

ANNUAL REPORT 2017/18



DIVERSITY
INCLUSIVENESS
PROSPERITY
SUSTAINABILITY



muswellbrook
shire council

We acknowledge the traditional owners of the land
the Wanaruah and the Kamilaroi peoples.

Photography Credits

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The Muswellbrook Chronicle

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Cover Image:

The Inaugural Yield Festival
Music, Contemporary Dance
and Visual Art



Envirocare
100%
Recycled Paper

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43% of Muswellbrook Shire's land coverage is National Park

Muswellbrook Snapshot

The original inhabitants of the Muswellbrook area were the Wanaruah and Kamilaroi Aboriginal people. Muswellbrook Shire is located within the traditional Kamilaroi Aboriginal Nation.

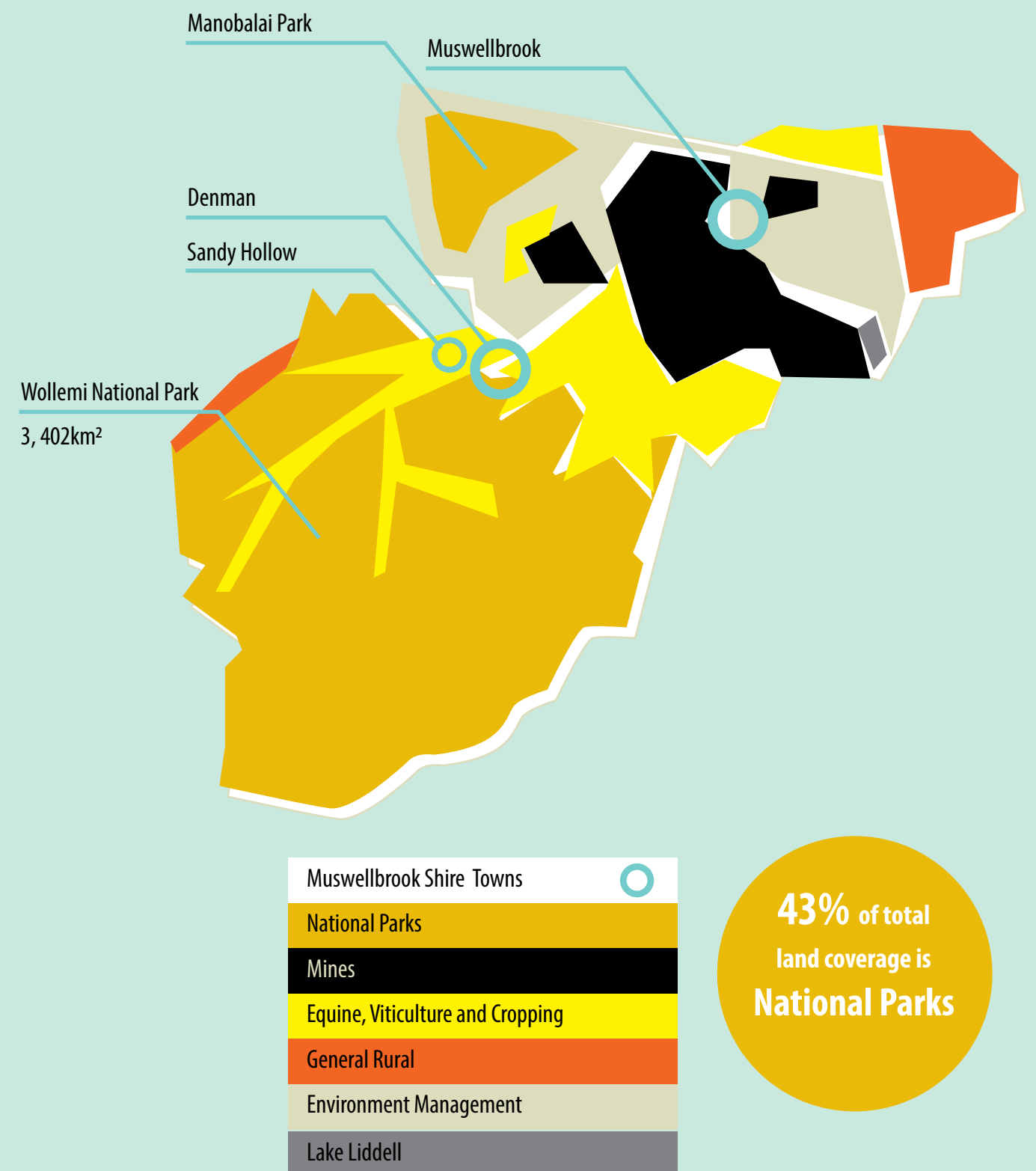
The first white settlement occurred in the 1820s and the township of Muswellbrook was gazetted in 1833.

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 around 90 minutes from Newcastle.

The Shire consists of two larger towns, Muswellbrook and Denman, as well as a number of outlying rural communities including Sandy Hollow, Wybong, Baerami, Martindale, McCully's Gap, Widden and Muscle Creek.

The boundaries of the Local Government Area (LGA) are marked by Lake Liddell to the east, Goulburn River National Park to the west, Wollemi National Park to the south and bordering Aberdeen in the north.

A surprising fact to many is that 1,455km – or 43% - of Muswellbrook Shire's 3,402km² land coverage is national park. This includes the World Heritage Wollemi National Park.





We are a young community with a rising population

Population & Community

Muswellbrook Shire is a welcoming community offering all the cultural, recreational, educational and community facilities that you would expect to find in a city. It is the main regional centre for the Upper Hunter. The population of Muswellbrook Local Government Area (LGA) is concentrated in the towns of Sandy Hollow, Denman and Muswellbrook.

The estimated residential population for Muswellbrook (LGA) in 2018 was 16,468 people (ABS). This is up from 15,793 in 2011. Council anticipates modest population growth in the short to medium term. This is largely associated with more affordable housing, a diversifying economy and expanding educational opportunities.

The average population of the Muswellbrook LGA has reflected the ebbs and flows of the mining industry. Annual population growth over the last decade, 2006 to 2016, was 5.3% - a steady rise for a regional area. The majority of this growth has concentrated in Muswellbrook, which accounted for around half the growth. However, the 2016 census showed that growth overall since 2011 has only been 1.9%.

The 2016 census indicated that Muswellbrook Shire has a relatively high proportion of Aboriginal and Torres Strait Islander peoples residing in the community at 8.1%. This compares with the 2.7% NSW State average.

Muswellbrook Shire tends to be a younger community with the median age of people being 35 years.

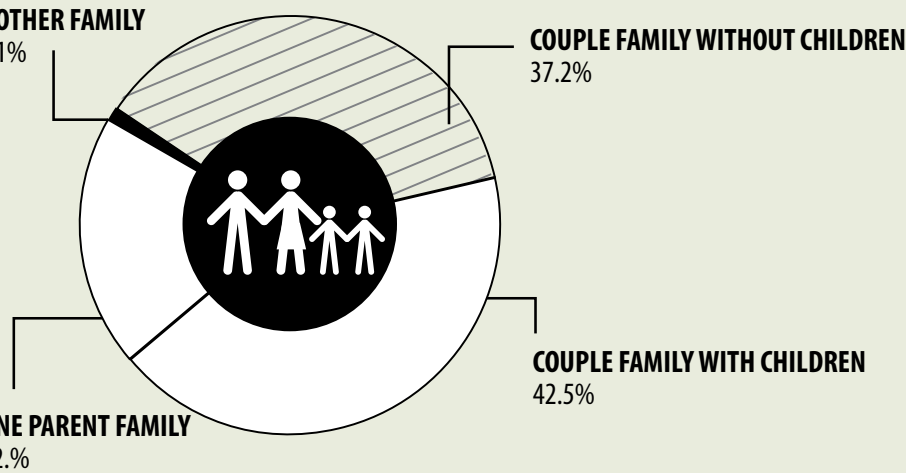
In 2016 our population consisted of 7.7% aged 0-4 years (preschool age), compared with NSW at 6.2%; while 21.0% were aged 5-19 years (school age/dependants) compared with NSW at 18.2%. At the other end of the age spectrum, the population has 18.2% of 60 years and over; this compares to 22.1% across the state.

The ratio of men to women hardly changed at all; in 2016 it was 51.3% male and 48.7% female.

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

Population 16,468
Median Age 35 yrs

FAMILY COMPOSITION



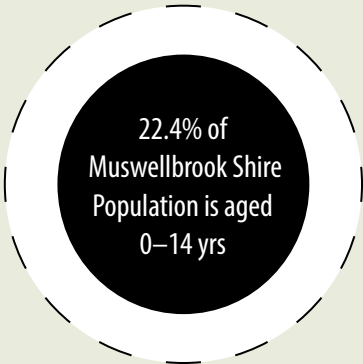
Population
16,468*

Age Range	Male	Female
0-4	648	588
5-9	635	600
10-14	595	553
15-19	504	481
20-24	481	486
25-29	565	537
30-34	620	544
35-39	542	512
40-44	529	490
45-49	591	534
50-54	583	565
55-59	512	459
60-64	433	392
65-69	365	352
70-74	279	268
75-79	164	185
80-84	124	144
85-89	49	82
90-94	14	43
95-99	3	9
100+	0	0
	8236	7824

Source: ABS 2016 (totals differ due to ABS confidentiality adjustments)
REMPAN Est. 16,468

ORIGIN OF STUDENTS LIVING IN MUSWELLBROOK	
LGA OF RESIDENCE 5 YEARS AGO	STUDENTS MOVING IN
Upper Hunter Shire	114
Overseas	93
Central Coast	51
Singleton	51
Lake Macquarie	40
Newcastle	32
Maitland	30
Tamworth Regional	25
Port Stephens	25
Cessnock	25

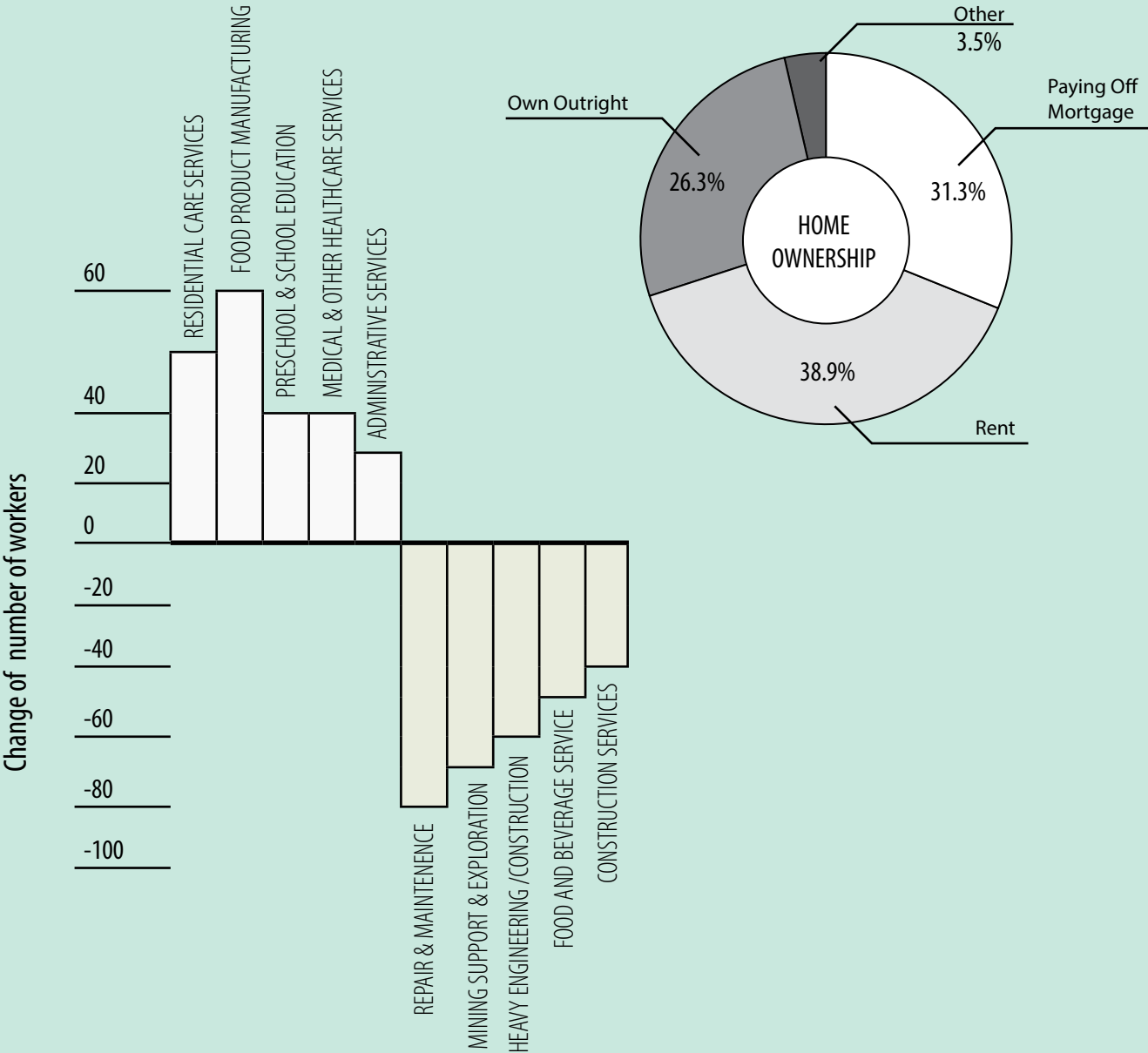
Source: ABS 2016 Census TableBuilder Pro – customised table
*Estimated Regional Population (ABS)2018



- 88.4% ENGLISH SPOKEN AT HOME
- 62 ROAD CRASH CASUALTIES 2016
- 7% COMMUNITY AFFECTED BY CRIME
- 31.1% UNPAID CHILDCARE
- 18.1% VOLUNTEERED

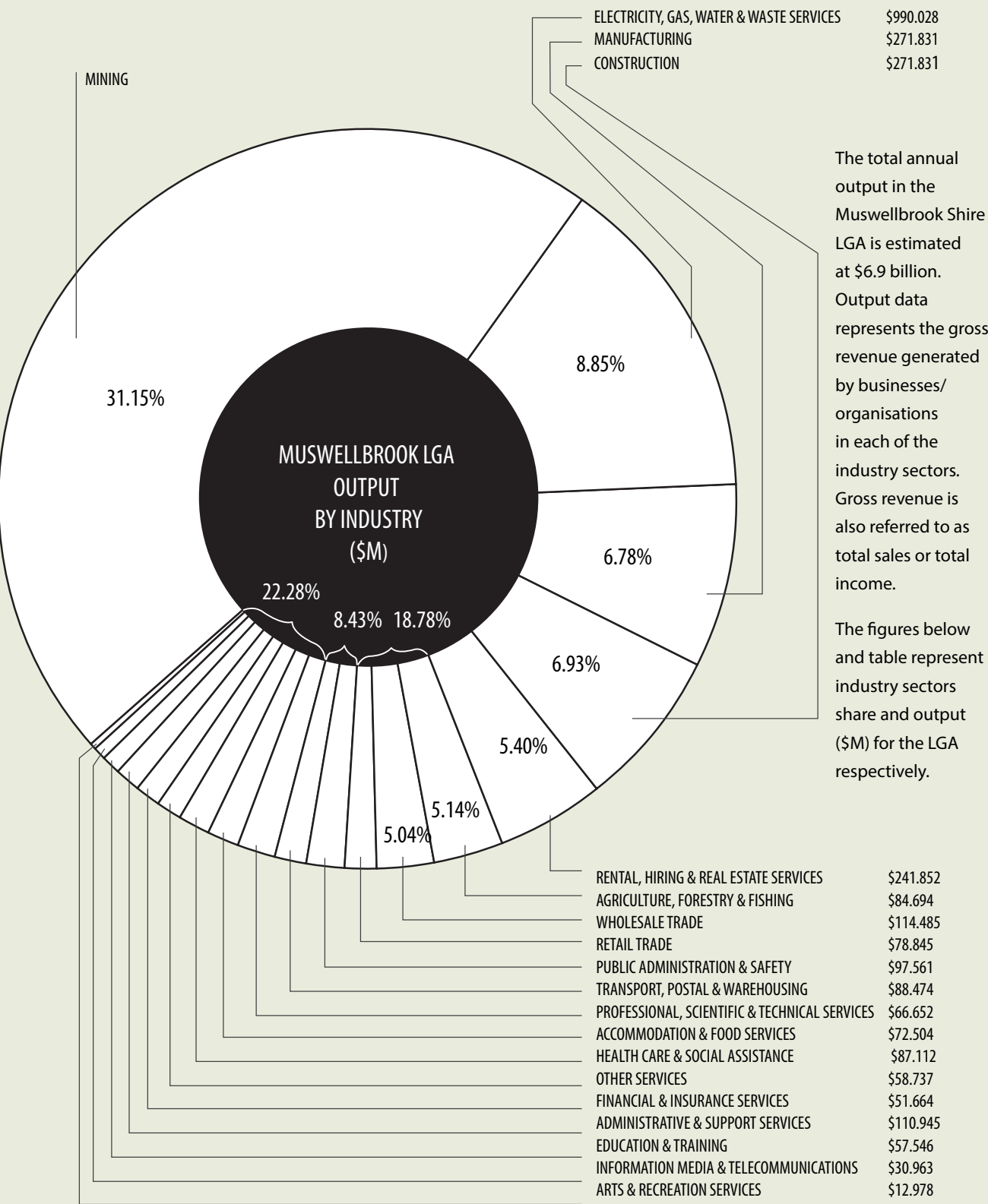
Employment

Top Growth and Decline Industries of Employment in Muswellbrook



Source: ABS 2016 Census TableBuilder Pro – customised table

Output



Muswellbrook LGA output —jobs comparison

Industry Sector	Output (\$M)	Output %	Jobs	Jobs %
Mining	\$2,816.261	49.37%	3,120	31.15%
Electricity, Gas, Water & Waste Services	\$990.028	17.35%	887	8.85%
Construction	\$271.831	4.76%	694	6.93%
Manufacturing	\$271.692	4.76%	679	6.78%
Rental, Hiring & Real Estate Services	\$241.852	4.24%	541	5.40%
Agriculture, Forestry & Fishing	\$184.694	3.24%	515	5.14%
Wholesale Trade	\$114.485	2.01%	505	5.04%
Administrative & Support Services	\$110.945	1.94%	479	4.78%
Public Administration & Safety	\$97.561	1.71%	441	4.40%
Transport, Postal & Warehousing	\$88.474	1.55%	366	3.65%
Health Care & Social Assistance	\$87.112	1.53%	363	3.62%
Retail Trade	\$78.845	1.38%	321	3.20%
Accommodation & Food Services	\$72.504	1.27%	297	2.96%
Professional, Scientific & Technical Services	\$66.652	1.17%	275	2.75%
Other Services	\$58.737	1.03%	244	2.44%
Education & Training	\$57.546	1.01%	95	0.95%
Financial & Insurance Services	\$51.664	0.91%	70	0.70%
Information Media & Telecommunications	\$30.963	0.54%	67	0.67%
Arts & Recreation Services	\$12.978	0.23%	58	0.58%
Total	\$5,704.825	100.00%	10,017	100.00%

Building Economic Resilience

Muswellbrook Shire Council acknowledges both the long-term transition of the thermal coal industry and the closure and transition of power generation and is committed to broadening the focus on the sustainability of the Shire's economic and employment base. Muswellbrook presents an opportunity for investors to capture new markets and build business in a period of sustained growth. Our region is rich in natural resources with significant mining, viticulture and equine sectors and the opportunity to attract new enterprise. We understand the importance of discovery, innovation and collaborative strategies to meet the economic and social objectives of our region.

Mining

Muswellbrook Shire's long association with mining began in the late 1800s with the commencement of the first underground coal mine. Open cut coal mining has had a presence since 1944 and is the largest employer in the Shire today, with over 20 percent of the workforce engaged in the resources sector. The Shire is home to Muswellbrook Coal, which commenced operations in 1906 and is Australia's longest continuously operating coal mine, and together with approved operations at Mt Arthur, Bengalla, Mangoola, Mt Pleasant and Dartbrook, contributes \$2,634 million or 68.3% of the Shire's total regional exports.

Power Generation

AGL Macquarie is one of the country's biggest energy producers. The company's Liddell and Bayswater power stations are based in the Muswellbrook Shire and employ over 600 workers. Between them, the power stations generate enough electricity to power over three million homes each year and produce around 30 percent of the State's electricity.

AGL has announced its intention to close both the Liddell and Bayswater power stations and continues to actively explore renewable energy opportunities as part of the end-of-cycle options for the Liddell site. AGL and Council are working closely together to maximise the myriad opportunities that will arise from a transition to renewable energy generation in the Shire in order to contribute to the further diversification of our regional and national economy.

Education

Muswellbrook has established itself as a centre of educational excellence in the Upper Hunter. It is strategically positioned for the efficient and effective provision of education and vocational training for both existing and emerging industries.

Council, as part of its support for local education opportunities, has worked closely with Hunter TAFE, the University of Newcastle and industry to promote and provide higher learning pathways.

Hunter TAFE and Muswellbrook Shire Council collaborated to construct the CBD Tertiary Education Centre to facilitate higher education delivery. It has expanded to house the University of Newcastle and works will commence on the construction of the next stage of the Centre in the coming year.

These partnerships provide education pathways for local and visiting students, offer collaborative research opportunities with established and emerging industry and facilitate the diversification of the Shire's economy.

