



**muswellbrook
shire council**

**ORDINARY COUNCIL MEETING
ATTACHMENTS**

28 SEPTEMBER 2021

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Infrastructure Contributions Reform

- Infrastructure contributions are made by developers to help deliver the infrastructure needed as communities grow. They are a means of financing public infrastructure that is required as a direct or indirect result of new development.
- This is based on a long-standing impactor/beneficiary pays principle of the existing planning system i.e. new development makes a contribution towards the cost of infrastructure that will meet the additional demand it generates and benefits from.
- This local infrastructure ranges from critical infrastructure components such as roads, footpaths, street lighting, stormwater and drainage facilities, to community facilities that improve amenity, such as parks, playgrounds, playing fields, skate parks, basketball courts, libraries, childcare centres and public pools.
- The NSW Planning and Public Spaces Minister Rob Stokes is proposing to amend a number of planning rules, including the rules governing developer contributions, through the *Environmental Planning and Assessment Amendment (Infrastructure Contributions) Bill*. The Bill, and regulations associated with it, could:
 - Reduce the type of community infrastructure that could be funded by developer contributions; and
 - Pour developer contributions into four regional funds, with no guarantees that the money would be funnelled back into projects in the local areas where the levies had been collected.
- Essentially the reforms remove the right of local communities to ensure the development in their area is matched by the community infrastructure they want and need. Without developer contributions, councils will be forced to either forgo the infrastructure or raise rates.
- They take funding from the areas of greatest need and put it into a pot that can be dispersed anywhere by the State Government with no accountability on where or on what it is spent.
- Communities will still expect councils to provide the same infrastructure and facilities but without the funding to do so. Councils' contributions revenue will decrease while rates will need to increase, cost-shifting the delivery of infrastructure to ratepayers.
- A survey of councils has found that a reduction in developer contributions would have a significant financial impact on any council's ability to deliver community infrastructure. For example, a 50% reduction in developer contributions over a 10-year period would cost:
 - About \$3 million for a small local government area
 - More than \$1 billion for a large local government area

BACKGROUND

- The NSW Government introduced the [Infrastructure Contributions Bill](#) into Parliament on 22 June, which was then referred to the Upper House Planning & Environment Committee for inquiry and report.
- The Committee called for [submissions](#) and held a [hearing](#) on 16 July 2021 where local government representatives, including LGNSW, appeared as witnesses.
- LGNSW made a [submission](#) to the inquiry, opposing the passage of the Bill in this form and calling for it to be withdrawn.
- The Committee tabled its [report](#) on 10 August 2021 and recommended that the Bill not proceed until the draft regulations have been developed and released for consultation and the reviews into the rate pegging system, benchmarking and the essential works list have been published by the Independent Pricing and Regulatory Tribunal.

DEVELOPMENT ASSESSMENT REPORT**Attached:** Site Plan**REPORT TO THE GENERAL MANAGER**

| | |
|-------------------------|--|
| ADDRESS: | LOT: 1 DP: 551973 and LOT: 2 DP: 551973 14 Haydon Street MUSWELLBROOK |
| APPLICATION No: | 133/2020 |
| PROPOSAL: | Backpackers' Accommodation |
| OWNER: | Haydon Street Development Pty Ltd |
| APPLICANT: | Perception Planning Po Box 107 CLARENCE TOWN NSW 2321 |
| AUTHOR: | Mr H A McTaggart |
| DATE LODGED: | 08/12/2020 |
| AMENDED: | 15 June 2021 |
| ADD. INFO REC'D: | 15 June 2021 |
| DATE OF REPORT: | 4 July 2021 |

SUMMARY**SUBMISSIONS:** One (1)**RECOMMENDATION:** Approval subject to conditions

1.0 SITE DESCRIPTION

This development application relates to Lots 1 and 2 DP 551973. Collectively the lots are known as 14 Haydon Street, Muswellbrook.

The land has direct frontage to Haydon Street. The portion of Haydon Street that the site fronts is not identified as a road reserve but is a formed road Lot 11 DP 105817 owned by Muswellbrook Shire Council. The applicant has obtained consent to the lodgement of this application from Council as the owner of this land.

Under the provisions of the Muswellbrook Local Environmental Plan (MLEP) 2009 the land is zoned B2 Local Centre. Land adjoining the site is primarily within the same land use zoning, except for public parkland north-east of the site which is zoned RE1 Public Recreation.

The site itself is currently vacant. Single storey dwellings are located on the land immediately adjoining the development site.

The subject site is identified as flood liable in the Muswellbrook Flood Risk Management Study and Plan 2018.

A development application (DA 70/2017) was previously lodged for the construction of a Boarding House on the land. That development application was refused by Council.

The image below identifies the subject site in context with the adjoining locality.



2.0 DESCRIPTION OF PROPOSAL

The proposed development involves the construction and operation of tourist and visitor accommodation, specifically backpackers' accommodation.

The proposed backpackers' accommodation would comprise a two-storey building with accommodation located on the buildings first floor and ground level parking, entry and building circulation areas.

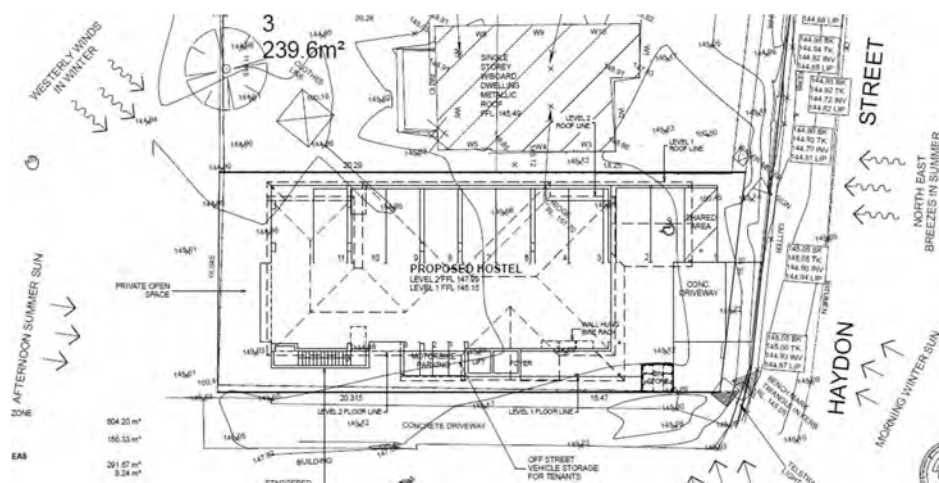
The proposal consists of:

- Eleven (11) off-street parking spaces, and three (3) off-street motorcycle parking spaces
- A lift between the car park and first floor,
- Bin storage area,
- Ten (10) accommodation rooms (including an accessible room)
- Managers room, and
- Common room including kitchen, washing and drying facility

The images below provide a 3D perspective of the backpacker's accommodation and a site plan for its location on the site.



HAYDON STREET VIEW



3.0 REFERRALS

3.1 External Referrals

The proposed development has not been referred to any external Government Agencies for comment.

3.2.1 Internal Referrals

Building Surveyor

A response to this referral was received on the 12 February 2021 which indicated that the applicant appeared to have accounted for building code requirements in the design of the development.

Community Services

The proposed development was referred to Council's Community Services Department to consider and comment on any potential adverse social impacts related to the proposal.

No comments were received from Community Services Officers within the nominated period for making submissions regarding the application. It was understood that Council Community Service Officers did not intend to provide any detailed comment regarding potential social impacts related to the development.

Water and Waste

Initial comments provided by water and waste raised a request for additional information around the servicing of the development via a sewer main extension over private land. This query was communicated to the applicant who provided additional information and an updated plan that proposed the sewer servicing of the development via the extension of Council infrastructure within Haydon St.

Accordingly, Council Officers are satisfied that the proposed water and sewer servicing arrangement can be supported subject to standard conditions of consent related to the applicant entering into a Notice of Arrangement and the payment of relevant Headworks Charges.

Community Infrastructure

Final comments provided by Council engineers have been included below:

Comments on DA 2020-133 (Backpackers accommodation):

- From the submitted documents; it is found that
 - The existing 1% AEP flood level for this property is **145.21m**
 - The **afflux is 0.075m** for the proposed development
 - A **proposed habitable floor level of 145.25m** has provided in the modified drawing dated 7/04/2021
 - The post-developed impacted 1% AEP flood level = existing 1% AEP flood level plus afflux = **145.285m AHD**
- As part of the CC, the applicant needs to amend the ground floor level (**Level 1**) to **have a FFL** greater than the post-developed 1% AEP level, and ensure all electrical components of elevators, including motors and switches etc to be located

above this level at a suitable freeboard (such above waves) to ensure operation of the elevator at all times for persons with accessibility issues as per DCP13.

- Section 16.6 of MDCP 2009 indicates for a development of this type, a total of 12 car spaces are required, including one accessible space. The modified proposal has provided 11 car spaces, including one accessible space. Although the proposed development has a deficit of one car parking spaces, it has also offered three motorbike spaces and wall-hung bike spaces. Considering the available parking and expected use, the Assessing Officer may consider a merit-based determination for this development.
- As part of the CC, the applicant should provide a sealed drainage lid in the carpark area to prevent upwelling through the floor from surcharged drainage systems.
- As part of the CC, the applicant is to provide a (internal) pit with a triangular Lysaught grate over the last site drainage pit and a grated lid to prevent leaf litter and grass clippings from entering Council's drainage system. This grate is to be maintained at all times.
- As part of the CC, the applicant is to provide an extended detention zone in the site's rainwater tank or similar, with orifice plate and overflow to control peak discharge from the site equalling pre-development peak discharge as per Section 25 of MDCP 2009.

These comments and recommendations have informed the recommended conditions of consent, including:

- The provision of details that electrical components and habitable areas are 500mm above the 1% flood height prior to issue of CC.
- The construction of parking areas.
- A requirement for the applicant to obtain a Section 68 approval under the Local Government Act 1993 and the submission of updated stormwater plans in line with Engineering comments prior to the issue of that permit.

The MDCP 2009 requires only habitable building areas to be constructed 500mm above the 1% AEP flood event. Car parking and circulation areas are not viewed as habitable floor areas within the meaning of the DCP. Accordingly, a recommended condition has not been included around the finished floor level of the parking and ground floor circulation areas.

4.0 ASSESSMENT

Section 4.15 Matters for Consideration

Section 4.15(1)(a)(i) The provisions of any Environmental Planning Instrument (EPI)

The following EPIs, DCPs, Codes and Policies are relevant to this Application:

1. Muswellbrook Local Environmental Plan 2009 (MLEP 2009)

Land Use Zone and Permitted Land Use

The development site is zoned B2 Local Centre pursuant to MLEP 2009. The land use table for the B2 Local Centre zone identifies Tourist or Visitor Accommodation as a type of development permissible with consent within the zone. The definition for Tourist or Visitor Accommodation includes Backpackers' Accommodation.

Accordingly, Backpackers' Accommodation is development permissible with consent in the B2 Local Centre land use zone.

Objectives of the B2 Local Centre Zone

The relationship of the proposed development with the B2 Local Centre zone objectives and land use table has been considered below.

The B2 Local Centre land use zone objectives are as follows:

- *To provide a range of retail, business, entertainment and community uses that serve the needs of people who live in, work in and visit the local area.*
- *To encourage employment opportunities in accessible locations.*
- *To maximise public transport patronage and encourage walking and cycling.*
- *To maintain the status and encourage the future growth of the Muswellbrook established business centre as a retail, service, commercial and administrative centre while maintaining the centre's compact form.*
- *To enable a wide range of land uses that are associated with, ancillary to, or supportive of the retail and service functions of a business centre.*
- *To maintain the heritage character and value and streetscape of the business centre of Muswellbrook.*
- *To support business development by way of the provisions of parking and other civic facilities.*

Council Officers are satisfied that the development would be compatible with the land use zone objectives. The location and density proposed also conforms with the objectives that encourage economic development and employment within the zone.

Relevant Clauses applicable under the Muswellbrook Local Environmental Plan 2009

| | |
|---|--|
| <i>Part 1 Preliminary</i> | |
| <i>Part 2 Permitted or prohibited development</i> | |
| <i>2.3 Zone objectives and Land Use Table</i> | The proposed development is compatible with the relevant land use objectives and thereby can be supported under the provisions of this Clause. Complies |
| <i>Part 3 Exempt and complying development</i> | |
| <i>Part 4 Principal development standards</i> | |
| <i>4.1 Minimum subdivision lot size</i> | The proposed development does not involve the subdivision of land. Not relevant |
| <i>4.3 Height of buildings</i> | The maximum building height applicable to the land and proposed development under the provisions of the Muswellbrook LEP 2009 is 13m. The maximum height of the proposed building is 9.687m. Complies |

| | |
|------------------------------------|--|
| 4.4 Floor space ratio | <p>Aa maximum FSR of 2:1 applies to the site.</p> <p>The proposed development would have an FSR of 0.5:1.</p> <p>Complies</p> |
| Part 5 Miscellaneous provisions | |
| Part 6 Urban release areas | |
| Part 7 Additional local provisions | |
| 7.6 Earthworks | <p>This clause requires a consent authority to take the following matters into consideration before granting development consent to development involving earthworks:</p> <ul style="list-style-type: none"> a) <i>the likely disruption of, or any detrimental effect on, existing drainage patterns and soil stability in the locality,</i> b) <i>the effect of the proposed development on the likely future use or redevelopment of the land,</i> c) <i>the quality of the fill or of the soil to be excavated, or both,</i> d) <i>the effect of the proposed development on the existing and likely amenity of adjoining properties,</i> e) <i>the source of any fill material or the destination of any excavated material,</i> f) <i>the likelihood of disturbing relics,</i> g) <i>the proximity to and potential for adverse impacts on any watercourse, drinking water catchment or environmentally sensitive area.</i> <p>The proposal would involve earthworks related to the construction of the development and installation of services. Standard conditions of consent would be imposed on any approval of the proposed development to ensure earthworks are carried out in accordance with the requirements of this clause.</p> <p>Complies</p> |

2. State Environmental Planning Policy No. 55 – Remediation of Land

Council as the consent authority is required to consider whether the land is contaminated, and in the event that the land is contaminated whether the land is suitable for the proposed use in its existing state of if remediation of the site is required.

The Assessing Officers observes that:

- The land subject is currently vacant.
- The site is not identified by Council or the NSW Environmental Protection Authority as potentially contaminated land.
- At the time the site was inspected Council Officers did not identify any visual signs that suggested the site was likely to be subject to contamination.

In view of the above observations Council Officers consider the site is not likely to be subject to any contamination requiring remediation under the SEPP.

3. State Environmental Planning Policy (Affordable Rental Housing) 2008

The type of accommodation proposed is not a type of accommodation referenced by this SEPP. Accordingly, the provisions of this SEPP do not apply.

Section 4.15(1)(a)(ii) the provisions of any draft EPI.

There are no draft EPIs relevant to the subject Application.

Section 4.15(1)(a)(iii) the provisions of any development control plan

Section 3 – Site Analysis

It is considered that the documentation provided with the Development Application satisfies the provisions of Section 3 of the Muswellbrook DCP.

Section 9 – Local Centre Development

This section of the DCP relates to development in the Local Centre zone.

| MUSWELLBROOK SHIRE COUNCIL DCP SECTION 9 LOCAL CENTRE DEVELOPMENT | | |
|--|------------|---|
| DCP REQUIREMENTS | COMPLIES | PLANNING COMMENT |
| 9.1.1 Built Form | Yes | |
| (i) The design of new buildings should reflect and enhance the existing character of local centres. (refer to section 15 of this DCP for further guidance on development in the Bridge Street area) | | The design of the proposed building is sympathetic to the character of the area. The proposed building incorporates a gable roof style which includes distinct roof features. It is noted that adjoining residential buildings are single storey. However, there are examples of larger two-storey buildings in the locality and B2 Commercial zone. Accordingly, the two-storey height and bulk is not considered to be contrary to the character of the area. |
| (ii) Building design should relate to its retail / commercial / office function. | | The building design is compatible with its proposed function. |
| (iii) Building materials should be of high quality and harmonise with surrounding development. The use of reflective materials is discouraged. Materials and colours should not dominate the streetscape. | | The building design has been informed by land use constraints. The inclusion of the habitable parts of the development above the flood height is consistent with DCP requirements that relate to flood prone land. |
| (iv) Awnings should be designed to integrate with the architecture of the building façade and provide for continuous shelter for pedestrians. Awnings should follow consistent heights above the footpath with a minimum height to the underside of the awning of 3.2 metres | | The entry to the site is well defined while the building entry points from the parking area will be easily identifiable. |
| (v) Building facades should relate to the context of buildings in the area to achieve continuity and harmony. The continuity of commercial frontages should not be broken by parking | | |

| MUSWELLBROOK SHIRE COUNCIL DCP SECTION 9 LOCAL CENTRE DEVELOPMENT | | |
|---|----------|---|
| DCP REQUIREMENTS | COMPLIES | PLANNING COMMENT |
| <p>areas, service and delivery areas etc.</p> <p>(vi) Buildings should provide for 'activated street frontages' by incorporating active uses at street level including cafes and other retail activities.</p> <p>(vii) Blank building facades to streets or public places are to be avoided.</p> <p>(viii) The placement of windows should provide visual interest and variation to the building façade and relate to those of adjacent buildings. (ix) Building designs should allow for passive surveillance of public places and streets.</p> <p>(ix) Building entrances should be well defined and well lit.</p> <p>(x) New residential development shall be located above street level.</p> <p>(xi) Incorporate areas for future signage into the building design.</p> | | |
| <p>9.1.2 Height of Buildings</p> <p>(i) Building heights comply with the building height limits prescribed by Muswellbrook LEP 2009.</p> <p>(ii) The height of buildings should be consistent with the character of the area, and include roof parapets where that is a characteristic in the surrounding streetscape.</p> <p>(iii) The height of buildings should not result in unreasonable overshadowing or compromise the privacy of adjoining properties.</p> | Yes | <p>The proposed development would comply with the requirements of this section of the DCP. This view has been formed based on the observations below:</p> <ul style="list-style-type: none"> ➤ The height of the proposed development would not exceed the maximum building height for the land specified by the Muswellbrook LEP 2009. ➤ The shadow diagrams indicates that the proposed development is unlikely to cause any significant overshadowing to residential properties north and west of the site. The diagrams indicate the proposed development would cast a longer afternoon shadow toward the adjoining residence south-east of the development site during the winter month afternoons. When the extent of this shadowing was considered in context with the site layout of the affected dwelling it was considered unlikely to have a substantial adverse impact on that property. The shadow cast by the proposed development would largely impact the front yard and driveway of that development and |

| MUSWELLBROOK SHIRE COUNCIL DCP SECTION 9 LOCAL CENTRE DEVELOPMENT | | |
|---|------------|---|
| DCP REQUIREMENTS | COMPLIES | PLANNING COMMENT |
| | | was unlikely to cause unreasonable overshadowing to that property. |
| 9.1.3 Setbacks (i) The front of buildings should be aligned to provide a continuous street frontage. (ii) In some cases, front setbacks should allow for street landscaping and footpath widening where necessary. (iii) New development should respect the setbacks of other buildings along the streetscape. (iv) Separation fencing is provided between development land and any rail corridor. (v) (Not included Relates to Rail Corridor Development) | Yes | <p>The proposed development is considered to be in accordance with the development controls specified by this Section of the DCP:</p> <p>The proposed development has been designed to respect the setbacks of existing residential development in the locality. The building would be setback from the street frontage and incorporate a part of its parking and landscape area at the front of the site.</p> <p>This setback is considered to be acceptable given the absence of immediately adjoining commercial development built to the property boundaries and the requirement for the development to respect the setbacks of adjoining residences.</p> |
| 9.1.4 Accessibility This Section of the DCP requires new commercial developments to be designed and constructed in a manner which comply with the relevant accessibility standard. | Yes | The proposed development includes an accessible room and lift to support access to the premises by people with disabilities. |
| 9.2.1 Urban Landscaping (i) Where appropriate, landscaping should be incorporated into building design to enhance the character of the streetscape and the amenity of buildings and public places. (ii) Landscaping should reflect the size and height of buildings and should be consistent with the character of the area. (iii) Landscaping should be used to soften the impact of hard surfaces where necessary. (iv) Where landscaping is proposed to be incorporated into a new development, a landscape plan detailing hard and soft landscaping works should be submitted with the development application | Yes | The proposed plans include landscaping adjacent property boundaries. Council Officers are satisfied that the landscaping proposed would be compatible with DCP requirements. |
| 9.2.2 Car Parking | Yes | Council Officers are satisfied that the rate off off-street car parking proposed would meet the relevant DCP off-street car parking requirements. |

| MUSWELLBROOK SHIRE COUNCIL DCP SECTION 9 LOCAL CENTRE DEVELOPMENT | | |
|---|----------|--|
| DCP REQUIREMENTS | COMPLIES | PLANNING COMMENT |
| 9.2.3 Outdoor Eating Areas | NA | The proposed development does not involve any outdoor eating areas which would require assessment against the requirements of this Sub-section. |
| 9.2.4 Signage and Advertising | NA | The proposed development does not involve any advertisement signage which would require assessment against the requirements of this sub-section. |

Section 13 – Flood Prone Land

The subject land is identified as being affected by the 1% AEP flood event by the Muswellbrook Flood Risk Management Study and Plan 2018.

The provisions of section 13.4 of MDCP 2009 are applicable to 'tourist or visitor accommodation' which falls outside the 'residential accommodation' collective land use terminology.

MDCP 2009 requires:

- that all habitable rooms would be located 0.5m above the height of the 1% AEP flood event – in relation to the proposed development it complies.
- Aspects of the proposed development below the 1% flood event are required to be designed to withstand flood pressures – this requirement is typically administered by a standard condition of consent which Council Officers propose to impose on the development where it is approved.
- the development does not result in the increased flood hazards to adjoining properties by increasing the flood afflux by more than 0.1m – the applicant has provided information from a hydrologist demonstrating that the development would not result in flood impacts contrary to this requirement.

In view of the above considerations Council Officers are satisfied that the proposed development can comply with the relevant criteria of this Section of the DCP. **Complies**

Section 16 – Car Parking and Access

This Section of the DCP prescribes the rate at which off-street car parking is to be provided to new developments.

The DCP specifies the off-street parking that should be provided. The table below considers the proposed development to determine the rate of off-street parking required:

| DCP Requirement | Relationship with proposed development | Car parking requirement |
|---------------------|--|------------------------------|
| 1 space per bedroom | Excluding the managers room, the proposed development would comprise a total of ten (10) bedrooms. | 10 off-street parking spaces |

| DCP Requirement | Relationship with proposed development | Car parking requirement |
|-------------------------|--|--|
| 1 space per 3 employees | Excluding the manager additional staff would comprise casual cleaning and maintenance staff. An exact number of casual staff has not been provided. The proponent has indicated that these staffing levels would vary depending on seasonal circumstances and rates of occupancy. | (staff numbers not specified) minimum of 1 anticipated to be required. |
| 1 space per manager | The proposed development would include a live-in Manager and Manager's residence | 1 off-street parking space |
| Total | | 12 |

The applicant has proposed a total of eleven (11) off-street parking spaces.

Where a proposed development does not comply with the DCP, Council may consider the proposal on merit against the related DCP objectives. The DCP objectives applicable to this requirement relate to ensuring adequate off-street vehicle parking is provided to traffic generating developments.

With regards to this proposed development Council Officers note that:

- The proposed development would provide a total of eleven (11) of street parking spaces. This rate of off-street parking would provide parking for each of the proposed rooms and the Manager's residence.
- The proposed development also includes three (3) motorcycle parking spaces – the DCP does not require the provision of any motor cycle parking.
- The shortfall in available parking could be viewed as relating to staff parking. The applicant has indicated that beyond the manager staffing requirements would primarily relate to cleaners and/or maintenance workers. This work would primarily be carried out during the day and at times where accommodation parking may not be in use by the building occupants.

Council Officers have formed the view that the development could be viewed as compatible with the DCP objectives and thereby supported.

Section 20 – Erosion and Sediment Control

This section of the DCP requires erosion and sediment controls to be provided for development applications where the total disturbance areas would exceed 250m².

The construction of the proposed development would involve the disturbance of an area in excess of the 250m² minimum and thereby requires details of sediment and erosion control measures in accordance with the DCP, which have been provided. Recognising the erosion and sediment control detail provided Council Officers are satisfied that the proposal is consistent with this DCP requirement. **Complies**

Section 24 – Waste Management

This section of the DCP requires a waste minimisation management plan for anticipated waste streams associated with the construction and operation of the proposed development.

The applicant has provided a site waste minimisation management plan for the carrying out of construction works and detailed methods proposed for the management of ongoing waste streams associated with the operation of the proposed development. Council Officers are satisfied that the information provided is consistent with the DCP requirements. **Complies**

Section 25 – Stormwater Management

Council Engineers have not raised an objection to the proposed development with regard to stormwater management. Comments provided have been incorporated into recommended conditions of consent. **Complies**

Section 94 Contributions Plan 2001

Section 7.11 (formerly Section 94) contributions would not be applicable to the proposed development under the provisions of Council's Section 94 Contributions plan.

Section 94A Contributions Plan 2009

Under the provisions of Council's Section 94A Contributions Plan Section 7.12 (formerly Section 94A) Contributions would be applicable to the proposed development at a rate of 1% of the total estimated cost of carrying out the development.

The applicant has estimated that the proposed development would have a value of \$679,975. The 1% Section 7.12 developer contribution applicable to this development under Council's Section 94A development contributions plan would be \$6,799.75. A condition of consent has been included in the recommended Notice of Determination requiring the payment of this contribution.

Section 4.15(1)(a)(iia) the provisions of any planning agreement

There are no planning agreements relevant to the subject Application.

Section 4.15(1)(a)(iv) the provisions of the regulations

Division 8A of the Environmental Planning and Assessment Regulation 2000 applies to the development.

Section 4.15(1)(a)(v) the provisions of any coastal zone management plan

This item is not relevant to the subject Application. The Application does not relate to a coastal area.

Section 4.15(1)(b) the likely impacts of that development

Likely impacts of the proposed development have been considered throughout the assessment of the development application. Key potential impacts of the proposed development have been considered and commented on under the sub-headings below.

Context and Setting

In considering this issue Council Officers have observed that adjoining residential buildings are a single storey height while the proposed building and ground floor parking design would have the presence of a two-storey building. Although the scale of the proposed development would exceed that of existing adjoining residential buildings Council Officers do not consider the building to be incompatible with the context and setting of the locality. This view has been informed by the following considerations:

- The land and adjoining residential land is zoned B2 Local Centre despite the scale of existing residential developments in the locality is supportive of higher density development than the scale of existing development.
- The design of the proposed building is sympathetic to the character of the area. The proposed building incorporates a gable roof style which includes distinct roof features.
- The building design has been informed by land use constraints. The inclusion of the habitable parts of the development above the flood height is consistent with DCP requirements that relate to flood prone land. Should the redevelopment of existing residential sites be proposed in the future it may be necessary for those sites to be raised or two storey-building proposed to suitably address flood risk in the locality.

Utilities

The proposed development would require servicing by sewer, water electrical and telecommunication services.

The applicant has provided design information regarding the extension of Council's sewer infrastructure to service the development. Prior to the extension of Council's sewer service and the connection of the premises to reticulated water and sewer infrastructure it will be necessary for the person acting with this consent to obtain a Notice of Requirements from Council's Water and Waste Division and pay the relevant Section 64 Headworks Contributions under the Water Management Act 2000.

Natural Hazards

The site is identified is flood liable. The proposed development has been designed to managed flood related issues with the buildings finished floor level designed to be greater than 0.5m above the height of the 1% flood event and information provided to address relevant flood management considerations in accordance with section 13 of MDCP 2009 where required.

Social and Economic Impacts

The proposed development would support economic activity, provide additional short-term tourist and visitor accommodation and support jobs in the Muswellbrook area. The proposal would directly employ people related to the operation of the premises and would have an indirect benefit to other industries benefiting from the location of this accommodation at a close proximity to the Muswellbrook town centre and CBD.

Section 4.15(1)(c) the suitability of the site for the development

The site subject to this development application is considered to be suited to the proposed development. The land is zoned B2 Local Centre and its land use zone and its zoning objectives are supportive of are compatible with the type and density of development proposed.

Section 4.15(1)(d) any submissions made

The proposed development was publicly notified in accordance with the Muswellbrook Community Participation Plan.

One submission objecting to the proposed development was received through the public notification of the development application. The concerns raised in relation to the proposed development have been summarised and commented on in the table below.

| Issue Raised | Planning Comment |
|---|--|
| Additional vehicle movements along Haydon St may increase the risk of a vehicle incident particularly given the limited visibility along Haydon St where the road bends before the Lorne St traffic lights. | The proposed development has been considered by Council Engineers in relation to potential traffic impacts. No significant concerns have been raised in relation to the capacity of Haydon Street to handle the additional traffic loading related to the development proposed. |
| Potential for conflict between vehicles accessing the site and pedestrian traffic which includes elderly and disabled. | Additional traffic movements between the site and Haydon St have not considered to have an unacceptable risk to pedestrians using the Haydon St road reserve. Suitable space would be provided for vehicles to manoeuvre within the site and exit the property in a forward direction. |

One (1) submission was received by Council through the renotification of the development.

The submission objects to the development and raises the concern that it would adversely impact the adjoining property by impacting the safety of its occupants and generating additional noise. The submitter references that are particularly concerned by the way these impacts could affect their welfare due to the age of the person and living situation.

While Council Officers recognise that the proposed development would increase the density of development in the locality and that there would be resultant environmental impacts for the urban environment they remain of the view that that the development should be approved as a development consistent with the relevant Section 4.15 Assessment criteria.

Council Officers have made the following observations regarding the specific concerns raised by the submission:

- Security – A Crime Prevention Through Environmental Design (CPTED) assessment has been completed in relation to the proposed development and is included as an Attachment F to this report. In considering the issue, Council Officers consider that the higher density accommodation would increase the number of individuals in the area, which in turn improves passive surveillance. An individual's intent on perpetrating criminal behaviour is generally not linked to the type of housing they occupy. A disincentive for crime in the area will be the stay-in house boarding house manager.
- Noise – Council Officers recognise that some noise would be generated by occupants and their coming and going from the site. The development does not include any outdoor areas where occupants could congregate, while the accommodation rooms are reasonably sized, provided with amenities for short

term living and a common room provided for the enjoyment of residents. Considering this and the proximity to nearby parkland Council Officers consider it unlikely that occupants would congregate outside the building on the site for longer periods of time and generate noise affecting neighbouring properties. Noise from the occupation of accommodation rooms within the premises would be comparable to noise from a residential property.

Section 4.15(1)(e) the public interest.

The proposed development is considered to be generally in accordance with the public interest. This view has been informed by the following considerations:

- The proposed development is permissible with consent in the B2 local centre zone under the provisions of the Muswellbrook LEP 2009.
- The proposed development would be carried out in accordance with the relevant provisions of the Muswellbrook LEP 2009 and other applicable environmental planning instruments
- Although the proposed development would be inconsistent with the MDCP 2009 off-street car parking development standard Council Officers are satisfied that the rate of off-street car parking would be compatible with relevant DCP objectives and can be supported on merit.
- The proposed development would comply with the relevant requirements of the remaining MDCP 2009 requirements.
- Where carried out in accordance with the recommended conditions of consent the proposed development is unlikely to have a significant adverse environmental impact.
- The proposed development would have a positive economic impact.

5.0 CONCLUSION & RECOMMENDATION

The proposed development has been assessed against the relevant heads of consideration pursuant to Section 4.15 of the *Environmental Planning and Assessment Act 1979*. It is considered that the proposed development is unlikely to result in any significant adverse environmental impacts, is located on a site suited to the proposed development and is in the public interest.

It is recommended that development consent be granted to the proposed development subject to the recommended conditions of consent pursuant to Section 4.16(1)(a) of the *Environmental Planning and Assessment Act 1979*.

DA 2020/133 – Recommended Conditions of Consent

IDENTIFICATION OF APPROVED PLANS

(1) Development in Accordance with Plans

The development being carried out in accordance with the development application and the drawings referenced below, and endorsed with Council's approval stamp, except where amended by the following conditions.

| Drawing No. | Revision | Drawn by | Drawing Date | Received |
|-------------------------------------|----------|------------------------------|--------------|------------|
| 1902800B Site Plan Proposed | B | Sorensen Planning Design & | 07/04/2021 | 15/06/2021 |
| 1902800B Landscape Plan | B | Sorensen Planning Design & | 07/04/2021 | 15/06/2021 |
| 1902800B Site Analysis Plan | B | Sorensen Planning Design & | 07/04/2021 | 15/06/2021 |
| 1902800B Perspective Views | B | Sorensen Planning Design & | 07/04/2021 | 15/06/2021 |
| 1902800B Level 1 Floor Plan | B | Sorensen Planning Design & | 07/04/2021 | 15/06/2021 |
| 1902800B Level 2 Floor Plan | B | Sorensen Planning Design & | 07/04/2021 | 15/06/2021 |
| 1902800B North and East Elevations | B | Sorensen Planning Design & | 07/04/2021 | 15/06/2021 |
| 1902800B South and West Elevations | B | Sorensen Planning Design & | 07/04/2021 | 15/06/2021 |
| 1902800B Section A-A | B | Sorensen Planning Design & | 07/04/2021 | 15/06/2021 |
| 1902800B Shadow Diagrams 9am & 12am | B | Sorensen Planning Design & | 07/04/2021 | 15/06/2021 |
| 1902800B Shadow Diagram 3PM | B | Sorensen Planning Design & | 07/04/2021 | 15/06/2021 |
| 1902800B Proposed Sewer Main | A | Wallace Infrastructure Group | 27/5/2021 | 15/06/2021 |

(2) Development in Accordance with Documentation

The development is to be carried out generally in accordance with the following documents.

