



**muswellbrook
shire council**

Muswellbrook Shire Council

Operational Plan

2018-2019

Part of the Integrated Planning and Reporting Framework



For more details on the information provided in this document phone or email Muswellbrook Shire Council.

Muswellbrook Shire Council

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Every effort has been made to ensure the information provided in this publication is accurate and as such Muswellbrook Shire Council is not responsible for inadvertent errors.

Cover image of Muscle Creek Nature Trail

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A Message from the Mayor and General Manager



The 2018/19 Muswellbrook Shire Council Operational Plan outlines the way forward for Council for the forthcoming financial year, setting the blueprint for how Council will deliver the priorities set by our Shire's communities as part of the ten year Muswellbrook Community Strategic Plan (CSP).

The 2018/19 Operational Plan includes a host of ambitious actions and performance measures Council will work towards in achieving the broader strategic goals identified by the community, which include six key priority areas:

- Economic prosperity
- Social equity and inclusion
- Environmental sustainability
- Cultural vitality
- Community infrastructure, and
- Community leadership.

This Operational Plan has been developed to integrate with Council's Delivery Program and CSP, the NSW Government's Hunter Regional Plan 2036, the Hunter Regional Implementation Program 2016-2018, the Shire Integrated Water Cycle Management Plan, Council's Long Term Financial Plan and the commitments made in Council's Fit for the Future Plan.

Challenges and opportunities

The 2018/19 Operational Plan – the second of this Council – builds on the work of the previous year, delivers a balanced budget, continuing Council's policy of sound financial management. Council has worked hard over the last number of years to implement its Fit for the Future Improvement Plan with improved service delivery all the while maintaining a strict discipline with respect to Council's finances.

The Operational Plan also contemplates the approval by the Independent Pricing and Regulatory Tribunal (IPART) of Council's application for a Special Variation to fund key projects and programs sought by the community:

- development of a Regional Entertainment and Conference Centre (RECC);
- development of Olympic Park Precinct Upgrade projects;
- an allocation of \$695,000 per annum for maintenance of new infrastructure associated with the RECC and Olympic Park Precinct Upgrade;
- an additional allocation of \$300,000 per year for stormwater drainage;
- an additional allocation of \$250,000 towards a job creation program;
- an additional allocation of \$100,000 per year for roads and parks asset maintenance; and
- fund mining category rates shortfall resulting from a change in NSW Government policy with respect to biodiversity offsets.

Should the application be approved, Council will move towards program implementation and the preparatory work, detailed designs and approvals prior to the commencement of project construction over the next few years.

Council will continue to maintain a high level of funding support towards the maintenance of the community's infrastructure, continue the expansion of the Shire's footpath and cycleway network, and continue with capital improvements to our road network.

This Operational Plan recognises that Council must concentrate its efforts on job creation, economic diversification and encouraging sustainable economic development within the Shire. It continues Council's support for local jobs with allocations to support enhanced economic development activities, events, and additional resources for our Shire's emerging innovation and research sector. These programs will continue Council's support for the transition to a more diverse and sustainable economy.

Council is pleased to commend the 2018/19 Operational Plan to the community.



Cr Martin Rush,
Mayor of Muswellbrook Shire Council

A handwritten signature in black ink, appearing to read 'Martin Rush'.



Fiona Plesman,
Acting General Manager

A handwritten signature in black ink, appearing to read 'Fiona Plesman'.

Councillors of Muswellbrook Shire

Councillors were elected on 10 September 2016



Cr Martin Rush - Mayor
Spokesperson for Innovation,
Land Use Planning & Heritage



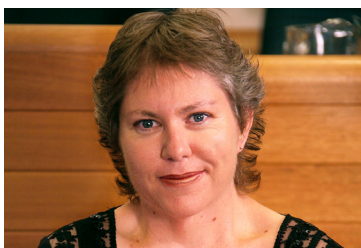
Cr Rod Scholes - Deputy Mayor
Spokesperson for Utilities &
Sustainability



Cr Scott Bailey
Spokesperson for Finance, Corporate
Services, Integrated Planning & Events



Cr Mark Bowditch
Spokesperson for Emergency Services



Cr Janelle Eades
Spokesperson for Social Inclusion



Cr Jason Foy
Spokesperson for Arts



Cr Michelle Green
Spokesperson for Recreation and
Wellbeing



Cr Jacinta Ledlin
Spokesperson for Aboriginal
Reconciliation



Cr Graeme McNeil
Spokesperson for Sport



Cr Steve Reynolds
Spokesperson for Community
Engagement

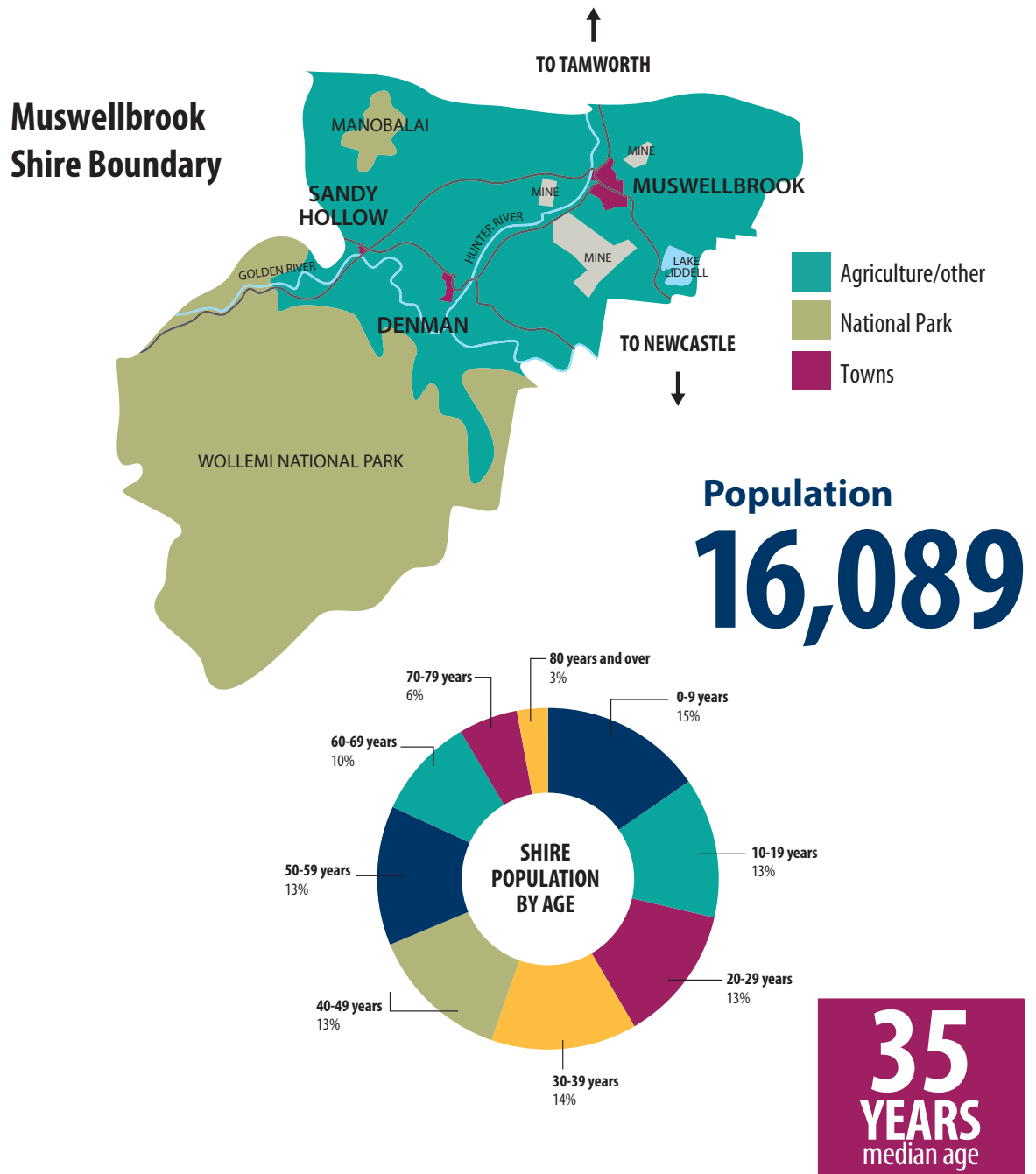


Cr Stephen Ward



Cr Brett Woodruff
Spokesperson for Infrastructure,
Development Assessment & Regulation

Snapshot of the Shire



Snapshot of the Shire

Muswellbrook Shire is centrally located in the Upper Hunter Valley, approximately 130km north-west of Newcastle. By road, Muswellbrook is approximately three hours from Sydney, two hours from Tamworth and 90 minutes from Newcastle.

The Shire's boundary is delineated by Lake Liddell to the east, Wollemi National Park to the west, Aberdeen to the north and Coricudgy State Forest to the south.

Muswellbrook Shire covers 3,402km², of which 1,455km (43%) is national park.

Census data (2016) records 16,086 people residing in the Muswellbrook Shire Local Government Area, with an expectation that the population will grow in the short to medium term.

The Traditional Owners of the land covered by the Muswellbrook Shire are the Wanaruah and the Kamilaroi peoples. Aboriginal peoples living in Muswellbrook Shire comprise 8.14% of the total population according to the most recent ABS census data. Muswellbrook Shire Council provides a range of resources that support Reconciliation in the community. The Muswellbrook Shire Council Aboriginal Reconciliation Committee was established in 1997.

The towns and villages of the Shire are welcoming communities offering all the cultural, recreational, educational and community facilities that you would expect to find in a city.

Muswellbrook and Denman are the largest towns in the Shire along with a number of outlying rural communities including Sandy Hollow, Wybong, Baerami, Martindale, McCullys Gap, Widden and Muscle Creek.

The population of Muswellbrook Shire tends to be a younger community, with the median age of people being 35 years (2016 ABS Census).

Of this population 7.7% are aged 0-4 years (pre-school age) compared with NSW at 6.2%, while 21% are aged 5-19 years (school age/dependants) compared with NSW at 18.3%. At the 2016 Census, the population was 51.3% male and 48.7% female.

To find out more about Muswellbrook Shire's Community Profile visit: www.communityprofile.com.au/muswellbrook

Economic Output

The total annual output in the Muswellbrook Shire LGA is estimated at \$6.9 billion. Output data represents the gross revenue generated by businesses/organisations in each of the industry sectors.

Mining

Coal mining commenced in Muswellbrook Shire in the late 1800s; initially underground mining and then, beginning in 1944, open cut mining.

The oldest mine is Muswellbrook Coal, which celebrated its centenary in 2006. The mining industry has recently experienced external economic factors that have resulted in a review of operations, however, the industry remains the biggest employer in the Shire.

There are currently three large mining operations in the Shire, BHP Billiton's Mount Arthur coal mine, New Hope Mining's Bengalla, and Glencore's Mangoola Coal mine are local employers who have also brought many new people and families

to the Muswellbrook Shire. MACH Energy has commenced preliminary work on its Mt Pleasant project just north of Muswellbrook township.

Power Generation

AGL Macquarie is Australia's largest electricity producer; Liddell (which is earmarked to close in 2022) and Bayswater power stations currently employ around 600 people. They generate the equivalent of 40% of the State's base-load electricity.

Education

Muswellbrook is developing as a centre of educational excellence in the Upper Hunter. It is particularly well positioned for the efficient and effective provision of vocational training for existing and emerging industries.

