative to the level of service for each road appropriate to users and the available resources.
- 10.2 Other Transport and Communication - To provide and maintain other transport and communication infrastructure, such as airports, footpaths and stormwater drainage, to assist safe vehicle and pedestrian movement within the Shire

### **Future Directions/Strategies**

#### **10.1 Roads**

- 10.1.1 Urban Roads
- 10.1.2 Sealed Rural Roads
- 10.1.3 Unsealed Rural Roads
- 10.1.4 Regional Roads
- 10.1.5 State Highways

To maintain all roads in a serviceable and safe condition subject to resource limitation using contemporary management techniques.

<b>Key Actions</b>	<b>Responsibility</b>	<b>Means</b>	<b>Performance Assessment</b>
<b>10.1.1 1</b> Adoption of Asset Management Plan for urban roads	Manager Engineering Services	Utilise resources to document and prioritise future works	<ul style="list-style-type: none"><li>• Asset Management Plan to be developed and adopted by 31/12/12</li></ul>
<b>10.1.1.2</b> Maintain urban roads in accordance with accepted standards	Manager Engineering Services	Resources utilised to achieve standard, subject to availability	<ul style="list-style-type: none"><li>• Works completed on time within budget</li></ul>

<b>10.1.1.3</b> Asset Management	Manager Engineering Services	Recording & valuation of local urban road assets	<ul style="list-style-type: none"> <li>• Assets recorded &amp; valued</li> <li>• Included in annual report</li> <li>• Provides input to strategic planning process</li> </ul>
<b>10.1.2.1</b> Adoption of Asset Management Plan for sealed rural roads	Manager Engineering Services	Utilise resources to document and prioritise future works	<ul style="list-style-type: none"> <li>• Asset Management Plan to be developed and adopted by 31/12/11</li> </ul>
<b>10.1.2.2</b> Complete bitumen resealing program	Manager Engineering Services	Internal/external resources used to undertake works	<ul style="list-style-type: none"> <li>• Annual resealing program completed within budget</li> </ul>
<b>10.1.2.3</b> Maintain roads in accordance with accepted standards	Manager Engineering Services	Utilise plant/staff to achieve outcomes, subject to resource limitations	<ul style="list-style-type: none"> <li>• Works completed on time within budget</li> </ul>
<b>10.1.2.4</b> Asset Management	Manager Engineering Services	Recording & valuation of local sealed rural road assets	<ul style="list-style-type: none"> <li>• Assets recorded &amp; valued</li> <li>• Included in annual report</li> <li>• Provides input to strategic planning process</li> </ul>
<b>10.1.3.1</b> Adoption of Asset Management Plan for unsealed rural roads	Manager Engineering Services	Utilise resources to document and prioritise future works	<ul style="list-style-type: none"> <li>• Asset Management Plan to be developed and adopted by 31/12/11</li> </ul>
<b>10.1.3.2</b> Complete annual gravel re-sheeting program	Manager Engineering Services	Internal/external resources used to complete works	<ul style="list-style-type: none"> <li>• Re-sheeting program completed by 30<sup>th</sup> June 2011</li> </ul>
<b>10.1.3.3</b> Maintain roads within acceptable standards	Manager Engineering Services	Utilise plant/staff to achieve standard, subject to resource limitations	<ul style="list-style-type: none"> <li>• Works completed on time within budget in accordance with the Roads Policy</li> </ul>

<b>10.1.3.4</b> Asset Management	Manager Engineering Services	Recording & valuation of local unsealed rural road assets	<ul style="list-style-type: none"> <li>• Assets recorded &amp; valued</li> <li>• Included in annual report</li> <li>• Provides input to strategic planning process</li> </ul>
<b>10.1.4.1</b> Adoption of Asset Management Plan for regional roads	Manager Engineering Services	Utilise resources to document and prioritise future works	<ul style="list-style-type: none"> <li>• Asset Management Plan to be developed and adopted by 31/12/11</li> </ul>
<b>10.1.4.2</b> Complete bitumen re-sealing program	Manager Engineering Services	Internal/external resources used to undertake work	<ul style="list-style-type: none"> <li>• Re-sealing program completed within budget by 30<sup>th</sup> June 2011</li> </ul>
<b>10.1.4.3</b> Complete gravel re-sheeting program	Manager Engineering Services	Internal/external resources used to undertake work	<ul style="list-style-type: none"> <li>• Gravel re-sheeting program completed within budget 30<sup>th</sup> June 2011</li> </ul>
<b>10.1.4.4</b> Maintain roads in accordance with accepted standards	Manager Engineering Services	Utilise plant/staff to achieve standard, subject to resource limitations	<ul style="list-style-type: none"> <li>• Works completed on time within budget</li> </ul>
<b>10.1.5.1</b> Undertake work on State Highways under Routine Maintenance Council Contract	Manager Engineering Services	Internal/external resources used to achieve target	<ul style="list-style-type: none"> <li>• Contract requirements are met</li> </ul>
<b>10.1.5.2</b> Maintain professional relationship with RTA Traffic Committee Representation	Manager Engineering Services	Completion of documentation Works proposals submitted	<ul style="list-style-type: none"> <li>• Documentation submitted when required</li> </ul>

## Future Directions/Strategies

### 10.2 Other Transport and Communication

10.2.1 Maintain existing aerodrome infrastructure

10.2.2 Footpaths

10.2.3 Kerb and Guttering

10.2.4 Street Lighting

10.2.5 Road Safety

Key Actions	Responsibility	Means	Performance Assessment
<b>10.2.1</b> Maintain Certification of aerodrome to CASA Regulations	Manager Engineering Services	Inspections carried out, maintained to standards	<ul style="list-style-type: none"> <li>• Certification maintained to appropriate standard</li> </ul>
<b>10.2.2</b> Provide and maintain safe and adequate footpath system	Manager Engineering Services	Inspection of footpaths on regular basis	<ul style="list-style-type: none"> <li>• Defects identified programmed for action subject to resources</li> </ul>
<b>10.2.3</b> Maintain and upgrade Kerb and Guttering system	Manager Engineering Services	Maintain efficiency of Kerb and Guttering system	<ul style="list-style-type: none"> <li>• Defects identified programmed for action subject to resources available</li> </ul>
<b>10.2.4</b> Provide adequate street lighting for developed areas of towns/villages	Manager Engineering Services	Facilities provided & maintained by energy provider	<ul style="list-style-type: none"> <li>• Specific response to requests/inspections including fault reporting and new services where appropriate</li> </ul>
<b>10.2.5</b> Identify and implement local road safety issues	Manager Engineering Services	<p>Seek grant funding for pedestrian, cyclist and road user projects where appropriate</p> <p>Liaison through local traffic committee</p>	<ul style="list-style-type: none"> <li>• Grant funds obtained, projects completed</li> </ul>

## **11. Economic Affairs**

### **Goal:**

To effectively and responsibly manage, maintain and develop Council's entrepreneurial activities to maximise returns for the economic benefit of the local community and to facilitate the economic development of the district.

#### **11.1 Economic Development -**

#### **11.2 Tourism and Marketing - Ensure that product and infrastructure available in the Shire is of a high standard and meets the needs and expectations of visitors**

### **Future Directions/Strategies**

#### **11.1 Economic Development**

- Strengthen and diversify business base to increase economic sustainability and employment.

<b>Key Actions Goal 1</b>	<b>Responsibility</b>	<b>Means</b>	<b>Performance Assessment</b>
<b>11.1.1</b> Support business growth and infrastructure development	Community Development Officer	Support establishment & operation of Tourism committee	<ul style="list-style-type: none"><li>• Council host meeting and provides administrative support</li></ul>
<b>11.1.2</b> Support relevant activities of existing community groups in shire	Community Development Officer	Assist with funding application	<ul style="list-style-type: none"><li>• Number of successful grant applications</li></ul>
<b>11.1.3</b> Assist business to participate in promotional activities locally and regionally	Community Development Officer	Liaise with local service clubs, community organisations and traders	<ul style="list-style-type: none"><li>• Business directory published and distributed</li></ul>



## Future Directions/Strategies

### 11.2 Tourism Development

- Facilitate the development of new tourism product and investment
- Enhance existing tourism product
- Develop marketing strategy for Bogan Shire

Key Actions	Responsibility	Means	Performance Assessment
<b>11.2.1</b> Identify areas of potential tourism growth, prepare a 'business prospectus' for the Shire	Community Development Officer	Research trends & forecasts of future visitors  Business prospectus complete	<ul style="list-style-type: none"> <li>• Business prospectus complete</li> </ul>
<b>11.2.2</b> Explore opportunities for new tourism product	Community Development Officer	Product audit/gap analysis	<ul style="list-style-type: none"> <li>• Report provided to Council 30/06/11</li> </ul>
<b>11.2.3</b> Create system to update visitor information regularly	Community Development Officer	Tourist information updated  Bogan Shire brochures available at regional VIC's	<ul style="list-style-type: none"> <li>• Information is current and accurate</li> <li>• System in place for future updates</li> </ul>
<b>11.2.4</b> Website used for communication	Manager Corporate Services	Update website weekly	<ul style="list-style-type: none"> <li>• Web site is current</li> </ul>
<b>11.2.5</b> Signage, branding for Shire, new entry signs	Community Development Officer	Investigate sign entrance to town	<ul style="list-style-type: none"> <li>• Council adoption of concept 30/06/11</li> </ul>
<b>11.2.6</b> Tourism Plan	Community Development Officer	Develop tourism business plan	<ul style="list-style-type: none"> <li>• Plan adopted by Council 30/06/11</li> </ul>

<b>11.2.7</b> Promote shire through Outback Regional Tourism Committee	Community Development Officer	Maintain membership of body	<ul style="list-style-type: none"> <li>• Council membership is current</li> </ul>
<b>11.2.8</b> Assist Events with marketing and promotion	Community Development Officer	Meet with organising committee of events	<ul style="list-style-type: none"> <li>• Number of events assisted</li> </ul>
<b>11.2.9</b> Develop media kit for Bogan Shire	Community Development Officer	Review material available	<ul style="list-style-type: none"> <li>• Media Kit produced</li> <li>• Quality of information and promotional material improved</li> </ul>
<b>11.2.10</b> Visitors Information Centre (VIC)	Community Development Officer	Provide a quality information outlet in Nyngan	<ul style="list-style-type: none"> <li>• Ensure budget allocation for VIC</li> </ul>

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# Annexure Three State of the Environment Report







# Land

This chapter focuses on the condition of the land in the participating Council areas. 'Land' is a natural asset that consists of a diversity of geological forms, topsoil availability, and soil health.

Land supports natural systems and is available to support a variety of human uses. Changes in vegetation and patterns of settlement and land use continue to be significant sources of pressure on Australia's natural and cultural environment. The landscape of the reporting area is diverse in character, including residential, agricultural, industrial and natural landscapes. However, a major issue in the region is land degradation caused primarily by soil erosion, salinity and contamination.

## Land Degradation

### Condition

The soils of the catchments vary according to geology, climate and landscape. Soil health issues can be broken up into three components - fertility (salinity, acidity, and nutrients), biology (the number, condition and type of soil biota) and physical characteris-

tics (structure, sodicity and erosion) (Central West CMA, 2011a). There is a high degree of interaction between the causes and effects relating to fertility, biological activity and physical characteristics. The tablelands and slopes have ratings of poor soil health, but there is a trend toward improved cropping and grazing management practices.

Lower nutrients and poorer soil types are characteristic of the tablelands due to higher total rainfall. The geology of the area is dominated by coarse grained, acidic rocks resulting in sandy textured soils that are developed in-situ and susceptible to erosion (Central West CMA, 2011a).

The slopes have variable geology with soils types that are less fragile and have higher nutrient levels. They also have naturally higher salt stores, increasing the risk of land degradation due to salinity (Central West CMA, 2011a).

The plains are dominated by alluvial and aeolian soil development resulting in higher fertility and clay contents that have a higher shrink-swell potential and can be susceptible to compaction problems.

### Contamination

Contaminated land has the potential for immediate or long-term adverse effects on human health and the environment. Land contamination is usually the impact of past land uses such as service stations, fuel depots, horticultural facilities, orchards, sheep dips, agri-chemical dumps, pistol ranges, mines, landfills and gasworks.

A site is classified as contaminated when hazardous substances occur at concentrations that are above normal background levels, posing a potential risk to human health or the environment.

The NSW Office of Environment and Heritage (OEH) maintains a register of Contaminated Sites ([www.environment.nsw.gov.au/whowere/registers.htm](http://www.environment.nsw.gov.au/whowere/registers.htm)). All participating Councils in the reporting region also maintain a list of potentially contaminated sites based on past land use.

Table 5: Summary Table of Indicator Trends – Land Degradation

Issue	Indicator	2008-09	2009-10	2010-11	2011-12	Trend
Contamination	Contaminated land sites - Contaminated Land Register	5	6	8	8	↓
	Contaminated land sites - potentially contaminated sites	886	876	895	915	↓
	Contaminated sites rehabilitated	16	11	7	13	↑
Erosion	Erosion affected land rehabilitated (ha)	14,214	588	92	2,066	↓
	Flood Damage (\$)	*	*	31M	14M	↑
Salinity	Salinity affected land rehabilitated (ha)	89,010	0	0	3,370	↓

\* Data not available for these years

- ↑ improvement
- no or little change
- ↓ worsening trend

Note – the above trends are for data in 2008-09, 2009-10, 2010-11 and 2011-12 from the same sources. The trend is based on comparing the average of the previous years of reporting with 2011-12. They should be read in terms of the limitations for indicators discussed throughout this chapter. Note also that there are some new indicators for 2011-12 for which no comparison can be made with previous years. Refer to the Appendix for a list of Councils included in the trend data.



ABOVE Agricultural landscape near Molong

**Indicator – Number of contaminated land sites (Contaminated land register)**

As shown in the summary table (Table 5), the total number of sites in the Contaminated Land Register across the region was unchanged in 2011-12. However, one site was taken off the register in Dubbo LGA and one new site was added in Warren LGA. Currently, there is one site in each of the Bathurst, Cabonne, Cowra, Dubbo, Lachlan, Oberon, Orange and Warren LGAs. There has been a general worsening in this trend when averaged since 2008-09. This is likely due to better identification of existing sites rather than an increase in contamination per se.

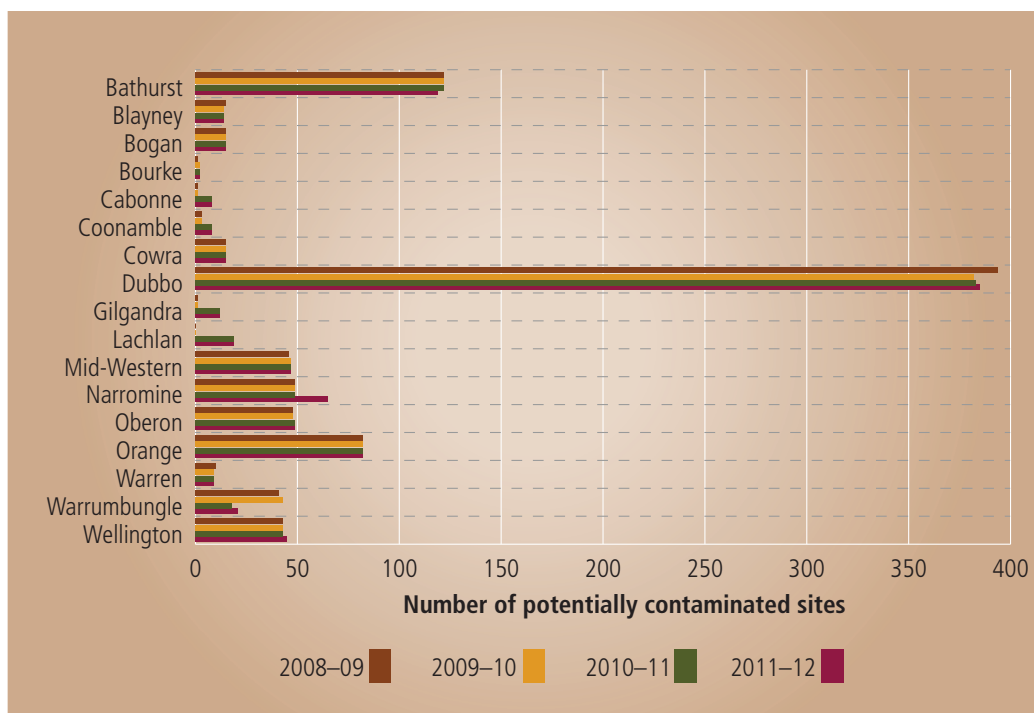
contaminated, does not pose an unacceptable risk under its current or approved use to the best of Council's knowledge. The planning and development process will determine what remediation is needed to make the land suitable for a different use.

In 2011-12, local Councils across the reporting region identified 915 potentially contaminated sites. As shown in the summary table (Table 5), this was an increase of 20 sites over the previous year and 29 more than 2008-09. The majority of the increase in the last year was in Narromine LGA which identified a further 16 potentially contaminated sites compared with the number for the previous three years (Figure 5).

Figure 5: Number of potentially contaminated sites in each LGA

**Indicator – Number of contaminated land sites (potentially contaminated sites)**

Local Councils deal with other contamination under the planning and development framework, including *State Environmental Planning Policy (SEPP) No. 55 – Remediation of Land* and the *Managing Land Contamination – Planning Guidelines*. This type of site, although possibly





Although this indicator is reported as a worsening trend (as shown in the summary table at the start of this chapter), the overall increase since 2008-09 probably indicates that Councils have become more aware of previously contaminated sites and are now including them on their registers so that these issues can be addressed should a change in land use warrant it.

## Erosion

Erosion is a significant land factor that influences water quality in our streams and terrestrial and aquatic habitat quality. Erosion generally occurs where land has been disturbed or where water concentrates, such as unsealed roads, roadsides and driveways, agricultural areas (cropping, land clearing and over grazing), industrial areas, stormwater outlets, where vegetation is otherwise removed and in waterways. Impacts from erosion include loss of arable land and habitat, weed invasion, soil loss, dust storms and sedimentation of waterways.

## Salinity

While there are many causes of salinity (including irrigation and removal of vegetation), the effects on land resources can be very significant regardless of the cause. Salinity changes the soil structure, increasing

the erosion hazard. Limited vegetation will grow on saline areas, reducing feed for stock, habitat for native species and changing the local ecosystem. Salt also affects infrastructure such as roads and buildings which may cause high economic impacts for the local Council and community.

A study of dryland salinity (DECCW, 2009) in the NSW part of the Murray-Darling Basin found that there were 18,559 ha of salt outbreaks in the Macquarie River catchment and 22,153 ha in the Lachlan River catchment. Of the 67 sub-catchments with salt outbreaks in NSW, the 27 highest ranked areas are all within the Macquarie, Lachlan and Murrumbidgee valleys.

## Threat

Five main threats to the Land resources of the region are:

1. Land clearing
2. Poor agricultural practices
3. Inappropriate development and land use change (including mining)
4. Climate change
5. Natural Hazards

Details about each of these threats are provided below.

## Land Clearing

The clearing of natural vegetation compounds land degradation problems such as erosion and salinity. Rainfall and overland flow that would normally be taken up or slowed by vegetation erode sections of the land away, resulting in various forms of erosion. The clearing of native vegetation may also cause the water table to rise which brings salt deposits with it, increasing soil salinity and reducing the productivity of soils.

## Poor Agriculture Practices

Agriculture can cause significant impacts on land if it is not managed sustainably. These impacts can include loss of groundcover, causing erosion and therefore loss of topsoil, changes to soil structure and health, increases in soil acidity and increased areas of soil scalds. Extreme impacts may lead to loss of soil fertility and desertification. Intensive agriculture in the plains areas of the Central

**BELOW** An example of gully erosion, Mid-Western LGA





West is also causing rising acidity levels in areas that due to a lower rainfall have not previously experienced these problems (Evans and Scott, 2007). The inappropriate use of fertilisers is also a major contributing factor to soil acidification.

### Inappropriate development and land use change (including mining)

The boom in global demand for Australian resources continues to have a significant impact on the economy of the Central West of NSW. In many areas, mining is a major employer and exploration for new commercial deposits is widespread across the region. The resources industry provides job opportunities for many people who in other times would have been forced to leave the region to find work and it also brings new people into the region. This diversity can provide social benefits in addition to employment and wealth creation impacts of the resources boom, but may also negatively impact on the social structure of some smaller regional centres. The number and scale of active mines and exploration projects can threaten the local environment through possible contamination of groundwater, vegetation clearance and subsidence affecting surface water.

#### Indicator - Area covered by mining and mining exploration projects

#### Indicator - Number and type of operating mines and quarries, licenced under EPA PoEO Act

These indicators were first reported in the 2010-11 period and no updates of this data were available in the current reporting period, so no comparison with previous years is possible.

There is a significant area

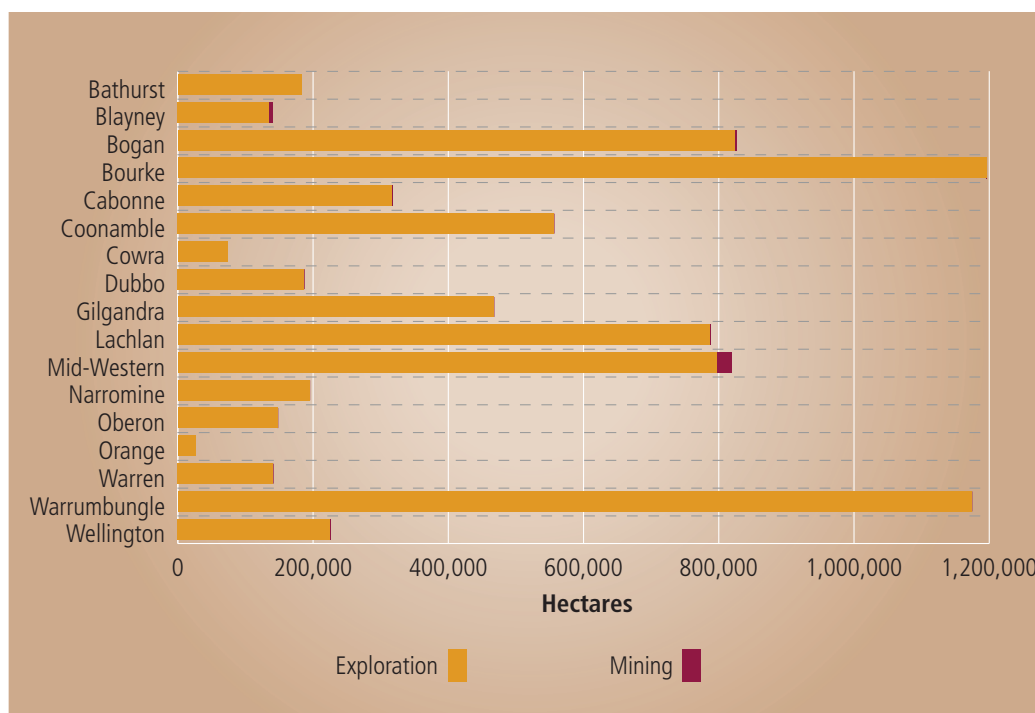
currently covered by exploration titles across every one of the 17 LGAs with the largest areas being in the Bourke and Warrumbungle LGAs, both having more than one million hectares under exploration titles. As of 2010-11, the total across the whole region was 7,426,548 hectares.

As of 2010-11 there were operating mines in 10 of the 17 LGAs with the largest area being the 87 active mining leases covering 22,382 hectares in the Mid-Western LGA. The Mid-Western LGA also had the largest number of exploration leases (75). The other active mining leases were in the Bathurst, Blayney, Bogan, Bourke, Cabonne, Cowra, Lachlan, Oberon and Wellington LGAs. Figure 6 shows the total area under both exploration and mining leases by LGA.

### Climate Change

The predicted impacts of climate change will vary depending on various land features such as fertility, biology and physical soil characteristics mentioned above, as well as the area of green cover and water availability. However, while there is no uniform response, it is generally accepted that as temperatures rise, soil moisture and thus nutrient availability decreases, as does the soil's ability to support vegetation. This is particularly prevalent in arid lands compared to forested areas, where exposure combined with

**Figure 6:** Total area covered by mining and mining exploration projects as at 2010-11.







## Land



**ABOVE** Aftermath of flooding in Wellington

increased temperatures causes a “baking” of the land.

Soils can also be either a net sink or a net source for greenhouse gases (GHG). In more densely vegetated areas, including perennial pastures, carbon dioxide (CO<sub>2</sub>) is plentiful due to plant respiration. Because of the high availability of CO<sub>2</sub> in these areas, the growth rate of plants is also increased. This enhances soil organic matter and results in healthier soils. Healthier soils will support a greater population of micro-organisms. These soil micro-organisms also contribute CO<sub>2</sub> to the environment, however their contribution

to building soil and soil carbon is far more significant. The amount of global carbon stocks in soil has been previously estimated as 1750 +/- 250 Gt (Royal Society, 2001).

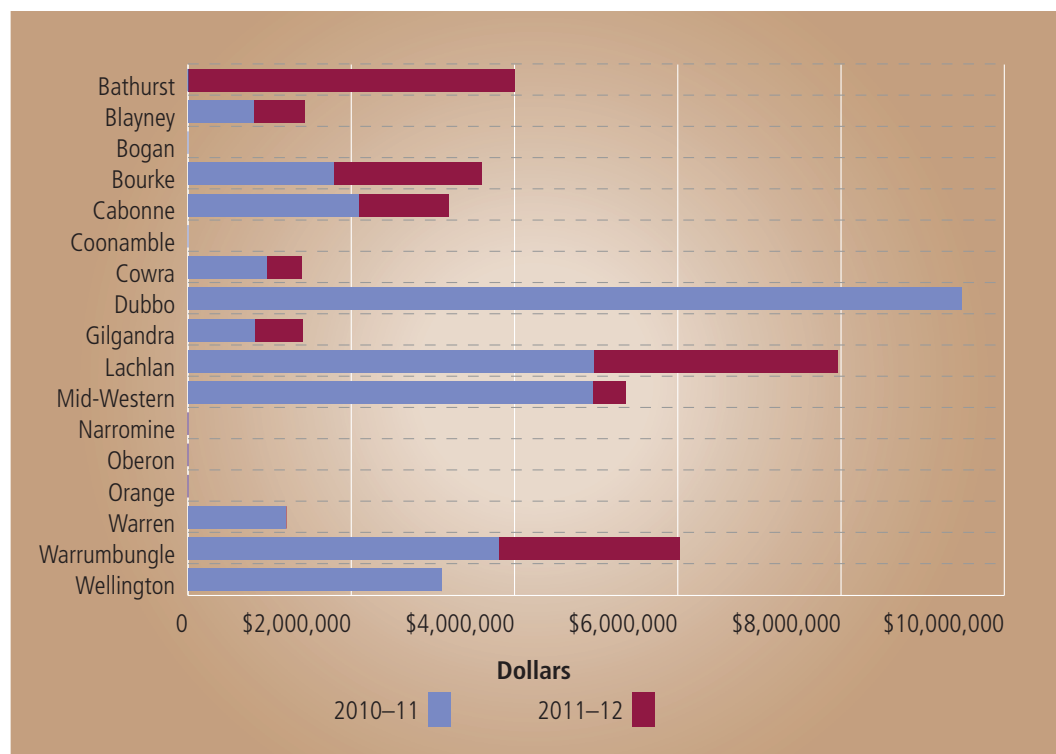
### Natural Hazards

#### *Indicator – Flood Damage (dollars)*

The 2010-11 year saw a swing to higher than average rainfall and some extreme storm events associated with the La Niña cycle. This led to extensive flooding in many areas and last year an indicator was included to measure the extent of flood damage in dollar terms.

The total estimated flood damage/remediation bill across the region in the 2011-12 period was \$14.2M with flood damage being quantified in 9 of the 17 LGAs (see Figure 7). This brings the cumulative cost of the recent flood events (2010-2012) to \$45M. The highest costs in the current reporting period were in the Cabonne, Bourke, Warrumbungle, Dubbo and Bathurst LGAs which each reported flood damage/remediation costs over \$1M. It should be noted that the figure for Bathurst LGA in 2010-11 was not zero (figure was not available).

**Figure 7:** Total estimated flood damage and remediation cost



## Response

### Agricultural lands

A significant focus of CMA funding programs has been improving soil management in agriculture, not only for soil health but also to limit soil losses from impacts of stock, stormwater and flooding, and wind erosion. Targeted incentive funding for farmers has included increased groundcover percentages, improving soil tillage and improving the organic content of soils.

The Central West CAP outlines management targets, which include: 'by 2021, 20% of all soil landscapes under production are being actively managed to meet critical thresholds for groundcover and soil carbon Central West CMA, 2011b).'

Rehabilitation of degraded sites has also been a significant activity to reduce impacts on land resources. Programs undertaken by private landholders, the CMAs and Councils have included re-vegetation of streams and creeks to limit stream bank erosion; improving land management of salinity recharge areas, which also contribute to soil damage and erosion hazards; soil conservation works such as contour banks and gully remediation on farms and some public lands and improving industrial development rehabilitation conditions for larger impact activities such as quarries and mines.

The Central West CMA provides a series of best practice guides to assist landholders in improving agricultural land management. These guides include information on the topics of:

- Managing sodic soils
- Land and soil capability
- Soil management in pasture systems
- Economics of non-tillage farming systems
- Managing cropping soils
- Channel erosion
- Gully erosion

Conventional tillage methods and set stocking have significantly reduced perennial groundcover within the Lachlan Catchment as well. This contributes to wind and water erosion, soil structure decline, organic carbon loss and salinity. To improve soil health, the main management actions



that are being implemented are based on maintaining optimal groundcover all year round, minimising ground disturbance from machinery and compaction by stock and machinery (Lachlan CMA, 2006).

More recently, both the Central West and Lachlan CMAs have implemented programs to increase soil carbon in agricultural lands. The Lachlan CMA, in partnership with the NSW Department of Primary Industries and OEH, has initiated a pilot program to develop and test a Market Based Instrument to sequester soil carbon in part of the Cowra Trough area of the Lachlan catchment (Lachlan CMA 2011b).

**ABOVE** Ploughing the paddocks, Mid-Western LGA

### Erosion

#### **Indicator – Extent of erosion affected land rehabilitated**

Many of the reporting Councils have developed sediment and erosion control policies, which although relating primarily to urban areas, aim to mitigate the effects of stormwater on water quality. For example, they may require builders to install sediment

*Wiradjuri saying—‘Ngangaana-gu Kairai billa’s dya Kairai billa’s durai ngangana ngindu’  
‘Look after the land and the rivers and the land and the rivers will look after you’*

(Cec Grant – 2001)



### CASE STUDY: Rabbit Baiting Program in Blayney Shire

Blayney Shire Council has begun a pest management program in the numerous cemeteries around the Shire to limit the number of feral rabbits in the area.

A number of calls from concerned citizens notifying Council of the problems associated with the rabbits in the area, such as burrows and damage to grave sites, alerted Council to the problem and the Ranger began the process of researching the problem and possible solutions.

It was evident that the rabbits had been causing damage to the cemetery with many new burrows and areas of disturbed soil. With the rain, the burrows became larger making for a quite unsightly view for visitors.

Council's Ranger explained, "Rabbits are attracted to disturbed soil which makes for a horrible situation in a cemetery."

The management of the animal will be through a baiting program conducted by Council's Ranger, Stuart Adamson. The program was advertised to the community from Thursday 21 June to 4 July 2012 in the local newspaper.

On Tuesday 17 July, with the weather becoming sunnier, the process began by laying grain around the cemetery. The grain allowed the feral animal population to become familiar with, and to consume, a similar product to the bait.

Each day Council's Ranger checked on the cemeteries to monitor the grain amounts and any areas that showed evidence of high populations of the animal. After a week or so, the grain was then replaced by the bait and the waiting game began.

After two weeks, there was a noticeable decrease in the population. Council's Ranger explained, "Some of the burrows have been vacated and are now empty and the number of new holes are decreasing. The program has seen a considerable decline in numbers."

With notifications from the community, Council is well on the way to minimising the disastrous effects that this animal has on the area.



Ranger Stuart laying grain for the baiting program at Millthorpe Cemetery

controls around a site to prevent any erosion leaving the site, and to keep and stockpile topsoil for rehabilitation purposes.

The Central West CMA reported that 2,064 hectares of water ponding treatments were undertaken in the 2011-12 period. Although the total area rehabilitated is a lot lower than the 2008-09 number it is a significant increase compared to the last two years for work undertaken by that CMA. While this indicator is listed as a worsening trend, it should be noted that the 2008-09 number may also have included data for the two prior years due to the reporting system in place at the time.

Most Councils reported little or no erosion rehabilitation work, with the largest being five hectares of revegetation of the ring levee that surround the town for flood protection in Bogan Shire.

### Contamination

#### *Indicator – Number of contaminated sites rehabilitated*

A range of projects have been undertaken across the reporting area to address contamination. Responses include research to locate and identify contaminated sites, and on-ground works to address contamination issues. Many of the Councils have identified a list of potentially contaminated sites and are seeking funding for cooperative projects. For example, Lachlan Shire Council identified older landfills and disused service stations as priorities for rehabilitation.

There are several projects being carried out across the region involving the rehabilitation of contaminated sites. Examples include Cabonne Council working on a former gasworks site at Molong (see case study) and Bathurst LGA in which several service station sites have been remediated.

All 17 participating Councils reported on the number of contaminated sites rehabilitated for 2011-12. They reported that 13 sites across the region have been rehabilitated. This is reported as an improving trend (as shown in the summary table at the start of this chapter) because there is an increase compared to the average of the three previous years for the 16 Councils that reported in all those years.





## Salinity

### ***Indicator – Extent of salinity affected land rehabilitated***

Salinity management has traditionally been the role of the agricultural sector and the State Government through remedial works, education programs and monitoring of river salinity levels.

Councils may also address this issue depending on the current level of risk identified in the LGA and therefore the priority of the issue to the local community. For example, Dubbo City Council has identified urban salinity as an issue for some years. Urban salinity can affect infrastructure such as buildings, driveways, fences and roads, as well as limiting plant growth.

Council has therefore invested in a range of management options to effectively monitor and manage salinity in and around Dubbo.

### **CASE STUDY: Molong Gasworks**

Molong, like many country towns, had its own gasworks which converted coal into 'town gas' from 1893 till 1966. Then the site was used for LPG gas distribution. Most infrastructure was demolished by about 1994. This involved burial of coaltar, oxides and ash. The coaltar is a pollutant which could contaminate underground waters.