Where there is a discrepancy between any of the documents referenced by this condition of consent and any other condition referenced by the consent or an amendment to the application made by the applicant in writing the provisions of the related condition or amendment to the application takes precedence over matters referenced by the documents below.

| Title | Written by | Date |
|--|----------------------|------------|
| Statement of Environmental Effects | Perception Planning | 25/11/2020 |
| Site Waste Minimisation Management Plan | Perception Planning | 21/09/2020 |
| Flood Afflux Report | Wallace Design Group | 04/06/2021 |
| Crime Prevention Through Environment Design Report | Perception Planning | 16/09/2021 |

OPERATIONAL CONDITIONS IMPOSED UNDER THE ENVIRONMENTAL PLANNING AND ASSESSMENT ACT AND REGULATIONS AND OTHER RELEVANT LEGISLATION

(3) Building Code of Australia

All building work must be carried out in accordance with the provisions of the Building Code of Australia.

CONSTRUCTION CERTIFICATE REQUIREMENT

(4) Construction Certificate Requirement

No works shall commence on site until such time as a Construction Certificate has been issued for either part or all of the works. If a certificate is issued for part of the works it must cover the works being undertaken onsite.

ANCILLARY MATTERS TO BE COMPLETED PRIOR TO THE ISSUE OF THE CONSTRUCTION CERTIFICATE

(5) Muswellbrook Shire Water and Waste Division

A 'Notice of Requirements' under the Water Management Act 2000 must be obtained, prior to any Construction Certificate application, detailing water and sewer extensions to be built and charges to be paid by the applicant. Any charges identified in the 'Notice of Requirements' as requiring payment at construction certificate stage are to be paid prior to release of a Construction Certificate.

Details demonstrating compliance with any requirements for works by Muswellbrook Shire Council Water & Waste Department are to be provided with the Construction Certificate application.

The final compliance certificate must be submitted to the Certifying Authority prior to release of the Subdivision or Occupation Certificate.

Note: the extension of Council's reticulated sewer at no cost to Council and the payment of all Section 64 Headworks Contributions are to be carried out in accordance with the Terms of the Notice of Requirements.

(6) Section 7.12 Contributions

Pursuant to section 4.17(1) of the Environmental Planning and Assessment Act 1979, and the Muswellbrook Shire Council Section 94A Development Contributions Plan 2010, a contribution of \$6,799.75 shall be paid to Muswellbrook Shire Council, being 1% of the cost of carrying out the development.

Documentary evidence demonstrating payment of the above contribution to Council is to be provided to the Certifying Authority prior to the issue of a Construction Certificate.

(7) Section 68 Local Government Act 1993 Approvals

Prior to the issue of a Construction Certificate the person acting with this consent shall obtain approval under Section 68 of the Local Government Act 1993 for the carrying out of stormwater works.

Documentary evidence is to be provided to the Principle Certifying Authority demonstrating that these approvals have been obtained prior to the issue of a Construction Certificate.

Any Section 68 application to Council is to be accompanied by stormwater design plans for the development which should include the following:

- The applicant should provide a sealed drainage lid in the carpark area to prevent upwelling through the floor from surcharged drainage systems.
- the applicant is to provide a 1200x1200 (internal) pit with a triangular Lysaught grate over the last site drainage pit and a grated lid (or similar approved device) to prevent leaf litter and grass clippings entering Council's drainage system.
- the applicant is to provide an extended detention zone in the site's rainwater tank or similar, with orifice plate and overflow to control peak discharge from the site equalling pre-development peak discharge as per Section 25 of Muswellbrook Development Control Plan 2009.

The person acting with this consent shall ensure that mandatory stage inspections prescribed by the Section 68 Approval are carried out by Council Officers at the relevant stage of development.

(8) Potential Flood Damage to Buildings

An assessment, report and certification by a qualified practising Engineer is to be submitted to the Certifying Authority with the Construction Certificate, stating that the structure has been designed to withstand the flood pressures, including debris and buoyancy forces, imposed in the event of a 1% AEP flood and that the structure will not sustain unacceptable damage from the impact of floodwater and debris.

(9) Construction of Habitable Areas

The applicant shall ensure that the floor level of all habitable areas of the proposed building are at least 500mm above the 1% AEP flood level. Evidence to support the determination of the flood level shall be supplied by a suitably qualified professional.

Details submitted in association with the Construction Certificate application are to demonstrate compliance with this requirement. The details are to be approved by the Certifying Authority as satisfying this requirement prior to the issue of a Construction Certificate.

(10) Electrical Fittings for flood affected development

Electrical and mechanical equipment is to be installed in accordance with the requirements of Section 13 of the Muswellbrook Development Control Plan 2009. Prior to the issue of a Construction Certificate documentary evidence is to be provided to the Certifying Authority to demonstrate the following:

- a) **Main Power Supply** - subject to approval of the relevant energy authority the incoming main commercial power service equipment, including all metering equipment, shall be located 500mm above the 1% AEP flood level. Main power supply shall be designed so that it can be easily disconnected from the development.
- b) **Wiring** - all wiring, power outlets, switches, etc. should, to the maximum extent possible, be located 500mm above the 1% AEP flood (the Flood Planning Level). All electrical wiring installed below the Flood Planning Level shall be designed for continuous submergence in water and should contain no fibrous components. Only submersible type splices should be used below the Flood Planning Level. All conduits located below the Flood Planning Level are to be installed in a manner that allows them to self-drain if subjected to flooding.
- c) **Equipment** - all equipment installed below or partially below the Flood Planning Level is to be capable of disconnection by a single plug and socket assembly.

The 1% AEP flood height for the site has been determined as 145.21m AHD.

(11) BASIX Commitment

Under clause 97A(3) of the Environmental Planning & Assessment Regulation 2000, it is a condition of this development consent that all the commitments listed in each relevant BASIX Certificate for the development are fulfilled. Details and plans demonstrating compliance with these requirements are to be submitted to the Certifying Authority for approval with the Construction Certificate.

In this condition:

- (a) relevant BASIX Certificate means:
 - (i) a BASIX Certificate that was applicable to the development when this development consent was granted (or, if the development consent is modified under section 96 of the Act, a BASIX Certificate that is applicable to the development when this development consent is modified); or
 - (ii) if a replacement BASIX Certificate accompanies any subsequent application for a construction certificate, the replacement BASIX Certificate; and
- (b) BASIX Certificate has the meaning given to that term in the Environmental Planning & Assessment Regulation 2000.

CONDITIONS THAT MUST BE ADDRESSED PRIOR TO COMMENCEMENT**(12) Vehicle Entry**

Prior to commencing construction of the driveway/vehicle crossing/layback, within the road reserve, a permit for the work must be obtained from Council, under Section 138 of the Roads Act 1993.

(13) Sediment and Erosion Control

All required erosion and sedimentation techniques are to be properly installed prior to the commencement of any site works and maintained in a functional and effective condition throughout the construction activities until the site is stabilised

(14) Site Sign

A sign must be erected in a prominent position on any work site on which work involved in the erection or demolition of a building is being carried out:

- (a) stating that unauthorised entry to the work site is prohibited;
- (b) showing the name of the principal contractor (or person in charge of the work site), and a telephone number at which that person may be contacted at any time for business purposes and outside working hours; and
- (c) showing the name, address and telephone number of the Principal Certifying Authority for the work.

Any such sign must be maintained while building work or demolition work is being carried out, but must be removed when the work has been completed.

This condition does not apply to building works being carried out inside an existing building.

(15) Stabilised access

Unless existing constructed site access is utilised, stabilised site access consisting of at least 200mm of aggregate at 30–60mm in size and a minimum of 3m in width must be provided from the road edge to the front of the building being constructed prior to the commencement of work. The stabilised access must be fully maintained and removed from the site when a permanent driveway has been constructed.

(16) Site Facilities

- (a) If the development involves building work or demolition work, the work site must be fully enclosed by a temporary security fence (or hoarding) before work commences.
- (b) A minimum width of 1.2m must be provided between the work site and the edge of the roadway so as to facilitate the safe movement of pedestrians.
- (c) Any such hoarding or fence is to be removed when the work has been completed.
- (d) A garbage receptacle fitted with a tight fitting lid for the reception of all food scraps and papers from the work site must be provided prior to building work commencing and must be maintained and serviced for the duration of the work.
- (e) Toilet facilities must be provided on the work site at the rate of one toilet for every 20 persons or part of 20 persons employed at the work site.
- (f) Each toilet provided must:
 - be a standard flushing toilet, connected to a public sewer, or
 - if connection to a public sewer is not available, to an on-site effluent disposal system approved by the council, or
 - an approved temporary chemical closet.
- (g) The provision of toilet facilities must be completed before any other work is commenced.

- (h) A person having the benefit of this certificate who causes an excavation that extends below the level of the base of the footings of a building on an adjoining allotment of land must at their own expense and where necessary:
 - protect and support the building from damage, and
 - If necessary, underpin and support the building in accordance with the details prepared by a professional engineer.
- (i) A person having the benefit of this certificate who causes the excavation must, at least 7 days before commencing this work, give notice of intention to do so to the owner of the adjoining allotment of land and provide particulars of the proposed work.
- (j) Erosion and sediment controls must be provided in accordance with the details shown on the approved plans, prior to the disturbance of any soil on the work site.

(17) Damage to Public Infrastructure

The applicant shall bear the cost of all restoration works to Council property damaged during the course of this development. The applicant shall submit in writing and/or photographic record, of any existing damage to Council property before commencement of work.

Note: This documentation will be used to resolve any dispute over damage to infrastructure. If no documentation is received prior to commencement of work it will be assumed that the infrastructure was undamaged and the applicant will be required to restore all damaged infrastructure at their expense.

CONDITIONS THAT MUST BE COMPLIED WITH DURING DEMOLITION AND BUILDING WORK

(18) Flood Height Certification

The floor level of the proposed building shall be certified by a registered surveyor as being not less than 500mm above the 1% AEP flood level.

The floor level shall therefore be certified as being not less than RL 145.71m Australian Height Datum (AHD).

The evidence shall be submitted to the Certifying Authority prior to construction works proceeding beyond floor level stage.

(19) Construction Hours

- (a) Subject to this clause, building construction is to be carried out during the following hours:
 - i. between Monday to Friday (inclusive)—7.00am to 6.00pm
 - ii. on a Saturday—8.00am to 1.00pm
- (b) Building construction must not be carried out on a Sunday or a public holidays.
- (c) Demolition works and excavation works must only be carried out between Monday to Friday (inclusive) between 8.00am and 5.00pm.
- (d) The builder and excavator must display, on-site, their 24 hour contact telephone numbers, which are to be clearly visible and legible from any public place adjoining the site.

(20) Dust Emission and Air Quality

- (a) Materials must not be burnt on the site.
- (b) Vehicles entering and leaving the site with soil or fill material must be covered.
- (c) Dust suppression measures must be carried out to minimise wind-borne emissions in addition odour suppression measures must also be carried out where appropriate so as to prevent nuisance occurring at adjoining properties.

(21) Applicant's Cost of Work on Council Property

The applicant shall bear the cost of all works associated with the development that occurs on Council's property.

(22) Prohibition on Use of Pavements

Building materials and equipment must be stored wholly within the work site, unless prior written approval has been obtained from council. Equipment must not be operated on the footpath or roadway, unless prior written approval has been obtained from council.

CONDITIONS WHICH MUST BE COMPLIED WITH PRIOR TO THE ISSUE OF THE OCCUPATION CERTIFICATE**(23) Occupation**

The building is not to be used or occupied until a final inspection has been carried out and an occupation certificate has been obtained from the Principal Certifying Authority.

(24) Final Compliance Certificate for Water Supply and Sewerage Works

The final compliance certificate for water supply works is to be obtained from Muswellbrook Shire Council Water & Waste Department and a copy must be submitted to the Principal Certifying Authority prior to release of any Occupation Certificate.

(25) Stormwater infrastructure

Prior to the issue of an Occupation Certificate all stormwater management infrastructure is to be installed in accordance the stormwater management plan approved by Council, AS 3500.3, the provisions of the relevant Section 68 Approval and industry best practice.

(26) Connection to Sewer

Prior to the issue of an Occupation Certificate the premises shall be connected to the sewer system in accordance with the Australian Standard 3500 and the requirements of any Section 68 Approval. A Trade Waste Agreement is to have been entered into between the owner of the land and Council and the required Trade Waste infrastructure installed to Council's satisfaction in accordance with the Trade Waste Agreement.

A works as executed plan on Council's approved form is to be submitted to Council within seven (7) days following the final drainage inspection and prior to any Occupation Certificate being issued.

(27) Construction of Parking Areas

Prior to the issue of an Occupation Certificate all parking areas, loading bays, driveways, internal access ways, vehicular ramps and turning areas shall be fully constructed, sealed, line marked, sign posted in accordance with the approved plans

and AS.2890.1 2004 Parking Facilities and the relevant provisions of AS1428.1 and AS1428.4.

(28) Consolidation of Lots

The person acting with this consent must consolidate Lot 1 DP 551973 and Lot 2 DP 551973.

Prior to the issue of an Occupation Certificate the person acting with this consent shall provide suitable documentary evidence to the Principle Certifying Authority to demonstrate that a survey plan has been prepared for the consolidation of the Lots and that plan has been lodged with Lands and Property Information or the appropriate authority for the registration of land at the time the Occupation Certificate is applied for.

(29) Landscaping

Prior to the issue of an Occupation Certificate the person acting with this consent is to install landscaping within the site in accordance with the approved landscaping plan to the satisfaction of the Principal Certifying Authority.

The approved site landscaping is to be maintained at all times.

(30) Backpackers Accommodation Caretaker

At all times a live in Manager/caretaker is to reside at the premises. Prior to the issue of any Occupation Certificate for the Council must be advised in writing of the business name, address, owner or company name, 24 hour contact details for the site manager, and number of occupants approved for the premises. A caretaker/manger must be contactable 24 hours a day. Contact information of any new caretaker/manager are to be provided to Council should the position changes.

(31) Plan of Management

Prior to the issue of an Occupation Certificate a plan of management is to be prepared and submitted to Council for approval. The plan of Management is to document the rules, processes and procedures by which the quiet enjoyment, safety, security and utility of the boarding house will be achieved and preserved for the benefit of the Proprietor, the Lodgers, the neighbours and the community as a whole.

The plan of management or any superseding document is to be complied with at all times the premises is in operation.

(32) Boundary Fencing

Prior to the issue of an Occupation Certificate the person acting with this consent is to install colorbond fencing with a height of 1.8m along the sites boundary with neighbouring residential properties.

(33) Crime Prevention Through Environmental Design Report

Prior to the issue of an Occupation Certificate the recommendations from the approved Crime Prevention Through Environmental Design Report are to be fully implemented in relation to the development.

All crime preventative measures are to be maintained at the site at all times.

CONDITIONS THAT MUST BE COMPLIED WITH AT ALL TIMES

(34) Stormwater Disposal

All stormwater from the development including all hardstand areas and overflows from rainwater tanks is to be collected and disposed of in accordance with the requirements of any approval under Section 68 of the Local Government Act 1993 and the approved stormwater management plans.

All stormwater infrastructure is to be managed at all times.

(35) Accommodation Caretaker

At all times a live in Manager/caretaker is to reside at the premises.

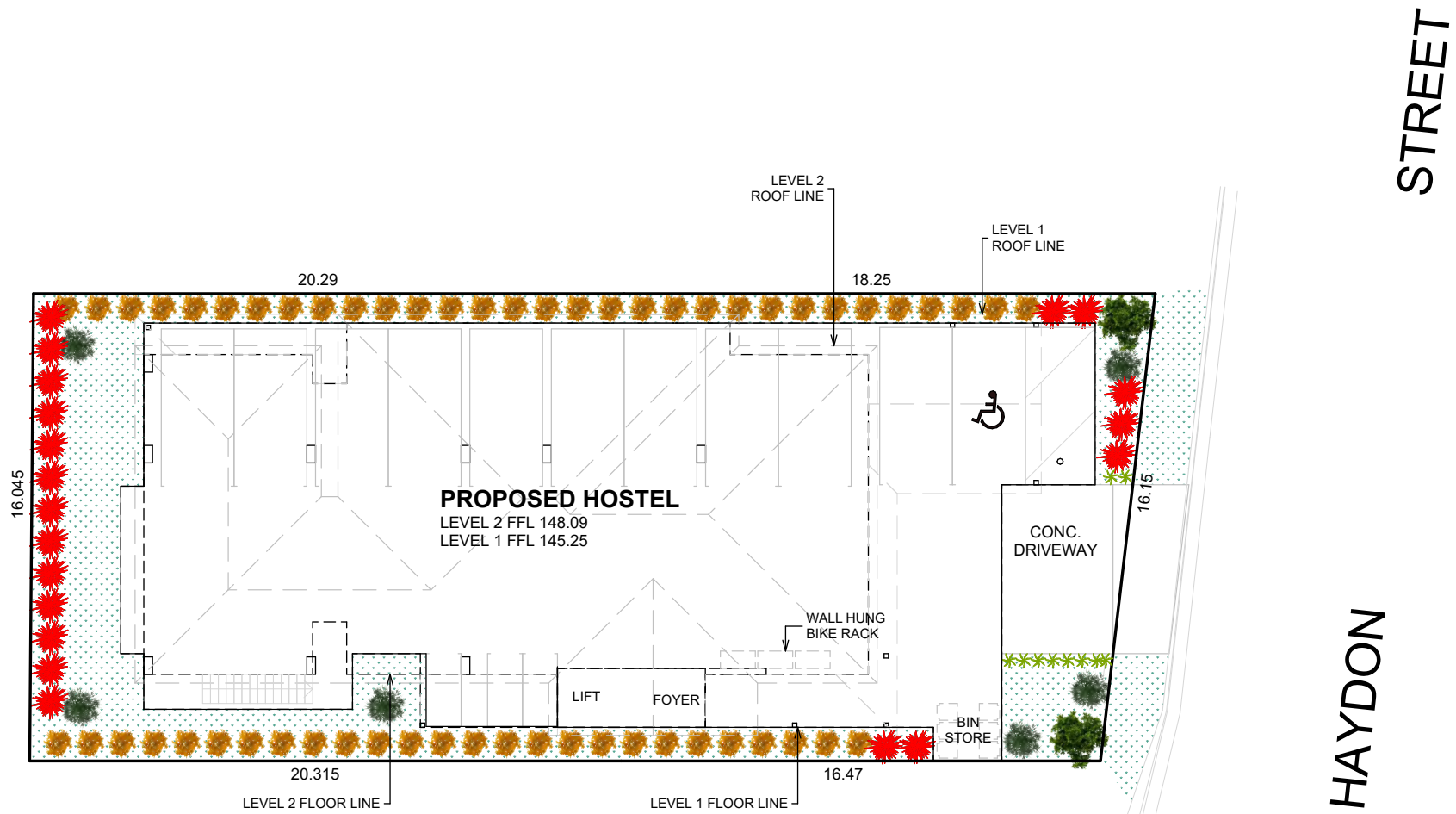
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|--------------------------------------|---|--------|------------------|
| PROJECT: | PROPOSED BACKPACKERS HOSTEL AT LOTS 1 & 2, DP551973, 14 HAYDON STREET MUSWELLBROOK | | |
| CLIENT: | JILWAN | | |
| TITLE: | SITE PLAN | | |
| FILE: | 1902500B | DATE: | 9/08/2021 |
| | | SHEET: | 1 OF 15 |
| THESE PLANS ARE SUBJECT TO COPYRIGHT | | | |



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|-------|--------------------------------------|
| | |
| C | 9/8/21 - SHADOW DIAGRAMS REVISED |
| B | 7/4/21 - REVISED TO LGA REQUIREMENTS |
| A | 7/2/20 - INITIAL ISSUE |
| ISSUE | DETAILS |



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LANDSCAPE PLAN

1:200



FINAL PLANS
NOT FOR CONSTRUCTION



NATIONAL DESIGN AWARDS

2019 WINNER



| | |
|-------|--------------------------------------|
| C | 9/8/21 - SHADOW DIAGRAMS REVISED |
| B | 7/4/21 - REVISED TO LGA REQUIREMENTS |
| A | 7/2/20 - INITIAL ISSUE |
| ISSUE | DETAILS |



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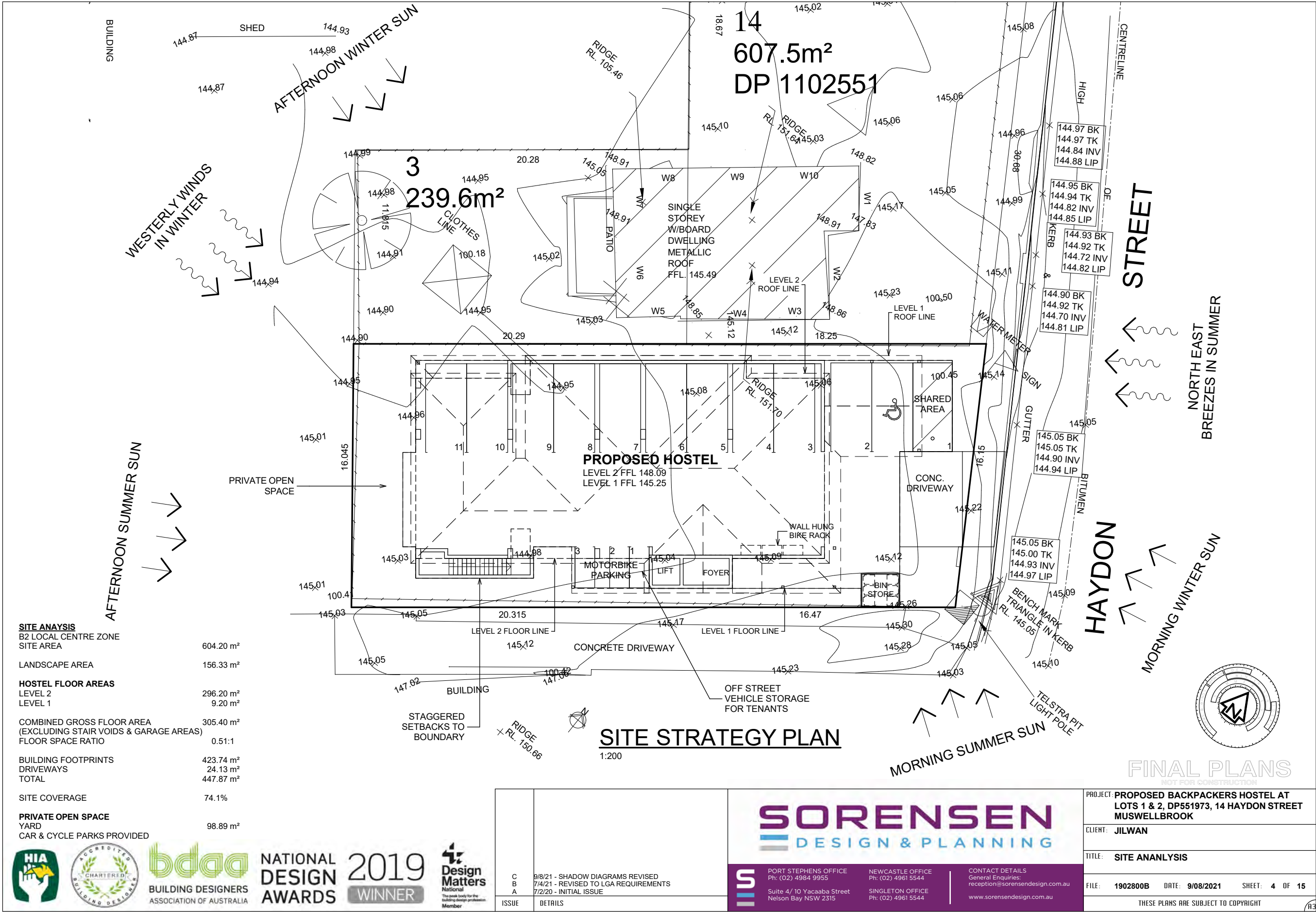
PORT STEPHENS OFFICE
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Nelson Bay NSW 2315

NEWCASTLE OFFICE
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| PROJECT: | PROPOSED BACKPACKERS HOSTEL AT LOTS 1 & 2, DP551973, 14 HAYDON STREET MUSWELLBROOK | | |
| CLIENT: | JILWAN | | |
| TITLE: | LANDSCAPE PLAN | | |
| FILE: | 1902800B | DATE: 9/08/2021 | SHEET: 3 OF 15 |
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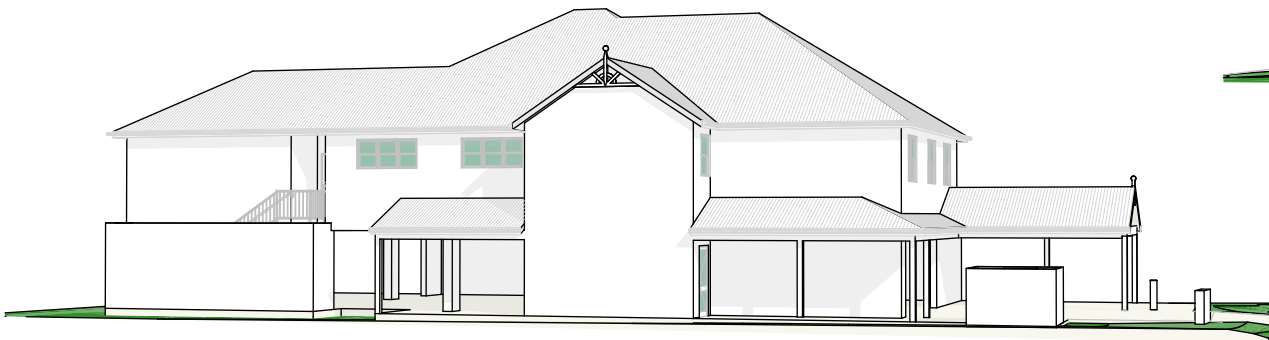




HAYDON STREET VIEW



WEST VIEW



SOUTH VIEW



NORTH VIEW

FINAL PLANS
NOT FOR CONSTRUCTION



| | |
|-------|--------------------------------------|
| C | 9/8/21 - SHADOW DIAGRAMS REVISED |
| B | 7/4/21 - REVISED TO LGA REQUIREMENTS |
| A | 7/2/20 - INITIAL ISSUE |
| ISSUE | DETAILS |

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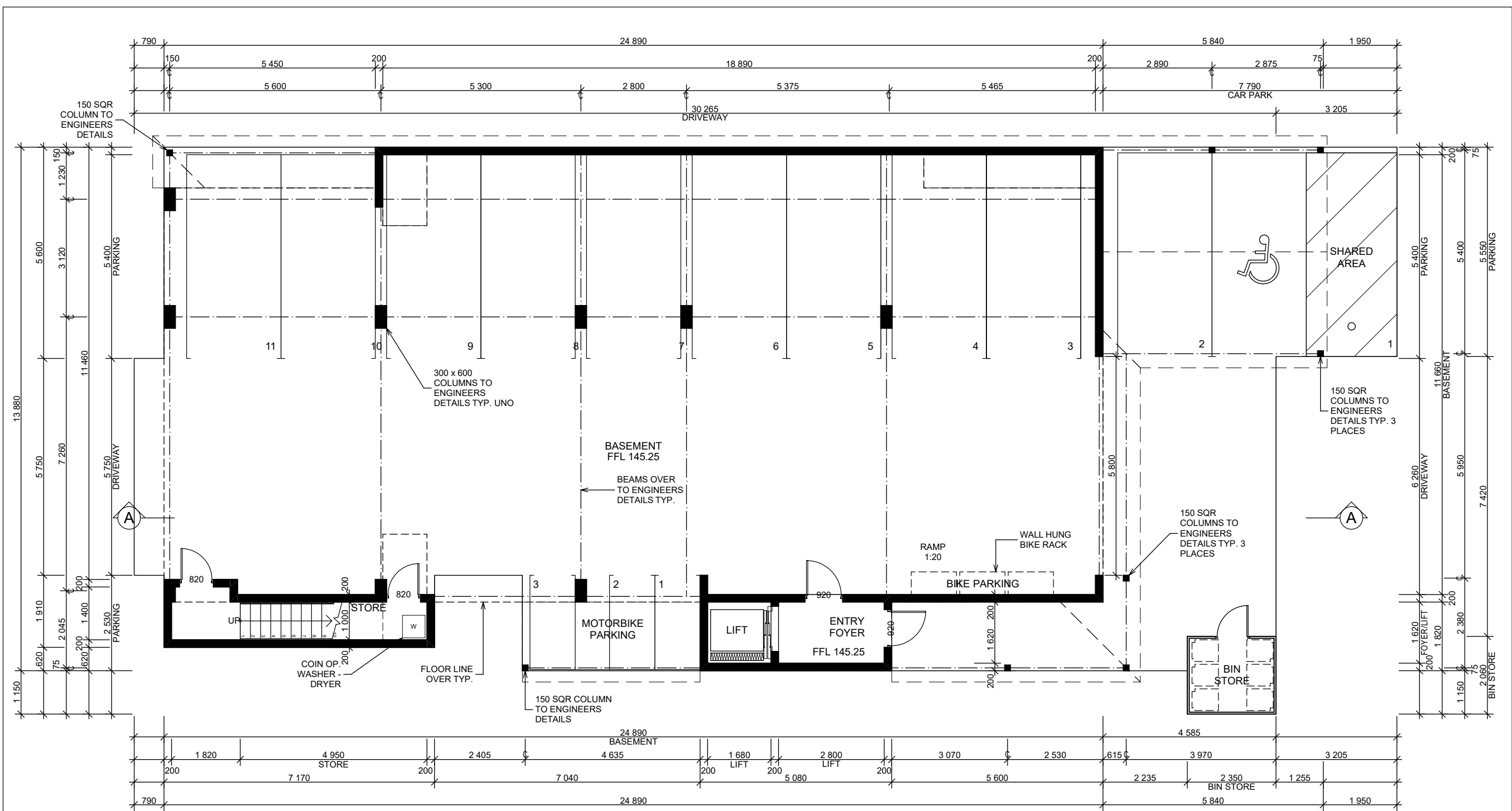
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| PROJECT: | PROPOSED BACKPACKERS HOSTEL AT LOTS 1 & 2, DP551973, 14 HAYDON STREET MUSWELLBROOK | | |
| CLIENT: | JILWAN | | |
| TITLE: | PERSPECTIVE VIEWS | | |
| FILE: | 1902800B | DATE: 9/08/2021 | SHEET: 5 OF 15 |
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LEVEL 1 FLOOR PLAN
1:100

FINAL PLANS
NOT FOR CONSTRUCTION



| | |
|-------|--------------------------------------|
| C | 9/8/21 - SHADOW DIAGRAMS REVISED |
| B | 7/4/21 - REVISED TO LGA REQUIREMENTS |
| A | 7/2/20 - INITIAL ISSUE |
| ISSUE | DETAILS |