Driven by the community's expectations, Council is working with industry and the research sector to maximise emerging opportunities and reduce volatility of the resources dominated local economy. Council is fostering the transition towards new industries such as renewable energy, bioresources and intensive smart agriculture, while continuing to support the growth of our existing viticulture and equine industries. The diversification of our economy can be achieved by promoting and building on the strengths of the region with our skilled workforce and existing infrastructure assets.

Thoroughbred Industry

The origins of the Upper Hunter's thoroughbred breeding industry date back over 150 years and have earned a global reputation for excellence and success. It is one of only three International Centres of Thoroughbred Breeding Excellence. The others are Kentucky, USA and Newmarket, UK.

It is the unique convergence of the Hunter Valley's topography, soil, air, water availability and specialised workforce that makes it an ideal location for the horse breeding industry. This combination ensures that nearly half of all the thoroughbred bloodstock born in Australia come from this area.

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. Two of the largest thoroughbred horse studs in the southern hemisphere are located in the Muswellbrook Shire.

Viticulture Industry

Local wine is high quality and integral to the Upper Hunter food and wine offering and while the Upper Hunter viticulture industry is small, it is an internationally acclaimed wine tourism destination renowned for its quality and the volume of wine production and processing.

The earliest evidence of grape growing in the Upper Hunter dates back to 1860 when vines were planted at the confluence of Wybong Creek and the Goulburn River. The wine from these grapes gained international recognition and established a proud tradition for the Upper Hunter as a centre for wine production that continues today.

Government Services

As the principal regional centre of the Upper Hunter, Muswellbrook is the location of several regional agency offices of the State and Federal Government including the Hunter New England Local Health District, Corrective Services, Juvenile Justice, Department of Family and Community Services , NSW Police Local Area Command and the Department of Human Services.

Centrally located between New England and Lower Hunter, Muswellbrook Shire provides an excellent geographical advantage. This has established it as the regional centre of the Upper Hunter, allowing government agencies to efficiently service the surrounding areas.

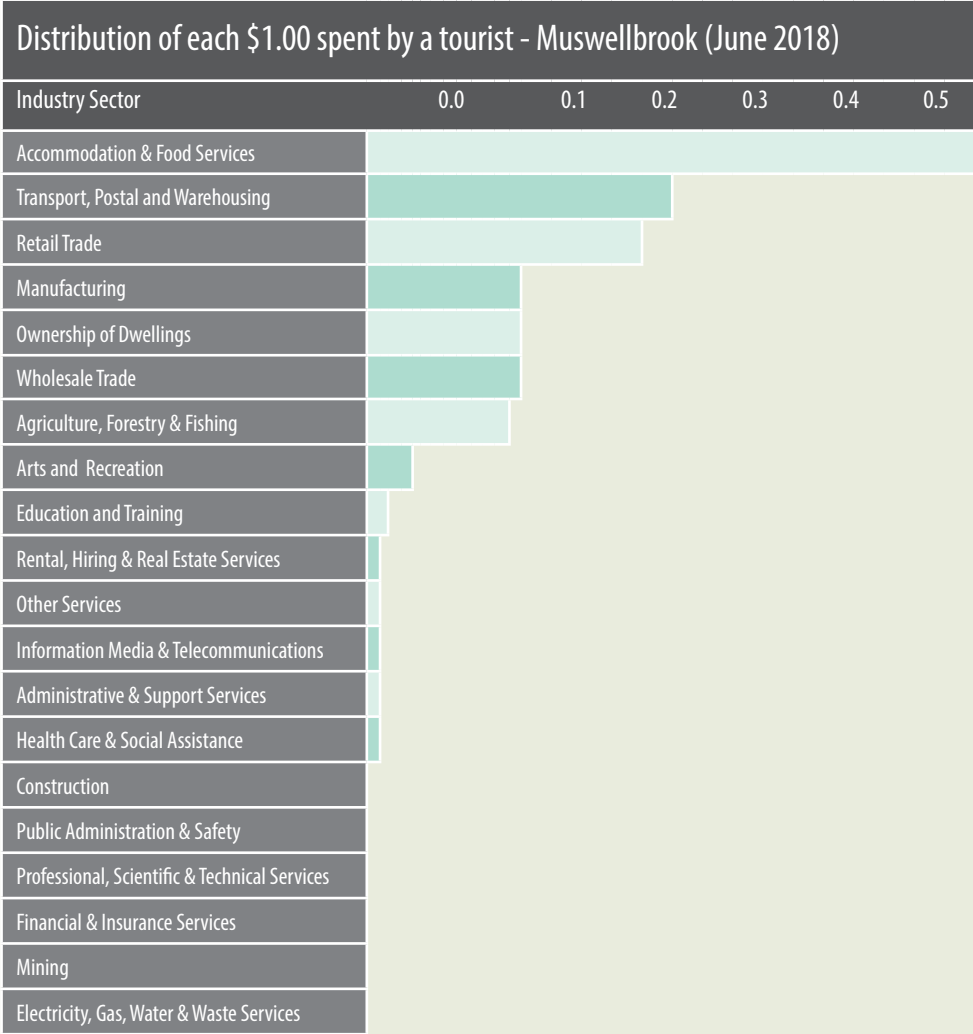
Muswellbrook Tourism

As at 30th of June 2018 the total value of Tourism related output for Muswellbrook was estimated at \$71.756 million. The total tourism related employment estimate for the Shire were 380 jobs which represents 3.8% of the total workforce.

Muswellbrook Shire is home to a significant proportion of the equine and wine industries in the Upper Hunter Region and a key location advantage for the Shire as a tourist destination is its proximity to the already popular tourist destinations such as the Lower Hunter Valley and the Blue Mountains.

In 2017 Sydney (45.6%) was the largest source of visitors to the region, followed by regional NSW (38.3%) and Queensland (7.6%). Compared to year ending Dec 16, the Sydney source market grew by 12.4% and regional NSW increased by 4.2%. Over the same period, Queensland grew by 21.9% and Victoria increased by 3.3% while the ACT grew by 34.0%.

For each dollar spent by a tourist in Muswellbrook LGA, it is estimated that typically \$0.47 is spent on Accommodation & Food Services, \$0.12 on Transport, Postal & Warehousing and \$0.10 on Retail Trade.





Cr Martin Rush

Mayor of Muswellbrook

The past twelve months have seen a consolidation of previous years' work of Council and the delivery on a range of priorities identified by the community for our Shire.

The NSW Government's Independent Pricing and Regulatory Tribunal partially approved Council's application for a Special Rate Variation which has allowed Council to progress with the upgrade of Muswellbrook's Olympic Park Sporting Precinct and the Regional Entertainment and Conference Centre, together with an initial boost to the funds available to improve storm water drainage in Denman and our community's Job Creation Program.

This year saw the announcement of the development of the Open Access Biorefinery which will create an initial twenty new jobs for the Shire when Ethtec commences its production of green diesel.

We saw the announcement of the second stage of the Tertiary Education Centre which will commence construction in late 2018, providing additional space to expand the research capability of the University of Newcastle.

Council was pleased to host a number of marquee events once again, including the Blue Heeler Film Festival and Bottoms-Up Festival.

Council's financial performance has been a particular highlight of the previous twelve months, with the operating results showing a higher than budgeted surplus, strengthening the foundations Council has laid over the past decade to ensure the financial future of the community is secure for the long term.

Each of the Councillors commends the General Manager and her staff for their prodigious efforts throughout the year and we all look forward to continuing to work together to deliver for the Muswellbrook Shire.

Martin Rush
Mayor,
Muswellbrook Shire Council



Fiona Plesman

General Manager of Muswellbrook Shire Council

The Annual Report provides an overview of Council's many achievements, its finances, service delivery and performance against the Delivery Program. Council ends the 2017–2018 financial year in a strong financial position, with a focus on improvement in the delivery of Council services and advancement of Council's vision for economic diversification and innovation in the Shire.

Council has successfully facilitated the introduction of new and innovative business with the announcement this year that the Australian biofuel company Ethtec is establishing its ground breaking biofuel production technology in the Muswellbrook Shire. Council works closely with the local Chamber of Commerce, sporting, recreation and cultural groups to ensure that major projects and developments meet community needs.

It was a pleasure for me to accept the position of General Manager in 2018 and I look forward to working with the dedicated and professional council staff under the leadership of a very proactive and forward looking Council.

2017–2018 was a year of change, Steve McDonald who had been the General Manager for a decade left in early 2018 to take up the position of General Manager at a neighbouring Council and Neil Pope the Director of Community Infrastructure retired after twelve years of service. Steve and Neil led a decade of improvement in Council infrastructure including roads and bridges and a focus on strong financial management.

Council continues to set an ambitious agenda that my team and I look forward to delivering. The focus remains on growth of the Shire as a Regional Centre, development of employment opportunities and building a sustainable local economy.

Fiona Plesman,
General Manager,
Muswellbrook Shire Council



Councillors



Cr Martin Rush - Mayor

Martin Rush has been the Council's Mayor since 2008.

A barrister by profession, Councillor Rush holds degrees in economics and law and owns a farming property at McCully's Gap, north east of Muswellbrook.

He is Council's Spokesperson for Innovation, Land Use Planning and Heritage.



Cr Rod Scholes - Deputy Mayor

Second term Councillor and Deputy Mayor Councillor Rod Scholes has been a resident of Muswellbrook for 36 years and sees his role at Council as being a "listening ear" for the community.

Council Spokesperson for Utilities and Sustainability, Cr Scholes has a wealth of experience. The father of four has been a project manager in the mining and construction industry for 16 years and has a special interest in addressing water supply, sewerage and drainage issues within the shire.



Cr Scott Bailey

Funding and entertainment are top of the agenda for first term Councillor Scott Bailey, Council's Spokesperson for Finance, Corporate Services, Integrated Planning and Events.

As General Manager of the Muswellbrook and District Workers Club, President of the Upper Hunter Conservatorium of Music and a civil celebrant, Cr Bailey is a driving force in the centre of town and has been unflagging in his support of both the Blue Heeler Film Festival and Bottoms Up Festival.

As the keyboard player in 80s cover band Hot Tub Time Machine and an accomplished pianist and arranger, music also plays an important part in Cr Bailey's life.



Cr Mark Bowditch

The environment, transparency between Council and the community, education and the development of employment opportunities are all important to first term Councillor, Mark Bowditch.

Cr Bowditch, the General Manager of a locally owned company and Council's Spokesperson for Emergency Services, has focused on listening to the community and taking their concerns back to Council meetings for discussion.

Away from work and Council commitments, Cr Bowditch enjoys spending time with his family and farming friends, camping and rugby league - he is Chairperson for the referee appointment board in Group 21.



Cr Janelle Eades

Returning for a third term Councillor Janelle Eades, Council's former spokesperson for Aboriginal Reconciliation and currently spokesperson for Social Inclusion, lists volunteering as one of her major activities outside Council and work commitments.

Born and raised in Muswellbrook Cr Eades has had a long term involvement in community services in the region and, as coordinator of a family centre, a special interest in assisting parents and children.

A prolific reader and lover of the arts, Cr Eades is a member and membership director of the Muswellbrook Lions Club and a volunteer at the Muswellbrook Regional Art Centre.



Cr Jason Foy

Arts and music play a large part in the day to day activities of Councillor Jason Foy, Council's Spokesperson for the Arts. The first term Councillor is Head Teacher of Creative and Performing Arts and Music Teacher at Muswellbrook High School.

Cr Foy enjoys providing opportunities for students to make connections between the school and community.

His family of four, including his two young daughters aged seven and three, enjoy camping and other outdoor activities.

Cr Foy indulges his love of all things musical as vocalist and drummer for local 80s cover band Hot Tub Time Machine.



Councillors



Cr Michelle Green

Councillor Michelle Green has more than a passing interest in healthy life-styles – she is Council's Spokesperson for Recreation and Wellbeing and has a Wellness and Life Coaching business, presently on hold due to family and council commitments.

The first term councillor is a member of the Mangoola Community Consultative Committee, Bengalla Community Consultative Committee and the Sport and Recreation User Group committee.

With two children, aged two and five, Cr Green finds quality time with family, friends, and the dog, is essential.

Cr Green is an outdoor enthusiast who enjoys travelling, yoga, walking and trekking and has a keen interest in cultural and multicultural activities.



Cr Jacinta Ledlin

A life ambition for Councillor Jacinta Ledlin is to pass on to the future generations in her family a love of culture, horses, agriculture and the value of 'mucking in'.

Cr Ledlin is Spokeperson for Aboriginal Reconciliation and a member of the Aboriginal Reconciliation and Liddell Community Consultation committees and the Aboriginal Culture and Heritage Working Group.

She has a Science Education degree a Masters in Adult Education and a Masters in Sports Studies.

The first term councillor, a keen horsewoman and – once upon a time – soccer player, loves to sing, plays the ukulele and piano and adores the rich fabric of local community.



Cr Graeme McNeill

Returning for his second term Cr McNeill is Council's Spokesperson for Sport.

A resident of 35 years, he has a long association with the resource sector in the Shire. The part time TAFE teacher and industrial relations advocate would like to see more facilities for the young and elderly.



Cr Steve Reynolds

Councillor Reynolds, in his first term in Council, is committed to having a strong local voice and to supporting the view of the whole community.

Cr Reynolds, a coal miner, promotes engagement and consultation with Shire residents as Council's Spokesperson for Community Engagement.



Cr Stephen Ward

Civil engineer Stephen Ward is serving his third term on Muswellbrook Shire Council and is Council's representative on both Mangoola and Spur Hill Community Consultative Committees.

Cr Ward provides invaluable advice to Council on the development and maintenance of earthworks, roads and footpaths and has a special interest in the restoration of Muscle Creek.

Married to Tracy for 18 years, the couple have two children, Cr Ward suffered a stroke in 2013 and since that time has worked hard to regain his speech.

The Denman community plays a large part in Cr Ward's life and he enjoys meeting locals and supporting local projects such as the restoration of the Denman Memorial Hall and other community projects.



Cr Brett Woodruff

Proud to be serving his fifth term, and 18th year, as a Muswellbrook Shire Councillor, Cr Woodruff is the current Spokesperson for Infrastructure and Development, Assessment and Regulation.

Outside Council his life revolves around work commitments and family, and he enjoys an occasional fishing expedition and motorcycle adventure with a group of like-minded friends.

With a somewhat green thumb, tending the orchard and growing vegetables are ongoing interests while learning to master a new Thermomix, (referred to fondly as the "thermomebob") is a new challenge.



The Leadership Team



Derek Finnigan *Director Community Infrastructure* | Fiona Plesman *General Manager* | Carolyn O'Brien *Acting Director Environment & Community Services*

Council continues to build an inclusive and cohesive community, prioritising the clear direction set by the 2017-2027 Community Strategic Plan

Fiona Plesman

General Manager

Fiona Plesman has 30 years' experience as a leader in higher education and more recently in local government. The focus of her work has been business development and management, organisational development and managing disruption and change. Fiona is a member of the Australian Institute of Company Directors, the Australian Human Resources Institute and Local Government Professionals.

Fiona has postgraduate qualifications in Organisational Development and Sustainability and in 2017 received the NSW Ministers Award for Women in Local Government, for her contribution to local government in NSW.

Derek Finnigan

Director Community Infrastructure

Derek Finnigan has been employed for over thirty years in a number of roles within Muswellbrook Shire Council. Derek's tertiary qualifications include an MBA majoring in Sustainable Business, Bachelor of Business Administration, and Bachelor of English Literature. Derek was formerly the Manager Works at Council and is now the Director Community Infrastructure. Derek is Council's Local Emergency Management Officer.

Carolyn O'Brien

Acting Director Environment & Community Services

Carolyn O'Brien has held a number of roles across Muswellbrook Shire Council in the Corporate and Community Services Directorate in her ten years with Council. Carolyn is passionate about the Shire and Council's Community Strategic Plan to grow Muswellbrook as the Regional Centre of the Upper Hunter through education and economic diversification. A strong advocate of community consultation and customer service, Carolyn leads the Environment and Community Services area. Carolyn has lived in the Shire for over 35 years and raised her four children here while gaining qualifications in Business Management, Finance and Administration.



The Leadership Team



Geraldine Bobsien

Executive Manager Economic Development and Innovation

Gerry Bobsien is Executive Manager Economic Development and Innovation at Muswellbrook Shire Council. Her role provides a critical focus for economic resilience, diversification and jobs growth in the Upper Hunter. She previously held a senior strategic role within the University of Newcastle responsible for business development at the Newcastle Institute for Energy and Resources. Gerry also has expertise in the creative sector with leadership roles as Director and Chair of the Lock-Up Arts Centre (Newcastle) and Public Art Curator Newcastle City Council. She has expertise in strategic business development, community engagement, communications and governance working in the energy sector and across local government, research, higher education and the arts.



Natalia Cowley

Chief Financial Officer

Natalia Cowley is Council's Chief Financial Officer and Executive Manager responsible for Finance, Information Technology, Procurement and Asset Management.

Natalia is a chartered accountant with international experience gained in external audit at two of the big 4 global accounting firms - Deloitte and Ernst & Young. Natalia holds a degree in Accounting and Information Technology and brings financial services experience gained in senior positions at two banks to her role at Muswellbrook Shire Council.



Sharon Pope

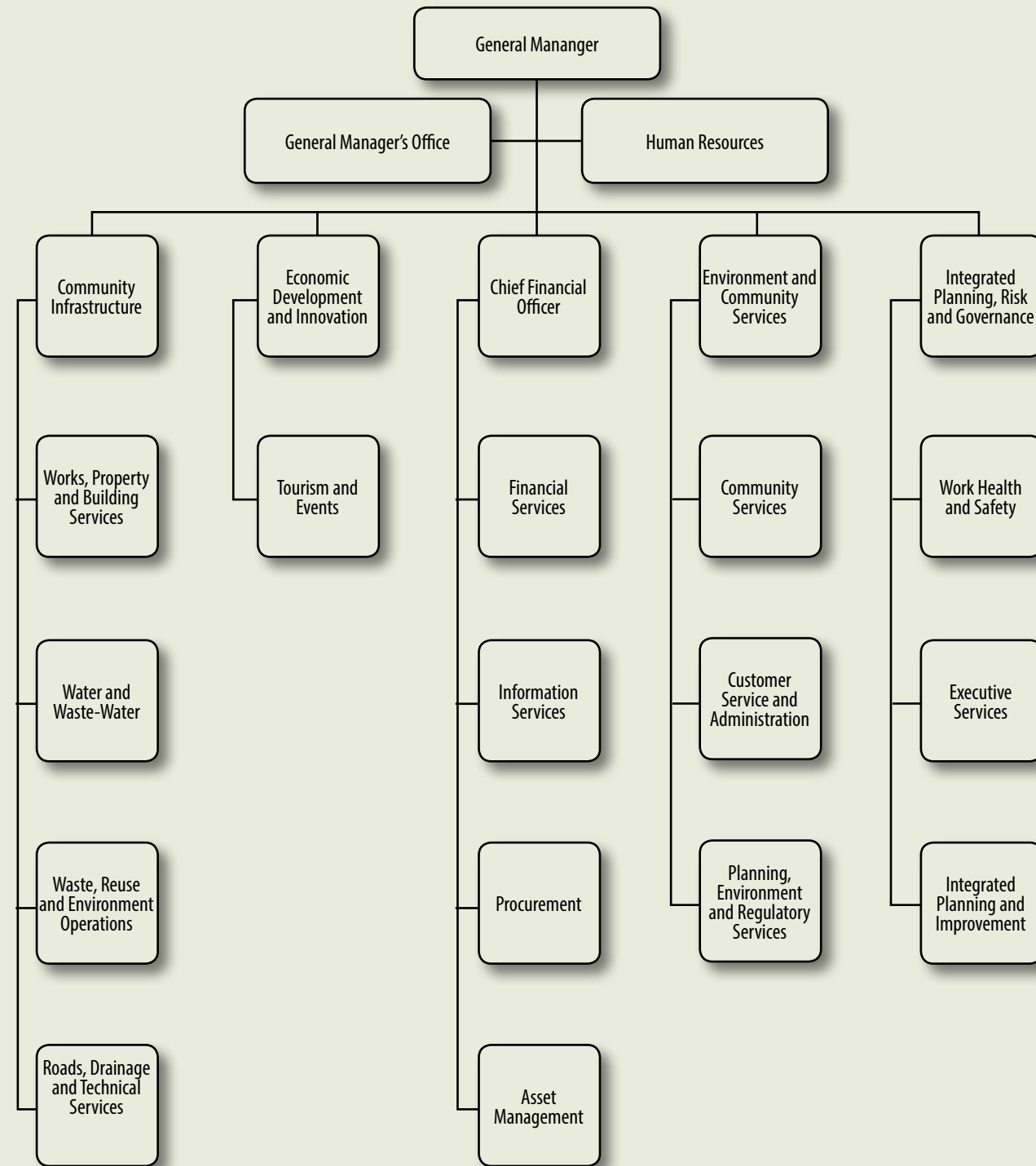
Assistant Director Environment and Community Services

Sharon Pope has 30 years' experience working in local government, starting as a Trainee Town Planner at Greater Taree City Council, then as a Development Assessment Planner, a Strategic Land Use Planner, a Place Manager and Planning Manager at Newcastle City Council, Great Lakes Shire Council, Maitland City Council and Lake Macquarie City Council, and now Muswellbrook Shire.