Cabonne Shire Council has investigated the buried pollution and based on these investigations the Environment Protection Authority (EPA) issued a formal declaration in December 2011 that the gasworks site is 'significantly contaminated land'.

Council has received a grant of \$500,000 from the NSW Government to assist in site cleanup.

Council went out to tender, which closed on 20 June 2012. Various proposals were submitted and a contract for \$607,000 has been chosen. Remediation works will commence after the EPA licensing and approval requirements have been finalised.

Completion of these works will address an environmental problem and should enable this site to be safely used for business or commercial usage. It is strategically located near Molong's shops, motel and caravan park.



**BELOW** Loading the grain trains in Trangie



An example of the management options put in place by Dubbo City Council is the Dubbo Urban Salinity Network. Commencing in 2004 and consisting of 129 bores covering the Dubbo urban area, the Network is one of the best monitoring networks in Australia. Groundwater levels and conductivity data are collected monthly to assist Council in effectively managing salinity across the urban area.

Data collected by Dubbo City Council has shown that salinity issues in areas not previously considered to be at risk. Council is now using the data collected since 2005 to develop groundwater, soils and salinity hazard mapping to assist in future land use planning and salinity management. More details: <http://www.dubbo.nsw.gov.au/CouncilServices/Salinity.html>

Bathurst Regional Council has recently had a comprehensive salinity study undertaken, and is now determining how it can prioritise actions across the LGA.

The Central West CMA has identified the management of salinity as a priority

action to achieve land management targets set under the new 2011-2021 CAP (Central West CMA, 2011b). The CMA also targets the replanting and management of recharge areas through the establishment of deep rooted perennials. It also addresses improving water efficiency in irrigation areas to limit groundwater recharge in saline areas, and encourages Councils to address urban salinity issues.

In the 2011-12 period, the Central West CMA reported that a total of 3,370 hectares of salinity affected land was rehabilitated, comprising of 1,511 ha of salinity affected grazing and 1,859 ha of salinity affected cropping land. As the total area rehabilitated is a lot lower than the 2008-09 number this indicator is reported as a worsening trend, even though the figure for 2011-12 is an improvement on the subsequent years. It should be noted, however, that the 2008-09 number may also have included data for the two prior years due to the reporting system in place at the time.

**RIGHT** Hay bales in the field





### CASE STUDY: The Central West celebrates the Year of the Farmer

As a celebration of the 2012 Australian Year of the Farmer, the Central West CMA is working closely with Landcare on a program of events to recognise the efforts of our sustainable farmers who feed, clothe and house us all in an environmentally sustainable way.

Tom Gavel, Chairman of the Central West CMA has commented, "In conjunction with Landcare and our broader farming community, we work with some amazing innovative and sustainable farmers who strive to achieve a workable balance between production and conservation."

During the Year of the Farmer, the CMA is showcasing farmers' achievements to promote their hard work and demonstrate how others can become Landcare Farmers.

A diverse range of activities is being carried out throughout the year by both Landcare groups and the Central West CMA. Social media training has equipped farmers to effectively tell their story and farm tours and field days allow the community to see first-hand how their food is produced. A number of school activities also aim to help educate our youth about where their food comes from.

According to Watershed Landcare Coordinator, Thea Ridley, "this year is about promoting the central role agriculture plays in our country. There is a great need to re-connect producers to consumers, and vice versa, to bridge the gap in understanding where our food comes from, and what it costs –environmentally, socially and economically."

Landcare is about accounting for all of these costs, and this year, it focusses on celebrating farmers who successfully do that.

Both the NSW Farmer of the Year, Norm Smith, and the Conservation Farmer of the Year, Grant Byrne, farm within the Central West catchment.

Whether it's Michael Inwood's zero-emission farming in Bathurst, large scale conservation tillage at Nyngan with the Wass brothers or the Job family's sustainable grazing approaches near Yeoval; there are lots of farmers in the region with a passion to move farming into a new more sustainable era of production.

Further information about the 2012 Australian Year of the Farmer can be found at [www.cw.cma.nsw.gov.au](http://www.cw.cma.nsw.gov.au)





# Air

This chapter focuses on the condition of the air (atmosphere) in the participating Council areas. Globally, the condition of the air has been heavily scrutinised in recent times due to its potential impact on climate change.



RIGHT Windmill in the snow

The atmosphere regulates the type and amount of radiation that hits the earth's surface from the sun (via the ozone layer), regulates temperature (through the 'greenhouse effect') and provides the gases that plants need to grow and animals, including people, need to breathe. However, some substances in the atmosphere may reduce the air's quality, and pollution resulting from smoke, industrial and agricultural emissions can at times be a problem within the reporting area.

## Air Pollution

Table 6: Summary Table of Indicator Trends – Air

Issue	Indicator	2008–09	2009–10	2010–11	2011–12	Trend
Urban Air Pollution	Number of days that air pollution maximum goals for particulate matter were exceeded*	5	8	0	1	↑
Industrial Pollution	Number of premises on the National Pollution Inventory	49	48	45	46	↑
	Number of Environment Protection Licenses issued	202	194	192	202	↓
Odour	Number of odour complaints received by Council	120	89	117	91	↑
	Number of odour complaints received by EPA	25	89	50	29	↑
Air Pollution Complaints	Number of air quality complaints to EPA Pollution Line	103	45	148	35	↑
	Number of air quality complaints to Council	101	112	131	134	↓

\*data collected at Bathurst – only monitoring station in the reporting area

- ↑ improvement
- no or little change
- ↓ worsening trend

Note – the above trends are for data in 2008–09, 2009–10, 2010–11 and 2011–12 from the same sources. The trend is based on comparing the average of the previous years of reporting with 2011–12. They should be read in terms of the limitations for indicators discussed throughout this chapter. Note also that there are some new indicators for 2011–12 for which no comparison can be made with previous years. Refer to the Appendix for a list of Councils included in the trend data.

## Condition

### Regional Air Quality

Much of the State-level air quality monitoring is confined to the Greater Metropolitan area which includes Sydney, Wollongong and Newcastle. OEH monitors one site in the reporting region, Bathurst; however, ozone and particulates are the only air pollutants measured at this site. Particulates can include particles, dust, smoke, plant spores, bacteria and salt. Particulate matter may be a primary pollutant, such as smoke particles, or a secondary pollutant formed from the chemical reaction of gaseous pollutants.

Human activities resulting in particulate matter in the air include mining; burning of fossil fuels; transportation; agricultural and hazard reduction burning; the use of incinerators; and the use of solid fuel for cooking and heating.

Particulate matter can be usefully classified by size. Large particles usually settle out of the air quickly while smaller particles may remain suspended for days or months. Rainfall is an important mechanism for removing particles from the air.

The size of a particle also determines its potential impact on human health. Larger particles are usually trapped in the nose and throat and swallowed. Smaller particles may reach the lungs and cause irritation there. Fine



particles can be carried deep into the lungs and irritate the airways. When exposed to particulate pollution, people suffering from heart disease may experience symptoms such as chest pain, and shortness of breath. Particulate pollution can also aggravate existing respiratory diseases such as asthma and chronic bronchitis (DECCW, 2009a).

#### **Indicator – Number of days that air pollution maximum goals were exceeded**

The National Environment Protection Measure (NEPM) sets maximum goals or standards for each pollutant type, except for visibility which is set by OEH.

During the 2011–2012 reporting year there was one day where particulate matter exceeded the National Environment Protection Measure (NEPM) standard for PM10 particles (which is an average daily reading of 50 micrograms per cubic metre). PM10 is used to define air particles that are up to 10 micrometres in diameter and are among the coarser particles that can be measured in air quality analysis.

This continued the improvement recorded in 2010–11 compared to the total of eight and five exceedances during the previous two years. This change is probably due to the

wetter conditions experienced in the region over the last two years, as the main contributors to high PM10 particle levels in the region (including in Bathurst) are dust storms, bushfires and burn-offs.

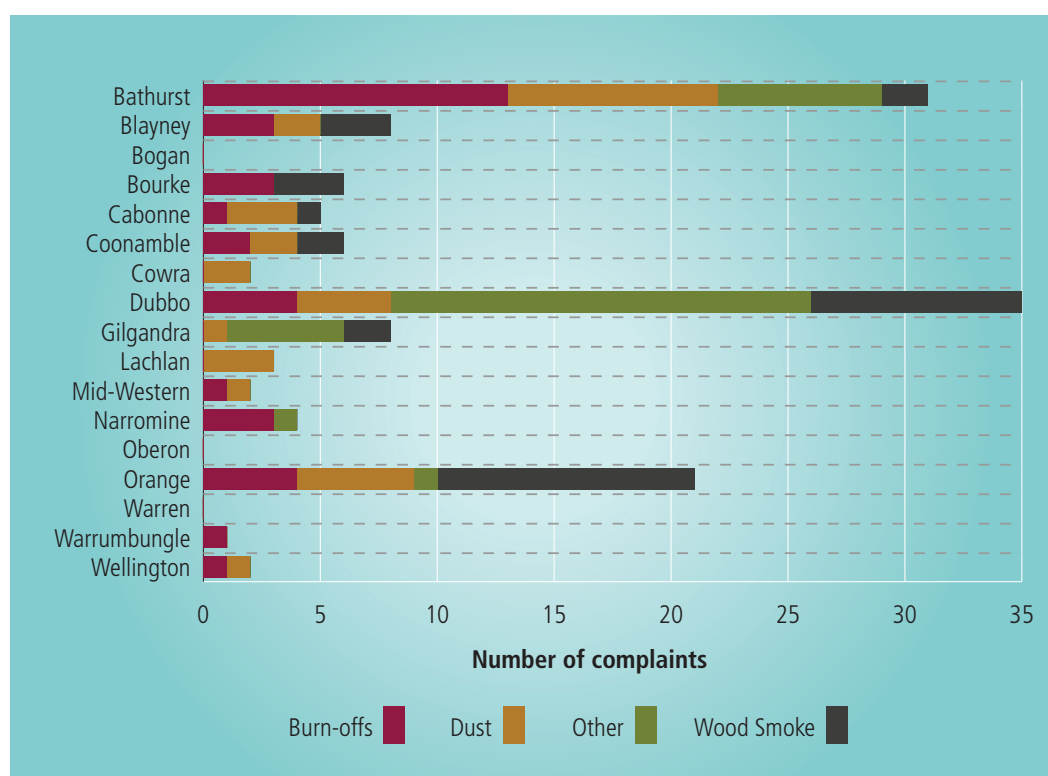
#### **Air Quality Complaints**

##### **Indicator – Number of air quality complaints to local Councils**

##### **Indicator – Number of air quality complaints to the EPA Pollution Line**

As shown in the summary table (Table 6), the number of complaints to the local Councils about air quality matters (not including odour issues) was very similar to the 2010–11 number but greater than the previous years, thus the worsening trend.

There was a total number of 134 air quality complaints to Councils in 2011–12 from the 17 participating Councils. The types of complaints across the Council areas are shown in Figure 8. As in 2010–11 they are spread evenly across the four categories of burn-offs, dusts, wood smoke and other. This is a change from 2008 to 2010 where dust and burn-offs were the main specified air quality complaints.



**Figure 8:** Types of air quality complaints to local Councils 2011–12



**ABOVE** Blue skies and cumulus clouds, Cabonne LGA

Complaints reported to the EPA Pollution Line by contrast, showed a large decrease this year, falling to the lowest level in the last four years: 35 in 2011–12 compared to 148 in the 2010–11 year. However, the change is almost entirely explained by Mid-Western LGA where complaints fell from 145 last year to 28 this year. The Mid-Western LGA has recorded the largest number of complaints to the EPA in each of the last four years, accounting for over 90% of the complaints over the last three years and still 80% in the current year. This is probably due to an increase in mining activities.

## Odour

**Indicator – Number of odour complaints received by Council**

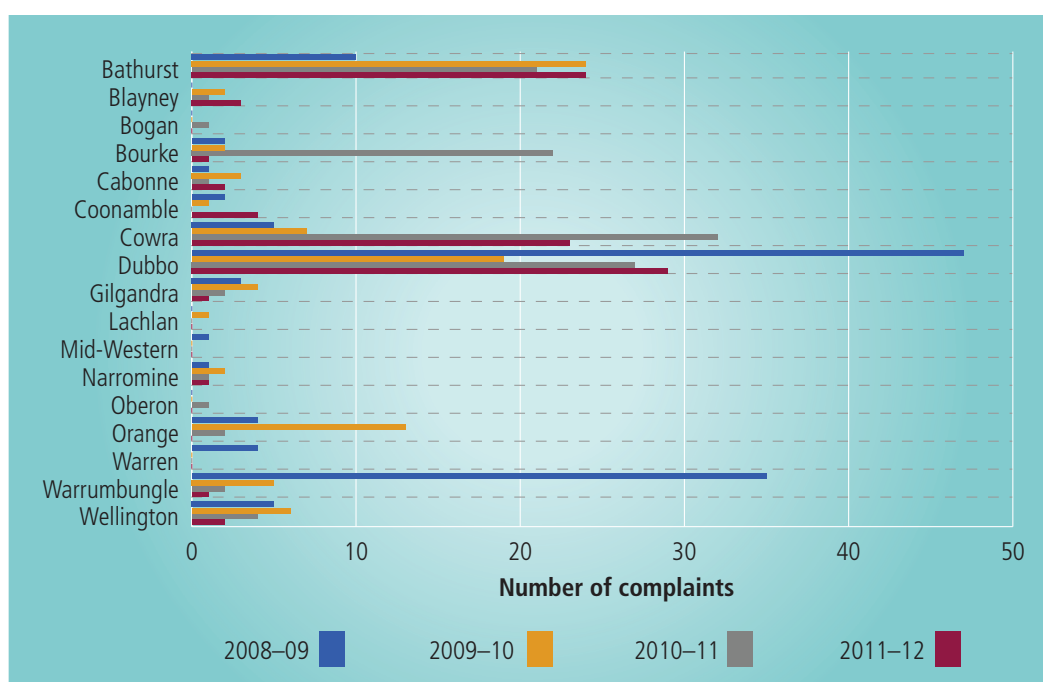
**Indicator – Number of odour complaints received by EPA Pollution Line**

Some complaints can be related to odour from sources such as food outlets and factories. The 17 participating local Councils reported that there were 91 odour complaints received in 2011–12 across the reporting region which was very similar to the level reported in 2009–10. Figure 9 shows the number of odour complaints reported by each Council.

The higher number of complaints in 2010–11 compared to the current and previous years was almost entirely due to a spike in complaints in the Bourke LGA (due to a large fish kill in the Darling River caused by blackwater from the major flooding event). Apart from Bourke and Warrumbungle, the pattern of complaints across the region in 2011–12 was very similar to the previous years with the vast majority of complaints being recorded in the Bathurst, Cowra and Dubbo LGAs.

There was also a significant reduction in the number of odour complaints received by the EPA Pollution Line: only 29 complaints were received across the region with almost

**Figure 9:** Number of odour complaints received by each local Council



three quarters of these coming from the Mid-Western, Cabonne and Cowra LGAs. The number of complaints in Cabonne was much lower than reported in the two previous years and along with Bathurst and Blayney, explains most of the reduction seen across the region.

## Threat

There are several threats to the air quality of the region including from dust storms, vehicles, solid fuel heaters, backyard burning, bushfires, agricultural activities (e.g. stubble burning, agricultural spray drifts) and commercial and industrial sources.

### **Solid Fuel Heaters and Backyard Burning**

Domestic wood heating, industrial premises and diesel vehicles are the major sources of particulate pollution in urban areas (DECC, 2006). There is little data available relating to the number of wood heaters in use, although some Councils do have complaint records relating to wood smoke. Open burning is also a significant source of particle pollution. It is regulated by the *Protection of the Environment Operations (Clean Air) Regulation 2010*. The Regulation prohibits burning of certain articles and vegetation in urban areas and regulates conditions in which burning can be undertaken in rural areas. The burning of dead and dry vegetation in urban areas of the Central and Western region may be permitted in some circumstances, depending on the policies of the local Council and Rural Fire Service.

### **Fires**

Bushfires emit large quantities of carbon dioxide, other gases, and also significant amounts of particulates. Bushfire management activities involving the prescribed use of fire (for hazard reduction) are highly regulated, both operationally and with regards to potential environmental impacts. The local area Bush Fire Risk Management Plans contain references to smoke management, and the need for operational plans to consider the effects of smoke on nearby residences, and sensitive locations such as hospitals, aged care facilities, schools and tourist centres. These plans state that all burn plans must include



measures to reduce the impact of smoke as far as practicable.

The impact of smoke resulting from wildfire is impossible to manage and may have significant implications for local and regional air quality. Given the climate conditions that are conducive to very high and extreme fire danger across the Central and Western Council areas, wildfire will typically result in large quantities of smoke being blown for long distances downwind of the fire. This has the potential to severely impact on air quality within the region, affecting residents, tourists and businesses alike. The composition of smoke from an intense wildfire may be substantially different from that of a low intensity prescribed burn, and exposure may have implications for the health of persons with respiratory illness (DECC, 2006).

### **Agriculture**

Some agricultural activities can impact on the atmosphere, including stubble burning, spray drift and dust caused by tillage. Stubble burning, believed to have returned nutrients to the soil following harvest of a crop, produces smoke and ash across large areas of land as well as releasing large amounts of carbon dioxide. This practice is becoming less favoured as conservation farming techniques promote retention of organic matter. Spray drift from application of herbicides and pesticides, including aerially applied sprays (crop dusting), is penalised under the pollution regulation; however, it still occurs on a regular basis and affects both biodiversity and human health. Ploughing or tilling the soil in dry conditions causes dust, and in dry climatic

ABOVE 'Borrodell' eco friendly accommodation near Orange



**RIGHT** A view of Cowra and the Lachlan Valley from Bellevue Hill Lookout

conditions dust storms have been recorded across the reporting area. Dust has significant human health impacts.

### **Motor Vehicles**

Although vehicle numbers and kilometres travelled are increasing, improved technologies and tighter regulatory controls are expected to reduce per capita motor vehicle emissions each year. Vehicle emissions contribute to reduced local air quality due to particulate pollutants, volatile organic compounds and nitrous oxides.

### **Indoor Air Pollution**

Indoor air includes air in homes, schools, shopping centres, vehicles, and indoor workplaces. Australians spend approximately 85% of their time indoors, much of it at home (DECC, 2006). The quality of indoor air depends on factors such as the type of building materials used; the types of products used indoors (including paint, electrical appliances, furniture and cleaning products); the proximity to outdoor sources of air pollution; types of indoor heating or cooling used; building ventilation rates; the use of the building (including whether smoking occurs); and diurnal, seasonal and climatic conditions. Many pollutants, such as nitrogen dioxide, carbon monoxide, fine particles and formaldehyde, can be present at higher concentrations indoors than outdoors. Safe Work Australia

sets exposure standards for workplaces, but there are no Australian standards for indoor air in other settings.

### **Industrial Pollution**

#### **Indicator – Number of premises on the National Pollutant Inventory**

The National Pollution Inventory (NPI) records emissions for 93 compounds, and is a National Environmental Protection Measure implemented by the national environment department. It includes point source and diffuse emissions, some reported directly by industrial sources and some estimated by the relevant State Government.

As shown in the summary table (Table 6), the number of NPI industry pollution emitters in the region has increased slightly in the last year, with 46 in the most recent NPI reporting period compared with 45 in the previous NPI reporting period. The changes in the NPI listings are reflective of the economy of the region with the four new facilities all in the resources sector: quarries in the Bourke, Mid-Western and Orange LGAs, plus the Moolarben coal mine near Ulan. The most significant facility closed in the last period was a manufacturing plant in the Oberon LGA.

#### **Indicator – Number of Environment Protection Licences issued**

There are currently 202 active Environment Protection Licences (including air, water pollution discharges) for premises across the reporting area, as issued by OEH under the *Protection of the Environment Operations Act 1997* (PoEO Act). As shown in the summary table (Table 6), this is an increase from the 192 active licences in 20010-11 and a reversion back to the level recorded in the 2008-09 period. This indicator is reported as a worsening trend across the four reporting years.

Many of the licenses do not relate to air and a number are issued to Council's own operational facilities such as sewerage treatment plants which may discharge to waterways. Smaller industries may also cause pollution, and the local Council has regulatory controls over these premises.



## Response

### Fires

While fires are regulated by both pollution and burning regulations, education plays a key role in the response of local Councils to this issue. OEH has produced a woodsmoke resource kit for Council officers, targeting improvements in residential wood fire use to limit smoke. Council officers have powers under the PoEO Act 1997 to issue notices regarding smoky fires.

Hazard reduction burns and limiting the impact of smoke from these is managed by Bushfire Risk Management Plans, developed by the local Bushfire Management Committee (BFMC). The BFMCs are comprised of local Councils, OEH and the Rural Fire Service (RFS).

Several fire management initiatives are currently underway in the region. The Canobolas Zone of the RFS which incorporates Cabonne, Cowra, Orange and Blayney LGAs is currently completing a comprehensive risk management plan, incorporating environmental values. At Lake Brewster, RFS and Lachlan CMA are conducting an ecological burn which incorporates traditional burning, ecological and hazard reduction purposes.

### Emission of Air Pollutants

The majority of air pollutant emissions are regulated by the NSW government under the PoEO Act, however Councils may respond to air quality complaints and issue notices or warnings under the PoEO Act where they are the appropriate regulatory authority.

Several Councils are taking proactive steps to reduce woodsmoke impacts on air quality including direct funding for air quality improvement programs and also educating residents about ways to minimise woodsmoke.

Bathurst Regional Council continued the 2011 Woodheater Rebate Program to help reduce pollution in the region. Bathurst residents could receive financial assistance to replace older style woodheaters with cleaner and more efficient alternatives. The rebate was open for a wide variety of heating alternatives including gas, reverse cycle, central heating, and electric heating. Dubbo City Council continues to run its annual Clean Air/Woodsmoke awareness program for residents.

### CASE STUDY: Neutral Drive (Dubbo)

During 2011–12, Dubbo City Council re-examined its commitment to the GreenFleet carbon capture program utilised to offset small vehicle fleet emissions. In examining the program Council decided that the revegetation benefits from this on-going commitment to an environmentally sustainable bottom line could be better focused on the LGA, rather than seeing Dubbo investing in tree plantings in other localities.

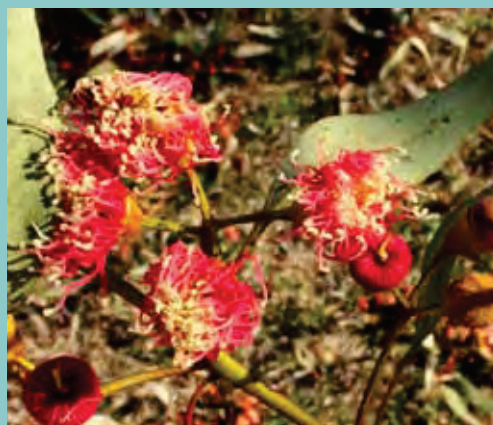
Council is a large land holder in the LGA and an opportunity was identified for Council to develop its own carbon sequestration planting program in line with the newly released Carbon Farming Initiative (CFI) guidelines. A unique identity for this program was developed and registered and the “Neutral Drive” program was born. This is the source for new stickers on the rear windows of Council vehicles.

In order to meet with the CFI guidelines, any plantings which aim to become carbon “sinks”, or to be accountable under their approved methodologies must comply with the following conditions:

It must be “additional”, that is not either a normal part of Council business or something it would otherwise be undertaking. Coal mines for example cannot claim revegetation activities as they are required as part of their mining lease conditions.

- It must be “permanent”, in this case permanence is defined as 100 years protection. If part or all of a forest is lost for any reason in that time it must be replanted. This is to ensure carbon is actually captured for a significant period
- It must be measurable, that is it must comply with a defined methodology
- Plantings cannot be “urban”, urban revegetation is defined by the CFI as normal business for Councils.

With all of this in mind, Council has identified and planted an area at Redbank Reserve on Burraway Road as its initial Neutral Drive planting site. Over time, this site will host the 1,600 trees estimated by the methodology as required to offset Council’s small vehicle fleet emissions. Other planting sites have been and continue to be identified around the LGA and will offer the program opportunities for future development through sale of carbon capture to the private and public sectors beyond the Dubbo LGA.



Eucalyptus in flower



# Water



This chapter reports on the quantity and quality of water in the catchments of the reporting area and the consumption of potable water in the reporting region. In this chapter, 'water' refers to the rivers, aquatic habitats, creeks, wetlands, groundwater, dams, stormwater, potable water and the catchment activities which may impact upon them.

There are two main issues in relation to water in the reporting area. Firstly, the quantity of water is often variable within many rivers due to the periodic effects of drought and flood. Many rivers in Australia's south have been dammed to provide a reliable water supply for agriculture and urban use and increasing

demand is placing pressure on inland water systems. Secondly, the quality of the water existing within the river and groundwater systems is also important, with threats arising from industrial, urban and agricultural pollution sources, as well as from treated wastewater and stormwater.

**Table 7: Summary Table of Indicator Trends – Water Quantity**

Issue	Indicator	2008–09	2009–10	2010–11	2011–12	Trend
Dam Levels	Average dam levels	19.5%	15.2%	60.5%	88.9%	↑
Council water consumption	Area of irrigated Council managed parks, sports grounds, public open space (ha)	793	791	911	932	↓
	Water used by council for irrigation (including treated and untreated) (ML)	1,161	719	716	771	↑
Reticulated filtered water consumption	Total number of serviced properties	73,152	71,965	73,970	74,864	↓
	Total number of unserviced properties	10,369	18,584	17,591	17,306	↑
	Annual metered supply (ML)	24,331	23,662	21,125	21,256	↑
	Annual consumption (Total from WTP) (ML)	26,693	25,806	23,248	22,109	↑
	Average annual household use (kL/household)	290.7	272.9	204.9	195.9	↑
	Average level of water restrictions implemented	1.6	1.5	0.9	0.2	↑
Water extraction	Number of irrigation licences from surface water sources	6,279	5,002	5,087	5,836	↓
	Volume of surface water permissible for extraction under licences (GL)	1,519	1,397	1,595	1,635	↓
	Actual volume extracted through surface water licences (GL)	130	135	173	297	↓
	Number of bore licences from groundwater resources	21,667	26,321	22,987	50,151	↓
	Volume of groundwater permissible for extraction under licences (GL)	404	417	2,859	1,293	↓
	Actual volume extracted through groundwater licences (GL)	*	*	97	42	↑
	Water sharing plans implemented	22	25	45	48	↑

\* Data not available for these years

- ↑ improvement
- no or little change
- ↓ worsening trend

Note – the above trends are for data in 2008–09, 2009–10, 2010–11 and 2011–12 from the same sources. They should be read in terms of the limitations for indicators discussed throughout this chapter. The trend is based on comparing the average of the previous years of reporting with 2011–12. Note also that there were some new indicators for 2011–12 for which no comparison can be made with previous years. Refer to the Appendix for a list of Councils included in the trend data.



**ABOVE** Somerset Park Wetland, Orange

Waterways across the catchment are important for many reasons:

- They act as a 'barometer' for the whole environment. Most activities that occur on the land are ultimately reflected in the health of waterways.
- They support a diverse range of ecosystems.
- The vast majority of our streams and creeks ultimately enter, and impact upon, the integrity of internationally important wetlands such as the Macquarie Marshes.
- Many waterways are in, or discharge into, drinking water catchments.

## Water quantity

### Condition

The Macquarie River is regulated between Burrendong Dam and Pilicawarrina in the Marshes which includes Bulgeraga, Duck and Gunningbar Creeks. There are two main dams regulating flows in the Macquarie River Catchment: Windamere Dam on the Cudgegong River upstream of Mudgee has a capacity of 368,120 ML and Burrendong Dam located upstream of Wellington at the junction of the Macquarie and Cudgegong River has a capacity of 1,188,000mL. Other water courses that are augmented by river regulation include the Ewenmar system, lower Bogan River, Marra, Crooked and Marthaguy Creeks

and the lower Macquarie River (Central West CMA, 2007).

The upper reaches of the Bogan and the Castlereagh Rivers are largely unregulated rivers. All other streams within the catchment are unregulated with impacts on the natural flow regime largely a result of extractive demand and the construction of town water supply schemes. The level of impact within the catchment will vary according to extractive demand, available flow and groundwater levels.

Within the Lachlan Catchment, the Lachlan River rises near Lake George and terminates in the Great Cumbung Swamp near Oxley, 1450 river kilometres to the west. There are an unusual number of effluent streams along its lower section including Willandra, Merrowie and Middle Creeks. These effluent streams flow intermittently from the Lachlan River, delivering water as far as 160-180 kilometres west of the main channel. The Lachlan River itself is only intermittently connected to the Murrumbidgee River when both rivers are in flood. Major tributaries above the township of Forbes include the Abercrombie, Boorowa, Belubula and Crookwell Rivers. The Bland and Goobang Creeks flow into the Lachlan River upstream of Condobolin. The main dam regulating flows in the Lachlan River is Wyangala Dam which has a capacity of 1,220,000 ML, (Lachlan CMA, 2007).





**ABOVE** Farm dam at dawn

Almost half of the sub-catchments in the Lachlan Catchment have been identified as having high hydrologic stress and ten of these are considered to have high environmental values. In some areas of the catchment, river flow regulation, instream structures and requirements of water for 'beneficial uses' have altered flow regimes, resulting in both higher and lower flows than the natural state and consequently a reduction in wetland health, area and water quality (Lachlan CMA, 2006).

Regulation of river flow throughout the Central West and Lachlan catchments has altered the character of many of the major waterways. River regulation has been seen to cause a range of impacts, including:

- Introducing barriers to fish (and other species) moving through the habitat.
- Reducing the peak and trough effect of rainfall and minor floods leaving areas without fresh water for longer periods.
- Changing seasonal variation.
- Reducing the amount of water in flood events, limiting the area affected, time affected and depth of water.
- Changing water temperatures through shallow water (usually warmer) or dam releases (usually colder).

- Reducing flows across the floodplain landscape.
- Increased channelisation and isolation of rivers from the floodplains.

The Western Catchment is not a catchment in the traditional sense, as it encompasses a series of river systems. These include the Barwon-Darling, Culgoa, Paroo, Warrego, Narran, Bokhara, Birrie, Bulloo Overflow and part of the Bogan Rivers. Many of these rivers originate in Queensland with the Condamine-Balonne system contributing 20% and the MacIntyre and Border Rivers contributing 35% of tributary flows entering the Barwon-Darling system.

The Great Artesian Basin underlies much of the northern part of the Western Catchment area (Western CMA, 2007). Groundwater is an important natural resource in the Western Catchment, and the volume of water stored in the pores and fractures of rocks below the watertable vastly exceeds the volume of fresh surface water resources (Western CMA, 2007).

Continued demand for surface water and the lack of rainfall (drought) in previous reporting periods has placed significant pressure not only on town water supplies, but also on water licences and allocation

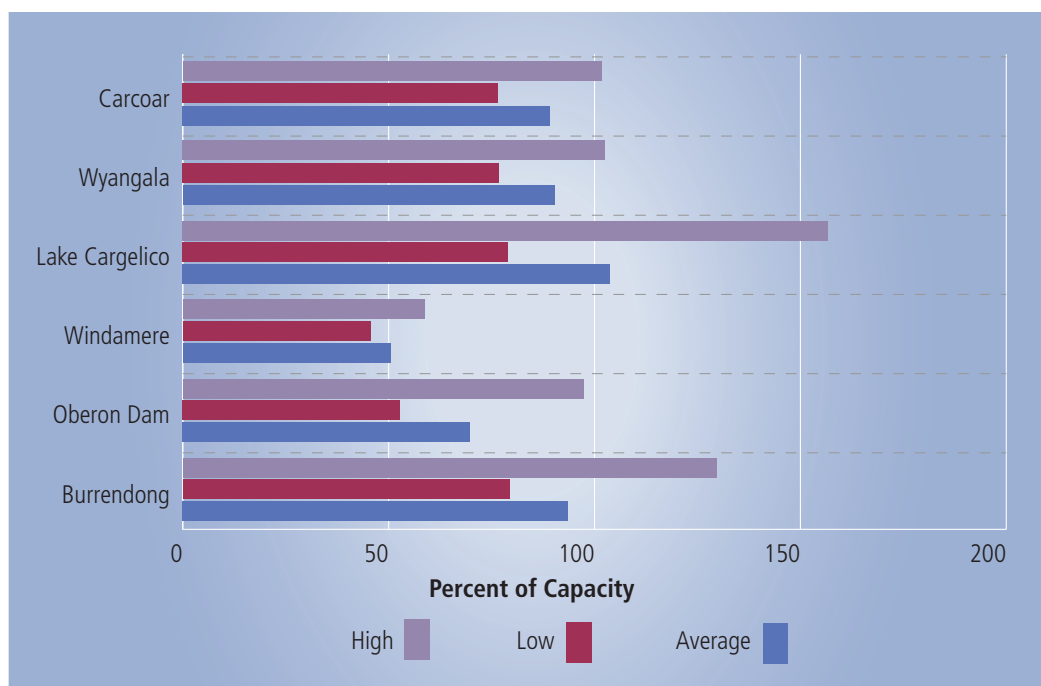
for agriculture and industry. However, the past two years have seen drought conditions lifting across the Central West with the La Niña weather pattern. The particularly intense weather cycle meant that 2011 was the third wettest year for Australia (since national records began in 1900) with a mean total rainfall of 699mm, well above the average of 465mm.

From December 2011 to March 2012 major floods affected the Lachlan Catchment with moderate and minor flooding experienced in other parts of the region. As reported in the Land chapter, the total estimated flood damage/remediation bill across the region in 2011–12 was \$14.2M, bringing the cumulative cost of recent flood events (2010–2012) to \$45M.

#### **Indicator – Average dam levels**

Dam storage levels indicate both the current rainfall and the pressures that water consumption place on water storages. Six dams in the region – Carcoar, Wyangala, Lake Cargelico, Windamere, Oberon Dam and Burrendong – were used to indicate dam levels. As shown in the summary table (Table 7), the average level for the total storage of these six dams rose from 60.5% capacity in 2010–11 to 88.9% in 2011–12.

Figure 10 illustrates the continuing improvement in storage levels since the drought broke in 2010–11. Storage levels in all the dams were high all year with relatively little difference between the minimum and maximum levels. The two major dams in the region are Burrendong and Wyangala, each with a total storage capacity of approximately 1,200 GL. These two dams both averaged greater than 90% capacity on average over the 2011–12 year.