In 2016 the Upper Hunter Tertiary Education Centre was opened, bringing the University of Newcastle to the Upper Hunter. The Centre houses TAFE and the University of Newcastle, in partnership, contributing to the realisation of our goal for greater diversification over the life of

the Community Strategic Plan and new Delivery Program. In addition, the recently opened and now operational Sam Adams College, a joint TAFE, Council and Federal Government initiative, is providing a 63 bed student accommodation facility for the Shire.

Council aims to grow tertiary education further with the implementation of the new Muswellbrook Town Centre Strategy, which will see Muswellbrook become a Regional Centre with high quality community services.

Thoroughbred Industry

The equine industry origins in the Upper Hunter Valley date back over 150 years. This is a result of the Hunter Valley's unique topography, soil, air, and water availability, making it an ideal location for the horse breeding industry. Muswellbrook Shire is home to the largest critical mass of thoroughbred rearing in Australia, located in an arc from Widden Valley through Sandy Hollow to Jerry's Plains. The equine industry is a significant employer alongside other agriculture including dairy, beef and cropping.

Viticulture Industry

The Upper Hunter viticulture industry is small but internationally renowned for the quality and quantity of wine production and processing, and as a wine tourism destination. The earliest evidence of grape growing in the Upper Hunter dates back to 1860 when vines were planted at the meeting of Wybong Creek and the Goulburn River. The wine from these grapes gained international recognition and acclaim and established a tradition and consumer expectation of quality that continues today.

Government Services

A number of State Government Departments and Agencies have offices located in Muswellbrook Shire and have based regional and sub-regional operations to service the Upper Hunter; these include, Corrective Services, Juvenile Justice, Department of Human Services and the Area Command for NSW Police. Muswellbrook District Hospital recently completed a significantly larger and more suitable emergency department and planning is currently nearing completion for stage two of development on the site.

Centrally located between the New England and Lower Hunter, Muswellbrook Shire holds an excellent geographical advantage in servicing the surrounding areas through these government agencies.

To find out more about Muswellbrook Shire's Economic Profile visit:

www.economicprofile.com.au/muswellbrook

Integrated Planning and Reporting Framework

The Integrated Planning and Reporting (IP&R) framework was established in 2009 by the New South Wales state government. This legislation requires all Councils to have the following plans developed in consultation with the community:



Community Strategic Plan (10 years)

The Community Strategic Plan is an overview document that identifies the community's main priorities and goals for the future. It aims to describe what the community wants to see and feel in and around their area. It is based on community consultation undertaken by Council and covers at least 10 years.

Delivery Program (4 years)

The Delivery Program is the point of reference for all activities undertaken by the Council during its term of office. The Program details the goals Council proposes to undertake over a four year period, working towards achieving certain strategies in the Community Strategic Plan.

Operational Plan (Annual)

The Operational Plan directly addresses the goals outlined in the Delivery Program. It identifies the actions, programs and activities Council will undertake within the current financial year. The Operational Plan also allocates responsibility for each action, or set of actions, and identifies suitable performance measures for determining the effectiveness of the activities.

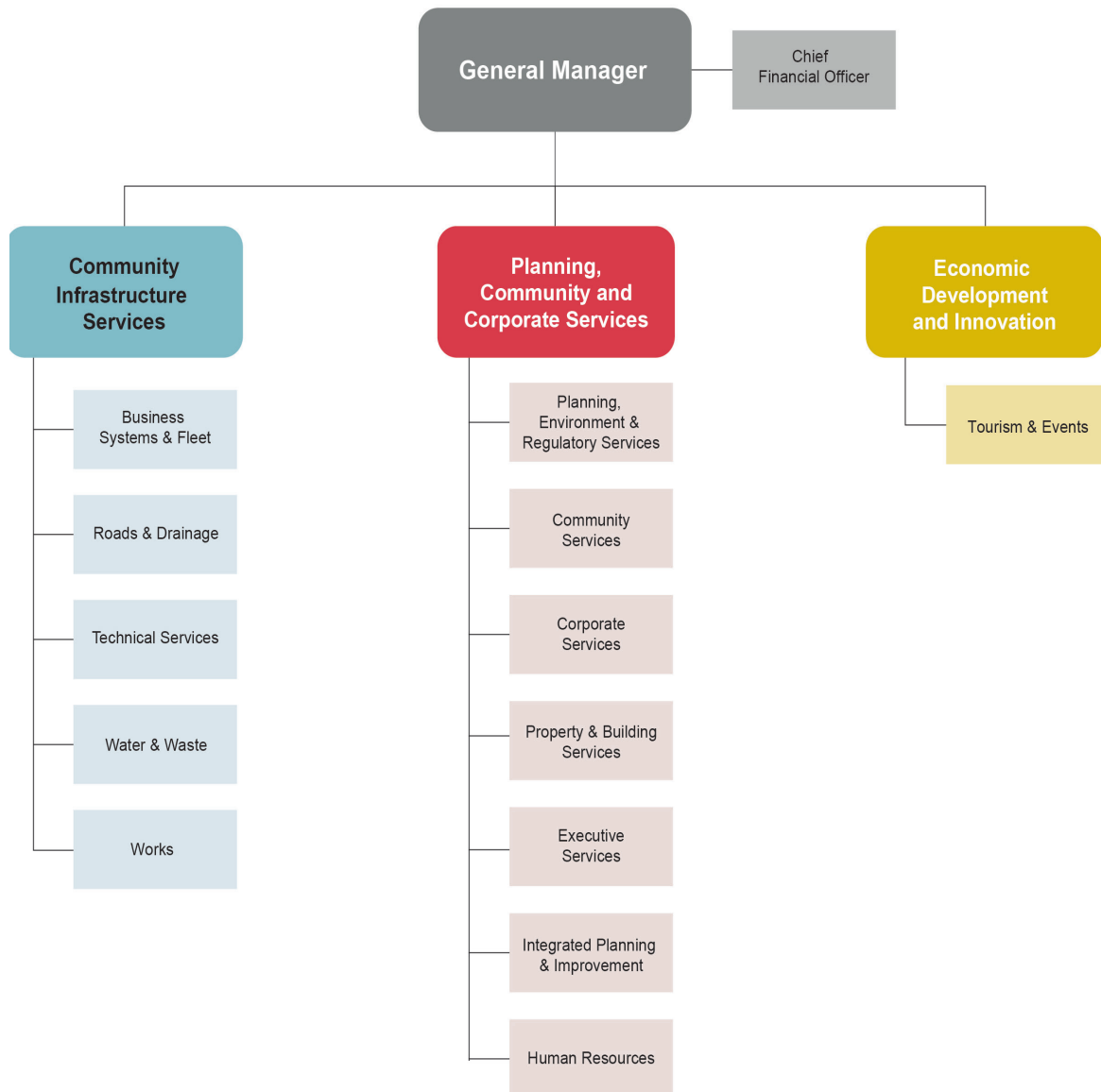
Resourcing Strategy

The Resourcing Strategy demonstrates how Council will resource achievement of the Community Strategic Plan and Delivery Program. Council does not have full responsibility for implementing or resourcing all the community aspirations. State agencies, non-government organisations, community groups and individuals also have a role to play in delivering these outcomes. Council's Long Term Financial Plan, Asset Management Plan and Workforce Management Plan have been developed to outline how Council intends to resource the actions identified in the Delivery Program and objectives of the Community Strategic Plan.

Muswellbrook Shire Council Organisational Chart

Council's leadership team comprises the General Manager, the Director Planning, Community and Corporate Services, the Director Community Infrastructure Services, Executive Manager of Water & Waste, Executive Manager Economic Development and Innovation, Chief Financial Officer and Manager Corporate Services and Executive Manager Planning, Environment and Regulatory Services.

The chart below shows the current organisational structure:





1. Economic Prosperity

Our plan for local economic prosperity is to continue our focus on supporting local jobs in the short term whilst facilitating the growth and development of innovative, sustainable and high value-add industries into the future.

We need to prepare our local economy for transition. In recent years, there has been a reversal in the long term projections for traded thermal coal and many associated local job losses. The closure of Drayton Coal in November 2016, and the planned closures of a number of other mining operations, will have a substantial impact on local employment.

Nonetheless, the Shire's largest thermal coal mines, Mt Arthur and Bengalla are relatively new and efficient operations, each operating within the first quartile of cost relative to global competitors, and will enjoy long futures even within a challenging international demand setting. Additionally, the new Mt Pleasant mine is widely regarded as the last high quality thermal coal asset in the Hunter.

For that reason, the Shire has time in which to transition to a more diverse and sustainable economy but it is important that we work towards that transition now. The volatility of the Shire's thermal coal industry is not without very human consequences in terms of job losses and unemployment as well as housing affordability and investment certainty.



Key Strategies for 2018/2019

- 1 Build on the region's competitive and comparative advantages to attract sustainable industries to the Muswellbrook Shire
- 2 Support business start ups
- 3 Work with the University of Newcastle to expand research and education opportunities that will assist development of industry and business innovation
- 4 Develop agricultural industry opportunities

Reporting Table

Principal activity	Organisational unit	Budget item	Committee
Economic Development	Economic Development and Innovation	Job Creation	Corporate Policy and Planning
Strategic Land Use Planning	Planning and Regulatory Services	Strategic Planning	Corporate Policy and Planning
Development Assessment	Planning and Regulatory Services	Planning	Corporate Policy and Planning

DELIVERY PROGRAM GOAL 1 (4 YEAR GOAL):
Support job growth

Delivery Program Objective (4 year objectives):	1.1 Facilitate the expansion of and establishment of new industries and business	
Operational Plan Action (18/19)	Performance Measure	Responsibility
1.1.1 Complete refurbishment work on the Innovation Hub	Innovation Hub is available to provide subsidised rent for innovative and new businesses by June, 2019	Planning, Corporate & Community Services
1.1.2 Support Economic Development and Innovation initiatives of Council through the local planning framework	Provide advice in relation to strategic land use planning and development controls to support Council's Economic Development and Innovation initiatives, as required and provide annual report to Council on related activities	Planning, Corporate & Community Services

DELIVERY PROGRAM GOAL 2 (4 YEAR GOAL):
Diversify the economy, facilitate the development of intensive agriculture and other growth industries, make the Shire a more attractive place to invest and do business

Delivery Program Objective (4 year objectives):	2.1 Facilitate the diversification of the Shire's economy and support growth of existing industry and business enterprise	
Operational Plan Action (18/19)	Performance Measure	Responsibility
2.1.1 Support Economic Development and Innovation initiatives of Council through the local planning framework	Provide advice in relation to strategic land use planning and development controls to support Council's Economic Development and Innovation initiatives, as required and provide annual report to Council on related activities	Planning, Corporate & Community Services

Delivery Program Objective (4 year objectives):	2.2 Work with University of Newcastle on research and innovation in areas where the Upper Hunter has a competitive or comparative advantage	
Operational Plan Action (18/19)	Performance Measure	Responsibility
2.2.1 Establish Upper Hunter Economic Development Corporation Board and deliver Strategic Plan to Council	Board established and strategic plan delivered in 2018/19	Economic Development and Innovation
2.2.2 Continue to work with the University of Newcastle on key projects aligned to Council's Economic Diversification strategy including the Open Access Pilot Bio-refinery, energy storage and rehab and remediation	i. Two projects delivered by Upper Hunter Regional Economist in 2018/19 ii. Findings from research projects disseminated and promoted as Upper Hunter Innovation activity in 2018/19	Economic Development and Innovation