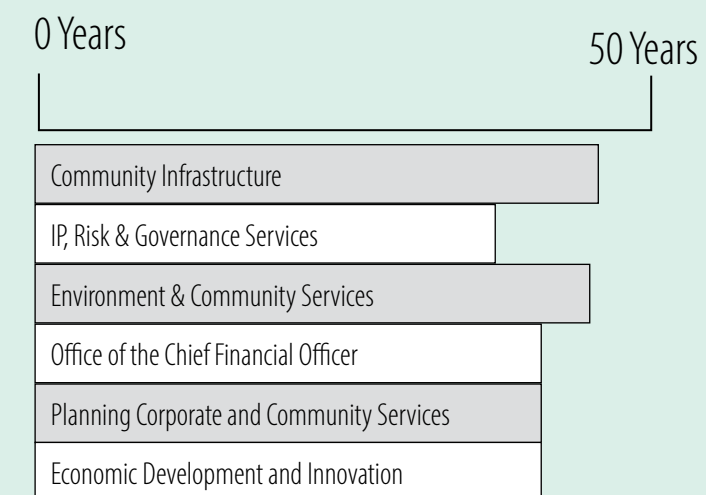
Sharon has a degree in Urban and Regional Planning from New England University, is a registered planner with the Planning Institute of Australia, and was recognised as a Fellow of the Institute in 2018 in recognition of her broad range of experiences in strategic land use planning, development assessment process and community collaboration.



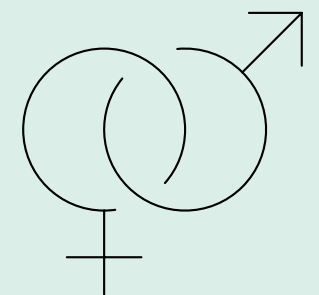
Organisational Chart



Organisation's Employment Status

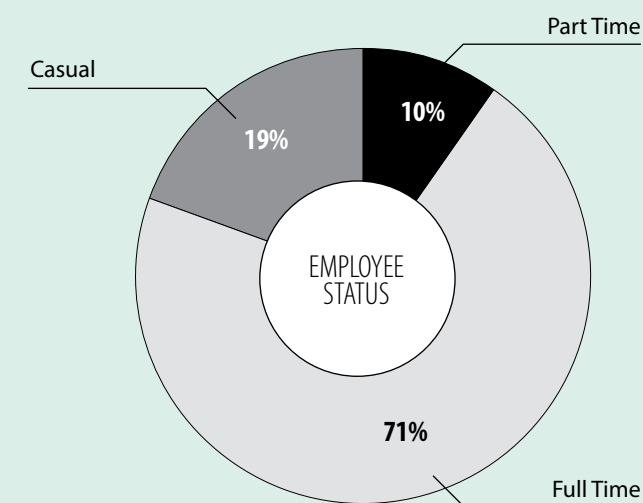


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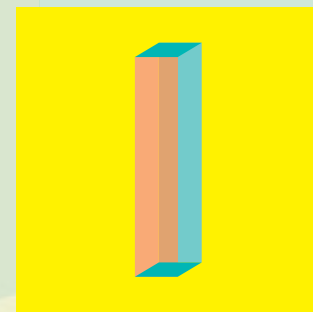
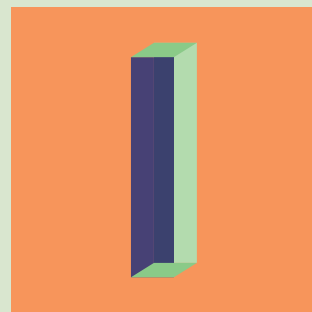
164 FULL TIME EQUIVALENT

MEDIAN AGE = 46





We have Spirit!



VALUES

Council staff comply with Council's Code of Conduct and Organisational Values. Organisational Values provide a framework for how staff should treat each other, our customers and other stakeholders at work.

We use the word SPIRIT to identify the six values that we consider to be meaningful and important. The six values are Safety, Pride, Integrity, Respect, Innovation and Teamwork.

SAFETY

We look after each other

We advocate and apply safe work practices

We are positive with one another

We ask for help when we need it

PRIDE

We lead the way

We communicate our goals

We encourage the heart

We stay the course

INTEGRITY

We are accountable and take responsibility

We do what we say

We are transparent in our decision making processes

We are honest with each other

RESPECT

We embrace diversity

We listen to the opinions of others

We listen and communicate with each other honestly

We show our appreciation

INNOVATION

We value new ideas and ways of working

We work smarter

We learn from our mistakes

We seek improvement

TEAMWORK

We work together to achieve outcomes

We celebrate our achievements

We embrace diversity

We collaborate



The Inaugural Staff Excellence Awards

CUSTOMER SERVICE AWARD

Awarded for excellence in service delivery or excellence in delivery of an event or a specific recognition for excellence acknowledged by customers.

Kim Morris
Administration Officer
Customer Service

Arlen Nott
Information Systems Officer

QUALITY AWARD

Awarded for a high level of workmanship or overall excellence achieved in relation to staff responsibilities, outcomes or standards maintained or exceeded in relation to a project

Leslie Nicholls & Greg Catt

Parks CBD Crew

Kellie Scholes
Manager Roads
Drainage & Technical Services

CONTINUOUS IMPROVEMENT AWARD

Awarded for either an incremental improvement with significant benefits for the whole of Council or a major improvement leading to savings in a specified area of Council – or a significant system that benefits the Shire as a whole.

Graham Wicks
Field Officer

Warren Dalley, Louise Munn
Jill Warburton, Natasha Kellett, Rick Smith,
Tyler Connelly, Joann Polsen
Waste Team

CREATIVITY & INNOVATION AWARD

Awarded for an initiative taken, development of a new technique or system that benefits the whole or part of Council – or a creative solution to a significant issue or problem.

Susanne Tobin
Acting Animal Shelter
Coordinator

Shaun Guilfoyle
Civil Engineering
Support Officer

SAFETY & RISK MANAGEMENT AWARD

Awarded for demonstrated excellence in identifying hazards, controlling risks, reviewing control measures and contributing to help Council exceed the benchmark in safety and risk management.

John Camps
Acting Works Supervisor

Ryan Derrington
Graffiti Management Officer

TEAMWORK AND COLLABORATION AWARD

This award recognises collaboration, open communication and the fostering of co-operation with the Council or as a part of the Shire.

Russell Fitzgerald, Cathy Pearson,
Wayne Stevens, John Camps,
Kylie Gardiner, Mick Parkins,
Shane Power, Michael Whipps,
Roy Newman, Steve McGhie,
Jason Allan, Bevan Brown
and Craig Power

Combined Roads
Drainage & Works Team

GENERAL MANAGER'S COMMENDATION FOR EXCELLENCE AWARD

Imelda Williams, Russell Fitzgerald, Liz Curnow, Kellie Scholes, Michelle Sandell-Hay

The Cancer Council Fundraisers

The Year in Review

An outstanding achievement this year was the installation on Brook Street Muswellbrook of a wonderful new monument commemorating the 100th year since the Battle of Beersheba. This new memorial was opened in November 2017 at a moving ceremony that included light horse and a large crowd from across the Upper Hunter. The beautiful and very touching statue by Brett Garling titled “Over the Top” is a striking reminder of past sacrifice and a significant addition to the culture of the region.

New town centre master plans were endorsed this year for Denman and Muswellbrook. The new master plans complete over 12 months of strategic planning and community consultation and aim to improve liveability through the renewal and activation of the Denman and Muswellbrook towns with a focus on revitalisation of both CBDs. The year also marked completion of the first stage of the transformation of Muscle Creek, the creek that Muswellbrook was named for. Muscle Creek is now mostly weed free with a new walking trail, providing attractive places to sit and observe fish jump and kingfish swoop.

The year has focused on building one of the largest and most important infrastructure projects in the shire, a new re-use water treatment plant. This project progressed well throughout the year and is expected to be operational in the next financial year.

Fuel used by Council Vehicles	313KL
Chemical Collection Day	1.45 tonnes
Waste Disposed of into Landfill	19,282 tonnes
Household Bin Waste Disposed of	3,352 tonnes
Recycling Collected	1,340 tonnes
Organics Processed	1,690 tonnes
Tonnes of e-Waste Collected	26 tonnes
Volunteer Hours at Council's Sustainability Hub	1,096 hours
Renewable Energy Target for 2020	40%
Community Complaints	
Odour	2
Erosion Sediment	3
Noise	32
Illegal Dumping	82
Dust	3
Wood Smoke	5

Electricity used by Council	6,125 MWh
Solar panels installed at Council sites	402 KW
Water consumed in Muswellbrook Shire	2,279,191 KL
Water used by Council	180,209 KL
Roads Sealed/ Rehabilitated	1160,700 km²
Footpaths Works (new & replaced)	2080 m²
Approved Mining developments	262 km²
Dogs and Cats Returned Home	130
Dogs and Cats Rescued	260
Library Visits	33,803
Library Loans	36,215
Occupation Certificates issued	91
Development Applications Lodged	121

Muswellbrook Shire Council Service Requests Lodged	3,342
Muswellbrook Shire Council Community Events (98)	1,756 people
Muswellbrook Shire Council Facebook	2,499 followers
Muswellbrook Shire Council Facebook Likes	2,035
Muswellbrook Shire Council Events Website Hits	85,740
Muswellbrook Shire Council Sustainability Facebook	561 followers
Muswellbrook Regional Art Centre Visits	4,938
Muswellbrook Regional Arts Centre Instagram	1,075 followers
Muswellbrook Regional Arts Centre Facebook	942 followers
Muswellbrook Art Prize Entrants	577
Muswellbrook Local Art Awards Entrants	133
Muswellbrook Aquatic Centre Visits	69,793
Denman Aquatic Centre Visits	9,402
Citizenship Ceremonies	4
New Australian Citizens	20

Events 2017–2018

Council holds a number of events throughout the year and supports and contributes to other community run events. In 2017/18 Council held several cultural festivals aimed at bringing new experiences to the community.

Yield @ Dusk

This festival aims to build on the cultural events programmed as part of the Muswellbrook Art Prize. In 2017, this event was piloted with the aim to expand in 2018 following a successful grant application. Yield was a collaborative live music, dance and painting performance held at Wiedmann cottage in March.



Bloom Room

On Saturday 19 May 2018, Muswellbrook Regional Arts Centre hosted an immersive arts experience that incorporated live music, art workshops, themed food and drink and a curated affordable art market.

Artistic collaborators, Geoffrey Datson and Annette Hughes of folk duo Datson+Hughes performed tracks from their Flowers and the Axe album tour, as supported by the Queensland Government through Arts Queensland and the Regional Arts Development Fund, and allowed visitors the opportunity to experiment with playing the dulcimer.

Local artists and businesses conducted a number of free workshops: exhibiting artist Tia Gabriellah tutored floral, impasto, palette knife painting; Rebecca Rath taught augmented botanical photography using a smart device and photo apps; Lilly from Muswellbrook Florist and Gifts

demonstrated making flower crowns; while young artists were introduced to textile art, exploring colour, texture and pattern while crafting a woven flower with MRAC staff.

Upper Hunter Region artists and makers supplied flower themed artworks and products for sale on consignment basis for the event.

The event and associated workshops were well attended by the public and feedback regarding the event indicated strong interest and support from the community in future immersive arts events.



45th Muswellbrook Art Prize

The Muswellbrook Art Prize is the largest annual art prize in regional Australia with a total of \$71,000 offered across four competition categories:

Painting Acquisitive prize \$50,000: for a two dimensional painting of any subject in any medium; sponsored by Bengalla Mining Company Pty Limited and Muswellbrook Shire Council.

Works on Paper Acquisitive prize \$10,000: for a work on paper of any subject in any medium excluding photography; sponsored by Muswellbrook Shire Council.

Ceramics Acquisitive prize \$10,000: for a ceramic work of any subject; sponsored by Bengalla Mining Company Pty Limited.

People's Choice Acquisitive prize \$1,000: Voting takes place during the exhibition, and the winner is announced online.



Winner Painting Alec Baker, Ngura (Country) 2017, acrylic on linen, 122 x 152cm



Winner Ceramic Megan Puls, Nightshade 2017, Lumina porcelain and Scarva clay, 24 x 23 x 23cm



Winner Works On Paper Kiata Mason, The Studio Chair 2018, mixed media, 66 x 104cm

Muswellbrook Local Art Awards

The Muswellbrook Local Art Awards are an annual competition which offers local artists from Muswellbrook, Singleton, and Upper Hunter Shires the opportunity to show off the cream of their work from the past twelve months.

A total prize value of \$7,000 is split over five disciplines, painting, works on paper, 3D, photography and Aboriginal art.

This Local Art Prize is strongly supported by the local residents, visitors and local businesses with seven prize categories:

- Viola Bromley Painting Prize - incorporating the Hunter Valley Printing Encouragement Prize
- Garry Philp Works on Paper - incorporating the Elks Enterprises Encouragement Prize
- Local 3D Prize - incorporating the Max Watters Encouragement Prize
- Local Photography Prize – incorporating the Hunter Valley Hydraulink Encouragement Prize
- Local Aboriginal Art Prize – incorporating the Berry & French Pharmacy Encouragement Prize
- Esther Bellis Youth Prize – incorporating the Framing Good Encouragement Prize
- Morgan + English – People's Choice Prize – Voted by visiting public during the exhibition



Winner Local Aboriginal Art Michael Stair, Spirits Awakened



Winner Viola Bromley Rebecca Rath, Springfield Oakvale Vines, 2017

Events 2017–2018

Beersheba

Council commissioned a commemorative statue to remember those who served at the Battle of Beersheba on 31 October 1917 during the final stages of the Great War. A particular focus of the statue is the Waler horse which has historic connections with the Upper Hunter Region of NSW. As further casualties of war, the horses never returned to Australia. This decision has led to the many poetic moments, which form a large part of the Light Horse story and the strong ties that were formed between Australians and their horses.

On 31 October 2017 on the occasion of the centenary of the Battle of Beersheba, hundreds of Shire residents gathered to witness the Dedication of the Charge of the Light Horse on Beersheba Memorial, which stands proudly in Brook Street and serves as a constant reminder to the noble and heroic efforts of those men and the mighty Waler.



Bottom's Up Festival

Over 1700 people attended the 2017 Craft Beer and Music Festival. Held in Simpson Park Muswellbrook festival goers enjoyed craft beers, boutique wines, local cider and a delicious range of gourmet foods while soaking up live music from popular bands like the Thundamentals, Raave Tapes, Winston Surfshirt and Polish Club. The quality of music drew crowds from throughout the region.



Blue Heeler Film Festival

Now in its fifth year the short film festival captured the imagination of film buffs throughout the region. Each festival has a different theme and for 2017 the theme was "Rock". Films are submitted in three categories: Junior, Senior and Open with a special prize awarded to the film that is voted by the audience as the "People's Choice". The 2017 festival was held over two days at Highbrook Park in Muswellbrook and Two Rivers Winery in Denman and was well attended. Competition prizes were provided by major festival sponsor, Bengalla Mining Company and supported by Two Rivers Wines, Harvey Norman Muswellbrook, Regional Australia Bank and Screen Hunter. The Festival was also the recipient of the Commonwealth Government's Building Better Regions Fund with the purchase of stage, screen and sound equipment.



Events 2017–2018



Muswellbrook Cup Day

With another change of date, to 8 December, in 2017, Muswellbrook Race Club's Cup Day embraced the summer season and provided an unforgettable experience at the award winning country race track. Held at Skellatar Park, Cup Day is a gazetted half-day public holiday for residents of the Shire, combining the best of country racing with a relaxed summer style. Part of the challenge of Cup Day is to integrate with other activities and develop the race day as part of a "destination weekend" for visitors to the Upper Hunter Valley.



Hunter Soap Box Derby

The inaugural Mt Arthur Coal Hunter Soap Box Derby took place on 23 June, 2018. Council supported this fundraising event which was organised by and for the benefit of Hunter Life Education. Hunter Life Education is working to ensure young people of the region have access to free or subsidised lessons which helps them lead safer and healthier lives through education. The Hunter Soap Box Derby aims to foster connections between families and community members, drive business to the area, as well as bring a fun yearly major event to a country town.



Hunter Park Opening

During 2017, Muswellbrook Shire Council, Compass Housing and Upper Hunter Community Services worked with the local PCYC on community consultation that provided input on the type of play equipment and outdoor furniture that they would like to see installed in Hunter Park. This consultation involved the display of pre-fabricated playground options on picture boards, where children from as young as 3 could place sticky dots on the equipment they liked best. Following a successful funding application through the Social Housing Community Infrastructure Fund, new accessible park furniture and equipment was installed. The Hunter Park opening, 18 May 2018 included the unveiling of signage that described the community's involvement in the re-development of Hunter Park.

National Tree Day

National Tree Day held on 29 July was another success with more than 100 people volunteering to plant trees in Muswellbrook and Denman. The Muswellbrook community has been volunteering for National Tree Day since 2005. Muswellbrook Shire Council recognises the importance of saving water while undertaking its revegetation program.

This year council decided to take a number of steps aimed at reducing its water use associated with National Tree Day plantings by:

- 1) Reducing the number of plants going in the ground.
- 2) Using woodchip mulch around the base of the plants.
- 3) Using pasteurised mulch from Council's waste facility.
- 4) Using water crystals.
- 5) Reducing the amount of grass.
- 6) Using only local native plant species also reduces water use.

Council is grateful to all community members who volunteered their time, especially Muswellbrook and Denman Scouts, Muswellbrook Junior Cricket Club, Planet Ark and Glencore Mangoola. Children from the Goodstart Early Learning Centre also "gloved up" to lend a helping hand at the sensory garden being created by Muswellbrook Shire Council's Sustainability Unit and Ability Links Muswellbrook. Their assistance also coincided with Schools National Tree Day activities on Friday, as between 30 and 35 trees were planted at the Karoola Park site.



Events 2017–2018



Easter Family Fun Day

The inaugural Easter Family Fun Day was hosted by Muswellbrook Shire Council as a free community event in 2017. The event's vision and mission was to provide a free community event that attracted families of all ages within the local community while promoting local community organisations and Muswellbrook Shire Council. The Easter Family Fun Day took place on Easter Saturday, 31st March 2018 at Highbrook Park. The day included a variety of kid's entertainment; jumping castles, face painting, live music by Just Us Duo, food, information stalls, lucky door prizes and the BIG Easter Egg Hunt accompanied by a special visit from the Easter Bunny. The event was very well attended with over 800 people supporting the event over the Easter long weekend. The Easter Family Fun Day will become an annual event hosted by Muswellbrook Shire Council and local sponsors Bengalla Mining.

Including You Pilot Program with Ability Links

In 2017, Council entered into a partnership with Ability Links for the deployment of an 'inclusion tent' at Council and community events. This tent was deployed at Council events throughout the year and was a valuable addition to the day providing space, support and practical services such as wheelchair use, hearing aids, vision support and a space to retreat if needed from an event. It makes it easier for all members of the community to have access to events by providing extra services and support if needed.



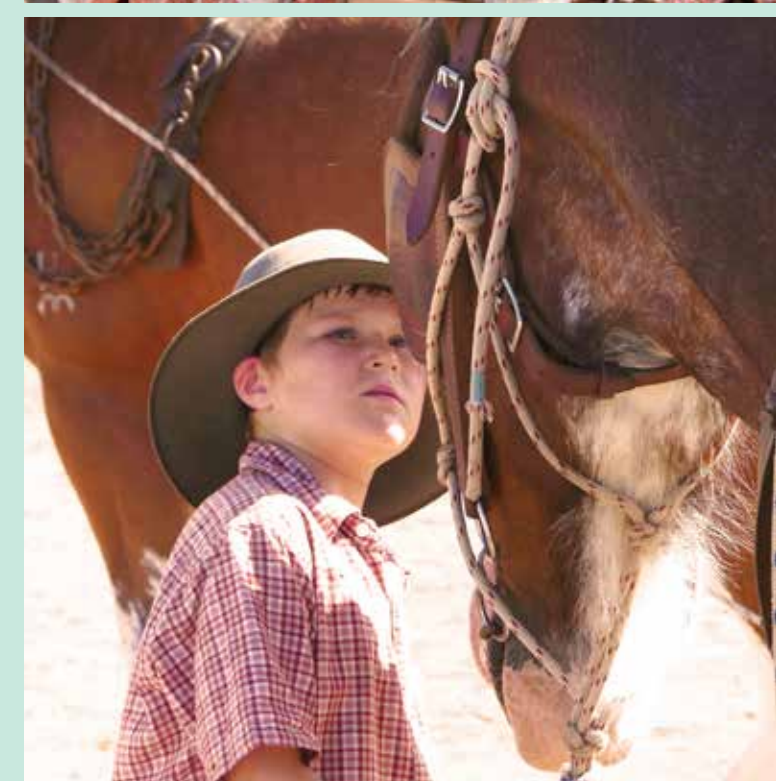
The Upper Hunter Wine and Food Affair

The Upper Hunter Wine and Food Affair is a major event in the Upper Hunter visitor calendar that is fast developing a reputation as the premier food and wine festival in the region. Annual attendance continues to grow bringing increasing numbers of people to Denman and the Upper Hunter. Council is a proud sponsor of the annual festival, and works closely with the Denman Chamber of Commerce to ensure the success of each year's event. The Upper Hunter Wine and Food Affair attracts upwards of 7,000 visitors to the Muswellbrook Shire and provides a great opportunity to showcase our region's fantastic local wineries and food producers.



St. Heliers Heavy Horse Field Day

The St Heliers Heavy Horse Field Day, one of the more unique events to be held in the Shire, was again supported by Council this year. Held over the weekend of 19-20 May 2018 the Field Day gave residents and visitors alike the opportunity to get up close and personal with some of Australia's largest and most impressive working horses. Breeds on show included Clydesdales, Shires, Percherons and draught horses. The St Heliers Heavy Horse Field Day plays host to a wide range of events which showcase the abilities and the strengths of the heavy horses, with the highlight for many being the Grand Parade and Opening Ceremony. A great day for the whole family!