**Figure 10: Dam Levels for 2011–12**

#### **Threat**

#### **Surface and Ground Water Extraction**

Irrigation places significant pressure on water resources. While many irrigators have had relatively high levels of water allocation over the past year, historically over-allocation of water licences has seen additional stress placed on aquatic habitats such as the Macquarie Marshes despite the requirement for environmental flows. The demand for groundwater extraction, particularly for irrigation, is increasing in the long-term and placing additional pressure on aquifers and ecosystems. The increase in mining operations has the potential to have a severe impact on water resources in the region.

#### **Indicator – Number of irrigation licences from surface water sources**

#### **Indicator – Volume of surface water permissible for extraction under licences**

The number of surface water irrigation licences was reported this year to be 5,836 which is a significant increase on the numbers of between 5,000 and 5,100 reported in the last two years. However, the current figure is still lower than the 6,279



reported in 2008–09. It is hard to draw any reliable conclusions from these numbers due to the variability reported which is possibly more reflective of changes to the NSW Office of Water's licensing systems and processes than to any real change in water allocation.

However, the volume of surface water permissible for extraction under licences in 2011–12 does appear to show a more consistent upward (worsening) trend since 2008–09 (the dip reported in 2009–10 is probably an error in data, as noted last year).

### **Indicator – Annual volume extracted through surface water licences**

The amount of surface water extracted rose significantly from 173 GL in 2010–11 to 297 GL in 2011–12 which likely reflects the easing in drought conditions across the region, resulting in increases in allocations to irrigators.

However, this number is still only around 18% of the volume permissible for extraction under surface water licences and should be set in context against the 232 GL extracted in 2005–06. The high rainfall in the 2010–11 and 2011–12 years has possibly also acted

to suppress demand for water extraction due to ample supplies of water in farm dams and in the soil itself. Therefore, it is foreseeable that in future years actual extractions could increase significantly above this year's level.

### **Indicator – Number of bore licenses from groundwater resources**

The number of licences for extraction of bore water more than doubled to 50,151 compared to the number reported in 2010–11. The scale of this increase does raise some doubt about the reliability of the data, but it is potentially reflective of an increased focus on the licensing regime for groundwater and a desire to better manage the State's groundwater resources.

### **Indicator – Actual volume extracted through groundwater licences**

This indicator was reported for the first time last year. The number reported for 2011–12 fell to 42.2GL from 97.2 GL last year (an improving trend). A plausible explanation for this change is that increased surface water availability has led to reduced demand for bore water which can be more expensive to extract.

There has been a long standing problem in managing actual bore water usage because the large majority of bores have never been metered. Therefore the value reported is unlikely to give an accurate reflection of the percentage of actual compared with licensed extraction. However, it will be interesting to track this number over future years as, contrary to normal expectations, an increasing trend in actual usage reported is likely to be positive, if it reflects increased metering of bores rather than an actual increase in extractions.

### **Town Water Consumption**

Reticulated water consumption is relatively small in comparison to that used for irrigation. In the region it accounts for about four per cent of water consumption compared with 88% used for irrigation and eight per cent for stock and domestic use (Murray Darling Basin Committee, 2007). Nevertheless, with many towns and regional centres growing, there are increasing pressures on water used for town water supplies.

**BELOW** Irrigation channels near Mitchell Highway, Mid-Western LGA



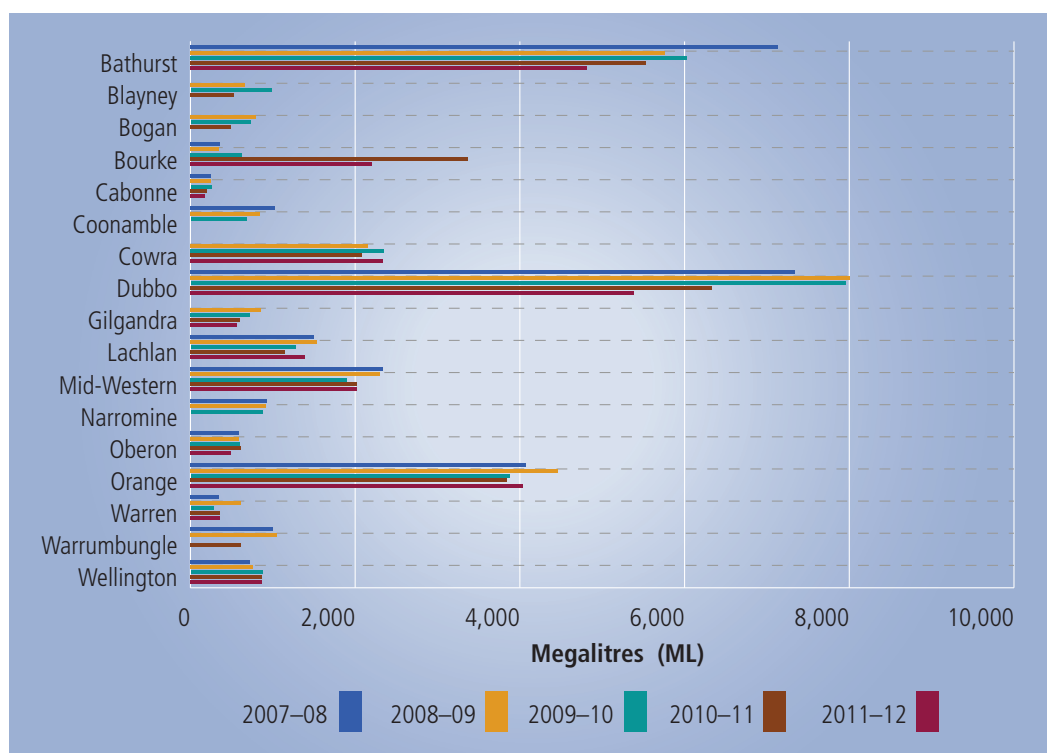


Figure 11: Annual town water consumption

#### Indicator – Total number of serviced properties

#### Indicator – Total number of unserviced properties

As shown in the summary table (Table 7), the number of properties serviced by town water has continued the increasing trend reported in previous years. This expansion of the reticulated systems will increase pressure on water supplies and thus is seen as a worsening trend for this indicator, unless more water sensitive urban design practices are adopted in new developments. The gradual increase in this indicator (1.2% this year) is roughly in line with the average rate of population growth in the region over the last few years.

The Councils in the region have also reported a small decrease in the number of un-serviced properties: down from 17,591 in 2010–11 to 17,306 in 2011–12 (for the 14 Councils that reported in both years), with most or all of these having presumably contributed to the increase in the number of serviced properties. Un-serviced properties represent potential pent-up future demand on the reticulated system which will increase the pressure on water supplies.

#### Indicator – Annual metered water supply

#### Indicator – Annual town water consumption (total from WTP)

Household water use is an indicator of the pressure on water resources, particularly in times of declared drought. As shown in the summary table (Table 7), the annual town water consumption as measured from water treatment plants decreased by almost 5% from 2010–11 to 2011–12 for the ten local Councils that have reported this data each year, continuing the trend shown in the last three years. A small increase (0.6%) in the annual metered supply was reported this year but the general trend over the last four years is downward.

Figure 11 provides a breakdown of water consumption across the region in 2011–12 compared with water use in the four previous reporting years. Water consumption has decreased over this period for most LGAs, notably Bathurst and Dubbo. Bourke LGA has reported large changes but last year was the first year in which the Bourke's town water was metered (previous years' data were estimates). Whilst Bourke's consumption would have been reduced during the three previous reporting years due to water restrictions, it





**ABOVE** Rain garden at Dubbo City Council's public pool (Photo C. McCulloch)

is likely that consumption in these years was significantly underestimated. This would mean that the overall reduction across the region is probably actually larger than reported here.

These reductions in town water consumption are likely to be, at least in part, a response to the increased rainfall which would have decreased the need for water for gardens, filled domestic rainwater tanks and reduced the demand for household water. It remains to be seen how much of the reduction is due to permanent behavioural changes in the community resulting from water saving programs, domestic rainwater harvesting, etc.

### **Indicator – Average annual household use**

As shown in Table 7, average annual water use per household across the reporting region showed a further decrease in 2011–12 to 195.9 kL per household. This followed a sharp decrease reported last year. Councils have generally attributed the lower household water use to the wet conditions.

These reductions may partly be attributable to a change in the method of calculating this indicator which was partially introduced last year and completely replaced Council's individual estimates this year. It will be interesting to see if the downward trend can be maintained once drier conditions return to the region. Long-term predictions are still for tightening of water availability, whilst reductions in household water consumption will be necessary to counteract the overall trend of slowly rising population for the region.

### **Indicator – Number of residential meters**

The number of residential water meters was a new indicator introduced last year. In 2011–12, there were a total of 62,957 meters for the 14 Councils that were able to provide this data in both years. This is an increase of 0.6% over the number reported in 2010–11.

### **Council Water Consumption**

Due to the large number of services they provide, local Councils may be large users of water in comparison to businesses and households. Their efficient use of water is therefore critical to overall water consumption as well as their important role in educating and leading the community in water use minimisation.

### **Indicator – The area of irrigated Council managed parks, sportsground and public open space**

### **Indicator – Treated and untreated water used by Council for irrigation**

As a potentially significant use of water, the area of irrigated Council facilities provides an indication of high water demand. As shown in the summary table (Table 7), there was a 2.3% increase (21 ha) in the irrigated area for the 14 Councils who have reported this indicator in each of the last four years, continuing the increasing trend first reported last year. This indicates increasing water demand, with Councils currently able to increase irrigation of parks, sports fields and other public open spaces and hence an increasing environmental pressure. Prior to this, the Council irrigated area was reduced in the drought years due to the non-essential nature of much of this water use.

As shown in the summary table (Table 7), the amount of water used (treated and untreated) for irrigation by the nine local Councils that reported in each of the last four years, increased by 7.7% in 2011–12 compared with 2010–11. Large increases were reported in the Bathurst, Lachlan and Mid-Western LGAs, whilst by contrast Dubbo continued its strong positive trend over the last four years in reducing Council water use, with a further decrease of over 7%. The success in Dubbo, along with similar trends in

the Blayney, Coonamble and Gilgandra LGAs suggest a marked improvement in the water management practices of some local Councils over the past four years and thus there is generally an improving trend for this indicator.

### Climate Change and Drought

Enormous strain is being placed on the communities, industries and natural environments of the Murray-Darling Basin by a combination of prolonged drought, floods, emerging changes in climate, population growth and the impact of past water allocation decisions. Available water is currently over-allocated, and this problem is likely to become worse as predicted water availability declines due to climate change.

Whilst wetter than average years are likely to occur from time to time – as seen under the recent La Niña system – various studies of stream flows in the Murray-Darling Basin indicate that climate change is likely to reduce flows in the future. Results of modelling studies specifically for rivers within the Central West Catchment indicate similar results (CSIRO, 2007a). Stream flows along the Macquarie River Catchment are projected to decline by 11–30% upstream of Burrendong Dam and 14–37% downstream by 2030, reducing inflows to the dam and affecting future storage levels (CSIRO, 2007a).

Likewise in the Western and Lachlan Catchments, less water will be present in streams and rivers generally, which will have downstream consequences for storages and water resources. The main concern within the Western Catchment is a reduction in flows along the Barwon-Darling river system, including its tributaries and associated floodplains and wetlands (Western CMA, 2007). This catchment is also subjected to wider regional issues of water supply, as much of the surface water flows in the Western Catchment originate in neighbouring catchments and/or states (CSIRO, 2007b).

Limitations on surface water will also place greater pressure on groundwater resources associated with the Great Artesian Basin, as reduced run-off and rainfall will lead to less groundwater recharge and sustainable yields (CSIRO, 2007b).

Further assessment is being conducted by the CSIRO ([www.csiro.au](http://www.csiro.au)).

### CASE STUDY: Apex Oval Stormwater Harvesting and Reuse Project (Dubbo)

In 2010, Dubbo City Council was successful in applying for a \$4.5 million grant under the Federal Government's 'Water for the Future' initiative to fund its Apex Oval Stormwater Harvesting and Reuse Project.

The project will see the installation of a 10 ML underground reservoir that will capture stormwater and store it for irrigation at the East Dubbo Sporting Complex, which features a regional football ground that is heavily utilised by clubs and school groups. This system will have the ability to capture 38.8 ML of stormwater per annum, or 49% of the irrigation demand of the Complex.

The project will also see the installation of an international standard sand base playing field and irrigation system with non-reinforced grass at Apex Oval. It will be equivalent to the likes of AAMI stadium in Melbourne, Suncorp in Brisbane and the major stadiums in Sydney, and be the first of its kind in regional NSW.

The aim of the project is to utilise the existing stormwater system that drains a large section of the City through the oval to capture stormwater runoff and store it for irrigation to help offset demand on the potable (drinkable) water supply. Construction commenced in September 2011 and is on track for completion by the end of September 2012.

The benefits of the project are:

- Provides 49% of the Apex/EDSC irrigation requirements.
- Saves a minimum of 4,200 ML of water saved from the potable and aquifer supplies over the tank life
- Reduces 7.67 tonnes CO<sub>2</sub> equivalent p.a.
- Has a payback period of project (\$12 million) of 52 years
- Provides a minimum of 48 years of "free water"
- Is the only sand based field in regional Australia
- Will attract more high profile games
- Provides a facility that can handle increase usage without damage
- Injects more dollars into the Dubbo economy



Apex Oval





**ABOVE** Flood waters recede in a floodplain channel

## Response

### The Murray-Darling Basin Plan

The Murray-Darling Basin Authority (the Authority) is currently preparing the Murray-Darling Basin Plan (the Plan), as required by the Water Act 2007. The Basin Plan will provide an agreed Basin-wide framework to manage the water resources of the Murray-Darling Basin. The Basin Plan aims to balance the water needs of the environment and other uses, through the establishment of new limits on the volumes of water available for use. Based on extensive assessment, the Authority is proposing a long-term sustainable diversion limit (SDL) of 10,873 GL/year. This figure would see an additional 2,750 GL/year of water returned to the Basins' rivers.

The draft Murray-Darling Basin Plan was released in November 2011. On 28 May 2012, the Murray-Darling Basin Authority provided a revised draft plan, with comments on the revised draft received by 9 July 2012. Submissions are currently being processed, with the final plan proposed to be released in late 2012/early 2013. Aspects of the plan,

such as water trading rules, will take effect from this date while other aspects will only start when new state water resources plans begin.

### Surface and Ground Water Extraction

#### *Indicator – Number of water sharing plans implemented*

Water management in NSW is largely regulated by the NSW State Government, particularly the use of groundwater and river extraction licenses. The NSW Office of Water in the Department of Primary Industries is responsible for the management of the State's surface water and groundwater resources. The Office of Water reports to the NSW Government for water policy and the administration of key water management legislation, including the *Water Management Act 2000* and *Water Act 1912*, and the regulation of licenses for farm dams, bores and other extractions.

Changes to state legislation commenced in 2004 and have culminated in new river

regulations such as Water Sharing Plans. Water Sharing Plans establish rules for sharing water between the environmental needs of the river or aquifer and water users, and also between different types of water use such as town supply, rural domestic supply, stock watering, industry and irrigation. These plans include environmental flows to help maintain riparian and aquatic health even when flows are low due to extraction and drought.

There were 48 water sharing plans implemented across the region in the 2011–12 year which is a small increase on 2010–11 but approximately double the level recorded in each of the two previous years. There were water sharing plans implemented in all but two of the seventeen LGAs. Narramine LGA (8 plans) and Warrumbungle (six plans) were the largest contributors.

The water sharing plans are either for groundwater, regulated sources or surface water. The largest increases seen in the last two years are in the number of surface water and groundwater plans implemented.

### Town Water Consumption

Councils in the region are responding to pressure on water resources by implementing a number of programs. Bathurst Regional Council runs a Water Wise Bathurst campaign that aims to educate residents and businesses on water-saving methods, and through their Wastewater Treatment Works, recycles up to two million litres of water a day. Lachlan Shire and Dubbo City Councils have also continued with their Water Wise education campaigns with information and pamphlets available to residents.

Bourke Shire's Management Plan for 2011–2014 outlines a strategic area of focus to secure a sustainable water supply for all users. The plan describes the intention to further develop the stormwater drainage system to enable Council to harvest and re-use stormwater run-off, and Council staff are currently trialling a SMART water meter for use on all water supply sources.

### Indicator – Level of water restrictions implemented

As shown in the summary table (Table 7), the average level of water restrictions implemented across the region has been

### CASE STUDY: Orange City Council's urban storm water wetlands

The town of Orange was under significant pressure to conserve water due to widespread shortages and long periods of dry weather. The Council responded as part of the Inspiring and Integrating Change (I&IC) project by constructing the Somerset Park wetland stormwater harvesting project, allowing precious rainfall and run-off from around the town to be captured, filtered and stored for future requirements.

The Council encouraged community involvement by inviting local residents and others to assist with the planting of native vegetation around the new wetlands. Interpretive signage tells the story of the wetland and how stormwater harvesting works for those using and visiting the area.

The wetland has been a success story with local residents embracing the area for recreation and early monitoring indicating improvements in the quality of water samples taken from the outlet compared to the inlet.



Interpretive signage at Somerset Wetlands

reduced again in 2011–12, with most Councils now having either no restrictions or having gone to permanent low-level restrictions (e.g. Bathurst Council's voluntary odds and evens watering program). Only Orange and Oberon Councils reported that they were still on high level restrictions.

It should be noted that there are generally standard definitions of restrictions along the Macquarie River through the Lower Macquarie Water Utilities Alliance and the Bathurst-Orange-Dubbo Alliance.



### Catchment Action Plan

With the development of the Central West CMA's Catchment Action Plan (2012), there is greater responsibility as well as greater opportunity for local Councils, government agencies and the community to work collaboratively to look after waterways. The Catchment Action Plan identifies four major management targets in relation to water quantity (and water quality) by 2021:

- 1–5% of priority river reaches are actively managed to maintain a good stable state
- 10–35% of priority wetlands are actively managed to maintain a good condition stable state
- an improvement in the ability to manage identified priority groundwater dependent ecosystems
- an increase in projects contributing to use, efficiency, movement, connectivity and water quality.

**Table 8:** Summary Table of Indicator Trends – Water Quality

Issue	Indicator	2008–09	2009–10	2010–11	2011–12	Trend
Surface & Ground Water Quality	Total Nitrogen – Percentage samples exceeding ANZECC guidelines for algal growth	3%	0%	0%	0%	↑
	Total Phosphorus – Percentage samples exceeding ANZECC guidelines for algal growth	76%	63%	75%	94%	↓
	<i>E.coli</i> – Percentage samples exceeding ANZECC guidelines for irrigated crops and dairy	55%	34%	43%	59%	↓
	Average salinity levels in selected streams (EC)	444	402	441	499	↓
Town Water Quality	Number of instances drinking water guidelines not met	115	140	116	72	↑
	Number of drinking water complaints	1,021	459	1,029	774	↑
Industrial/ Agricultural Pollution	Load Based Licencing Fees (\$)	132,898	189,862	246,503	182,367	↑
	Exceedances of license discharge consent recorded	23	22	26	38	↓
	No. of trade waste approvals	390	392	662	682	↓
	Total volume of trade waste discharged to sewer (ML)	94,048	134,069	193,395	125,135	↑
	Erosion & Sediment Control complaints received by Council	32	129	37	34	↑
	Water pollution complaints	*	*	24	47	↓
Waste water treatment	Number of septic tanks in LGA	19,910	20,486	20,582	22,268	↓
	Number of septic related complaints	37	28	13	22	↑
Stormwater Pollution	Number of gross pollutant traps installed	59	61	62	63	↑
	Volume of litter collected in GPTs (tonnes)	187	917	896	231	↑
	Total catchment area of GPTs (ha)	4,885	4,812	4,812	5,275	↑

\* Data not available for these years

- improvement  
 no or little change  
 worsening trend

Note – the above trends are for data in 2008–09, 2009–10, 2010–11 and 2011–12 from the same sources. The trend is based on comparing the average of the previous years of reporting with 2011–12. They should be read in terms of the limitations for indicators discussed throughout this chapter. Note also that there are some new indicators for 2011–12 for which no comparison can be made with previous years. Refer to the Appendix for a list of Councils.



## Water quality

### Condition

#### Surface water and groundwater quality

The degree and frequency of water quality problems varies enormously throughout the region, but it is safe to say that it is unlikely that any of the streams within the Central West Catchment do not at some time suffer quality issues that render the water unfit to be used for both consumptive and non-consumptive purposes (Central West CMA, 2007). Often it is acknowledged that in most rural and regional areas, it is diffuse pollution, not point source pollution that has the greatest impact on water quality.

The Central West CMA coordinates a program of regional water testing. The intention is to test water quality twice yearly at two locations in each of the LGAs within the Central West CMA area. Unfortunately in the 2011–12 year, only 23 of the planned 28 tests were conducted. The consequent lack of data for several LGAs not only impacts this year's results but it also means that the multi-year comparisons in Table 4 and any conclusions below, can only be drawn for a smaller number of LGAs.

#### Indicator – *E.coli* – % of samples exceeding ANZECC guidelines

*Escherichia coli* (*E.coli*) is found in the intestines of animals and does not originate from other environmental sources. For this reason, *E.coli* is a highly specific indicator of faecal contamination in drinking water. As shown in the summary table (Table 8), for those LGAs where samples were taken in each of the last four years,

there was an increase in the percentage of samples that exceeded ANZECC water quality guidelines (and thus a worsening trend in this indicator). Note that the ANZECC guideline used here is for raw human food crops (e.g. lettuces) in direct contact with water or for watering of pasture/fodder for dairy animals with no withholding period.

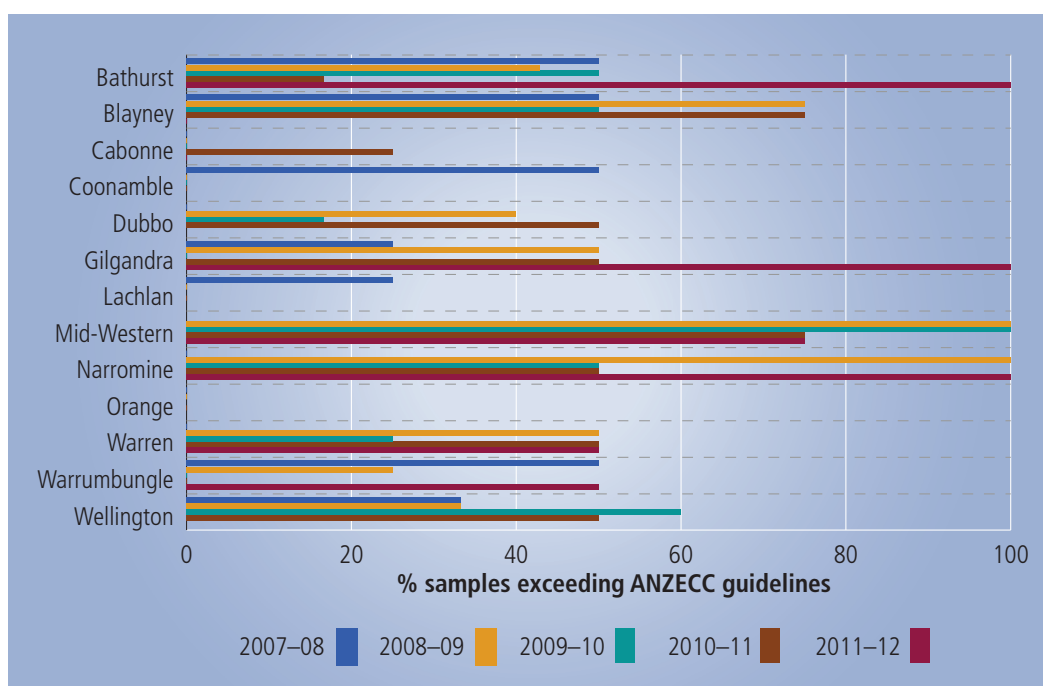
Figure 12 shows the percentage exceedances of this ANZECC guideline from the reporting Councils. It shows that many of the streams in the region have high *E.coli* readings which have implications for drinking and recreational water. The reasons for these exceedances could include stock watering close to and in streams, poorly treated sewage and discharge from unregulated septic systems. Note that the indicator does not reflect on the quality of drinking water supplied for town water from treatment plants.

#### Indicator – Total Nitrogen - % of samples exceeding ANZECC guidelines

#### Indicator – Total Phosphorus - % of samples exceeding ANZECC guidelines

The nutrients nitrogen and phosphorus are essential for plant growth. However, high concentrations indicate potential for excessive weed and algal growth (including noxious blue-green algae).

Figure 12: *E.coli* – % samples that exceed ANZECC water quality guidelines for irrigated crops and dairy





## CASE STUDY: Manganese Removal Trial – Bathurst Water Filtration Plant

The soils in the catchments upstream from Bathurst are naturally rich in manganese. Subsequent high levels of manganese present in the local water supply have had significant environmental, economic and social implications for Council and the community over a long period.

The existing Bathurst Water Filtration Plant which opened in 1972 is not able to completely remove the manganese. As a consequence the manganese can come out of suspension throughout the distribution pipework. Then during times of high demand the manganese comes out at customers taps resulting in “dirty water” which is often aesthetically displeasing, despite remaining within the parameters set out by the Australian Drinking Water Guidelines.

In September 2011 Council with the assistance of NSW Public Works commenced the first of a two stage trial, designed to test the effectiveness of different chemical dosing combinations at the Water Filtration Plant in order to treat the problem of manganese close to the source.

The trial, which has been funded in part by the Commonwealth Government's Water For The Future Program, has demonstrated very positive results, suggesting that the new dosing strategy may lead to a very high level of manganese removal. This will result in a higher quality of filtered water for customers and will significantly reduce the strain on Council resources and water wasted through the current reactive process of flushing mains to remove “dirty water” (which may unnecessarily use up to 50ML of potable water annually).

Council is currently reviewing the results of Stages 1 and 2 to determine whether Stage 3 – which is a full scale roll out of the methodology - would be feasible in the future.



Bathurst filtration plant

Increased nutrient levels in streams originate from the discharge of raw and treated sewage effluent, from urban and rural runoff and from some industrial discharges. Urban stormwater contains animal faeces and garden fertilisers. The widespread and inefficient use of agricultural fertilisers, increasing stock access to creeks and rivers and watering stock in and near streams can result in high nutrient levels in rural runoff and an increase in nutrient levels in receiving waters.

As shown in the summary table (Table 8), for those Councils where water quality has been sampled in all four years, 94% of samples exceeded the total phosphorus ANZECC water quality guidelines for algal growth in 2011–12, which is an increase from the 75% reported in 2010–11.

No samples in the current reporting period exceeded the total nitrogen ANZECC water quality guidelines for algal growth.

## Town Water Quality

**Indicator – Number of instances drinking guidelines not met**

**Indicator – Number of drinking water complaints**

As shown in the summary table (Table 8), the number of drinking water complaints (for the 16 Councils reporting in both years) decreased significantly from 1,029 in 2010–11 to 774 in 2011–12. For the Councils that reported in all of the last four years, the number of complaints is well below the 2008–09 level, after the large increase to over 1,000 complaints last year. Bathurst Council reported the biggest reduction in the number of complaints but still accounted for over 60% of all complaints across the region. Bathurst receives high numbers of complaints for drinking water which is caused by manganese discolouration of the water supply (see case study).

The quality of drinking water is very important to the community and the decrease in the number of complaints made regarding water quality was echoed by a proportionately similar decrease in the number of instances where drinking water guidelines were not down from 116 in 2010–11 to 72 in 2011–12.

Bourke, Dubbo, Mid-Western and Warrumbungle Councils all reported significant decreases. The strong improvement in this indicator over the last four years is in large part due to the new Mendooran water supply system in Warrumbungle Shire which is now fully operational.

## **Threat**

### **Industrial/Agricultural Pollution**

**Indicator – Number of trade waste approvals**

**Indicator – Total volume of trade waste discharged to sewer**

**Indicator – Trade waste licenses in force currently**

Councils have a number of statutory responsibilities for the approval of liquid trade waste discharged to the sewerage system under the *Local Government Act 1993*. Liquid trade waste means all liquid waste, other than sewage of a domestic nature. As shown in the summary table (Table 8), there was a large increase (69%) in the total number of trade waste approvals in 2010–11 reported from all of the participating Councils, followed by a further increase of 3% this year. This year's increases primarily came from the Bathurst and Orange LGAs. Cabonne Council reported data for the first time this year and its 72 trade waste approvals is now the third highest in the region, after Bathurst and Dubbo. Lachlan Shire Council also reported that they have now adopted a trade waste policy which will start to be implemented in the year ahead.

**Indicator – Erosion and sediment control complaints received by Council**

One measure of the threat to waterways from sediment pollution is the number of erosion and sediment control complaints received by local Councils. Complaints can range from sediment spilling out of construction sites to obvious plumes of sediment flowing into streams.

As shown in the summary table (Table 8), the number of complaints fell slightly for those

### **CASE STUDY: Kings Stockyard Creek Rehabilitation/De-Contamination Project CSR (Oberon)**

The Kings Stockyard Creek Remediation project in Oberon LGA involved the excavation and removal of contaminated soil and sediment from previous operations at the CSR operations in Oberon. The contaminated areas included the drainage channel flowing from the former CSR factory and approximately 800m of Kings Stockyard Creek. The soil and sediment in the channel beds, banks and some floodplain areas had been contaminated with Aldrin and Dieldrin as a result of a past spill incident associated with the upstream Medium Density Fibre (MDF) manufacturing plant. This contamination occurred in the early 1980's.

The purpose of the remediation (which was undertaken under the direction of a site auditor) sought to establish a system that was free of contaminant.

Over a period of 12 months, the entire 800m of the Kings Stockyard Creek was rehabilitated and remediated to a level that allowed sign-off from the site auditor, making the system pollutant free. Additional benefits of the remediation included the removal of many willow trees that had lined the existing creek, together with hydraulic design that can cater for flash flooding within the Kings Stockyard Creek below the manufacturing plant.

It is considered that the remediation has had very successful outcomes to both the land and the creek itself.



King Stockyard Creek prior to (top) and after (bottom) rehabilitation





Councils that reported in the last four years, and is similar to the level reported in 2008–09, resulting mostly from building works. The much higher 2009–10 numbers were heavily influenced by complaints regarding erosion/sediment control for roads reported by Gilgandra Council (64) and Mid-Western Regional Council (14).

### **Indicator – Load based licensing volume and fees paid**

The load-based licensing (LBL) scheme sets limits on the pollutant loads emitted by holders of environment protection licences, and links licence fees to pollutant emissions. LBL is a powerful tool for controlling, reducing and preventing air and water pollution in NSW.

For the nine Councils reporting this data over the last four years, the LBL fees paid decreased by approximately 26% to \$182,367 in 2011–12, which follows large increases reported in the two prior years. Increased pollutant loads pose a threat to the environment and a degree of caution is necessary when reading these figures, as over 60% of the reduction came just from the Orange LGA where a dramatic fall of 88% in LBL fees was reported.

The data on LBL volume is not readily comparable across the last four years due to a combination of some questionable data in previous years plus a change to the data collection last year whereby Councils have been asked to provide volumes split by pollutant type. Figure 13 shows this breakdown for 2011–12.

### **Indicator – Exceedances of licence discharge consent recorded**

As shown in the summary table (Table 8), the number of exceedances of licence discharge consent increased from 26 cases in 2010–11 to 38 cases in 2011–12. All of this increase was due to a spike in the Cowra LGA which accounted for 74% of the exceedances for the eight Councils reporting this data in each of the last four years and for 57% of the number this year across all 17 LGAs.

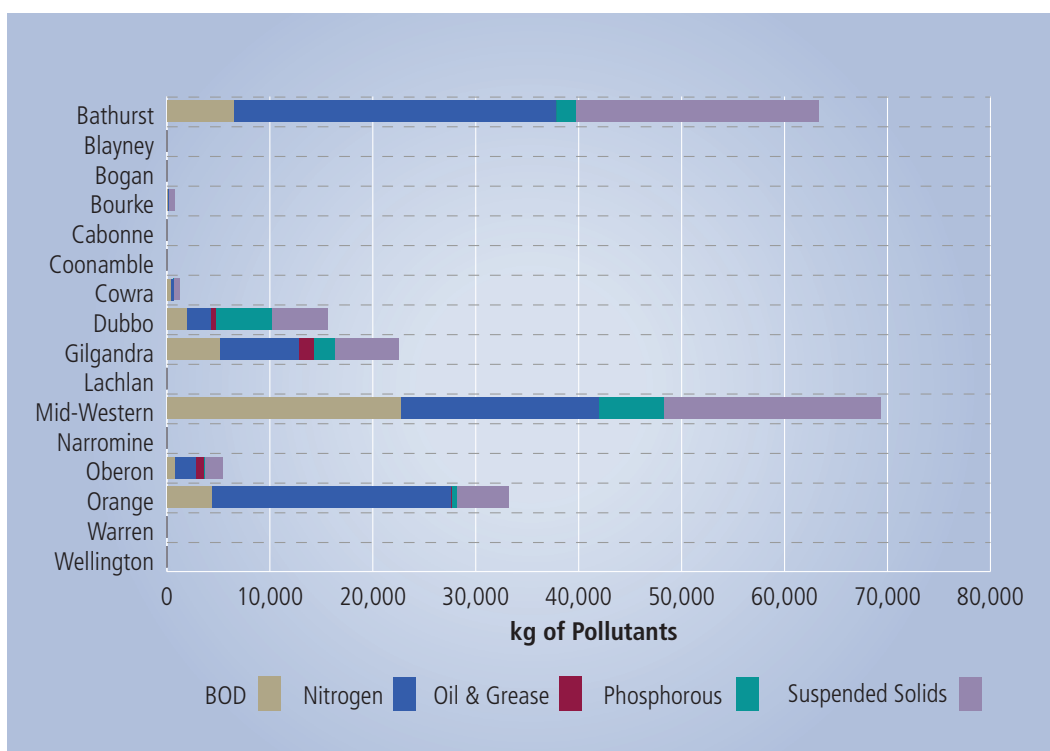
## **Septic tanks**

### **Indicator – Number of septic tanks in LGA**

If poorly maintained, septic systems can be a source of nutrients to local streams and potentially cause problems such as blue-green algae blooms and issues for public health.

There are an estimated 29,921 septic systems in use across the region (see Figure 14) and as shown in the summary table (Table 8) the number for the 13 Councils reporting in each of the last four years is continuing to increase. Almost all of the increase in the 2011–12 reporting period was from Cabonne LGA where the number jumped from 2,000 to 3,600, following on from increases of approximately 300 in each of the two prior years.