Operational Plan Action (18/19)	Performance Measure	Responsibility
2.2.3 Continue to work with the Upper Hunter Regional Economist in partnership with University of Newcastle Hunter Research Foundation Centre	Three recommendations actioned from the Upper Hunter Tourism strategy in 2018/19	Economic Development and Innovation
2.2.4 Delivery of Job Creation Fund Projects	At least three job creation projects funded and delivered in 2018/19	Economic Development and Innovation
2.2.5 Development of investment prospectus	Investment prospectus delivered implemented and marketed in 2018/19	Economic Development and Innovation
2.2.6 Implementation of key recommendations in the Upper Hunter Tourism Strategy	Three recommendations actioned from the Upper Hunter Tourism strategy in 2018/19	Economic Development and Innovation

Delivery Program Objective (4 year objectives):	2.3 Review the Local Environmental Plan and Development Control Plan to improve investment certainty for industry	
Operational Plan Action (18/19)	Performance Measure	Responsibility
2.3.1 Finalise the Local Strategic Planning Statement (LSPS)	Develop an interim Local Strategic Planning Statement endorsed by Council, in consultation with the Department of Planning and Environment by June 2019	Planning, Corporate & Community Services

Delivery Program Objective (4 year objectives):	2.4 Implement the Muswellbrook, Denman Town Centre Masterplans and the Sandy Hollow Village Masterplan	
Operational Plan Action (18/19)	Performance Measure	Responsibility
2.4.1 Develop concept designs for buildings providing commercial opportunities within the Muswellbrook Town Centre	Designs are prepared with cost estimates by June, 2019	Planning, Corporate & Community Services

Delivery Program Objective (4 year objectives):	2.5 Develop agricultural industry opportunities in the Shire	
Operational Plan Action (18/19)	Performance Measure	Responsibility
2.5.1 Develop an Agribusiness Development Strategy for Upper Hunter	Agribusiness Development Strategy developed and reported to Council for endorsement by June 2019	Economic Development and Innovation

Delivery Program Objective (4 year objectives):	2.6 Develop a Local Strategic Plan in response to changes to the NSW Planning Act	
Operational Plan Action (18/19)	Performance Measure	Responsibility
2.5.1 Develop a Local Strategic Planning Statement to improve investment certainty for business, industries and developers	Prepare a Local Strategic Planning Statement for adoption by Council	Planning, Corporate & Community Services

DELIVERY PROGRAM GOAL 3 (4 YEAR GOAL):

Facilitate greater access to higher education and participation in the knowledge and creativity economy

Delivery Program Objective (4 year objectives):	3.1 Through the Future Fund invest in additional education infrastructure, in partnership with Hunter TAFE, the University of Newcastle and other providers	
Operational Plan Action (18/19)	Performance Measure	Responsibility
3.1.1 Construct the Upper Hunter Innovation Precinct - Stage 2	Construction completed by June, 2019	Planning, Corporate & Community Services

DELIVERY PROGRAM GOAL 4 (4 YEAR GOAL):

Develop Muswellbrook as a Regional Centre

Delivery Program Objective (4 year objectives):	4.1 Council will apply to IPART for a permanent continuation of IPART's approved one-off Special Rate Variation for 2018/19 of 14.73% (including 2.3% rate peg) and increasing the 2018/19 rate base for 2019/20 by IPART's 2.7% rate peg	
Operational Plan Action (18/19)	Performance Measure	Responsibility
4.1.1 Review Council's Parking Study 2010 and develop a comprehensive parking strategy for Muswellbrook and Denman taking into account Council's endorsed strategies for both town centres	Existing Parking Study reviewed and comprehensive parking strategy for Muswellbrook and Denman reported to Council for endorsement by June 2019	Planning, Corporate & Community Services
4.1.2 Construct Stage 1 of the Rail Noise Abatement Wall	Construction completed by December, 2018	
4.1.3 Develop detail design for the Olympic Park Precinct upgrade	Design completed and ready for construction by 30 June 2019	
4.1.4 Develop detail design for Muswellbrook Aquatic Centre upgrade	Design completed and ready for construction by 31 March 2019	



2. Social Equity and Inclusion

Council has strong relationships with health, welfare and educational organisations from the government and non-government sectors with the aim of improving outcomes for individuals and our community. This occurs through liaison, advisory support, assistance with premises and provision of opportunities for networking.

During the 2018/19 financial year Council is committing to a range of programs and project that will support education, place making principles and community consultations on library, art gallery and aquatic centre services to ensure that community needs are being met.

Current early learning initiatives will be continued and there will be a continuing focus on improving the physical accessibility and inclusiveness that results in;

- The development of strong partnerships with our community groups and organisations;
- Liveable communities that are created through community engagement and consultation;
- Improved access to local and meaningful employment and education; and
- Access to services through better systems and processes are improved by Muswellbrook Shire Council.



Key continuing strategies for 2018/2019

1. Work with other stakeholders to improve Crisis and Community Housing options
2. Support the Health and Wellbeing of residents through a wider variety of programs and service deliveries that improve the liveability of Muswellbrook Shire
3. Increase the provision of Library Services and Lifelong Learning in the areas of physical and digital literacy
4. Review Youth Services deliveries and support outcomes that improve physical access and social equity
5. Improve the engagement levels in physical, social and learning opportunities for older people
6. Improve access to affordable entertainment, recreation and youth events
7. Support programs and projects that include Community Development Principles

Reporting Table

Principal activity	Organisational unit	Budget item	Committee
Community Services	Community Services	Community Services	Corporate Policy and Planning
Building Services	Property and Building Services	Building Services	Corporate Policy and Planning
Town Planning	Planning and Regulatory Services	Development Planning	Corporate Policy and Planning
Human Resource Management	Human Resources	Human Resources	Corporate Policy and Planning
Information Communication	Information Services	Information Services	Corporate Policy and Planning

DELIVERY PROGRAM GOAL 5 (4 YEAR GOAL):**Continue to improve the affordability, livability and amenity of the Shire's communities**

Delivery Program Objective (4 year objectives):	5.1 Implement the outcomes of the Recreation Needs Study	
Operational Plan Action (18/19)	Performance Measure	Responsibility
5.1.1 Recreation Needs and Management Study used for works planning and budget purposes	Recreation Capital Works Program reported to Council by September, 2018	Planning, Corporate and Community Services

Delivery Program Objective (4 year objectives):	5.2 Continue town centre revitalisation projects	
Operational Plan Action (18/19)	Performance Measure	Responsibility
5.2.1 Deliver at least one piece of permanent public art as a part of the revitalisation project	Installation of a permanent piece of public art as a part of the urban revitalisation project in 2018/19	Community Infrastructure

Delivery Program Objective (4 year objectives):	5.3 Facilitate investment in entertainment opportunities, particularly for young people	
Operational Plan Action (18/19)	Performance Measure	Responsibility
5.3.1 Library programs are developed that increase social engagement with young people in Council libraries	5% increase in youth memberships driven by library services and digital technologies in 2018/19	Planning, Corporate and Community Services
5.3.2 Aquatic Centre and Gym programs are developed that increase social engagement and wellbeing with young people in Council's pools and gym	5% increase in youth memberships driven by aquatic and gym programs during 2018/19	Planning, Corporate and Community Services
5.3.3 Support the Upper Hunter Youth Services Committee in the relocation and development of their facility at a new location	Report to Council on the progress of the Committee of Upper Hunter Youth Services in providing a new location for their service during 2018/19	Planning, Corporate and Community Services
5.3.4 Identify opportunities that provide affordable entertainment for young people in isolated communities	Seek funding through grants and partnerships which provides affordable entertainment for young people in isolated communities by 30 June 2019	Planning, Corporate and Community Services

Operational Plan Action (18/19)	Performance Measure	Responsibility
5.3.5 Deliver a Youth Week Event	Support Youth Week activities during 2019 in partnership with other organisations	Planning, Corporate and Community Services
5.3.6 Expand the home library service to include young people with mobility or accessibility issues	20% increase in home library recipients through Home Library and Mini Mobile Library Services during 2018/19	Planning, Corporate and Community Services
5.3.7 Explore opportunities to transform outcomes in line with Muswellbrook Urban Riparian Master Plan through local planning instruments	Report opportunities to Council by June 2019	Planning, Corporate and Community Services

Delivery Program Objective (4 year objectives):	5.5 Promote and facilitate increased participation in active and passive recreational activities.	
Operational Plan Action (18/19)	Performance Measure	Responsibility
5.5.1 Maintain the sporting and recreational facilities to standard	Continue local and industry benchmarking and report to Council in October, 2018	Planning, Corporate and Community Services
5.5.2 Continue matched funding Small Sport and Recreation Grants Programme	Open grants program in July 2018	Planning, Corporate and Community Services
5.5.3 Continue matched funding Large Sport and Recreation Grants Programme	Open grants program in July 2018	Planning, Corporate and Community Services
5.5.4 Continue user group consultation program and calendar	Respective Facility User Group meetings and Muswellbrook Shire Sport and Recreation User Group meetings held at least twice a year	Planning, Corporate and Community Services

Delivery Program Objective (4 year objectives):	5.6 Consider and deliver social inclusion principles across Council functions	
Operational Plan Action (18/19)	Performance Measure	Responsibility
5.6.1 Seek external grant funding opportunities to support the interests and aspirations of the Shire's communities	i. Applications lodged with funding programs by due dates. ii. Identify and prepare candidate projects for external grant funding and report to Council in March 2019. iii. Provide Council with quarterly reports of grant funding outcomes and publish on Council's website	Planning, Corporate and Community Services
5.6.2 Address the actions identified in accessibility audits	Deliver a prioritised capital works programme	Planning, Corporate and Community Services
5.6.3 Include responsive adaptive actions in the Information Services Strategy (Pending budget allocation)	Responsive adaptive support tools and systems are activated as required for both internal and external customers	Planning, Corporate and Community Services
5.6.4 Implementation of Disaster Recover infrastructure and the review of Disaster Recovery Plan (Pending budget allocation)	DR infrastructure and plan developed and meet Business Continuity Plan service levels	Planning, Corporate and Community Services
5.6.5 Continued implementation of Asset Management System phase 2 - financial components	Completion of phase 2. Financial asset management reporting completed through centralised system	Planning, Corporate and Community Services
5.6.6 Develop a style guide for Muswellbrook Shire Council that considers the communication needs of people with varying abilities	Provide draft style guide to the Accessibility Audit Committee by 31 December 2018	Planning, Corporate and Community Services
5.6.7 Continued implementation of Customer Request Management (CRM) and customer online transaction portal	All Service requests captured and reported through CRM module and online transactions functional and advertised	Planning, Corporate and Community Services

Operational Plan Action (18/19)	Performance Measure	Responsibility
5.6.8 That the needs of people with varying abilities are a constant consideration in Council's plans and strategies	i. Monitor and report annually on Council plans and strategies to ensure that the needs of people with varying abilities are considered; ii. Audit two Council plans/ strategies and make recommendations for improvement by June 2019	Planning, Corporate and Community Services
5.6.9 Continued implementation of Fibre optic network	Reliable and high bandwidth connectivity available between council offices	Planning, Corporate and Community Services

Delivery Program Objective (4 year objectives):	5.7 Facilitate the provision of affordable housing opportunities through development application process as encouraged through the Affordable Rental Housing SEPP 2009	
Operational Plan Action (18/19)	Performance Measure	Responsibility
5.7.1 Facilitate the provision of affordable housing opportunities through development application process as encouraged through the Affordable Rental Housing SEPP 2009	Local Environmental Plan and Development Control Plan to enable the provision of affordable housing opportunities	Planning, Corporate and Community Services

DELIVERY PROGRAM GOAL 6 (4 YEAR GOAL):