Events 2017–2018



Clean Up Australia Day

Community volunteers and several local businesses joined forces on Clean Up Australia Day this year to show their support for a cleaner environment. Fifty-six helpers, supported by Muswellbrook Shire Council, turned out to “clean up” in and around Muswellbrook and Denman with 8.18 tonnes of rubbish being removed from both areas. With the help of Mangoola Coal, JR Richards, AGL Macquarie and Stan Ray Tree Lopping, the volunteers collected 60 bags of rubbish and removed a range of larger items from the environment. JR Richards donated skip bins, AGL staff removed rubbish from the Town Common, Mangoola Coal provided helpers and resources in Denman and Stan Ray donated his time and vehicle. Council is especially grateful to the Muswellbrook and Denman scout troops for manning the lunchtime barbecues.

Other events were held in the week leading up to Clean Up Australia Day by groups such as Muswellbrook Girl Guides, while Muswellbrook High School and Denman Public School cleaned up around their school grounds.

Council would like to make special mention of long-time Shire resident Stan Ray who has been donating his time and vehicle to the annual event for several years. Stan’s passion for Muswellbrook and his dedication to a clean environment is a true inspiration.



Graffiti Removal Day

Graffiti Removal Day is when Council joins with Hunter Valley Police, Muswellbrook Rotary Club and members of the community to tackle graffiti and make a real difference to the look of the town.

Volunteers are supplied with cleaning materials, safety equipment and training on how to remove graffiti safely. After the hard work is completed volunteers are rewarded with lunch and a swim at the local pool. Council has appointed a graffiti management officer and is committed to the removal and prevention of graffiti. This has been a highly successful program that has resulted in a significant reduction in Graffiti across Muswellbrook Shire.

Muscle Creek Nature Trail

Stage one of the Muscle Creek Nature Trail was opened on 4 May 2018, celebrating the successful rehabilitation of the iconic Muscle Creek which meanders through Muswellbrook township. Over 80 people attended, joining Councillors, contractors, community members and staff at a 7.30am breakfast BBQ that showcased the stepping stone creek crossing that now enables visitors to cross the creek without blocking fish passage. Works were funded from the Habitat Action Grant from NSW Department of Industry: Fisheries and Council. Other sections of the creek will be rehabilitated in coming years to include picnic areas, informative signage, exercise areas and public art. This work follows community consultation that identified the need for access to Shire waterways as a high priority.



Club to Club

This three year project aims to rehabilitate the section of Muscle Creek between the Muswellbrook Golf Club and the Muswellbrook District Workers Club. The project, utilising both contractors and volunteer working bees, aims to restore native vegetation, improve the habitat for threatened species and complement existing stormwater and erosion control measures. The project will help to improve community awareness of the local environment and encourage healthy use of the area.



External Awards

Won by Staff, Council Projects and Programs



Minister's Award For Women In Local Government

FIONA PLESMAN

Council's General Manager Fiona Plesman was awarded a High Commendation in the 2018 Ministers' Awards for Women in Local Government. The Award acknowledges Fiona's success in bringing organisational change and change management principles to Council. Fiona's achievements at Council have included the establishment of a "Citizens Jury" designed to increase community consultation and collaboration together with enhancements to Council's work, health and safety policies and procedures and ongoing and continuous improvement of staff and community engagement strategies. The award was announced by the NSW Minister for Local Government, the Hon Gabrielle Upton MP at Parliament House.



ARI (Aquatic Recreation Institute) at the Roejen 54th Annual Awards of Excellence

MUSWELLBROOK AQUATIC CENTRE

Congratulations to the Muswellbrook Shire Aquatic and Fitness Centre team on winning the prestigious award for Customer Service Team from ARI (Aquatic Recreation Institute) at the Roejen 54th Annual Awards of Excellence. The Aquatic Centre Team were presented the award while attending the state conference, updating their knowledge regarding pool safety and services. This is a timely acknowledgement of the new and exciting programs that the team has implemented at the Centre to meet the needs of pool and gym patrons.



The Planning Institute of Australia Awards for Planning Excellence

PATHUM GUNASEKARA & GRAHAM GARDNER

The Planning Institute of Australia (PIA) Awards for Planning Excellence demonstrate leading practice, leadership and achievement in the profession. Acting Manager Planning and Environment, Pathum Gunasekara and strategic planning consultant Graham Gardner received recognition in the Improving Planning Processes and Practices category.

Statutory Report

Under the Local Government Act 1993 (“the Act”) and other legislation, Council is required to provide a range of information to the community. The information contained in this section of Council’s Annual Report supplements information provided elsewhere in the report to provide additional transparency in our reporting and our operations more broadly.

Council’s general reporting requirements are set out in section 428 of the Act and Clause 217(1) of the Local Government (General) Regulation 2005 (“the Regulation”).

To access copies of the Act and Regulation visit: www.legislation.nsw.gov.au.

Councillors’ expenses

The following allowances, fees and expenses have been provided to Councillors during the 2017/18 period and are detailed hereunder in accordance with the Regulation:

Mayoral Allowance	\$25,250
Councillors Fees	\$138,840
Councillors Expenses	
Office Equipment	\$0
Telephone Calls	\$8,665
Conference & Seminars	\$12,260
Training & skills development	\$9,334
Interstate Visits	\$0.00
Overseas Visits	\$0.00
Spouse/Partner Expenses	\$0.00
Transport	\$3,218
Catering	\$4,401
Child Care	\$9,201
Councillor expenses sub-total	\$47,079
TOTAL	\$258,248

Interstate and overseas travel

No Councillors undertook interstate or overseas travel on behalf of Council during the 2017/18 period.



Legal expenses

Legal expenses for the 2017/18 comprised of the following.

Item	Expense
Planning and Development	\$44,809
Debt Recovery	\$8,084
Other	\$499,653
Total	\$552,546

Works carried out on private land

Private work rates are detailed in Council's Fees and Charges, which is available on Council's website. Members of the public requesting private works to be undertaken by Council are charged at those advertised rates.

Council did not resolve to carry out work on private land that was fully or partly subsidised by the Council.

Contributions granted under section 356 of the Local Government Act 1993

During the year 2017/18, Council made contributions, under section 356 of the Act in the total amount of \$123,553.

Organisations receiving contributions of \$1,000 or more were:

Cancer Council NSW	\$2,000
Denman Pony Club	\$1,000
Muswellbrook Chamber of Commerce	\$1,000
Muswellbrook Christmas Spectacular	\$6,000
Muswellbrook Pre School	\$2,491
Muswellbrook Race Club	\$55,000
Rotary Club of Muswellbrook	\$1,159.55
The Upper Hunter Wine and Food Affair	\$15,000



Exercise of Council functions by external bodies

The following organisations exercised functions delegated by Council during the 2017/18 year:

Organisation	Function
Upper Hunter Weeds Authority	Control of noxious weeds
Upper Hunter Regional Library Network	Library service
Denman Sports Council Management Committee	Control and operate the Denman Indoor Sports Centre
Senior Citizens and Community Centre Management Committee	Control and operate the Muswellbrook Senior Citizens Centre

Corporations, partnerships, trusts, joint ventures, syndicates and other bodies

Council is a partner with other Hunter Region councils in the Strategic Services Australia Ltd joint venture, which has been established to improve the quality and efficiency of local government services throughout the Hunter Region. The activities of the joint venture are not controlled by any one council. Strategic Services Australia Ltd provides a purpose built training facility, negotiates bulk purchasing arrangements and provides legal services for member councils.

Council is a member of the Upper Hunter Weeds Authority Council (“the County Council”), a body corporate established under the Local Government Act 1993 for the control of noxious weeds. Council is one of three constituent council members and does not control the County Council.

The level of Council’s financial interest and benefit in relation to Strategic Services Australia Ltd and the Upper Hunter Weed Authority Council is outlined in Note 15 of Council’s 2017/18 Financial Statements.

Council has no interest in any other corporation, partnership, trust, joint venture or syndicate.

Equal Employment Opportunity Management Plan

Section 345 of the Local Government Act details the requirements for Councils Equal Employment Opportunity (EEO) Management Plan. Council is currently reviewing our EEO Management Plan for the next period. As indicated in the key facts on the profile of our community, Muswellbrook is becoming an increasingly younger community, with children aged 0–14 now making up 22.4% of the population. To increase our commitment to the community and youth, Council will continue to provide opportunities to youth through work experience, tertiary and vocational education programs.

Further, although overall organisation gender balance has been achieved, a correction in the gender imbalance in our Executive Team (MANEX) and Senior Management Team has been achieved over the last reporting period. Council appointed Fiona Plesman as General Manager, the first female to occupy the role. Council will continue to foster and encourage the participation of women in Local Government by reducing any identified barriers and encouraging female employees to develop their careers and move into senior positions.



Senior staff and remuneration package for senior staff

In accordance with the definitions outlined in Section 332 and 334 of the Local Government Act 1993, during the year 2017/18, only the General Manager was employed as a senior staff member. The General Manager was employed on a fixed term performance based contract.

The total remuneration package in respect of the senior staff position is \$179,073.02 which includes the salary component, performance payments in addition to superannuation, including employer’s contribution and salary sacrifice contributions, non-cash benefits including motor vehicles, and the fringe benefits tax associated with the non-cash benefits.

Awarded contracts

Following are details of each contract awarded by Council during the year 2017/2018 excluding:

- Employment contracts (that is, contracts of service but not contracts for services); and
- Contracts for less than \$150,000 or such other amount as may be prescribed by the regulations.

Contractor	Purpose	Value
Pentair Water Australia Pty Ltd	Supply and installation of new membrane filters for Denman Water Treatment Plant	\$232,047.75
GHD Pty Ltd	Provision of consultancy services for Rail Noise Abatement Project	\$339,532
Conhur Pty Limited	Dewatering and removal of sludge from the sludge lagoons at Denman Sewage Treatment Plant	\$194,764
Kerroc Constructions Pty Ltd	Design and construction of railway crossing water mains	\$672,900
Emco Pty Ltd T/A Onescape	Provision of cleaning services for nominated commercial buildings	\$380,737.22
Aurecon Australasia Pty Ltd	Design of Muswellbrook Sewerage Transportation System Upgrade	\$274,942.87
Fitt Resources Pty Ltd	Refurbishment of Muswellbrook Sewer Pump Station No. 5 Wet Well	\$162,026
Daimler Trucks Newcastle	Supply and delivery of two parks vehicles and two trailers	\$279,140
Abergeldie Watertech Pty Ltd	Rehabilitation of Bridge Street water reticulation mains	\$305,385.29
Colourworks Australia	Provision of photocopier and print management services	Schedule of rates contract
JR Richards & Sons	Provision of kerbside waste collection services	Schedule of rates contract



Companion Animals Act and Regulation

Council is required to provide a detailed statement in accordance with the Guideline on the Exercise of Functions under the Companion Animals Act and the regulations under that Act.

Lodgement of animal impoundment data collection returns with the Office of Local Government	Council lodged all animal impoundment data with the Office of Local Government at the end of 2017/18 through the NSW Government's Companion Animals Registry database.
Lodgement of data about dog attacks with the Office of Local Government	Details of each dog attack incidents were recorded in the NSW Government's Companion Animals Registry database.
Cost of Council's companion animal management and activities	\$107,605.00
Companion animal community education programs carried out and strategies Council has in place to promote and assist the desexing of dogs and cats	Council promoted and offered assistance to de-sex cats and dogs as part of a community campaign during National De-sexing Month in July, with particular focus on parts of the Shire where pet ownership is highest.
Council's strategies for complying with the requirement under section 64 of the Act to seek alternatives to euthanasia for unclaimed animals	Council partners extensively with over thirty rescue agencies and has developed a highly successful adoption program. Council also participates in the Pet Rescue website, both of which have resulted in a highly successful adoption program.
Off leash areas provided in the council area	Council maintains two off leash areas within the Shire: one in Karoola Park, Muswellbrook and the other in Arbour Park, Denman.

	Dogs	Cats
Incoming	407	251
Released to owner	32	2
Sold/Adopted	32	30
Rescue	185	75
Euthanised	52	54



Stormwater Management Services

In 2017/2018, Council in accordance with section 496A of the Act, levies an annual charge for the provision of stormwater management services for each parcel of rateable land for which the service is available.

Stormwater Management Services were charged at the following rates;

Residential property		\$25.00
Residential strata unit		\$12.50
Non-residential impervious land	0 – 1199sqm	\$25.00
	1200 – 4999sqm	\$100.00
	5000 – 9999sqm	\$375.00
	> 10,000sqm	\$725.00

The funds raised from the levy were spent exclusively on stormwater and related infrastructure. In 2017/2018 the transactions that occurred in relation to the funding are outlined below;

Opening balance (funds unspent from previous allocation)	\$438,000
Funds raised	\$156,000
Allocation spend	\$0
Available to spend	\$594,000

The remaining balance has been carried over to 2017/2018 and will be used to fund future projects.

Rates & Charges Written Off

During 2017/2018 Council wrote off or abandoned a total of \$18,828.18 in rates and annual charges. All abandonents were made either under the General Manager’s delegated authority or Council resolutions.

This was made up as follows:

Undetected water leaks (in accordance with Council Policy W5/4 – Water Management Policy Undetected Water Leak)	\$8,110.35
Works by Council caused a water break on customer’s land	\$128.44
High water use not gone back into Council sewer	\$8,972.69
Reversal of estimated account due to vacant property	\$329.22
Water meter changed and turned on after old one turned off	\$65.49
Incorrect reading given on special meter read certificate at time of settlement of property transfer	\$125.11
Small balances (less than \$5.00) as part of end of year processing.	\$1,096.88

Code of Conduct

No complaints were made under the Muswellbrook Shire Council Code of Conduct for the year 2017/2018.

Public Interest Disclosures

Council is committed to the objectives of the Public Interest Disclosure Act 1994 (The Act) and encourages the disclosure of any instances of corrupt conduct, maladministration, serious and substantial waste and government information contravention.

For the reporting period ending 30 June 2018, Muswellbrook Shire Council received no protected disclosures.

Government Information (Public Access) Act 2009

In accordance with the Government Information (Public Access) Act 2009 the following Annual Report of statistics relating to applications for information is provided:

Clause 7A: Details of the review carried out by the agency under section 7 (3) of the Act during the reporting year and the details of any information made publicly available by the agency as a result of the review

Reviews carried out by the agency	No
Information made publicly available by the agency	No

Clause 7B: The total number of access applications received by the agency during the reporting year (including withdrawn applications but not including invalid applications)

Total number of applications received	4
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Clause 7C: The total number of access applications received by the agency during the reporting year that the agency refused either wholly or partly, because the application was for the disclosure of information referred to in Schedule 1 to the Act (information for which there is conclusive presumption of overriding public interest against disclosure).

The following tables (A-I) relate to formal applications for information made under the *Government Information Act (Public Access) Act 2009*.

Table A: Number of applications by type of applicant and outcome*

	Access Granted in Full	Access Granted in Part	Access Refused in Full	Information not Held	Information Already Available	Refuse to Deal with Application	Refuse to Confirm/Deny whether information is held	Application Withdrawn	Total	% of Total
Media	0	0	0	0	0	0	0	0	0	0%
Members of Parliament	0	0	0	0	0	0	0	0	0	0%
Private sector business	1	0	0	0	0	0	0	0	1	25%
Not for profit organisations or community groups	0	0	0	0	0	0	0	0	0	0%
Members of the public (by legal representative)	2	0	0	0	0	0	0	0	2	50%
Members of the public (other)	1	0	0	0	0	0	0	0	1	25%
Total	4	0	0	0	0	0	0	0	4	
% of Total	100%	0%	0%	0%	0%	0%	0%	0%		

* More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision. This also applies to Table B.

Table B: Number of applications by type of application and outcome*

	Access Granted in Full	Access Granted in Part	Access Refused in Full	Information not Held	Information Already Available	Refuse to Deal with Application	Refuse to Confirm/Deny whether Information is held	Application Withdrawn	Total	% of Total
Personal information applications*	1	0	0	0	0	0	0	0	1	25%
Access applications (other than personal information applications)	3	0	0	0	0	0	0	0	3	75%
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0	0	0%
Total	4	0	0	0	0	0	0	0	4	
% of Total	100%	0%	0%	0%	0%	0%	0%	0%		

* A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

Table C: Invalid applications

Reason for invalidity	No of applications	% of Total
Application does not comply with formal requirements (section 41 of the Act)	2	100%
Application is for excluded information of the agency (section 43 of the Act)	0	0%
Application contravenes restraint order (section 110 of the Act)	0	0%
Total number of invalid applications received	2	100%
Invalid applications that subsequently became valid applications	1	
Total	2	

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 of Act

	Number of times consideration used*	% of Total
Overriding secrecy laws	0	0%
Cabinet information	0	0%
Executive Council information	0	0%
Contempt	0	0%
Legal professional privilege	0	0%
Excluded information	0	0%
Documents affecting law enforcement and public safety	0	0%
Transport safety	0	0%
Adoption	0	0%
Care and protection of children	0	0%
Ministerial code of conduct	0	0%
Aboriginal and environmental heritage	0	0%
Total	0	

*More than one public interest consideration may apply in relation to a particular access application and if so, each such consideration is to be recorded (but only once per application). This also applies in relation to Table E

Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of Act

	Number of times consideration used*	% of Total
Responsible and effective government	0	0%
Law enforcement and security	0	0%
Individual rights, judicial processes and natural justice	0	0%
Business interests of agencies and other persons	0	0%
Environment, culture, economy and general matters	0	0%
Secrecy provisions	0	0%
Exempt documents under interstate Freedom of Information legislation	0	0%
Total	0	

Table F: Timeliness

	Number of applications*	% of Total
Decided within the statutory timeframe (20 days plus any extensions)	4	100%
Decided after 35 days (by agreement with applicant)	0	0%
Not decided within time (deemed refusal)	0	0%
Total	4	





Table G: Number of applications reviewed under Part 5 of the Act (by type of review and outcome)

	Decision varied	Decision upheld	Total	% of Total
Internal review	0	0	0	0%
Review by Information Commissioner*	2	0	2	10%
Internal review following recommendation under section 93 of Act	0	0	0	0%
Review by NCAT	0	0	0	0%
Total	2	0	2	
% of Total	100%	0%		

*The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision has been made by the Information Commissioner.

Table H: Applications for review under Part 5 of the Act (by type of applicant)

	Number of applications for review	% of Total
Applications by access applicants	2	100%
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0	0%
Total	2	

Table I: Applications transferred to other agencies.

	Number of applications transferred	% of Total
Agency-Initiated Transfers	0	0%
Applicant - Initiated Transfers	0	0%
Total	0	

Disability & Social Inclusion Strategy

In May 2017 Muswellbrook Shire Council adopted a Disability and Social Inclusion Strategy. This strategy requires a continued focus on policies and actions that promote social inclusion and participation in Muswellbrook Shire. This includes the delivery of existing employment, community events and activities that provide improved liveability, services and facilities that support people of all abilities, families and older residents as they move to retirement.

Most residents in our Shire are engaged, feel a sense of pride in their communities and feel safe and secure in their homes. However, there are still a number of people who have indicated that they are seeking more. Youth services and facilities and services for older people along with a desire for support for local communities are areas of priority.

Residents from across the Shire and our visitors, already have access to a wide range of community, government agency and Council services appropriate to their age and needs.

Council also works with health, welfare and educational organisation from the government and non-government sector to improve outcomes for individuals and our community. This occurs through liaison, advisory support, assistance with the use of Council premises and provision for opportunities for networking. The Disability Inclusion Strategies, plans and actions in Muswellbrook Shire are monitored by an internal access audit committee. This committee focuses on ensuring that all community service requests that involve issues of physical and digital access for people with disabilities are prioritised. The committee's terms of reference focus on;

- Adapting existing services to ensure that they meet the needs of people with disabilities
- Ensuring that physical access to public buildings and facilities is improved
- Providing information to our community that is in formats which meet the communication requirements of people with disabilities
- Delivering training to staff as required to ensure that advice and services are relevant to the needs of people with disabilities
- Partnering with other service providers to support the participation of people with disabilities in civic activities and public spaces that are appropriate

Recent successes include significant works around Stan Thesis Centre at Victoria Park. This involved the removal and replacement of the existing pavers around the building block and the path leading from Hill Street with concrete paths to improve access in and around the facilities. Additionally, concrete accessible parking has been constructed alongside works associated with the tiered seating at the Denman Recreation Area amenity building.



Fit for the Future Improvement Plan

In June 2015 Council submitted a Fit for the Future Improvement Plan to the Independent Pricing and Regulatory Tribunal (IPART) and Office of Local Government addressing how Muswellbrook Shire Council will meet the Fit for the Future Criteria:

1. Sustainability (operating performance ratio, own source revenue ratio, building and asset renewal ratio)
2. Effective infrastructure and service management (infrastructure backlog ratio, asset maintenance ratio, debt service ratio); and
3. Efficiency (real operating expenditure).

Council undertook a process of identifying, investigating and testing a range of improvement opportunities. These improvement opportunities formed the basis of Council's 2015 Improvement Plan which identified improvement targets within the following categories:

- Key revenue streams
- Cost reduction measures
- Organisational improvements
- Investments in building strategic capacity
- Service efficiencies
- Renewable energy savings.