**Figure 13:** Load based licensing volume by pollutant type 2011–12



This is likely to be a change in reporting mechanisms rather than actual growth.

#### **Indicator – Septic related complaints**

One way to gauge problems related to the management of septic systems is through the number of septic related complaints to Councils. As shown in the summary table (Table 8), the number of septic related complaints increased for the 14 Councils that reported in each year. However, this year's number is still showing a downward (improving) trend over the last four years.

Some Councils, such as Dubbo City and Bathurst Regional Councils, have strategies to monitor and educate users in the management of septic systems.

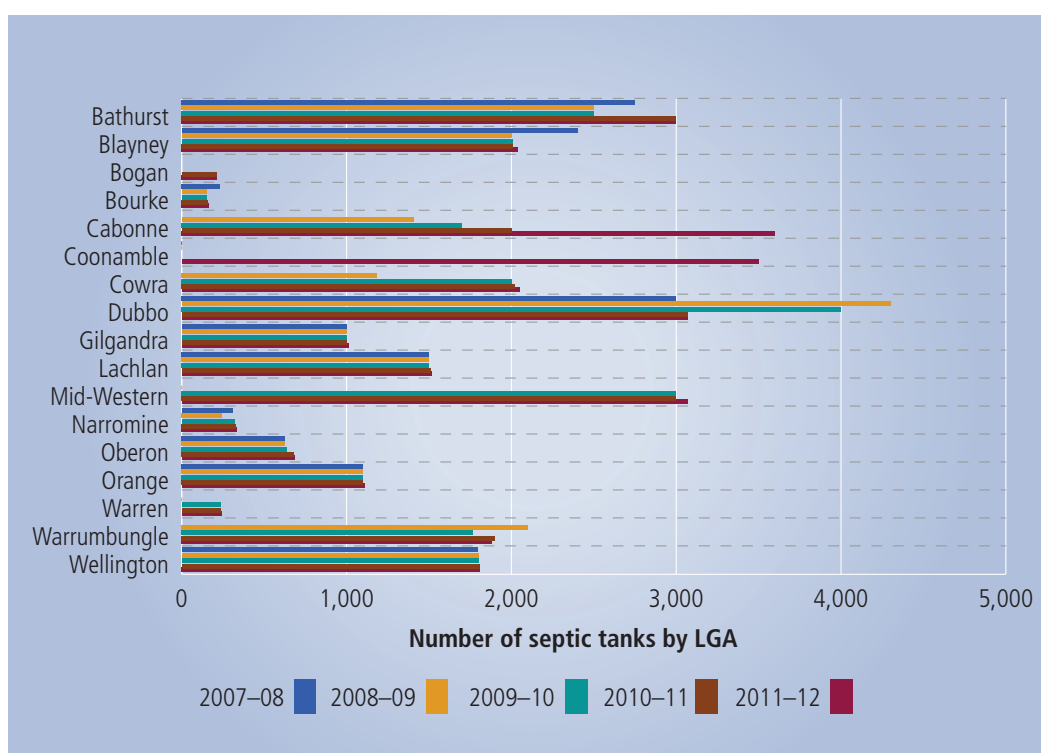
#### **Indicator – Proportion of annual failed wastewater treatment plant (WTP) inspections**

None of the 17 Councils in the region reported any failed WTP inspections in the 2011–12 year which is an improving trend.

### **Salinity**

Land use has a significant impact on the level of salinity in streams through removal of vegetation, irrigation and discharges of saline water. While geology, topography and prevailing weather conditions also affect salinity, land use is a primary factor that affects mobilisation of salts into waterways and through soils. Salt generally degrades aquatic habitats as well as adversely impacting on soils and the crops and vegetation utilising those soils.

Due to the nature of the Macquarie River, most salt generated in the uplands and slopes is deposited back into the landscape through irrigation, floodplain entrapment or deposition



within the wetlands and effluent systems of the lower catchment areas.

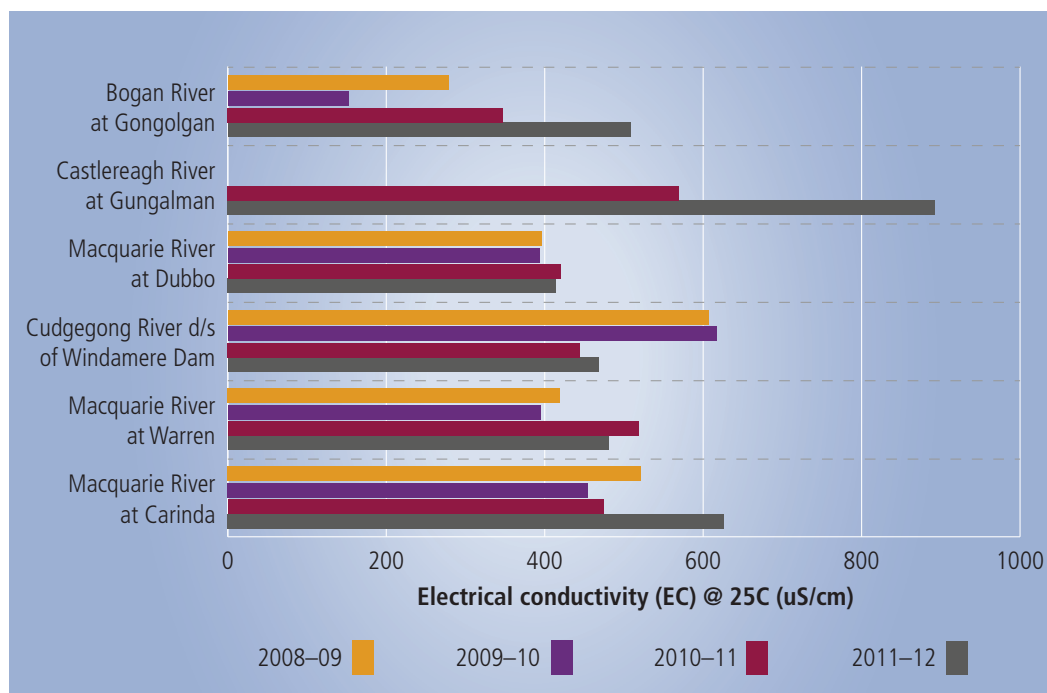
A proportion of the salt is also discharged into the Barwon-Darling River system. Salinity in the Barwon-Darling is highly variable and can range from 200 EC to more than 3,000 EC, although the median is generally around 500 EC (Western CMA, 2007).

The levels of salt load in the Macquarie River are expected to rise by 2.33% by 2020 and by 2.88% by 2050. The Lachlan River salt loads are predicted to rise by lower levels: 1.11% by 2020 and 1.81% by 2050 (DECCW, 2009b).

**Figure 14:** Number of septic tanks by LGA

#### **Indicator – Average salinity levels in selected streams**

The average salinity level of the five streams monitored for the four year period increased in 2011–12 as shown in the summary table (Table 8). Salinity levels were the highest they have been in the last four years for the Bogan River at Gongolgan, the Castlereagh River at Gungalman and the Macquarie River at Carinda (Figure 15). The annual averages for the latter two streams may have been skewed or at least exaggerated due to missing data for the second half of the 2011–12 reporting period.



A Priority Action Plan has been developed as part of the NSW Diffuse Source Water Pollution Strategy. It identifies agreed projects that will be progressed across NSW (including the reporting region) to help improve management of priority diffuse source water pollution problems. It will be updated from time to time to incorporate new projects.

The Salinity and Water Quality

**Figure 15:** Average salinity levels in selected streams

## Response

The NSW Diffuse Source Water Pollution Strategy provides a framework for coordinating efforts in reducing diffuse source water pollution across NSW. The Strategy promotes partnerships, provides a guide for investment, and provides a means to share information on projects and their outcomes across the State.

Developing and implementing this Strategy is a joint initiative by the State's natural resource managers (at State, regional and local government levels). It builds on, and supports, a range of existing diffuse source water pollution management actions. The main aim of the Strategy is to reduce diffuse source water pollution inputs into all NSW surface and ground water and contribute towards the community agreed NSW water quality objectives and state wide Natural Resource Management targets.

Alliance is a working group of Councils across the catchment sharing knowledge, ideas and engaging in cooperative projects. It is implementing its 2009-14 action plan which defines its goals and activities during this period.

## Effluent reuse

### Indicator- Percentage effluent reuse by local Councils

Effluent discharge contributes nutrients and can deoxygenate receiving waters. Reuse of effluent not only reduces the impact of effluent on receiving waters, but also reduces the demand for potable water and therefore dam storages.

Eight Councils in the region reported reusing effluent during the 2011-12 period. Bathurst, Blayney, Dubbo and Orange Councils reused both biosolids and effluent, whilst Cabonne, Coonamble and Mid-Western Councils reused effluent and Lachlan reused biosolids. Examples of re-use were:

- biosolids for contracted agricultural land application (Bathurst)
- biosolids and effluent for soil improvement at effluent irrigation facility (Dubbo)
- biosolids for soil improvement program at old Condobolin abattoir (Lachlan)

**RIGHT** Jetty, Macquarie River, Cabonne LGA



## Stormwater pollution

**Indicator – Number of gross pollutant traps installed**

**Indicator – Total catchment area of gross pollutant traps**

**Indicator – Amount of litter collected in gross pollutant traps**

Litter collections in gross pollutant traps (GPTs) provide an indication of potential water quality impacts. Installation of GPTs is a Council response to litter impacts. These devices trap larger pollutants such as litter and coarser sediments in stormwater drains and outlets, but they do not trap smaller particles or heavy metals. While there are ongoing costs associated with maintenance and cleaning of these traps, there are significant benefits to aquatic ecosystems and the improvement of waterways is important to awareness of Council environmental programs.

As shown in the summary table (Table 8), the number of GPTs installed increased to 63 across the 14 Councils that reported in all four years. The only changes were two new GPTs in the Dubbo LGA and one less in Orange LGA.

The total catchment area that drained to the GPTs increased due to a large increase from 737 to 1,200 hectares in the Dubbo LGA.

The volume of litter collected in the GPTs in the reporting LGAs decreased dramatically to 231 tonnes from the 896 tonnes reported last year. The major difference is a large reduction from 800 tonnes in 2010–11 to 149 tonnes this year for the Orange LGA which suggests that the Orange figures for the period 2009–11 may have been unreliable.

**Indicator – Number of Erosion and Sediment Policies implemented**

Sixteen of the seventeen Councils in the region reported in 2011–12 that they have implemented an erosion and sediment control policy. This compares with only four who reported that they had a policy in place in 2010–11. The only LGA in the region that has not started to implement a policy is Narromine, whilst Lachlan Shire Council's is not fully implemented yet.

## CASE STUDY: Nyngan Effluent Reuse Scheme

Bogan Shire Council has recently upgraded the way in which effluent is treated at its Nyngan Sewage Treatment Plant (STP).

After passing through the STP treatment ponds the treated effluent is directed to a 40 ML effluent storage dam located on Council owned land.

The effluent is conveyed through poly pipeline to an adjacent property, "Laravoulta"

Effluent is irrigated via a pivot onto a 20 ha plot containing a permanent lucerne based pasture.

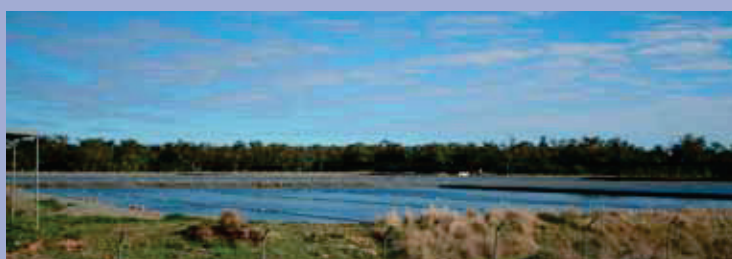
The system has a capacity to apply 2.4 ML of treated effluent per day and has been modelled to achieve 100% reuse in 50% of all years.

The irrigation system was set up in the summer of 2010 with the pivot put into operation in February 2011. Lucerne variety *Aurora* was sown under the pivot at a rate of 10 kg/ha in May 2011. Liquid fertiliser was applied to the Lucerne in February 2012 to aid growth. The cultivated area was also sprayed once at the end of July 2012 for broadleaf weed control.

The Lucerne was cut seven times during the first year of operation with the initial cut achieved in late October 2011. The first three cuts were made into small square bales averaging 1,500 bales with a total of 4500. The remaining cuts were baled into large bales with an average of 75 bales per cut totalling 300 giving a combined total of around 200 tonnes of lucerne produced. Lucerne is now cut approximately every 28 days, however this period does vary dependent on rainfall and time of year.

Soil, groundwater and effluent are monitored to assess any potential impact the scheme may have on its surrounding environment and to ensure compliance against its Environmental Protection Licence.

The new scheme has proven to be a great water management asset for Council, ensuring valuable water is not wasted in such a dry climate.



Bogan effluent reuse



# Biodiversity

**B**iodiversity is essential to functioning ecosystems which maintain important processes on which all life depends. Many species of plants and animals rely on specific habitats in order to survive. The value of biodiversity extends beyond the catchment boundaries, providing national and international benefits.

Biodiversity, as with land and air, provide important resources that people need to survive, such as oxygen and water cycles, growing foods and forests (timber) and even bacteria keeping the soil healthy. Most of these resources are at scales that people cannot see and may extend around the world (such as water cycles) or be limited to a single

place or event (such as regeneration after bushfires). The value of biodiversity extends beyond the catchment boundaries, providing national and international benefits.

There are a wide variety of ecosystems across the reporting region, formed by interactions across a range of factors including soils, local climate, vegetation types, and

**Table 9:** Summary Table of Indicator Trends - Biodiversity

Issue	Indicator	2008–09	2009–10	2010–11	2011–12	Trend
Habitat Loss	Vegetation protected and rehabilitated through CMA incentive funding (ha)	*	7,583	4,175	12,961	↑
	Addition to National Park estate (ha)	711	22,605	115,289	540	↓
	Proportion of Council reserves that is bushland/remnant vegetation	51%	51%	51%	51%	→
	Total area protected in conservation reserves & under voluntary conservation agreements (ha)	*	*	7,510	7,669	↑
	Total area protected in Wildlife Refuges (,000 ha)	*	118	259	259	↑
	Habitat areas revegetated	244	294	615	311	↓
	Environmental volunteers working on public open space (hours)	13,211	14,520	15,591	12,186	↓
	CMA Project Agreements with Landholders	*	73	278	194	↑
Threatened Species	State Threatened species listed for Central West and Lachlan catchments	117	128	129	146	↓
	Fish restocking activities: native species (,000)	252	378	277	206	↓
	Fish restocking activities: non-native species (,000)	*	311	297	271	↑
Invasive Species	Number of declared noxious weeds	112	116	114	122	↑
	Invasive species (listed noxious or WONS) under active management	39	152	128	138	↓
Land Clearing	Clearing complaints	*	47	26	36	→
Riparian	Riparian vegetation recovery actions	36	11	25	32	↑
	Riparian vegetation recovery area (ha)	1,626	1,793	156	179	↓
Roadside	Roadside vegetation management plans	5	6	6	6	→

\* Data not available for these years

- ↑ improvement
- no or little change
- ↓ worsening trend

*Note – the above trends are for data in 2008–09, 2009–10, 2010–11 and 2011–12 from the same sources. The trend is based on comparing the average of the previous years of reporting with 2011–12. They should be read in terms of the limitations for indicators discussed throughout this chapter. Note also that there are some new indicators for 2011–12 for which no comparison can be made with previous years. Refer to the Appendix for a list of Councils*



disturbance by activities such as farming and water availability. Habitat loss and degradation is an issue in the region, particularly through activities such as poor land use planning and management practices, inappropriate fire regimes, development and pest and weed invasion. This can result in a loss of species or changes in species composition, such as threatened ecological communities.

Biodiversity provides a range of services and values, including biological control, seed dispersal and pollination; food, medicines and industrial products; ecotourism; carbon sink and greenhouse gas absorption; nutrient cycling; clean air and water; visually pleasing aesthetics, nature-based recreation; science and education; and spiritual and cultural values.

The decline in biodiversity values and loss of ecosystem services is increasingly being recognised by farmers and others in the community, and is being incorporated into the evolving natural resource management response such as CAPs.

## Loss of Biodiversity

### Condition

#### **Loss of Biodiversity**

A study by Goldney, Kerle and Fleming (2007) examined the condition of flora and fauna in the Central West Catchment. According to the study there is diverse habitat across the region. In the east of the region there are mainly dry eucalypt forests but these change to poplar box, woody shrublands and mallee in the west. This study estimates that there is only 38% of native vegetation/animal habitat remaining in the Central West Catchment but this is not evenly distributed – 62% has no remaining vegetation.

The amount of remaining vegetation / habitat varies from six per cent in the Tullamore area to 89% in the west. This does



not necessarily reflect the condition of the remaining vegetation – some of the highly vegetated land in the west of the catchment represents the dense growth of woody shrubs. In the more highly cleared landscapes remaining vegetation tends to be concentrated in the hills and ranges, along watercourses and road reserves. In areas with more vegetation it is possible that the size of the patches of vegetation is too small for populations of animals and plants to survive.

**ABOVE** Old ironbark tree with a number of hollows that provide vital habitat

*Biological diversity, or biodiversity, is defined as:*

*‘The variety of life forms, the different plants, animals and micro-organisms, the genes they contain, and the ecosystems they form. Biodiversity includes genetic diversity, species diversity and ecosystem diversity’*

NSW Government, 2008





**ABOVE** Blue Silver Mine exploration activities, Mid-Western LGA

By combining information about remnant vegetation and its condition and the status of the fauna with a range of landscape indicators about the health of the land, the study developed an indication of landscape condition across the catchment. The study found that the eastern half to two-thirds of the Central West Catchment is in poor condition and most of the remainder is in moderate condition. Some areas have a high level of remnant vegetation but the condition of that vegetation, much of which is heavily grazed, reduces the condition value.

### ***Indicator – Addition to National Parks estate***

### ***Indicator – Area of State Forest in the LGAs***

The area of land that is placed under protection, or reserved, may be considered an indicator of the amount of protected habitat available in a Council area. However, it is noted that many types of habitat are not well represented in the reserve system, as reserves tend to be on land that has low economic value rather than land that has representative (ecological) value.

In 2011–12, 540 ha were added to the National Parks estate within the reporting region. This is a large decrease from 2010–11 when 115,289 ha were added. The 2011–12 additions consisted of one new gazetted

nature reserve (Carrabear Nature Reserve) and one addition to an existing park (Goulburn River National Park).

The reserved land under State Forests in the 2010–11 reporting year was 273,562 hectares which includes both native forests and plantations. Although managed in a variety of different ways across the region, they do provide larger areas of habitat in what is otherwise a highly cleared landscape. There was no data available for this indicator for 2011–12 as reporting mechanisms have changed.

### ***Indicator – Proportion of Council reserves that are bushland/remnant vegetation***

In 2011–12, 51.5% of the 5,543 ha of Council reserves were bushland or remnant vegetation, across the 13 Councils which provided reliable data for this indicator. This indicator measures the amount of habitat available in those reserves managed by local Councils and is essentially unchanged from last year.

### **Threatened species**

There are numerous Threatened Species and Endangered Ecological Communities (EECs) across the region. Box-Gum Woodland, (also known as Box Gum Grassy Woodland) is one of the most threatened communities in the State with 7% of original extent remaining (National Parks and Wildlife Service fact sheet, 2003) and is listed on both State and National registers. It was widely found across the Central West and Lachlan regions, however the high level of clearing linked to agricultural land use in the reporting region has caused significant decline.

### ***Indicator – Locally sensitive ecological communities and species list***

### ***Indicator – Number of State threatened species recorded in LGA***

Threatened Species, Populations and EECs are listed under the NSW *Threatened Species Conservation Act 1995*, the *Fisheries Management Act 1994* and the Commonwealth *Environmental Protection and Biodiversity Conservation Act 1999* (EPBC Act). Figure 16 shows the breakdown of threatened

### CASE STUDY: Threatened Orchid (Mid-Western)

Over the past five years, a native grasses conservation project established conservation areas in four rural cemeteries within the Mid-Western Regional LGA. Following this project, a local rural cemeteries committee was established with the aim to conserve native flora found in these cemeteries. This committee includes representatives from Watershed Landcare, Central West CMA, and Council and is now attempting to manage a number of rural cemeteries.

One of these cemeteries is located at Ilford, a small rural village located about half way between Mudgee and Lithgow. Within the cemetery conservation area, there exists a small native orchid, initially thought to be an endangered Tarengo Leek Orchid (*Prasophyllum petilum*). However it may actually be *Prasophyllum* sp. Wybong, which is a terrestrial orchid listed as critically endangered under the EPBC Act.

There are seven known populations in eastern NSW, with an estimated total population size based on surveys in 2006 of 460 mature individuals. The last survey of the cemetery in 2010 found the Ilford population to comprise 68 individuals of this orchid.

The key threat to the Ilford population is inappropriate disturbance regimes, such as a change in the frequency or intensity of mowing regimes, and fire regimes. *Prasophyllum* species generally favour some disturbance through their dormant period as it reduces competition from other species. However, slashing at the wrong time of year can damage plants and prevent seed from being produced. Furthermore, it is thought that this species may require fire to reduce the competition from grasses thus providing more resources for increased germination. Anecdotal evidence suggests that the cemetery was burnt at least every ten years in the past, however due to changes in legislation the cemetery has not been burnt for about twenty years.

In May 2012, a field day with all stakeholders was held at Ilford to discuss the possibility of carrying out a controlled burn in the cemetery. It was agreed that with the assistance of the local Rural Fire Service a slow mosaic burn will be planned to take place next autumn.

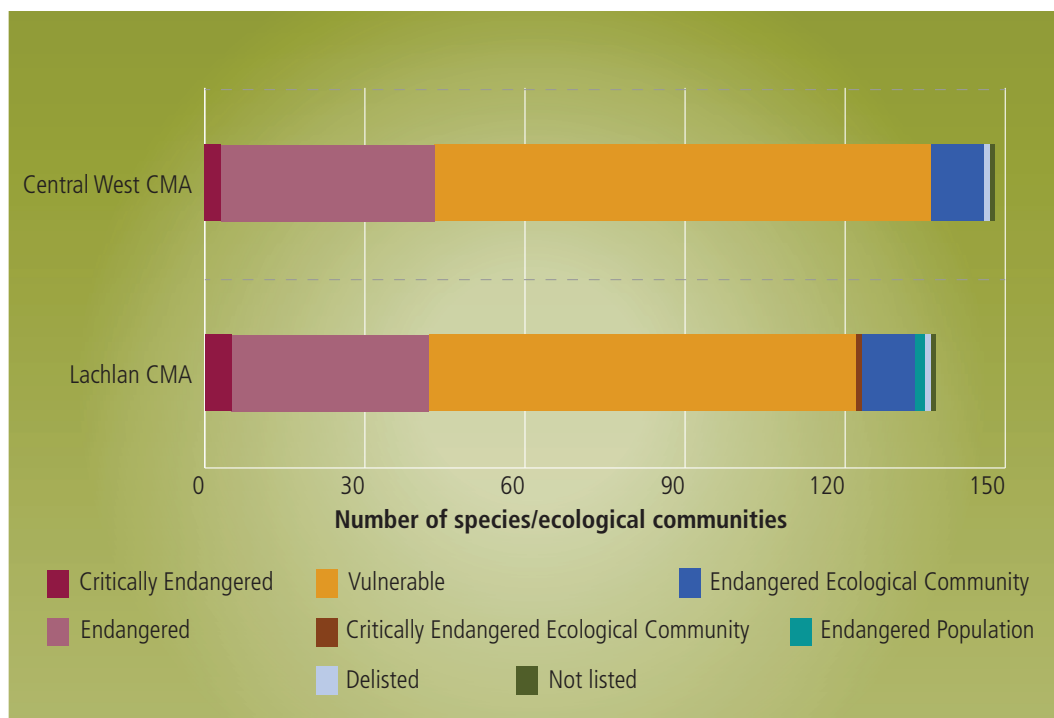
The cemetery was surveyed a number of years ago and many orchids have been tagged and mapped, however a more comprehensive survey will be undertaken in Spring 2012 to map and count the entire population. The burn will aim to target half of the orchids, after which a survey will be conducted annually each spring to determine the effects of the fire on both the burnt and un-burnt populations within the cemetery.

Further management needed includes fencing the large section of the cemetery containing the orchids, liaising with Council staff regarding the slashing schedule and conducting further community field days to educate and promote the importance of conserving the native vegetation of the cemetery.



Threatened *Prasophyllum* orchid





**Figure 16:** Number of state threatened species, EECs and populations by CMA

species, EECs and Endangered Populations across the Central West and Lachlan CMA areas. The number of threatened species listed in the Central West CMA area increased to 136 in 2011–12, from 117 last year and to 122 in the Lachlan CMA from 111 last year. The number of Endangered Populations remained constant but there was one additional Critically Endangered Ecological Community (Mallee and Mallee-Broombush dominated woodland and shrubland, lacking *Triodia*, in the NSW South Western Slopes Bioregion) listed in the Lachlan CMA area.

In addition to the species listed under State and Commonwealth legislation, a number of

the local Councils in the region are monitoring locally sensitive species. A full list of threatened species, populations and EECs for the CMAs in the region can be found at <http://www.threatenedspecies.environment.nsw.gov.au>.

## Threat

### Land Clearing

#### *Indicator – Number of complaints regarding clearing rates of native vegetation*

The Central West region has undergone extensive clearing since settlement for agricultural purposes. The remnants of native vegetation that exist in small patches within reserves, state forests, or along the ridgeline and travelling stock routes are at significant risk of further fragmentation. The same threats facing vegetation such as drought, disease, clearing and land development, grazing and fire are also threatening native fauna species (BOD, 2007).

The removal of vegetation, whether individual trees or large scale (broad acre) land clearing on private property contributes to the changing character and viability of remnant vegetation and can dramatically affect

**BELOW** Large areas in the region have been cleared for agricultural production (photo C.McCulloch)

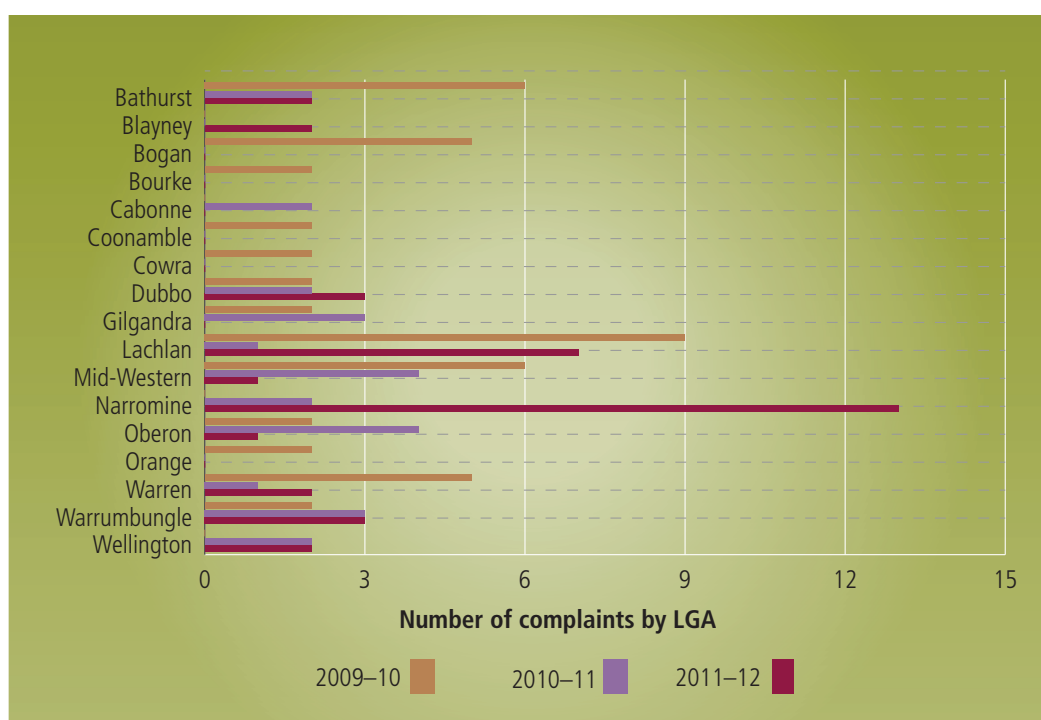


the health of the landscape and local amenity. Information on the number or area of trees removed is not recorded by local Councils. The Central West CMA has approved a number of clearing Property Vegetation Plans (PVPs), which require vegetation offsets, unless they are for Invasive Native Species. During 2011–12, the Central West CMA approved 13 Clearing PVPs and three incentive PVPs. This was a decrease from the 23 Clearing PVPs and two incentive PVPs approved in 2010–11 and the 21 Clearing PVPs approved in 2009–10.

Within the category of land clearing, other threats such as excessive firewood collection and inappropriate development and land use also threaten native habitat. Areas that are used for agriculture can suffer through stock grazing on remnant vegetation and also a loss of connectivity as development expands and fences and other barriers are put in place.

The removal of dead wood can have a range of environmental consequences such as loss of habitat (for animals that use hollows for shelter), disruption of ecosystem processes and soil erosion. The forests of the Western Slopes and Tablelands are the ecological communities most threatened by timber removal as they contain popular firewood species.

In 2011–12 there were 36 land clearing complaints recorded by OEH which was an increase from the 26 complaints recorded in the previous year. Figure 17 shows the land clearing complaints received by OEH across the LGAs in the reporting region for the last three reporting periods. The number of land clearing complaints is an indicator of the stress being placed on the environment by land clearing.



### Invasive Species

Weeds are plants whose growth and habit results in the loss of environmental, economic or social values. In the natural environment, weeds can out-compete the native flora for resources including water, nutrients and sunlight, and can displace a range of species. Weeds vary in their impact upon the environment and are broadly grouped into two categories – environmental or noxious weeds. Environmental weeds are those plants that have or may have established self-propagating populations in areas of native vegetation, outside of their natural range. Noxious weeds are those that are declared under the *NSW Noxious Weeds Act 1993* and may be declared for the whole State or a local control area only.

#### Indicator – Number of declared noxious weeds

The reporting area has 122 declared noxious weeds (NSW Department of Primary Industries, 2012), and a significant number of environmental weeds present. This number has increased from 114 in the previous reporting year of 2010–11 and is the highest level in the four years of reporting since 2008–09. Noxious weeds declared for the reporting Councils can be found at [www.dpi.nsw.gov.au/agriculture/pests-weeds/weeds/noxweed](http://www.dpi.nsw.gov.au/agriculture/pests-weeds/weeds/noxweed)

**Figure 17:** Number of complaints regarding clearing of native vegetation



**ABOVE** The Purple Spotted Gudgeon is a threatened native fish which occurs in the Macquarie catchment (Photo: Gunther Schmida)

## **Indicator – Number of non-native fish restocked**

Restocking with non-native fish (particularly for recreational fishing) is a threatening process for some native aquatic species. The NSW Department of Primary Industries reported that 271,000 non-native fish were restocked in 2011-2012 comprising approximately 60% rainbow trout and 40% brown trout. This was a reduction of 8.6% on the restocking total for last year and is reported as an improving trend (Table 9).

## **Fire regimes**

Bushfires, whether naturally occurring (lightning, weather events) or started by people, have a significant impact on biodiversity. This may be a negative or positive impact depending on the local species or community as they all have an optimal fire regime. A too frequent fire regime may cause species and habitat loss as some native vegetation is not adapted to frequent fire. On the other hand, too infrequent fire can also have a negative impact on species as many native Australian trees and shrubs require fire to germinate. Inappropriate fire regimes also encourage the spread of noxious weeds that can quickly colonise land following a fire. These weed communities may then out-compete native vegetation for space and resources.

All land managers in the central and western regions, including the Councils, have a responsibility under the *Rural Fires Act 1997* to manage bush fire hazards on land under

their care, control and management. This results in vegetative cover and density being reduced through prescribed burning and mechanical means. Such programs may be undertaken by Councils in co-operation with fire management agencies such as NSW Rural Fire Service and OEH.

## **Climate Change**

Climate change will also place added pressure on biodiversity with the impacts of increasing drought and heat, more extreme weather conditions and declining water availability altering the natural environment. It will also lead to changes in land use and prompt native and exotic species to move into new areas. Ecosystem services such as water filtration, soil quality and shelter will also be affected. Aquatic biodiversity, in particular, is likely to suffer from the poor condition of rivers and floodplains under extended low flow periods in the catchments. Reductions in stream flows are likely to have a negative impact on aquatic biodiversity and wetland ecosystems such as the Macquarie Marshes and its associated waterbirds (CSIRO, 2007a).

A report into the effects of climate change on biodiversity has found that habitats are at significant risk from even moderate climate change and are already under stress from other threats such as those mentioned above (DCC, 2009). As well as a loss of habitat, other ecosystem functions that are expected to be affected include desynchronisation of migration and dispersal events, uncoupling of predator-prey and parasite-host relationships, interactions with new pathogens and invasives, and changes in species distribution ranges (European Communities, 2008).

The geographic distribution of a species is often defined by its 'climate envelope,' reflecting species-specific tolerances to extremes of temperature and moisture (CSIRO, 2007a). The Purple Copper Butterfly which is found within the reporting region is at a particularly high risk of climate change impacts. The species has a specific 'climate envelope' and only lives at elevations above 900m. As is, there is relatively little available habitat in the reporting region, but as temperatures increase and environmental gradients are altered, the small available habitat may not have a suitable climate to support the species in the future.

## Feral and Pest Animals

Introduced species such as rabbits have been shown to have a significant impact on biodiversity through competition for resources or predation. Rabbits are responsible for concentrated overgrazing causing loss of groundcover; they also cause localised erosion through burrowing.

Another key predator is the introduced European (red) fox. The fox has predatory characteristics of both cats and dogs and has, along with rabbits, been declared a key threatening process across NSW under the NSW *Threatened Species Conservation Act 1995* (TSC Act 1995). The fox is highly adaptable and is widespread in both rural and urban areas where it preys on a wide range of fauna including mammals, birds and reptiles.

Other predators such as feral cats and dogs found throughout the reporting area, create many problems for the natural environment. Cats hunt at all hours, especially at dusk and night. Their prey commonly consists of bats, possums, bandicoots, native rats and mice, birds, lizards and snakes. Cats also compete with native predators, such as the threatened Spotted-tailed Quoll and can carry bacteria and blood parasites which can be passed on to wildlife that have no resistance.