Stabilise the tenancy turnover in the Shire's social housing

Delivery Program Objective (4 year objectives):	6.1 Continue partnership with government and community housing services to reduce the turnover of tenants in the Shire's social housing	
Operational Plan Action (18/19)	Performance Measure	Responsibility
6.1.1 Support the final year of delivery of the Collaborative Impact Facilitators Project with respect to social housing tenants in partnership with other providers	Provide a report to the Corporate Policy and Planning Committee by June 2019 on the progress of the delivery of the Stronger Families Stronger Communities Strategy and efforts to reduce tenant turnover in social housing	Planning, Corporate and Community Services

DELIVERY PROGRAM GOAL 7 (4 YEAR GOAL):**Build social inclusion and improve the delivery of social services**

Delivery Program Objective (4 year objectives):	7.2 Facilitate and Implement improved disability access and inclusion across the Shire	
Operational Plan Action (18/19)	Performance Measure	Responsibility
7.2.1 Continue the internal oversight of the accessibility audit through the internal Accessibility Audit Committee	Quarterly meetings held internally to drive improvement in accessibility issues across the Shire based upon service requests and consultation	Planning, Corporate and Community Services
7.2.2 Apply Disability Access and BCA requirements to DA and CC applications across the Shire	Progress towards ensuring compliance with Disability access and BCA requirements through DA and CC applications for new buildings and change of use	Planning, Corporate and Community Services

DELIVERY PROGRAM GOAL 8 (4 YEAR GOAL):**Retention and expansion of quality and affordable child care services**

Delivery Program Objective (4 year objectives):	8.1 Facilitate investment in child care services across the Shire	
Operational Plan Action (18/19)	Performance Measure	Responsibility
8.1.1 Progress the design of Upper Hunter Early Learning Centre and prepare for funding opportunities	Progress the design and report to Council by December 2018	Planning, Corporate and Community Services
8.1.2 Seek funding to implement the review of the Children's Services Strategic Plan to identify areas or improved or increased childcare, early childhood education and preschool options	External Funding sought by June 2019 for a review of the Children's Services Strategic Plan	Planning, Corporate and Community Services
8.1.3 Collaborative Impact Facilitators Project considers the need for improved childcare, early childhood education and pre-school options	Work in partnership with Community Service providers on the delivery of a broader range of wellbeing initiatives in early children's programs during 2018/19	Planning, Corporate and Community Services
8.1.4 Construct suitable crèche as part of the Muswellbrook Aquatic and Fitness Centre renewal	Include a crèche facility in Muswellbrook Aquatic and Fitness Centre master plan.	Planning, Corporate and Community Services

DELIVERY PROGRAM GOAL 9 (4 YEAR GOAL):
Facilitate opportunities to expand seniors' living

Delivery Program Objective (4 year objectives):	9.2 Facilitate discussions with other levels of Government to enhance the delivery of services to support older people to live in the Muswellbrook Shire	
Operational Plan Action (18/19)	Performance Measure	Responsibility
9.2.1 Deliver the ageing strategy in consultation with residents of Muswellbrook Shire	Draft a priorities list of actions that support the delivery of services for older people who live in Muswellbrook Shire for endorsement by Council and inclusion in the Community Services Business Plan 2019/20	Planning, Corporate and Community Services
9.2.2 Partner with other community groups and organisations to deliver a directory of Seniors Week events	Seek external funding to develop and deliver a directory of Seniors Festival events in 2018/19	Planning, Corporate and Community Services
9.2.3 Increase the membership of older people at both Muswellbrook and Denman Aquatic Centres, gym and Upper Hunter Regional Library Service	5% of the Shire's older residents are members of and/or participating at libraries and aquatic centres	Planning, Corporate and Community Services

DELIVERY PROGRAM GOAL 10 (4 YEAR GOAL):
Further the process of reconciliation in the Shire

Delivery Program Objective (4 year objectives):	10.1 Collaborate with the local Aboriginal people on projects which enhance an appreciation for, and which develop the vitality of, Aboriginal culture	
Operational Plan Action (18/19)	Performance Measure	Responsibility
10.1.1 Facilitate and support the Aboriginal Culture and Heritage working group	Provide reports to Council on the activities of the Aboriginal Culture and Heritage working group during 2018/2019	Planning, Corporate and Community Services
10.1.2 Work with the Aboriginal community on the delivery of at least two events annually to celebrate and promote Aboriginal art and culture	Provide support as required to the delivery of two Aboriginal art and culture events during 2018/19	Planning, Corporate and Community Services
10.1.3 Deliver the second phase of the two year local Aboriginal Oral History project to provide elders and others with an opportunity to share their stories	The Aboriginal Oral History Project is delivered and promoted according to the agreed outcomes of the project	Planning, Corporate and Community Services
10.1.4 Monitor the conservation of the Aboriginal Reconciliation Mural and Aboriginal Artefacts project to ensure conservation occurs as required	Report of monitoring and maintenance of Simpson Park Mural provided quarterly as part of Directorate Report to Council	Planning, Corporate and Community Services

Delivery Program Objective (4 year objectives):	10.2 Raise awareness of the local Aboriginal community and an appreciation of their long traditions and culture	
Operational Plan Action (18/19)	Performance Measure	Responsibility
10.2.1 Work with the Aboriginal community to improve access to cultural and educational activities	i. Seek funding for the design and construction of a cultural space in partnership with the Aboriginal community during 2018/19 ii. Explore the development of an Aboriginal Development Action Plan in partnership with the Aboriginal Reconciliation Committee	Planning, Corporate and Community Services
10.2.2 Work with the Aboriginal Community on programs that support native tree plantings on Aboriginal Land that has been identified by the Wanaruah Lands Council as suitable	Report at least annually to the Aboriginal Culture and Heritage Working Group details of appropriate native tree plantings on identified Aboriginal Land in partnership with other organisations during the 2018/19 financial year	Planning, Corporate and Community Services



3. Environmental Sustainability

Our plan for environmental sustainability is to focus on the regeneration of mined land and urban riparian areas, increase our use of renewable energy and to monitor and manage our use of natural resources.

Muswellbrook Shire Council is committed to improve its environmental performance and to demonstrate good environmental practice. We are working towards a number of goals to reduce water and energy usage, improve waste management and promote awareness of environmental issues throughout the community.

Our sustainability goals are to:

Environmental Sustainability will be pursued by Muswellbrook Shire Council through the following principles;

- Operations that demonstrate sustainable environmental management.
- Provide leadership and actions for achieving environmental sustainability
- Pursue ecologically sustainable land use and development.
- Collaborate with the community and other stakeholder groups to protect and preserve the natural environment.

Support and regulate activities of others within its control to protect the environment.

Muswellbrook Shire Council supports the Principles of Environmentally Sustainable Development as defined in the Protection of the Environment Administration Act 1991 (NSW):

The precautionary principle - decisions should be guided by careful evaluation to avoid serious or irreversible damage to the environment.

Key Strategies for 2018/2019

1. Complete the Muscle Creek Rehabilitation Program
2. Improve mined land rehabilitation
3. Advance opportunities to achieve Council's renewable energy target
4. Promote environmental sustainability principles and practices in shire



Inter-generational equity - we ensure that the health, diversity and productivity of the environment are maintained or enhanced for the benefit of future generations,

Conservation of biological diversity and ecological integrity - biological diversity and ecological integrity should be a fundamental consideration in environmental planning and decision-making.

Improved valuation, pricing and incentive mechanisms - environmental factors should be included in the valuation of assets and services.

Reporting Table

Principal activity	Organisational unit	Budget item	Committee
Land and riparian area rehabilitation	Sustainability	Landcare	Corporate Policy and Planning
Community education and engagement	Sustainability	Projects	Corporate Policy and Planning
Renewable energy program	Sustainability	Energy	Corporate Policy and Planning
Environmental protection	Regulation	Regulation	Corporate Policy and Planning

DELIVERY PROGRAM GOAL 11 (4 YEAR GOAL):

Higher quality final landforms with shallower voids and more emphasis on progressive rehabilitation with local workforce participation

Delivery Program Objective (4 year objectives):	11.1 Work in partnership with industry and other levels of government to achieve improved rehabilitation outcomes for disused mining lands and ongoing employment for the local workforce	
Operational Plan Action (18/19)	Performance Measure	Responsibility
11.1.1 Review Council's Land Use Development Strategy and develop a Mining and Extraction Policy to inform Council's involvement in mining and extraction activity within the Shire	Policy adopted by Council	Planning, Corporate and Community Services
11.1.2 Review new and modified consent applications approved by Department of Planning & Environment to ensure they are consistent with Council's Mining Policy	Advice containing Council's policy on improved mine rehabilitation outcomes provided in a timely manner	Planning, Corporate and Community Services
11.1.3 Provide advice to Community Consultative Committees operated by the mines within the Shire	100% of Community Consultative Committees Meetings attended	Planning, Corporate and Community Services
11.1.4 Provide advice on Council's Mining Policy to the Upper Hunter Mining Dialogue	Attend 100% of Upper Hunter Mining Dialogue Steering Committee meetings	Planning, Corporate and Community Services
11.1.5 Review rehabilitation plans to ensure improved rehabilitation outcomes for disused mining lands	Report quarterly on the progress towards improved mine rehabilitation outcomes through approval compliance requirements	Planning, Corporate and Community Services

DELIVERY PROGRAM GOAL 12 (4 YEAR GOAL):**Enhance native vegetation connectivity across the Upper Hunter**

Delivery Program Objective (4 year objectives):	12.1 Support Landcare initiatives and programs to enhance native vegetation connectivity across the Upper Hunter	
Operational Plan Action (18/19)	Performance Measure	Responsibility
12.1.1 Support existing landcare groups and investigate the creation of new Landcare groups within Muswellbrook Shire	Annual Report of activities of existing Landcare groups and support establishment of new group in Denman	Planning, Corporate and Community Services
12.1.2 Create a resource that supports native vegetation connectivity across the Upper Hunter	Create the Muswellbrook Shire Council Vegetation Map in partnership with other Government Departments and agencies in 2018/19	Planning, Corporate and Community Services
12.1.3 Undertake rehabilitation works at Muscle Creek, Karoola Wetlands and Denman Wetlands to improve habitat quality and vegetation connectivity across the Upper Hunter	Demonstrated improvement of native vegetation measured by area weeded, number of trees planted, species diversity, area stabilized and pathways constructed	Planning, Corporate and Community Services
12.1.4 Maintain areas that have undergone rehabilitation activities to avoid degradation	Seek funding for weed management and infill planting activities to existing natural project areas. Measured by number of weed treatments, species diversity and survival rate of plantings	Planning, Corporate and Community Services
12.1.5 Continue Council's efforts running multiple National Tree Day planting events in Muswellbrook and Denman	Report the success of National Tree Day planting events measured through the number of planting sites and number of volunteers attending	Planning, Corporate and Community Services

DELIVERY PROGRAM GOAL 13 (4 YEAR GOAL):
Our local rivers and creeks are enhanced, utilised and valued

Delivery Program Objective (4 year objectives):	13.1 Adopt an Urban Riparian Masterplan and implement actions	
Operational Plan Action (18/19)	Performance Measure	Responsibility
13.1.1 Plan a staged program of works and seek funding for the implementation of the Council adopted Muswellbrook Urban Riparian Master Plan (MURMP)	Make funding applications in 2018/19 to support the staged program of works to 2020	Planning, Corporate and Community Services

DELIVERY PROGRAM GOAL 14 (4 YEAR GOAL):
Support initiatives which reduce the community's impact on the environment