In 2017/18 Council undertook the following improvement actions:

- Introduced a rotational Business Partner model to independently stress-test divisional expenses, improve operational transparency and drive proactive budgetary management
- Introduced a dedicated, part-time debt-collection resource, which has significantly reduced the doubtful debt provision
- Improved rigour in Long Term Financial Planning and financial modelling to support economic diversification and strategic decision making
- Rolled out fibre across all Council locations to improve operational efficiency and connectivity
- Independent internal audit program focusing on continuously improving operations
- Capacity review on the Planning area leading to a restructured Division and a more streamlined and needs-based organisation
- Rolled out stage 1 of the Asset Management System to streamline reporting, improve renewals and address the infrastructure backlog
- Introduced online timesheets and leave forms removing manual paper handling



Fit for the Future Ratios

Ratio	Benchmark	2017/18	Achieves Benchmark	2016/17	Achieves Benchmark
Operating Performance	>0	13.03%	Yes	8.16%	Yes
Own Source Revenue	>60%	65.83%	Yes	64.46%	Yes
Building & Asset Renewal	>100%	97.11%	No	107.66%	Yes
Infrastructure Backlog	<2%	5.49%	No	3.31%	No
Asset Maintenance	>100%	75.13%	No	102.00%	Yes
Debt Service Cover Ratio	>2%	2.3%	Yes	4.91%	Yes
Real Operating Expenditure*	Decreasing	2.72	No	2.00	Yes

*2015/16 population estimate of 17,209 is adjusted to 16,468 for 2017/18

Independent Internal Audit Update

In 2015 Council embarked on a three year Strategic Internal Audit Plan. The main objective for Council’s independent internal audit program is to ensure good governance and continuous business improvement.

In 2017/2018, Council’s independent internal auditor, Forsyths Chartered Accountants conducted reviews of:

- 1. Development Application Processes (September 2017)
- 2. Policy Management, Review and Amendment (March 2018)
- 3. Plant Replacement and Disposal (March 2018)
- 4. Management of the Commercial Fund Operations (June 2018)

Council’s Internal Audit Committee meets quarterly and provides independent review of and advice to Council on matters identified by the independent internal auditor. Audit reports, presented to the committee at each meeting, include action updates provided by responsible staff via an Independent Internal Audit Findings Register.

As of June 2018 there were a total of 141 Outstanding Actions and 41 Completed Actions listed on Council’s Independent Internal Audit Findings Register.

Council’s internal audit program is progressing in accordance with the three year Strategic Internal Audit Plan, which is due for review in December 2018.



Special Variation Rates expenditure

Council applied for a Special Rate Variation from 2012/13 to assist in the maintenance of Thomas Mitchell Drive. The Independent Pricing and Regulatory Tribunal (IPART) approved an increase in Council's general income of 7.6% in 2012/13 (including the then rate peg of 3.6%) to be retained permanently in Council's rate base. A condition of the increase is that the additional funds must be used for Thomas Mitchell Drive. The following table provides details on the approved expenditure and improvements for Thomas Mitchell Drive.

Actual spending on the program of approved expenditure of \$425,742.	Actual spending on the program of approved expenditure during 2017-2018 was \$425,742.
Outcomes achieved as a result of the special variation	<ul style="list-style-type: none">• Approximately 8km of road reconstruction works have been carried out, from the New England Highway to approximately the intersection with Glen Munro Road;• Significant pavement and shoulder widening carried out as a result of the road reconstruction works;• Replacement of redundant guard rail with standard-compliant guard rail over the length of the road;• Stormwater management improvement works, including table drain improvement works, and stormwater culvert and pipe replacement works.
Asset renewal and maintenance expenditure	During 2017-2018 asset renewal and maintenance expenditure was approximately \$500,000.
Productivity savings	The works carried out at Thomas Mitchell Drive have resulted in upgraded road pavement condition and width, as well as increased road shoulder width to facilitate increased safety outcomes, as well as significant reduction in journey times and to more effectively manage the passage of heavy vehicles.
Any significant variations from Council's financial results as forecast in the Long Term Financial Plan and any corrective action taken, or to be take	None known.

Capital Works projects

Work continued on the development of the following projects, for which Council has prepared Capital Expenditure Reviews. These have each been reviewed by the Office of Local Government.

Project	Status
Muswellbrook Regional Entertainment and Convention Centre	Endorsement of capital expenditure review Concept designs progressed
Muswellbrook Aquatic Centre Upgrade	Endorsement of capital expenditure review Concept designs progressed
Olympic Park Master Plan Implementation	Endorsement of capital expenditure review Concept designs progressed

Planning Agreements

Pursuant to section 7.5(5) of the *Environmental Planning and Assessment Act* 1979, the following table details compliance with planning agreements to which Council is a party. It is noted that each of the agreements were complied with in full.

Planning Agreement	Project	Expenditure 2017/18
Hunter Valley Energy Coal Pty Ltd	Muswellbrook Tertiary Education Centre Stage 2	\$700,000.00
	Community Choir	\$60,000.00
	Muswellbrook Race Club Redevelopment	\$400,000.00
Begalla Mining Company Ltd	Olympic Park Master Plan Implementation	\$710,000.00
Liddell Coal Operations Pty Ltd		\$0.00
Mangoola Coal Operations Pty Ltd	Denman Hall Investigation and Design	\$100,000.00
	Sandy Hollow CBD Upgrade	\$40,000.00
	Denman Tourist Park and Thermal Baths investigation and design	\$100,000.00
	Denman and District Development Association	\$4,016.07
Muswellbrook Coal Company Limited	Animal Shelter land acquisition	\$440,000.00
MACH Energy Australia Pty Ltd		\$0.00

Private swimming pool inspections

Pursuant to section 22F(2) of the *Swimming Pools Act* 1992 and Regulation, the following table provides details of inspections of private swimming pools undertaken by Council:

Inspections of tourist and visitor accommodation	7
Inspections of premises on which there are more than two dwellings	0
Compliance Certificates issued	135
Non-Compliance Certificates issued	2

01: Economic Prosperity



Support job growth

Delivery Program Strategy	Status	Comment
Facilitate the expansion of and establishment of new industries and business.	Progressing	A Development Application for the Innovation Hub construction works has been lodged with Council. Following the approval process tenders will be called for construction. Works are scheduled to be completed by July 2019.
	Ongoing	Advice in relation to strategic land use planning and development control and assessment to support the work of the Economic Development and Innovation function was provided on request with monthly reports available to Council.

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 Strategy	Status	Comment
Facilitate the diversification of the Shire's economy and support growth of existing industry and business enterprise.	Ongoing	Strategic planning and development assessment planning advice provided on request to support Council's economic diversification goals with reports made available to Council as required of industry and business enterprise.
Work with University of Newcastle on research and innovation in areas where the Upper Hunter has a competitive or comparative advantage.	Ongoing	2017/18 was an important year for establishing strong partnerships with the University of Newcastle. Council supported a program aimed at encouraging more girls into STEM careers. The Environmental Goods and Services sector was supported with the launch of the Tailings to Topsoil rehabilitation project. Following engagement with experts at ANU and UON, Council identified a significant opportunity to develop a pumped hydro energy storage project. Experts were engaged to design an energy efficient renewable heating system for the proposed Denman geothermal baths and recreation area. Several business innovation programs were held at UON Upper Hunter. Working with NSW Parks and Wildlife, Council delivered a project to promote the Wollemi National Park. The foundation work for the establishment of the Upper Hunter Economic Development Corporation was completed and Ethtec Technologies got the final green light following funding approval for the Hunter Pilot Biorefinery.
Review the Local Environmental Plan and Development Control Plan to improve investment certainty for industry.	Progressing	Modifications are being made to the Final Discussion Paper and draft Development Control Plan. A draft Local Strategic Planning Statement has been prepared. Work on a Planning Proposal for a new Shire wide Local Environmental Plan will commence in the 2018/19 financial year.

Delivery Program Strategy	Status	Comment
Implement the Muswellbrook, Denman Town Centre Masterplans and the Sandy Hollow Village Masterplan.	Progressing	A concept has been prepared and tenders have been called for the Principal Design Consultant responsible for a new commercial building within the Muswellbrook Town Centre. The tender is scheduled to be awarded in October 2018 following stakeholder and community engagement.
	Ongoing	Shire and Town Centre Masterplans and strategies are applied to development applications where appropriate.
Develop agricultural industry opportunities in the Shire.	Progressing	The draft Local Strategic Planning Statement will be presented to Council for endorsement in Q1 2018/19. A proposal to fund the Upper Hunter Agricultural Industry Strategy has been lodged with the NSW Government for consideration.

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

Delivery Program Strategy	Status	Comment
Through the Future Fund invest in additional education infrastructure, in partnership with Hunter TAFE the University of Newcastle and other providers.	Progressing	A Development Application for the construction works for the Tertiary Education Centre Stage 2 has been lodged with Council. Following this approval process, tenders will be called for construction. Works are scheduled to be completed by July 2019.

Develop Muswellbrook as a Regional Centre.

Delivery Program Strategy	Status	Comment
Construct and maintain regionally significant infrastructure that facilitates regional service provision.	Ongoing	Advice regarding the application of Shire Town Centre Masterplans, Development Control Plans and Regional Economic Development Strategies to support development of Muswellbrook as a Regional Centre has been provided on request with monthly reports available to Council.
	Progressing	Tenders have closed for the construction of the Rail Noise Abatement Wall and it is expected to be awarded in August 2018. Works are scheduled to be completed before the end of 2018 subject to respective approvals.



02: Social Equity and Inclusion



Continue to improve the affordability, liveability and amenity of the Shire’s communities.

Delivery Program Strategy	Status	Comment
Implement the outcomes of the Recreation Needs Study.	Delivered	“Have a go in the Brook” was an event held to raise awareness of recreation options for people with disabilities during the National Social Inclusion Week, 1 December, 2017. Muswellbrook Shire Council officers worked with the organiser, Ability Links, in the delivery of this event.
	Ongoing	The Recreation Needs and Management Study informed the capital works program and forward recreation planning.
Continue town centre revitalisation projects.	Delivered	During the redevelopment works in Brook Street, a permanent memorial to the Charge of Beersheba was erected. This project was delivered in partnership with a number of Community representatives.
Facilitate investment in entertainment opportunities, particularly for young people.	Delivered	A number of library programs were held during 2017/18 that increased youth membership of libraries. By the end of the December quarter 2017, a 5.26% increase in youth membership was achieved and this number continues to grow.
	Delivered	Aquatic Centre and Gym programs were developed to increase social inclusion, engagement and wellbeing by more than 5% during 2017/18.
	Delivered	A new location for the Upper Hunter Youth Services has been identified and stakeholder engagement will occur when required.
	Delivered	During 2017/18 Arts Upper Hunter worked with Shire Councils in the delivery of a number of youth entertainment and education options.
	Delivered	Youth Week was celebrated in partnership with other Human Services providers from across the Upper Hunter.
	Delivered	Muswellbrook and Denman libraries undertook a review of the home library services, consulting with local human service providers including the PCYC, Youth Express, Ability Links and Upper Hunter Community Services to identify the level of community need for these resources due to mobility, health and other issues.
	Ongoing	Town Centre, Urban Riparian Masterplans and Sustainability Action Plans are applied during the assessment process as applicable.

Delivery Program Strategy	Status	Comment
Improve access to waterways	Progressing	It was recommended that the Muscle Creek Riparian Plan deliver a design for a Public Art Trail along accessible parts of Muscle Creek and the Hunter River commencing with the installation of totem poles near the rail underpass.
Promote and facilitate increased participation in active and passive recreational activities.	Delivered	New playground equipment and footpaths installations were completed to improve the accessibility and amenity of Hunter Park.
	Delivered	Passive recreation and cultural activities were delivered at Muswellbrook and Denman Libraries, Muswellbrook Aquatic and Fitness Centre and the Arts Centre during 2017/18. Each activity was specific and relevant to the space in which they were delivered.
	Ongoing	Local and industry sporting and recreational facility benchmarking has been completed for 2017/18.
	Delivered	Council's small capital grants program was awarded for 2017/18.
	Delivered	Council's major grants dollar for dollar program was awarded for 2017/18
	Ongoing	Monthly Facility User Meetings and Biannual Shire Sports Group meetings were held during 2017/18.
Consider and deliver social inclusion principles across Council functions	Delivered	A Social Inclusion event was delivered in partnership with Ability Links and other community groups in early December 2017, to raise awareness of social inclusion goals for sporting groups.
	Progressing	A program of works to improve accessibility was undertaken and includes Stan Theiss, Denman Recreation Area, and Hunter Park.
	Ongoing	Equal Employment Opportunity training was delivered to Council EEO Contact Officers February 2018. In-house training has been developed and is available to all staff in Code of Conduct, SPIRIT Values, Dealing with Conflict, Bullying and Harassment awareness, Influencing others and Leadership Development.
	Progressing	The first year of the Information Services Strategy has been completed resulting in improvements to Council's network reliability , customer service, reliability of data integrity and reduced IT operational expenses.



Delivery Program Strategy	Status	Comment
Consider and deliver social inclusion principles across Council functions.	Progressing	Council has convened an Accessibility Audit Committee to advise all departments of Council, especially in consideration of any new development projects for Council or the Community.
	Progressing	A Style Guide is under development and will be subject to further internal review prior to referral to Council's Accessibility Audit Committee. It is expected the Style Guide will be incorporated into Council's Visual Standards document to be finalised in 2018/19.
	Progressing	A Disability and Social Inclusion Strategy was adopted by Council in May 2017. The first meeting of Council's Accessibility Audit Committee was held in September, 2017. Appropriate training for Committee members is currently being delivered to ensure that Council's services are relevant to the needs of people with disabilities.
Facilitate the provision of affordable housing opportunities through development application process as encouraged through the Affordable Rental Housing SEPP 2009.	Ongoing	Council continues to use multiple strategies to improve the affordable housing across the shire. The new LEP and DCP aim to improve opportunities for affordable housing, specifically through new town centre master plans for Muswellbrook and Denman.
	Progressing	Council is encouraging diversity in housing development, with a focus on the towns of Denman and Muswellbrook to include housing for over 55's and people with a range of abilities. These goals are supported through the new LEP and DCP.
	Ongoing	The facilitation of affordable housing opportunities is provided where relevant through the development application process

Stabilise the tenancy turnover in the Shire’s social housing.

Delivery Program Strategy	Status	Comment
Continue partnership with government and community housing services to reduce the turnover of tenants in the Shire’s social housing.	Progressing	The Stronger Families Stronger Communities project was scoped and the ethics of the program developed by the Family Action Centre. This work sits within the action plan of the Create Change Coalition. Deliveries have commenced following discussions with relevant stakeholders in the delivery of Muswellbrook, Healthy and Well.
	Progressing	Council is an active participant and leader in the Create Change Coalition which is chaired by the Department of Premier and Cabinet and aims to address social issues in the town of Muswellbrook, including social housing turnover rates.

Build social inclusion and improve the delivery of social services.

Delivery Program Strategy	Status	Comment
Facilitate discussions with other levels of government to enhance the delivery of services to improve and promote social inclusion services.	Delivered	A Discussion Paper was completed that described the current social indicators across Muswellbrook Shire following the release of the 2016 census data. This will inform some of the work associated with the development of the Muswellbrook People Plan by the University of Newcastle.
	Delivered	Training was conducted for key Council officers to further develop the capability to access and apply the data presented by REMPLAN. Access to the Australian Business Register was also granted to enhance data and service to new businesses in the Shire.
	Delivered	A Disability and Social Inclusion Strategy was adopted by Council.
Facilitate and Implement improved Disability Access and inclusion across the Shire	Progressing	Guided by the Building and Property Accessibility Audit, a program of works to improve accessibility continues across Muswellbrook Shire.
	Progressing	An internal Accessibility Audit Committee was convened to oversee the accessibility audit and deliver outcomes during 2017/18.
	Ongoing	The internal interdepartmental Accessibility Audit Committee meets quarterly or as required .
	Ongoing	Disability Access and BCA requirements are applied to development applications and construction certificates as required.

Retention and expansion of quality and affordable child care services.

Facilitate and Implement improved Disability Access and inclusion across the Shire	Deferred	An application for the Upper Hunter Early Learning Centre was made to the Resources for Regions fund which was unsuccessful.
	Progressing	Support was provided to the Denman Children's Centre Extension Project throughout 2017/18 with funding identified to support the creation of a Development Application and the commencement of building during 2018/19.
	Deferred	The review of the Children's Services Strategic Plan was scheduled for early 2018. However, changes in staffing have moved this start date to 2018/19.



Delivery Program Strategy	Status	Comment
Facilitate investment in child care services across the Shire	Delivered	The Stronger Families, Strong communities Program has commenced as a part of the Create Change Coalition Plan to improve learning outcomes, early childhood education and pre-school options.
	Progressing	Crèche facilities have been included as a part of the Master Plan for the Muswellbrook Aquatic Centre.
	Ongoing	Child care development applications are assessed in accordance with relevant planning legislation.

Faciltate opportunities to expand seniors’ living.

Delivery Program Strategy	Status	Comment
Facilitate investment in new seniors' living facilities.	Deferred	Over 55's living will be considered as a part of the Urban Revitalisation Project which is not progressing at this time.
	Ongoing	Advice on seniors living and LEP and DCP requirements are provided to proponents on request.
Facilitate discussions with other levels of Government to enhance the delivery of services to support older people to live in the Muswellbrook Shire.	Progressing	A review of the ageing strategy commenced in consultation with Community members.
	Ongoing	Council will continue to work with government and non-government agencies to improve services for older people across the Shire. Council continues to act to improve transport, access to health services and expand recreation facilities that improve over all wellbeing.
	Progressing	All Council infrastructure is being reviewed as part of Council's strategy to improve access to facilities for all levels of ability, this includes a continuing review of footpaths.
	Delivered	A Seniors Festival was promoted in partnership with other community groups during 2017/18.
	Delivered	A number of new exercise and recreation options were delivered at Upper Hunter Regional Library, Muswellbrook Aquatic and Fitness Centre and the Denman Memorial pool throughout 2017/18.

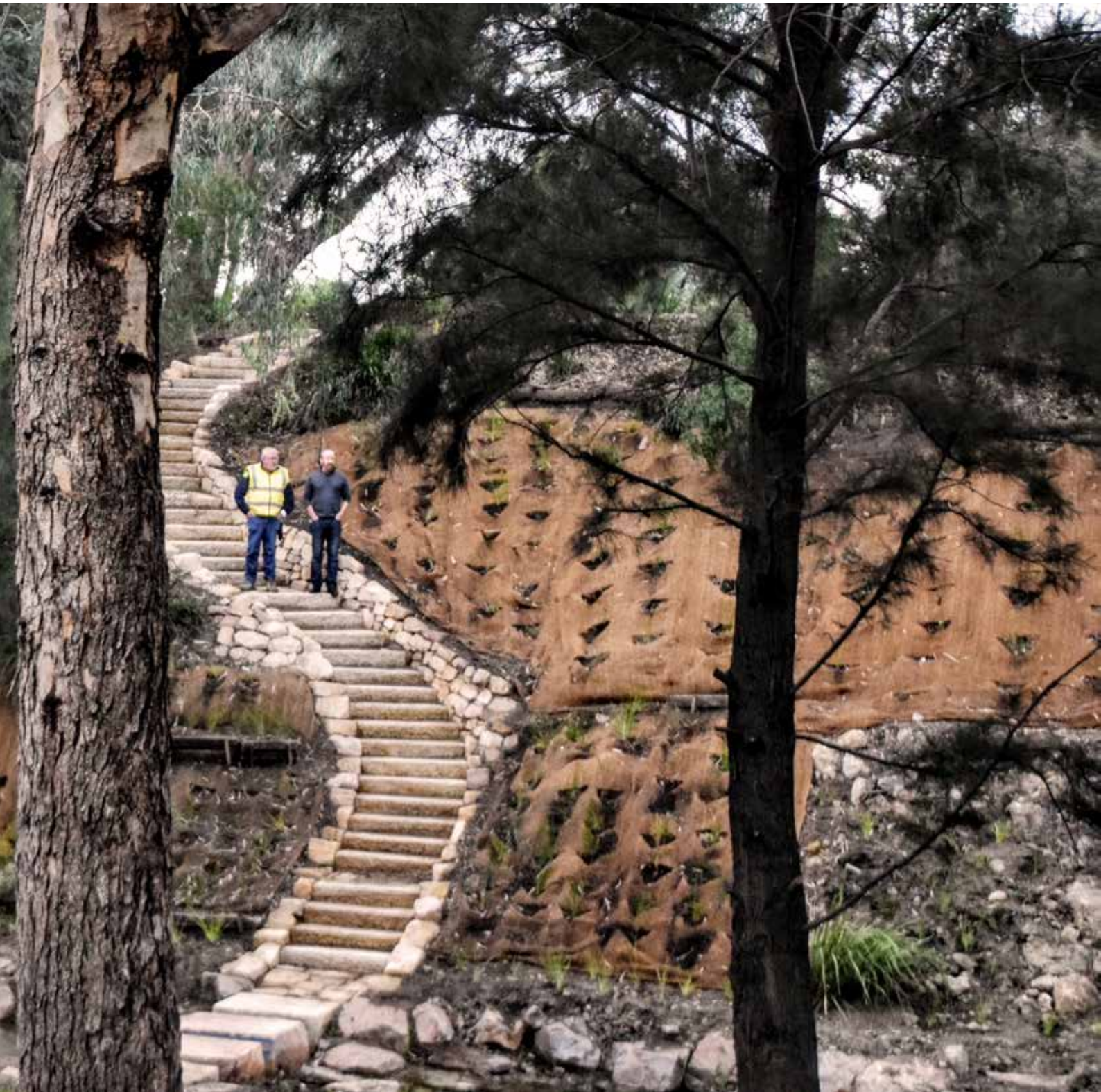


Further the process of reconciliation in the Shire.