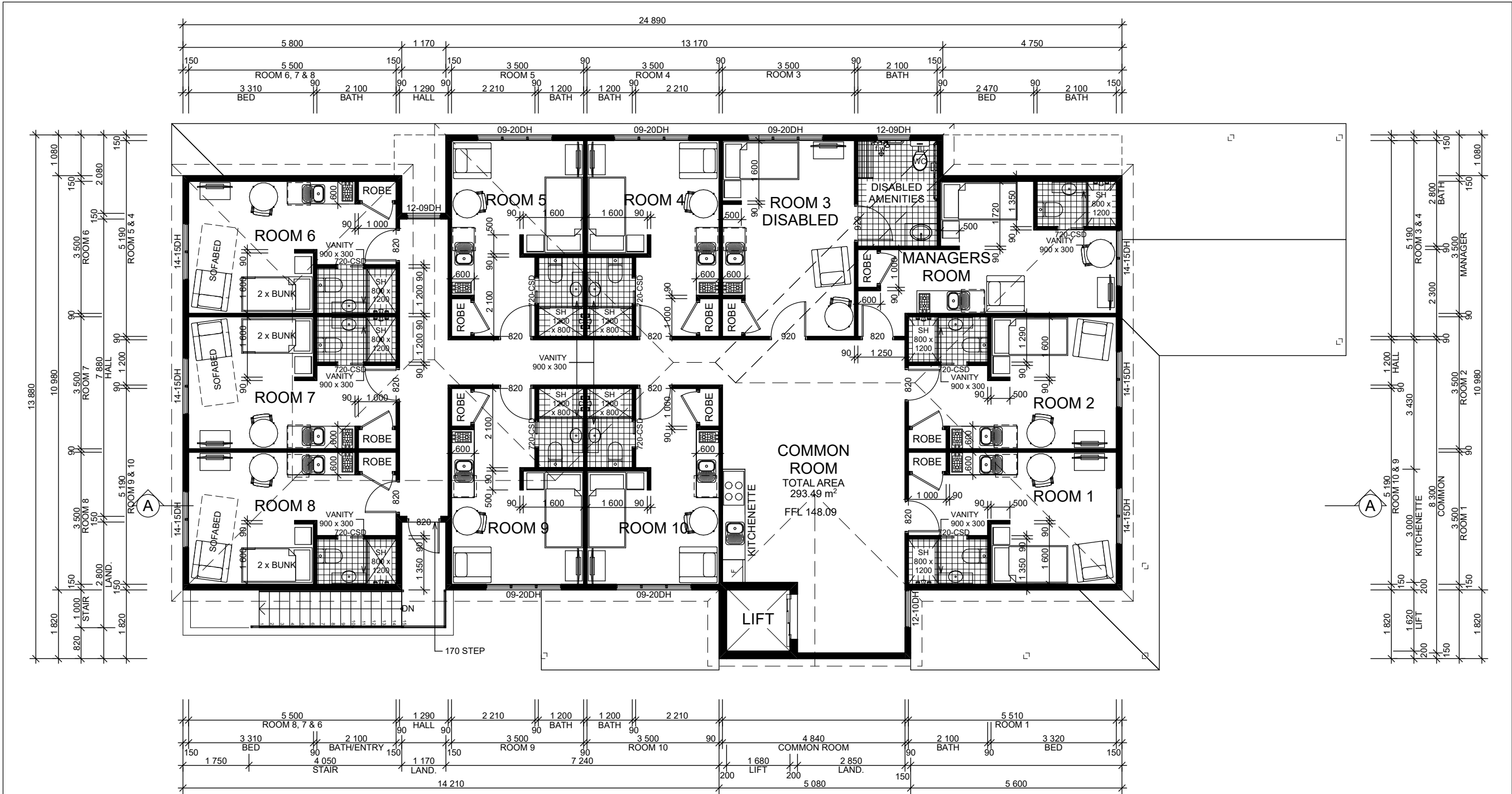
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|--------------------------------------|--|-------|-----------|
| PROJECT: | PROPOSED BACKPACKERS HOSTEL AT LOTS 1 & 2, DP551973, 14 HAYDON STREET MUSWELLBROOK | | |
| CLIENT: | JILWAN | | |
| TITLE: | LEVEL 1 FLOOR PLAN | | |
| FILE: | 1902800B | DATE: | 9/08/2021 |
| SHEET: | 6 | OF | 15 |
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LEVEL 2 FLOOR PLAN

1:100
ALL WINDOW HEADERS 2400

FINAL PLANS
NOT FOR CONSTRUCTION



NATIONAL DESIGN AWARDS 2019 WINNER



| | |
|-------|--------------------------------------|
| C | 9/8/21 - SHADOW DIAGRAMS REVISED |
| B | 7/4/21 - REVISED TO LGA REQUIREMENTS |
| A | 7/2/20 - INITIAL ISSUE |
| ISSUE | DETAILS |

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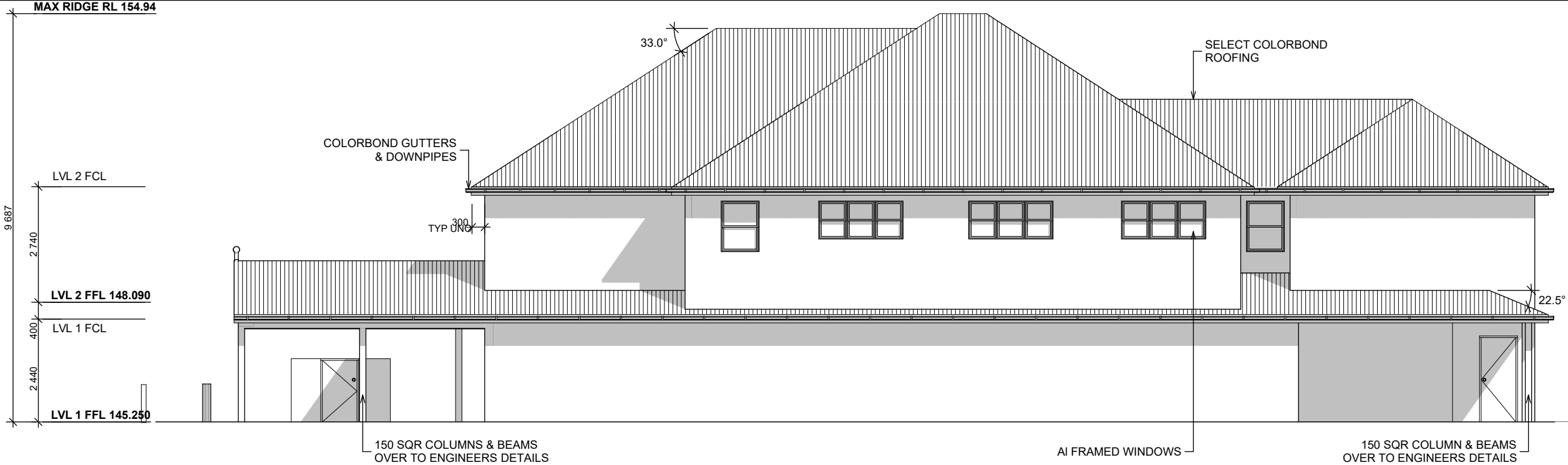


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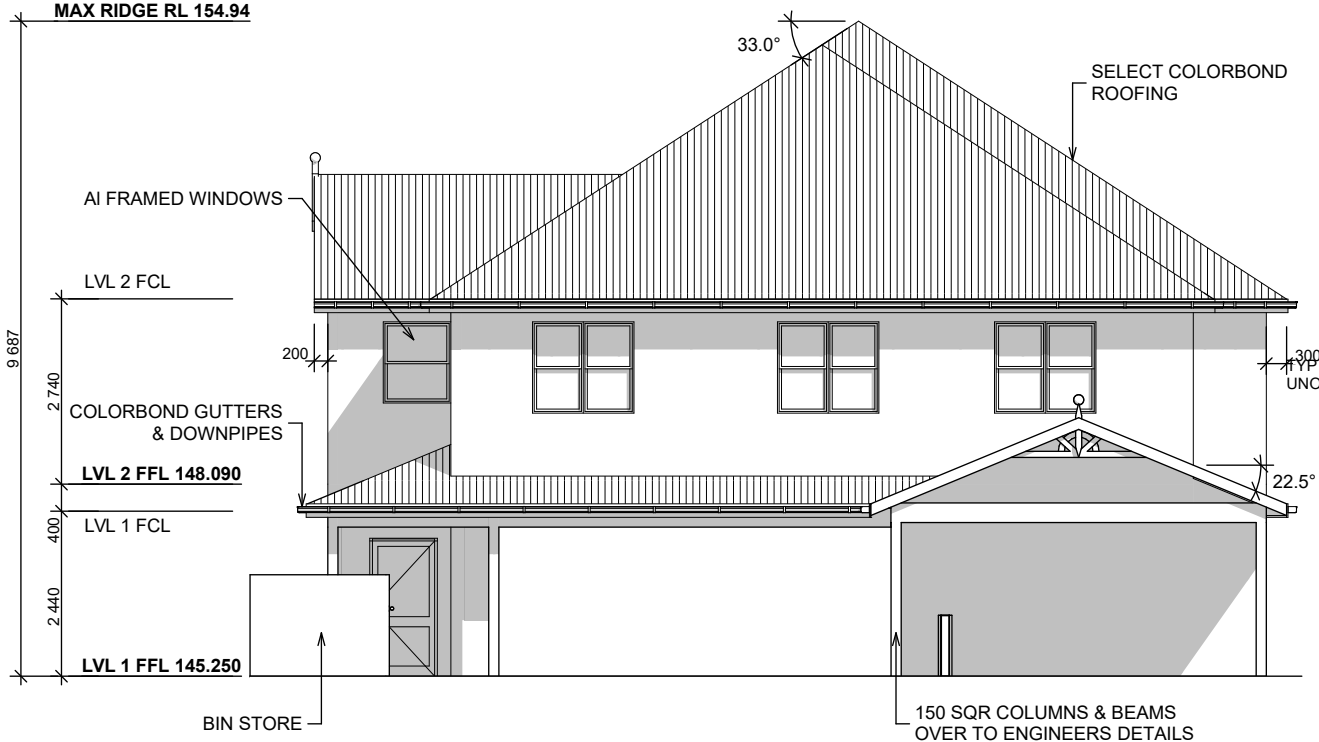
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| TITLE: | LEVEL 2 FLOOR PLAN |
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NORTH ELEVATION

1:100



EAST ELEVATION

1:100

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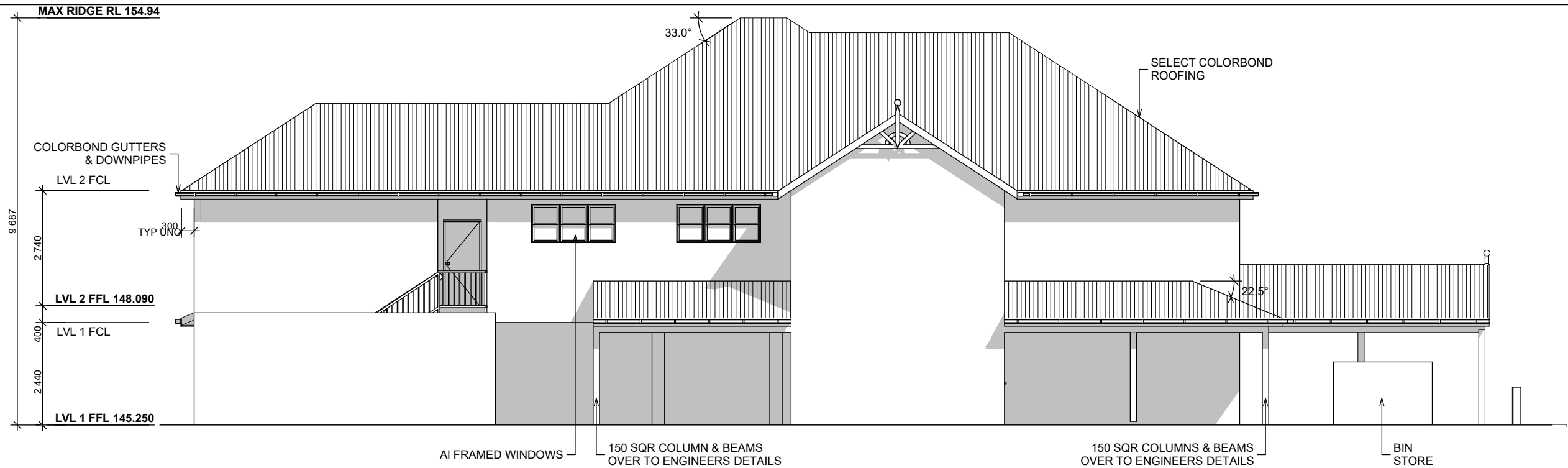
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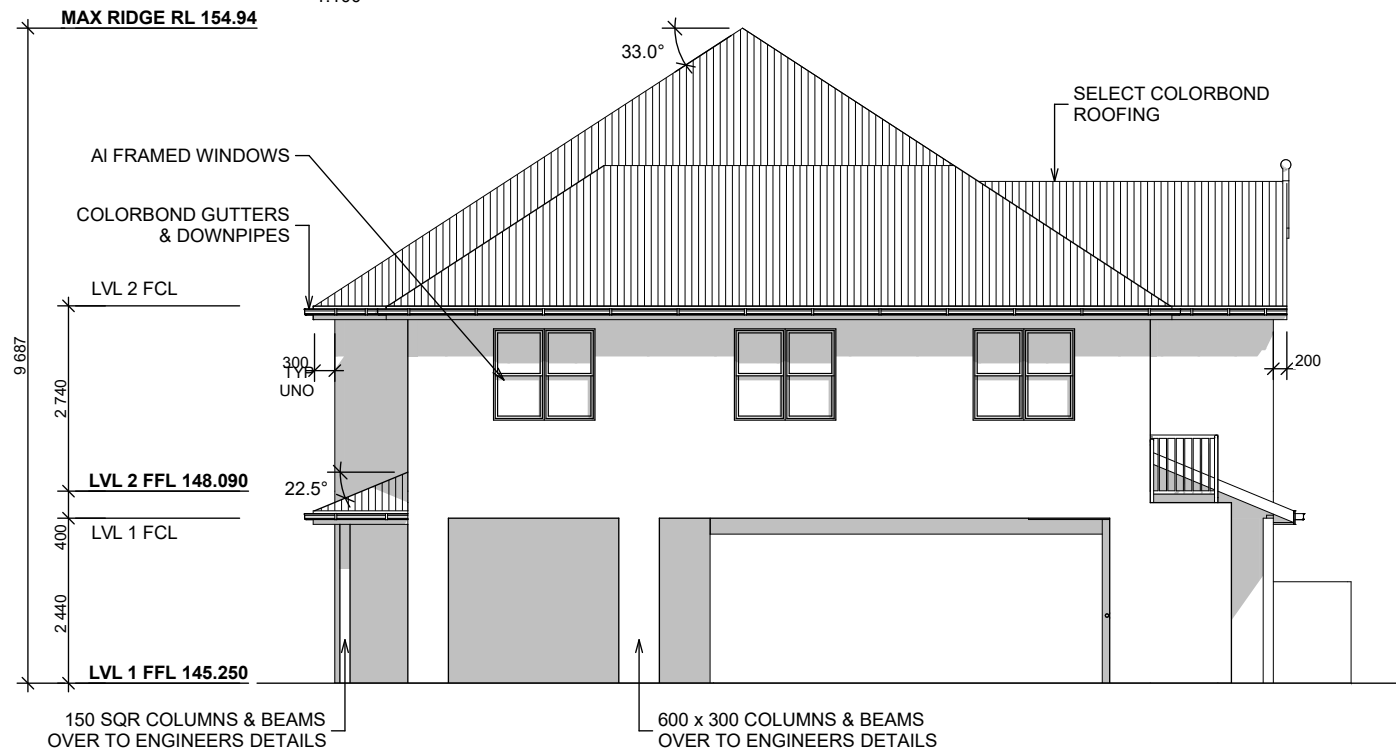
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A3



SOUTH ELEVATION

1:100



WEST ELEVATION

1:100

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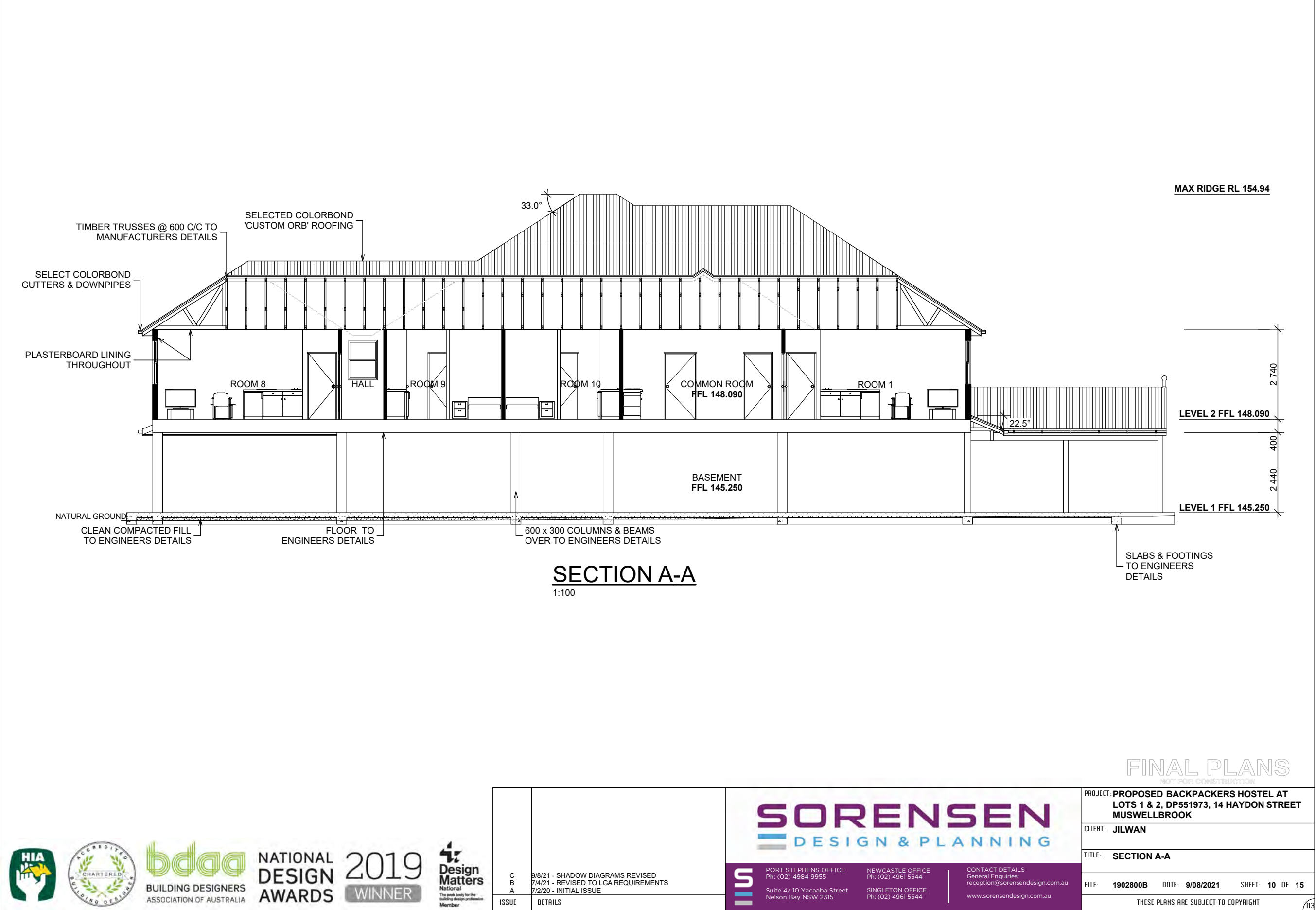
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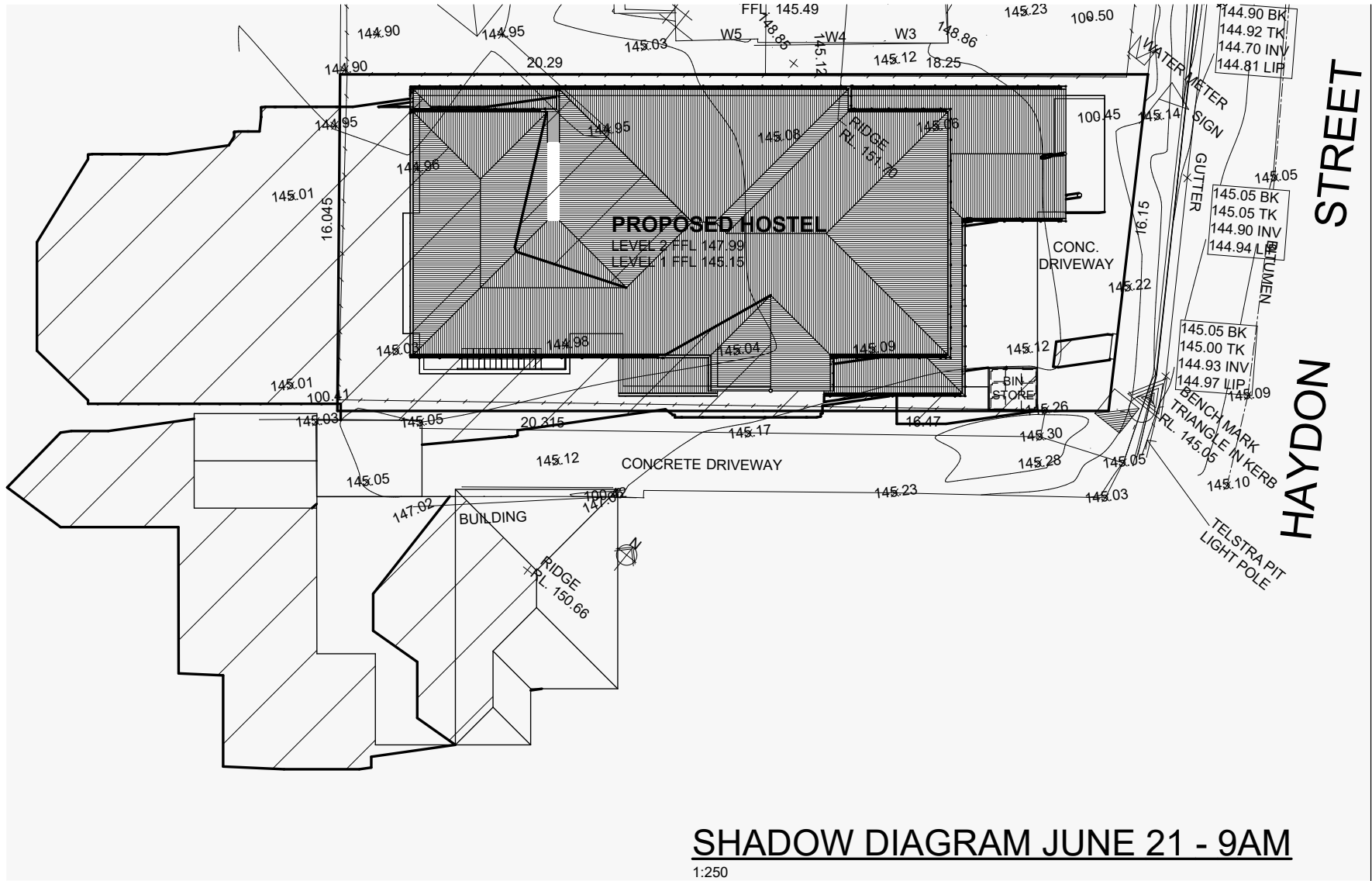
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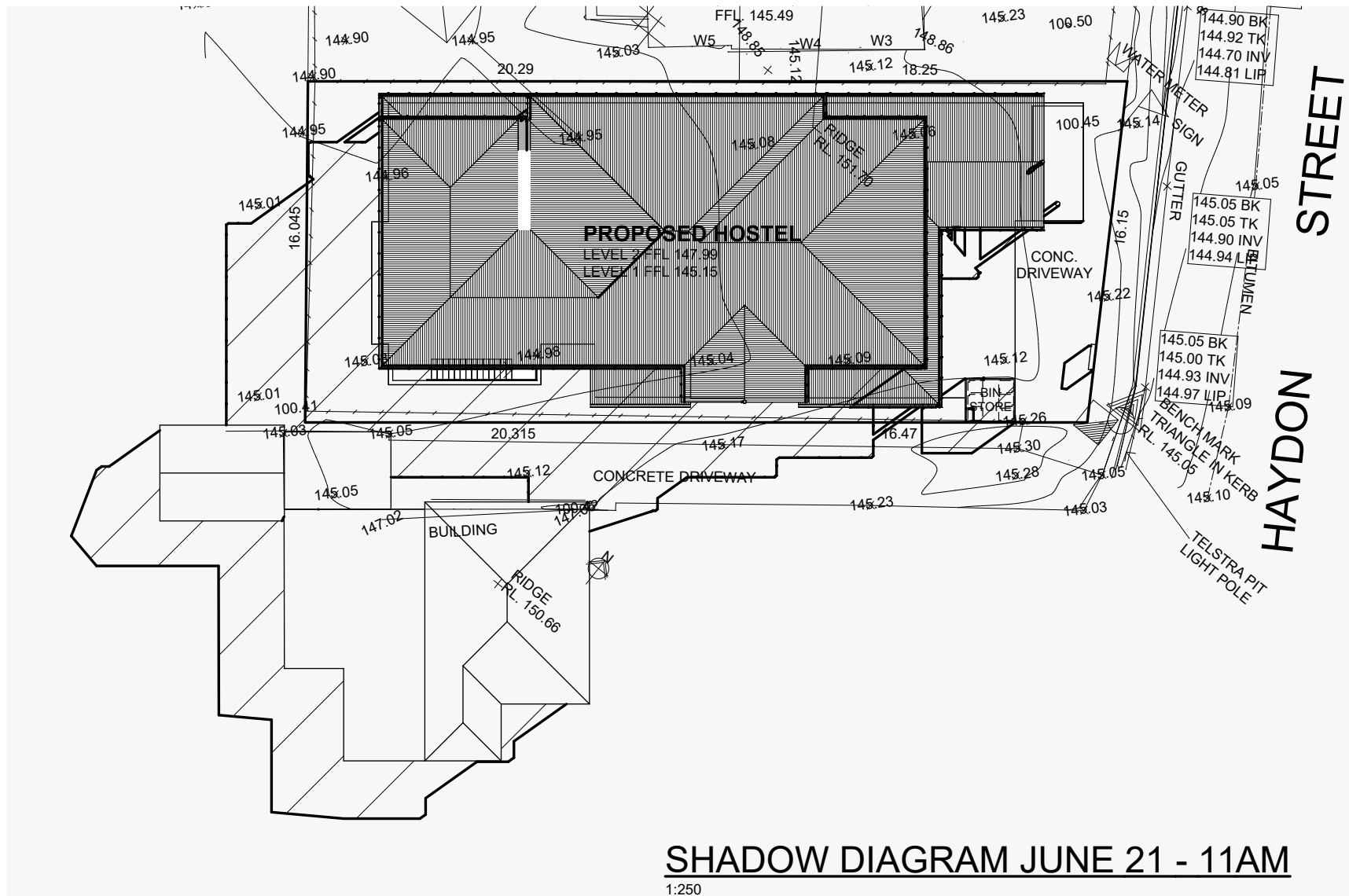
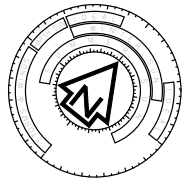
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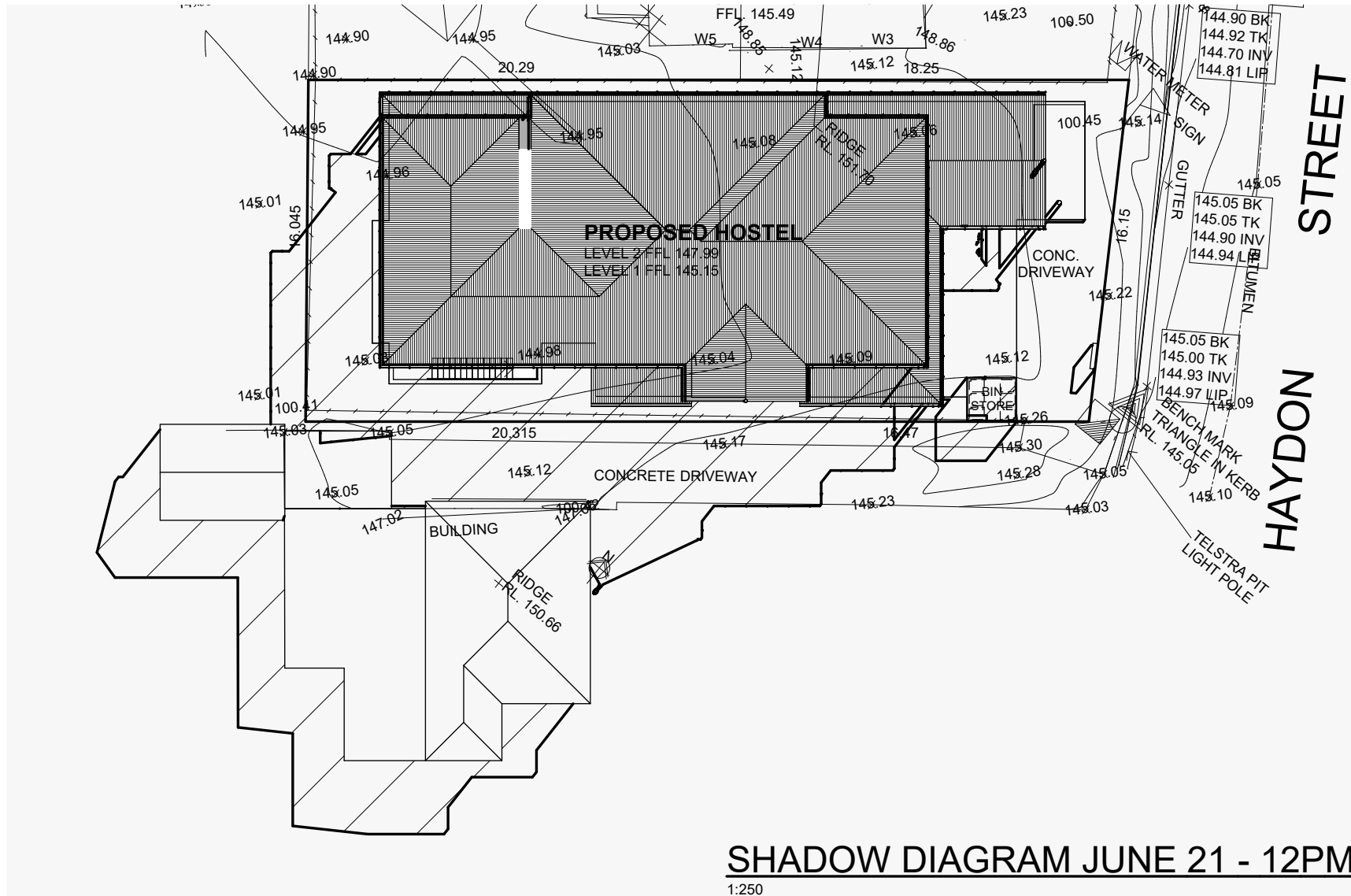
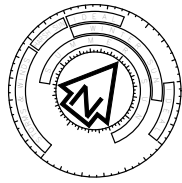