Delivery Program Objective (4 year objectives):	14.1 Carry out actions under the Sustainability Action Plan	
Operational Plan Action (18/19)	Performance Measure	Responsibility
14.1.1 Work towards developing a Muswellbrook Shire Catchment Management Plan which prioritises areas for remediation and identifies current and potential water pollution threats	Consult with Hunter Local Land Services and participate in scheduled workshops and reviews for the development of the Hunter River Management Plan. Submit quarterly progress reports to Council	Planning, Corporate and Community Services
14.1.2 Monitor air quality for the Shire and advocate for improved quality, regulation and compliance	i. Provide quarterly presentations to Council on the outcomes of the Upper Hunter Air Quality Monitoring Network ii. Conduct and report weekly air quality monitoring at Water at Waste to inform policy improvements for external regulators	Planning, Corporate and Community Services
14.1.3 Continue energy audit program	Conduct a level three energy audit on Council's Administration Building and Stan Thiess Centre by 30 June 2019	Planning, Corporate and Community Services
14.1.4 Implement Energy Data Management program	Accurate energy use published in real time on Council's website	Planning, Corporate and Community Services

Operational Plan Action (18/19)	Performance Measure	Responsibility
14.1.5 Investigate opportunities for joint ventures with renewable energy innovators and power suppliers	Options paper reported to Council as opportunities present	Planning, Corporate and Community Services
14.1.6 Conduct a community education program to reduce the volume of food and green waste	Conduct an education program to facilitate community understanding of food and green waste that diverts waste from landfill. Measure by number of community groups and education providers targeted	Planning, Corporate and Community Services
14.1.7 Implement procurement procedures to minimise waste and improve sustainability outcomes	Establishment of a Sustainable Procurement Procedure and audit the implementation of it by council staff	Planning, Corporate and Community Services
14.1.8 Support business and engage with the community to promote waste minimisation and re-use	Report annually to Council education activities for schools and community groups	Planning, Corporate and Community Services
14.1.9 Encourage establishment, participation and maintenance of community gardens	i. Report annually to Council on activities for community groups at the Sustainability Hub ii. Identify a new site for the Sustainability Hub by 30 June 2019	Planning, Corporate and Community Services
14.1.10 Source funding and grant opportunities for energy, waste and water sustainability projects as applicable	Completion of the "Hey Tosser do you know where your litter ends up" grant funded project	Planning, Corporate and Community Services
14.1.11 Continue surveillance and regulation of illegal dumping on an ongoing basis through participation in the Hunter Central Coast Regional Illegal Dumping Squad	Provide annual report to Council of the number of illegal dumping sites reported, inspected and appropriate enforcement action taken	Planning, Corporate and Community Services
14.1.12 Implement the planned management actions outlined in the Flying Fox Management Plan	Seek funding from Council and other sources as required	Planning, Corporate and Community Services

Operational Plan Action (18/19)	Performance Measure	Responsibility
14.1.13 Advocate for a pilot project targeting the establishment of the Grey - headed Flying Fox habitat	Advocate and seek funding for habitat creation in appropriate areas as opportunities arise	Planning, Corporate and Community Services

Delivery Program Objective (4 year objectives):	14.2 Require all development proposals to avoid and mitigate against potential environmental impacts and facilitate improved environmental outcomes where possible	
Operational Plan Action (18/19)	Performance Measure	Responsibility
14.2.1 Update the Terrestrial Biodiversity mapping in the Local Environment Plan	Seek funding for Terrestrial Biodiversity maps endorsed by Council	Planning, Corporate and Community Services
14.2.2 Investigate offsetting options under the NSW Biodiversity Offset Scheme	For Information report to Council by June 2019	Planning, Corporate and Community Services

DELIVERY PROGRAM GOAL 15 (4 YEAR GOAL):

Support Federal and State initiatives to reduce the human impact on climate change

Delivery Program Objective (4 year objectives):	15.1 Increase the proportion of the energy used by Council from renewable sources	
Operational Plan Action (18/19)	Performance Measure	Responsibility
15.1.1 Implement measures from Council endorsed actions to meet renewable energy targets	Install 986kW of photovoltaics at Water and Waste facilities, including 800kW of photovoltaics by 30 June 2019	Community Infrastructure
15.1.2 Implement measures from Council endorsed actions to meet renewable energy targets	Undertake heating, ventilation and airconditioning project at key Council facilities	Planning, Corporate and Community Services
Delivery Program Objective (4 year objectives):	15.2 Increase the proportion of the energy used by the wider community from renewable sources	

Operational Plan Action (18/19)	Performance Measure	Responsibility
15.2.1 Conduct community engagement and educate the community to adopt New South Wales Government Renewable Energy Target	Work with Office of Environment and Heritage to deliver training, workshops and educational material to the community	Planning, Corporate and Community Services
15.2.2 Promote Council projects being undertaken as encouragement to the community	Establishment of a Renewable Energy Target communications plan to promote energy reductions projects	Planning, Corporate and Community Services



4. Cultural Vitality



Muswellbrook Shire Council's plan for cultural vitality is to increase the local variety, availability and access to the arts and cultural experiences for residents of the Upper Hunter.

As a region, the Upper Hunter aims to be culturally rich and diverse with communities that have strong identities and a shared sense of place. This will be achieved through events that provide opportunities to celebrate and recognise the unique assets of the Upper Hunter and growth of the art economy.

Muswellbrook Shire Council also places importance on the value of the arts and creative industries in all their forms as part of our everyday lives and recognises the value the arts in providing enrichment to our lived experience. The 2018/19 operation plan aims to support the:

- Provision of opportunities for cultural participation across multiple dimensions;
- Growth of creative industries;
- Development and delivery of systems and mechanisms that support and encourage cultural participation; and
- Opportunities for inclusive arts and cultural expression

Our communities look forward to encouraging and supporting continuing growth in non-profit, public, and commercial arts-related organisations, retail arts venues (bookshops, cinemas, craft and art suppliers), venues with

Key Strategies for 2018/2019

1. Commence Construction of a Regional Convention and Performance Centre
2. Expand key cultural events such as the Blue Heeler Festival, new and existing music festivals and events;
3. Implement a Upper Hunter Cultural Strategy in collaboration with Upper Hunter Shire Council
4. Strengthen and support stronger partnerships between existing and new providers of cultural endeavour(s).

arts and cultural programming (parks, libraries, multicultural associations, societies, and centres), festivals and parades, arts-focused media outlets (print and electronic, including web-based venues) and dance schools, art galleries, music education and appreciation.

Reporting Table

Principal activity	Organisational unit	Budget item	Committee
Heritage conservation	Planning and Development Assessment	Heritage	Corporate Policy and Planning
Festivals and events	Economic development	Economic development	Corporate Policy and Planning
Muswellbrook Regional Arts Centre and Collection	Community services	Regional Art Gallery	Corporate Policy and Planning
Community services	Community services	Community services	Corporate Policy and Planning

DELIVERY PROGRAM GOAL 16 (4 YEAR GOAL):**Conserve the heritage and history of the Shire**

Delivery Program Objective (4 year objectives):	16.1 Support the conservation and restoration of the Shire's heritage items	
Operational Plan Action (18/19)	Performance Measure	Responsibility
16.1.1 Complete the adaptive reuse works of Loxton House	Construction completed by June, 2019	Planning, Corporate and Community Services
16.1.2 Complete the restoration of Denman Memorial Hall	Construction completed by June, 2019.	Planning, Corporate and Community Services
16.1.3 Review Council's Heritage Inventory 1996	Deliver a revised thematic history and up-to-date inventories of the existing heritage items and amendments to Schedule 5 of the Muswellbrook LEP through Heritage Grant Funding by 30 June 2019	Planning, Corporate and Community Services

Delivery Program Objective (4 year objectives):	16.2 Ensure sites or artefacts of Aboriginal significance are protected where new development proposals are considered	
Operational Plan Action (18/19)	Performance Measure	Responsibility
16.2.1 Development assessments to include assessment of the potential impact on Aboriginal sites and artefacts and appropriate mitigation is applied as required	Implement relevant changes in Legislation that may affect the deliveries of the Aboriginal Cultural Heritage Working Group in regard to the potential impacts on Aboriginal Sites and artefacts as required.	Planning, Corporate and Community Services

Delivery Program Objective (4 year objectives):	16.3 New investment in heritage conservation and restoration made	
Operational Plan Action (18/19)	Performance Measure	Responsibility
16.3.1 Funding allocation for heritage conservation and restoration is made available annually through the Local Heritage Grants Fund	Report by June 2018 on the number of Local Heritage Grant applications received and approved	Planning, Corporate and Community Services

DELIVERY PROGRAM GOAL 17 (4 YEAR GOAL):
Facilitate options to improve cultural activities in the Shire

Delivery Program Objective (4 year objectives):	17.1 Construct a regional convention and performance space subject to a Special Rate Variation	
Operational Plan Action (18/19)	Performance Measure	Responsibility
17.1.1 Develop the detailed design of the Regional Entertainment and Conference Centre (RECC)	Complete detailed design by June 2019 and seek funding for the construction of the Regional Entertainment and Conference Centre (RECC) and report progress to Council as required	Planning, Corporate and Community Services

DELIVERY PROGRAM GOAL 18 (4 YEAR GOAL):
Facilitate cultural activities and events which engage the community and visitors, and which create a 'sense of place' and identity

Delivery Program Objective (4 year objectives):	18.1 Increase funding to the Blue Heeler Film Festival and the Noisy Heeler festival with a view to engaging more locals and visitors	
Operational Plan Action (18/19)	Performance Measure	Responsibility
18.1.1 Relaunch and rebrand of Bottoms Up Festival to Noisy Heeler Music Festival Muswellbrook	Festival launched and marketed Increased participation of 5% in Music Festival	Economic Development & Innovation
18.1.2 Support and grow the Blue Heeler Film Festival	Increased participation of 5% in Blue Heeler Festival	Economic Development & Innovation
18.1.3 Development and implementation of small scale low cost events to build interest in Muswellbrook's town centre and increase cultural activity	At least three events coordinated and consolidated into the UHEDC strategic plan	Economic Development & Innovation

Delivery Program Objective (4 year objectives):	18.2 Continue the provision of arts appreciated through the Muswellbrook Regional Arts Centre	
Operational Plan Action (18/19)	Performance Measure	Responsibility
18.2.1 Muswellbrook Regional Arts Centre to host a minimum of five exhibitions each year	A minimum of five exhibitions are hosted by Muswellbrook Regional Arts Centre in 2018/19 and reported to Council quarterly	Planning, Corporate and Community Services

Operational Plan Action (18/19)	Performance Measure	Responsibility
18.2.2 Work with sponsors to investigate the annual delivery of the Muswellbrook Art Prize	Deliver and report the outcomes of the Annual Muswellbrook Art Prize to Council before May, 2019	Planning, Corporate and Community Services
18.2.3 Seek funding for a Photography Prize to be showcased across the Upper Hunter in suitable exhibition space	Seek external funding for a Photography Prize in 2018/19	Planning, Corporate and Community Services
18.2.4 Partner with local education providers on enhancing the Muswellbrook Regional Arts Centre's exhibitions	Form two partnerships with education providers in the delivery of exhibitions at the MRAC during 2018/19	Planning, Corporate and Community Services
18.2.5 Muswellbrook Regional Arts Centre to host an Artist in Residence Program	MRAC hosts at least one Muswellbrook Shire Artist in Residency Program in 2018/19	Planning, Corporate and Community Services

Delivery Program Objective (4 year objectives):	18.4 Support Arts Upper Hunter as the peak organisation of arts and cultural endeavour	
Operational Plan Action (18/19)	Performance Measure	Responsibility
18.4.1 Maintain ongoing financial membership and provide management support to Arts Upper Hunter	i. Report to Council on the activities of Arts Upper Hunter following each meeting of the Board. ii. 100% attendance at all Board meetings.	Planning, Corporate and Community Services
18.4.2 Encourage local artist projects and grant applications through Arts Upper Hunter	Report the number of Local Artist through the Arts Upper Hunter website who have delivered grant funded projects	Planning, Corporate and Community Services
18.4.3 Deliver the Noisy Heeler and Blue Heeler Festivals	Report the number of participants involved in the Noisy Heeler and Blue Heeler Festivals and the economic and social benefits delivered by the festivals during 2018/19	Planning, Corporate and Community Services

5. Community Infrastructure

Council's transport and stormwater drainage infrastructure is valued at around \$360M, almost 70% of Council's total asset portfolio.