Delivery Program Strategy	Status	Comment
Collaborate with the local Aboriginal people on projects which enhance an appreciation for, and which develop the vitality of, Aboriginal culture.	Ongoing	The Aboriginal Cultural Heritage Working group was convened as required during 2017/18.
	Delivered	More than two events were held at the Muswellbrook Regional Arts Centre to celebrate and promote Aboriginal art and culture.
	Progressing	The Aboriginal Oral History project commenced and will be delivered over two years.
	Ongoing	The Aboriginal Mural in Simpson Park and the Scar Tree were monitored regularly to ensure that these relics are conserved.
Raise awareness of the local Aboriginal community and an appreciation of their long traditions and culture.	Deferred	Work was completed on a grant application to support a program that improved access to cultural and educational activities for Aboriginal people. The application was unsuccessful.
	Progressing	Discussions will continue via the Reconciliation Committee regarding the Native Arboretum Project.



03: Environmental Sustainability



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

Delivery Program Strategy	Status	Comment
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.	Progressing	Council is undertaking a review of the Land Use Development Strategy as part of the revision of the LEP. A Mining Policy will be completed in the 2018/19 period, in line with Council's LEP.
	Delivered	Advice was provided for Mt Arthur, Mt Pleasant, Liddell and Muswellbrook Coal mines as part of new and modified consent applications and rehabilitation plans, approved by Department of Planning and Environment to ensure that they are consistent with Council's policies.
	Ongoing	Advice containing Council's policy on improved mine rehabilitation outcomes is provided when Council is made aware of proposals.
	Ongoing	Each coal mine in the Shire currently has a CCC with a nominated Councillor to attend each meeting and Council officers providing support as requested.
	Ongoing	Council officers attended Upper Hunter Mining Dialogue meetings on, schools educational programs and UHMD Forum to provide advice on Council's Mining Policy.
	Ongoing	Advice on rehabilitation plans to ensure improved rehabilitation outcomes for disused mining lands were provided by Council officers on request.

Enhance native vegetation connectivity across the Upper Hunter.

Delivery Program Strategy	Status	Comment
Support Landcare initiatives and programs to enhance native vegetation connectivity across the Upper Hunter.	Delivered	Five Landcare groups have been established since the program's inception. The Landcare Coordinator role has extended from 2 days per week to a 4 day per week shared role with Upper Hunter Shire Council.
	Delivered	A number of community engagement and educational workshops have been held including; propagation workshops at the sustainability hub; River red gum educational program; Landcare awareness information sessions; and tours of restoration activities conducted in the Shire to encourage native vegetation connectivity across the Upper Hunter.

Delivery Program Strategy	Status	Comment
Support Landcare initiatives and programs to enhance native vegetation connectivity across the Upper Hunter.	Delivered	Capital works programs have been completed including: Club to Club, and nature trail projects. There is a demonstrated improvement at Muscle Creek which has attracted positive community feedback.
	Progressing	A proposed budget has been submitted to Council for the ongoing maintenance of natural areas that have undergone rehabilitation.
	Delivered	The Upper Hunter Local Landcare Co-Ordinator Steering Group has been established and the new coordinator has assumed responsibility for ongoing management of native vegetation connectivity deliveries throughout the Upper Hunter.

Our local rivers and creeks are enhanced, utilised and valued.

Delivery Program Strategy	Status	Comment
Adopt an Urban Riparian Masterplan and implement actions.	Progressing	Muswellbrook Urban Riparian Landcare Master Plan (MURLMP) is complete pending presentation of final documents to Council.

Support initiatives which reduce the community’s impact on the environment.

Delivery Program Strategy	Status	Comment
Carry out actions under the Sustainability Action Plan as it relates to air quality, waste reuse and minimisation, electricity minimisation, Council’s Renewable Energy Target and food waste minimisation.	Progressing	An impacts register to identify current and possible water pollution threats has been established as part of the Draft Catchment Management Plan.
	Delivered	Air Quality is monitored weekly by Australian Nuclear Science and Technologies Organisation (ANSTO) for PM2.5 at Council’s water and waste facility. All other monitoring is undertaken by the Upper Hunter Air Quality Monitoring Network.
	Deferred	The energy audit program been deferred pending completion of a recruitment process.
	Progressing	Energy data is monitored via Council’s Planet Footprint subscription with work commencing to improve the quality and application of data.
	Progressing	A wind resource study has been completed and report presented to Council, with further opportunities for joint ventures with renewable energy innovators and power suppliers being investigated.



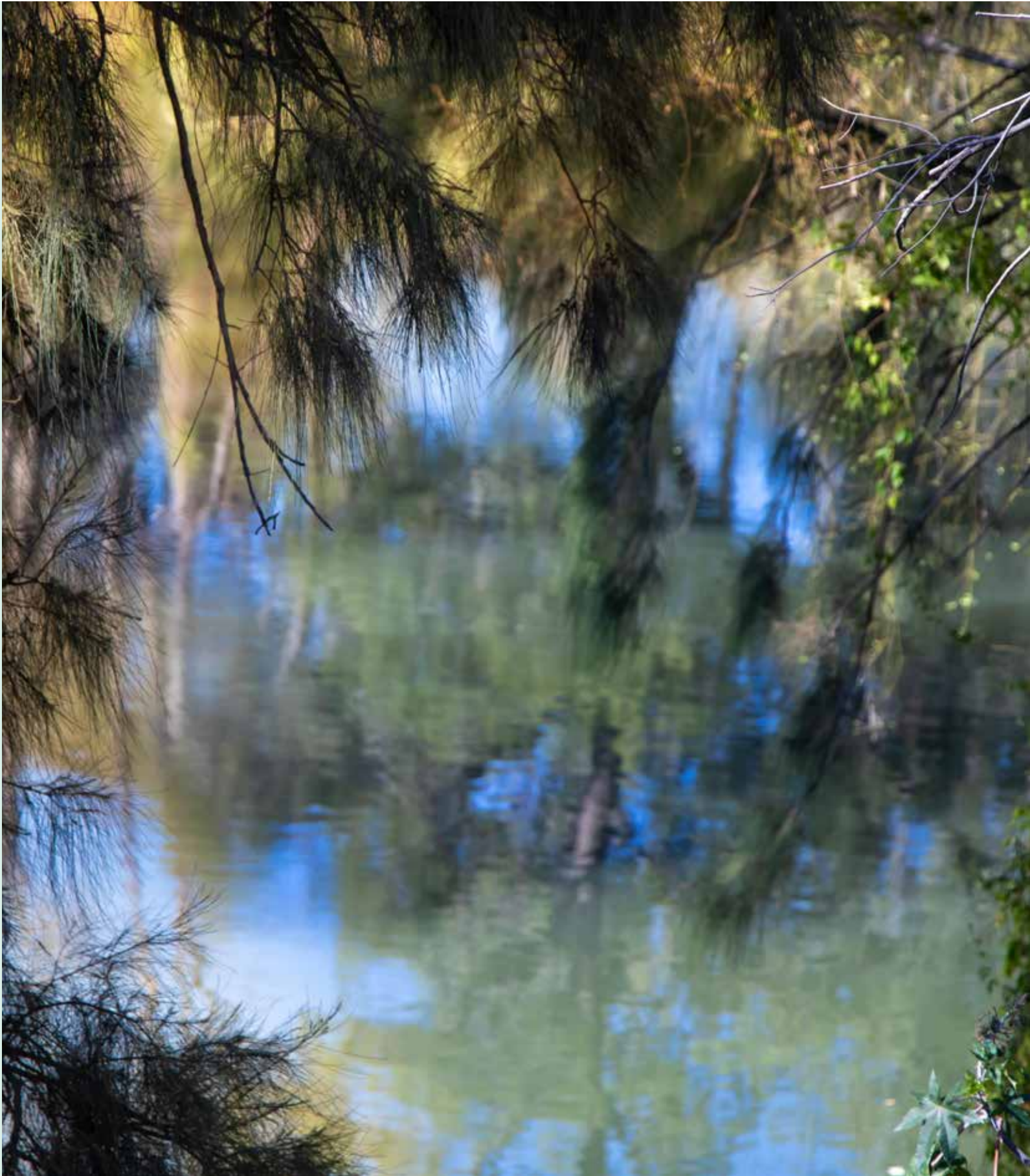
Delivery Program Strategy	Status	Comment
<p>Carry out actions under the Sustainability Action Plan as it relates to air quality, waste reuse and minimisation, electricity minimisation, Council's Renewable Energy Target and food waste minimisation.</p>	Progressing	Actions undertaken include: investigation of food waste recycling at Council's Administration Centre; investigation of green waste recycling at Council's Waste Management Facility; and submission of a funding application to support the implementation of a green waste management system.
	Progressing	Waste minimisation targets have been included as part of the approved Sustainability Action Plan in consultation with Council's Water and Waste department.
	Ongoing	<p>Council has supported businesses and engaged with the community regarding waste minimisation and re-use in 2017/18 via the development of a draft Sustainable Events Policy and promotion of Council's Waste Wrangler education program in schools and media campaigns. A number of events and information sessions have been undertaken at schools and community events including:</p> <ol style="list-style-type: none"> 1. Education programs and media has continued to be implemented. 2. New recycled puppets that align with councils waste wranglers program purchased to facilitate school promotion. 3. Sustainable events policy developed for consideration by council. 4. Community Mens shed actively engaged to promote waste reduction.
	Delivered	A community garden has been established at the Sustainability Hub "with the involvement of multiple stakeholders including Scouts, Landcare, Aboriginal Corporation, Girl Guides and disability service providers.
	Ongoing	Site compliance inspections of building sites subject to development consent and construction certificates are carried out by Rangers regularly to monitor waste management and the results are reported to Council as required
	Ongoing	Illegal dumping sites were reported and 7 proposed Clean Up Notices were issued in 2017/18.
Require all development proposals to avoid and mitigate against potential environmental impacts and facilitate improved environmental outcomes where possible.	Progressing	Environmental Sustainability Guidelines and a checklist for Development Applications will be finalised as part of completion of the new Development Control Plans due for completion in 2018/19.



Delivery Program Strategy	Status	Comment
Require all development proposals to avoid and mitigate against potential environmental impacts and facilitate improved environmental outcomes where possible.	Progressing	Sustainability considerations will be included in Local Environmental Plan and Development Control Plan amendments, due for completion in 2018/19. A number of discussions and meetings have been held to progress sustainability inclusion in LEP.
	Ongoing	Development applications are assessed in accordance with the relevant legislation with the aim of improving environmental outcomes where possible.

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

Delivery Program Strategy	Status	Comment
Increase the proportion of the energy used by Council from renewable resources.	Progressing	A majority of Council agreed actions have been implemented. Option reports have been submitted to Council to finalise the renewable energy target.
Increase the take up of energy used by the wider community from renewable resources.	Ongoing	To educate the community regarding the NSW Government Renewable Energy Target. Council has joined the Climate Councils Cities Power Partnership and conducted several community energy workshops with the Office of Environment and Energy.
	Ongoing	A promotional calendar has been developed and implemented as part of an ongoing Council program to educate and encourage the community to increase the take up of renewable energy.



04: Cultural Vitality



Conserve the heritage and history of the Shire.

Delivery Program Strategy	Status	Comment
Support the conservation and restoration of the Shire's heritage items	Progressing	A Development Application for the construction works for the adaptive reuse works of Loxton House has been lodged with Council. Following this approval process tenders will be called for construction. Works are scheduled to be completed by July 2019.
	Progressing	Tenders have closed for the renewal of Denman Memorial Hall and the tender is expected to be awarded in August 2018. The construction period is an estimated 31 weeks.
	Ongoing	Development applications which are within heritage conservation areas or listed items are referred to Council's Heritage Advisor for specialist advice.
Ensure sites or artifacts of Aboriginal significance are protected where new development proposals are considered.	Ongoing	Development Applications are assessed in accordance with relevant planning legislation and instruments.
New investment in heritage conservation and restoration made.	Delivered	New investment was made following a devolved funding process that identified suitable properties for conservation and renewals within Muswellbrook Shire.

Facilitate options to improve cultural activities in the Shire.

Delivery Program Strategy	Status	Comment
Construct a Regional Entertainment and Conference Centre subject to a Special Variation.	Ongoing	A concept has been prepared and tenders have been called for Principal Design Consultant for a Regional Entertainment and Conference Centre. The tender is scheduled to be awarded in October 2018 following stakeholder and public engagement.

Facilitate cultural activities and events which engage the community and visitors, and which create a 'sense of place' and identity.

Delivery Program Strategy	Status	Comment
Increase funding to the Blue Heeler Film Festival and the Bottoms Up Beer and Music Festival with a view to engaging more locals and visitors	Delivered	The Blue Heeler Film Festival received over 350 entries in 2017/18. The event was held 6-9 September 2017. The Bottoms Up Craft Beer and Music Festival was held on October 21 2017 with a substantial increase in participation. Both events achieved a growth in participation and engagement. Other community events were developed and supported including the Easter Family Fun Day, Karoola Dog Park Launch, The Hunter Soapbox Derby and the cultural event YIELD, held in conjunction with the Muswellbrook Art Prize.

Delivery Program Strategy	Status	Comment
Continue the provision of arts appreciated through the Muswellbrook Regional Arts Centre.	Delivered	More than five exhibitions were delivered at the Muswellbrook Regional Arts Centre in 2017/18..
	Delivered	Sponsorship of the 2018 Muswellbrook Art Prize was secured. The \$71K Art Prize is now delivered annually in Partnership with Bengalla Mining.
	Ongoing	Council officers continue to investigate partnerships to support the delivery of the Annual Muswellbrook Photography Prize.
	Delivered	During 2017/18 there were more than three exhibitions at the Muswellbrook Regional Arts Centre that demonstrated direct partnerships with local education providers.
	Delivered	The Artist in Residence program was completed in April 2018.
	Delivered	Council officers investigated and delivered a number of programs that improved regional support and recognition of the Muswellbrook Regional Arts Centre.
Continue the Public Art Program in the localities identified by Council.	Progressing	Public Art has been included in the design and implementation of the Denman main street program.
Support Arts Upper Hunter as the peak organisation of arts and cultural endeavour.	Delivered	Financial membership and board membership supported Arts Upper Hunter during 2017/18.
	Delivered	Arts Upper Hunter provided support to Muswellbrook Shire Council's Regional Cultural fund applications and numerous public applications for local artists.
	Delivered	The inaugural Cultural Harvest Festival was delivered in conjunction with the Muswellbrook Art Prize. External funding has been received to support the Festival in 2018/19.

05: Community Infrastructure



Our community’s infrastructure is planned well, is safe and reliable and provides required levels of service.

Delivery Program Strategy	Status	Comment
Improve and maintain civic precincts.	Delivered	Identified road renewals were completed substantially on time, within the allocated budget and in accordance with relevant design and construction standards.
	Delivered	The performance of 2017/18 cyclic six-weekly street sweeping contract in Muswellbrook and Denman has been satisfactory. Quarterly intensive cleaning of the Muswellbrook and Denman main streets has been undertaken with frequency determined by need.
	Delivered	The management and removal of graffiti has been carried out in compliance with Council’s Graffiti Management Policy. Council’s Graffiti Management Officer received a Highly Commended Award in the 2018 SafeWork NSW safety awards.
Maintain and continually improve asset management.	Progressing	The asset management system was partially implemented during 2017/18.
	Progressing	Council is currently implementing its Asset Management Improvement Strategy, where an action plan has been developed to meet desired outcomes.
	Delivered	Road Asset Management Plan has been reviewed and updated
	Delivered	Service level achieved are comparable with the targets in the asset management plans
Facilitate investment in high quality community infrastructure necessary to a regional centre.	Delivered	A list of recommended design projects was submitted to the Infrastructure Committee. This will assist with improving design lead times.
	Delivered	A report containing the design and cost estimates for the forward financial year was submitted to the Infrastructure Committee.
	Delivered	Road safety and traffic management issues have been investigated and recommendations made to Council and the Local Traffic Committee.
	Delivered	Prioritised programs of works necessary to achieve the Delivery Program have been submitted to the Infrastructure Committee.
	Delivered	Identified road renewals were completed substantially on time, within the allocated budget and in accordance with relevant design and construction standards.



Delivery Program Strategy	Status	Comment
Facilitate investment in high quality community infrastructure necessary to a regional centre.	Ongoing	Assessment of new developments and conditions applied has aimed to ensure that any new infrastructure provided meets the required specifications and standards
	Ongoing	Conditions of consent requiring payment are applied to new development in accordance with adopted Contribution Plans
	Delivered	Asset registers have been updated from the work as executed information
	Ongoing	Council continues to meet regularly with the RMS and advocates to advance the progress of the Muswellbrook Bypass through the Department of Premier and Cabinet.
	Ongoing	Council continues to advocate for improvements in the Golden Highway, including improvement in road safety for Denman. Advocacy will continue at every opportunity, in consultation with the Denman Community.
	Delivered	Six applications (EOIs) were submitted for Round 5 of Resources for Regions in 2017/18. Proposals for the Mine Affected Road Network and Denman Revitalisation were successful.
	Ongoing	Council continues to raise the need for a rail bypass in Muswellbrook to improve the liveability of the town; Council notes that a rail bypass for the town of Muswellbrook is not included in current regional RMS strategies.
	Progressing	Council is well advanced in securing land for the new companion animal shelter and design work will commence in 2018/19.

Delivery Program Strategy	Status	Comment
Maintain and continually improve community infrastructure across the Shire.	Delivered	The prioritised (but responsive) rolling works program of maintenance was monitored to ensure compliance with timeliness, quality, safety and environmental requirements. The rolling works program was also subject to regular financial review.
	Delivered	Regular asset inspections have been carried out as scheduled.
	Delivered	Customer service requests were managed to ensure effective and timely communication with stakeholders, and compliance with the agreed levels of service, within budget
	Delivered	The avoidance and appropriate management of waste associated with Council's projects and operational works has become integrated into project management plans and the planning of operational works, resulting in reduced waste generation and considerable economic and environmental benefits.
	Delivered	Review of Environmental Factors declarations were submitted quarterly by the Community Infrastructure Managers for works activities..

A safe, secure and reliable water supply and sewerage services are provided to all residents that will ensure public health.

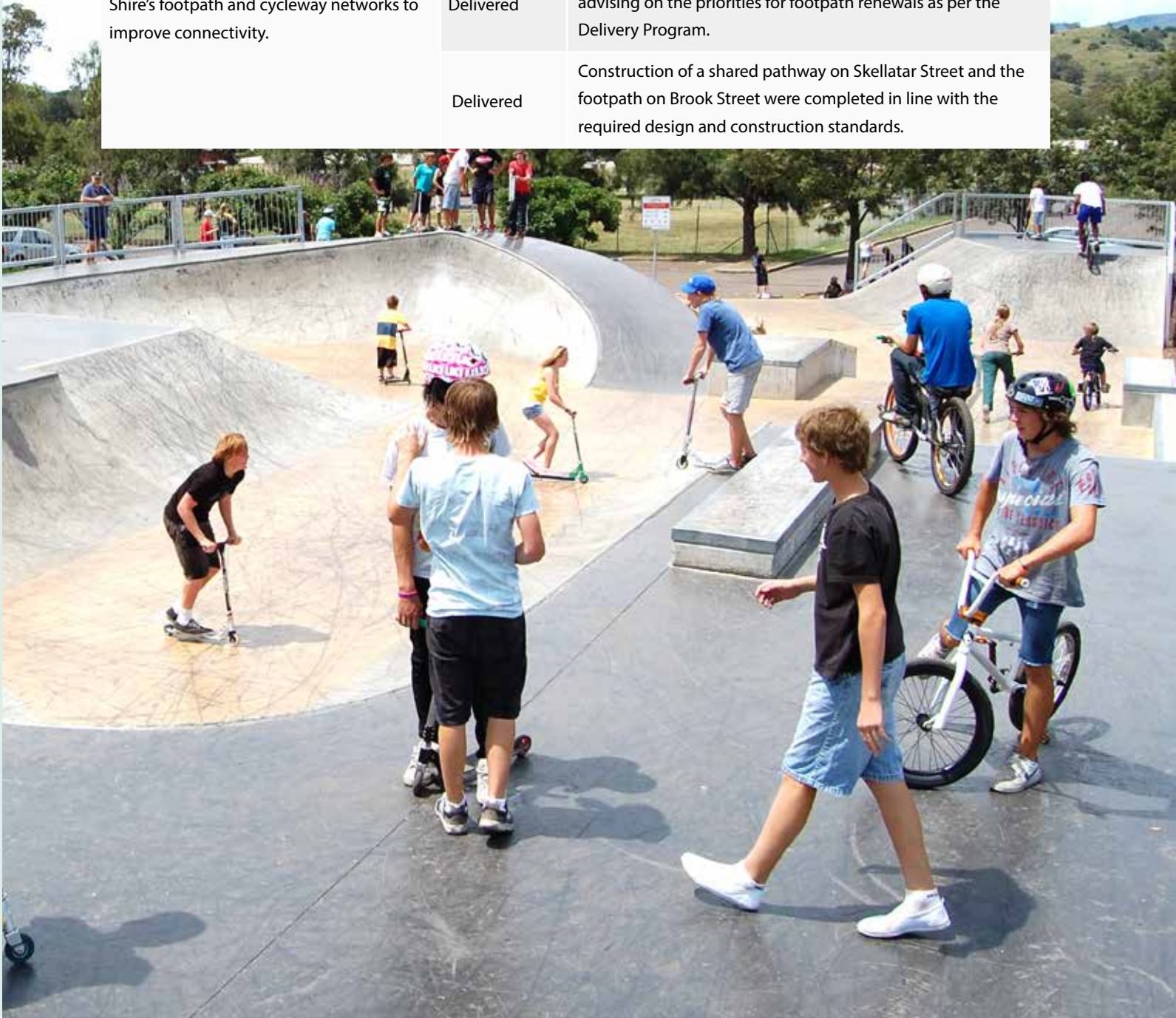
Delivery Program Strategy	Status	Comment
Provide safe, secure, efficient and effective water, sewerage and waste services in compliance with regulatory requirements.	Progressing	Most capital projects have been completed for the year, Five projects have been carried over including the asset management system implementation, the fibre optic installation, The Water Treatment Plant electrical upgrade and the Recycled Water Treatment Plant project. Most other capital works for the year were completed successfully including water and sewer main renewals, minor capital work on water and sewer infrastructure .