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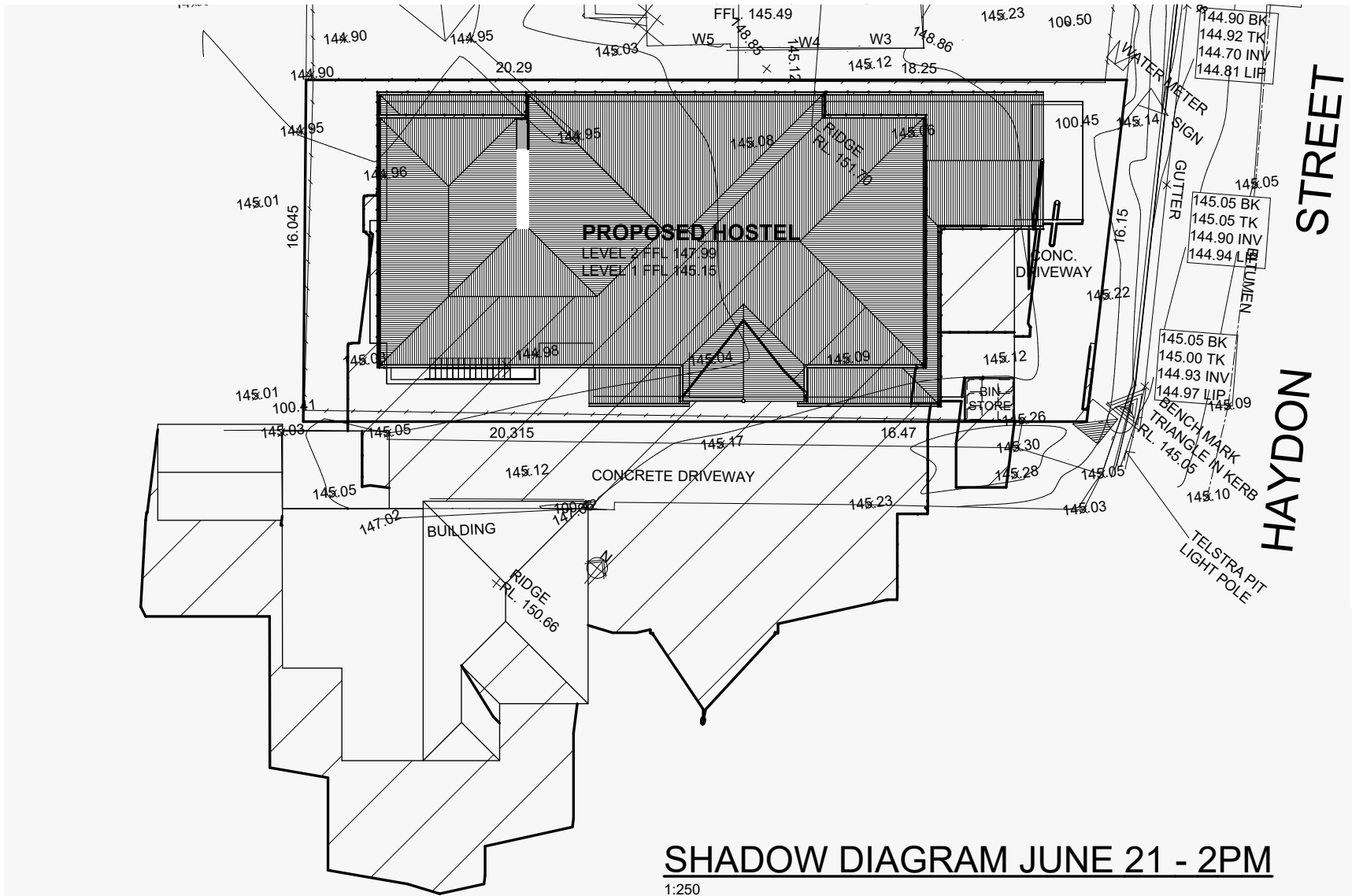
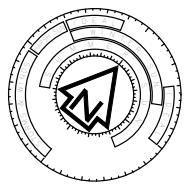
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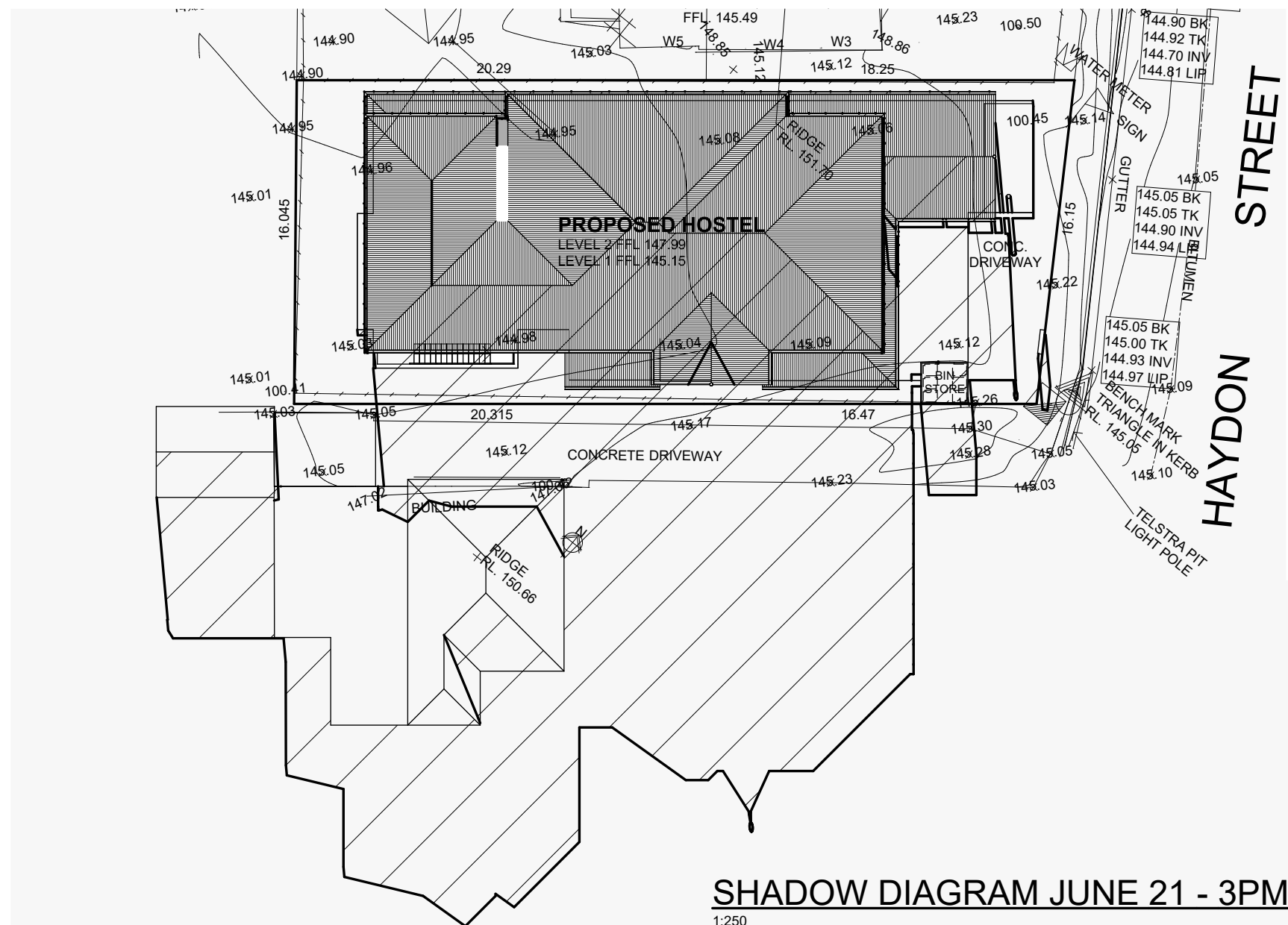
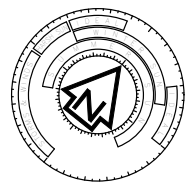
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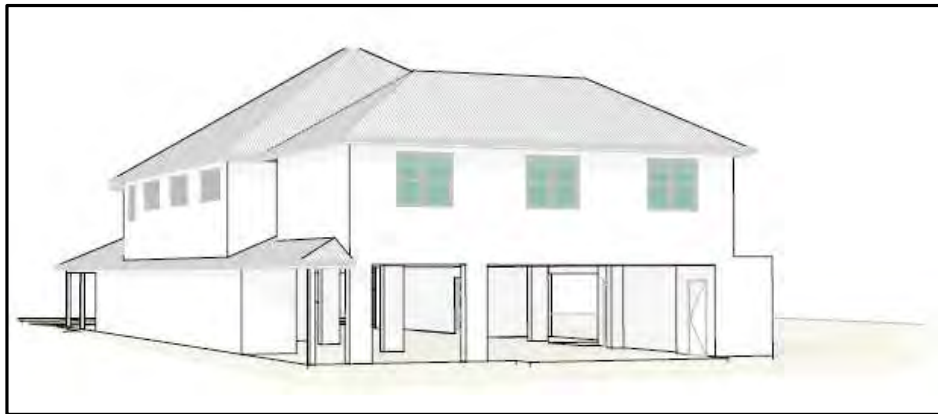
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STATEMENT OF ENVIRONMENTAL EFFECTS FOR A
**TOURIST AND VISITOR ACCOMODATION (BACKPACKERS
ACCOMODATION) INCLUDING CONSOLIDATION OF LOTS**
AT

14 HAYDON STREET, MUSWELLBROOK, NSW, 2333
(LOT 1 AND 2, DP 551973)

Prepared by Perception Planning Pty Ltd on behalf of Haydon Street Developments Pty Ltd



Above: 3D Render viewed from Haydon Street

Contact:

Erin Daniel
Senior Town Planner, Perception Planning Pty Ltd.
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Clarence Town, NSW, 2321
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| Document Versions and Control | | | | |
|--|----------|--|---------|--------------|
| Statement of Environmental Effects, 14 Haydon Street, Muswellbrook | | | | |
| No: | Date: | PP Ref: | Author: | Reviewed by: |
| Version 1 | 25/08/20 | J000597 – SEE_14 Haydon St, Muswellbrook | ED | MB |
| Version 2 | 26/08/20 | J000597 – SEE_14 Haydon St, Muswellbrook | ED | MB |
| Version 3 | 25/11/20 | J000597 – SEE_14 Haydon St, Muswellbrook | ED | MB |
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EXECUTIVE SUMMARY

Perception Planning Pty Ltd has been engaged by Haydon Street Developments Pty Ltd (**'the client'**) to prepare a Statement of Environmental Effects (SoEE) for tourist and visitor accommodation – backpackers' accommodation at 14 Haydon Street, Muswellbrook, NSW, 2333 (**'the site'**) legally identified as LOT: 1 and 2 DP: 551973.

The site collectively measures approximately 607m² in size and is located within the township of Muswellbrook, within the Muswellbrook Council Local Government Area (LGA). The site is zoned B2 – Local Centre and is currently vacant, directly accessible from Haydon Street. The objective of the proposed development is to obtain development consent for tourist and visitor accommodation – backpackers' accommodation. This development is enabled through the Muswellbrook LEP. The characteristics of the proposed development include:

- Two-storey building with at-grade carparking
- Level 1 incorporates:
 - 11 car parking spaces (including 1 disabled car parking space)
 - 3 motorbike spaces and wall hung bike rack
 - Bin store
 - Lift and stairs
 - Entry foyer.
- Level 2 incorporates:
 - 10 x rooms (including 1 disabled room) incorporating varied bed types, self-contained bathroom and kitchen, robe and living area
 - 1 x managers room incorporating bed, self-contained bathroom and kitchen, robe and living area
 - Common room including kitchenette and laundry
 - Lift and stairs.

This SoEE has shown that the development is within the public's interest, socially, economically and environmentally. The proposed development is a compatible development option for the site and assists in delivering a permissible development type on a vacant and underutilized site within the B2 Local Centre Zone whilst respecting the environment in which it is located. Any relevant matters have been addressed through this SoEE.

The SoEE will expand on those matters that have been summarised above to assist Muswellbrook Council in completing a detailed assessment of the proposal development.

TERMS & ABBREVIATIONS

| | |
|----------|---|
| AHIMS | Aboriginal Heritage Information Management System |
| EP&A Act | Environmental Planning & Assessment Act 1979 |
| DA | Development Application |
| DCP | Development Control Plan |
| LGA | Local Government Area |
| SoEE | Statement of Environmental Effects |
| EPI | Environmental Planning Instrument |
| ASS | Acid Sulphate Soils |

LIST OF FIGURES

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ATTACHMENTS

This SoEE is supported by the following plans and documentation:

- **ATTACHMENT 1** – EP&A Regulation 2000 Compliance Table (Schedule 1) *Note: contained within this SoEE*
- **ATTACHMENT 2** – Proposed Architectural Plans (Sorensen Design)
- **ATTACHMENT 3** – Stormwater Management Plan (M.M Farah Civil/Structural Pty Ltd)
- **ATTACHMENT 4** – AHIMS Search Result
- **ATTACHMENT 5** – DBYD Search Results
- **ATTACHMENT 6** – Deposited Plan
- **ATTACHMENT 7** – Notification Plan
- **ATTACHMENT 8** – Flood Certificate(s)
- **ATTACHMENT 9** – BASIX Certificate
- **ATTACHMENT 10** – Pre-DA Meeting Minutes
- **ATTACHMENT 11** – Site Waste Management and Minimisation Plan (Perception Planning)
- **ATTACHMENT 12** – Letter provided by neighbour relating to sewer
- **ATTACHMENT 13** – Council email regarding owners' consent

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1.0 INTRODUCTION

1.1 PURPOSE

The purpose of this Statement of Environmental Effects (SoEE) is to assist Council in their assessment and determination and to assist the community in understanding the proposed development.

This SoEE has been prepared in coordination with Haydon Street Developments Pty Ltd and other sub-consultants to demonstrate the relevant matters associated with in the proposed development. The SoEE examines the existing development and site location, how the proposed development relates to the location and the environment, as well as the planning merits of the development with respect to the relevant legislation, regulation and other requirements. The SoEE examines the applicable site attributes and the specifics of the development proposal that are appropriate to the development application stage. The SoEE seeks to provide all the relevant data to give a suitable level of certainty to the consent authority that the proposal has a positive impact on the immediate area and the wider surrounds.

This SoEE has been prepared in accordance with best practice principles, applicable aspects of the Development Assessment Framework and the Department of Planning and Infrastructure's (now the Department of Planning and Environment) guide to the *Environmental Planning and Assessment Act* (EP&A Act) 1979 (s4.15).

The objectives of this SoEE are as follows:

- To provide a description of the site, existing development and the surrounding locality;
- To provide a description of the proposal and the key issues;
- To provide a discussion of the relevant Environmental Planning Instruments (EPI)s; and
- To provide an assessment of the potential environmental impacts, having regard to the matters for consideration pursuant to the EP&A Act (s4.15) and other State, Regional and Local environmental planning policies and guidelines.

1.2 SITE DETAILS

| | |
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| Property Address | 14 Haydon Street, Muswellbrook, NSW 2333 |
| Lot and DP | LOT: 1 DP: 551973 LOT: 2 DP: 551973 |
| Current Use | Vacant |
| Zoning | B2 – Local Centre |
| Site Constraints (NSW Planning Portal) | FSR – 2:1 Minimum lot size – 600m ² Height of buildings – 13m. |
| Owner | Owners consent has been provided on the Application Form for the DA. Owners consent from Council relating to the use of Haydon Street is provided via the Council Meeting resolution dated 24 November 2020. An email to this effect is provided at Attachment 13 . |

1.3 SITE DETAILS AND ANALYSIS

The site is located at 14 Haydon Street, Muswellbrook, 2333 (**'the site'**) legally identified as LOT: 1 and 2 DP: 551973 and collectively measures approximately 607m² in size (**FIGURE 1**). The site is located within the township of Muswellbrook, within the Muswellbrook Council Local Government Area (LGA).

Direct vehicular access is available from Haydon Street to the site and the site is clear of structures and vegetation. Haydon Street is a single lane residential road linking to the New England Highway. The subject site is approximately 400m to the Muswellbrook railway station, 800m to the local shopping centre and 2km to the Muswellbrook High School. The portion of Haydon Street adjoining the site is identified as LOT: 11 DP: 1058170 and is within Council's private ownership.

Adjoining the subject site to the north, south and west incorporate single storey dwellings and to the east (adjacent) is vacant land. A service station is located to the north-west of the site.

The proposed development will be known as 'The Upper Hunter Backpackers'.



Figure 1 - Aerial image of subject site (Source: Planning Portal).

1.4 CURRENT USE AND SITE HISTORY

Pre-DA meeting and correspondence

The site is currently vacant and from our understanding has not held a use for many years. A pre-DA meeting was held with officers of Muswellbrook Council on 30 July 2019. The purpose of this meeting was to discuss a proposed 'boarding house' development.

Since this time, the intended use of the site has been discussed with the Mayor of Council, and consequently has been amended to incorporate an alternative use, being 'backpackers' accommodation'.

Nonetheless, the site constraints and associated requirements of the pre-DA meeting minutes have been addressed as part of this application.

Owners consent from Council relating to the use of Haydon Street is provided via the Council Meeting resolution dated 24 November 2020. An email to this effect is provided at **Attachment 13**.

2.0 DESCRIPTION OF THE DEVELOPMENT

2.1 PROPOSED DEVELOPMENT

The objective of the proposed development is to obtain development consent for tourist and visitor accommodation – backpackers' accommodation. This development is enabled through the Muswellbrook LEP. The characteristics of the proposed development include:

- Two-storey building with at-grade carparking
- Level 1 incorporates:
 - 11 car parking spaces (including 1 disabled car parking space)
 - 3 motorbike spaces and wall hung bike rack
 - Bin store
 - Lift and stairs
 - Entry foyer.
- Level 2 incorporates:
 - 10 x rooms (including 1 disabled room) incorporating varied bed types, self-contained bathroom and kitchen, robe and living area
 - 1 x managers room incorporating bed, self-contained bathroom and kitchen, robe and living area
 - Common room including kitchenette and laundry
 - Lift and stairs.

The proposed layout is identified in **(FIGURE 2)** and contained in **(ATTACHMENT 2)** to this report.

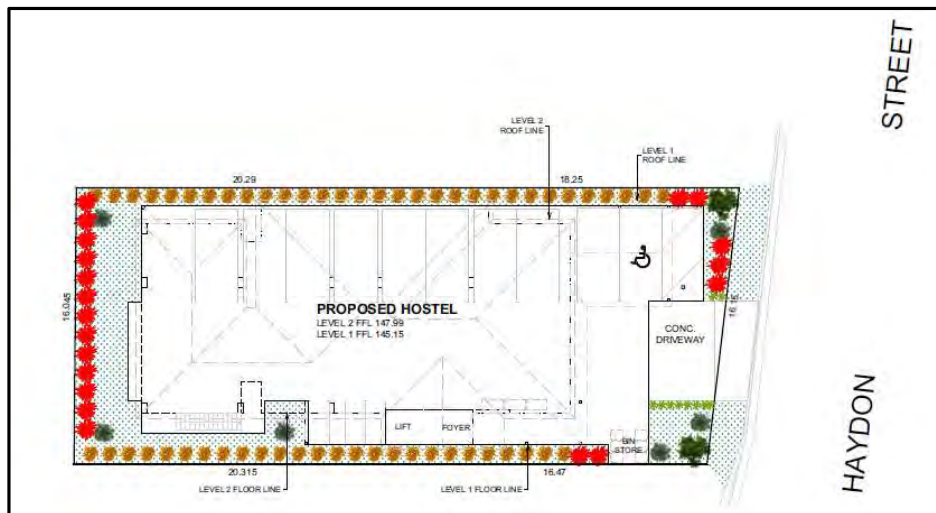


Figure 2 - Proposed development layout

Operational details

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|-------------------------------|---|
| Hours of operation: | Proposed hours of operation include: <ul style="list-style-type: none">• Monday – Sunday (including public holidays): 7am – 12am (midnight)* <i>*It is noted that these closing times are based on demand. In the event there are no pre-bookings, the building will close at 6pm, however noting that the manager will be on-site at all times.</i> |
| Intended Business Name | The Upper Hunter Backpackers. |
| Staff numbers: | 1 permanent manager accommodated on-site within the managers residence. A number of casual staff depending on need (and season) will be employed to maintain the site and units (i.e. laundry, general cleaning etc.) |
| Signage | No signage is proposed as part of the development. |
| Number of guests | 13 as per the designated beds per room. |

3.0 PLANNING CONTROLS

3.1 ACTS

The following Acts are considered relevant to the proposed development:

- **Environmental Planning and Assessment Act 1979**

The Environmental Planning and Assessment Act 1979 (EP&A Act) is the principle planning and development legislation in NSW and is applicable to the proposed development. Section 4.15 of the EP&A Act specifies the matters which a consent authority must consider when determining a DA. The relevant matters for consideration under Section 4.15 are addressed in further detail in separate sections of this SoEE below.

Section 4.46 – what is ‘integrated development’

The development is not identified as requiring any integrated referrals, specifically relating to the RFS or Natural Resource Access Regulator (NRAR) as the site is not identified as bushfire prone and development will occur more than 40m from waterfront land (Muscle Creek).

3.2 STATE ENVIRONMENTAL PLANNING POLICIES (SEPPS)

The following SEPPs are considered relevant to the proposed development:

- **SEPP (Koala Habitat Protection) 2019**

SEPP (Koala Habitat Protection) 2019 aims to encourage the conservation and management of areas of natural vegetation that provide habitat for koalas. It replaces the now repealed (1 March 2020) SEPP No. 44.

Clause 8 of the Koala SEPP applies to the development where a Koala Plan of Management (KPoM) is developed for the land or LGA. The proposed development must be consistent with the relevant approved KPoM.

Clause 9 of the Koala SEPP applies to development where the land is not under an endorsed KPoM, and the land is identified on the Koala Development Application Map, and has an area of at least 1 ha (including adjoining land within the same ownership). Under Clause 9 the consent authority must take into account the requirements of the Guideline, or information prepared by a suitably qualified and experienced person in accordance with the guideline demonstrating that the land is not Highly Suitable Koala Habitat, or Core Koala Habitat. As the land is less than 1ha in size, the requirements of the SEPP do not apply.

- **SEPP No.55 – Remediation of Land**

SEPP No.55 provides a State-wide planning approach to the remediation of contaminated land. Clause 7 of SEPP No.55 provides that a consent authority must not consent to the carrying out of development on land unless it has given consideration to whether the land subject to the development is contaminated. Where the land is contaminated a consent authority must determine if the land is suitable in its contaminated state for the development, or alternatively determine that the land would be suitable once remediated.

A review of the Environment Protection Authority (EPA) contamination register confirms that no contamination, the subject of regulation by the EPA, is identified on the site. Despite this however, it is noted that the subject site has a history of residential accommodation post subdivision and there is no evidence that contaminating activities have historically occurred on site. As such, the land is unlikely to be subject to contamination and does not warrant further investigation. The subject site is suitable for the proposed development and the objectives of SEPP No.55 have been satisfied.

3.3 LOCAL ENVIRONMENTAL PLAN (LEP)

The following parts of the Muswellbrook LEP 2009 apply to the proposed development:

- **Clause 2.3 – Zone objectives and Land Use Table**

The site is zoned B2 Local Centre under the Muswellbrook LEP 2009. The Land Use Table of the LEP identifies the following objectives for the B2 zone:

- *To provide a range of retail, business, entertainment and community uses that serve the needs of people who live in, work in and visit the local area.*
- *To encourage employment opportunities in accessible locations.*
- *To maximise public transport patronage and encourage walking and cycling.*
- *To maintain the status and encourage the future growth of the Muswellbrook established business centre as a retail, service, commercial and administrative centre while maintaining the centre's compact form.*
- *To enable a wide range of land uses that are associated with, ancillary to, or supportive of the retail and service functions of a business centre.*
- *To maintain the heritage character and value and streetscape of the business centre of Muswellbrook.*
- *To support business development by way of the provisions of parking and other civic facilities.*

The proposed development is defined as 'backpackers accommodation' which is a permissible development type in the zone, defined as:

backpackers' accommodation means a building or place that—

- (a) *provides temporary or short-term accommodation on a commercial basis, and*
- (b) *has shared facilities, such as a communal bathroom, kitchen or laundry, and*
- (c) *provides accommodation on a bed or dormitory-style basis (rather than by room).*

The proposed development seeks to provide backpackers accommodation on a temporary or short-term accommodation basis, with shared facilities provided as evidenced by the architectural plans provided with the application. The proposed bed arrangement incorporates bunk bed (dorm style) and single unit options to provide diversity / options for the guests. The provision of this development type will encourage employment opportunities on a permanent and temporary basis for the management and up-keep of the development and site and will also encourage guests to frequent the local centre, increasing localised spending.

The proposed building maintains the character of the local area and activates a vacant and underutilised site, consistent with the desired future use of the land and area. To this extent, the objectives of the B2 zone have been met.

- **Clause 4.3 – Height of buildings**

The objectives of this clause are as follows –

- (a) *to limit the height of buildings,*
- (b) *to promote development that is compatible with the height of surrounding development and conforms to and reflects natural landforms by stepping development on sloping land to follow the natural gradient,*
- (c) *to promote the retention and, if appropriate, sharing of existing views,*
- (d) *to maintain solar access to new and existing dwellings and public recreation areas and to promote solar access to new buildings,*
- (e) *to maintain privacy for residents of existing dwellings and promote privacy for residents of new buildings.*

The site is identified to have a maximum height limitation of 13m, as shown on the height of buildings map. The proposed development incorporates a building height of 9.687m compliant with the specified height control applicable to the site.

- **Clause 4.4 – Floor space ratio**

The objectives of this clause are to provide an appropriate density of development consistent with the established centres hierarchy and to ensure building density, bulk and scale makes a positive contribution towards the desired built form as identified by the established centres hierarchy.

The floor space ratio (FSR) applicable to the subject site is 2:1. Refer to assessment under clause 4.5 below which demonstrates compliance with this requirement.

- **Clause 4.5 – Calculation of floor space ratio and site area**

The FSR of buildings on a site is the ratio of the gross floor area of all buildings within the site to the site area. The following parts of clause 4.5 apply to the proposed development:

(3) **Site area:** *In determining the site area of proposed development for the purpose of applying a floor space ratio, the site area is taken to be:*

- (a) *if the proposed development is to be carried out on only one lot, the area of that lot, or*
- (b) *if the proposed development is to be carried out on 2 or more lots, the area of any lot on which the development is proposed to be carried out that has at least one common boundary with another lot on which the development is being carried out.*

The proposed development is to be carried out on one lot, which measures 740m² in size.

(8) **Existing buildings:** The gross floor area of any existing or proposed buildings within the vertical projection (above or below ground) of the boundaries of a site is to be included in the calculation of the total floor space for the purposes of applying a floor space ratio, whether or not the proposed development relates to all of the buildings.

The site is currently vacant. The calculation of FSR for the proposed development is as follows:

| | |
|------------------------------|------------------------|
| Site area (existing): | 607m ² |
| GFA proposed: | 305.40m ² |
| FSR: | 305.40/607 = 0.50:1 |

As demonstrated within the table above, the proposed development is less than the FSR applicable to the site and therefore complies with the requirements of clause 4.5.

- **Clause 5.10 – Heritage conservation**

The objective of this clause is to conserve the environmental heritage of Muswellbrook, including heritage items and heritage conservation areas, associated fabric, settings and views, to conserve archaeological sites, Aboriginal objects and Aboriginal places of heritage significance.

A AHIMS search (11 March 2020) contained at **(ATTACHMENT 4)** was undertaken in respect of the subject site which determined that no artefacts or item of interest are located on or near the subject site. Further, the site is not identified to be located within a heritage conservation area and does not contain a heritage item specified under Schedule 5. To this extent, no further assessment against the objectives of clause 5.10 is required.

3.4 DEVELOPMENT CONTROL PLAN (DCP)

The following parts of the Muswellbrook Shire Development Control Plan (the DCP) 2009 are considered relevant to the proposed development. Planning comment on the applicable objectives and requirements are listed below under the relevant headings.

Section 3 – Site Analysis

A site analysis plan is provided within the architectural plan set contained at **(ATTACHMENT 2)**. Adjoining the subject site to the north, south and west incorporate single storey dwellings and to the east (adjacent) is vacant land. A service station is located to the north-west of the site.

A review of the existing Deposited Plan (DP) confirms that the site does not contain any easements or restrictions that would otherwise influence the development type and requirements.

From review of the NSW Planning Portal, the site is unconstrained. Council's pre-DA meeting minutes identify the site as flood prone, thus further assessment under Section 13 is provided below.

Section 4 – Notification

It is understood that the proposed development will be notified to adjoining land holders for a period of 14 days.

Section 9 – Local Centre Development

| Controls | | Assessment | Compliance |
|--------------|--|---|------------|
| 9.1 | Built form | | |
| 9.1.1 | Building Design | | |
| (i) | The design of new buildings should reflect and enhance the existing character of local centres. | The proposed building has been designed taking into consideration the character of the area incorporating gable roof styles and associated fretwork. The proposed building materials and colours will be sympathetic to the streetscape, providing visual interest. | Yes |
| (ii) | Building design should relate to its retail/ commercial/ office function. | A single access point has been provided. | Yes |
| (iii) | Building materials should be of high quality and harmonise with surrounding development. The use of reflective materials is encouraged. Materials and colours should not dominate the streetscape. | Noted – all building materials and colours will be sympathetic to the surrounding streetscape and will not dominate the existing character. | Yes |
| (iv) – (vi) | Not applicable – relates to retail / commercial use. | | |
| (vii) | Blank building facades to streets or public places are to be avoided. | Noted. No blank building façade fronts the street or public places. | Yes |
| (viii) | The placement of windows should provide visual interest and variation to the building façade and relate to those of adjacent buildings. | Windows have been designed with sympathy to the surrounding properties and streetscape, ensuring no conflict in design. | Yes |
| (ix) | Building designs should allow for passive surveillance of public places and streets. | Windows have been placed within the Units fronting Haydon Street to increase passive surveillance of the street. | Yes |
| (x) | Building entrances should be well defined and well lit. | The building entrance is well defined and will be well lit upon construction and occupation. | Yes |
| (x – xiii) | Not applicable – relates to residential, signage and shop-top housing development. | | |
| 9.1.2 | Building height | | |

| | | | |
|-------|--|--|-----|
| (i) | Building heights comply with the building height limits prescribed by Muswellbrook LEP 2009. | As detailed above, the proposed building height is below the 13m allowable. | Yes |
| (ii) | The height of buildings should be consistent with the character of the area and include roof parapets where that is a characteristic in the surrounding streetscape. | The height is consistent with the character of the area, including a gable roof and associated fretwork to achieve consistency with the character of the area. | |
| (iii) | The height of buildings should not result in unreasonable overshadowing or compromise the privacy of adjoining properties. | As evidenced by the shadow diagrams provided with the application, surrounding properties will not be unreasonably shadowed as a result of the development and will not result in the compromise of privacy. | |
| 9.1.3 | Setbacks | | |
| (i) | The front of buildings should be aligned to provide a continuous street frontage. | The proposed development is setback 3.223m from the front property boundary (Haydon Street) given there is no established building line within this portion of the street network. The design incorporates articulation of the building frontage through use of materials, colours, windows and openings to reduce any perceived bulk to the street. | Yes |
| 9.1.4 | Accessibility | | |
| (i) | New buildings or buildings undergoing alterations and additions or a change of use are required to provide equitable provision of access to and circulation within the premises for people with disabilities in accordance with the provisions of AS 1428.1. | A continuous accessible path of travel will be provided from the parking spaces to building entrance / lift and within all areas of the proposed building. | Yes |
| (ii) | Continuous accessible path of travel shall be provided. | | |
| 9.2 | Urban Landscape | | |
| 9.2.1 | Landscaping | | |
| (i) | Where appropriate, landscaping should be incorporated into building design to enhance the character of the streetscape and the amenity of buildings and public places. | A landscaping plan is provided within the architectural plans inclusive of grasses and low level landscaping, consistent with the character of the area. The proposed landscaping aims to soften the appearance of the | Yes |
| (ii) | Landscaping should reflect the size and height of buildings and | | |

| | | | |
|-------|---|---|--|
| | should be consistent with the character of the area. | development and enhances the amenity of the building from the street. | |
| (iii) | Landscaping should be used to soften the impact of hard surfaces where necessary. | | |
| (iv) | Where landscaping is proposed to be incorporated into a new development, a landscape plan detailing hard and soft landscaping works should be submitted with the development application. | | |

Section 12 – Tourist Facilities and Accommodation

| Controls | | Assessment | Compliance |
|---------------|--|---|------------|
| 12.1 | General Requirements | | |
| 12.1.2 | Access | | |
| (i) | Provide on site car parking facilities in accordance with Section 16 of this DCP. | On-site car parking has been provided in accordance with Section 16 as detailed below. | Yes |
| (ii) | Provide a single access point to the public road system. | A single access point has been provided. | Yes |
| (iii) | Design and construct the internal access roads in accordance with relevant AUSPEC criteria based on predicted traffic flows sourced from the <i>RTA Guidelines for Traffic Generating Development</i> , or in accordance with civil engineer certified design. | Noted – the proposed development has been designed in accordance with the AUSPEC criteria. | Yes |
| (iv) | Access to accommodation facilities is to be via flood free, and suitable for its intended use to accommodate a two wheel drive vehicle in all weather conditions. | Access is flood free, with the car parking area developed above the specified FPL. | Yes |
| 12.1.3 | Facilities and services | | |
| (i) | Provide an appropriately designed and sized on site wastewater treatment system to comply with the provisions of Section 23 of this DCP if the development is not within 75m of a reticulated sewerage system. | The site is currently serviced by a reticulated sewer system therefore no on-site waste management system is required. A letter from the adjoining neighbour is provided at (ATTACHMENT 12) confirming availability of access to the sewer pit for the purposes of the proposed development. | Yes |
| 12.2 | Environment | | |
| 12.2.1 | Scenic character | | |

| | | | |
|-------|---|---|-----|
| (i) | Compliance with Section 14 – Outdoor Advertising. | No advertising signage is proposed as part of the development. | N/A |
| (ii) | If the proposed development can be viewed from adjoining properties and/or roads, screen planting should be provided to filter views into the site. | Adequate landscaping has been included to soften the appearance of the development from the street and enhance the existing amenity. | Yes |
| (iii) | Colours and materials for a proposed development should suit the character of the site and of dark natural colours of low reflective quality. | The proposed colours will be low reflective light and dark natural colours to suit the character of the site and surrounding area. | Yes |
| (i) | Development should be sited such that it is not located on prominent knolls or ridge lines and is well set back from property boundaries. | The development has been suitably sited to minimise overshadowing and privacy impacts. The site is not located on a knoll or ridgeline. | Yes |
| (iv) | Especially on rural properties where there is a significant distance from the road boundary to the accommodation destination, appropriate reinforcement signage along the internal access road can be provided. | The site is not located within a rural area. | N/A |
| (vi) | Design and lighting of proposed development should take into consideration any design guidelines and codes Council may have in relation to outdoor lighting in rural areas. | | |

Section 13 – Flood Prone Land

The site is identified as flood liable by the Muswellbrook Flood Risk Management Study and Plan 2018. This Study indicates that the land is impacted by the 1 in 100 year flood event, therefore the requirements of this section apply. The estimated 1% AEP event level is 145m AHD, as shown in the flood certificates provided at (ATTACHMENT 8). The site is not affected by a floodway or flood storage area.

Given the multi-storey nature of the building, all residential units are located well above the required FFL, located at 147.99m (Level 2). Level 1 is located at 145.15m AHD. Given the existing street network is below the FFL, the reduced FFL for Level 1 (without the 500mm freeboard) is considered satisfactory in this instance. Should any increase in floor levels occur a loss of ground floor space is likely which is not preferable given the underutilised nature of the site. The proposed building incorporates an 'open' ground level to allow the passing of any flood waters through the site without impedance.

Section 16 – Car Parking and Access

The objectives for 'non-residential' development within this Section of the DCP include:

- a) To ensure adequate provision of off-street parking to maintain the existing levels of service and safety of the road network.
- b) To ensure a consistent and equitable basis for the assessment of parking provisions.
- c) To ensure the design of parking areas, loading bays and access driveways which function efficiently.
- d) To ensure that parking areas are visually attractive and constructed, designed and situated so as to encourage their safe use.
- e) To ensure that all traffic generating developments are generally in accordance with those sections of the Traffic Authority of NSW Policies and Guidelines, for traffic generating developments as adopted by this Code.

The requirements of 16.6 of this section of the DCP identify the following car parking requirements:

- 1 space per 3 beds or 1 per bedroom
- 1 visitor space per 5 beds or 1 visitor space per 5 rooms (whichever is the greater)
- 1 space per 3 employees.

The proposed development incorporates 14 beds or 11 bedrooms therefore requiring:

- 4.6 spaces (14/3) or 11 spaces
- 2.8 visitor spaces (14/5) or 2.2 spaces
- 1 employee space.

The proposed development provides 11 car parking spaces (including 1 accessible) capable of being used by visitors, 3 motorbike spaces and a bike storage rack. In consideration of the proposed development, number of beds and expected number of vehicles, the provision of car parking is considered satisfactory and meets the objectives of this section of the DCP.

All on-site parking facilities have been designed and will be constructed to comply with AS2890.1 and 2. Vehicle movements into and out of the site can occur in a forward direction.