The average expenditure on these assets including building, operating, maintaining and renewing the assets, as well as accounting for their depreciation, is approximately \$14M per annum.

The way the community's infrastructure assets are managed is critical to maintaining Council's financial sustainability and to ensure its ability to meet the needs and expectations of the community. Key issues in relation to the major asset categories are discussed below.

Key Strategies for 2017/2018

1. Reduce waste from Council Infrastructure works activities going to landfill
2. Establish Roadside Vegetation Management Policy and Procedures
3. Subject to Council receiving grant funding, replace Williams bridge timber bridge with a concrete structure
4. Establish a staged construction plan for Denman CBD Stage 2 project, and commence construction works on site



Community Strategic Plan

Our plan for community infrastructure is to expand on the infrastructure required for Muswellbrook to realise Regional Centre status, improve community facilities and improve accessibility to community facilities.

Roads

Council's sealed road network is valued at over \$260M (half the value of all infrastructure).

The bulk of the network is 383km of rural roads, the remainder being 106km of urban streets and 39km of regional roads (Bylong Valley Way).

Council also maintains 68km of state roads (Golden Highway and Denman Rd) under contract to Roads and Maritime Services.

A systematic inspection program is implemented to identify and respond to defects (which are prioritised on the basis of risk and operational efficiency) as well as responding to requests from the public.

Resurfacing of these roads is vital to avoid costly premature failure, reduce maintenance (potholes) and improve performance. Council has invested heavily in resurfacing in recent years to address a previous backlog, and the Asset Management Plan system sets out the frequency for the various classes of roads and surfacing types.

Council also plans to continue the program of pavement reconstruction focused primarily on urban streets in poor condition as the rural network (where traffic speeds and so risk are higher) is generally sound.

The Mine Affected Road Network Plan is in place to plan for new and expanded mining developments as well as maintenance of these roads.

Council also maintains 92km of unsealed roads with a program to add gravel as required.

Footpaths and Cycleways

Council maintains around 43km of footpaths and cycleways. The Walk and Cycle Plan identifies key routes and prioritises works to close missing links, etc.

Most funds are devoted to repairing paths in poor condition, with around 500m p.a. being renewed.

Kerb and Guttering

Council maintains around 169km of kerb and guttering. While some new kerb works are undertaken, most funds are devoted to renewing kerb in poor condition, around 500m p.a.

Bridges

Council has replaced all but two of its remaining timber bridges in concrete. Subject to grant funds, Williams Bridge on Martindale Rd will be replaced in this Delivery Program. Works to repair some of the older concrete structures will also be undertaken.

Stormwater drainage

Council maintains a network of over 73km of stormwater pipes and pits, as well as channels, flood levees and gross pollutant traps.

Council has inspected (cameras) around 20% of the underground network to ascertain its condition and identify projects for renewal with a focus on areas of greatest risk.

Funding for stormwater is spread between addressing issues with aged infrastructure and projects to increase the capacity of pipes and pits at known problem areas to reduce impacts of flooding.

Reporting Table

Principal activity	Organisational unit	Budget item	Committee
Roads, drainage and footpath maintenance	Community infrastructure	Community infrastructure	Infrastructure committee
Asset management	Community infrastructure	Community infrastructure	Infrastructure committee
Implement comprehensive works program	Community infrastructure	Works	Infrastructure committee

DELIVERY PROGRAM GOAL 19 (4 YEAR GOAL):
Our community's infrastructure is planned well, is safe and reliable and provides required levels of service

Delivery Program Objective (4 year objectives):	19.1 Improve and maintain civic precincts	
Operational Plan Action (18/19)	Performance Measure	Responsibility
19.1.1 Deliver the capital program substantially on time, on budget and in accordance with relevant design and construction standards	Quarterly update reported to Council's Infrastructure Committee	Community Infrastructure
19.1.2 Implement program of street and footpath sweeping under contract	i. Program carried out within budget. ii. Contract performance to be monitored, and incidences of non-performance to be reported to Council's Infrastructure Committee.	Community Infrastructure
19.1.3 Carry out the management and removal of graffiti in compliance with Council's Graffiti Management Policy	i. 85% of approachable graffiti notified removed within 24 hours. ii. Program carried out within budget	Community Infrastructure

Delivery Program Objective (4 year objectives):	19.2 Maintain and continually improve asset management	
Operational Plan Action (18/19)	Performance Measure	Responsibility
19.2.1 Co-ordinate and facilitate implementation of the Asset Management Improvement Strategy	Report to Manex quarterly on the implementation of the Asset Management Improvement Strategy	Community Infrastructure
19.2.2 Implement and update Asset Management Plan and Improvement Strategy as it applies to Roads and Drainage Assets	Six monthly reports provided to Manex.	Community Infrastructure
19.2.3 Monitor service levels achieved compared to Level of Service targets in asset management plans and in funded levels of Precinct Specification Manual	Report to Manex annually	Community Infrastructure

Operational Plan Action (18/19)	Performance Measure	Responsibility
19.2.4 Progressively reduce passive mowing areas through the staged establishment of pockets of native vegetation as administered through the passive mowing and horticultural services contract	Report on implementation to the Infrastructure Committee in July 2019	Community Infrastructure
19.2.5 Clarify legal status of Denman levee.	Advocate for Denman and Muswellbrook levees to be included in Hunter Valley Flood Mitigation Scheme by June 2019	Community Infrastructure

Delivery Program Objective (4 year objectives):	19.3 Facilitate investment in high quality community infrastructure necessary to a regional centre	
Operational Plan Action (18/19)	Performance Measure	Responsibility
19.3.1 Design and construct the New Animal Care Facility	Construction completed by June, 2019	Planning, Corporate and Community Services
19.3.2 Provide to Council a list of works proposed for design	Annual Report provided to Infrastructure Committee in August 2018	Community Infrastructure
19.3.3 Provide to Council designs and associated estimates for the forward financial year	Designs and associated estimates provided to the Infrastructure Committee in March 2019	Community Infrastructure
19.3.4 Investigate and recommend appropriate management treatments for road safety and traffic management	Report Quarterly to the Local Traffic Committee and Council on the management treatments for road safety and traffic management	Community Infrastructure
19.3.5 Deliver the Capital Program substantially on time, on budget and in accordance with relevant design and construction standards	i. Quarterly update provided to Infrastructure Committee in capital project status report ii. Asset Registers updated upon project completion	Planning, Corporate and Community Services
19.3.6 Deliver timely, quality professional development engineering and assessment	i. Ensure new infrastructure provided by development meets specifications ii. Deliver professional development engineering and assessments that meet the reporting timeframes of the Planning team	Community Infrastructure

Operational Plan Action (18/19)	Performance Measure	Responsibility
19.3.7 Undertake a comprehensive review of Council's Development Contribution Plans	Review of Council Development Contribution Plans conducted and reported to Council by December, 2018	Planning, Corporate and Community Services
19.3.8 Seek support for the prioritisation of the Muswellbrook bypass	Support for the Muswellbrook Bypass sought and reported to Council at appropriate times and opportunities	Community Infrastructure
19.3.9 Advocate for a Denman bypass	Support for the Denman Bypass sought and reported to Council at appropriate times and opportunities	Community Infrastructure
19.3.10 Seek support for Council's infrastructure priorities for grant programs; e.g. Resources for Region	Seek funding through grant programs that supports Council's infrastructure priorities during 2018/19 and report success to Council	Community Infrastructure

Delivery Program Objective (4 year objectives):	19.4 Maintain and continually improve community infrastructure across the Shire	
Operational Plan Action (18/19)	Performance Measure	Responsibility
19.4.1 Seek funding to construct and operate a native vegetation propagation nursery at the Animal Care Facility site	Seek inclusion of funding as a budget item in the 2019-2020 budget	Community Infrastructure
19.4.2 Seek grant funding for projects which may arise out of the Floodplain Risk Management Plan	Report to Infrastructure Committee grant funding opportunities, including any requirements for matching Council funding, for projects enabling the staged implementation of projects arising from the Floodplain Risk Management Plan	Community Infrastructure
19.4.3 Inspect Muswellbrook and Denman levee systems.	Report of results of inspections provided to Infrastructure Committee by June 2019	Community Infrastructure
19.4.4 Review: Crown Land tenure in the LGA, Council's classification of public land, and plans of management	Report any recommendations to Council by August, 2018	Planning, Corporate and Community Services

19.4.5 Seek grant funding for replacement of Williams Bridge timber bridge, Martindale Road	Prepare Williams Bridge replacement project for grant funding and make application for grant funding in 2018-2019 subject to availability of grant funding opportunities	Community Infrastructure
19.4.6 Implement prioritised (in addition to responsive) rolling works program of maintenance	<ul style="list-style-type: none"> i. Program carried out within budget ii. Asset registers updated as works program is implemented 	Community Infrastructure
19.4.7 Carry out regular asset inspection	<ul style="list-style-type: none"> i. Programmed inspections carried out and works orders raised and prioritised within budget constraints ii. Matters that are extensive or require capital funding will be listed for consideration in future works programs 	Community Infrastructure
19.4.8 Effectively manage customer service requests.	Responses to customer service requests provided within agreed levels of service and budget constraints	Community Infrastructure
19.4.9 Implement construction waste avoidance and resource recovery strategy	Report on funded aspects of action plan provided to Council by June 2019	Community Infrastructure

DELIVERY PROGRAM GOAL 19 (4 YEAR GOAL):
A safe, secure and reliable water supply and sewerage services are provided to all residents that will ensure public health

Delivery Program Objective (4 year objectives):	20.1 Provide safe, secure, efficient and effective water, sewerage and waste services in compliance with regulatory requirements	
Operational Plan Action (18/19)	Performance Measure	Responsibility
20.1.1 Operate in accordance with New South Wales Environment Protection Agency (EPA) Licences	Submit Annual Return to the Environmental Protection Agency before June 2019	Community Infrastructure
20.1.2 Ensure substantial achievement of Best Practice Water Supply and Sewerage Guidelines	Internal reporting and formal report to Department of Industry and Water by June 2019	Community Infrastructure
20.1.3 Test and monitor water supply and sewerage system, including re-use systems, to ensure legislative compliance with health guideline and licence parameters	i. Quarterly Committee infrastructure Report on Water & Wastewater Services Review to Council ii. Annual Drinking Water Quality Report to NSW Department of Health	Community Infrastructure
20.1.4 Monitor higher risk zones and treatment works within the sewer system exposed to businesses with liquid trade waste discharges	i. Undertake appropriate and timely corrective actions to protect high risk zones and treatments works within the sewer system exposed by business with liquid trade waste discharges ii. Report quarterly on the corrective actions taken to protect Council infrastructure	Community Infrastructure
20.1.5 Undertake inspections and approvals of liquid trade waste premises and agreements	Report annually on the appropriate and timely corrective actions implemented to ensure liquid trade waste approvals currency and compliance	Planning, Corporate & Community Services
20.1.6 Implement and monitor effluent reuse arrangements with relevant stakeholders to ensure secure and cost effective effluent disposal	Ensure quality meets contractual requirements	Community Infrastructure