Delivery Program Strategy	Status	Comment
Provide safe, secure, efficient and effective water, sewerage and waste services in compliance with regulatory requirements.	Progressing	Water, Sewage and waste services were delivered in accordance with the New South Wales Environment Protection Agency guidelines and legislation. Non-conformance was reported as required.
	Delivered	Council continues to meet license requirements as required under the NSW EPA Act and provides safe and secure water and waste water services for the Muswellbrook Shire.
	Progressing	Integrated Water Cycle Management Plan (IWCM) is still in draft format and will need to be completed next financial year.
	Ongoing	Monitoring of water supply and reuse water quality is ongoing. No notable exceedances and no licence non-conformances.
	Progressing	A significant quantity of work was completed successfully including chemical system upgrades and improvements, replacement of poor condition and obsolete equipment.
	Ongoing	Statutory and Council reports submitted with modified improved loss of service targets anticipated.

Delivery Program Strategy	Status	Comment
Provide safe, secure, efficient and effective water, sewerage and waste services in compliance with regulatory requirements.	Progressing	Upgrades during the year have delivered improvements including system monitoring and control, the new asset management system implementation and Recycle Water Treatment Works are progressing well, with works to continue in 2018/19.
	Delivered	Additional monitoring improvements within the sewer system have been applied to historically high risk liquid trade waste businesses, with advice provided in relation to other trade waste discharges, administered by Council's Planning & Environment department.
	Delivered	Carried out 9 Liquid Trade Waste inspections and approved one Liquid Trade Waste agreement for 2017/18
	Delivered	Fortnightly recycled water quality testing of effluent reuse arrangements with relevant stakeholders undertaken and results reported to HVEC .
	Delivered	Review of Environmental Factors (REF) completed for all infrastructure works.
	Delivered	Current waste collection contractor's KPIs and regulatory requirements were monitored and reported to Council.
	Progressing	Report on reviewed Landfill Environmental Management Plan to be tabled at August 2018 Ordinary Council Meeting
	Progressing	An application has been made to the Department of Planning and Environment for Council's proposed Food Organics/Garden Organics (FOGO) Processing Facility. Funding of \$500,000 towards the construction of the facility was granted in December 2017. The construction of the Muswellbrook Community Recycling Centre was officially opened to the public in January 2018.
	Delivered	Tender process completed for new waste and recoverable collection service. New contract to commence July 2018.
	Delivered	72 onsite wastewater sewerage system inspections were carried out for 2017/18.

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

Delivery Program Strategy	Status	Comment
Maintain and continually improve the Shire's footpath and cycleway networks to improve connectivity.	Delivered	New proposals were assessed against the adopted Walk and Cycle Plan priority criteria and the revised priority program was reported to Infrastructure Committee.
	Delivered	A report was submitted to the Infrastructure Committee advising on the priorities for footpath renewals as per the Delivery Program.
	Delivered	Construction of a shared pathway on Skellatar Street and the footpath on Brook Street were completed in line with the required design and construction standards.



06: Community Leadership



Colloborative and responsive community leadership that meets the expectations and anticipates the needs of the community.

Delivery Program Strategy	Status	Comment
Enhanced collaboration with Council's community and stakeholders to ensure Council and its elected arm is best placed to make decisions in the best interest of the community.	Delivered	A diverse range of communication channels have been employed to increase participation in community consultation resulting in a 2% increase in net satisfaction rate when compared to 2016/17 Community Satisfaction Survey results and a 30% increase in participation in community surveys.

Genuine and well informed community participation in decision making.

Delivery Program Strategy	Status	Comment
Utilise best practice models of community engagement to ensure decision making is meeting the expectations of the community.	Delivered	The community has been invited to contribute to the setting of Council's strategic priorities and levels of service via participation in random telephone and self-selecting online surveys, Community Listening Posts and a Community Panel engagement process.
Enhance Council's consultation and communication with the community to build awareness and understanding of Council's activities and community needs.	Delivered	A demographically representative community panel was recruited and three meetings were held between November and December 2017. The recommendations of the Community Panel were reported to Council.

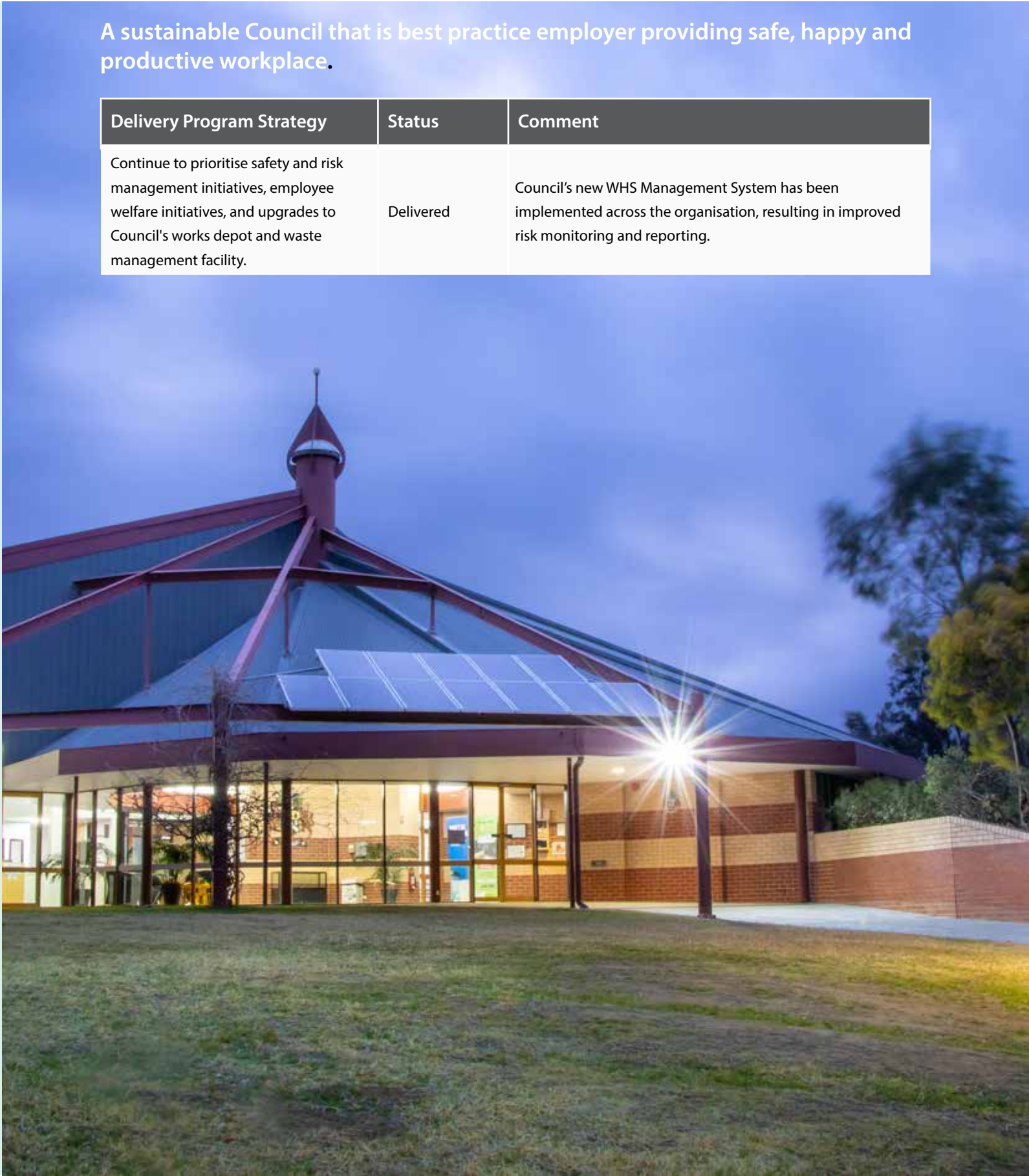
A Council that is well managed, efficient and properly resourced and that is responsive to its communities and stakeholders.

Delivery Program Strategy	Status	Comment
Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves.	Delivered	Capex reviews were completed for all proposed infrastructure projects.
	Delivered	Appropriate matters were reported to Council in a timely manner in accordance with the Financial Control and Reporting Policy.
	Ongoing	Council continues to focus on maintaining a healthy financial position which meets the Fit for the Future ratios and a balanced budget
	Delivered	Council has reviewed its rating structure to ensure that it remains equitable and sustainable.
	Ongoing	Council's Long Term Financial plan provides a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it services.

Delivery Program Strategy	Status	Comment
Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves.	Delivered	Monthly Director reports made available to Council with figures on applications received and determined. Average assessment time for DAs this financial year is 55 days. Average assessment time for CCs is 48.8 days. Average assessment time of CDCs is 11 days.
	Delivered	Council provides high quality, cost effective and competitive PCA certification services.. This financial year Council certification services have been engaged for approximately 77% new construction works.
	Ongoing	The accredited certifier conducts site inspections as a part of the construction certificate and occupation certificate process.
	Delivered	88 inspections/reinspections of regulated premises (caravan parks, food outlets, skin penetration premises, hairdressers, mortuaries, air handling systems) carried out in 2017/18 in accordance with regulatory requirements to ensure public health and safety is protected.
	Ongoing	Council's Building Surveyor investigates and takes appropriate actions in accordance with Council's Dilapidated Building Policy April 2016 and regulatory requirements.
	Delivered	Council facilitates the control of animals in accordance with the Companion Animals Regulations, maintaining a register of animal impoundment, return to owners, euthanasia and adoptions.
	Progressing	Council ensures statutory requirements relating to fire safety measures are implemented. Reminder letters are sent out one month prior to fire statement due date. 26.5% of buildings in the Fire Safety Register have an up to date Fire Safety Statement.
	Progressing	Council ensures statutory requirements under the Private Swimming Pools Program (Swimming Pool Act 1992) are implemented. Inspections are conducted by request. 15% or 129 out of 864 pools have been inspected in 2017/18. 66.4%. or 574 out of 864 pools have a valid Compliance Certificate.

A sustainable Council that is best practice employer providing safe, happy and productive workplace.

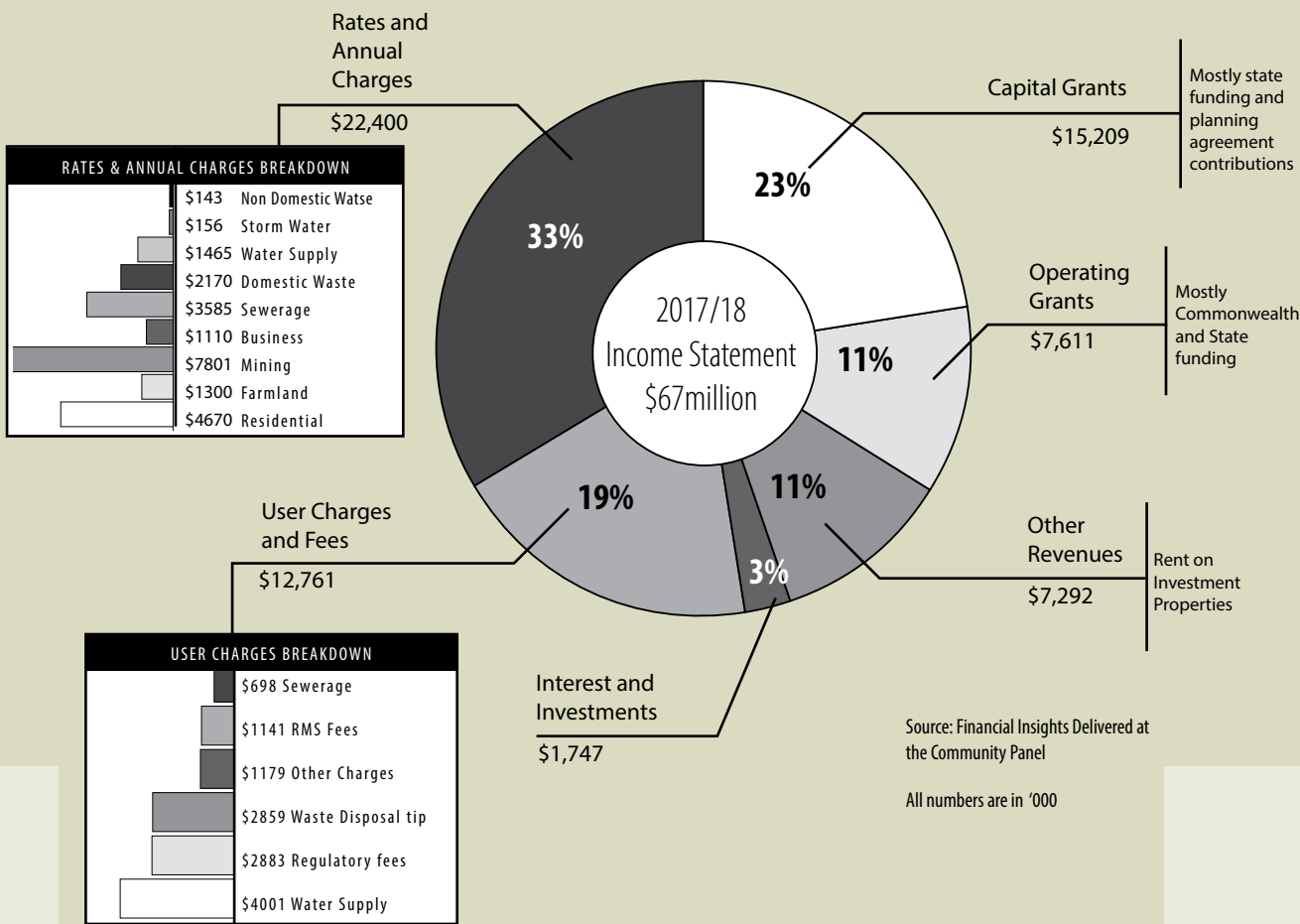
Delivery Program Strategy	Status	Comment
Continue to prioritise safety and risk management initiatives, employee welfare initiatives, and upgrades to Council's works depot and waste management facility.	Delivered	Council's new WHS Management System has been implemented across the organisation, resulting in improved risk monitoring and reporting.



Where does our money come from and how is it spent?

Overall, the operating result for the consolidated statements show a surplus of \$10.0m (\$14.8m in 2016). The \$4.8m decrease in operating surplus since last year is due to a \$9.9M reduction in capital grants, which is offset by:

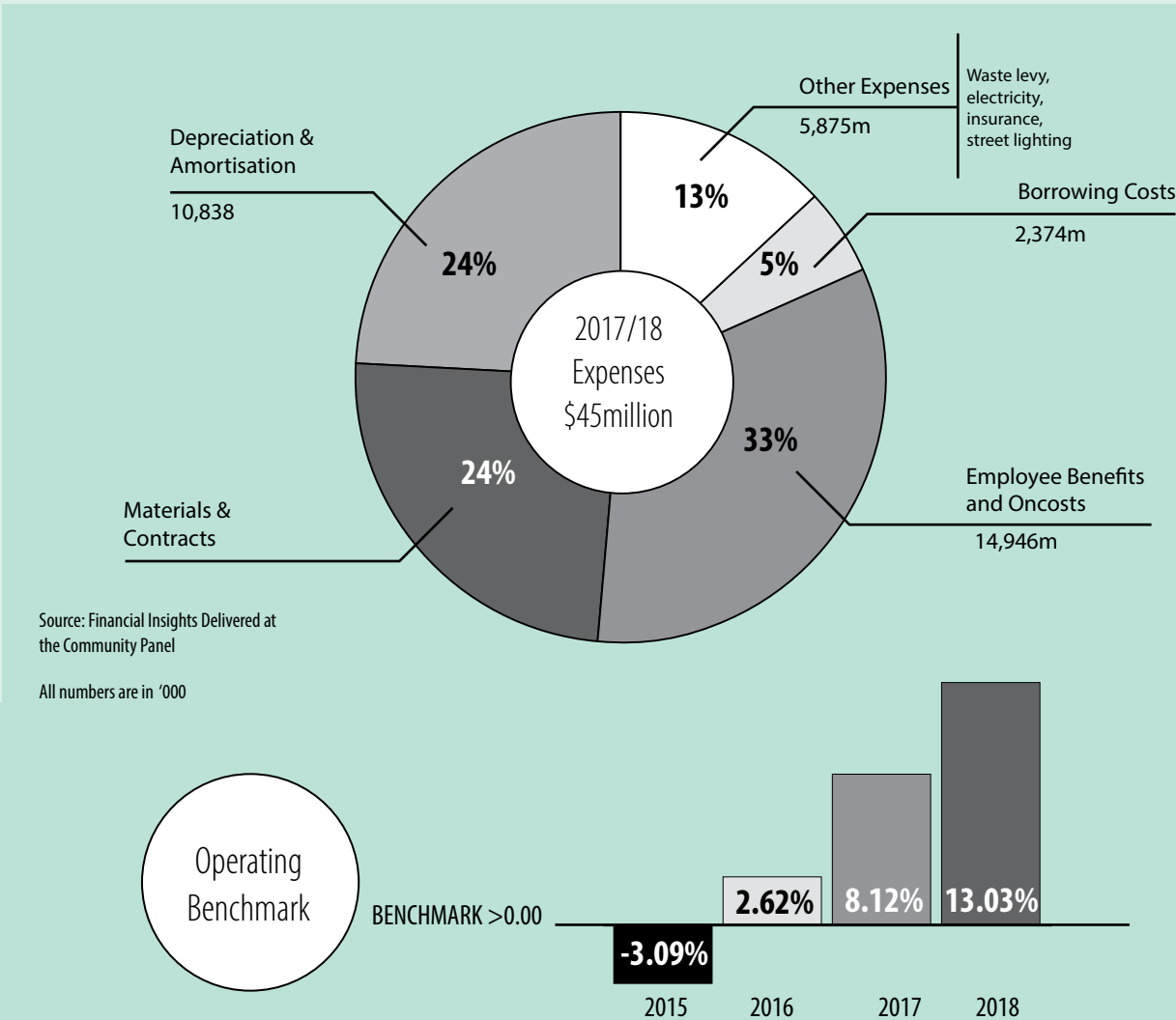
- \$1.6m increase in rental income
- \$1m increase in employee benefits and on-costs
- \$1.7m decrease in materials and contracts as a result of the drop in capital grants
- \$2m decrease in other expenses as a result of fair value adjustments on investment properties.



Council's expenses

Council's total comprehensive income for the year of \$1.3m is driven by \$7.3m loss on the revaluation of the sewerage network and \$1.8m loss on the revaluation of community land.

Over the past 3 years, Council has been steadily improving its operating performance and expense management. This is illustrated by the operating performance ratio, which shows how well Council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments and reversal of revaluation decrements). The benchmark set by the Office of Local Government (OLG) is greater than zero percent.



Statement of Financial Position

Council's total assets have decreased by \$0.4m to \$650.2m since las120 year, due to a decrease in investments driven by the net transfers from restrictions.

Total liabilities have decreased by \$1.8m as loans are being repaid or refinanced.

Primary Financial Statements

Understanding Council's financial statements

Introduction

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

What you will find in the statements

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

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

About the Councillor/Management Statement

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

This following **primary financial statements** have been extracted from Council's *Financial Statements 2017-18*. Refer to the *Financial Statements 2017-18* for a complete financial analysis and accompanying notes.

About the primary financial statements

The financial statements incorporate five 'primary' financial statements:

1. The Income Statement

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

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

2. The Statement of Comprehensive Income

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

3. The Statement of Financial Position

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

4. The Statement of Changes in Equity

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

5. The Statement of Cash Flows

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

Statement by Councillors and Management (signed by GM/ Mayor/ Deputy GM/ CFO)

Financial Statements 2018

Muswellbrook Shire Council

General Purpose Financial Statements for the year ended 30 June 2018

Statement by Councillors and Management made pursuant to Section 413(2)(c) of the *Local Government Act 1993 (NSW)* (as amended)

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


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


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

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

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

Signed in accordance with a resolution of Council made on 11 September 2018.