Section 24 – Waste Minimisation and Management

The aims of this section are:

- *To minimise resource requirements and construction waste through reuse and recycling and the efficient selection and use of resources.*
- *To encourage building designs, construction and demolition techniques in general which minimise waste generation.*
- *To maximise reuse and recycling of household waste and industrial/commercial waste.*
- *To assist applicants in planning for sustainable waste management, through the preparation of a site waste minimisation and management plan.*
- *To provide guidance in regard to space, storage, amenity and management of waste management facilities.*
- *To ensure waste management systems are compatible with collection services.*
- *To minimise risks associated with waste management at all stages of development.*

Upon occupation of the building, bins will be provided within the bin store located within the frontage of the building / car parking area, including storage receptacles as specified by Council. It is likely that 3 x 360L garbage bins and 3 x 360L recycling bins will be provided, collected by Council on a weekly / fortnightly basis in accordance with Appendix B of this Section of the DCP.

During operation, it is the responsibility of the building manager to monitor the number of bins required to cater for the guests. Waste and recycling volumes may change depending on the guest's attitude to waste disposal and recycling, occupancy levels or development's management. Any requirements for adjusting the capacity of the waste facilities can be achieved by changing the number of bins, bin size or collection frequencies.

During construction, waste will be managed in accordance with standard waste minimisation procedures and the site will be continually serviced by a waste receptacle.

Section 25 – Stormwater Management

The development proposes an increase in impermeable area of the site thus the requirements of this Section apply. A Stormwater Management Plan has been prepared and is provided at **(ATTACHMENT 3)**, identifying the proposed collection and disposal method on-site.

All roof water will be collected via gutters / downpipes (with appropriate spreaders) and then connected / charged to rainwater tanks on-site via a filtration device. Overflow from the rainwater tank will be connected to the site stormwater system as shown on the plans, with all overflow to be connected to the site stormwater system and street. A flush-out point is provided at the lowest point of the charged line.

The proposed stormwater system is compliant with AS 3500 and demonstrates compliance with AUSPEC and the Muswellbrook Shire Council Drainage Design Criteria.

3.5 DEVELOPMENT CONTRIBUTIONS PLAN

Development contributions will be calculated and charged in accordance with the Muswellbrook Development Contributions Framework.

4.0 LIKELY IMPACTS OF THE DEVELOPMENT

Section 4.15 – (1) Matters for consideration – general of the *Environmental Planning and Assessment Act 1979* states:

In determining a development application, a consent authority is to take into consideration such of the following matters as are of relevance to the development the subject of the development application:

- (a) the provisions of:*
 - i. any environmental planning instrument, and*
 - ii. any proposed instrument that is or has been the subject of public consultation under this Act and that has been notified to the consent authority (unless the Secretary has notified the consent authority that the making of*

- the proposed instrument has been deferred indefinitely or has not been approved), and*
- iii. any development control plan, and*
 - iv. any planning agreement that has been entered into under section 7.4, or any draft planning agreement that a developer has offered to enter into under section 7.4, and*
 - v. the regulations (to the extent that they prescribe matters for the purposes of this paragraph), and*
 - vi. any coastal zone management plan (within the meaning of the Coastal Protection Act 1979), that apply to the land to which the development application relates,*
- (b) the likely impacts of that development, including environmental impacts on both the natural and built environments, and social and economic impacts in the locality,*
- (c) the suitability of the site for the development,*
- (d) any submissions made in accordance with this Act or the regulations,*
- (e) the public interest.*

4.1 BUILT IMPACTS

Amenity impacts relate to the surrounding residential and commercial zoned land. The land surrounding the site and existing uses are consistent with the development. The locality has seen and will continue to see the construction of new dwellings and increased density within the B2 Local Centre Zone.

The proposed development will enhance the subject site and locality by improving the landscape and natural environment, bulk and scale, site coverage, streetscape and pedestrian amenity. The building will be higher than the existing buildings surrounding the site, however in context, does not detract from or impact on the existing area due to the materials and built form proposed. It is considered that the proposed development is appropriate for the existing and future character of the neighbourhood.

4.2 NATURAL IMPACTS

No negative impact on the natural environment is anticipated as part of the development. The landscaping and street trees proposed will sufficiently compensate for the loss of minor vegetation on-site as a result of the development.

4.3 SOCIAL AND ECONOMIC IMPACT ON THE LOCALITY

The proposed development will not create any safety, security or crime concerns on or around the site. Additional development on the site will help to further enhance the passive surveillance of the adjoining streets from the site and may contribute to increased safety and security in the area.

The development on the site compliments the surrounding development and uses. There is minimal to no opportunity for land use conflict or negative social impacts.

From an economic perspective, construction of the development will directly employ hundreds of people from the local construction industry and requires the purchase of construction materials which in turn stimulates the economy in the locality at a small and wider scale.

Additional tourism development in the locality of this type in allows for the appropriate accommodation / housing of people on a short-term basis, in transition throughout the Hunter Region. This in turn will stimulate localised spending on a permanent basis through the frequent turn-over of guests / visitors.

5.0 SUITABILITY OF THE SITE AND PUBLIC INTEREST

The proposed development is contemporary in nature and compliments the established character of Muswellbrook. The application design includes all elements required under the relevant planning instruments and policies and there are no anticipated negative impacts on the locality as a result of the development. The site is well positioned within close proximity to local centres, bus stops and transport links with frequent services to major centres. To this extent, the site is suitable for the proposed development.

The proposal is considered to be within the public's best interest.

6.0 CONCLUSION

This SoEE has shown that the development is within the public's interest, socially, economically and environmentally. The proposed development is a compatible development option for the site and assists in delivering a permissible development type on a vacant and underutilized site within the B2 Local Centre Zone whilst respecting the environment in which it is located. Any relevant matters have been addressed through this SoEE.

It is considered that the proposal will have no significant impacts on the surrounding properties to that it is likely to adversely affect their enjoyment or amenity. We look forward to Councils determination of this matter. If we can provide any further information or clarity, please don't hesitate to contact us.



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ATTACHMENT 1 – EP&A Regulation 2000 (Schedule 1)

A development application under Schedule 1 (2) – Forms of the Environmental Planning and Assessment Regulation 2000 is to be accompanied by the following information.

| No | Requirement | Response |
|---|--|--|
| Information to be included in development application | | |
| 1(a) | Name and address of the Applicant | This is provided on the Council DA Form and within the SoEE. |
| 1(b) | A description of the development to be carried out | |
| 1(c) | The address, and formal particulars of title, of the land on which the development is to be carried out | |
| 1(d) | An indication as to whether the land is, or is part of, critical habitat | Nothing (i.e. vegetation) on the site suggests that it is critical habitat. |
| 1(e) | An indication as to whether the development is likely to significantly affect threatened species, populations or ecological communities, or their habitats, unless the development is to be taken to be development that is not likely to have such an effect because it is a biodiversity compliant development. | |
| 1(ea) | For biodiversity compliant development, an indication of the reason why the development is biodiversity compliant development. | |
| 1(f) | A list of authorities from which concurrence must be obtained before the development may be lawfully carried out or from which concurrence would have been required, but for section 4.13 (2A) or 4.41 | This is provided on the Council DA Form and within the SoEE. These documents identify that the development is not defined as 'integrated development'. |
| 1(f1) | In the case of an application that is accompanied by a biodiversity development assessment report, the reasonable steps taken to obtain the like-for-like biodiversity credits required to be retired under the report to offset the residual impacts on biodiversity values if different biodiversity credits are proposed to be used as offsets in accordance with the variation rules under the Biodiversity Conservation Act 2016. | An ecological assessment is not required to be prepared for the proposed development. |
| 1(f2) | If the land is subject to a private land conservation agreement under the Biodiversity | |

| | | |
|---|---|---|
| | Conservation Act 2016, a description of the kind of agreement and the area to which it applies. | |
| 1(g) | A list of any approvals of the kind referred to in section 4.46(1) of the Act that must be obtained before the development may be lawfully carried out. | Noted. No referrals are required. |
| 1(g1) | In the case of State significant development, a list of any authorisations that must be provided under section 4.4 of the Act in relation to the development. | The development is not identified as State significant. |
| 1(h) | The estimated cost of the development. | The estimated cost of the development is identified on the Council DA Form. |
| 1(h1) | In the case of State Significant development, the capital investment value of the development. | The development is not defined as State significant. |
| 1(i) | Evidence that the owner of the land on which the development is to be carried out consents to the application, but only if the application is made by a person other than the owner and the owner's consent is required by this Regulation. | The owners' consent is provided on the Council DA Form. |
| 1(j) | A list of the documents accompanying the application. | A list of documents accompanying this application is provided within this Statement of Environmental Effects. |
| Documents to accompany development application | | |
| 2 (a) | A site plan of the land | A site plan is provided within the architectural plans. |
| 2(b) | A sketch of the development | Architectural plans are provided. |
| 2(c) | A statement of environmental effects (in the case of development other than designated development or State significant development) | This table is an attachment to the SoEE. |
| 2(d) | In the case of development that involves the erection of a building, an A4 plan of the building that indicates its height and external configuration, as erected, in relation to its site (as referred to in clause 56 of this Regulation) | Architectural plans are provided. |
| 2(e) | An environmental impact statement (in the case of designated development or State significant development) | The development is not defined as designated or state significant. |
| 2(f) | A species impact statement (in the case of land that is, or is part of, critical habitat or | Nothing (i.e. vegetation) on the site suggests that an Ecological |

| | | |
|-------|--|---|
| | development that is likely to significantly affect threatened species, populations or ecological communities, or their habitats, but not if the development application is for State significant development | Assessment should be prepared for this DA. |
| 2(g) | If the development involves any subdivision work, preliminary engineering drawings of the work to be carried out | The development does not include any subdivision works. |
| 2(h) | If an environmental planning instrument requires arrangements for any matter to have been made before development consent may be granted (such as arrangements for the provision of utility services), documentary evidence that such arrangements have been made. | This SoEE discusses 'essential services' and the approach taken. |
| 2(i) | If the development involves a change of use of a building (other than a dwelling-house or a building or structure that is ancillary to a dwelling-house and other than a temporary structure): (i) a list of the Category 1 fire safety provisions that currently apply to the existing building, and (ii) a list of the Category 1 fire safety provisions that are to apply to the building following its change of use | The proposed development does not incorporate a change of use. |
| 2(j) | If the development involves building work to alter, expand or rebuild an existing building, a scaled plan of the existing building | Architectural plans for the development provided. |
| 2(k) | If the land is within a wilderness area and is the subject of a wilderness protection agreement or conservation agreement within the meaning of the Wilderness Act 1987, a copy of the consent of the Minister for the Environment to the carrying out of the development | The proposed development is not located within a wilderness area. |
| 2(k1) | In the case of development comprising mining for coal (within the meaning of section 380AA of the Mining Act 1992)—documentary evidence that the applicant holds an authority under the Mining Act 1992 in respect of coal and the land concerned or has the written consent of the holder of such an authority to make the development application. | The development does not compromise mining for coal. |
| 2(l) | In the case of development to which clause 2A applies, such other documents as any BASIX | |

| | | |
|------|--|--|
| | certificate for the development requires to accompany the application. | BASIX and NaTHERs Certificates are provided with this application. |
| 2(m) | In the case of BASIX optional development—if the development application is accompanied by a BASIX certificate or BASIX certificates (despite there being no obligation under clause 2A for it to be so accompanied), such other documents as any BASIX certificate for the development requires to accompany the application | |
| 2(n) | <p>If the development involves the erection of a temporary structure, the following documents:</p> <p>(i) documentation that specifies the live and dead loads the temporary structure is designed to meet,</p> <p>(ii) a list of any proposed fire safety measures to be provided in connection with the use of the temporary structure,</p> <p>(iii) in the case of a temporary structure proposed to be used as an entertainment venue—a statement as to how the performance requirements of Part B1 and NSW Part H102 of Volume One of the Building Code of Australia are to be complied with (if an alternative solution, to meet the performance requirements, is to be used),</p> <p>(iv) documentation describing any accredited building product or system sought to be relied on for the purposes of section 4.15 (4) of the Act,</p> <p>(v) copies of any compliance certificates to be relied on</p> | The development does not involve the erection of a temporary structure. |
| 2(o) | In the case of a development involving the use of a building as an entertainment venue or a function centre, pub, registered club or restaurant—a statement that specifies the maximum number of persons proposed to occupy, at any one time, that part of the building to which the use applies | This development will not involve a building as an entertainment venue or a function centre, pub, registered club or restaurant. |

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EMAIL: mail@wdegroupp.com.auWEB: www.wdegroupp.com.au

Ref: WID 21145

4 June 2021

BUDDY JILWAN**C/- PERCEPTION PLANNING PTY LTD**

P O BOX 107

CLARENCETOWN NSW 2321

ATTENTION: ERIN DANIEL**RE: 14 HAYDON STREET, MUSWELLBROOK
FLOOD AFFLUX REPORT**

WDG has been engaged by Perception Planning Pty Ltd on behalf of Buddy Jilwan to prepare a flood afflux report for the proposed development of a backpackers hostel at Lots 1 & 2 DP551973 No.14 Haydon Street, Muswellbrook.

Preliminary architectural designs are attached as **Appendix 1**.

Introduction

Muswellbrook Council has provided a Flood Information Certificate that indicates that the development site is within the 1% AEP Flood event as determined by Council's 2018 Flood Risk Management Study and Plan prepared by Royal Haskoning DHV.

Council's Flood Information Certificate is attached as **Appendix 2**.

Council has requested confirmation that the afflux of the flood height is not increased by more than 0.1m due to filling of the site or the installation of any buildings or infrastructure.

Methodology

Detail provided in Council's Flood Information Certificate has been inputted to Molesworth's Equation to determine the increase of the flood afflux.

Molesworth's equation – $h = (V^2/17.88 + 0.01524) \times ((A/a)^2 - 1)$

Where:

h = afflux in meters

V = the mean velocity of flow at Highest Flood Level (HFL) prior to the construction of obstructions

A = areas of flow section at HFL approaching the obstruction

a = areas of flow at the obstruction

Calculation Results

Details from the Flood Information Certificate and development plans have been used to calculate the flood afflux and are listed below:

Mean Velocity – 0.31m/s

Flow Area Approaching Obstruction – 604.35m² (total site area)

Area of Obstruction – 447.87m² (total building footprint including driveway area)

Flow Area Around Obstruction – 156.48m²

Based on the data above the flood afflux will increase by 0.075m.

Calculation details are attached as **Appendix 3**.

Conclusion

Using the Molesworth equation confirms that the construction of the proposed development will increase the flood afflux by less than 0.1m.

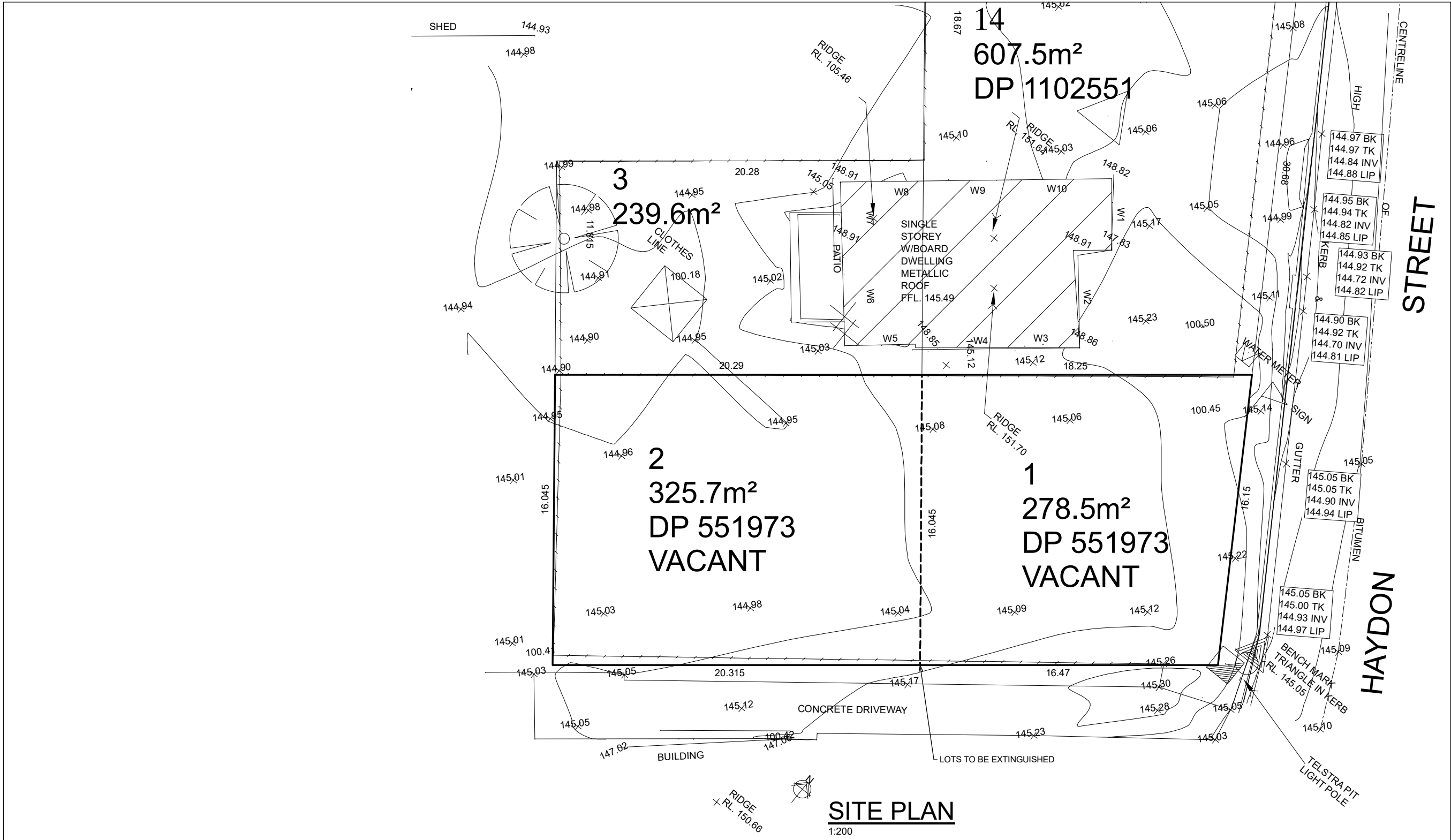
Wallace Design Group Pty Ltd



IAN MURPHY

Infrastructure Design Manager

APPENDIX 1



MEMBER OF
BUILDING
DESIGNERS
AUSTRALIA NSW



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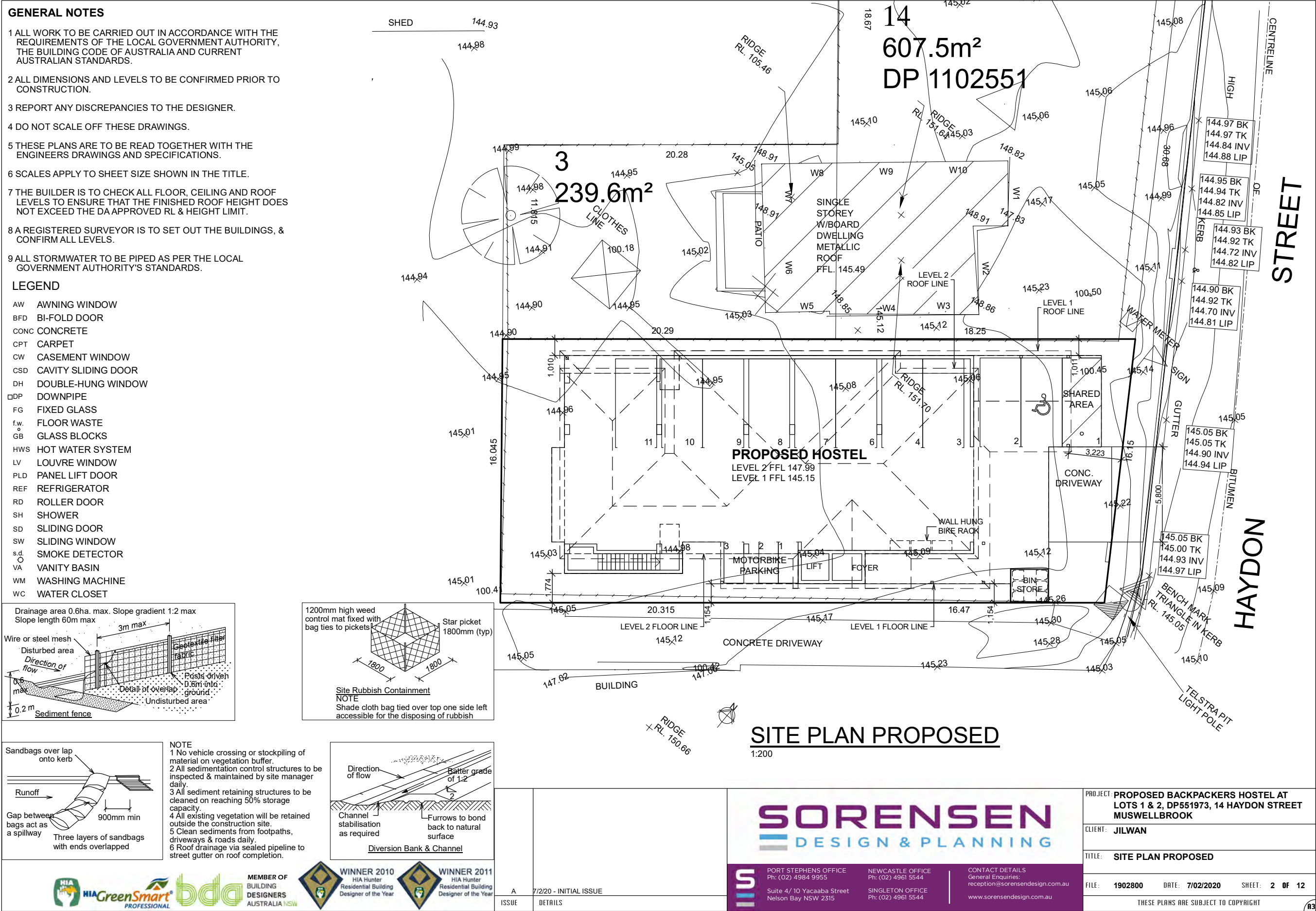
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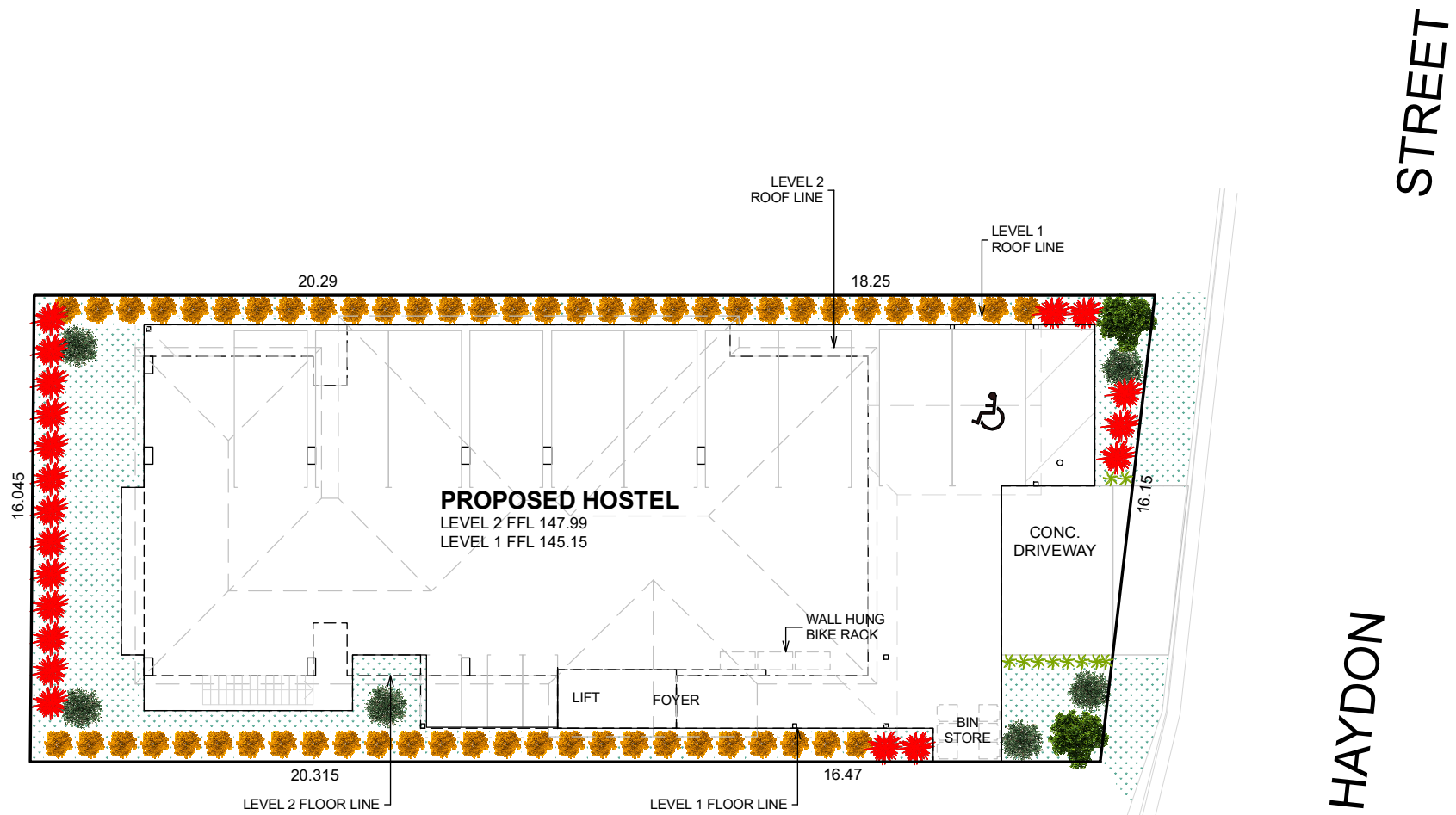
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| CLIENT: | JILWAN | | | | |
| TITLE: | SITE PLAN | | | | |
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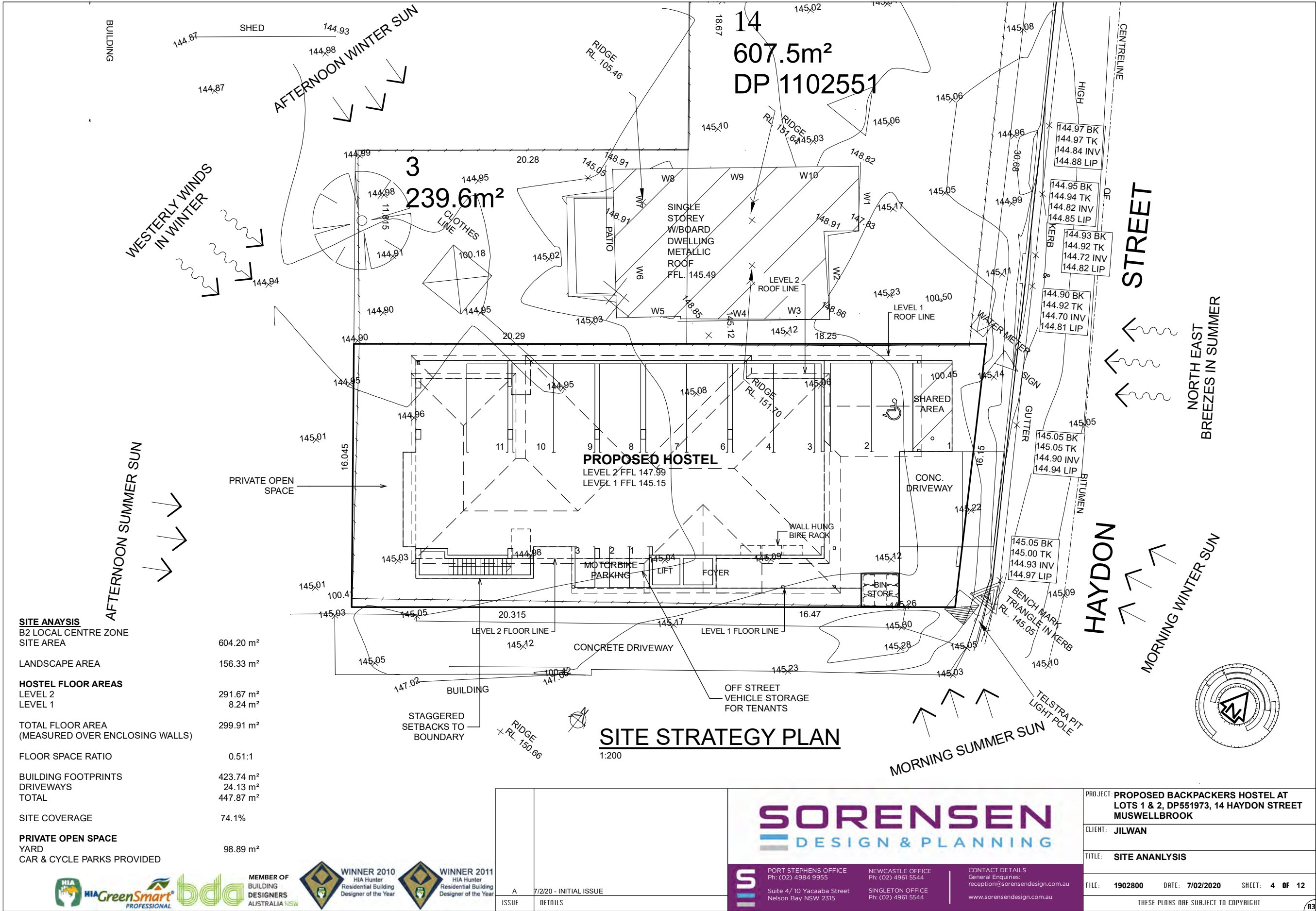
LANDSCAPE PLAN

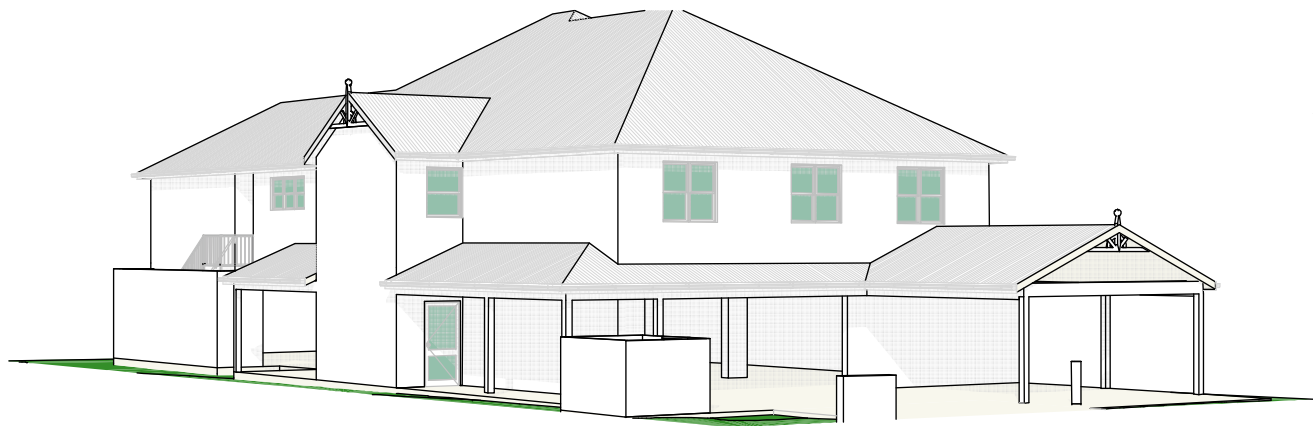
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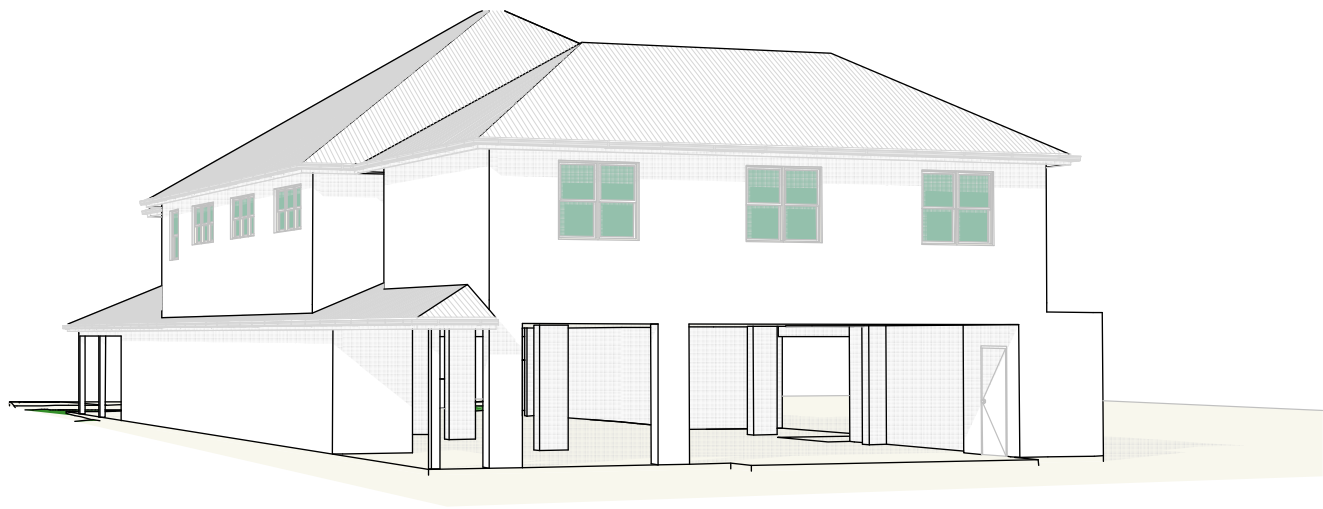
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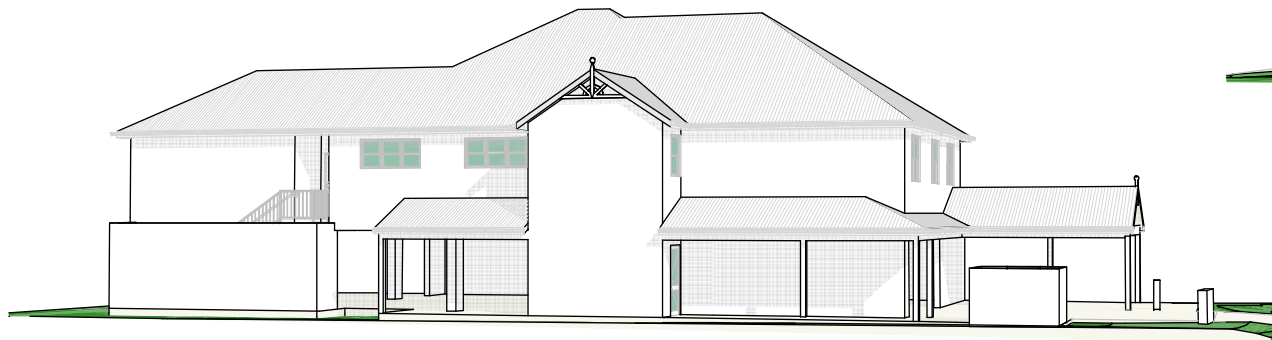