Operational Plan Action (18/19)	Performance Measure	Responsibility
20.1.7 Ensure all Infrastructure works activities undertake a competent Review of Environmental Factors (REF)	Quarterly report to Director Community Infrastructure	Community Infrastructure
20.1.8 Seek funding to implement a system that monitors the current waste collection contractor's Key Performance Indicators (KPIs) and regulatory requirements	i. Funding achieved to implement a system that monitors the current waste collection contractors KPIs ii. Quarterly report to Council	Community Infrastructure
20.1.9 Review and update the Landfill Environmental Management Plan	Reported annually to Council by June 2019	Community Infrastructure
20.1.10 Implement Council endorsed Waste Management actions	Quarterly report to Council	Community Infrastructure
20.1.11 Implement appropriate studies and planning approvals for Food Organics and Garden Organics management	Quarterly report to Council	Community Infrastructure
20.1.12 Inspect onsite wastewater sewerage systems to ensure they are installed and maintained in compliance with regulatory requirements	Report to Council each quarter the number of inspections of existing and new onsite wastewater treatment systems undertaken in accordance with regulatory requirements	Planning, Corporate & Community Services

DELIVERY PROGRAM GOAL 21 (4 YEAR GOAL):

The road, footpath and cycleway networks are integrated and allow for the safe movement of residents around the Shire

Delivery Program Objective (4 year objectives):	21.1 Maintain and continually improve the Shire's footpath and cycleway networks to improve connectivity	
Operational Plan Action (18/19)	Performance Measure	Responsibility
21.1.1 Provide a report to Council on options to be funded and the amounts necessary to achieve the Delivery Program priorities	Report on the program funded provided to Council by August 2018, or prior to construction for jobs not in the budget program	Community Infrastructure
21.1.2 Deliver the Capital Program substantially on time, on budget and in accordance with relevant design and construction standards	Provide update to Infrastructure Committee in the quarterly capital project status report	Community Infrastructure



6. Community Leadership

Our plan for community leadership is to improve the community's participation in decision making and implement business improvement initiatives to improve service delivery.

The Governing Body

The Governing Body of the Council consists of 12 councillors elected for four years. The Chair of Muswellbrook Shire Council (the Mayor of Muswellbrook) and the Deputy Chair are elected by all Councillors every two years.

The Mayor and Councillors

The Mayor holds a number of Council delegations and some statutory responsibilities to make determinations on behalf of the Governing Body of the Council between Council meetings. The Mayor is responsible to the Governing Body for the determinations he or she makes. The Governing Body has also provided certain delegations to Councillor Spokespersons for Council's principal activities to speak on behalf of Council and make policy determinations between Council meetings with respect to those specific principal activities

Council's Business Improvement Strategy

Local governments across the state (and around the world) have recognised the need to improve service delivery and the way assets are managed to ensure they are financially sustainable, particularly as large portfolios of long-lived assets deteriorate with age and need renewal. Council's Strategic Asset Management Plan, aligns with the Long Term Financial Plan and business improvement plans.

Council will implement a new Information Services Strategic and Business Improvement Plan. Key actions that will be undertaken across Council to

Key Strategies for 2018/2019

1. Improve Council's business processes, systems and customer service
2. Undertake a comprehensive community engagement program
3. Maintain robust financial management

improve delivery of all services over the next few years includes:

- **Introduction of a new Information Services Strategy:** Council has applied technology in a number of areas, but the functionality of some systems is limited and most do not integrate (this is a barrier to improving management and planning, it also makes it difficult to keep data updated)
- **Knowledge and data:** while Council has reasonable information on most asset classes (condition, expected service life, cost of renewal) there is a need to continue to refine this to improve confidence in reporting and to facilitate future planning
- **Lifecycle management strategies:** the way assets are operated, maintained and renewed improves performance and resilience and reduces cost and risk (strategies are in place, but these need to be refined / optimised as well as modelled long term)
- **Processes and documentation:** asset management can be technical and complex, but it must be simpler and clearer to facilitate community engagement, inform Council decision making and encourage active participation by relevant staff.

Council is also focused on ensuring the information it reports complies with the requirements of the NSW Auditor General.

Reporting Table

Principal activity	Organisational unit	Budget item	Committee
Community engagement	Integrated planning	Integrated planning	Corporate Policy and Planning
Integrated Planning and Reporting	Integrated planning	Integrated planning	Corporate Policy and Planning
Governance	Executive services	Executive services	Corporate Policy and Planning

DELIVERY PROGRAM GOAL 22 (4 YEAR GOAL):**Collaborative and responsive community leadership that meets the expectations and anticipates the needs of the community**

Delivery Program Objective (4 year objectives):	22.1 Enhanced collaboration with Council's community and stakeholders to ensure Council and its elected arm is best placed to make decisions in the best interests of the community	
Operational Plan Action (18/19)	Performance Measure	Responsibility
22.1.1 Carry out a desk based exercise to test preparedness for a severe weather event	Desk-based exercise carried out and report submitted to Local Emergency Management Committee by June 2019	Planning, Corporate and Community Services
22.1.2 Ensure currency of Bush Fire Risk Management Plan	Bush Fire Risk Management Plan to be reviewed and updated by 30 September 2018	Planning, Corporate and Community Services
22.1.3 Meetings of the Local Emergency Management Committee are held regularly	Meetings held on a six-monthly basis	Planning, Corporate and Community Services
22.1.4 Undertake strategic advocacy with government and industry leaders to further the interests and aspirations of the Shire's communities	Development of advocacy strategy by August 2018	Planning, Corporate and Community Services
22.1.5 Implement and maintain a diverse range of communication channels between Council and community stakeholders	i. Report to Council details of outcomes from consultation through the development of Community Consultation Plans for council projects. ii. Facilitate the development of community consultation plans for council projects iii. Increase the number of resident consulted with by 5% on 2017/18	Planning, Corporate and Community Services

DELIVERY PROGRAM GOAL 23 (4 YEAR GOAL):
Genuine and well informed community participation in decision making

Delivery Program Objective (4 year objectives):	23.1 Utilise best practice models of community engagement to ensure decision making is meeting the expectations of the community	
Operational Plan Action (18/19)	Performance Measure	Responsibility
23.1.1 Continue a comprehensive community consultation program as per the Community Engagement Strategy	Host four Community Listening Posts in 2018/19, with 50% of Listening Posts held in rural/remote locations	Planning, Corporate and Community Services

Delivery Program Objective (4 year objectives):	23.2 Enhance Council's consultation and communication with the community to build awareness and understanding of Council's activities and community needs	
Operational Plan Action (18/19)	Performance Measure	Responsibility
23.2.1 Continue the community panel engagement process	i. Recruit/reconvene a demographically representative community panel of 30 residents ii. At least one meeting held in 2018/19 and meeting outcomes and panel recommendations reported to Council	Planning, Corporate and Community Services
23.2.2 Promote Council's work to the community and provide timely responses to information requests	i. Review Council's Media and Communications Plan by December 2018 ii. 100% of formal GIPA requests to be responded to by due dates	Planning, Corporate and Community Services

DELIVERY PROGRAM GOAL 24 (4 YEAR GOAL):**A Council that is well managed, efficient and properly resourced and that is responsive to its communities and stakeholders**

Delivery Program Objective (4 year objectives):	24.1 Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves.	
Operational Plan Action (18/19)	Performance Measure	Responsibility
24.1.1 Manage the Council's Future Fund	i. Develop concept designs for additional property development in Muswellbrook Shire by December 2018 ii. Investigate options for a second student accommodation campus in Muswellbrook CBD by December 2018	Planning, Corporate and Community Services
24.1.2 Provide efficient and effective Development Application, Construction Certificate and Occupational Certificate assessment services	Reduce the average number of days to complete assessments of DA, CC and OC's by 5% by 30 June 2019	Planning, Corporate and Community Services
24.1.3 Deliver high quality, cost effective and competitive PCA certification services	Report quarterly statistics to Council of PCA certification services retained by Council and private certifiers	Planning, Corporate and Community Services
24.1.4 Undertake site inspections of development sites subject to DA and CC in accordance with statutory requirements	Report quarterly statistics to Council on DA and CC compliance site inspections	Planning, Corporate and Community Services
24.1.5 Facilitate the registration and inspection of all regulated premises (caravan parks, food outlets, skin penetration premises, hairdressers, mortuaries, air handling systems) in accordance with regulatory requirements to ensure public health and safety is protected	Report to Council each quarter the number of regulated premises (caravan parks, food outlets, skin penetration, hairdressers, mortuaries, air handling systems) registered and inspected in accordance with relevant legislation and regulations	Planning, Corporate and Community Services
24.1.6 Facilitate the control of animals in accordance with the Companion Animals Regulations	Maintain statistics on incoming and outgoing animals, rescues, adoptions, return to owners and euthanasia's in accordance with regulations	Planning, Corporate and Community Services

Operational Plan Action (18/19)	Performance Measure	Responsibility
24.1.7 Ensure statutory requirements relating to fire safety measures are implemented	Provide annual report of statistics on the number of reminder letters issued to owners of buildings on Council's register of fire safety measures and number of annual fire safety statements received to Council	Planning, Corporate and Community Services
24.1.8 Ensure statutory requirements under the Private Swimming Pools Program (Swimming Pool Act 1992) are implemented	Report Quarterly on the number of private swimming pools inspected and number of appropriate enforcement actions taken	Planning, Corporate and Community Services

Delivery Program Objective (4 year objectives):	24.2 Implement a comprehensive and targeted business improvement program	
Operational Plan Action (18/19)	Performance Measure	Responsibility
24.2.1 Ensure compliance with Council's statutory reporting obligations	100% of compliance obligations met by due dates	Planning, Corporate and Community Services
24.2.2 Implement policy framework management strategy	Policy framework management strategy report to Council by 31 December 2018	Planning, Corporate and Community Services
24.2.3 Promote Council's work to the community and provide timely responses to information requests	Provide a quarterly report of media statistics	Planning, Corporate and Community Services
24.2.4 Provide support services for the elected Council and executive	Council business papers and agenda materials prepared by due dates and statutory obligations met, with reporting of related activities included in monthly Director's report to Council	Planning, Corporate and Community Services
24.2.5 Continue the implementation of the Information Services Strategy	Seek continuing funding to implement the Information Services Strategy in 2018/19	Planning, Corporate and Community Services
24.2.6 Provide continuous business improvement through service mapping	Conduct audits on two service areas and provide plans for improvement by June 2019	Planning, Corporate and Community Services

DELIVERY PROGRAM GOAL 25 (4 YEAR GOAL):**A sustainable Council that is best practice employer providing safe, happy and productive workplace**

Delivery Program Objective (4 year objectives):	25.1 Continue to prioritise safety and risk management initiatives, employee welfare initiatives, and upgrades to Council's works depot and waste management facility.	
Operational Plan Action (18/19)	Performance Measure	Responsibility
25.1.1 Design a new Works Depot with consideration of opportunities for operational efficiencies	Detailed design is completed by June, 2019	Planning, Corporate and Community Services
25.1.2 Monitor Council's WHS System and associated policies and procedures	Monitor and provide monthly reports to Manex on Council's new WHS System and associated policies and procedures	Planning, Corporate and Community Services
25.1.3 Implement the Muswellbrook Shire Council Workforce Plan 2017-2021	i. Provide quarterly report to Council on indicators against key deliverables in Council's Workforce Plan to Attract, Retain, Engage and Develop Council Staff ii. Explore accreditation to ensure that Muswellbrook Shire Council is supportive of LGBTI + communities	Planning, Corporate and Community Services

Financial Management in Council

Existing Environment and Past Influences

About Muswellbrook

Muswellbrook Shire covers 3,402km², of which 1,455km (43%) is national park. Approximately 17,209 people live in the Muswellbrook Shire Local Government Area (LGA), up around 4% from 2011.