Dogs also have a direct impact on native fauna by preying on and harassing wildlife as well as disturbing burrowing fauna. Dogs regularly urinate on trees to mark out territory, sending out warning signals to native animals to keep away, and faeces are very high in phosphorus, promoting growth of exotic weeds and creating a health hazard.

Wild dogs also interbreed with the native dingo, reducing the viability of the native species. Dogs are responsible for attacks on stock including sheep.

Other pests listed as Key Threatening Processes include pigs, deer and goats. The impacts of these may range from the spread of weeds, competition for resources with livestock and native species, spread of exotic disease, through to fence and crop damage and vehicle accidents.

Pigs cause direct disturbance to habitat through wallowing and rooting and are widespread across NSW. They also prey on plants and animals and have contributed directly to the decline of several species



LEFT The introduced Common Carp (photo Gunther Schmida)

of frogs and birds. While goats are also widespread, they are more prevalent in the western, more arid areas of the reporting area.

Goats browse heavily on some species of native plants (including threatened species), compete with native fauna and species including the threatened Brush Tailed Rock Wallaby, and also cause erosion, particularly on steeper slopes.

Competition with native species and land degradation caused by feral rabbits, pigs and goats has also been declared as a key threatening process under the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999*.

## Response

### Agreements with landholders

#### **Indicator – Total area of conservation agreements**

#### **Indicator – Total area of wildlife refuges**

The NSW Government is committed to the protection and conservation of high conservation value lands. Parks and reserves already protect around 8% of the state's area (NSW Parliament, 2010). However, many valuable landscapes and habitats fall on land that is either privately owned or required for public amenity.

OEH has developed major programs to encourage broad involvement in land conservation across NSW, regardless of tenure. OEH



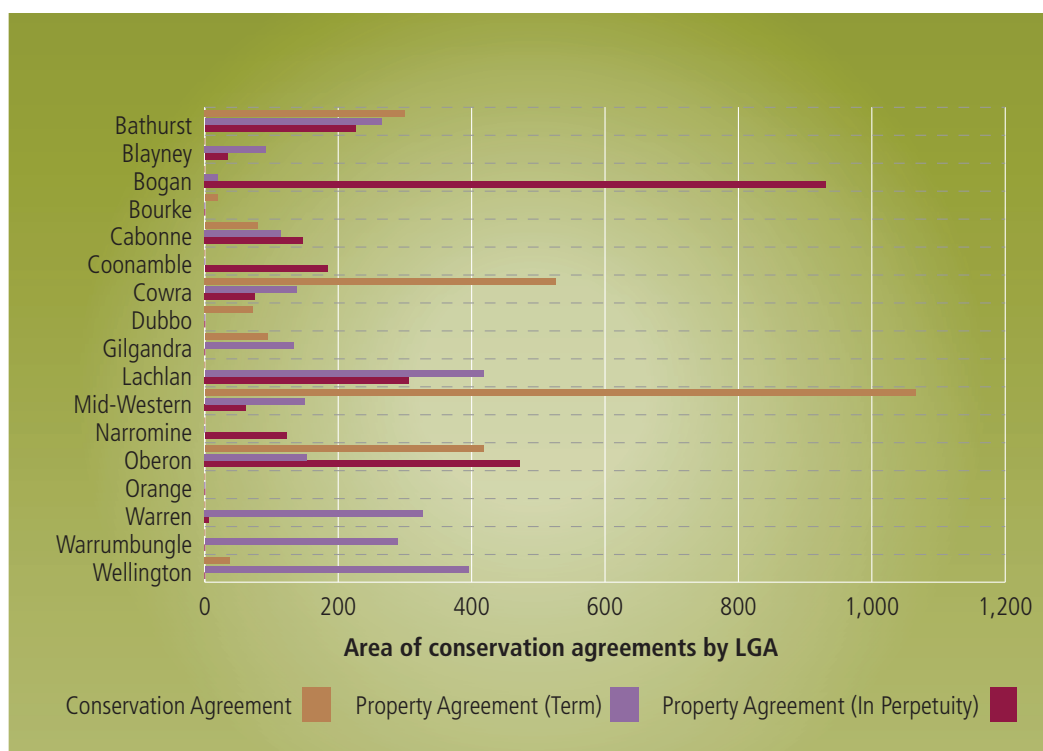


Figure 18: Area of Conservation Agreements by LGA 2011-12

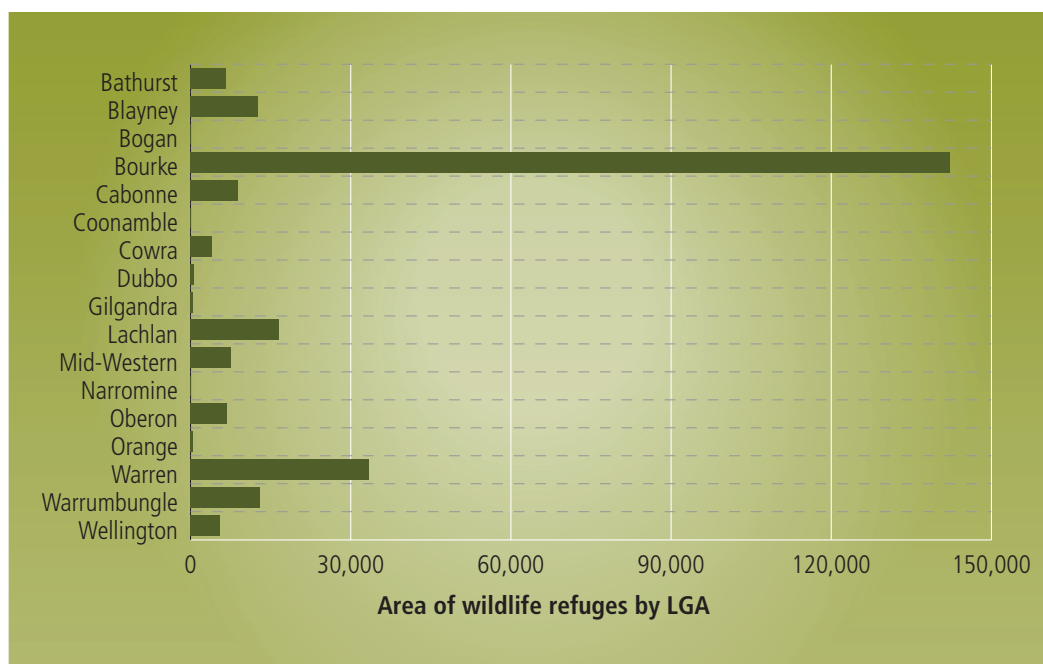


Figure 19: Area of Wildlife Refuges by LGA 2011-12

also works in partnership with other organisations to support non-statutory community programs which promote conservation on private lands.

The Conservation Partners Program provides the opportunity to protect and conserve significant natural and cultural heritage values on private and non-reserved public lands through Conservation Agreements and Wildlife Refuges under the *National Parks*

and *Wildlife Act 1974*. These long-term legal commitments are entered into voluntarily and complement the public national park reserve system. These lands play a critical role in connecting conservation areas by acting as a buffer to threats, including the potential impacts of climate change.

At the end of the 2011-12 reporting period there were 7,669 ha of land across the 17 LGAs in the region covered by Conservation

Agreements and Property Agreements. The area covered by Conservation Agreements was 2612 ha, with Property Agreements covering a total of 5,057 ha, split almost equally between term and in-perpetuity agreements (Figure 18).

At the end of 2011–12, there were 111 Wildlife Refuges totalling 259,367 ha across the 17 LGAs in the region. Bathurst LGA had the most Wildlife Refuges with 17, followed by Cabonne and Oberon each with 14. Fifty-five percent of the total area of Wildlife Refuges in the region is in one large Wildlife Refuge in Bourke LGA which covers 142,294 ha (Figure 19).

### Land clearing

There have been significant changes to native vegetation legislation at the State level over the past decade, with Native Vegetation Reforms enacted in 2005 addressing vegetation management from clearing approvals to PVPs. A review of native vegetation legislation in NSW is currently underway.

Councils also control clearing of vegetation in urban areas, where the *Native Vegetation Act 2003* does not apply. Development consents allow for minor clearing for housing, business and industrial development as well as fire protection zones. This is regulated by environmental impact assessment requirements of legislation such as the *Rural Fires Act 1997* and the *Environmental Planning and Assessment Act 1979*, which outline information addressing environmental impacts (Statements of Environmental Effects or Environmental Impact Assessments) to be provided with development applications and burning permits. Development consents may include conditions to mitigate land clearing impacts.

At the State level, the BioBanking Scheme, administered by OEH, was introduced in 2008. This scheme allows for biodiversity offsets of clearing for development. No data on the area of vegetation affected is available for the reporting period. However, a discussion paper released in May 2012 shows one BioBanking agreement has been implemented within the reporting area – this covers 143 ha at Tricketts Arch in the Oberon LGA (OEH 2012). A review of the BioBanking Scheme was initiated in May 2012 and was underway at the time of writing.



### Rehabilitation

Rehabilitation and sustainability projects have been developed by various organisations to help reduce the impact of land clearing and other threatening processes on biodiversity and to ensure some level of connectivity within the increasing urban landscape.

**ABOVE** Galah in flight on the banks of the Castlereagh River in Coonabarabran (Photo C. McCulloch)

### **Indicator – Vegetation protected and rehabilitated through CMA incentive funding**

The Central West CMA reported that the area of vegetation protected and rehabilitated throughout its area as a result of its funding incentives for landholders, was 12,961 ha in 2011–12, comprising 10,391 ha terrestrial vegetation, 2,476 ha of wetland vegetation and 95 ha of riparian vegetation. This is slightly more than the total area rehabilitated over the two previous years and hence it appears as an improving trend in the summary table (Table 9). Note that the 2008–09 total probably included work conducted over three years due to issues with the CMA reporting system at the time and hence it is ignored in determining the trend.



## CASE STUDY: High School Students create Habitat for Coonabarabran Bird Life (Warrumbungle)

A joint project with Warrumbungle Shire Council and Coonabarabran High School students is creating an interest in carpentry that will benefit the local bird population. Funded by the Central West CMA Small Grants Program, a number of bird nesting boxes have been designed and constructed by students and staff. Eighteen boxes have been completed, with Council staff installing the boxes in the tree canopy along the banks of the Castlereagh River within the township of Coonabarabran.

The nesting boxes will be located in Nelson Park, east of the Newell Highway bridge which crosses the Castlereagh River. This project complements the ongoing improvements to the Castlereagh River riparian zone within Coonabarabran township. For years to come, residents and visitors will be able to enjoy the pleasures of bird watching whilst indulging in the serenity found along the banks of the Castlereagh River in the centre of Coonabarabran. Local students have the satisfaction of being part of a project that will benefit the area's biodiversity, and enjoy for themselves the magic of the Castlereagh.



Nestboxes built by the students

**RIGHT** Shireen Murphy, Environment Manager at Mid-Western Regional Council, with the trophy for the overall winner of the 2011 NSW Roadside Environmental Management Award



## Indicator – Habitat areas revegetated

In 2011–12, 311 ha of Council land were revegetated, which is very similar to the area reported in 2010–11. However, only 8 of the 17 LGAs undertook revegetation work during the last year. The most significant contribution came from the Bathurst LGA whose 82 ha of revegetation included the Urban Drains Revegetation Link Project.

Cowra Council is currently promoting an, as yet unpublished, Futures 30 NRM Group publication called Right Plant Right Place Manual which shows how biodiversity and eventually environmental sustainability can be achieved through correct planting. The manual describes popular planting species that are indigenous to the Central West region and the role they play in contributing to biodiversity. It also explains effective planting techniques, has suggestions for monitoring and contains easy-to-use botanical identification notes. Bathurst Regional Council has also developed a local 'Backyards for Wildlife' booklet.

## Indicator – Environmental volunteers working on public open space

Several Councils reported high levels of volunteer participation in environmental initiatives which improve habitat for native species with contributions from a range of Council co-ordinated and local community groups. As shown in the summary table (Table 9), the total number of volunteer hours recorded decreased from 15,591 in 2010–11 to 12,186 in 2011–12, reversing the positive trend reported over the last two years. Eight local Councils reported volunteer hours, with the largest contributions being in the Bathurst, Dubbo and Orange LGAs - all of which have an appropriately qualified officer employed specifically to recruit and engage volunteers. The fall in hours this year largely came from Dubbo City Council which reported a 37% fall to 6,524 hours, whilst Bathurst Regional Council reported a 34% increase to 2,830 hours. It should be noted that the lower volunteer hours for Dubbo were due to staff resourcing issues at the time and thus should not be necessarily viewed as a trend for this Council.



### **Indicator – Project agreements with landholders**

The Central West CMA reported a total of 194 new project agreements with landholders during 2011–12. This is down from the 278 new agreements reported last year, but is still showing an improving trend compared to the average of the previous two years.

## **Riparian Restoration**

### **Indicator – Riparian vegetation recovery actions**

### **Indicator – Riparian vegetation recovery area**

Local Councils and the Central West CMA reported a total of 41 riparian recovery actions in 2011–12 with a total riparian vegetation recovery area of 328.6 ha.

The number of recovery actions is trending upwards from the 11 recorded in 2009–10 by the same group of Councils and the Central West CMA, although the area covered by these actions has contracted markedly from 1,944 ha in 2009–10. The majority of this decline was from the Central West CMA which reported a recovery area of 90 ha this year compared with 1,532 ha in 2009–10.

## **Roadside vegetation management**

### **Indicator – Number of roadside vegetation management plans**

In large sections of the region, especially those where broad acre farming is prevalent, roadside reserves and Travelling Stock Reserves provide the only habitat corridors. The management of these roadside verges and other linear reserves is critical for the conservation of remnant vegetation corridors and the fauna dependent on them.

The NSW Roadside Environment Committee (REC), an umbrella NSW Government committee, has encouraged and supported Councils across NSW to develop Roadside Vegetation Management Plans (RVMPs) to better manage roadside environments under their jurisdiction.

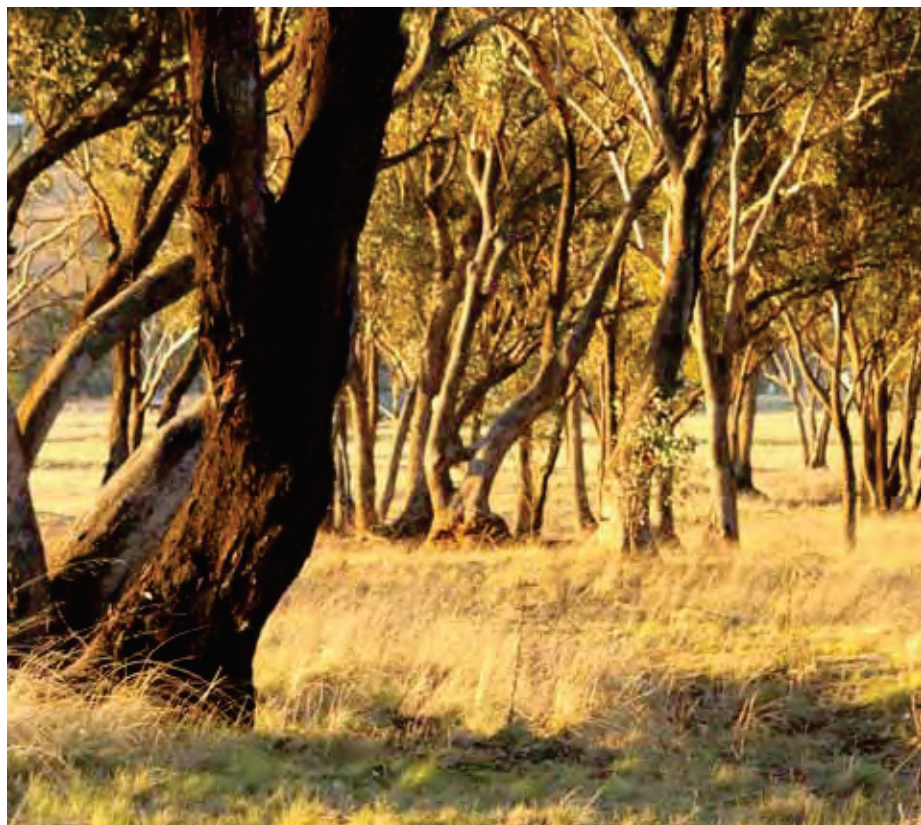
RVMPs are firstly developed through assessment of the roadside vegetation, especially threatened species. The plan then identifies processes to best manage the assessed vegetation and to further monitor and evaluate the impact of the strategies that have been put in place. The strategies in the plan can also include those related to fire management, weed management, preservation of critical habitat and provision of clear zones for driver safety.

In 2011–12, there was no change in the number of completed RVMPs across the region, with 13 Councils reporting that they had some type of plan in place.

To encourage the implementation of actions identified in RVMPs, the NSW Environment Trust funded the Roadside Vegetation Implementation Project (RVIP). In 2012, Bathurst, Mid Western, Orange and Wellington Councils applied for and received funding under the RVIP to implement roadside environmental management works. The total value of this funding was \$136,000.

In 2011 Mid-Western Regional Council was the inaugural winner of the Roadside Environmental Management section of the prestigious NSW Local Government Excellence in the

**BELOW** Grassy Box Woodland on the slopes of Mount Panorama in Bathurst  
(Photo C.McCulloch)





Environment Awards. It received this award for its Roadside Corridor Management Project which has:

- Assessed, ranked and mapped roadside corridor conditions within the LGA
- Prioritised areas for actions and provided management guidelines aimed at improving habitat values and remnant vegetation condition, particularly in identified high conservation value areas
- Identified Threatened Species (or potential habitat) and communities and regionally significant species and communities.

More details about Mid-Western Regional Council's Roadside Corridor Management Project can be found at <http://www.midwestern.nsw.gov.au/Environmental-Services/Environmental-Projects-1/>.

## Threatened species

OEH has prepared a Priorities Action Statement (PAS) to promote the recovery of threatened species and the abatement of key threatening processes in New South Wales. The PAS identifies a number of broad strategies to help threatened plants and animals recover in New South Wales.

**BELOW** Shrubby Grey Box Woodland  
(Photo A. Knop)



A total of 761 priority actions have been identified in the Central West Catchment to help threatened species recover and tackle threatening processes (these are grouped into 25 recovery strategies and seven threat abatement strategies). This is an increase from 750 reported in 2009–10. Of the 761 actions, 748 are focused on the recovery of threatened species, populations and endangered ecological communities.

## Indicator – Threatened species actions implemented

Five local Councils (Bathurst, Cabonne, Dubbo, Mid-Western and Wellington) reported in the 2011–12 year that they had implemented a total of 17 threatened species actions (e.g. PAS, recovery plans). This was an increase from the 16 reported in the 2011–11 year. Orange City Council reported that it had no actions implemented (compared to 1 in the 2010–11 year) but they did report that it had two Species Impact Statements (SISs) under assessment and three EECs retained and protected by agreement with the property owners (Development Consent conditions).

## Fish numbers

### Indicator – Number of fish restocking activities

The NSW Department of Primary Industries - Fisheries, in conjunction with local Councils and recreational fishers, has restocked several streams in the region with a total of 206,415 native fish during the 2011–12 reporting period. This indicator is showing a sharply declining trend as this year's number is approximately 70,000 less than were restocked in 2010–11 which was already 100,000 less than were restocked in 2009–10.

## Invasive Species

### Weeds

### Indicator – Invasive weed species under active management

Twelve local Councils reported that they had programs in place to actively manage invasive





**ABOVE** Eucalyptus regeneration

species and had specific lists of species being actively managed. Cabonne, Cowra, Mid-Western, Narromine and Warrumbungle Councils all reported a significant increase in active management of weeds this year.

Several Councils had active management plans in place during 2011–12 that were targeting Serrated Tussock, Blackberry, Chilean Needle Grass and Gorse, all Weeds of National Significance (WONS). The issues concerned with managing these WONS are of such magnitude that they need coordination among all levels of government, organisations and individuals with weed management responsibilities.

### **Pests**

The Livestock Health and Pest Authorities (LHPAs) carry out annual pest animal programs, including wild dog and fox baiting, plague locust control, rabbit control and various other programs, in conjunction with private landholders.

Councils may support or cooperate with these programs and promote them through education. For example, Bourke Shire has an eradication program across its reserves; Cabonne Shire targets rabbit control and Dubbo City undertakes starling control in the city and fox baiting across its reserves.

### **Carp Musters**

The European Carp is a native of Asia, but extensive introductions have helped to make it the world's most widely distributed freshwater fish. This species is now a major pest in many inland streams in New South Wales with potential to negatively affect water quality, habitat structure and native fish populations.

Very little data was available on results of Carp Musters. The only events in the region in the last three years tracked by the NSW Department of Primary Industries - Fisheries, were:

- 32 carp caught in the November 2010 Bourke Carp Muster (high water levels contributed to low catch rates)
- 334 fish caught in the March 2010 Warren Carp Muster
- 873 fish caught in the March 2011 Warren Carp Muster.

It should be noted that Carp Musters were also known to have occurred in 2011–12 in other locations in the region such as Sofala, Bathurst, Nyngan, Mudgee and in Lachlan LGA.

There was a flood event between the 2010 and 2011 Warren Carp Musters which is likely to have led to large recruitment of carp and the resulting higher total catch. Other carp catch events have been run across the region but no data was available for these.





# Human Settlement

This chapter reports on human settlement issues including development, cultural heritage and noise. Human settlements form part of the landscape, but as populations increase, they also become a source of pressure on the environment. Councils are responsible for urban planning, infrastructure, some aspects of environmental and heritage restoration, protection and conservation of resources, provision of community facilities, and community services.

As settlements grow, environmental issues may also increase concurrently with increases in conflicting land uses and increased levels of various types of pollution. Cultural heritage incorporates both Indigenous and non-Indigenous heritage and both are threatened by increased development and a lack of management and awareness.

## Changing and Increasing Human Settlements

### Condition

#### Land use

As a population grows, the demands for infrastructure such as housing, energy, water, transport and waste disposal also increases. The supply of such infrastructure results in land

use changes that can have negative impacts on the environment. Increasing the density of existing urban areas ('brownfield' development) can have advantages over new 'greenfield' sites, with economies of scale, lower impacts on surrounding native vegetation and agricultural lands and increased access to facilities such as recreation areas. It is important for Councils to ensure responsible and appropriate decisions are made relating to land use, in accordance with Local Environmental Plans (LEPs), rural/urban strategies and State Environmental Planning Policies (SEPPs). A significant potential impact is from the urban fringe, where housing and associated infrastructure cannot only affect the land but also other land uses such as agriculture. This area is also known as 'peri-urban', and is often typified by conflict over land use where the zones interface.

**BELOW** 'Washday' by Peter Browne (courtesy Cabonne Council)



### Indicator – Land use conflict complaints

One way to measure the impact of changing land use patterns and Council zonings is through complaints about land use matters to Council. Sixteen of the participating Councils reported that there were 101 land use conflict complaints received in 2011–12. As shown in the summary table (Table 10), complaints increased in 2011–12 from 61 in 2010–11. The 2011–12 figure was the highest for the four year period from 2008–09 for Councils reporting in each of the last four years.

### Indigenous heritage

The major Aboriginal groups in the Central West Catchment are the Wiradjuri, Kawambarai, Weilwan and Wongaibon. Small groups include the Dharuk, Darkinung and the Gamilaroi which has sections that extend into the boundaries of the Central West Catchment (Central West CMA, 2007).

The Western Catchment includes the Aboriginal language groups of Ngemba, Wilyali, Nawalgu, Ngiyampaa, Gurnu, Barundji, Garanggaba, Baranbinya, Walywan, Yuwalari, Murrawari, Wanywalgu, Wadigali,

Table 10: Summary Table of Indicator Trends – Human Settlement

Issue	Indicator	2008–09	2009–10	2010–11	2011–12	Trend
Urban/ Industrial Expansion	Number of development consents and building approvals	3,909	4,303	3,391	4,168	↓
	Land use conflict complaints	67	50	61	101	↓
	New road construction (km)	43	19	45	15	↑
	Road upgrades (km)	1,081	1,124	349	257	↑
Indigenous Heritage	Inclusion in DCPs & rural strategies	8	7	8	12	↑
	Extent of liaison with Aboriginal communities (self-assessed from 0 = none to 3 = High)	1.3	1.8	2.0	1.9	↑
	Development approvals on listed Aboriginal sites	5	3	5	6	↓
Non- Indigenous Heritage	Number of NSW Heritage Items	98	101	108	109	↑
	Number of Locally listed heritage items	1,309	1,250	1,525	1,999	↑
	Actions to protect non-Aboriginal heritage (including management plans)	21	22	19	37	↑
	Number of Heritage buildings on statutory heritage lists renovated/improved in past year	62	34	55	73	↑
	Number of Heritage buildings on statutory heritage lists demolished/degraded in past year	2	2	4	0	↑
Noise Pollution	Urban noise complaints received by Council	833	777	1,066	1,101	↓
	Industrial noise complaints received by Council	65	97	98	72	↑
	Noise complaints received by EPA	334	162	246	426	↓

- ↑ improvement
- no or little change
- ↓ worsening trend

Note – the above trends are for data in 2008–09, 2009–10, 2010–11 and 2011–12 from the same sources. The trend is based on comparing the average of the previous years of reporting with 2011–12. They should be read in terms of the limitations for indicators discussed throughout this chapter. Note also that there are some new indicators for 2011–12 for which no comparison can be made with previous years. Refer to the Appendix for a list of Councils





**ABOVE** Bank Street,  
Molong

Wangkumara, Malyangaba, Bandjigali, Yawaalaraay, Gamilararray and Barkintji (Western CMA, 2007).

The Lachlan catchment is comprised of 13 Local Aboriginal land councils and eight different Aboriginal nations including Wiradjuri, Ngunawal, Wongaibon, Yitha Yitha, Dharug, Madi Madi, Gundungurra and Barindji (Lachlan CMA, 2007).

The land has great significance to the Aboriginal people for the role it plays in social and political relations and the cultural construction and transmission of knowledge, as well as spiritual values.

In NSW, the inland rivers and surrounding areas supported the largest Aboriginal communities, had the most innovative societies and were the most active traders of material goods and intellectual property (Central West CMA, 2007).

Until recently, Aboriginal objects ('sites') were narrowly defined. However, there is an increasing move to record locations that are important to Aboriginal people, recognising linkages to the post-European settlement

period and the importance of contemporary places to them.

### ***Non-Indigenous heritage***

#### ***Indicator – National heritage items***

#### ***Indicator – NSW heritage register items***

#### ***Indicator – Locally listed heritage items***

The State Heritage Register contains items listed by the heritage council under the NSW *Heritage Act*. Note that some heritage places are listed on both national and State heritage registers.

As shown in the summary table (Table 10), the number of items listed under the NSW *Heritage Act* across the 17 Councils in the region is showing an upward trend, increasing to 109 in 2011–12 from 108 and 101 in the two prior years. The two new listings this year were Black's Camp and the John Fowler 7 nominal horse power Steam Road Locomotive, both in the Wellington LGA.

The number of locally listed items also increased to 1,999 for the 15 Councils reporting this data in each of the last four years, continuing the improving trend reported last year. There were sizeable increases reported this year by Blayney, Cabonne and Coonamble Councils.

It should be noted that there is some inconsistency in the reporting of this data with some Councils including state listed items and others only reporting LEP listed items.

### **Noise Pollution**

Noise is a type of pollution that can have direct physiological and psychological effects on people. Noise can have a range of impacts from minor annoyance to more serious damage to hearing. It can cause impacts on sensitive land uses including natural areas, residential areas, schools, hospitals and parks.

Noise also affects the habitat of some native fauna species. This may include impacts on breeding cycles and a reduction in the number of species in a locality (moving to avoid noise). Some types of fauna are more susceptible to noise and vibration than others. For example, reptiles that rely on vibration as a primary sense will avoid areas of particular noise wave patterns or vibrations as they disrupt the ability to hunt and avoid predation.

### **Indicator – Urban noise complaints received by Council**

As shown in the summary table (Table 10), from those Councils reporting in each of the last four years there was an increase in the number of urban noise complaints from 1,066 in 2010–11 to 1,101 in 2011–12. Over the four year period this indicator showed an overall increasing trend.

As reported in previous years, the majority of the complaints related to barking dogs which comprised 85% of all complaints.

### **Indicator – Industrial noise complaints received by Council**

As shown in Table 10, the number of industrial noise complaints decreased for those Councils reporting in each of the last four years and were well below the level of complaints reported in the 2009–11 period. It is hard to

### **CASE STUDY: Coonamble's Grand 1930's Plaza Theatre**

The Plaza Theatre was constructed by Charlie Wall in 1930 to replace the Monarch Picture Theatre that was destroyed in the 1929 fire. The building served as Coonamble's cinema until 1982. It is an interesting example of the blending of the Inter-War Free Classical and Inter-War Arts and Crafts styles of architecture.

The building is representative of the redevelopment of Coonamble after the 1929 fire. It has local historical and aesthetic significance, representativeness and a high degree of integrity. The two-tiered theatre was built to house 900 people - 400 upstairs and 500 downstairs, the grand foyer leads to an open space of high ceilings and wooden floorboards with a risen stage. It had been dilapidated and closed for over 25 years.

Thanks to local businessman and owner, Chris Gray, this has changed with the theatre now being under refurbishment for the last 12 years. The restoration is being carried out in a way that honours the heritage of the building and is consistent with the original architecture, while providing the functionality of a modern professional performing arts facility.

Major structural work and new foundations have secured the building. Plumbing, wiring and paint work have also been renewed. Many of the architectural and decorative components have been personally restored by Mr. Gray, affording him much personal satisfaction and frustration along the way.

Mr Gray has been funding the restoration of the theatre with money from his own pocket as well as support from community fundraisers. He has been doing work when he can, but it is been a long process. Although the restoration is still a work in progress it has already been the venue for a number of concerts, plays and movie nights.

It is an important for any small town to have somewhere where people can go and be together and have a sense of community and heritage.

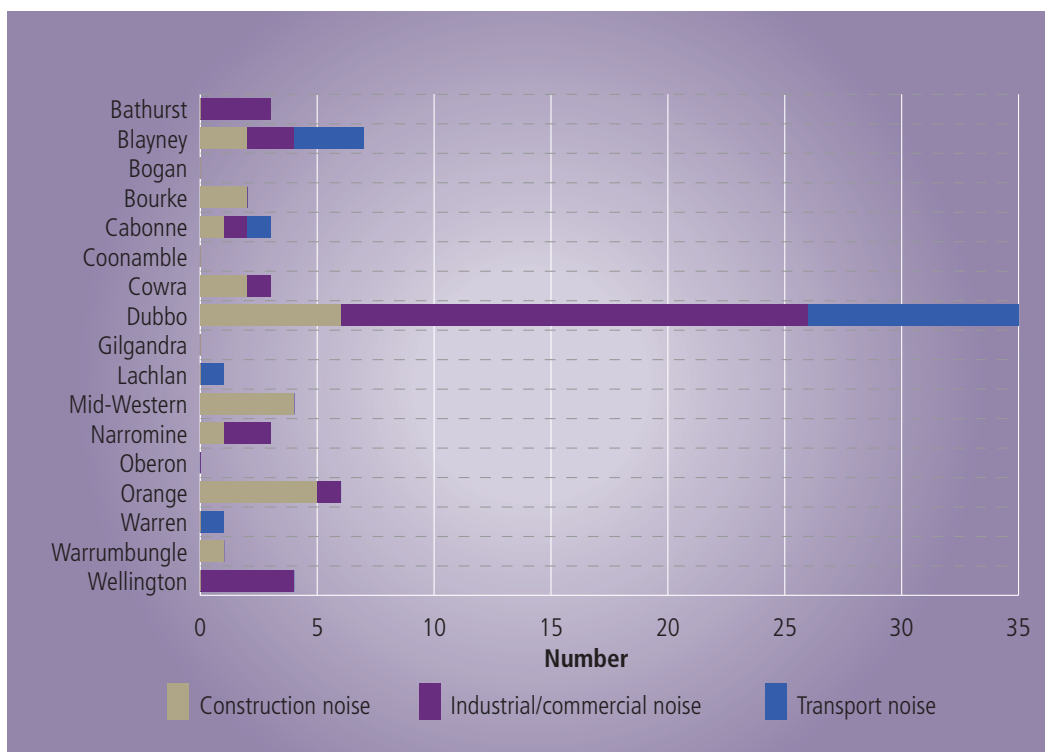


Coonamble's Grand Plaza Theatre, 1931 (Source: Carl White)





## Human Settlement



### Indicator – Noise complaints received by OEHC

Noise issues may also be reported to OEHC and as shown in the summary table (Table 10), the number of noise complaints across the region received by OEHC rose sharply in 2011–12 to 426 complaints which was a 73% increase on the level reported in 2010–11 (50% higher than the level in 2009–10). However, as in each of the last four years, the vast majority

**Figure 20:** Types of industrial noise complaints received by Council 2011–12

draw any conclusion from a one year decline, but it is possibly a signal of reduced urban building activity in-line with the subdued construction activity across the State. A breakdown of the type of noise complaints is provided in Figure 20, clearly illustrating that, as in the two previous years, Dubbo is the LGA with the largest number of complaints to Council.

of noise complaints were reported from the Mid-Western LGA which accounted for all but two of the 426 complaints this year. These complaints mainly relate to new mining operations in rural areas.

**BELOW** Helicopter commemorating the 1990 Nyngan flood



### Threat

#### Development

Key areas where environmental impacts of development may occur include residential, mining/heavy industry and rural/residential developments.

In the reporting region, a particular pressure is that of the rural small holding, where existing agricultural land is sub-divided to meet demand for two or 25 hectare residential lots in an otherwise rural landscape, reducing the available areas of primary production and therefore increasing pressure on agricultural land and the environment. This also requires provision of services such as waste collection and infrastructure such as water (tank or town), sewer/septic, fences and roads.

There may also be noise, odour and air pollution at the interface between these areas, which can become a source of complaint.