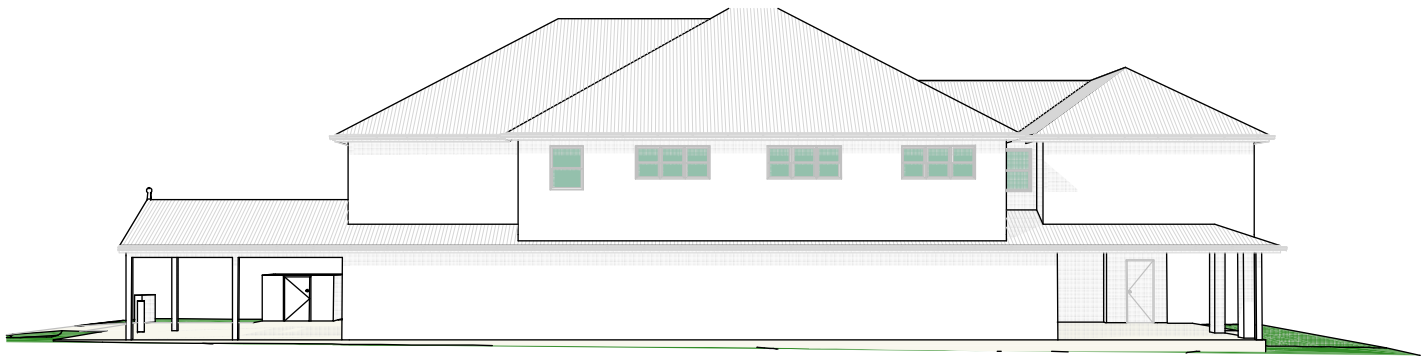
HAYDON STREET VIEW



WEST VIEW



SOUTH VIEW



NORTH VIEW



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HIA Hunter
Residential Building
Designer of the Year



WINNER 2011
HIA Hunter
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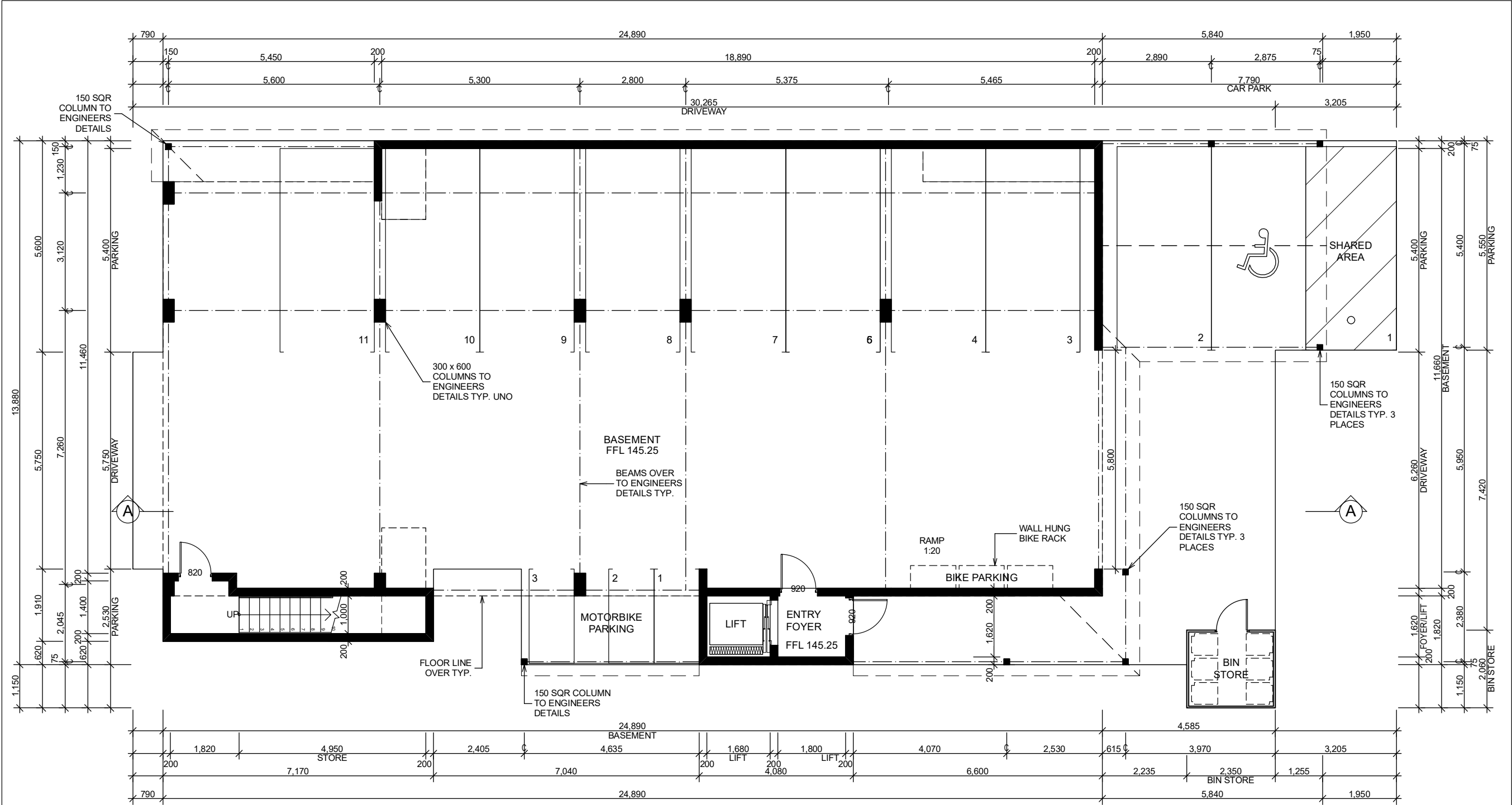
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LEVEL 1 FLOOR PLAN
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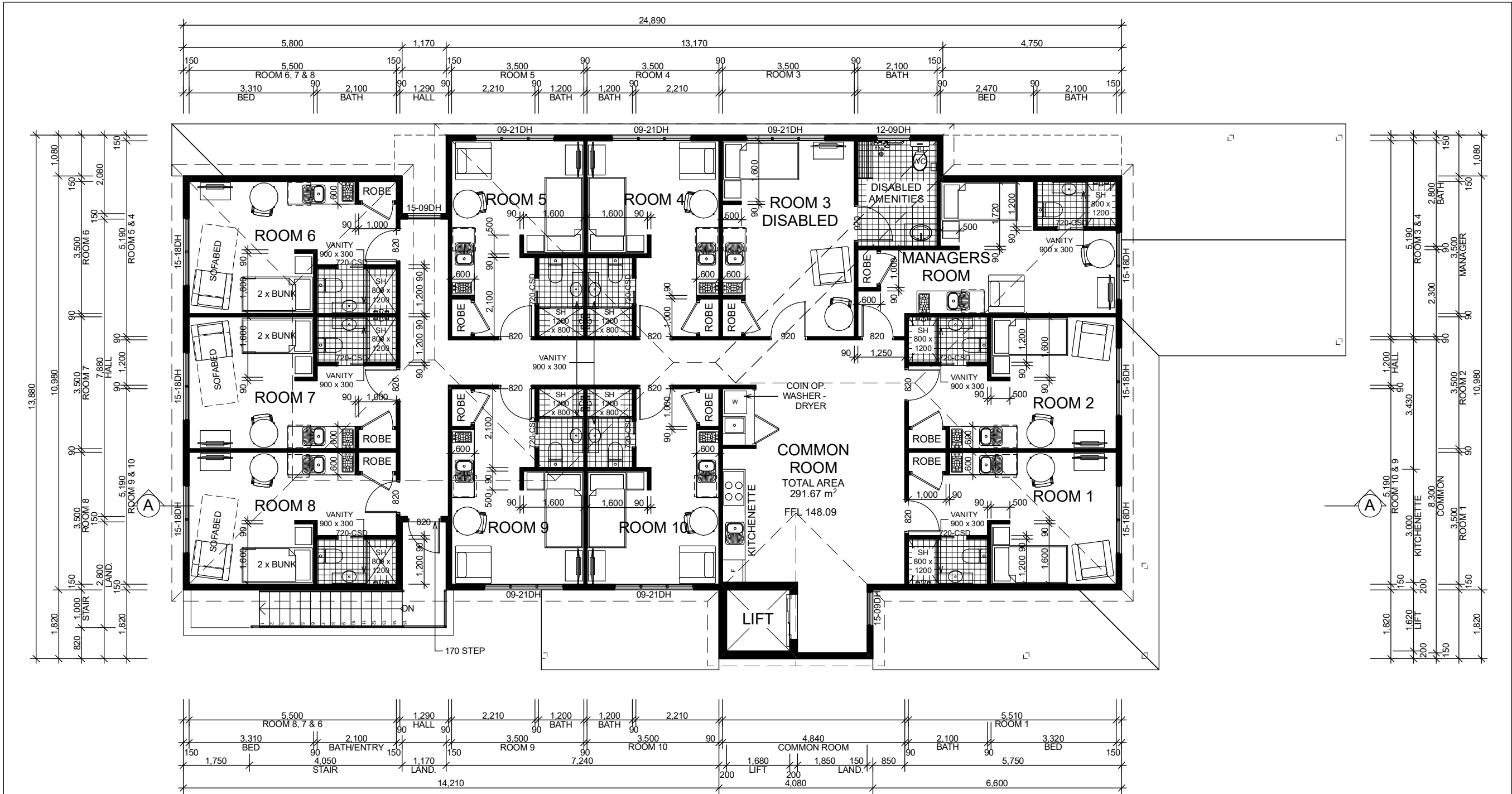
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LEVEL 2 FLOOR PLAN

1:100
ALL WINDOW HEADERS 2400

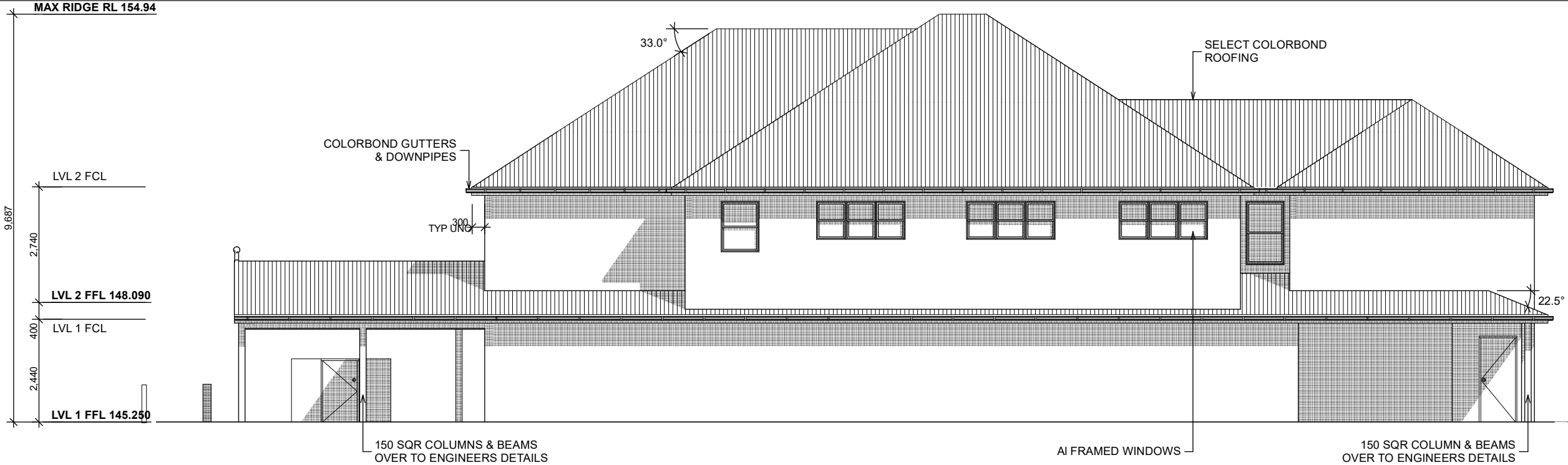


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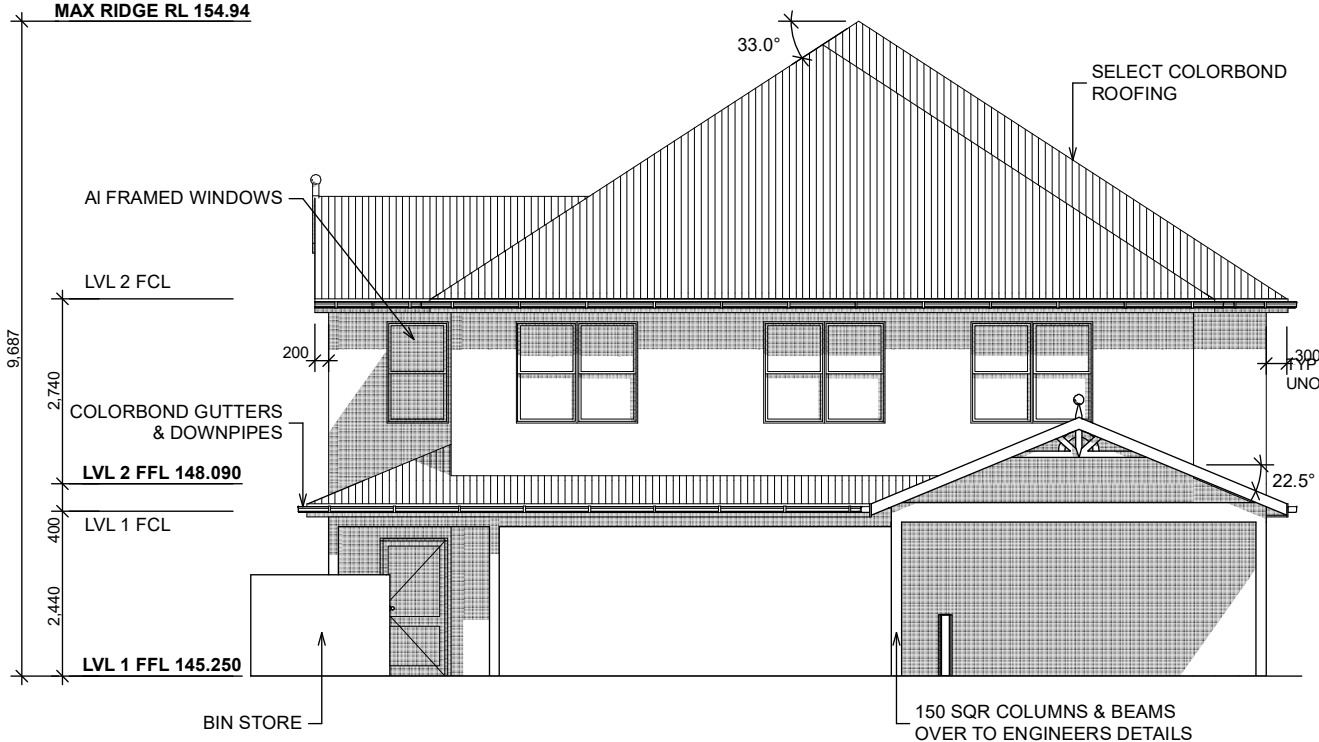
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NORTH ELEVATION
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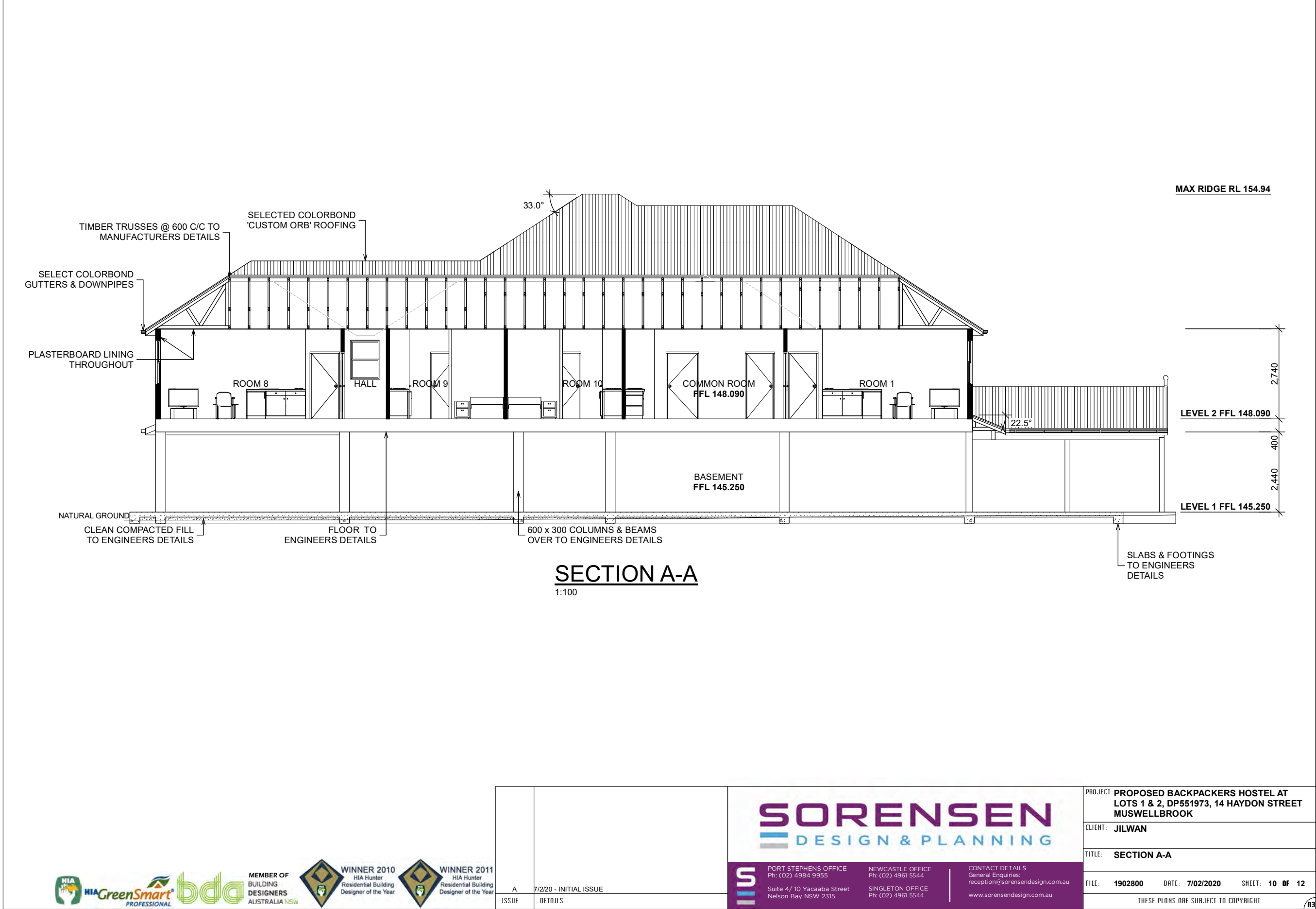


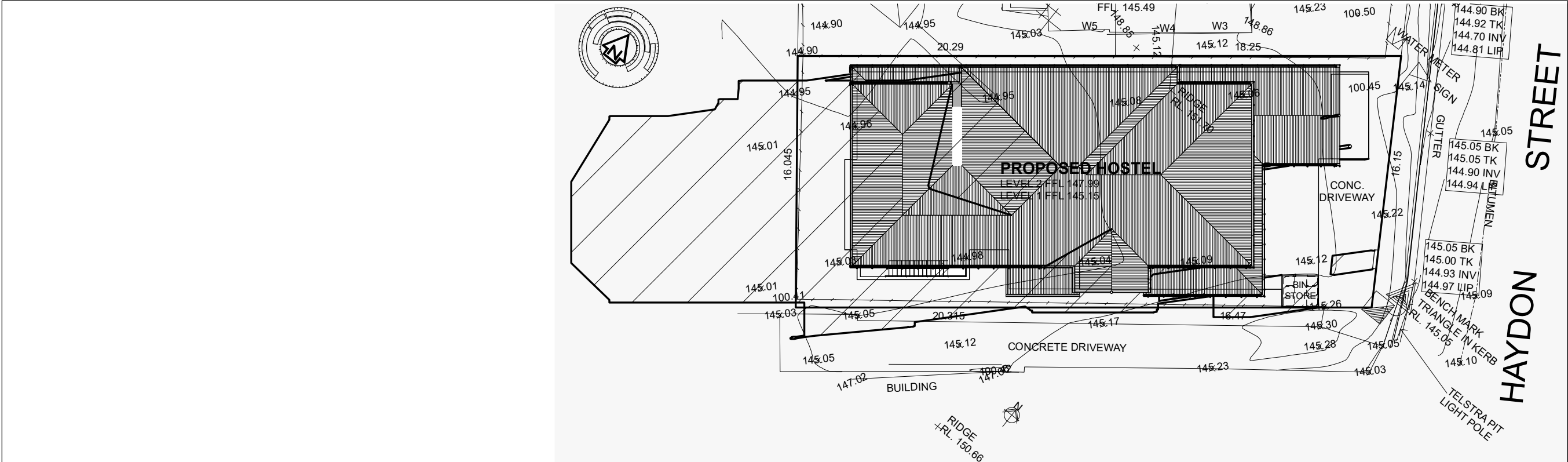
EAST ELEVATION
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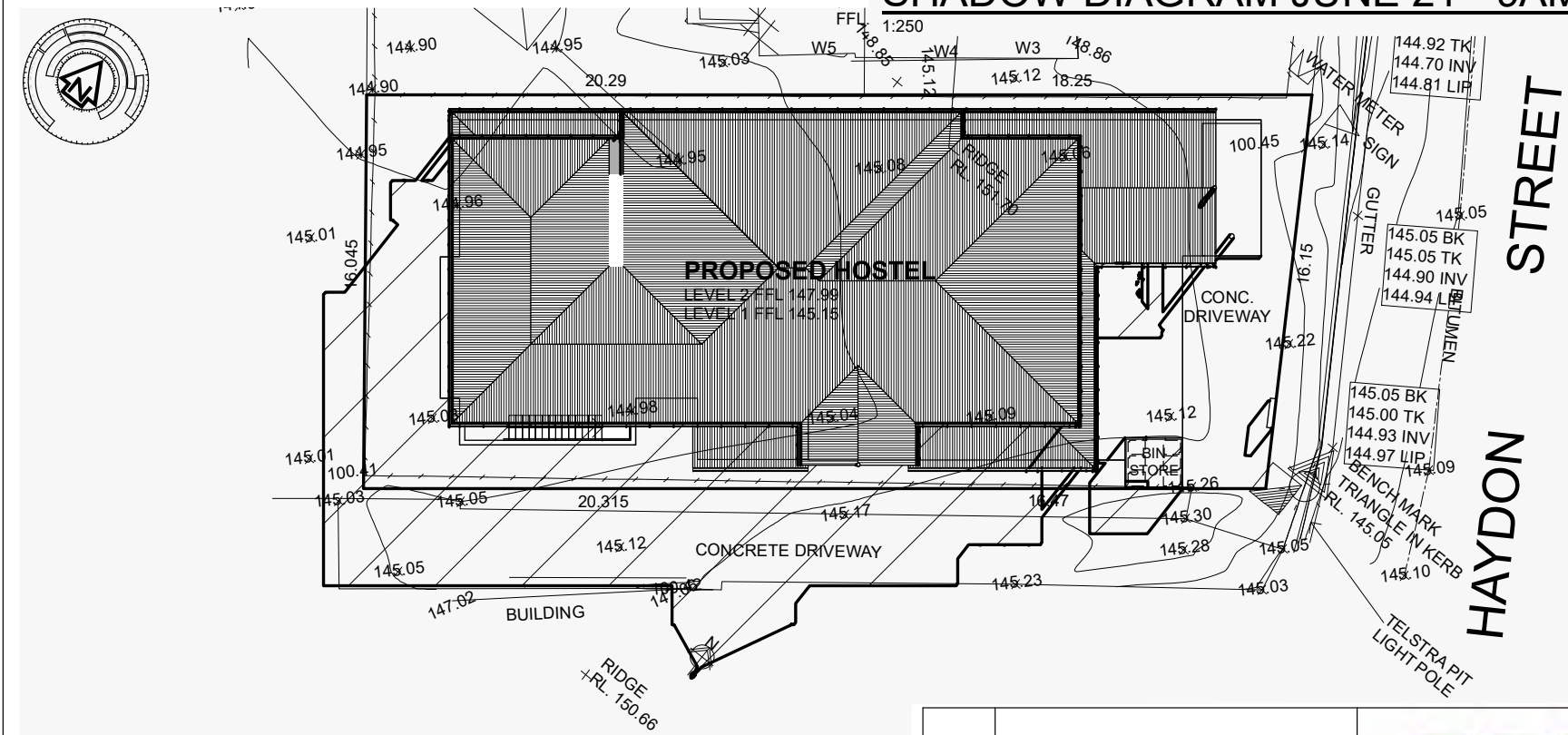
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SHADOW DIAGRAM JUNE 21 - 9AM



SHADOW DIAGRAM JUNE 21 - 12PM

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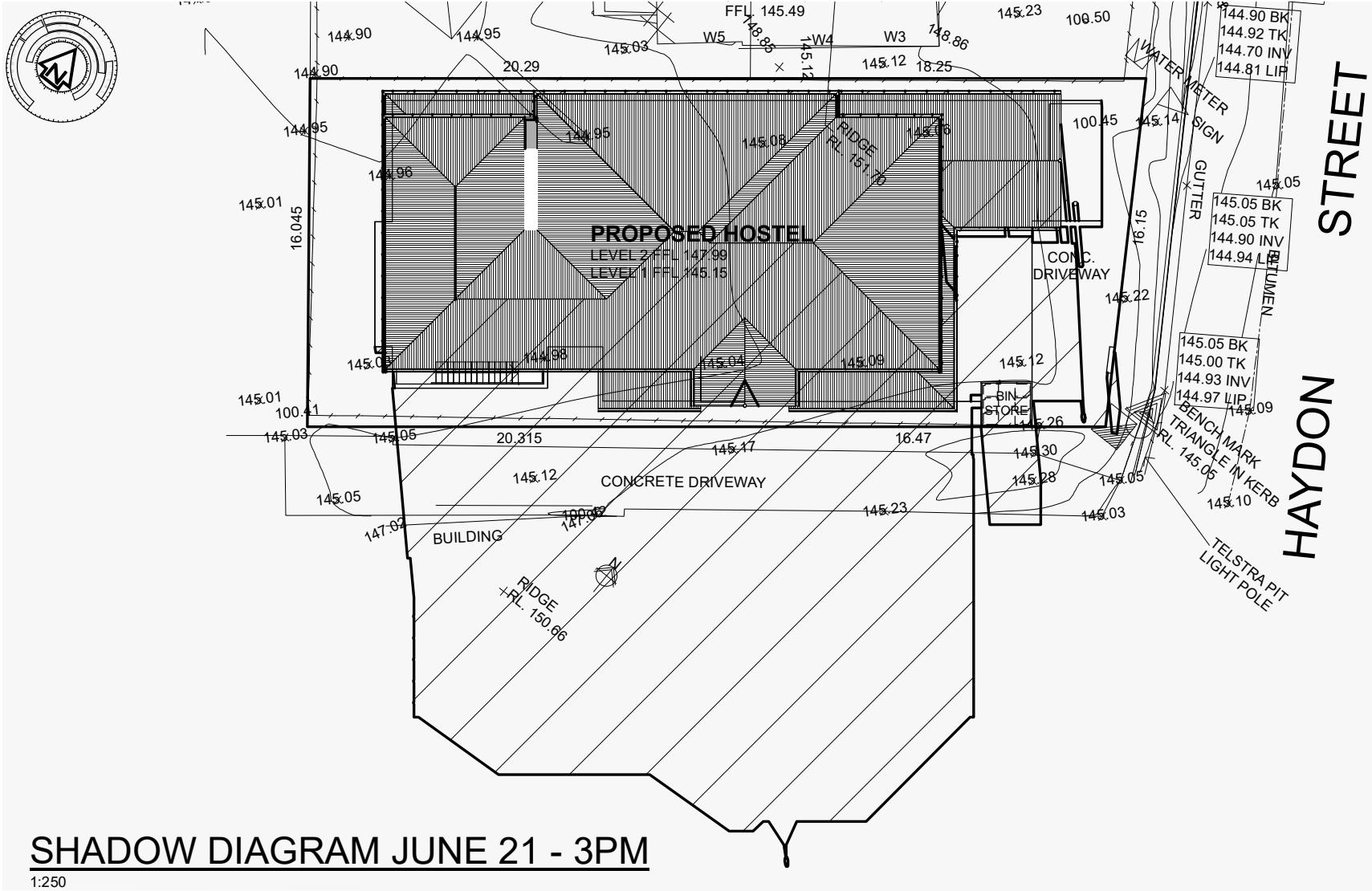
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| CLIENT: | JILWAN | | |
| TITLE: | SHADOW DIAGRAMS 9AM & 12PM | | |
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APPENDIX 2

Lot: 1; DP: 551973

Flood Information Certificate

Date: 17/01/2020

Created by: Abdullah Mahmud

erin@perceptionplanning.com.au

Perception Planning
PO Box 107
Clarence Town, NSW, 2321

Dear Miss Daniel,

| | |
|------------------|--------------------------------|
| Property: | LOT 1 : SEC : DP 551973 |
| Address: | 14 Haydon Street |

The information supplied in this certificate represents the most current flooding information held by Council at the time the certificate was created.

Please find attached flood information maps prepared in relation to the land subject to your enquiry. The maps have been prepared using data related to 1% AEP flood event as identified by Council's 2018 Flood Risk Management Study and Plan prepared by Royal Haskoning DHV. Information related to the 5% AEP flood event is also included in the tables accompanying the maps.

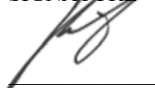
Maximum and minimum flood depth information included in the table accompanying the maps has been informed by LIDAR data held by Council in relation to the height of natural ground level at the site. The accuracy of LIDAR data or flood depth information for the site should not be relied on to inform the preparation of a development application for the site or any decision making related to the management of flood risks at the land. Council LIDAR data has been prepared on a Shire wide basis and may be inaccurate at particular sites or where cut and fill has occurred.

Accordingly, it will be necessary for a person using this information for the purpose of preparing a development application to engage Registered Surveyor to determine the actual natural surface levels, and flood depth information to AHD on the site to determine the extent of inundation. Any person using this information to inform the preparation of a development application should also review Section 13 of the Muswellbrook Development Control Plan which includes controls relevant to the development of flood prone land

If you require any further clarification in relation to the above please contact Council's Planning, Environment and Regulatory Services Team on 02 6549 3745.