Muswellbrook and Denman are the largest towns in the Shire along with a number of outlying rural communities including Sandy Hollow, Wybong, Baerami, Martindale, McCullys Gap, Widden and Muscle Creek.

By road, Muswellbrook is approximately three hours from Sydney, two hours from Tamworth and 90 minutes from Newcastle. The Shire's boundary is delineated by Lake Liddell Power Station to the east, Wollemi National Park to the west, Aberdeen to the north and Coricudgy State Forest to the south.

There are currently three large mining operations in the Shire, BHP Billiton's Mount Arthur coal mine, New Hope Mining's Bengalla, and Glencore's Mangoola Coal mine are local employers who have also brought many new people and families to the Muswellbrook Shire. MACH Energy has commenced preliminary work on its Mt Pleasant project just north of Muswellbrook township.

Regulatory Environment

Council operates in a highly regulated environment driven by legislation and state strategies such as:

The Local Government Act 1993

Defines the scope and boundaries of Council's role and the way it must conduct its business.

The NSW State Plan

The State Plan: A New direction for NSW defines the over-arching goals and outcomes that NSW Government has set for this state and which should shape public policy.

The Hunter Regional Plan 2036 sets Greater Hunter Region Financial Environment - Rate Pegging

Council's ability to align rating revenues with the increased cost of providing local government services has been restrained for a number of years by rate pegging, a legislative instrument whereby the maximum increase in rating revenues is set by IPART NSW.

Financial Environment – The State of the Council's Finances

Muswellbrook Shire Council has undertaken significant improvements that have seen financial growth for the organisation and opportunities for capacity building. In 2009, Council embarked upon a fundamental review of its services with a view to substantially improving its financial position and, particularly, the general fund revenue available to fund the renewal of infrastructure, new and upgraded assets, and to build capacity and efficiency within Council's operations. The first graph depicts the general fund operating result (as budgeted) since 2007/08 (adjusted so as to keep the methodological assessment of depreciation common over time). The second figure depicts general fund revenues available to fund the renewal of infrastructure and to build capacity and efficiency within Council's operations.

Over the last two financial years, Council has achieved around \$400,000 of further annual efficiencies as a result of a broad cross-section of operational improvements. The largest of these was an organisation wide review of the employment structure conducted in 2015/16 and 2016/17 which reduced the staffing by three net positions (the removal of seven positions and the creation of four new positions). Importantly, all the new positions are tasked with various aspects of improving organisational performance. These include sustainability positions to reduce the use of energy by Council, the use of reticulated water by the community, and positions related to business efficiency improvement and internal audit. The approximate savings are around \$250,000 per annum.

Additionally, Council has realised around \$50,000 of annual savings in the use of energy by the installation of energy efficiency measures – the installation of LEDs, solar PV, solar pumping, and the timing of energy use from peak to off – peak periods.

In line with its Fit for the Future submission, Council has continued with its review of its business units including Planning and Regulatory Services (with a modest increase in regulatory fees and a slight reduction in development planning expense allowances) and a review of its use of parks and recreation facilities – with one park converted

from community land to operational land through the statutory community consultation process for the purpose of re-developing the park for the provision of affordable and graduating aged care.

Council has prepared a budget based around the facilitation of the activities and targets outlined in its Delivery Program and these budgets have been projected out for 10 years based on a range of assumptions. The financial impacts, based on the scenario of the Special Rate Variation application being accepted (Scenario 2) and on the scenario of the application being refused (Scenario 1) are presented in this LTFP. A further scenario (3) looks at the potential impact for significant changes in revenues from mining within the Shire.

Financial Management Principles

In preparing the 2017-2027 Long Term Financial Plan, the following underpinning principles have been used:

- Council will maintain its existing services to residents
- Management will continually look for ways to improve service delivery
- Services and infrastructure in any new areas will be provided within reason and in consultation with the community
- Council will continue to improve its capacity to fund its recurrent operations and renew critical infrastructure through sustainable financial decision making
- Council will manage within the existing financial constraints as much as possible

In conjunction with these principles, Council's Long Term Financial Plan is guided by a number of policies and strategies which are outlined below.

Rating Income Strategy

Rating Income is generated by a levy on properties within the council area for the provision of local government services. Council continually reviews its rating system to ensure that it is fair and equitable, where each rating category and property will contribute to the rate levy according to the demands placed on Council's limited resources.

Council generates a significant portion of its rating base from the mining category. Ongoing uncertainty in relation to this industry has caused council to seek means by which it can diversify the local economy allowing revenues lost through further contraction of the mining industry to be replaced.

Domestic Waste Management Charges

In addition Council charges a Domestic Waste Management charge to owners of rateable properties. This covers the cost of kerbside collection recycling and household clean up and includes the full cost of administration, service provision, State Government charges and tipping fees.

Stormwater Management Service Charges

Council has a Stormwater Management Service fee charged to owners of rateable properties. This covers services including mainstream flood mitigation works, local drainage and overland flow path upgrades, urban drainage renewal, water quality infrastructure, stormwater maintenance and enhanced pipe drainage maintenance.

Investment Principles

Council has an Investment Policy that reinforces Council's ongoing commitment to maintain a conservative risk/return portfolio, an important component of its ongoing prudent financial management practices. The overall objectives of the policy are to ensure that Council invests its funds:

- In accordance with the requirements of the Local Government Act (1993) and Council's Investment Policy;
- In a conservative manner where preservation of capital is the principal objective;
- In a manner that seeks to ensure the security of Council's cash and investment portfolio, achieve appropriate earnings and manage cash resources to ensure that there is sufficient liquidity to meet Council's business objectives.

Loan Borrowings

Council's policy is that the use of debt (borrowings) is appropriate to fund the cost of major new community assets or to smooth the cost of major asset renewals. However any minor asset acquisitions and a normal level of asset renewals (up to the level of the annual depreciation charge) should be funded out of operating revenues. Council also recognises the need to address the issue of inter-generational equity and therefore seeks to match the term of the borrowing with the life of the asset to which the borrowing is related.

Cash Reserves and Restrictions

Council has a number of cash reserves which are either a legislative requirement (externally restricted) or through a Council decision (internally restricted). The establishment and funding of cash reserves is a financial management strategy to provide funds for future expenditure that could not otherwise be financed during a single year without having a material impact on the budget. The cash reserves are also held as an off-set against borrowing requirements. Separate Reserves are also maintained for the Water and Sewer funds.

Section 94 Developer Contributions

Section 94 of the Environmental Planning and Assessment Act 1979 enables Council to levy contributions for public amenities and services required as a consequence of development.

Discretionary and Regulatory Fees and Charges

Council has the ability to raise revenues through the adoption of a fee or a charge for services or facilities. Fees and charges are reviewed on an annual basis in conjunction with the preparation of the annual budget.

The fees and charges which Council can charge can be split into two categories:

1. **Regulatory Fees** – These fees are generally determined by State Government Legislation, and primarily relate to building, development or compliance activities. Council has no control over the calculation, and any annual increases of these fees and charges.
2. **Discretionary Fees** - Council has the capacity to determine the charge or fee for discretionary works or services such as the use of community facilities and access to community services. The general principles under which Council sets its fees and charges are that Council aims to maximize returns from of fees and charges. Fees are set to recover or partially recover the cost of services provided.

Asset Disposal & Investment Strategy

The majority of Council's property assets deliver on services such as:

- Transport Infrastructure
- Environmental Services, such as stormwater management

- Community Facilities
- Operational Assets, including administration buildings
- Waste management

Diversification of Revenue Streams

Council has established a Future Fund with the aim of creating a new, ongoing revenue stream to assist in the transition of the local economy from its dependence on coal to other industries. The fund mainly achieves this by the construction and acquisition of a range of commercial buildings in Muswellbrook, Denman and other parts of NSW.

The Future Fund has been established with the aim of being financially sustainable whilst still paying an ongoing and increasing dividend to the General Fund that assists in the funding of services and infrastructure replacement and renewal.

Muswellbrook Asset Management Strategy

Muswellbrook Shire Council is the custodian of infrastructure assets with a replacement value of \$740 million and a depreciated value of approximately \$526 million. Ensuring these assets are maintained and able to provide the services required of them is an important function of the Council.

The Asset Management Strategy provides a systematic way of accounting for these assets and planning for their operation, maintenance, rehabilitation, disposal and renewal. The strategy also helps Council to review its asset management practices to ensure they are being done in the most cost effective manner possible.

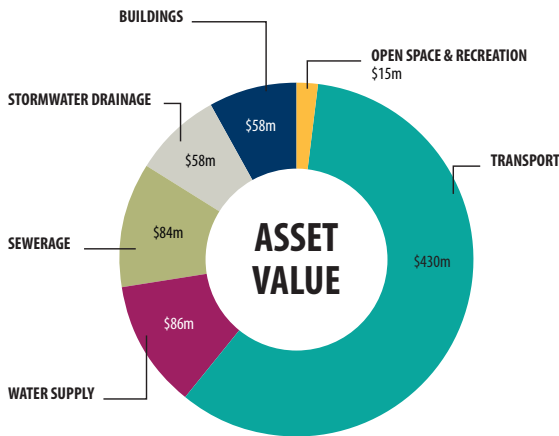
The broad purpose of the Asset Management Strategy is:

- To have proper plans and strategies that ensure the assets provided by previous generations continue to be available to provide the services required by future generations;
- To be able to plan for new assets confident of our understanding of their impact on Council's long term financial sustainability;
- To provide assurance that assets are being created, operated, maintained, rehabilitated and renewed in the most cost effective ways possible.

The Muswellbrook Asset Management Strategy includes revised estimates of the value and useful remaining life of Council's assets. The strategy

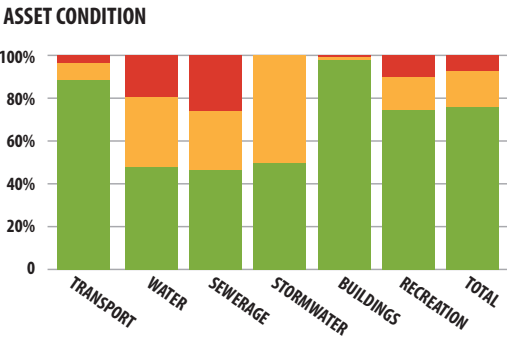
also includes a comprehensive program of actions to improve the quality of asset data and asset management systems and practices within Council.

Council’s infrastructure assets have a replacement value of just over \$740M. The chart below shows the value (\$M) of each of the six major asset classes.



Council is currently reviewing and updating its Asset Management Plans and expects that this process will provide Council with an improved understanding of asset conditions, useful life, expected levels of service and funding levels required to adequately maintain replacement and renew infrastructure and other assets.

The chart below shows the condition of assets in each class. Obviously, while transport and building assets are in generally good condition, a significant proportion of water and sewerage assets are near the end of their useful life. Council has engaged a contractor to replace the current ageing



Muswellbrook Reuse Water Treatment Plant and replace with the Recycle Water Treatment Works. This highlights the need for continued investment in asset renewal.

Investment is also required to operate and maintain existing assets, and also to build new assets to meet the needs and aspirations of the community.