### Indicator – Extent of new road construction

### Indicator – Extent of road upgrades

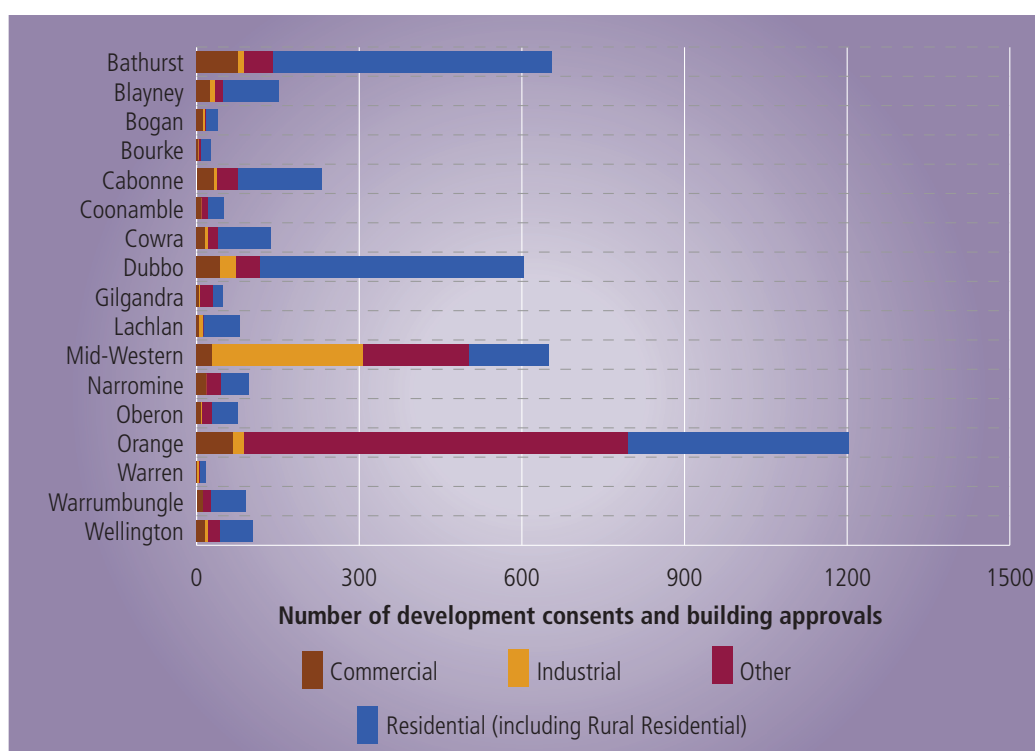
These indicators can be used to gauge the extent of development experienced across the region. As shown in the summary table (Table 10), new road construction (local Council roads) decreased in 2010–11 to the lowest level recorded in the last four years. Road upgrades also decreased signifi-

cantly, falling to approximately a quarter of the annual levels reported in the 2008–10 period. This could be due to Councils focusing on repair of flood-damaged infrastructure and therefore unable to carry out other works. A significant proportion of the road upgrades reported are essential maintenance, particularly grading and reshaping of gravel roads and resealing of bitumen roads (69% in 2011–12).

### Indicator – Number of development consents and building approvals

The number, type and location of development applications can provide some information on the potential level of development impacts on both the built and natural environment. While the number of development applications lodged with Councils fluctuate with economic cycles and other factors such as the size of population and presence of industries; as a general trend they reflect the likely levels of development impacts on the LGA.

As shown in the summary table (Table 10), there was a sharp increase in the number of development consents and building approvals from 2010–11 to 2010–12 for the 15 local Councils that reported in each of the last four years. The largest change was in the Orange



LGA where consents and approvals increased to 1,203, the highest number in the region.

Fifty-four per cent of the 4,258 development consents and building approvals given in 2011–12 were for residential development, compared to 71% for residential in 2009–10. Figure 21 shows the breakdown by LGA and highlights not only the exceptional growth in Orange but also the continuing strong growth in the Mid-Western LGA which had 74% of all industrial approvals for the region and a similar total number of development approvals as Dubbo and Bathurst LGAs, both of which have a population almost twice that of Mid-Western LGA.

Development may also be a threat to Indigenous and non-Indigenous heritage. This may take the form of physical and aesthetic impacts from road works and road realignment, land clearing, unsympathetic alterations and additions and adjacent development. Further impacts may occur from increased demand for tourism and recreation, particularly affecting natural area heritage; impacts may also occur on built heritage from the increase in smoke and vehicle emissions. Changes to land ownership can also affect heritage, as new landowners may not recognise heritage significance, and may also change land use affecting heritage.

**Figure 21:** Types of development consents and building approvals across the region in 2011–12



### **CASE STUDY: Mechanics Hall Institute (Warrumbungle)**

The Mendooran Mechanics Institute was constructed in 1935 and has been in continuous operation as a vital community hall for the residents of Mendooran. As a purpose built cinema and auditorium, it exhibits aspects of the design and operation of cinemas in the inter war period of the twentieth century. The distinctive Inter-War Spanish Mission architectural elements are clearly visible, providing a rare example of an intact Art Deco cinema Proscenium with original decorative paint finishes.

The Proscenium was restored as a community project with father and daughter conservation experts, Ian and Stella Rufus. The specialist conservators worked throughout a week in early June 2012, with members of the community able to walk in and observe their progressive efforts. Volunteers were able to participate in a restoration workshop as part of the week's activities, adding further ownership and cultural interest by the Mendooran community into the preservation of the historical Proscenium.

Warrumbungle Shire Council was able to assist with maintenance of the Mendooran Mechanics Institute building, and provide support to the Mendooran & District Development Group to encourage the community to take ownership of the restoration of the unique Proscenium. The restoration has revived an important focal feature of a cherished building, and the restoration in itself has been a cultural activity that continues to engage and bring together the Mendooran community.



Mendooran Mechanics Institute Proscenium

For example, clearing of land for cropping may impact on sites of significance or change the local character of a place. Environmental impacts from fire, natural weathering and salinity can result in detrimental physical impacts on heritage places and items and may cause permanent loss or damage. Likewise, vandalism and wilful destruction or ignorance of location/significance can also result in permanent damage or loss.

### **Indicator – Development on listed Aboriginal sites**

There were twelve developments on listed Aboriginal sites across the region in 2011–12, spread across the Cowra, Dubbo, Mid-Western and Oberon LGAs. For the twelve Councils which have reported this data in each of the last four years, there was a small increase in the number of developments (see Table 10). Whilst the number of developments per year is small it should be remembered that these heritage sites are finite and any development which degrades them is potentially permanently deteriorating the Indigenous heritage in the region.

### **Lack of Knowledge, Appreciation and Recognition**

We have lost a great deal of knowledge about Aboriginal heritage, and this may cause a lack of appreciation and recognition of the importance of heritage items and places. There is often a reluctance to acknowledge potential heritage sites as it is felt this may impact on future land use. Restrictions on Aboriginal people to practise their rituals and ceremonies also have a significant impact on Aboriginal heritage. This may include loss of access to significant sites or places or lack of ability to carry out ceremonies and cultural activities.

Non-Aboriginal heritage has not undergone the same level of depletion that Aboriginal heritage has, however the same problems still exist with a lack of appreciation and recognition of the importance of heritage items and places. Similarly to Aboriginal heritage there is often a reluctance to acknowledge potential heritage sites as it is felt this may impact on future land use, although this is slowly improving as developers and property owners realise the aesthetic and economic value in owning, maintaining or utilising a heritage listed property or site.

### **Indicator – Heritage buildings on statutory heritage lists demolished/degraded**

There were no heritage buildings on the Statutory Heritage lists demolished or degraded in 2011–12 according to the 14 Councils that reported on this indicator this year.



## Response

### Planning

There is a suite of planning tools that Councils in the reporting region can use to ensure that development is as sensitive as possible to both the natural and built environment.

State Environmental Planning Policies (SEPPs) deal with issues significant to the state and people of New South Wales. They are made by the Minister for Planning and Infrastructure and may be exhibited in draft form for public comment before being gazetted as a legal document.

Local environmental plans (LEPs) guide planning decisions for local government areas. Through zoning and development controls, they allow councils and other consent authorities to manage the ways in which land

is used. LEPs are the primary planning tool to shape the future of communities and also oversee the estimated \$20 billion worth of local development that is determined each year.

In 2006, the NSW Government gazetted a standard instrument for preparing new LEPs, also known as the LEP template. The aim is to have local plans across NSW that will now use the same planning language, making it easier for communities to understand what is proposed for their local area. Councils are able to include localised planning objectives and provisions specific to their area, as well as determine zoning, additional land uses, heritage items, and development standards, such as height and minimum lot sizes. Whilst some Councils in the reporting area have implemented LEPs under the new format, others will be required to do so during their next LEP revision.

**ABOVE** Cotton growing on the Mitchell Highway at Trangie





**ABOVE** Gaskill Street,  
Canowindra

**BELOW** Sharing traditional  
resources through food  
at the Year of the Farmer  
CMA stand at the Food  
Affair

## Noise Regulation

The PoEO Act is administered by OEH which is therefore responsible for regulating noise from activities scheduled under the PoEO Act which includes premises occupied by public authorities. Local Councils are largely responsible for the management of noise in relation to non-scheduled activities, with local police also involved in neighbourhood noise matters.

Premises conducting scheduled activities are required to hold an Environment Protection Licence through which EPA can apply appropriate noise control conditions. Councils can control noise through conditions determined by Council as part of development consent, issued under the planning legislation, and through Notices or Directions issued under the PoEO Act.

The *PoEO (Noise Control) Regulation 2008* addresses common noisy activities that occur in residential situations. It limits the time of day that noisy articles (such as lawn mowers, stereos and leaf blowers etc) are permitted to be heard in neighbouring residences. It also has provisions regarding motor vehicles (including noise limits) and addresses noise from marine vessels.

Most Council-regulated potentially noisy activities are not the subject of specific limits or controls. It is an offence under the PoEO Act if noise is emitted from premises because of the occupier's failure to maintain or operate plant, or to deal with materials in a proper and efficient manner. Noise Control Notices or Noise Abatement Directions may also require emissions to be reduced or cease in certain circumstances (e.g. if offensive noise is emitted from certain premises). It is an offence not to comply with the Notice or Direction.



The *Companion Animals Act 1998* is administered by the Minister for Local Government and deals with issues associated with nuisance dogs and cats.

Transportation noise is handled by various agencies, with aircraft noise exclusively a Commonwealth Government responsibility, with the exception of aircraft on the ground at private or local Council-operated airports. Rail noise and noise from the construction of freeways and tollways is generally regulated by licences issued by OEH. Noise from general traffic on roads is managed by the Roads and Maritime Services (RMS) and councils. Noise from individual vehicles is regulated by the RMS, police and OEH.

The *Noise Guide for Local Government* provides practical advice to Council officers in the day-to-day management of local noise problems and the interpretation of existing policy and legislation.

## Development

Underpinning planning legislation in NSW is the concept of ecologically sustainable development (ESD). In brief, ESD aims to provide for the needs of present generations without compromising the ability of future generations to meet their own needs. ESD seeks to integrate environmental, economic and social considerations in decision making.

The EP&A Act is the main form of environmental assessment legislation in NSW. The Act requires a robust system of environmental impact assessment that provides a mechanism for identifying and assessing all potential impacts of a development in determining development applications.

In order to list sites, heritage studies need to be conducted to determine the location, significance and value of the site or item. Many of the Councils in the reporting area have heritage officers appointed to coordinate studies and listing of sites, as well as providing advice on individual development impacts. These officers also identify key areas that require protection and seek funding for rehabilitation projects to improve long term management of the place.

Councils also have the authority to implement Development Control Plans (DCPs) which apply to areas or sites and provide an additional level of protection for those areas.



**ABOVE** Peak Hill Youth Empowerment participants

These are often applied to heritage towns and villages. For example, Blayney Shire Council implemented a development control plan for the historic village of Millthorpe. This DCP requires new buildings to reflect the look and character of the village (including materials, roof lines and colours).

LEPs can also be used to provide statutory protection. For example, Mid-Western Regional Council has listed heritage conservation zones in Gulgong (also a National Trust listed town), Mudgee, Rylstone and Hargraves. The LEP provides some statutory protection to complement listing on Local, State or Federal registers.

**BELOW** Orange Wine selection at Borrodell







### CASE STUDY – Community Heritage Study (Orange)

In May 2012, Orange City Council adopted the Orange Community-based Heritage Study which proposes an additional heritage conservation area and 205 items of environmental heritage to be listed in the LEP. Combined with the existing 105 heritage items and five heritage conservation areas identified in the 1986 Heritage Study, the Study provides a sound basis for the identification, conservation and management of heritage places and items in the Orange Local Government Area.

The process was managed by a community working party which included a heritage consultant and historian, who considered a total of 1,151 places identified by the community and working party.

All sites have been listed on the NSW Heritage Office State Heritage Inventory database, complete with statements of significance and photographic records.

The proposed Duration Cottage heritage conservation area aims to preserve the rare and significant establishment of workers cottages overlooking the 1942 Small Arms Factory (now utilised by Electrolux). The Duration Cottages mark the historic post war period for the construction of houses based on a standard design on a small subdivision of land. The standard designs consisted of simple suspended timber floors, timber framed walls and carpentry roofs. The buildings were clad in the new material of the time, asbestos sheeting or fibro. Owners often constructed the cottages with the help of friends on their own time after work and on weekends. While most houses have been altered many remain intact in so far as their character can be easily interpreted.

A range of guidelines have been developed to support and encourage sympathetic upgrading of the cottages.



### Indigenous Heritage

#### *Indicator – Current licences to access AHIMS register*

The Aboriginal Heritage Information Management System (AHIMS) register of Aboriginal sites is managed by OEH. Each local Council was asked this year whether they have a licence to access the AHIMS register. This information has been requested as an indicator of the level of awareness and active management of Aboriginal sites in each LGA. In sharp contrast to last year, all but one of the local Councils reported that they currently have AHIMS access.

#### *Indicator – Extent of liaison with Aboriginal communities*

Councils were asked to self-rate the extent of their liaison with Aboriginal communities. All 17 Councils reported this indicator in 2011–12 and gave themselves an average rating of 1.8 on a scale of 0 (none) to 3 (high). As shown in the summary table (Table 10), the 12 councils that have reported this indicator over the last four years had shown a steady improvement since 2008–09, but

**RIGHT** Scar Tree on the banks of the Bogan River  
(Photo C.McCulloch)





**ABOVE** Sheep along Peabody Road, near Molong, Cabonne LGA

there has been a slight dip this year. However, the fact that every Council has reported this year plus the generally positive progress of this indicator over the four years, suggests that there is an increasing awareness of the importance of consultation, particularly in development processes.

***Indicator – Inclusion of Indigenous Heritage in DCPs and rural strategies***

All 17 Councils reported on this indicator in 2011–12 for the first time and moreover, they all reported that they had included Indigenous community consultation in development of DCPs (Development Control Plans) and rural strategies. This is a significant improvement as less than half these Councils gave the same response in 2009–10 and 2010–11.

***Indicator – Management plan/strategy in place***

This year, 16 of the 17 Councils reported that they had an Aboriginal heritage management plan or strategy in place. This includes Blayney, Dubbo and Warren which noted that theirs were in draft form. This is a dramatic improvement from 2010–11 when only

Wellington Council reported having a plan or strategy in place.

**Non-Indigenous heritage**

***Indicator – Actions to protect non-Indigenous heritage items***

***Indicator – Heritage buildings on statutory heritage lists that are renovated or improved***

These indicators, introduced in 2008–09, provide a gauge of the level of protection through management of non-Indigenous heritage items. As shown in the summary table (Table 10), there was a marked increase in 2011–12 in the number of reported actions to protect non-Indigenous heritage (including management plans).

The 73 heritage buildings on statutory lists which were renovated or improved during the year represented a further significant increase from the activity reported for this indicator in the three previous years.

Bathurst Regional Council has a heritage fund by which it assists owners of heritage buildings with the costs of maintenance and repairs.



# Waste

This chapter focuses on the generation, treatment and disposal of waste within the reporting area. Waste is caused by the disposal of products at the perceived end of their life, or simply when the user has no further need for them.

With the expansion of human settlements, environmental pressure is being increased through the consumption of products that are dependent on natural resources and the inappropriate disposal of by-products. A sustainable human environment requires greater attention to urban design and a reduction in net consumption.

Within the reporting region, efforts are being made to increase the sustainability of waste management systems through reducing, reusing and recycling waste products.

## Waste generation and disposal

### Condition

#### Solid Waste

Solid waste generated within the reporting area originates from the following general sources:

Municipal: comprises general household waste and garden organics (including waste from the Councils' kerbside collections and waste taken directly to landfills by residents).

Table 11: Summary Table of Indicator Trends - Waste

Issue	Indicator	2008–09	2009–10	2010–11	2011–12	Trend
Waste Generation	Total waste entombed at primary landfill (tonnes)	155,000	139,000	147,000	174,000	↓
	Total waste entombed at other landfills (excl recyclables) (tonnes)	6,650	8,499	6,585	7,144	↑
	Average total waste generated per person (tonnes/person)	0.9	0.94	0.95	1.09	↓
	Average cost of waste service per residential household	\$195	\$186	\$235	\$237	↓
Hazardous/ Liquid Waste	DrumMuster collections (number of drums)	95,953	65,325	90,527	122,807	↑
	Household Hazardous Wastes collected (kg)	*	*	7,748	12,800	↑
Reduce	Office paper used by Council (A4 reams)	23,331	19,876	20,403	22,065	↓
	E-Waste collected (diverted from landfill)	21	18	23	58	↑
	Garden organics collected (diverted from landfill) (tonnes)	16,356	21,274	18,910	23,351	↑
Recycle	Volume of material recycled (tonnes)	24,249	16,846	21,010	27,231	↑
	Volume of material recycled per person (kg)	122	84	103	135	↑
Littering and illegal dumping	Annual Volume of litter collected by streetsweeper (tonnes)	4,366	5,927	4,795	7,308	↓
	Number of illegal waste disposal complaints to Council	360	312	398	498	↓

\* Data not available for these years

- ↑ improvement
- no or little change
- ↓ worsening trend

Note – the above trends are for data in 2008–09, 2009–10, 2010–11 and 2011–12 from the same sources. The trend is based on comparing the average of the previous years of reporting with 2011–12. They should be read in terms of the limitations for indicators discussed throughout this chapter. Note also that there are some new indicators for 2011–12 for which no comparison can be made with previous years. Refer to the Appendix for a list of Councils



Construction and Demolition: includes waste from construction and demolition activities generally associated with development.

Commercial and Industrial: includes waste from commercial activities in the area including businesses and restaurants etc.

This waste requires transport, recycling where possible or disposal which uses significant energy resources, as well as creating potential pollutants in the form of air and water pollution and greenhouse gas emissions such as methane. Noise pollution may also occur at some landfills or from the transport of waste.

**Indicator – Total waste entombed at primary landfill**

**Indicator – Average total waste generated per person per annum**

**Indicator – Average cost of waste service per person per annum**

**Indicator – Total waste entombed at other landfills (excluding recyclables)**

Total waste indicates consumption patterns and the pressures placed on rural tips and primary landfills.

As shown in the summary table (Table 11), for the ten Councils that reported in each of the last four years, the average total waste generated per person for 2011–12 was 1.09 tonnes. This was a significant increase from the figures reported in each of the previous three years. However, Dubbo reported an exceptional event (see below) during the year and if their figures are removed from the comparison, there is effectively no change in the average waste per person across the rest of the region.

The increase in waste per person reflects increases in the volume of total waste received at both primary and other landfills for the thirteen Councils that reported in all three years. However, the Dubbo LGA was responsible for almost all of the 18.8% increase in waste to primary landfill tonnage across the region. Dubbo City Council reported that this relates to a stormwater upgrade completed at Apex Oval - an old landfill site.



Contaminated material and water from the old landfill site had to be transported to Council's current landfill site in order to complete the stormwater works and remove any risk of contaminants. This was a one off event and it is anticipated that total waste to landfill will revert to a more normal level next year.

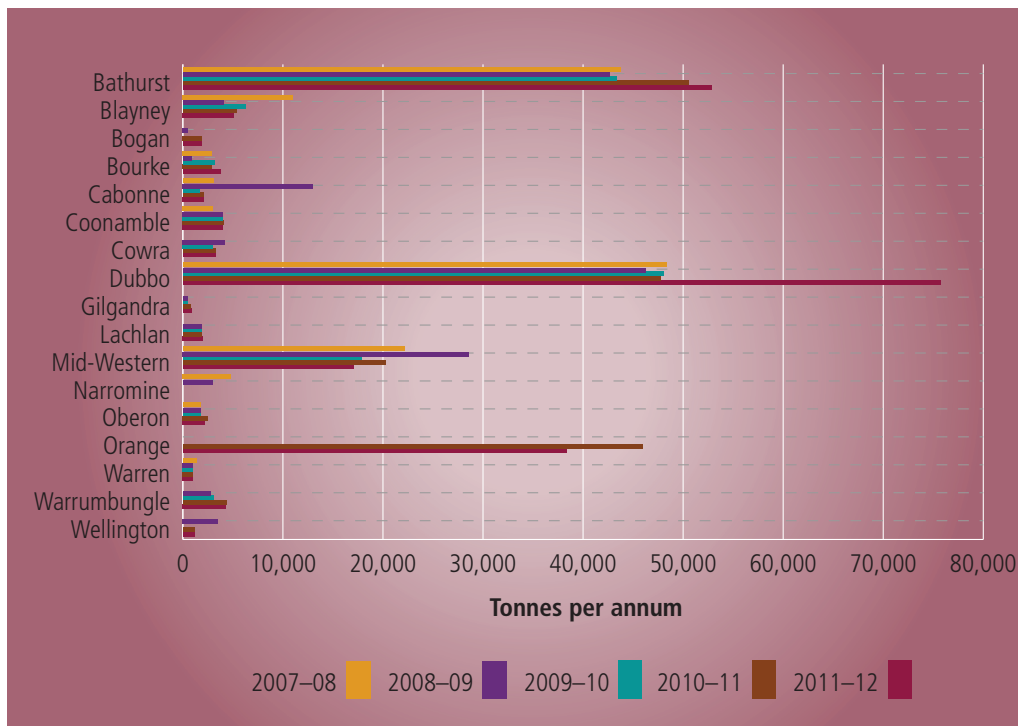
It should be noted that prior to 2010–11, the total waste for Orange LGA included some of neighbouring Cabonne Council's C Riding (Ward) waste and contamination from the recycling collections processed through the Materials Recovery Facility from Orange, Cabonne, Parkes, Forbes, Blayney and Bathurst LGAs. Therefore, in the summary table (Table 11), the total waste entombed at primary landfill excludes Orange's data to enable a more valid comparison across the four years. A full breakdown for the 2010–11 year by LGA, including Orange LGA is provided in Figure 22.

The volume of total waste (excluding recyclables) taken to other landfills was 7,217 tonnes for the 14 Councils reporting in 2011–12. A comparison with the three previous years is provided in the summary table (Table 11) but it should be noted that the basis of reporting this indicator was changed for the 2009–10 report so the comparison should be regarded as indicative only.

**ABOVE** A stormwater drain on outskirts of Bathurst. Image shows large amounts of sediment being transported by stormwater to the natural environment. Source of this sediment is adjoining residential development with poor sediment controls in place during construction. (photo: C.McCulloch)



## Waste



**Figure 22:** Total waste entombed at primary landfill by LGA

A small increase to \$237 for the average cost of waste services to people across the region was reported this year (based on 12 Councils reporting in all four years). This continues a slight worsening trend across the region over the past four years.

### Indicator – Emissions from landfill

This is a new indicator which is being reported for the 17 Councils for the first time. The emissions calculation is based on the reported volume of waste entombed over the last three to four years at landfills in each LGA. The calculated total emissions for the region in 2011–12, was 127 kt CO<sub>2e</sub> (equivalent carbon dioxide). The primary emission from

landfills is methane (an important greenhouse gas), so the CO<sub>2e</sub> measure is used to give the concentration of CO<sub>2</sub> that would cause the same level of radiative forcing as methane.

It is worth noting that only three LGAs (Bathurst, Dubbo and Orange) were close to or marginally above the National Greenhouse and Energy Reporting (NGER) threshold of 25 kt CO<sub>2e</sub> for a single facility (landfill).

### Hazardous Chemicals

Hazardous chemicals include common household and agricultural materials such as pesticides, herbicides, paints, cleaning products, oils, car batteries and pharmaceuticals. Chemicals have the potential to cause significant local or regional impacts on both human health and the environment. There are currently limited disposal options available in the region, however irresponsible disposal of such chemicals can cause acute and devastating impacts upon the natural environment, particularly ingestion by animals and contamination of aquatic systems.

### Liquid Waste

There are currently a significant number of domestic and commercial premises throughout the reporting area that rely on a septic tank arrangement for their effluent disposal. These premises are located where, due to the unavailability of sewer mains, or for other site-specific reasons, a normal sewerage service cannot be provided. These often occur in small villages, remote communities and on farms. Trade wastes are liquid wastes produced by industry which are discharged to sewers and may contain pollutants that require treatment prior to discharge. This action is licensed under the PoEO Act and Councils have a role in monitoring and compliance of these discharges.

**BELOW** Wastewater Treatment Works, Bathurst





## Waste Management Facilities

The various sources and types of waste described above are the reason Councils operate landfills and waste management facilities. Waste management facilities can result in environmental impacts such as noise, odours, windblown litter, methane gas emissions, groundwater contamination, and erosion, sedimentation and weed infestation of adjacent waterways. Closed landfill sites can pose similar environmental risks and land instability. There are both operating landfills and closed landfills across the reporting Councils.

## Threat

### Littering

One of the most obvious forms of pollution is litter. Apart from being unsightly and taking a long time to breakdown, litter can be washed into waterways through stormwater systems where it poses a risk to aquatic life. A significant form of littering is illegal dumping which occurs across all LGAs in the region.

#### *Indicator – Amount of litter collected by Council streetsweepers*

From the 13 Councils that reported each of the last four years, there was a large increase in the volume of litter collected by Council streetsweepers (see Table 11). The reliability of some of the data is questionable though, as the total movement hides large changes for individual LGAs, with Cowra and Oberon reporting big drops in tonnage, whilst for the second successive year, Warrumbungle reported a very large increase.

The amount of litter collected should be considered in relation to that collected in GPTs (see Water chapter).

### Illegal dumping

#### *Indicator – Number of illegal waste disposal complaints to Councils*

The number of complaints about rubbish dumping does not necessarily reflect the frequency of incidents, nor the impact of illegal dumping. It does, however, indicate community awareness of illegal dumping and



ABOVE Illegal dumping

the potential impact that it may have on the environment.

As shown in the summary table (Table 11), the number of illegal dumping complaints showed a substantial increase compared to 2010–11 for the 14 Councils reporting in each of the last four years. The majority of the increase came from one LGA - Warrumbungle reporting a five-fold increase in complaints. However, even if Warrumbungle's numbers are removed, the trend over the four years is still upwards, suggesting that illegal dumping is a growing issue for the region, with residents becoming more aware of the problem.

### Population and consumerism

Human consumption of natural resources lies at the root of many of our global environmental problems. Current consumption patterns stress limited natural resources, contribute to global warming, and create waste and in some cases toxic by-products that affect natural systems and potentially human health. Population growth and higher standards of living both add to consumption levels and associated increases in waste generation.

### Climate Change

As Australia grapples with its response to climate change, there is a major concern with waste placed in landfill sites. Every tonne of degradable waste dumped in Australia's landfill sites today will still be a greenhouse gas liability in 2050. The reason for this is waste materials with degradable organic carbon (e.g. food, paper, garden and wood wastes) decompose and emit gas when buried in landfill. This landfill gas contains methane, which has a global warming potential 25 times that of carbon dioxide.



## Packaging

The increasing use of packaging by producers, particularly in the last 30 years, means that consumers are left with waste that may, if they do not recycle, end up in landfill.

Australians generate more than 32 million tonnes of waste each year (Hyder, 2006). Of this, 42 per cent is construction and demolition waste, 29 per cent is commercial and industrial waste and 29 per cent is municipal or household waste. Total packaging waste generated in Australia is just over 4.3 million tonnes (National Packaging Covenant Annual Report, 2011) from commercial, industrial and household sources. Packaging waste generated represents around 13 per cent of the total waste stream within Australia, with beverage packaging comprising less than 3 per cent.

## Lack of awareness

Lack of awareness of waste minimisation strategies can be a major hurdle in minimising the amount of waste going to landfill. Ongoing education programs and other initiatives are required to raise awareness levels and encourage behaviours related to waste avoidance and minimisation.

## Response

### Education

Education programs are an integral component of waste reduction and recycling. NetWaste implements several education

programs across the Councils and employs an Environmental Learning Advisor to design and implement programs targeting specific issues.

Figure 23 outlines the hierarchy of avoid, reuse and recycle as a method of improving sustainability. The first step is to reduce the amount of waste you need to dispose of or recycle by avoiding it in the first place. The second step is to reuse any materials before discarding or recycling. The third step is to recycle any material that you can so it can be transformed into another useable material. Only after the first three steps are completed, should any leftover waste be disposed of to landfill.

Education of local communities promotes the importance of avoiding the creation of waste in the first place, through activities such as purchasing items in bulk as opposed to single serve items and composting food scraps at home. It is however, equally important that appropriate services are in place to manage waste that is generated in the region such as kerbside recycling services and efficient waste management facilities.

## Reducing waste disposal

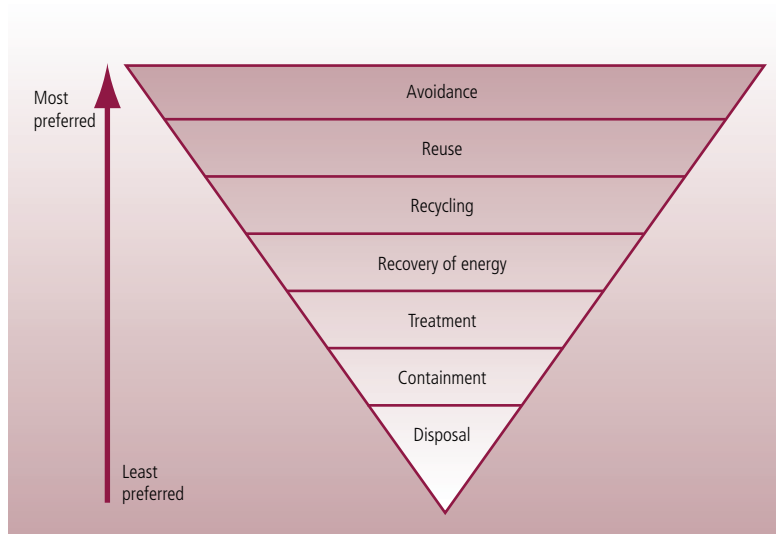
Avoiding the creation of waste is generally seen as the best strategy for dealing with the problems it creates. Key responses to deal with waste include reducing the volume of waste reaching landfills, minimising the environmental impacts of waste facilities, and encouraging the development of new waste treatment and recycling facilities.

### Indicator – Office paper used by Councils

As relatively large employers and community leaders, local Councils can be used as one indicator of changing office practices and increased awareness to minimise the use of office paper.

As shown in the summary table (Table 11), the 13 Councils that reported in each of the last four years have increased their use of A4 office paper in the last year, but are still using a little less than in 2008–09. The mix of papers used has changed over the four years with an increasing use of coloured paper and substantially lower use of 100% recycled paper, albeit that partially recycled paper has been substituted for some of this. Overall the trend in this indicator appears to be in the wrong

Figure 23: Waste Hierarchy



Source: DSE, Victoria



**LEFT** Lue Waste Transfer Station at full capacity, Mid-Western LGA

direction, with Councils using more paper and less recycled paper.

#### **Indicator – Garden Organics Collected**

An increase in the volume of garden waste collected was reported this year, for the nine councils who reported in each of the last four years (Table 11). This year's figures reversed the decline reported last year and is shown as an improving trend based on the assumption that this waste would have gone to landfill.

### **Recycle**

#### **Indicator – Amount of material recycled**

##### **Indicator – Amount of material recycled per person**

As shown in the summary table (Table 11), the volume of material recycled increased significantly for the twelve Councils that reported this data in each of the last four years to 27,231 tonnes, compared with 2010–11. This figure is equivalent to an average of 135kg per person across the entire region, continuing the improving trend reported last year. Improved reporting of this data is the likely explanation for the large swings in the data in the two previous years.

Recycling is now at the highest level reported over the last four years across the region suggesting that an increased focus on recycling programs is having a positive impact, not just in increasing recycling but also in slowing the growth of waste to landfill.

Many Councils such as Mid-Western, Orange, Blayney and Bathurst have had kerbside recycling programs in place for a number of years. In more recent years, Dubbo City and Narromine Shire Councils have joined this group. The majority of Councils provide recycling collection points in smaller villages and localities to encourage recycling, however the viability of offering such services is greatly affected by volumes of material and distance from major centres.

A breakdown of the type of materials recycled in 2011–12 is provided in Figure 24. This shows a large proportion of the material recycled is paper and cardboard. The large 'other' category for Dubbo LGA relates to construction and demolition waste which is crushed and re-used.

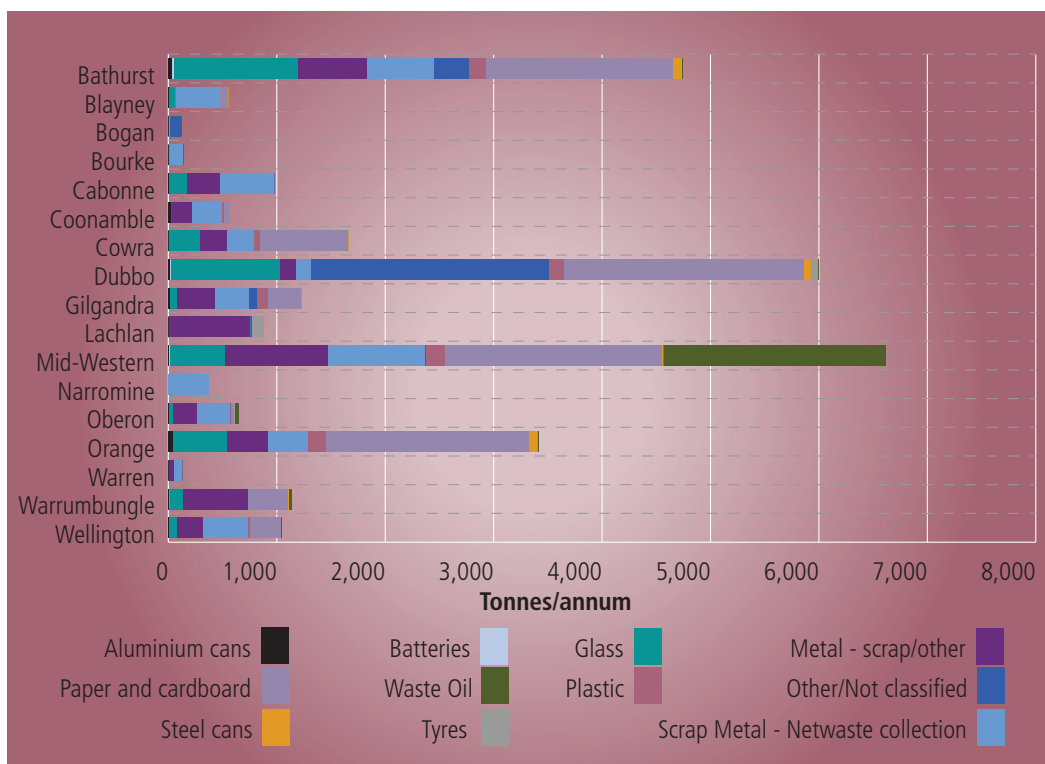
#### **Indicator – E-Waste diverted from landfill**

In 2011–12, E-waste was collected separately in eleven LGAs across the region, which is two more than reported last year. As shown in the summary table (Table 11), the amount





## Waste



**Figure 24:** Type of materials recycled 2011–12

of E-waste collected also increased for the five Councils who reported this data in each of the last four years. The improving trend in this indicator demonstrates an increased participation in E-waste collection programmes by Councils and local residents.