Yours Faithfully

SIGNATURE



Hamish McTaggart
Development Coordinator

Lot: 1; DP: 551973

| Definitions | Hazard Vulnerability Classification |
|---|---|
| <p>AEP is the probability of an event being equaled or exceeded within a year. Typically the AEP is estimated by extracting the annual maximum in each year to produce an Annual Maxima Series (AMS);</p> <p>Flood Level elevation of the flood surface above Australian Height Datum (AHD)</p> <p>Depth is based on 2013 LiDAR aerial survey data</p> <p>Velocity is the speed of the flowing flood water</p> <p>Hazard is Hazard Vulnerability Classification as outlined in Section 7.2.7 of Australian Rainfall and Runoff 2016. Maximums relate to the highest value on the property parcel. See table below for further information.</p> | <p>H1 Generally safe for vehicles, people and buildings.</p> <p>H2 Unsafe for small vehicles.</p> <p>H3 Unsafe for vehicles. Children and the elderly.</p> <p>H4 Unsafe for vehicles and people.</p> <p>H5 Unsafe for vehicles and people. All buildings vulnerable to structural damage. Some less robust buildings subject to failure.</p> <p>H6 Unsafe for vehicles and people. All building types considered vulnerable to failure.</p> |

Lot: 1; DP: 551973

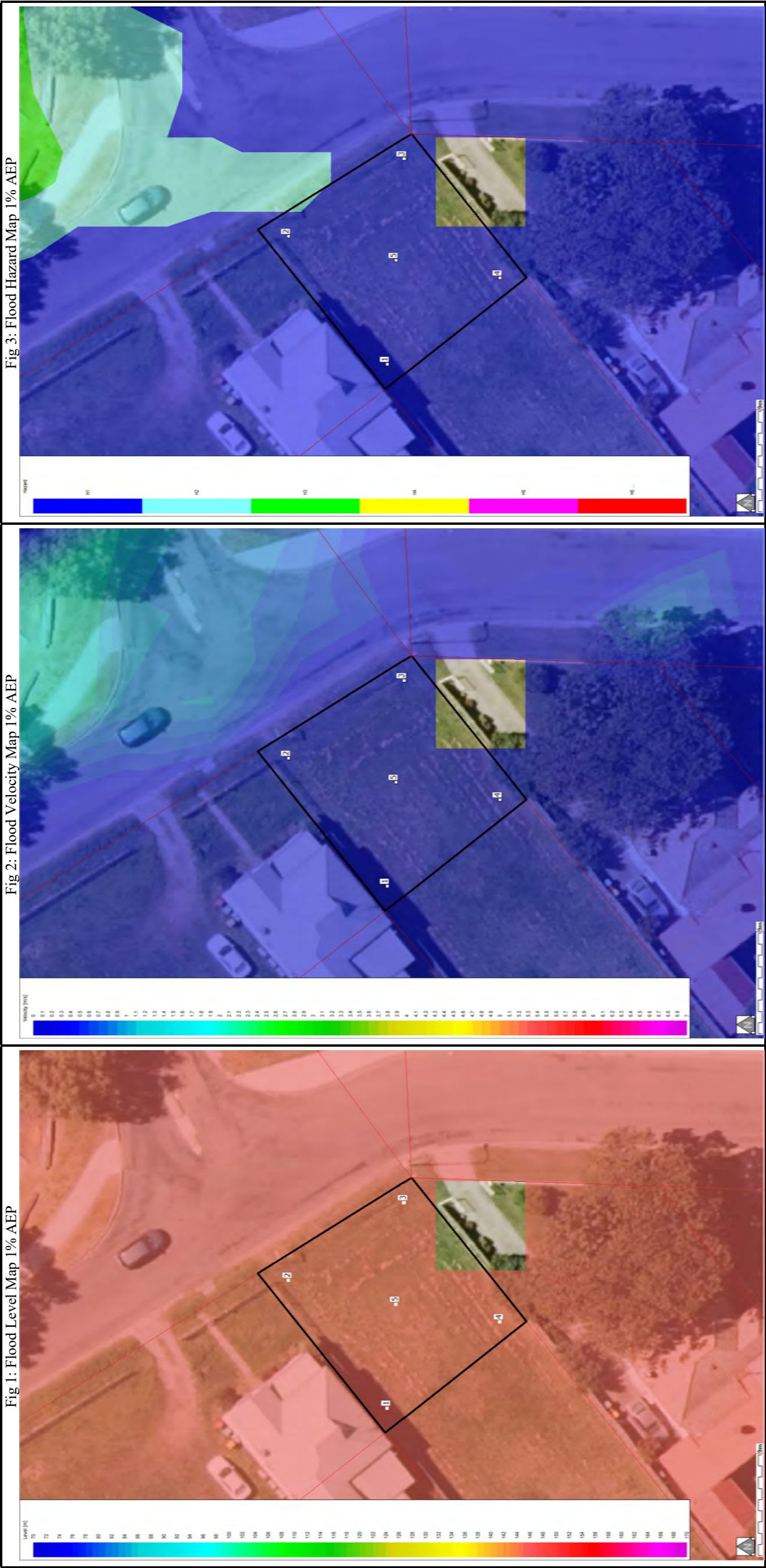


Table 1: Maximum and Minimum data

| Flood Information | 5% AEP Flood Data | 1% AEP Flood Data |
|--------------------------|-------------------|-------------------|
| Max. Water Level (m AHD) | N/A | 145.21 |
| Min. Water Level (m AHD) | N/A | 145.14 |
| Max. Velocity (m/s) | N/A | 0.31 |
| Min. Velocity (m/s) | N/A | 0.09 |
| Max. Depth (m) | N/A | 0.21 |
| Min. Depth (m) | N/A | 0.08 |

Table 2: Key Point location flood data

| Location | 5% AEP Level | 5% AEP Velocity | 5% AEP Hazard | 1% AEP Level | 1% AEP Velocity | 1% AEP Hazard |
|----------|--------------|-----------------|---------------|--------------|-----------------|---------------|
| 1 | N/A | N/A | N/A | 145.15 | 0.19 | H1 |
| 2 | N/A | N/A | N/A | 145.20 | 0.23 | H1 |
| 3 | N/A | N/A | N/A | 145.21 | 0.23 | H1 |
| 4 | N/A | N/A | N/A | 145.15 | 0.12 | H1 |
| 5 | N/A | N/A | N/A | 145.17 | 0.18 | H1 |

APPENDIX 3

Molesworth's equation

Haydon St, Muswellbrook

$$h = (v^2 / 17.88 + 0.01524) \times ((A/a)^2 - 1)$$

h = height in m

v = mean velocity of flow prior to obstruction

A = area of flow section upstream of obstruction

a = area of flow around obstruction

v = 0.31

A = 604.35

a = 156.48

Area of obstruction 447.87

h = 0.075



CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED) REPORT

**TOURIST AND VISITOR ACCOMODATION
(BACKPACKERS ACCOMODATION)**

**14 HAYDON STREET, MUSWELLBROOK, NSW,
2333 (LOT 1 AND 2, DP 551973)**



| Erin Daniel Principal Planner PO Box 107 Clarence Town, NSW, 2321 | Phone: 0428 883 911 Email: erin@perceptionplanning.com.au | | | |
|---|--|------------------------------------|--------|-------------|
| PP Reference | J000597 | | | |
| Prepared for (client) | Haydon Street Developments Pty Ltd | | | |
| Document Versions and Control | | | | |
| CPTED, 14 Haydon St Muswellbrook | | | | |
| Version | Date | PP ref | Author | Reviewed by |
| 1 | 16/09/21 | CPTED 14 Haydon St Muswellbrook | ED | MB / Client |
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EXECUTIVE SUMMARY

Perception Planning Pty Ltd has been engaged by Haydon Street Developments Pty Ltd (the client) to prepare a Crime Prevention Through Environmental Design (CPTED) Report for the construction of tourist and visitor accommodation – backpackers' accommodation at 14 Haydon Street, Muswellbrook, NSW, 2333 legally identified as LOT: 1 and 2 DP: 551973, referred to as '**the site**' for the purpose of this CPTED Report.

The site collectively measures approximately 607m² in size and is located within the township of Muswellbrook, within the Muswellbrook Council Local Government Area (LGA). The site is zoned B2 – Local Centre and is currently vacant, directly accessible from Haydon Street. The objective of the proposed development is to obtain development consent for tourist and visitor accommodation – backpackers' accommodation. This development is enabled through the Muswellbrook LEP. The characteristics of the proposed development include:

- Two-storey building with at-grade carparking
- Level 1 incorporates:
 - 11 car parking spaces (including 1 disabled car parking space)
 - 3 motorbike spaces and wall hung bike rack
 - Bin store
 - Lift and stairs
 - Entry foyer.
- Level 2 incorporates:
 - 10 x rooms (including 1 disabled room) incorporating varied bed types, self-contained bathroom and kitchen, robe and living area
 - 1 x managers room incorporating bed, self-contained bathroom and kitchen, robe and living area
 - Common room including kitchenette and laundry
- Lift and stairs.

The CPTED Report has considered the crime impacts as a result of the development against the crime baseline established for the locality and the Muswellbrook LGA. The proposed development can reduce the potential of crime occurring through the following recommendations:

- Installation of security lighting;
- Management of the landscape vegetation. Low lying shrubs should be pruned to a maximum of 500mm. Tree branches should be pruned to clear branches to a height of 2m allowing for clear sightlines to be achieved from the front boundary to the units.
- Reflective mirrors to be installed on the north-west fence corner to provide vision around the corner of the building.
- The fence proposed along the boundary is to be a dark colour preferably black. White fencing is not to be installed.
- An on-site manager is to be present at all times.

The following information provides a detailed review of the proposed development against the CPTED principles to enable assessment and determination by Council.

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1 BACKGROUND AND SITE ANALYSIS

1.1 PURPOSE

The purpose of this Crime Prevention Through Environmental Design (CPTED) Report is to assist Council in their assessment and determination and to assist the community in understanding the proposed development.

The CPTED Report examines the existing development and site location, the crime statistics within the area and how the proposed development incorporates measures that meet established crime and safety principles with respect to the relevant legislation, regulation and other requirements.

1.2 SITE DETAILS

| | |
|---|---|
| Property Address | 14 Haydon Street, Muswellbrook, 2333 |
| Lot and DP | LOT: 1 DP: 551973 LOT: 2 DP: 551973 |
| Current Use | Vacant |
| Zoning | B2 – Local Centre |
| Site Constraints (NSW Planning Portal) | FSR – 2:1 Minimum lot size – 600m ² Height of buildings – 13m. |
| Owner | Owner's consent has been provided on the Application Form for the DA. |

1.3 SITE DESCRIPTION

The site is located at 14 Haydon Street, Muswellbrook, 2333 (**'the site'**) legally identified as LOT: 1 and 2 DP: 551973 and collectively measures approximately 607m² in size (**FIGURE 1**). The site is located within the township of Muswellbrook, within the Muswellbrook Council Local Government Area (LGA).

Direct vehicular access is available from Haydon Street to the site and the site is clear of structures and vegetation. Haydon Street is a single lane residential road linking to the New England Highway. The subject site is approximately 400m to the Muswellbrook railway station, 800m to the local shopping centre and 2km to the Muswellbrook High School. The portion of Haydon Street adjoining the site is identified as LOT: 11 DP: 1058170 and is within Council's private ownership.

Adjoining the subject site to the north, south and west incorporate single storey dwellings and to the east (adjacent) is vacant land. A service station is located to the north-west of the site.

The proposed development will be known as 'The Upper Hunter Backpackers'.



Figure 1 - Aerial image of subject site (Source: NSW Spatial Viewer).

2 DESCRIPTION OF THE DEVELOPMENT

2.1 PROPOSED DEVELOPMENT

The objective of the proposed development is to obtain development consent for tourist and visitor accommodation – backpackers' accommodation. This development is enabled through the Muswellbrook LEP. The characteristics of the proposed development include:

- Two-storey building with at-grade carparking
- Level 1 incorporates:
 - 11 car parking spaces (including 1 disabled car parking space)
 - 3 motorbike spaces and wall hung bike rack
 - Bin store
 - Lift and stairs
 - Entry foyer.
- Level 2 incorporates:
 - 10 x rooms (including 1 disabled room) incorporating varied bed types, self-contained bathroom and kitchen, robe and living area
 - 1 x managers room incorporating bed, self-contained bathroom and kitchen, robe and living area
 - Common room including kitchenette and laundry
 - Lift and stairs.

The proposed layout is identified in **(FIGURE 2)**.

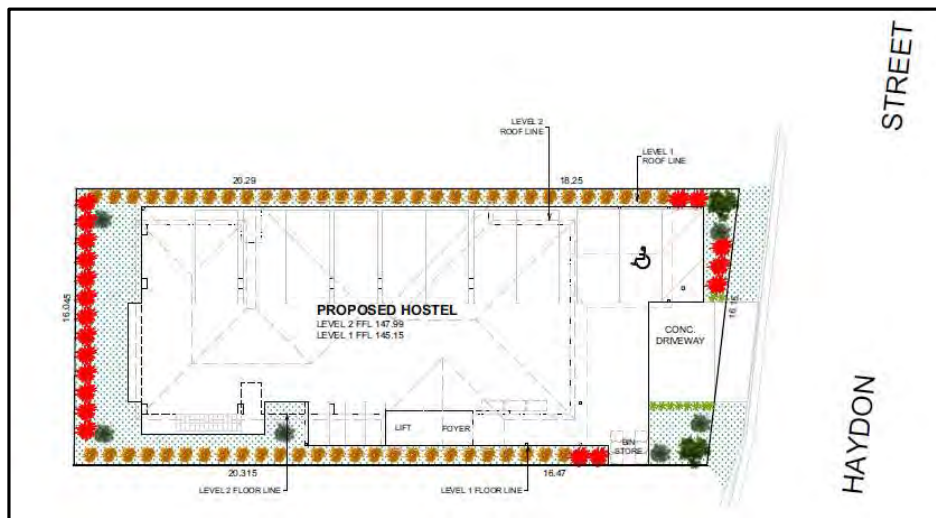


Figure 2 - Proposed development layout

3 CRIME AND SAFETY CONTEXT

A review of crime and safety issues identified in the suburb of Muswellbrook, derived from the NSW Bureau of Crime Statistics and Research (BOCSAR), provide a relevant baseline of crime and safety data. It is important to point out that the crime figures discussed in this section of the report relate to those crimes that have been recorded by BOCSAR i.e. Recorded Incidents (RI), not necessarily all crimes committed in the suburb of Muswellbrook.

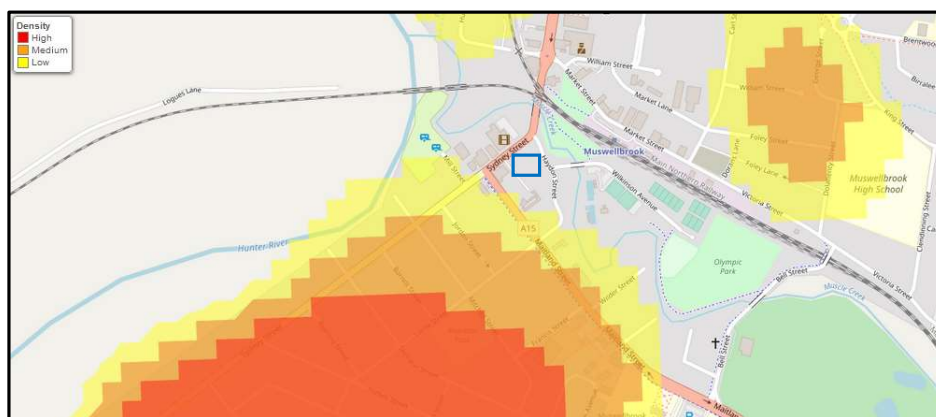
Levels of crime are sensitive to the willingness or ability of people to report crime, levels and nature of police activity and actual levels of criminal activity. In addition, it is pointed out that crime data must be interpreted with caution as many factors may influence apparent trends. Police “crackdowns”, for example, on particular types of offences may push up recorded crime rates for those categories of offences. The increase in figures therefore does not necessarily translate to an increase in that type of crime, but rather an increase in convictions for that type of crime.

The table below shows crime trends within Muswellbrook between June 2020 and June 2021. It is assumed that the majority of incidences would occur with the residential suburb as a whole. The data indicates most recorded crimes were stable, however the 24 month trend was not calculated (n.c) by the BOCSAR.

Table 1: Summary of Crime Statistics for the Suburb of Muswellbrook

| | Up to June 2020 | Up to June 2021 | 24 month trend |
|------------------------------|-----------------|-----------------|---------------------|
| Assault | 200 | 220 | Stable |
| Robbery | 2 | 1 | n.c. |
| Theft | 493 | 523 | Stable |
| Steal from a dwelling | 94 | 93 | Stable |
| Steal from motor vehicle | 36 | 80 | Up 122.22% per year |
| Break and enter dwelling | 84 | 74 | Stable |
| Malicious damage to property | 189 | 175 | Stable |

The most prevalent crimes within the Muswellbrook suburb are identified as Assault (domestic), Theft (break and enter / theft from dwelling) and Malicious Damage to Property. **FIGURE 4** through to **FIGURE 6** show the hotspots within the suburb where crime occurs more often. It is noted that the crime statistics, when looked at on a suburb level on the interactive mapping shows that the general hot spot where crime takes place is within the residential suburb area to the west of the site (approximate area outlined in blue below). Haydon Street is not identified within the hotspot, with adjoining streets incurring 'low' incidents of break and enter as shown in **Figures 4**.

**Figure 3** – Break and enter dwelling hotspots (BOSCAR, 2021)

Medium incidents of motor vehicle theft are shown to occur within Haydon Street and the surrounding streets, as shown in **Figure 5**. It is considered that this may be the case due to the commercial zoning and proximity to Olympic Park, incorporating a high frequency and turnover of people and associated visitations.

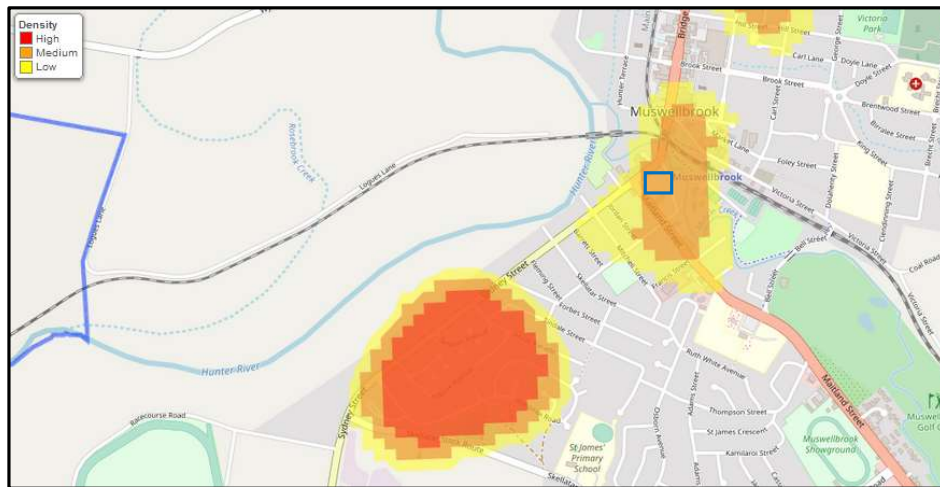


Figure 4 – Motor vehicle theft hotspots (BOSCAR, 2021)

Medium – high incidents of malicious damage to property are shown to occur within Haydon Street and the surrounding streets, as shown in **Figure 6**. Similarly, to the above, it is considered that this may be the case due to the commercial zoning and proximity to Olympic Park, incorporating a high frequency and turnover of people and associated visitations

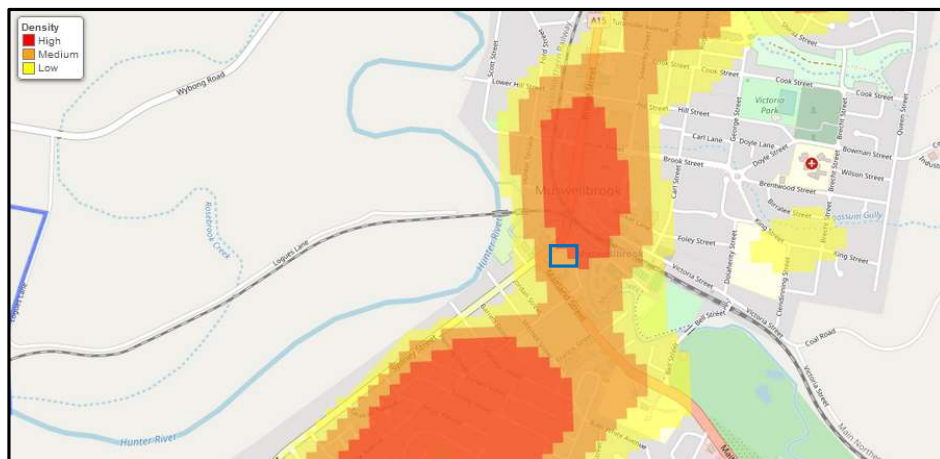


Figure 5 - Malicious damage to property (BOSCAR, 2021)

A site visit conducted on 30 July 2019 at 9am did not observe any evidence of crime activity in the locality. Evidence which would suggest frequent and localised crime includes but not limited to graffiti, broken windows, damaged facades and dumping of rubbish. A limited number of buildings were fitted with CCTV which suggests concern in the locality that crime occurs. A prominent safety features fitted to the majority of properties include outdoor lighting and fencing.

4 CRIME PREVENTION THROUGH ENVIRONMENTAL DESIGN (CPTED)

CPTED is the term that encompasses the philosophical theory and practical application of design practices for buildings and places that seek to prevent crime. A building or place designed with CPTED principles in mind achieves:

- deterring crime by increasing the perception and chance of crime being detected, witnessed, challenged or criminals captured;
- making the opportunities for crime occurrence more difficult; and
- limiting or concealing opportunities for crime.

The NSW Police Force describe the “Safer by Design” approach in the following manner:

“Crime Prevention through Environmental Design (CPTED) is a crime prevention strategy that focuses on the planning, design and structure of cities and neighbourhoods. It reduces opportunities for crime by using design and place management principles that reduce the likelihood of essential crime ingredients (law, offender, victim or target, opportunity) from intersecting in time and space. Predatory offenders often make cost-benefit assessment of potential victims and locations before committing crime. CPTED aims to create the reality (or perception) that the costs of committing crime are greater than the likely benefits. This is achieved by creating environmental and social conditions that:

- *Maximise risk to offenders (increasing the likelihood of detection, challenge and apprehension);*
- *Maximise the effort required to commit crime (increasing the time, energy and resources required to commit crime);*
- *Minimise the actual and perceived benefits of crime (removing, minimising or concealing crime attractors and rewards); and*
- *Minimise excuse making opportunities (removing conditions that encourage/facilitate rationalisation of inappropriate behaviour).”*

CPTED employs four key strategies, including; surveillance, access control, territorial re-enforcement and space/activity management. All CPTED strategies aim to create the perception or reality of capable guardianship.

The four key strategies have been applied to the development proposal and analysis and commentary is provided in below and within the following pages.

4.1 SURVEILLANCE

Crime can be reduced by providing opportunities for effective surveillance. In areas with high levels of natural and passive surveillance offenders are deterred from committing a crime. Natural and passive surveillance in relation to the proposal needs to be understood at the macro / site level and the individual occupant level.

Natural surveillance is achieved when normal space users can see and be seen by others. This highlights the importance of building layout, orientation and location; the strategic use of design; landscaping and lighting – it is a by-product of well-planned, well-designed and well-used space. Technical/mechanical surveillance is achieved through mechanical and/or electronic measures such as CCTV, help points and mirrored building panels. It is commonly used as a 'patch' to supervise isolated, high risk locations.

Formal (or organised) surveillance is achieved through the tactical positioning of guardians. An example would be the use of on-site supervisors, e.g., security guards at higher risk locations.

Macro / Site Level

The scale of the subject site and the proposed development results in the introduction of a wide frontage to the public space being Haydon Street. The following passive surveillance attributes are demonstrated in the proposal:

- The building has been positioned on the Lot to address Haydon Street.
- Through this, clear pathway links are provided to the carpark which introduces publicly accessible components and places. The public spaces lead to consistent surveillance opportunities throughout the use of the building and site.
- Sight lines from the public spaces are generally to the external outer edges of the proposed building. The site lines can be managed through managed landscaping and are not overly complicated.
- Landscaping provides for designation of spaces without creating "blind" spots or concealment areas.
- The installation of CCTV cameras have not been included in the building design and the surveillance mechanism is not deemed necessary against the crime rates indicated by BOCSAR. However, the provision of CCTV is likely to deter crime occurring at the site deflecting it to elsewhere in the estate.

Individual Unit Level

The proposal includes one building consisting of ten accommodation rooms and one manager's room on the second floor, with one entry point addressing Haydon Street. The following passive surveillance attributes are demonstrated:

- Each unit is fitted with appropriate windows to enable passive surveillance of the street without comprising privacy to adjoining properties.
- The windows on the building frontage provide clear sight lines from the building to the street and vice versa.
- Landscaping can be managed so that it does not result in "blind" spots or areas for hiding. To achieve this, shrub plants are to be pruned to no greater than 500mm and trees are to have lower branches (up to 2m) removed.
- The 'eyes on the street' approach to the street frontage and managers room located at the front of the building will serve to discourage anti-social behaviour.

- Concealment opportunities are limited to the side and rear elevations of the building. Appropriate lighting will be provided to publicly accessible areas and the rear void between the building and the boundary.
- Reflective mirrors to be installed on the north-west fence corner to provide vision around the corner of the building.

4.2 ACCESS CONTROL

The use of physical and symbolic barriers to attract, channel or restrict the movement of people assists in minimising opportunities for crime and increases the effort required to commit a crime. In this regard the proposal provides:

- The design allows for ease in clearly marking entrance points and way finding features such as pathways, lighting and signage; and
- A manager will be always present on site to prevent unauthorised access when the building is non-operational.

4.3 TERRITORIAL REINFORCEMENT

Places that are well maintained and designed are often more regularly visited and endowed with a sense of community ownership. Accordingly, well used spaces reduce crime opportunities. In this regard the proposal provides:

- Fostering of ownership of open space areas to remain neat, tidy and free of obstruction; and
- Delineating between public and private areas using landscaping and boundary fence.

4.4 SPACE / ACTIVITY MANAGEMENT

Well maintained and cared for spaces discourage crime as they tend to be more actively used and unwelcome persons are readily identified. In this regard the proposal provides:

- It will be the responsibility of the on-site manager to implement space management strategies to ensure site cleanliness, rapid repair of vandalism and graffiti.
- The maintenance of common areas and replacement of lighting is the responsibility of the on-site manager.

5 RECOMMENDATIONS

Upon review of the crime data available for the locality (BOCSAR and visual assessment) and the proposed development plans, the following recommendations are made to reduce the risk of crime potential at the site.

Recommendation 1 - Installation of security lighting

Installation of security lighting increase visibility at night when occupants are moving from their Unit to their vehicle. Additionally, lighting at night will deter potential break and enter crimes as the intruder will be clearly visible to people within the public domain.

Page 13 of 14

Recommendation 2 - Fencing

Any fencing proposed along the boundaries of the site is to be a dark colour preferably black. White fencing is not to be installed. Dark fencing allows for vision to drawn to the building rather than the fencing. Dark fencing does not obscure the view of the building.

Recommendation 3 - Management of the landscape vegetation.

The existing native vegetation within the landscape offset is to be retained. In order to ensure clear sightlines to be achieved from the front boundary to the units ow lying shrubs should be pruned to a maximum of 500mm. Tree branches should be pruned to clear branches to a height of 2m.

Recommendation 4 – Avoiding blind spots

Reflective mirrors to be installed on the south-west and north-west fence corners to provide vision around the corner of the building.

Recommendation 5 – On-site manager

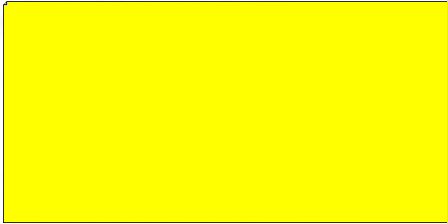
An on-site manager is to be present at all times, to manage behaviour of guests and to maintain site cleanliness.

6 CONCLUSION

Having regard to the design of the proposal; its inter-relationship with the public domain; and its provision of secure privatised spaces, it is noted that the design of the development proposal incorporates CPTED measures and demonstrably improves the safety of unit occupants, while at the same time diminishing opportunities for crime. The safer by design theory has been appropriately applied at the design stage, ensuring the proposal will not necessitate retro fitting post construction, which tends to be more costly and less effective.

It is considered that through activation of a site that is currently vacant, with frequenting guests will allow further passive surveillance of the street and surrounding area, whilst behaviour can be appropriately supervised and managed by the on-site manager at all times.

Through the provision of the measures identified in Section 5 of the report, it is considered that the site and proposed development is acceptable from a crime risk perspective.



26th January, 2021

The General Manager,
Muswellbrook Shire Council,
council@muswellbrook.nsw.gov.au

Re Proposal: BACKPACKERS ACCOMMODATION

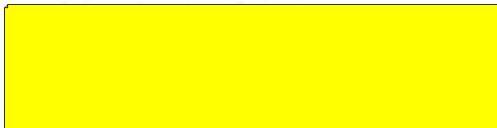
Reference No 2020/133

We wish to bring to the attention problems that we can foresee if this application is approved.

1. Haydon Street has an "S" bend which obscures vision for residents exiting their premises.
2. Add visitors and neighbours cars parked in street obscuring vision.
3. Through traffic speeding along street to try to beat traffic lights even with new lights on corner of Lorne and Maitland Street.
4. Extra traffic generated by sports fields and extra again when swimming pool and 24 hour Gym reopen
5. There is also a great deal of foot traffic along Haydon Street, elderly, young children and parents, people walking dogs, and disabled people who need to cross Wilkinson Street right across from 14 Haydon Street
6. We believe that these streets with the current traffic flow should have a 40 kph speed limit for protection of all the above and be signed Local Traffic only, and have a marked pedestrian crossing.
7. If the application for the Backpackers Accommodation is approved this would add to the traffic flow and have more people exiting properties along Haydon Street and right on T junction with Wilkinson Street.
8. We recommend that personnel in charge of approving the application personally inspect the area and facilitate changes for current situation and evaluate what needs to be implemented if approval is given.

We trust that as residents in Haydon Street you will take into consideration our observations and be willing to facilitate the recommendations we are submitting.

Yours faithfully,



Dear General Manager,

I Helen at 12 Haydon Street am writing this letter in regards to the Development Application NO: 2020/133. (The Backpackers Accommodation).

I object to this as I have concerns for my safety and the noise being an elderly woman living on my own right next door to where the building will be built.

I'm aware this is a good opportunity, however there are more appropriate locations elsewhere in Muswellbrook.

Thank you for hearing my concerns.

Kind Regards,
Helen French

DEVELOPMENT ASSESSMENT REPORT

| | | | | |
|-------------------------|---|----------|------|----------|
| ADDRESS: | LOT 833 DP 1095968 62-68 Brook Street MUSWELLBROOK | | | |
| APPLICATION No: | 66/2021 | | | |
| PROPOSAL: | Ancillary Development - carport | | | |
| PLANS REF: | Drawings no. | Drawn by | Date | Received |
| | | | | |
| OWNER: | Surgery Properties Pty Ltd | | | |
| APPLICANT: | Surgery Properties Pty Ltd 62/66 Brook St MUSWELLBROOK NSW 2333 | | | |
| AUTHOR: | Mr J R Boyce | | | |
| DATE LODGED: | 23/06/2021 | | | |
| AMENDED: | | | | |
| ADD. INFO REC'D: | | | | |
| DATE OF REPORT: | 17/09/2021 | | | |

| Drawing No. | Description | Sheet | Revision | Date |
|-------------|-------------|--------|----------|------------|
| - | Site Plan | 1 page | - | 19/11/2020 |
| - | Elevations | 1 page | - | - |

SUMMARY

ISSUES: Possum Gully stormwater infrastructure on site

SUBMISSIONS: Nil

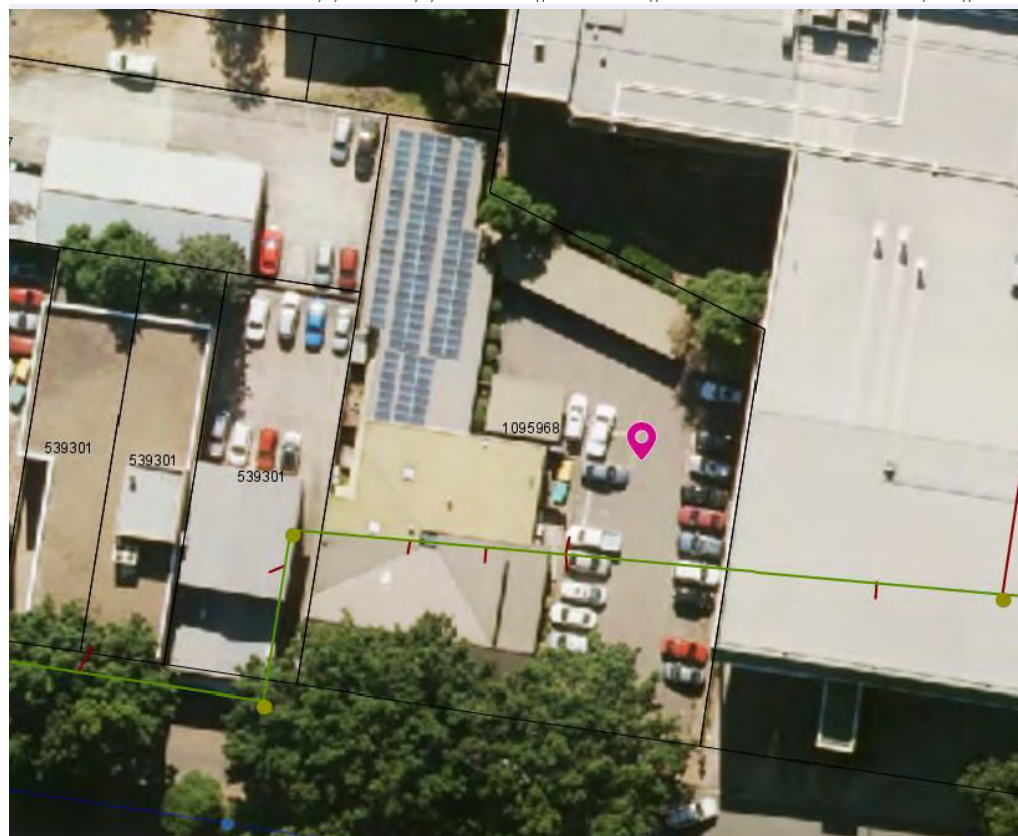
RECOMMENDATION: Approval subject to conditions

1.0 SITE AND LOCALITY DESCRIPTION

The site subject of this development application is 62-68 Brook Street, Muswellbrook, also known as Brook Medical Centre.