Cr. M. Rush
Mayor
15 October 2018


Cr. S. Bailey
Councillor
15 October 2018


Ms. Plesman
General Manager
15 October 2018


Mrs. N. Cowley
Responsible Accounting Officer
15 October 2018

Income Statement

Financial Statements 2018

Muswellbrook Shire Council

Income Statement for the year ended 30 June 2018

Original unaudited budget 2018	\$ '000	Notes	Actual 2018	Actual 2017
Income from continuing operations				
Revenue:				
20,512		3a	22,400	19,243
13,185		3b	12,761	11,592
1,597		3c	1,747	2,392
4,014		3d	7,048	2,579
5,815		3e,f	7,611	9,413
16,467		3e,f	15,209	5,732
Other income:				
–		5	–	86
–		10	116	545
–		15	128	14
61,590			67,020	51,596
Expenses from continuing operations				
14,026		4a	14,946	13,817
3,182		4b	2,374	1,379
15,172		4c	10,944	10,883
10,653		4d	10,838	10,409
3,248		4e	5,748	5,060
–		5	127	–
46,281			44,977	41,548
15,309			22,043	10,048
15,309			22,043	10,048
Net operating result for the year				
15,309			22,043	10,048
Net operating result attributable to Council				
			22,043	10,048
Net operating result for the year before grants and contributions provided for capital purposes				
(1,158)			6,834	4,316

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

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Statement of Comprehensive Income

Financial Statements 2018

Muswellbrook Shire Council

Statement of Comprehensive Income for the year ended 30 June 2018

\$ '000	Notes	2018	2017
Net operating result for the year (as per Income Statement)			
		22,043	10,048
Other comprehensive income:			
Amounts that will not be reclassified subsequently to the operating result			
Gain (loss) on revaluation of IPP&E	9a	(11,961)	(8,708)
Total items which will not be reclassified subsequently to the operating result		(11,961)	(8,708)
Total other comprehensive income for the year		(11,961)	(8,708)
Total comprehensive income for the year		10,082	1,340
Total comprehensive income attributable to Council			
		10,082	1,340

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

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Statement of Financial Position

Financial Statements 2018

Muswellbrook Shire Council

Statement of Financial Position as at 30 June 2018

\$ '000	Notes	2018	2017
ASSETS			
Current assets			
Cash and cash equivalents	6a	5,225	6,154
Investments	6b	14,324	15,253
Receivables	7	5,915	7,798
Inventories	8	1,718	1,741
Other	8	123	156
Total current assets		27,305	31,102
Non-current assets			
Investments	6b	34,000	26,750
Infrastructure, property, plant and equipment	9	588,088	570,307
Investment property	10	55,352	21,915
Investments accounted for using the equity method	15	233	105
Total non-current assets		677,673	619,077
TOTAL ASSETS		704,978	650,179
LIABILITIES			
Current liabilities			
Payables	11	6,232	5,249
Borrowings	11	4,159	806
Provisions	12	2,837	3,076
Total current liabilities		13,228	9,131
Non-current liabilities			
Borrowings	11	62,067	24,855
Provisions	12	9,033	5,625
Total non-current liabilities		71,100	30,480
TOTAL LIABILITIES		84,328	39,611
Net assets		620,650	610,568
EQUITY			
Accumulated surplus	13	338,329	316,286
Revaluation reserves	13	282,321	294,282
Total equity		620,650	610,568

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

page 5

Statement of Changes in Equity

Financial Statements 2018

Muswellbrook Shire Council

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

\$ '000	Notes	2018			2017		
		Accumulated surplus	IPP&E revaluation reserve	Total equity	Accumulated surplus	IPP&E revaluation reserve	Total equity
Opening balance		316,286	294,282	610,568	306,238	302,990	609,228
Net operating result for the year		22,043	-	22,043	10,048	-	10,048
Other comprehensive income							
– Gain (loss) on revaluation of IPP&E	9a	-	(11,961)	(11,961)	-	(8,708)	(8,708)
Other comprehensive income		-	(11,961)	(11,961)	-	(8,708)	(8,708)
Total comprehensive income (c&d)		22,043	(11,961)	10,082	10,048	(8,708)	1,340
Equity – balance at end of the reporting period		338,329	282,321	620,650	316,286	294,282	610,568

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

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Statement of Cash Flows

Financial Statements 2018

Muswellbrook Shire Council

Statement of Cash Flows for the year ended 30 June 2018

Original unaudited budget 2018	\$ '000	Notes	Actual 2018	Actual 2017
Cash flows from operating activities				
Receipts:				
20,513	Rates and annual charges		23,506	17,409
13,185	User charges and fees		13,234	11,614
1,597	Investment and interest revenue received		2,137	2,366
22,281	Grants and contributions		22,288	16,674
–	Bonds, deposits and retention amounts received		2,087	189
4,014	Other		7,033	2,653
Payments:				
(14,026)	Employee benefits and on-costs		(15,225)	(13,676)
(15,172)	Materials and contracts		(11,021)	(11,074)
(3,182)	Borrowing costs		(2,016)	(1,029)
–	Bonds, deposits and retention amounts refunded		(96)	(193)
(3,248)	Other		(2,839)	(5,114)
25,962	Net cash provided (or used in) operating activities	14b	39,088	19,819
Cash flows from investing activities				
Receipts:				
–	Sale of investment securities		28,500	14,099
70	Sale of real estate assets		–	690
–	Sale of infrastructure, property, plant and equipment		246	154
Payments:				
–	Purchase of investment securities		(34,821)	(7,767)
(37,350)	Purchase of investment property		(33,321)	(2,420)
(49,236)	Purchase of infrastructure, property, plant and equipment		(41,144)	(18,972)
–	Purchase of real estate assets		(2)	–
(86,516)	Net cash provided (or used in) investing activities		(80,542)	(14,216)
Cash flows from financing activities				
Receipts:				
55,500	Proceeds from borrowings and advances		46,800	–
Payments:				
(3,182)	Repayment of borrowings and advances		(6,275)	(1,768)
52,318	Net cash flow provided (used in) financing activities		40,525	(1,768)
(8,236)	Net increase/(decrease) in cash and cash equivalents		(929)	3,835
–	Plus: cash and cash equivalents – beginning of year	14a	6,154	2,319
(8,236)	Cash and cash equivalents – end of the year	14a	5,225	6,154
Additional Information:				
plus:	Investments on hand – end of year	6b	48,324	42,003
	Total cash, cash equivalents and investments		53,549	48,157

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

page 7

Independent Auditor's Reports (Auditor General)



INDEPENDENT AUDITOR'S REPORT

Report on the general purpose financial report

Muswellbrook Shire Council

To the Councillors of Muswellbrook Shire Council

Opinion

I have audited the accompanying financial report of Muswellbrook Shire Council (the Council), which comprise the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2018, the Statement of Financial Position as at 30 June 2018, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the Statement by Councillors and Management.

In my opinion,

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial report:
 - has been presented, in all material respects, in accordance with the requirements of this Division
 - is consistent with the Council's accounting records
 - presents fairly, in all material respects, the financial position of the Council as at 30 June 2018, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial report have come to light during the audit.

My opinion should be read in conjunction with the rest of this report.

Basis for Opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under the standards are described in the 'Auditor's Responsibilities for the Audit of the Financial Report' section of my report.

I am independent of the Council in accordance with the requirements of the:

- Australian Auditing Standards
- Accounting Professional and Ethical Standards Board's APES 110 'Code of Ethics for Professional Accountants' (APES 110).

I have fulfilled my other ethical responsibilities in accordance with APES 110.

Independent Auditor's Reports (Auditor General)

Parliament promotes independence by ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of councils
- precluding the Auditor-General from providing non-audit services.

I believe the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Other Information

Other information comprises the information included in the Council's annual report for the year ended 30 June 2018, other than the financial report and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the special purpose financial statements and Special Schedules (the Schedules).

My opinion on the financial report does not cover the other information. Accordingly, I do not express any form of assurance conclusion on the other information. However, as required by the *Local Government Act 1993*, I have separately expressed an opinion on the special purpose financial statements and Special Schedule 2 - Permissible income for general rates.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude there is a material misstatement of the other information, I must report that fact.

I have nothing to report in this regard.

The Councillors' Responsibilities for the Financial Report

The Councillors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Local Government Act 1993*, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting except where the Council will be dissolved or amalgamated by an Act of Parliament, or otherwise cease operations.

Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to:

- obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error
- issue an Independent Auditor's Report including my opinion.

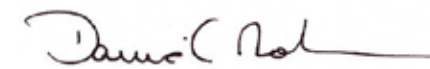
Independent Auditor's Reports (Auditor General)

Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions users take based on the financial report.

A description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar4.pdf. The description forms part of my auditor's report.

My opinion does *not* provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, and Note 19 Material budget variations
- on the Special Schedules. A separate opinion has been provided on Special Schedule 2 - Permissible income for general rates
- about the security and controls over the electronic publication of the audited financial report on any website where it may be presented
- about any other information which may have been hyperlinked to/from the financial report.



David Nolan
Director, Financial Audit Services

23 October 2018
SYDNEY

Cr Martin Rush
Mayor
Muswellbrook Shire Council
PO Box 122
MUSWELLBROOK NSW 2333

Contact: David Nolan
Phone no: 02 9275 7377
Our ref: D1825879/1765

23 October 2018

Dear Mayor

Report on the Conduct of the Audit for the year ended 30 June 2018 Muswellbrook Shire Council

I have audited the general purpose financial statements of Muswellbrook Shire Council (the Council) for the year ended 30 June 2018 as required by section 415 of the *Local Government Act 1993* (the Act).

I expressed an unmodified opinion on the Council's general purpose financial statements.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2018 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the general purpose financial statements issued under section 417(2) of the Act.

INCOME STATEMENT

Operating result

	2018 \$m	2017 \$m	Variance %
Rates and annual charges revenue	22.4	19.2	16.7
Grants and contributions revenue	22.8	15.1	51
Operating result for the year	22.0	10.0	120
Net operating result before capital amounts	6.8	4.3	58.1

Council's operating result (\$22 million including the effect of depreciation expense of \$10.8 million) was \$12 million higher than the 2016–17 result. The increase from the previous year is mainly due to increased mining rates income and receipts from capital grants and contributions.

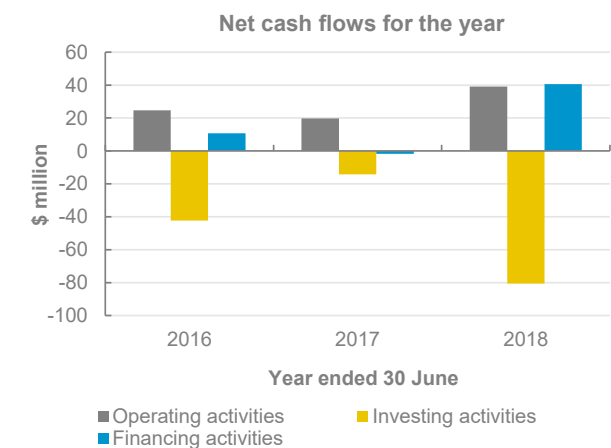
The net operating result before capital grants and contributions (\$6.8 million) was \$2.5 million higher than the 2016–17 result due to increased operating revenue including rates.

Rates and annual charges revenue (\$22.4 million) increased by \$3.2 million (16.7 per cent) in 2017–2018 due to an increase in mining rates arising from rating category changes.

Grants and contributions revenue (\$22.8 million) increased by \$7.7 million (51 per cent) in 2017–2018. The primary reason for the increase was the receipt of capital funding of \$8.6 million for the sewerage plant. This was offset by a reduction in operating grants due to the timing of financial assistance grants received over the past two years.

STATEMENT OF CASH FLOWS

- The Statement of Cash Flows illustrates the flow of cash and cash equivalents moving in and out of Council during the year and reveals that cash decreased by \$0.9 million to \$5.2 million at the close of the year.
- The movement in investing activities is due to the purchase of investment properties and increased capital expenditure.
- Financing activities includes the receipt of borrowings of \$46.8 million.



FINANCIAL POSITION

Cash and Investments

Cash and Investments	2018 \$m	2017 \$m	Commentary
External restrictions	33.2	36.4	• External restrictions include unspent specific purpose grants, contributions and domestic waste charges, and water and sewerage funds.
Internal restrictions	19.6	11.8	
Unrestricted	0.8	0	• Balances are internally restricted due to Council policy or decisions for forward plans including works program. • Unrestricted balances provide liquidity for day-to-day operations.
Cash and investments	53.6	48.2	

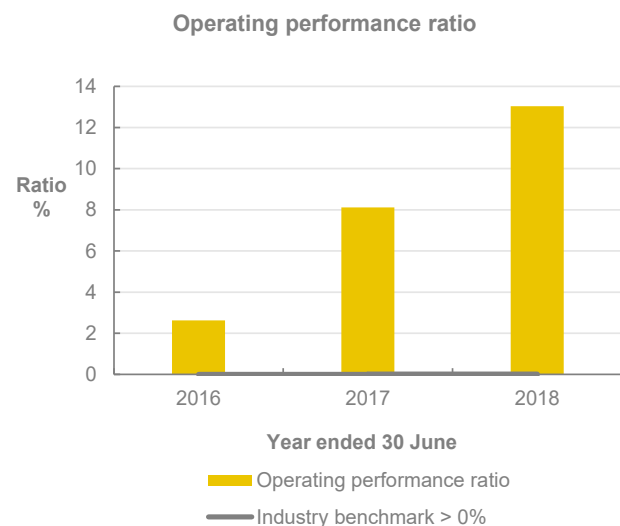
PERFORMANCE RATIOS

The definition of each ratio analysed below (except for the 'building and infrastructure renewals ratio') is included in Note 25 of the Council's audited general purpose financial statements. The 'building and infrastructure renewals ratio' is defined in Council's Special Schedule 7 which has not been audited.

Operating performance ratio

- The indicator of 13 per cent was above the industry benchmark.
- The increase from the previous year is due to the improved operating result before capital revenue.

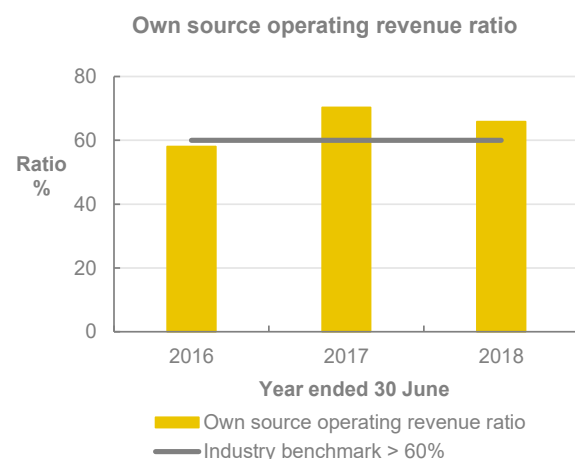
The 'operating performance ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by the Office of Local Government (OLG) is greater than zero per cent.



Own source operating revenue ratio

- Council's own source operating revenue ratio of 65.8 per cent was above the industry benchmark.
- This ratio fluctuates with movements in grants and contributions.

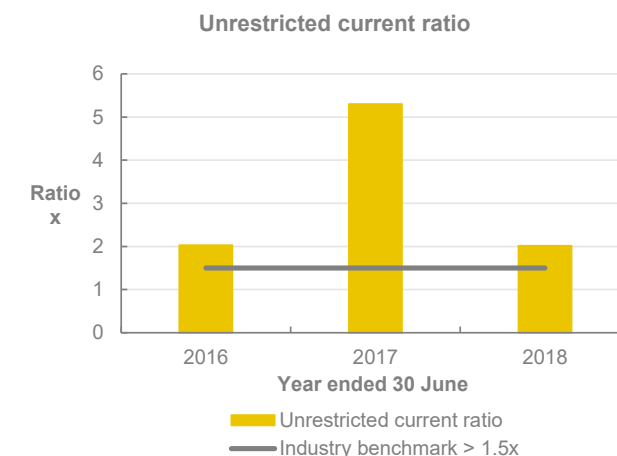
The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.



Unrestricted current ratio

- This ratio indicated that Council currently had 2 times of unrestricted assets available to service every one dollar of its unrestricted current liabilities. This exceeded the industry benchmark.
- The peak in 2017 was due to holding greater funds in cash and short term deposits.

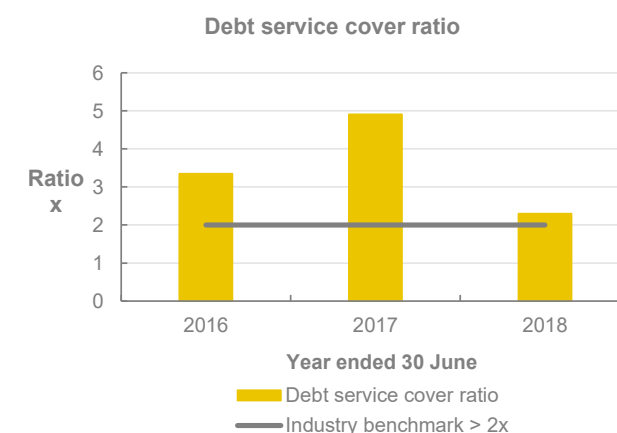
The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.



Debt service cover ratio

- The debt service cover ratio of 2.3 times exceeded the industry benchmark.
- The variance from the previous year is a reflection of Council's increased level of borrowings.

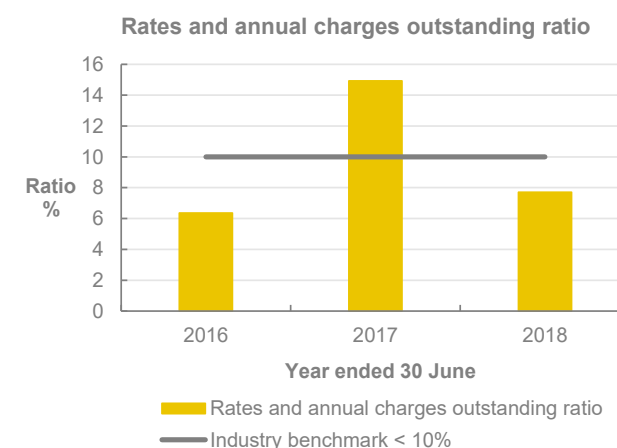
The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.



Rates and annual charges outstanding ratio

- Council's outstanding rates and charges ratio of 7.7 per cent was within the industry benchmark.
- The 2017 ratio was impacted by the late receipt of payment for a significant rating assessment.

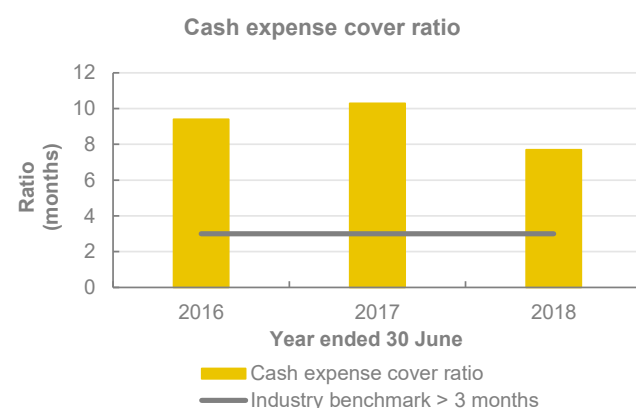
The 'rates and annual charges outstanding ratio' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 10 per cent for regional and rural councils.



Cash expense cover ratio

- Council's cash expense cover ratio of 7.7 months exceeded the industry benchmark.

This liquidity ratio indicates the number of months the Council can continue paying for its immediate expenses without additional cash inflow. The benchmark set by OLG is greater than three months.

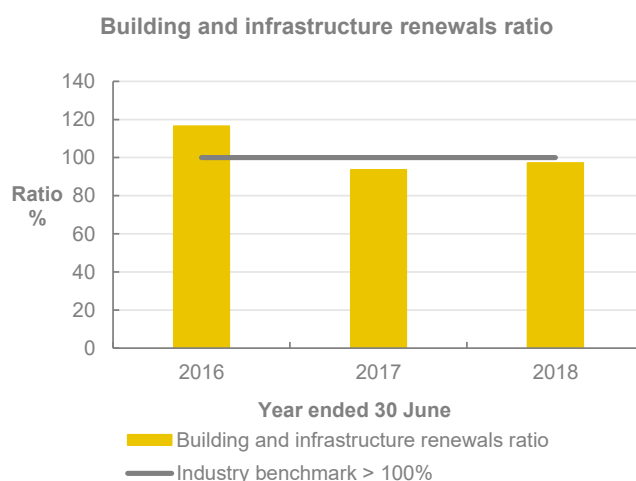


Building and infrastructure renewals ratio (unaudited)

- Council's building and infrastructure renewals ratio of 97.1 per cent was below the industry benchmark.

The 'building and infrastructure renewals ratio' assesses the rate at which these assets are being renewed against the rate at which they are depreciating. The benchmark set by OLG is greater than 100 per cent.

This ratio is sourced from council's Special Schedule 7 which has not been audited.



OTHER MATTERS

New accounting standards implemented

AASB 2016-2 'Disclosure Initiative – Amendments to AASB 107'

Effective for annual reporting periods beginning on or after 1 January 2017

This Standard requires entities to provide disclosures that enable users of financial statements to evaluate changes (both cash flows and non-cash changes) in liabilities arising from financing activities.

Council's disclosure of the changes in their liabilities arising from financing activities is disclosed in Note 11(c).

Legislative compliance

My audit procedures did not identify any instances of non-compliance with legislative requirements or a material deficiency in the Council's accounting records or financial reports. The Council's:

- accounting records were maintained in a manner and form to allow the general purpose financial statements to be prepared and effectively audited
- staff provided all accounting records and information relevant to the audit.

David Nolan

David Nolan
Director, Financial Audit Services

cc: Ms Fiona Plesman
Ms Bridgette Thomas, Chair of the Audit Committee
Mr Tim Hurst, Chief Executive of the Office of Local Government



muswellbrook
shire council