A number of regional waste management programs are also implemented across the region through NetWaste, such as the e-waste recycling program, to improve collection and recycling of electronic waste such as computers. Eleven of the Councils reporting through the Regional SoE offered a collection service to their communities, with Bathurst

gas collection has been implemented at bigger landfills servicing the larger cities within the reporting area such as Bathurst. Smaller Councils who do not have the population base to support high cost technology are also making changes, such as establishing Recovery Shops. Bourke and Gilgandra are two examples of where this has occurred, with these facilities providing an opportunity for people to drop-off items that they may no longer want, but are still in working order and be available for other people to purchase. It is a great way to reuse items and reduce the amount of waste going to landfill.

NetWaste has regional and sub-regional waste management plans which work towards provision of services across several Councils to ensure continuity and access to resources in more remote areas. Further details of these plans are found at the NetWaste website, [www.netwaste.org.au](http://www.netwaste.org.au).

**RIGHT** Gross pollutant trap, Dubbo LGA



## Hazardous Chemicals

### *Indicator- Number of farm chemical drums collected through DrumMuster collections*

Councils in the region are active participants in the DrumMuster program, which provides a collection service for agricultural chemical containers on an ongoing basis throughout the catchment.

As shown in the summary table (Table 11), the number of drums collected through the DrumMuster program rose significantly for the second successive year, bringing it to the highest level reported in the last four years.

Large increases were reported in the Coonamble, Gilgandra, Lachlan and Narromine LGAs, whilst the only significant decline was in Warren. These increases probably reflect improved cropping conditions across the region, leading to higher on-farm chemical use.

The large variability in seasonal conditions over the last four years is likely to be masking any longer-term trends, such as changes in agricultural practices, which could lead to lower chemical use over the long-run.

## Hazardous Waste Collection

### *Indicator – Household Hazardous Wastes collected*

During the 2011–12 year, NetWaste collected 13,886 kg of Household Hazardous Wastes (HHW) across 11 of the 17 LGAs within the reporting region.

There was a strong improvement in this indicator in comparison to 2010–11 with a sizeable increase in waste collected in 10 of the 11 LGAs. Only Dubbo reported a small decline, but they still had the largest collection in the region.

NetWaste and participating Councils have been working towards viable options for collecting and handling household hazardous waste items as there are currently limited alternative services available.

There are waste facilities where gas cylinders, fluorescent light globes and tubes, smoke detectors and household batteries can be dropped off at NetWaste facilities in major centres of 14 of the participating LGAs.

### **CASE STUDY: NetWaste Mobile Glass Crusher**

In 2011, NetWaste and five member Councils in partnership with the Australian Food & Grocery Council (AFGC) were successful in securing a grant from the Australian Packaging Covenant (APC) to purchase a Mobile Glass Crusher (MGC) to increase recovery of glass beverage containers in the NetWaste region. It is the first time NetWaste has explored the option of shared infrastructure between the Councils and also the use of a mobile plant, reducing the need to transport material out of the region to realise its potential value.

Between the participating Councils - Cabonne, Cowra, Mid-Western, Oberon and Wellington - an estimated 1,000 tonnes of glass will be processed annually, with the crushed product to be used in civil applications such as for road base, in footpaths etc. Currently, Cowra and MidWestern Councils operate local Material Recovery Facilities (MRF) where kerbside and domestic recyclables are separated for market, with the 3 remaining Councils having limited existing recycling opportunities (with the exception of Cabonne who are looking to increase recovery from their landfill sites).

The MGC is the first of its kind in NSW and offers a great opportunity for regional areas to improve diversion of material from landfill and use the product in local applications, which also becomes a replacement product for virgin sand material. The machine is maintained by Wellington Council where it is based between uses, and was launched in February 2012.

The group is currently working to ensure the crushed glass sample meets the necessary requirements of the Environment Protection Authority, with preliminary sampling indicating a good quality product suitable for the intended uses.



Glass being tipped into the crusher, output from the glass crusher





# Towards Sustainability

Sustainability is a relatively new, yet extremely important, emerging issue that is particularly relevant to local Councils in the face of climate change. In the best definition for local Councils, sustainability can be seen as meeting the needs of the present without compromising the ability of future generations to meet their needs. It is essential that it operates across the three spheres of the community; environmental, social and economic, and combine with governance, in a quadruple bottom line approach. Environmental sustainability can be defined as conserving natural resources so that the ecological processes upon which we depend are maintained both now and in the future. This Regional SoE report provides a platform for measuring sustainability initiatives across the region, while also providing a snapshot of current and future trends.

Climate change and greenhouse gas emissions will play a significant role in the future. Councils are faced with growing community concern and awareness of this issue. Also there is concern about increasing energy costs. Legislation and market forces are predicted to be drivers of change, as Councils are affected by the National Greenhouse and Energy Reporting System (NGERS) and the recently introduced Clean Energy Future Package which includes a price on carbon.

Local authorities, who play a key role in leading by example, need a sound understanding of sustainability so they are able to reduce environmental impacts and associated costs and improve the quality of life for their local communities.

Key sustainability issues for all Councils include;

- Adapting to, and mitigating the effects of, climate change
- Sustainable waste and resource management

Table 12: Summary Table of Indicator Trends - Sustainability

Issue	Indicator	2008–09	2009–10	2010–11	2011–12	Trend
Sustainable agriculture	Number of certified organic producers	42	23	52	*	↑
	Sustainable farming initiatives undertaken with CMA funding (ha)	85704.5	7,996	29,717	30,360	↓
Climate Change Mitigation	Number of Council controlled facilities consuming electricity	961	973	989	996	↓
	Annual electricity consumption for Council controlled facilities (MWh)	51,674	55,173	51,885	50,108	↑
	No. of Council controlled facilities consuming gas	102	105	125	162	↑
	Annual natural gas consumption for Council controlled facilities (Gj)	26,789	24,280	24,263	24,570	↑
	Annual bottled gas consumption for Council controlled facilities (L)	*	*	41,645	39,678	↑
	Total fuel consumption (KL)	4,308	4,754	5,480	6,938	↓

\* Data not available for these years

- ↑ improvement
- no or little change
- ↓ worsening trend

Note – the above trends are for data in 2008–09, 2009–10, 2010–11 and 2011–12 from the same sources. The trend is based on comparing the average of the previous years of reporting with 2011–12. They should be read in terms of the limitations for indicators discussed throughout this chapter. Note also that there are some new indicators for 2011–12 for which no comparison can be made with previous years. Refer to the Appendix for a list of Councils



- Sustainable procurement
- Ensuring land use planning and development controls deliver sustainable development locally
- Sustainable energy generation.

Community involvement is also a key component of sustainability. Councils regularly seek the input and involvement of their local communities by formal and informal means. Formal means include Council committees, surveys, responses to development applications and other documents on public exhibition. Informal means are participation rates in education programs and workshops, discussions with Council staff and responses in local media. The CMAs also gain regular community feedback by similar means.

## A Sustainable Future

### Condition

#### ***Sustainable agriculture***

According to the NSW Government's Policy for Sustainable Agriculture in NSW, 'agriculture, as with all human activity, must operate within the capacity of available resources to better secure the sector's long-term viability. High quality products meet consumer demands for healthy food and help NSW farmers to

compete in the market place'.

To be sustainable, the Policy states agriculture must:

- respond to consumer needs for food and fibre products that are healthy and of high quality
- take full account of the costs of production, including environmental costs, and ensure its pricing reflects these costs
- protect and restore the natural resource base on which agriculture depends
- prevent adverse on-site and off-site impacts on the environment and any other sector of the community
- be flexible in order to accommodate regional differences and changing economic, environmental and social circumstances such as drought or terms of trade
- be financially viable.

Furthermore, according to the Policy, 'agriculture's positive economic and social contribution to the State relies on the establishment and maintenance of agricultural management systems that are economically viable both now and in the future, and take into account the environmental and social impacts of production upon present and future generations. These features of sustainable agriculture should be considered as a package, and no single feature should predominate over the others'.

**ABOVE** Fenced out dam and revegetation underway on an Orange farm.



## CASE STUDY: Green-Day at Mid-Western Regional Council

Green Day is an environmental education event launched by Watershed Landcare and run annually. In 2011, 643 primary school students from 17 local schools attended the event to participate in a variety of hands on activities with the theme being *"Habitat in our Trees, Trees in our Habitat"*. The theme for 2012 will be *"The year of the Sustainable Farmer"*. Mid-Western Regional Council (MWRC) has been involved as both a sponsor and presenter for the last 3 years.

Seventeen small workshops in total were run in 2011 during the event by various groups and organisations in the region including the Central West CMA, Department of Industry and Investment, MWRC, Livestock Health Protection Authority, National Parks and Wildlife Service, Watershed Landcare, Essential Energy, Thiess, Mudgee Compost Services, Department of Fisheries, and Red Hill Environmental Education Centre (EEC). Students were placed in small groups and rotated, attending five workshops throughout the day. There was also one large 'feature' presentation attended by all of the students throughout the day. In 2011 the guest presenter for this main workshop was Dr Deane Hutton who presented *'Going Green with Dr Deane'*.

MWRC ran three workshops at the 2011 event: 'Creating a no-dig vegetable garden', 'Building a roadside environment' (in partnership with Red Hill EEC) and a "Recycling your waste" workshop. Approximately 150 students attended each of the Council run workshops during the event.

For some students this is the only excursion they are able to go on all year. The excursion is fully subsidised so that all children have the opportunity to attend. Through sponsorship, Watershed Landcare subsidises the travel, and Thiess have supplied a sausage sizzle lunch for the students each year.

In addition to the actual 'Green Day' event a competition is held which is judged at the event. In 2011 the winners won a virtual excursion to the Great Barrier Reef and the runners up won a worm farm. There is also an online questionnaire answered after the event. The winner of the questionnaire won an excursion to Wilpinjong mine.



*Learning about the importance of roadside habitats*

## Indicator – Number of certified organic producers

Organic farming can be more sustainable than traditional agriculture and thus provide an indicator of the move towards sustainable agriculture in the region. As shown in the summary table (Table 12) there has been a significant increase in the number of certified organic producers in the region with the 2010–11 total of 52 being the highest number yet recorded for this indicator. Improved cropping conditions may have encouraged more producers to either commence or restart organic farming operations. There was no data available for 2011–12.

## Indicator – Extent of sustainable farming initiatives undertaken with CMA funding

The Central West CMA reports that as a result of its incentive funding, sustainable farming initiatives have been undertaken across 30,360 hectares of the region in 2011–12, comprising 2,064 ha of water ponding, 21,928 ha of sustainable grazing and 6,368 ha of other soil health initiatives. This is a small increase from the 29,717 hectares reported in 2010–11, although it is still a substantially lower level of activity than the annual rate of 85,705 hectares reported in the 2005–09 period. This is due to the reduced amount of funding available to CMAs.

The Lachlan CMA is working with major industry groups including dryland graziers, farmers and silviculture, irrigation industries such as farming, grazing, dairying and horticulture, to coordinate and accelerate the adoption and implementation of sustainable land management practices. There are currently partnerships with Grain and Graze, Central West Farming Systems, and Central West Conservation Farming Association. These groups collaborate with organisations such as the Grains Research and Development Corporation (GRDC) and Meat and Livestock Australia (MLA).

The Western CMA currently has a sustainable agriculture management target of 50% of landholders practising sustainable agriculture management by 2016 and has released a series of fact sheets about sustainable farming.

## Threat

### Greenhouse Gas Emissions

#### *Indicator – Number of Council controlled facilities using electricity*

#### *Indicator – Annual electricity consumption for Council controlled facilities*

The region is a large producer of black coal and there is a heavy reliance on coal for electricity which is one of the highest sources of greenhouse gases. Councils can limit their impact by reducing their electricity consumption. This is a priority area for most Councils.

As shown in the summary table (Table 12), the amount of electricity consumed by the seven Councils that reported in each of the last four years, decreased from 2010–11 to 2011–12, accompanied by a small increase in the number of Council owned facilities using electricity. Electricity consumption for these Councils has now decreased by 3% compared to 2008–09 and so is reported as an improving trend. Another encouraging sign is that electricity consumption increased for only two of the ten Councils reporting this year.

A comparison of the electricity used by each Council in their facilities over the past five years is provided in Figure 25.

#### *Indicator – Annual bottled gas consumption for Council controlled facilities*

This was a new indicator in the 2010–11 report. Six Councils reported using a total of 39,678 litres of bottled gas which is a 4.7% reduction on last year's consumption.

#### *Indicator – Number of Council controlled facilities consuming natural gas*

#### *Indicator – Annual natural gas consumption for Council controlled facilities*

As with electricity, the use of gas provides an indication of contributions made by Councils to greenhouse gas emissions.

As shown in the summary table (Table 12), there was a 30% increase in the number of Council facilities in the region using gas in 2011–12 for the eleven Councils reporting this data over the last four years.

This follows on from a 20% increase last year. This is shown as an improving trend because natural gas has a lower carbon footprint than conventional electricity, meaning that changes to the number of premises using gas instead of electricity could provide potential greenhouse emission reductions.

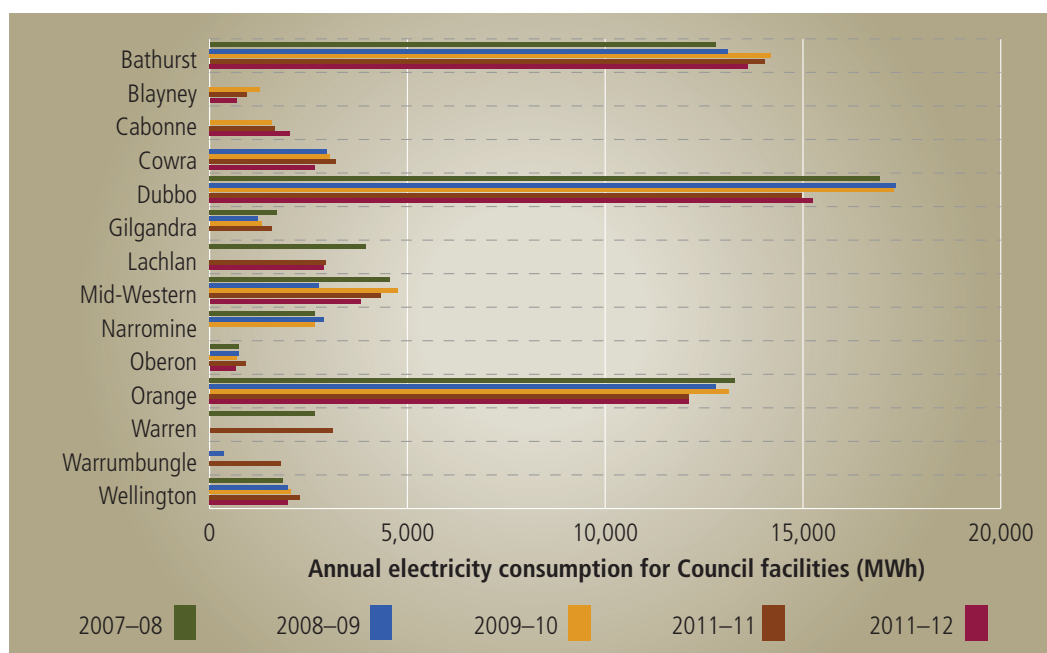


Figure 25: Annual electricity consumption for Council facilities





## CASE STUDY: Inspiring and Integrating Change (Bathurst, Orange and Dubbo)

Of the various issues that affect the Central West of NSW, biodiversity decline, water resource availability and energy use are of greatest concern. Bathurst Regional Council, Orange City Council and Dubbo City Council are jointly implementing *Inspiring and Integrating Change (I&IC)*, a sustainability project funded by the NSW Environmental Trust, that has a strong focus on community engagement and capacity building for long-term outcomes.

I&IC developed four innovative projects supported by a significant community engagement and Council cultural change program, thereby recognising the need to move beyond simply raising awareness. Central is the establishment of a comprehensive Greenhouse Gas (GHG) Inventory and the carbon accounting (measurement) of project progress. In addition, the Alliance councils have developed an on-ground project focused on one of the priority management areas outlined in the Bathurst, Orange and Dubbo Environmental Sustainability Action Plan (ESAP). The I&IC project's broad objectives are:

- Inspire an understanding of and commitment to sustainability through innovative on-ground works and community engagement;

- Institute cultural shift across the councils and enhance sustainability within planning, budgeting and activities;

- Engage in inclusive community collaboration and build long-term community capacity;

- Develop adaptable management packages and mentor other Alliance members and smaller councils in the region to develop projects that exemplify best practice.

Whilst the number of facilities consuming gas increased sharply, the actual consumption of gas by Council controlled facilities only increased by 0.7%. It should be noted that almost all of the new facilities using gas were in the Blayney LGA.

### Indicator – Total fuel consumption

As with electricity and gas consumption, heavy vehicle fleet fuel use is a significant source of greenhouse gas emissions from Councils. As shown in the summary table (Table 12) there was a significant increase in the amount of fuel consumed by Councils that reported in each of the last four years, with the total consumption rising by almost 27% to 6,938 kilolitres of fuel for the 2011–12 year. This indicator is showing a strongly worsening trend with this year's sharp rise following increases of 10% and 15% in the previous two years.

Councils were asked to provide a breakdown of fuel type used, with the predominant fuel being diesel (82.2%), followed by unleaded petrol at 11.5% and then small amounts of biodiesel (1.7%), E10 petrol (4.3%) and LPG.

## Response

There are a broad range of sustainability initiatives across the reporting region. Several of these are outlined in the case studies in this section of the report.

### Sustainable agriculture

There are several ways that landholders in the reporting region can make agriculture more sustainable. A well-managed perennial pasture has deeper roots and can survive in poorer seasons by utilising soil moisture at greater depth than one based on annual species. Provided adequate ground cover is maintained, the potential for various forms of soil degradation (rising water tables, salinity and soil acidification) are also reduced.

Perennial pastures can also limit nutrient run-off into streams, be more competitive against weed invasion, increase soil carbon and improve soil structure, pasture composition and fertility. Perennial pastures have the potential to sustainably support high levels of livestock production, provided they are well managed and well matched to soils, aspect, topography, climate and livestock enterprise (Central West CMA, 2008c).

**OPPOSITE** Central West CMA display trailer at Biodiversity Conference in Dubbo 2011 (Photo: L. Hawkes)





## Council sustainability plans

### *Indicator – Council sustainability plans*

### *Indicator – Council sustainability initiatives*

Sixteen of the seventeen local Councils reported that they now have sustainability plans in place, which is a big improvement from only eight last year. Seven councils were able to itemise a total of 46 specific Council sustainability initiatives. These are shown in Table 13.

NetWaste together with eight of its Councils from the Central Sub-Region is leading the way in working towards a more sustainable community. In 2011, Blayney, Cabonne, Cowra, Forbes, Lachlan, Parkes, Weddin and Wellington Shire Councils adopted a Regional Environmental Sustainability Action Plan.

Council sustainability initiatives support NSW State Government plans such as the new Home Power Savings Program which offers free help for low income earners to save up to 20% off their energy consumption by receiving a visit from an energy expert, a Power Savings Kit and a personal action plan. Warrumbungle led the way in the region with this initiative, promoting it to communities across the LGA.

Bathurst Regional Council completed its Sustainable Lifestyle House in September 2011. The Sustainable Lifestyle House is an



### **CASE STUDY: Dubbo City Council's Victoria Park precinct renewable energy program**

Following a feasibility study, Dubbo City Council installed a 70kW photovoltaic system on the roof of the Western Plains Cultural Centre, one of the largest in NSW. In addition, energy efficient lighting, insulation and solar panels were installed in the Family Daycare Centre and solar heating is now used for the leisure pool at the Dubbo Aquatic and Leisure Centre. Visible signage explaining these initiatives will assist with the community education aspect of the project. This project was funded with the assistance of the NSW Environmental Trust.



Dubbo Western Plains Cultural Centre solar panels

### **CASE STUDY: Bathurst Regional Council's urban vegetation link and biodiversity management plan**

Bathurst Regional Council engaged in a thorough consultation process guided by a steering group to develop their Biodiversity Management Plan (BMP). Blayney Road Common was identified to contain a Box Gum woodland remnant (classified an Endangered Ecological Community) and work on removing exotic woody weeds and noxious grass species is well underway.

The Council is also working on five Urban Drainage Reserves, planting native species of trees and understorey along the reserves in order to link isolated pockets of native bushland and to assist with reducing sediment run-off and erosion. The community were invited to help with planting days including an Indigenous planting day. Planting days were well attended with a total of 25,000 seedlings planted across the five reserves. This project was funded with the assistance of the NSW Environmental Trust.



Urban drainage plantings  
Bathurst



**Table 13:** Examples of Council sustainability initiatives

Local Council	Council sustainability initiatives
<i>Bathurst</i>	Sustainable schools grant program, Enviromentors education program, Clean-up Australia Day, Sustainable Living Expo, Community tree plantings days and working bees, Implementation projects urban waterways management plan, Biodiversity Management Plan, Recycling and waste avoidance programs, Household hazardous collections, Development of Backyards for Wildlife Book, In house sustainability initiatives, eg, double sided printing etc, Development of Rural Living Handbook, Pest Bird Management Plan, Kindy Kits Program, Woodsmoke Reduction Program, Making a Difference Sustainability Newsletter, Nest Box Program, distribution of the Easy Septic Guide.
<i>Cabonne</i>	Waste to Art; Free E-waste collection; Household Haxardous Waste Collection; Inhouse sustainability initiatives such as double sided printing, turing off computers/lights/monitors/printers/servers; Develop Council energy efficiency and sustainability committee; involvement with Centro & Netwaste sustainability initiatives.
<i>Dubbo</i>	Ongoing implementation of actions under Dubbo ALIVE 2009-2013, implementation of the Bathurst Orange Dubbo Alliance 'Inspiring and Integrating Change' project
<i>Gilgandra</i>	Tree replacement policy
<i>Lachlan</i>	Sustainability committee implemented measures such as default double sided printing on all PCs, composting of all council shredded paper, promoting practices such as turning off computers after hours/sleep mode, reuse of council kitchen waste for chook food etc.
<i>Orange</i>	Stormwater harvesting scheme
<i>Warrumbungle</i>	Promoted Home Power Savings Program to communities across the LGA

educational project that showcases a range of construction techniques, materials, design features, fittings and fixtures which are more sustainable than those found in a standard building. The project aimed to educate both the community and the local building industry, and provide inspiration for members of the community who wish to build or renovate a home.

Construction of the Sustainable Lifestyle House was completed in August 2011. Open days are held monthly with over 600 people visiting in the reporting period.

## Climate Change Adaptation/ Mitigation Initiatives

*Indicator – Council plan focused on climate change adaptation/mitigation*

*Indicator – Council projects with climate change adaptation/mitigation objectives*

All seventeen Councils reported that they now have a plan that focuses attention on the issues of climate change mitigation and/or adaptation, which is a big improvement from







**ABOVE** Narromine  
Streetscape

**OPPOSITE** Wind farm at  
Blayney

only eight last year. The Regional Sustainability Action Plan (ReSAP) referred to above, includes strategies for climate change adaptation.

Fifteen Councils reported that they had undertaken works or activities that have positive climate change impacts integrated in the projects objectives or outcomes, although only two Councils (Bathurst and Mid-Western) itemised any specific projects. For example, Bathurst Council has initiated a Revolving Energy Fund which will fund future energy savings projects and one new project was undertaken in the reporting period under this program. Bathurst also reported that a number of energy savings projects have been implemented in the financial year at various Council facilities.

#### ***Indicator – Council facilities using GreenPower/renewable energy***

The conversion to GreenPower is one way that Councils can reduce greenhouse gas emissions at their facilities. Even allowing for the fact that several Councils were unable to provide the data this year, it is clear that uptake of GreenPower by Councils is very low across the region.

However, some Councils have their

own solar systems to harness renewable energy. For example, Dubbo City Council used solar energy systems to contribute to 0.7% of its total electricity requirements. Bathurst Regional Council has 30 kW of solar generation across five of its facilities.

#### ***Indicator – Small scale renewable energy uptake***

The Small-scale Renewable Energy Scheme creates a financial incentive for owners to install eligible small-scale installations such as solar water heaters, heat pumps, solar panel systems, small-scale wind systems, or small-scale hydro systems. It does this by legislating demand for Small-scale Technology Certificates (STCs). STCs are created for these installations according to the amount of electricity they produce or displace.

During 2011–12, 2,129 small generation units (SGUs) were installed across the region through the Small-scale Renewable Energy Scheme. This contributed 4,394 kW of renewable energy.

The majority of the SGUs installed were solar panels and solar water heaters. Dubbo LGA accounted for approximately 30% of the solar water heater installations.

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# Appendix – Data contributed by and sourced for Councils

Issue	Sub-Issue	Indicator	Unit of Measure
<b>Land</b>			
Land Degradation	Contamination	Contaminated land sites - Contaminated Land Register	Number
		Contaminated land sites - potentially contaminated sites	Number
		Contaminated sites rehabilitated	Number
	Erosion	Erosion affected land rehabilitated	Hectares
		Flood damage	Dollars
	Salinity	Salinity affected land rehabilitated	Location & sq km
	Mining	Number and type of operating mines and quarries, licenced under EPA PO& EO Act	Number
		Area covered by mining and mining exploration projects	Hectares
<b>Air</b>			
Industrial Pollution		Premises reporting to National Pollutant Inventory (NPI)	No. of facilities reporting
		Number of Environment Protection Licences issued	No of licences
Odour		Odour complaints received by Council	Number
		Odour complaints received by EPA	Number
Air Pollution Complaints		Air quality complaints to EPA Pollution Line	Number of complaints
		Air quality complaints to Council	Number of complaints
Regional Air Quality		Air pollution maximum goals for particulate matter exceeded	days
<b>Water</b>			
Declining Water Quantity		Dam levels	Volume %
	Council Water Consumption	Council managed parks, sportsgrounds, public open	Hectares
		Irrigated council managed parks, sportsgrounds, public o	Hectares
		Water used by council for irrigation (including treated and	Megalitres (ML)
	Environmental Flows	River flow (discharge)	ML/day
		Annual volume released to rivers for environmental flows	GL
	Town Water Consumption	Total number of serviced properties	Raw number
		Total number of unserved properties	Raw number
		Annual metered supply	Megalitres
		Annual consumption (Total from WTP)	Megalitres
		Average annual household use	Kilolitres per household
		Average water usage per connection type	Megalitres per annum

	Bathurst	Blayney	Bogan	Bourke	Cabonne	Coonamble	Cowra	Dubbo	Gilgandra	Lachlan	Mid-Western	Narramine	Oberon	Orange	Warren	Warrumbungle	Wellington	Central West CMA
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## Appendix – Data contributed by and sourced for Councils

Issue	Sub-Issue	Indicator	Unit of Measure
		Water restrictions implemented	Level (1-5)
		Water conservation programs	List of Programs
		Number of residential meters	Number
	Surface & Ground Water Extraction	Number of irrigation licences from surface water sources	Raw number
		Volume of surface water permissible for extraction under licences	Gigalitres (GL)
		Actual volume extracted through surface water licences	Gigalitres (GL)
		Number of bore licences from groundwater resources	Kilolitres (kL)
		Volume of groundwater permissible for extraction under licences	Gigalitres (GL)
		Actual volume extracted through groundwater licences	Gigalitres (GL)
		Water sharing plans implemented	Number
Declining Water Quality	Industrial/Agricultural Pollution	% Effluent reuse & location of reuse	%
		Load Based Licensing fees	Total paid in fees
		Exceedances of license discharge consent recorded	Raw number
		No. of trade waste approvals	Total in place
		Total volume of trade waste discharged to sewer	ML
		Erosion & Sediment Control complaints received by Council	Number
		Trade waste licences in force currently	Number
		Load Based Licencing volume	Total kg of pollutants
	Stormwater Pollution	Number of gross pollutant traps installed	Total number of GPTs currently installed
		Amount of litter collected in GPTs	Tonnes
		Total catchment area of GPTs	Hectares
		Erosion & sediment control policy implemented?	Yes/No
		Water pollution complaints	Number and type
	Town Water Quality	Drinking water guidelines not met	Number of instances
		Drinking water complaints	Number & Type
	Surface & Ground Water Quality	Total Nitrogen	% samples exceeding ANZECC guideline
		Total Phosphorus	% samples exceeding ANZECC guideline
		E.coli	% samples exceeding ANZECC guideline
		Average salinity levels in selected streams	EC
	Waste water treatment	Septic tanks in LGA	Number
		Septic related complaints	Number
		Proportion of annual failed wastewater treatment plant inspections	%

[illegible]

## Appendix – Data contributed by and sourced for Councils

Issue	Sub-Issue	Indicator	Unit of Measure
<b>Biodiversity</b>			
Invasive Species		Invasive species (listed noxious or WONS) under active management	Number of species
		Number of declared noxious weeds	Number of species
Threatened species	Threatened Species	Locally significant species and ecological communities	List
		State Threatened species listed in LGA	Number & list of species
		Threatened species actions implemented (e.g. PAS, recovery plans)	Number
		Fish restocking activities: native species	Number
		Fish restocking activities: non-native species	Number
		Carp Musters	Number of fish caught
Key threatening processes	Fire Regimes	No. of uncontrolled fire incidents	Number & area
		Hazard reduction burns	Number & area
Habitat Loss		Vegetation protected and rehabilitated through CMA incentive funding	Hectares
		Council Reserves - total area	Hectares
		Council Reserves - bushland/remnant vegetation	Hectares
		Addition to National Park estate	Hectares
		Area of State Forest in LGA	Hectares
		Habitat areas revegetated	Hectares
		Environmental volunteers working on public open space	Person Hours
		Voluntary Conservation Agreements, Property Vegetation Plans & biobanking	Number
		Extent (area) of native vegetation	Hectares
		Area protected in conservation reserves & under voluntary conservation agreements	Hectares
		Project agreements with landholders	Number
		Extent of Crown Reserves in LGA	Hectares
		Extent of Travelling Stock Reserves in LGA	Hectares
		Area Protected in Wildlife Refuges	Hectares
	Land Clearing	Clearing complaints	Number
	Riparian	Riparian vegetation recovery actions	Number
		Riparian vegetation recovery area	Hectares
	Roadside	Roadside vegetation management plan	Yes/No



	Bathurst	Blayney	Bogan	Bourke	Cabonne	Coonamble	Cowra	Dubbo	Gilgandra	Lachlan	Mid-Western	Narromine	Oberon	Orange	Warren	Warrumbungle	Wellington	Central West CMA
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## Appendix – Data contributed by and sourced for Councils

Issue	Sub-Issue	Indicator	Unit of Measure
<b>Human Settlement</b>			
Indigenous Heritage	Identification	Number of Aboriginal sites on AHIMS register	Number & Type
		Do you have a current licence to access AHIMS register within your Council?	Yes/No
	Construction & Development	Inclusion in DCPs & rural strategies	Yes/No
		Extent of liaison with indigenous communities	Rank (0 = none, 3 = High)
		Development on listed aboriginal sites	Number approvals
	Maintenance	Management plan/ strategy in place	Yes/No
		Management actions/ responses	Number
Non-Indigenous Heritage	Identification	National Heritage Items	Number and type
		NSW Heritage Inventory items	Number and type
		National Trust listed items	Number and type
		Locally listed heritage items	Number and type
	Management	Actions to protect non-aboriginal heritage (including management plans)	Number
		Heritage buildings on statutory heritage lists renovated/improved in past year	Number
	Construction & Development	Heritage buildings on statutory heritage lists demolished/degraded in past year	Number
Noise Pollution	Urban noise	Noise complaints received by Council	Type & Number
	Industrial Noise	Noise complaints received by Council	Number
		Noise complaints received by EPA	Number
Population & Settlement Patterns	Ageing Populations	Median age	Years
Urban/Industrial Expansion		Number of development consents and building approvals	Number
		Landuse conflict complaints	Number
		New road construction	km
		Road upgrades	km
<b>Waste</b>			
Waste Generation & Disposal		Total waste entombed at primary landfill	Tonnes/annum
		Total waste entombed at other landfills (exc recyclables)	Tonnes/annum
		Average total waste generated per person	Tonnes/annum (Compare to national average)
		Average cost of waste service per residential household	\$ per household
		Emissions from landfill	kt CO <sub>2</sub> e
	Hazardous/Liquid Waste	Drummuster collections	Number of drums

	Bathurst	Blayney	Bogan	Bourke	Cabonne	Coonamble	Cowra	Dubbo	Gilgandra	Lachlan	Mid-Western	Narramine	Oberon	Orange	Warren	Warrumbungle	Wellington	Central West CMA
	●	●	●	●		●	●	●	●	●	●	●	●	●	●	●	●	
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(average)	●	●	●	●	●	●	●	●	●	●			●	●	●	●		
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Issue	Sub-Issue	Indicator	Unit of Measure
		Household Hazardous Wastes collected	kg
Waste Pollution	Littering & Illegal Dumping	Annual amount of litter collected by streetsweeper	Tonnes
		Illegal waste disposal complaints to Council	Number & tonnes
		Clean Up Australia sites	No. of sites registered in LGA
	Reduce	Office paper used by Council	Number of reams ordered per annum
		Garden organics collected (diverted from landfill)	Tonnes
		E-Waste diverted from landfill	Tonnes
	Recycle	Amount of material recycled	Tonnes
		Volume of material recycled per person	kg / person
<b>Toward Sustainability</b>			
Climate Change	Adaptation to future impact of climate change	Council adaptation initiatives	Yes/No
	Mitigation of climate change	Council plan focused on Climate Change mitigation?	Yes/No
		Council projects with Climate Change adaptation/mitigation objectives?	Yes/No
		Council mitigation initiatives	List
		Number of Council controlled facilities consuming electricity	Number
		Annual electricity consumption for Council controlled facilities	MWh
		Council facilities consuming Greenpower (relate to State Govt goal of Greenpower uptake)	%
		No. of Council controlled facilities consuming gas	Number
		Annual natural gas consumption for Council controlled facilities	Gigajoules
		Total fuel consumption	Total Kilolitres per annum
		Annual bottled gas consumption for Council controlled facilities	Litres
Sustainable Practices	Sustainable agriculture	Sustainable farming initiatives undertaken with CMA funding	Hectares
		Certified organic producers	Number
	Council & community sustainability	Council sustainability initiatives	List
		Council sustainability plan?	Yes/No
		Small scale renewable energy uptake	kW installed by LGA

● Denotes those Councils that were compared in the trend analysis for these indicators

● Data contributed but not compared in summary tables

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# Appendix 1 Census Data



**2011 ABS Quick Stats - Bogan (A)****Code LGA10950 (LGA)****People 2,900**

Male 1,478

Female 1,422

Median age 39

**Families 731**

Average children per family 2

**All private dwellings 1,388**

Average people per household 2.5

Median weekly household income \$902

Median monthly mortgage repayments 1083

Median weekly rent \$140

Average motor vehicles per dwelling 1.8

**POPULATION (excluding O/S visitors)**

Bogan Shire	2011			2006			Change 2006 to 2011
	Number	%	Regional NSW	Number	%	Regional NSW	
Population (excluding O/S visitors)	2,900	100	100	2,880	100	100	20
Males	1,478	51	49.3	1,497	52	49.4	-19
Females	1,422	49	50.7	1,383	48	50.6	39
Australian citizens	2,613	90.1	90.8	2,745	95.3	91	-132
Eligible Voters (citizens aged 18+)	1,904	65.7	69.1	2,001	69.5	68.3	-97
Overseas Visitors	0	--	--	0	--	--	0

Source: Australian Bureau of Statistics, Census of Population and Housing 2006 and 2011. (Usual residence data)  
Compiled and presented by .id, the population experts.

AUSTRALIAN BUREAU OF STATISTICS 2011 Census of Population and Housing  
2825, NSW (POA2825) 9285.6 sq Kms

AGE BY SEX

Count of persons

	Males	Females	Persons
<b>Age (years):</b>			
0-4 years	113	105	218
5-9 years	118	98	216
10-14 years	104	93	197
15-19 years	91	72	163
20-24 years	75	73	148
25-29 years	64	56	120
30-34 years	61	75	136
35-39 years	91	94	185
40-44 years	94	99	193
45-49 years	102	75	177
60-64 years	83	74	157
65-69 years	78	86	164
70-74 years	66	70	136
75-79 years	48	41	89
80-84 years	28	35	63
85-89 years	8	21	29
90-94 years	5	9	14
95-99 years	0	3	3
100 years and over	0	0	0
<b>Total</b>	<b>1,373</b>	<b>1,317</b>	<b>2,690</b>

Source: Australian Bureau of Statistics, 2011  
This table is based on place of usual residence.



AUSTRALIAN BUREAU OF STATISTICS 2011 Census of Population and Housing

2825, NSW (POA2825) 9285.6 sq Kms

**B07 INDIGENOUS STATUS BY AGE BY SEX**

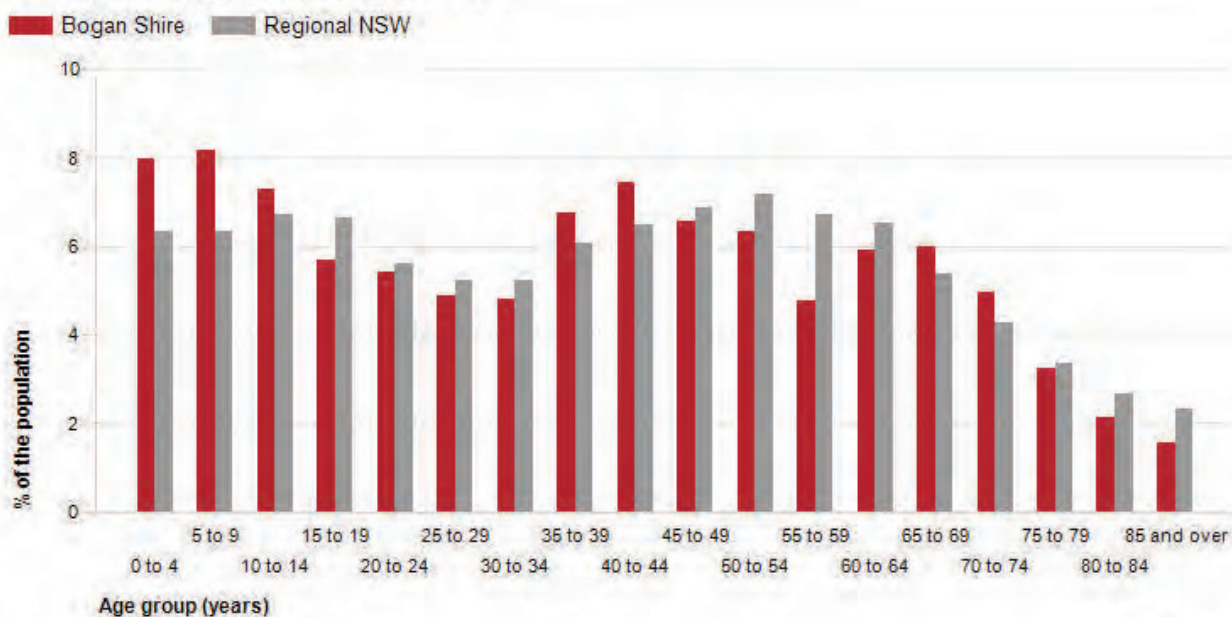
Count of persons

<i>Indigenous (a)</i>			
	Males	Females	Persons
0-4 years	23	29	52
5-9 years	25	26	51
10-14 years	28	28	56
15-19 years	25	16	41
20-24 years	20	14	34
25-29 years	9	13	22
30-34 years	7	12	19
35-39 years	10	16	26
40-44 years	6	18	24
45-49 years	12	7	19
50-54 years	7	7	14
55-59 years	3	3	6
60-64 years	4	4	8
65 years and over	10	15	25
<b>Total</b>	<b>189</b>	<b>208</b>	<b>397</b>

**This table is based on place of usual residence.**

(a) Indigenous persons comprised of Aboriginal, Torres Strait Islanders, and both Aboriginal and Torres Strait Islanders.

## Five year age structure, 2011

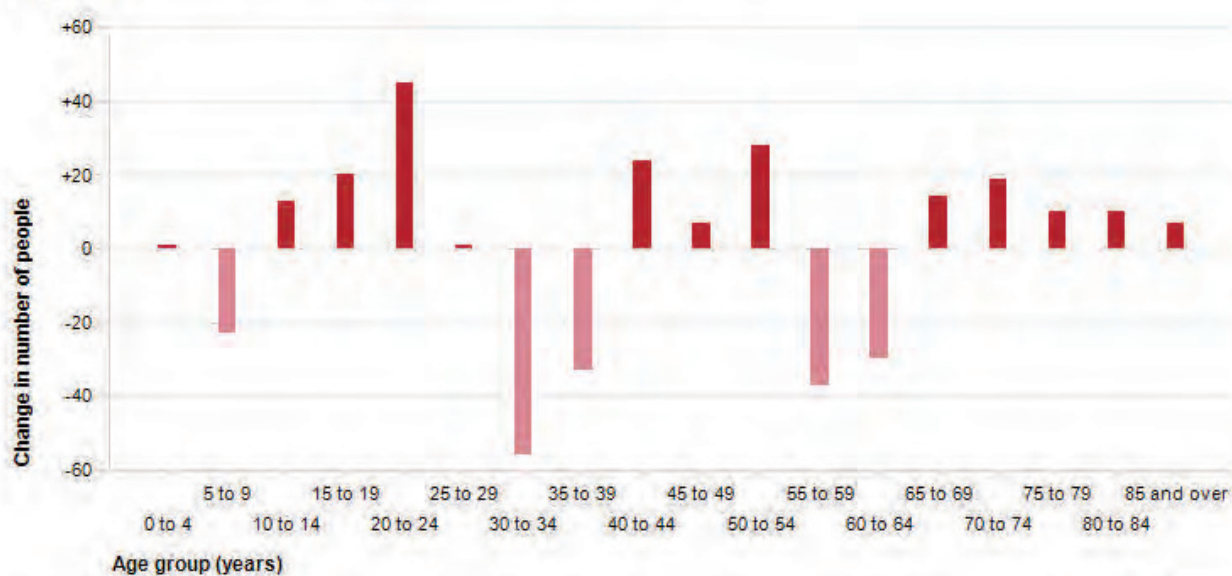


Source: Australian Bureau of Statistics, Census of Population and Housing, 2011 (Usual residence data)  
Compiled and presented by .id, the population experts

**.id**  
the population experts

## Change in five year age structure, 2006 to 2011

Bogan Shire



Source: Australian Bureau of Statistics, Census of Population and Housing, 2006 and 2011 (Usual residence data)  
Compiled and presented by .id, the population experts

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**AUSTRALIAN BUREAU OF STATISTICS 2011 Census of Population and Housing**

**2825, NSW (POA2825) 9285.6 sq Kms**

**P25 FAMILY COMPOSITION**

Count of families (a) and persons in families (b) in occupied private dwellings

	<b>Families</b>	<b>Persons</b>
Couple family with no children	248	497
Couple family with:		
children under 15 and:		
dependent students and non-dependent children	6	17
dependent students and no non-dependent children	28	121
no dependent students and non-dependent children	15	71
no dependent students and no non-dependent children	179	732
<b>Total</b>	<b>228</b>	<b>941</b>
no children under 15 and:		
dependent students and non-dependent children	9	33
dependent students and no non-dependent children	17	45
no dependent students and non-dependent children	41	127
<b>Total</b>	<b>67</b>	<b>205</b>
<b>Total</b>	<b>295</b>	<b>1,146</b>
One parent family with:		
children under 15 and:		
dependent students and non-dependent children	0	3
dependent students and no non-dependent children	7	33
no dependent students and non-dependent children	11	28
no dependent students and no non-dependent children	53	172
<b>Total</b>	<b>71</b>	<b>236</b>
no children under 15 and:		
dependent students and non-dependent children	0	3
dependent students and no non-dependent children	0	3
no dependent students and non-dependent children	45	80
<b>Total</b>	<b>45</b>	<b>86</b>
<b>Total</b>	<b>116</b>	<b>322</b>
Other family	10	21
<b>Total</b>	<b>669</b>	<b>1,986</b>

**This table is based on place of enumeration.**

(a) Includes same-sex couple families.

(b) Excludes family members temporarily absent on Census night.

**AUSTRALIAN BUREAU OF STATISTICS 2011 Census of Population and Housing**  
**2825, NSW (POA2825) 9285.6 sq Kms**

**P37 SELECTED LABOUR FORCE, EDUCATION AND MIGRATION CHARACTERISTICS BY SEX**  
Count of persons (excludes overseas visitors)

	Males	Females	Persons
Persons aged 15 years and over	1,128	1,018	2,146
Labour force status(a):			
Employed, worked full-time(b)	588	262	850
Employed, worked part-time	89	195	284
Employed, away from work(c)	45	35	80
Unemployed, looking for work	37	29	66
<b>Total labour force</b>	<b>759</b>	<b>521</b>	<b>1,280</b>
Not in the labour force	263	420	683
% Unemployment(d)	4.9	5.6	5.2
% Labour force participation(e)	67.3	51.2	59.7
% Employment to population(f)	64	48.4	56.6
Non-school qualifications (a):			
Postgraduate Degree Level	9	6	15
Graduate Diploma and Graduate Certificate Level	5	11	16
Bachelor Degree Level	57	96	153
Advanced Diploma and Diploma Level	35	49	84
Certificate Level	261	126	387
Migration:			
Lived at same address 1 year ago (g)	1,136	1,017	2,153
Lived at different address 1 year ago (g)	187	187	374
Lived at same address 5 years ago (h)	816	715	1,531
Lived at different address 5 years ago (h)	413	394	807

**This table is based on place of enumeration.**

(a) Applicable to persons aged 15 years and over.

(b) 'Employed, worked full-time' is defined as having worked 35 hours or more in all jobs during the week prior to Census Night.

(c) Includes employed persons who did not state their hours worked.

(d) The number of unemployed persons expressed as a percentage of the total labour force.

(e) The number of persons in the labour force expressed as a percentage of persons aged 15 years and over.

(f) The number of employed persons expressed as a percentage of persons aged 15 years and over.

(g) Excludes persons less than 1 year of age.

(h) Excludes persons less than 5 years of age.

**AUSTRALIAN BUREAU OF STATISTICS 2011 Census of Population and Housing**  
**2825, NSW (POA2825) 9285.6 sq Kms**

**P31 DWELLING STRUCTURE**

Count of occupied and unoccupied private dwellings and persons in occupied private dwellings

	<i>Dwellings</i>	<i>Persons</i>
Occupied private dwellings:		
Separate house	964	2,444
Semi-detached, row or terrace house, townhouse etc. with:		
One storey	26	41
Two or more storeys	0	0
<b>Total</b>	<b>26</b>	<b>41</b>
Flat, unit or apartment:		
In a one or two storey block	33	37
In a three storey block	0	0
In a four or more storey block	0	0
Attached to a house	0	0
<b>Total</b>	<b>33</b>	<b>37</b>
Other dwelling:		
Caravan, cabin, houseboat	35	59
Improvised home, tent, sleepers out	0	3
House or flat attached to a shop, office, etc.	10	19
<b>Total</b>	<b>45</b>	<b>81</b>
Dwelling structure not stated	5	6
Total occupied private dwellings	1,073	2,609
Unoccupied private dwellings	172	..
<b>Total private dwellings</b>	<b>1,245</b>	<b>2,609</b>

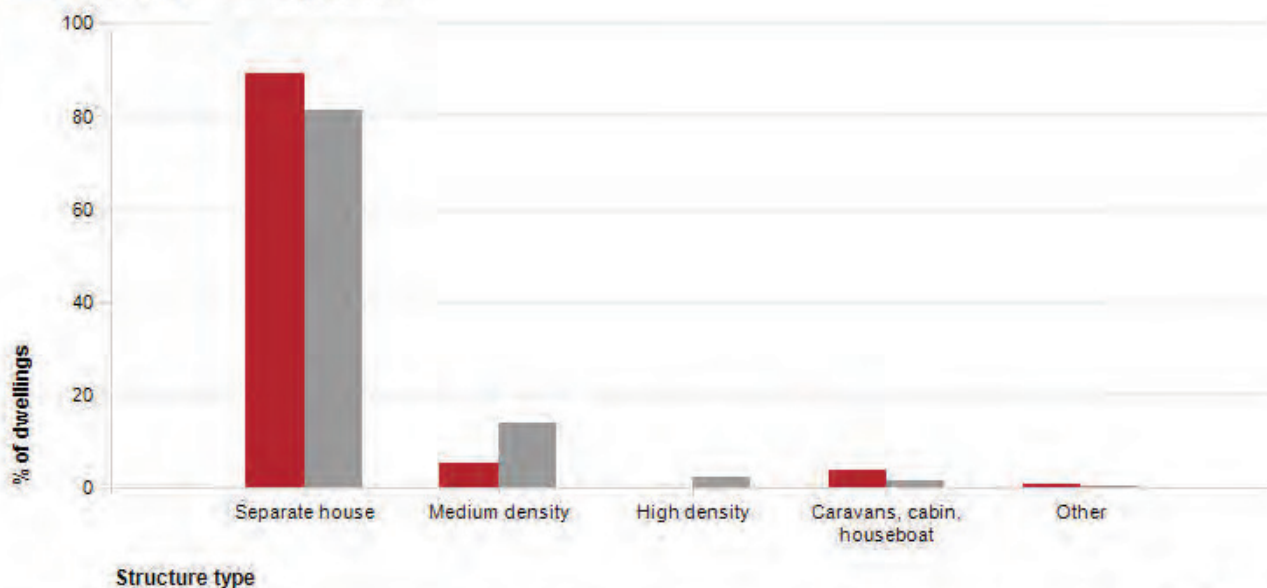
This table is based on place of enumeration.

.. Not applicable



## Dwelling structure, 2011

■ Bogan Shire ■ Regional NSW

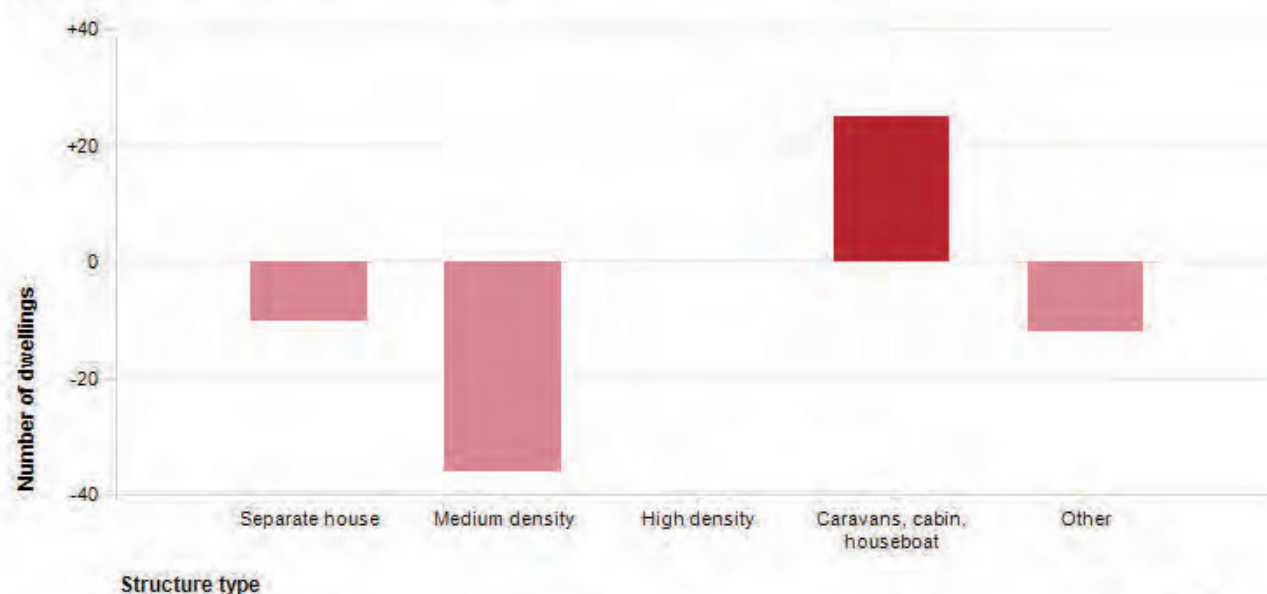


Source: Australian Bureau of Statistics, Census of Population and Housing, 2011 (Enumerated data)  
Compiled and presented by: id, the population experts.

**id** the population experts

## Change in dwelling structure, 2006 to 2011

Bogan Shire



Source: Australian Bureau of Statistics, Census of Population and Housing, 2006 and 2011 (Enumerated data)  
Compiled and presented by: id, the population experts.

**id** the population experts

AUSTRALIAN BUREAU OF STATISTICS 2011 Census of Population and Housing  
2825, NSW (POA2825) 9285.6 sq Kms

**P15 TYPE OF EDUCATIONAL INSTITUTION ATTENDING**

**(FULL/PART-TIME STUDENT STATUS BY AGE) BY SEX**

Count of persons attending an educational Institution

	<i>Males</i>	<i>Females</i>	<i>Persons</i>
<b>Pre-school</b>	33	29	62
<b>Infants/Primary:</b>			
Government	72	67	139
Catholic	68	54	122
Other Non Government	3	0	3
<b>Total</b>	<b>143</b>	<b>121</b>	<b>264</b>
<b>Secondary:</b>			
Government	74	67	141
Catholic	5	3	8
Other Non Government	0	4	4
<b>Total</b>	<b>79</b>	<b>74</b>	<b>153</b>
<b>Technical or Further Educational Institution (a):</b>			
Full-time student:			
Aged 15-24 years	3	3	6
Aged 25 years and over	0	8	8
<b>Part-time student:</b>			
Aged 15-24 years	14	3	17
Aged 25 years and over	10	11	21
<b>Full/Part-time student status not stated</b>	0	3	3
<b>Total</b>	<b>27</b>	<b>28</b>	<b>55</b>
<b>University or other Tertiary Institutions:</b>			
Full-time student:			
Aged 15-24 years	5	4	9
Aged 25 years and over	4	0	4
Part-time student:			
Aged 15-24 years	0	4	4
Aged 25 years and over	4	8	12
Full/Part-time student status not stated	0	0	0
<b>Total</b>	<b>13</b>	<b>16</b>	<b>29</b>
<b>Other type of educational institution:</b>			
Full-time student	0	0	0
Part-time student	0	6	6
Full/Part-time student status not stated	0	0	0
<b>Total</b>	<b>0</b>	<b>6</b>	<b>6</b>
Type of educational institution not stated	148	127	275
Overseas visitors	7	8	15
<b>Total</b>	<b>450</b>	<b>409</b>	<b>859</b>

This table is based on place of enumeration.

(a) Includes TAFE colleges.

# **P16 HIGHEST YEAR OF SCHOOL COMPLETED BY AGE BY SEX**

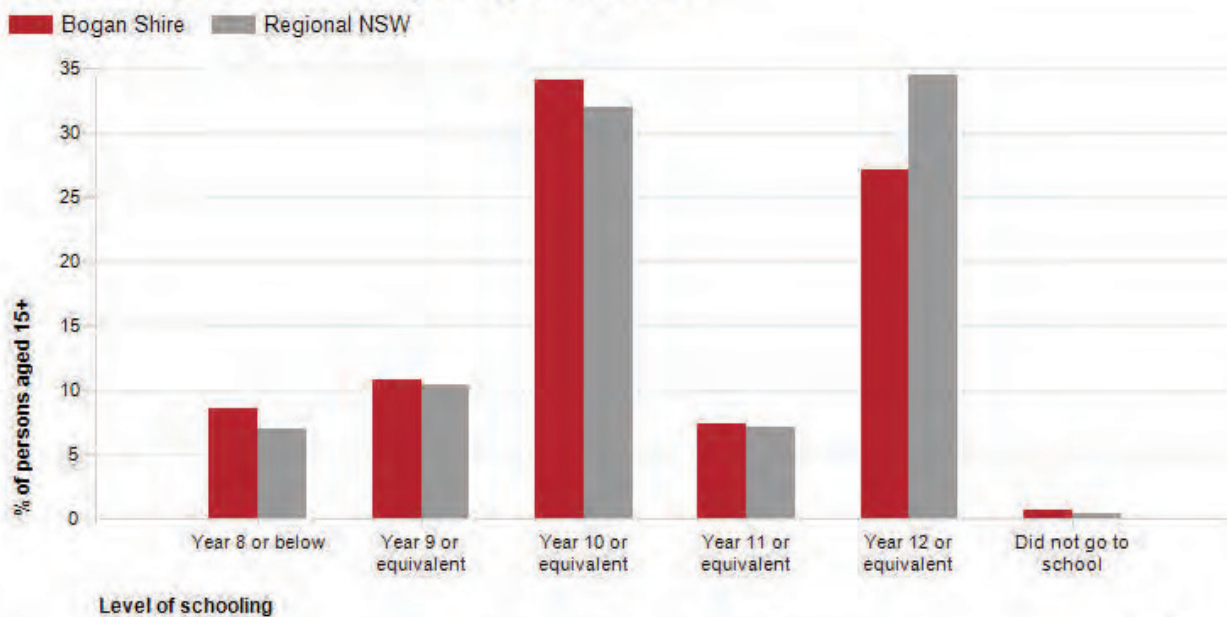
Count of persons aged 15 years and over who are no longer attending primary or secondary school (a)

	Age									Total
	15-19 years	20-24 years	25-34 years	35-44 years	45-54 years	55-64 years	65-74 years	75-84 years	85 yrs & over	
MALES										
Year 12 or equivalent	13	27	75	59	39	34	12	5	3	267
Year 11 or equivalent	4	9	20	17	10	6	8	4	0	78
Year 10 or equivalent	22	30	34	80	97	51	51	20	0	385
Year 9 or equivalent	0	3	7	20	21	15	23	13	4	106
Year 8 or below	4	3	6	7	9	24	32	17	7	109
Did not go to school	3	0	0	0	0	0	0	5	0	8
Highest year of school not stated	5	6	17	25	29	20	21	10	3	136
Total	51	78	159	208	205	150	147	74	17	1,089
FEMALES										
Year 12 or equivalent	14	40	83	91	45	19	16	12	0	320
Year 11 or equivalent	5	5	13	11	7	7	9	3	0	60
Year 10 or equivalent	8	13	22	60	70	55	66	18	6	318
Year 9 or equivalent	4	5	4	11	10	24	18	13	12	101
Year 8 or below	0	0	0	3	6	9	27	11	7	63
Did not go to school	0	0	0	0	3	3	3	0	0	9
Highest year of school not stated	7	6	4	18	15	13	20	21	4	108
Total	38	69	126	194	156	130	159	78	29	979
PERSONS										
Year 12 or equivalent	27	67	158	150	84	53	28	17	3	587
Year 11 or equivalent	9	14	33	28	17	13	17	7	0	138
Year 10 or equivalent	30	43	56	140	167	106	117	38	6	703
Year 9 or equivalent	4	8	11	31	31	39	41	26	16	207
Year 8 or below	4	3	6	10	15	33	59	28	14	172
Did not go to school	3	0	0	0	3	3	3	5	0	17
Highest year of school not stated	12	12	21	43	44	33	41	31	7	244
Total	89	147	285	402	361	280	306	152	46	2,068

This table is based on place of enumeration.

(a) Excludes overseas visitors.

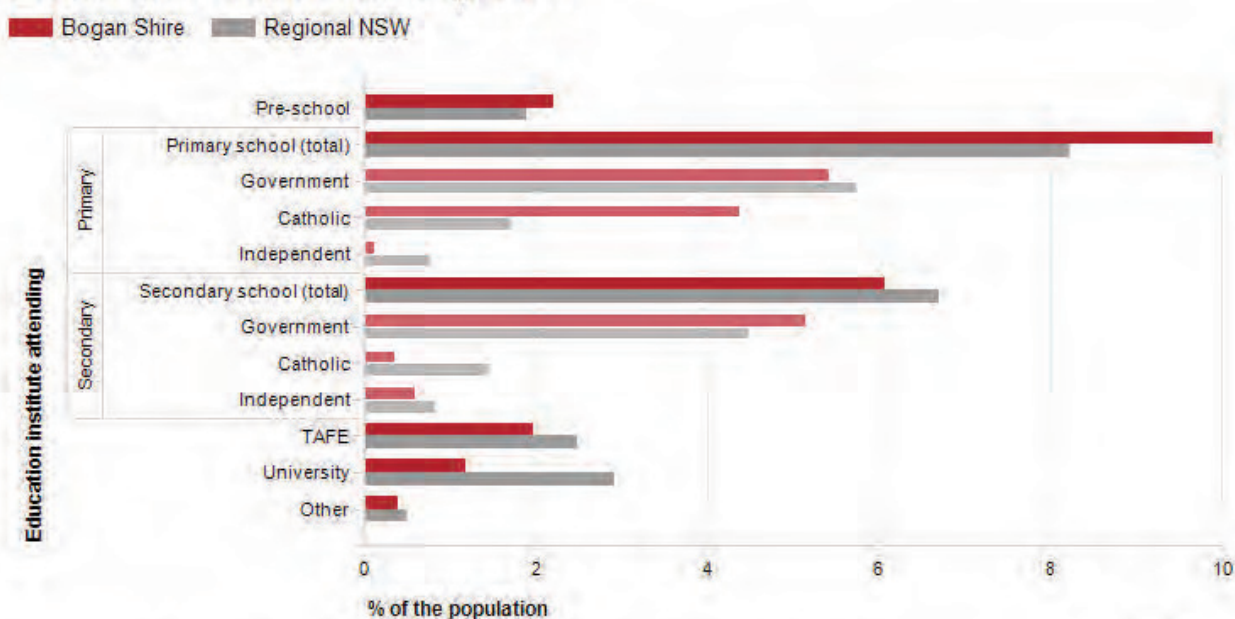
## Highest level of schooling completed, 2011



Source: Australian Bureau of Statistics, Census of Population and Housing, 2011 (Usual residence data)  
Compiled and presented by id, the population experts

**id** the population experts

## Education institute attending, 2011



Source: Australian Bureau of Statistics, Census of Population and Housing, 2011 (Usual residence data)  
Compiled and presented by id, the population experts

**id** the population experts

# NSW Recorded Crime Statistics 2007-2011

Number of recorded incidents and rate per 100,000 population, 24-month and 60-month trend and Local Government Areas rankings (for 2011)

## Bogan Local Government Area

		<i>Jan-Dec 2011</i>				
<i>Offence group</i>	<i>Offence type</i>	<i>No. of incidents</i>	<i>Rate per 100,000 population</i>	<i>24-month trend^^</i>	<i>60-month trend^^</i>	<i>2011 LGA Rank*</i>
17 major offences	Murder^	0	0.0	nc**	nc**	
	Assault - domestic violence related	21	699.3	Stable	nc**	16
	Assault - non-domestic violence related	26	865.8	Stable	Stable	12
	Sexual assault	3	99.9	nc**	nc**	46
	Indecent assault, act of indecency and other sexual offences	3	99.9	nc**	nc**	
	Robbery without a weapon	0	0.0	nc**	nc**	60
	Robbery with a firearm	0	0.0	nc**	nc**	
	Robbery with a weapon not a firearm	1	33.3	nc**	nc**	
	Break and enter dwelling	11	366.3	nc**	nc**	96
	Break and enter non-dwelling	11	366.3	nc**	nc**	52
	Motor vehicle theft	9	299.7	nc**	nc**	39
	Steal from motor vehicle	17	566.1	nc**	nc**	72
	Steal from retail store	5	166.5	nc**	nc**	76
	Steal from dwelling	14	466.2	nc**	nc**	30
	Steal from person	0	0.0	nc**	nc**	
	Fraud	3	99.9	nc**	nc**	133
	Malicious damage to property	47	1,565.1	Stable	-7.1%	40
Other Homicide	Attempted murder	0	0.0	nc**	nc**	
	Murder accessory, conspiracy	0	0.0	nc**	nc**	
	Manslaughter ^	0	0.0	nc**	nc**	
Other Assault	Assault Police	0	0.0	nc**	nc**	
Abduction and kidnapping		0	0.0	nc**	nc**	
Blackmail and extortion		0	0.0	nc**	nc**	
Harassment, threatening behaviour and private nuisance		18	599.4	nc**	nc**	
Other offences against the person		0	0.0	nc**	nc**	
Other Theft	Receiving or handling stolen goods	1	33.3	nc**	nc**	
	Stock theft	11	366.3	nc**	nc**	
	Other theft	14	466.2	nc**	nc**	
Arson		3	99.9	nc**	nc**	
Drug offences	Possession and/or use of cocaine	0	0	nc**	nc**	
	Possession and/or use of narcotics	0	0	nc**	nc**	
	Possession and/or use of cannabis	10	333	nc**	nc**	
	Possession and/or use of amphetamines	5	166.5	nc**	nc**	
	Possession and/or use of ecstasy	0	0	nc**	nc**	
	Possession and/or use of other drugs	0	0	nc**	nc**	



**Jan-Dec 2011**

Offence group	Offence type	Rate per			
		Number of incidents	100,000 population	24-month trend <sup>^^</sup>	60-month trend <sup>^^</sup>
Drug offences	Dealing, trafficking in cocaine	0	0.0	nc**	nc**
	Dealing, trafficking in narcotics	0	0.0	nc**	nc**
	Dealing, trafficking in cannabis	0	0.0	nc**	nc**
	Dealing, trafficking in amphetamines	1	33.3	nc**	nc**
	Dealing, trafficking in ecstasy	0	0.0	nc**	nc**
	Dealing, trafficking in other drugs	0	0.0	nc**	nc**
	Cultivating cannabis	1	33.3	nc**	nc**
	Manufacture drug	0	0.0	nc**	nc**
	Importing drugs	0	0.0	nc**	nc**
	Other drug offences	2	66.6	nc**	nc**
	Prohibited and regulated weapons offences	6	199.8	nc**	nc**
Disorderly conduct	Trespass	12	399.6	nc**	nc**
	Offensive conduct	9	299.7	nc**	nc**
	Offensive language	2	66.6	nc**	nc**
	Criminal intent	0	0.0	nc**	nc**
Betting and gaming offences		0	0.0	nc**	nc**
Liquor offences		5	166.5	nc**	nc**
Pornography offences		0	0.0	nc**	nc**
Prostitution offences		0	0.0	nc**	nc**
Against justice procedures	Escape custody	0	0.0	nc**	nc**
	Breach Apprehended Violence Order	15	499.5	nc**	nc**
	Breach bail conditions	10	333.0	nc**	nc**
	Fail to appear	0	0.0	nc**	nc**
	Resist or hinder officer	1	33.3	nc**	nc**
	Other offences against justice procedures	1	33.3	nc**	nc**
Transport regulatory offences		1	33.3	nc**	nc**
Other offences		16	532.8	nc**	nc**

<sup>^</sup> For murder and manslaughter, the data are counts of recorded victims, not criminal incidents.

<sup>^^</sup> The trend test used was a two-tailed Kendall's rank-order correlation test with a 0.05 level of significance .

For the 24-month trend the annual percentage change is provided if the trend was significant.

For the 60-month trend the average annual percentage change is provided if the trend was significant.

\* Ranks are only calculated for Local Government Areas (LGAs) with populations greater than 3000 people (n=141).

Rates are only calculated for the major offences. Ranks are not calculated for murder due to the low number of recorded victims per LGA.

The robbery and sex offence categories are combined because the numbers are too small within the individual categories to calculate reliable rate estimates.

\*\* Trend information is not calculated (nc) if at least one 12-month period in the selected timeframe had less than 20 incidents.

**NOTE:** Data sourced from the NSW Bureau of Crime Statistics and Research must be acknowledged in any document (electronic or otherwise) containing that data.

The acknowledgement should take the form of **Source: NSW Bureau of Crime Statistics and Research**

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