The site is zoned B2 Local Centre.

| Formatted Account | Precis | Received Date | Determination Date | Determination | Consent | Court Date | Document Type |
|-----------------------|---------------------------------|---------------|--------------------|--------------------|---------------------|------------|--------------------------|
| 005.2021.00000066.001 | Ancillary Development - carport | 23/06/2021 | | | | | Development Applications |
| 005.1996.00000340.001 | 10 COLOURBOND STEEL CAR... | 03/12/1996 | 24/12/1996 | APPROVED CONDIT... | APPROVED CONDITIONS | | Development Applications |
| 005.1999.00010080.001 | Urban Subdivision | 15/09/1998 | 17/09/1998 | Approved | Approved | | Development Applications |
| 005.2005.00000375.001 | CONSOLIDATION OF TWO (2)... | 06/10/2005 | 26/10/2005 | Approved | Approved | | Development Applications |
| 005.2005.00000379.001 | ADDITIONS TO BROOK MEDIC... | 10/10/2005 | 06/01/2006 | Approved | Approved | | Development Applications |
| 005.2005.00000379.002 | SECTION 96 AMENDMENT - R... | 19/03/2007 | 05/05/2007 | Approved | Approved | | Development Applications |



2.0 DESCRIPTION OF PROPOSAL

The proposed development involves the construction of a carport in the existing carpark.

3.0 SPECIALIST COMMENTS

Internal Referrals

Community Infrastructure comments:

CI understands based on the locations and details of the carport that it will generally be of an open construction, and not exacerbating existing flood levels in the area. This site has been used in its current form for quite some time, and there is no significant changes to the development. It is known from site inspections by CI that all drainage is generally below-ground beneath existing buildings, and the development will not in turn reduce access to the drainage line which Roads and Drainage already have rights to access for cleaning and maintenance if required.

The Rivers and Drainage Channels Policy R25-1 indicates that a development

containing an existing drainage channel requires an easement to be provided. Based on the flood profile of Possum Gully at this location (with depths up to 0.5 – 0.75m through the carpark area), and with a large culvert running beneath the building, it is not considered by CI to be reasonable to apply this policy to this development due to the insignificant scale of the proposal, the specific location of the drainage line beneath a building and the meaningfulness of an easement considering the broader floodway profile. It is therefore recommended that Council make a determination with regards to this matter for the purposes of establishing an easement.

Water and Waste: confirmed proposed carport is clear of sewer

3.1 External Referrals

Nil

4.0 ASSESSMENT

This report provides an assessment of the material presented in the Application against the relevant State and local planning legislation and policy.

Section 4.15 Matters for Consideration

Section 4.15(1)(a)(i) The provisions of any Environmental Planning Instrument (EPI)

The following EPIs, DCPs, Codes and Policies are relevant to this Application:

1. Muswellbrook Local Environmental Plan 2009 (MLEP 2009)

Land Use Zone and Permitted Land Use

The development site is zoned B2 Local Centre pursuant to MLEP 2009. The proposal is best defined as ancillary to a *Medical Centre*, which is permitted with consent in the subject Zone.

Objectives of the B2 Local Centre Zone

- To provide a range of retail, business, entertainment and community uses that serve the needs of people who live in, work in and visit the local area.
- To encourage employment opportunities in accessible locations.
- To maximise public transport patronage and encourage walking and cycling.
- To maintain the status and encourage the future growth of the Muswellbrook established business centre as a retail, service, commercial and administrative centre while maintaining the centre's compact form.
- To enable a wide range of land uses that are associated with, ancillary to, or supportive of the retail and service functions of a business centre.
- To maintain the heritage character and value and streetscape of the business centre of Muswellbrook.
- To support business development by way of the provisions of parking and other civic facilities.

It is considered that the development proposal is not contrary to the objectives of the Zone.

Relevant Clauses applicable under the Muswellbrook Local Environmental Plan 2009

| | |
|--|--|
| Part 1 Preliminary | |
| Part 2 Permitted or prohibited development | |
| 2.1 Land use zones | Noted |
| 2.2 Zoning of land to which Plan applies | See above |
| 2.3 Zone objectives and Land Use Table | The proposed development is permissible with |

| | |
|--|---|
| | consent within the B2 and is generally in accordance with the land use zone objectives listed |
| <i>Part 3 Exempt and complying development</i> | |
| <i>Part 4 Principal development standards</i> | |
| 4.3 Height of buildings | MLEP 2009 specifies a maximum building height of 13m in relation to the land. The proposed carport will have a height of 2.7m. Complies |
| 4.4 Floor space ratio | The MLEP 2009 specifies that there is an applicable floor space ratio of 2:1 for the subject site. The proposal complies with the requirements of the MLEP 2009 |
| <i>Part 5 Miscellaneous provisions</i> | |
| 5.10 Heritage conservation | N/A |
| 5.11 Bush fire hazard reduction | N/A |
| <i>Part 6 Urban release areas</i> | |
| <i>Part 7 Additional local provisions</i> | |
| 7.1 Terrestrial biodiversity | The subject site is not identified as 'biodiversity' by Council's Biodiversity Mapping. N/A. |
| 7.6 Earthworks | N/A |

2. **State Environmental Planning Policy No. 55 – Remediation of Land**

Council officers are unaware of any activities which have carried out on the site likely to have caused the contamination of the land. As the land of the proposed development is used as residential purpose and no visual evidence of any contamination was observed by Officers during an inspection of the site. It is therefore considered that the subject site is unlikely to be affected by contamination requiring remediation in accordance with the SEPP. The proposed development may therefore proceed without the need of further consideration of the provisions of this SEPP.

Section 4.15(1)(a)(ii) the provisions of any draft EPI.

There are no draft EPIs relevant to the subject Application.

Section 4.15(1)(a)(iii) the provisions of any development control plan

Section 3 – Site Analysis

It is considered that the documentation provided with the Development Application satisfies the provisions of Section 3 of the Muswellbrook DCP.

| | |
|------------------------------------|--|
| 9. LOCAL CENTRE DEVELOPMENT | |
| 9.1 Built Form | |
| <i>Building Design</i> | The carport directly relates to the medical centre function. The carport will be open construction and not dominate the streetscape. |
| <i>Building Height</i> | Maximum height 2.7m in accordance with the LEP |
| <i>Setbacks</i> | The carport is proposed behind the front building line. The development respects the setbacks of other buildings. |
| <i>Accessibility</i> | No change to existing accessibility of site. No proposed changes to medical centre. Proposed carport is not associated with disabled parking spaces. |
| 9.2 Urban Landscape | |
| <i>Landscaping</i> | Satisfactory – existing landscaping |
| <i>Car Parking</i> | No changes to car parking |
| <i>Outdoor Eating Areas</i> | N/A |
| <i>Signage and Advertising</i> | N/A |

Section 16 – Car Parking and Access

No changes to existing carparking. Existing car parking and access satisfactory.

Section 20 – Erosion and Sediment Control

As the proposal would not involve an area of disturbance over 250m² this section of the MDCP 2009 has been met without the need for an Erosion and Sediment Control Plan.

Section 24 – Waste Management

| | Comment |
|---|---|
| 24.1 Site Waste Minimisation and Management | Noted |
| 24.2 Submission/Application requirements | Condition to be imposed |
| 24.3 Assessment Criteria/controls for all development | |
| 24.3.1 Demolition of buildings or structure | N/A |
| 24.3.2 Construction of buildings or structure | Minor construction of prefabricated carport, which will be purchased as a kit with minimal construction waste - Condition to be imposed |
| 24.4 Development specific assessment criteria/controls | |
| 24.4.1 Single dwellings, semi-detached and dual occupancy | N/A |
| 24.4.2 Multi unit dwelling | N/A |
| 24.4.3 Commercial developments and change of use | Development associated with commercial building, however will not have a commercial use – existing waste management satisfactory. |
| 24.5 Industrial | N/A |

Section 25 – Stormwater Management

Section 25 of MDCP 2009 requires Council Officers to impose a condition of consent requiring the registration of an easement over a drainage channel or waterway prior to the issue of an Occupation Certificate. The Possum Gully waterway is located on the site and is piped under the site and existing medical centre.

After having regard to this Section of the DCP, Council's drainage channel management objectives and the scope of the proposed development Council Officers have not recommended that a condition be imposed requiring the registration of an easement as part of this development application. This recommendation has been informed by:

- Council Engineers who recommended that an easement not be imposed.
- That the drainage channel located on the site is contained within existing infrastructure. Council would have authority to carry out works on this infrastructure under the Local Government Act 1993 and Roads Act 1993 if required.
- The existing infrastructure is located under the building footprint of the Medical Centre. The standard terms of drainage easements imposed by Council under this Section of the DCP and the related Policy restrict buildings being located over an easement.
- The proposed development relates to the establishment of a carport in the existing carpark of the medical centre. The carport would have a negligible impact on the existing stormwater infrastructure.

In view of the above points Council Officers have recommended that Council approve the development application without the imposition of a condition requiring the registration of an easement over the portion of Possum Gully located on the site.

Section 94A Contributions Plan 2009

N/A – cost of works only \$13,745.60.

Section 4.15(1)(a)(iia) the provisions of any planning agreement

There are no planning agreements relevant to the subject Application.

Section 4.15(1)(a)(iv) the provisions of the regulations

Division 8A of the Environmental Planning and Assessment Regulation 2000 applies to the development.

Section 4.15(1)(a)(v) the provisions of any coastal zone management plan

This item is not relevant to the subject Application. The Application does not relate to a coastal area.

Section 4.15(1)(b) the likely impacts of that development

Council Officers have considered potential environmental impacts associated with the proposed development through the assessment of the development application and the impacts are likely to be minimal.

Section 4.15(1)(c) the suitability of the site for the development

It is considered that the development is compatible with surrounding land uses and site characteristics, subject to consent conditions.

Section 4.15(1)(d) any submissions made

The Application was notified for a period of fourteen days from 1 July 2021 to 22 July 2021. No submissions were received during the notification period.

Section 4.15(1)(e) the public interest.

The proposed development would be in accordance with the Muswellbrook LEP 2009, and Muswellbrook DCP 2009 and is unlikely to have any adverse environmental impacts. Accordingly, the proposed development is generally in accordance with the public interest.

5 CONCLUSION

The application has been assessed in accordance with legislation. The proposed development is considered to not have any adverse environmental impacts. Accordingly, the proposed development is recommended for approved subject to the recommended conditions of consent.

| | |
|--|---------------------------|
| Assessment Officer: James Boyce | Reviewing Officer: |
| Signature: | Signature: |
| Date: | Date: |

DA 2021/66 – recommended conditions of consent:**IDENTIFICATION OF APPROVED PLANS****(1) Development in Accordance with Plans**

The development being carried out in accordance with the development application and the drawings referenced below, and endorsed with Council's approval stamp, except where amended by the following conditions.

| Drawing No. | Description | Sheet | Revision | Date |
|-------------|-------------|--------|----------|------------|
| - | Site Plan | 1 page | - | 19/11/2020 |
| - | Elevations | 1 page | - | - |

OPERATIONAL CONDITIONS IMPOSED UNDER THE ENVIRONMENTAL PLANNING AND ASSESSMENT ACT AND REGULATIONS AND OTHER RELEVANT LEGISLATION**(2) Building Code of Australia**

All building work must be carried out in accordance with the provisions of the Building Code of Australia.

ANCILLARY MATTERS TO BE COMPLETED PRIOR TO THE ISSUE OF THE CONSTRUCTION CERTIFICATE**(3) Construction Certificate Requirement**

No works shall commence on-site until such time as a Construction Certificate has been issued for either part or all of the works to be undertaken. If a Construction Certificate is issued for part of the approved works it must relate to all works being undertaken.

Note: a construction certificate issued by an Accredited Certifying Authority must be uploaded to the NSW Planning Portal 48 hours prior to the commencement of any earthworks, engineering or building work at the site.

(4) Flood Damage to Buildings

An assessment, report and certification by a qualified practising Consulting Engineer stating that the structure has been designed to withstand the flood pressures, including debris and buoyancy forces, imposed in the event of a 1% AEP flood and that the structure will not sustain unacceptable damage from the impact of floodwater and debris is to be submitted to the Certifying Authority for approval with the Construction Certificate.

CONDITIONS THAT MUST BE ADDRESSED PRIOR TO COMMENCEMENT**(5) Site Sign**

A sign must be erected in a prominent position on any work site on which work involved in the erection or demolition of a building is being carried out:

- (a) stating that unauthorised entry to the work site is prohibited,
- (b) showing the name of the principal contractor (or person in charge of the work

site), and a telephone number at which that person may be contacted at any time for business purposes and outside working hours, and

- (c) showing the name, address and telephone number of the Principal Certifying Authority for the work.

Any such sign must be maintained while building work or demolition work is being carried out but must be removed when the work has been completed.

This condition does not apply to building works being carried out inside an existing building.

(6) **Damage to Public Infrastructure**

The applicant shall bear the cost of all restoration works to Council property damaged during the course of this development. The applicant shall submit to Council, in writing and/or photographic record, evidence of any existing damage to Council property before commencement of work.

Note: This documentation will be used to resolve any dispute over damage to infrastructure. If no documentation is received prior to commencement of work it will be assumed that the infrastructure was undamaged and the applicant will be required to restore all damaged infrastructure at their expense.

CONDITIONS THAT MUST BE COMPLIED WITH DURING DEMOLITION AND BUILDING WORK

(7) **Construction Hours**

- (a) Subject to this clause, building construction is to be carried out during the following hours:
 - i. between Monday to Friday (inclusive)—7.00am to 6.00pm
 - ii. on a Saturday—8.00am to 1.00pm
- (b) Building construction must not be carried out on a Sunday or a public holiday.
- (c) Demolition works and excavation works must only be carried out between Monday to Friday (inclusive) between 8.00am and 5.00pm.
- (d) The builder and excavator must display, on-site, their 24-hour contact telephone numbers, which are to be clearly visible and legible from any public place adjoining the site.

(8) **Prohibition on Use of Public Land**

Building materials and equipment must be stored wholly within the work site, unless prior written approval has been obtained from Council. Equipment must not be operated on the footpath or roadway, unless prior written approval has been obtained from council.

(9) **Mandatory Inspections under Section 68 Local Government Act 1993**

The person acting with this consent shall ensure that all mandatory sewer, water, and stormwater inspections are carried out by Council at the relevant stages of construction in accordance with any Section 68 approval issued for the development.

Note: a minimum notice of 48 hours is required when booking an inspection.

Inspection fees will be charged in accordance with Council's adopted fees and charges and must be paid prior to the issue of the Construction Certificate.

CONDITIONS WHICH MUST BE COMPLIED WITH PRIOR TO THE ISSUE OF THE OCCUPATION CERTIFICATE

(10) **Occupation**

The building is not to be used or occupied until a final inspection has been carried out and an occupation certificate has been obtained from the Principal Certifying Authority.

CONDITIONS THAT MUST BE COMPLIED WITH AT ALL TIMES

(11) **Stormwater Disposal**

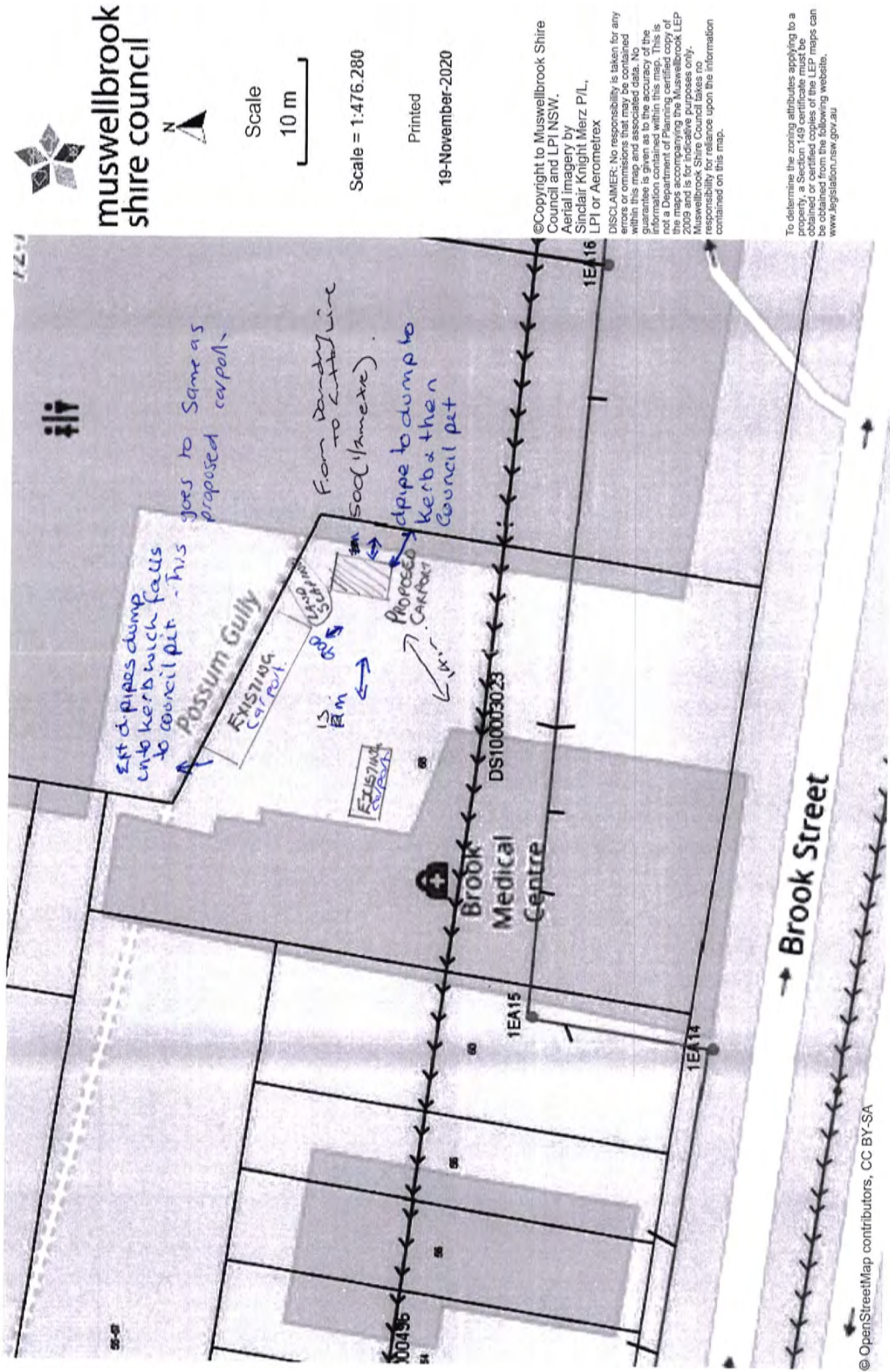
All stormwater from the development is to be collected and disposed of to:-

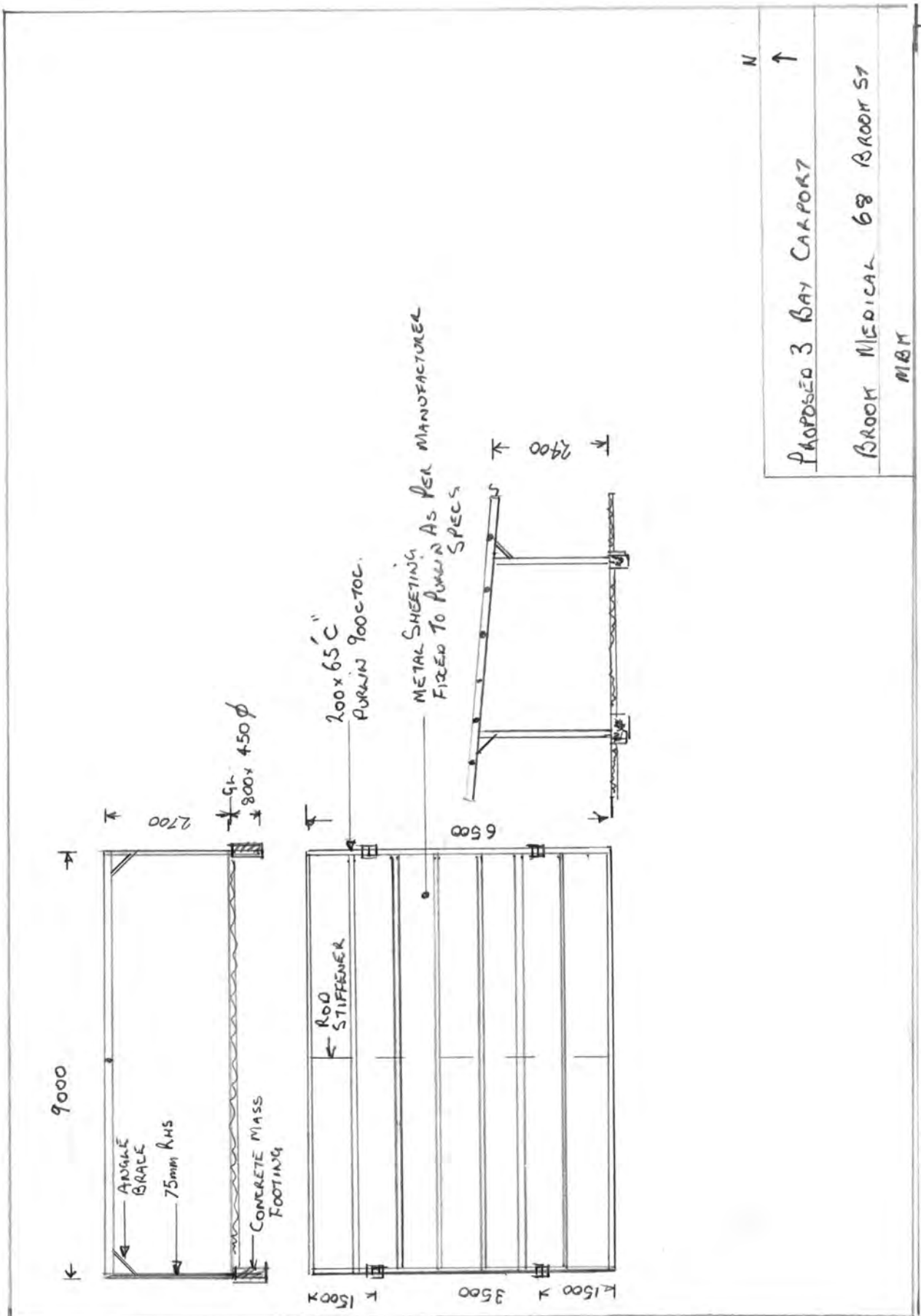
- (a) the kerb and gutter (piped); or
- (b) the existing stormwater drainage on site.

(12) **Roofing & External Cladding Materials**

Roofing materials shall be factory pre-finished with low glare and reflectivity properties to be compatible with the colours of neighbouring buildings.

Council Services Network - 68 Brook Street Muswellbrook







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15 July 2021

Muswellbrook Shire Council



In collaboration with
**SUSTAINABILITY
ADVANTAGE**





Roadmap Technical Report

Net Zero Roadmap

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| 1 | 25/05/21 | Update for baseline results and opportunities | JW | JM | JM | JM |
| 2 | 28/06/21 | Final roadmap update for review | JW | JM | JM | JM |
| 3 | 15/07/21 | Update following revised landfill closure plan | JW | JM | JM | JM |
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Executive Summary

The Net Zero Pilot Project is an initiative of the Sustainability Advantage Program of the Department of Planning, Industry & Environment. Muswellbrook Shire Council (MSC) is one of 30 participating businesses in the pilot project, assisted by Jacobs in the development of a net zero roadmap. Muswellbrook Shire Council does not currently have a net zero commitment but is interested in setting greenhouse gas reduction targets in line with NSW Government commitments of 35% below 2005 levels by 2030 and net zero by 2050.

A key component of developing a roadmap to net zero emissions is understanding what an organisation's business as usual (BAU) operations emissions footprint is (i.e. without the implementation of a net zero roadmap) and how this is expected to change over time. Only through fully understanding a baseline trajectory of emissions can interventions be effectively planned and executed for shifting and accelerating that trajectory towards a future point of net zero.

This document aims to establish a series of assumptions for the development of such a baseline through to the 2050 target year. These assumptions are based on prior engagement with and data provided by Muswellbrook Shire Council and are to be reviewed and agreed prior to the development of a baseline model to ensure efficiency and accuracy.

It has been agreed that the boundary of assessment will include Scope 1, 2 and 3 emissions, however, some Scope 3 emissions estimating has only been undertaken through financial based metrics as part of this initial assessment with the goal of collecting better Scope 3 data in the short to medium term.

The baseline year considered is that of the most recent typical reporting year, being July 2018 to June 2019, which is designated as 'Year 0'. This year is prior to the impacts of the Covid-19 pandemic and is considered to be more representative of a typical year than FY19-20.

Projections of baseline emissions is forecasted on an annual basis through to the target year of 2050 to coincide with the current target for a net zero commitment. A summary of assumptions that provide the foundation for modelling and forecasting are presented in the table below.

| Relevant Area | Key Assumption |
|-------------------|--|
| Population growth | <p>Population served by Council within the shire is assumed to grow consistent with the 2019 NSW Department of Planning, Industry and Environment (DPIE) projections for Muswellbrook Shire Council</p> <p>It is assumed that this growth in population directly correlates with all emissions inventory data hence quantities of fuel, landfill waste, goods, etc will grow by an equivalent rate per annum to population (resulting in a total increase of 11% by 2050 compared to the 'Year 0' levels).</p> |
| New facilities | <p>A 'stepped' increase in Councils annual energy consumption (in addition to that increased with Population Growth) of 3,429 MWh per year is expected to be experienced between 'Year 0' (FY18-19) and 'Year 5' (FY23-24). This consists of:</p> <ul style="list-style-type: none"> Recycled Water Treatment Plant with 2,626 MWh per year from Feb 2020 Upgrade of Muswellbrook Swimming Pool with 224 MWh per year from March 2021 |

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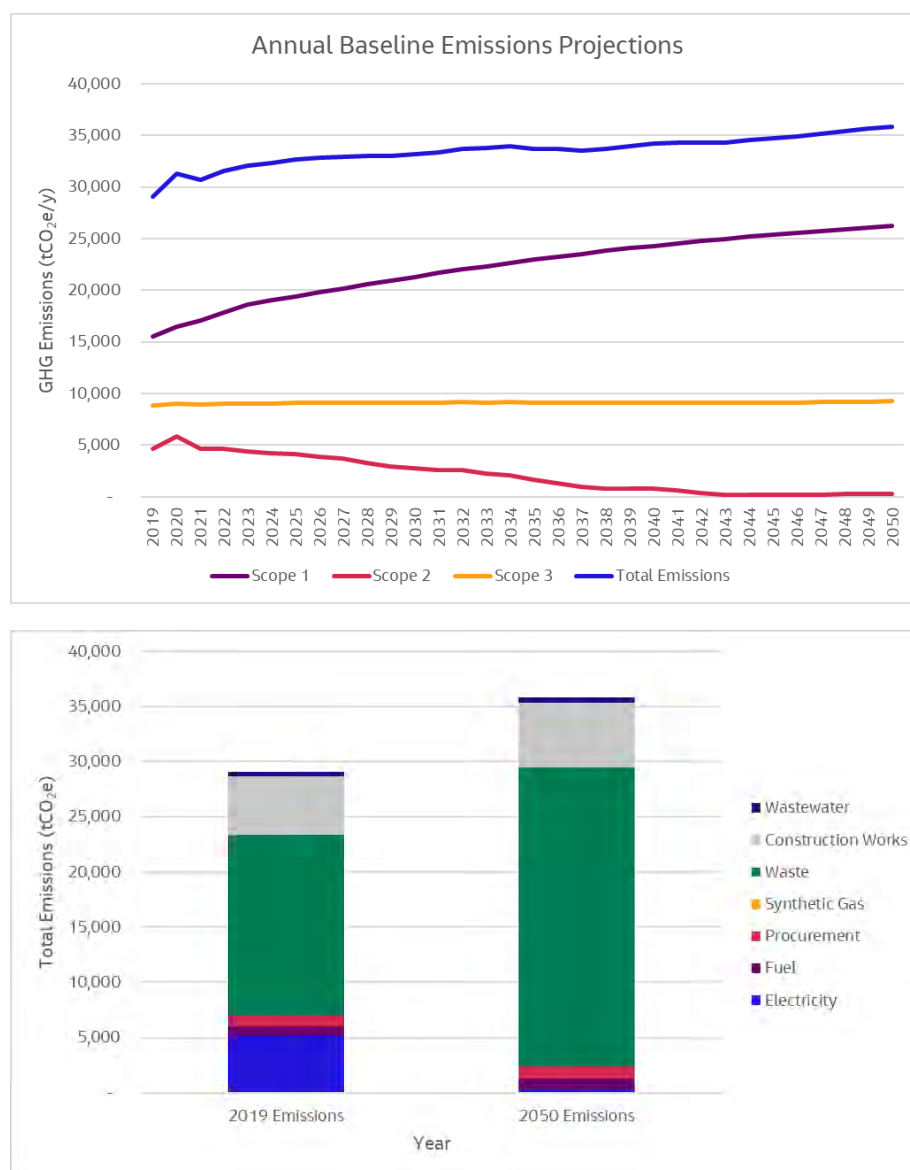
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| | |
|---|--|
| | <ul style="list-style-type: none"> Animal shelter and sustainability hub with 81 MWh per year from December 2021 Tertiary education centre with 58 MWh per year from December 2021 New depot with an additional 26 MWh per year from March 2022 Entertainment centre with 260 MWh per year from December 2022 Food Organics and Garden Organics (FOGO) system with immaterial electricity usage from July 2023 Bridge St retail development with 154 MWh per year from July 2023 |
| Solar Power | <p>An average solar power generation rate of 1,730 kWh/annum/kWp installed has been assumed based on the average output of solar panel systems at MSC.</p> <p>An additional 1,480 kWh of solar generation is planned.</p> |
| Energy sources | <p>Electricity procurement is expected to remain predominantly from the NSW grid with the exception of the known solar installations currently installed or proposed to be installed.</p> <p>It is assumed that new facilities will not utilise diesel or gas generators/boilers and will be fully electrically powered.</p> <p>Proportions of biofuels in the fuel mix for Council fleet is not expected to change, and no electrification of fleet is expected in the baseline scenario.</p> |
| Waste composition | <p>The baseline composition of landfill waste is assumed to follow the standard NSW composition from the National Greenhouse and Energy Reporting (Measurement) Determination 2008. This includes 27% construction and demolition waste, 42% commercial and industrial waste and 31% municipal solid waste. The composition of municipal solid waste is then based on municipal solid waste class II (as a dedicated garden waste bin is provided to residents).</p> |
| Food Organics and Garden Organics (FOGO) | <p>The FOGO service is assumed to divert 38% of available food organics from the red bin (landfill) to composting.</p> |

Under a business as usual scenario, Muswellbrook Shire Councils total emissions are projected to continue to increase through to the net zero target year of 2050. Within this, however, Scope 2 emissions are expected to decline due to decarbonisation of the NSW electricity grid.

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Opportunities

Evidently, the upwards trajectory of emissions under a business as usual scenario is inconsistent with the MSC net zero commitments, and emissions reduction opportunities are required to track towards this goal.

The preferred pathway for achieving net zero emissions should follow an emissions reduction hierarchy for best practice which prioritises mitigation before compensation

A number of opportunities are available for emissions reduction through to 2050. These are expected to have different financial impacts and costs of abatement. Opportunities and their potential scale of impact on emissions reduction were provided for MSC review and comment prior to implementation in a roadmap scenario. It is noted that the year of adoption has been assumed to inform emissions reduction potentials.

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| Initiative | Year of Adoption | First Year Emissions Savings (t CO ₂ e) | Total Cumulative Emissions Savings (to 2050) (t CO ₂ e) |
|---|------------------|--|--|
| Waste reduction programs | 2022 | 527 | 76,206 |
| Landfill gas capture and flaring [^] | 2025 | 11,491 | 317,238 |
| Landfill gas capture and electricity generation [^] | 2025 | 12,900 | 330,630 |
| Energy from waste ^{^#} | 2025 | -10,290* | 60,975 111,407 with electricity offset |
| Energy from waste (EFW) with landfill gas capture and flaring ^{^#} | 2025 | 1,201 | 167,263 |
| Energy efficiency retrofits | 2025 | 940 | 8,763 |
| Energy efficiency for new builds | 2022 | 141 | 1,506 |
| Renewable energy [~] | 2025 | 4,608 | 43,915 |
| Biofuels | 2022 | 10 | 85 |
| Fleet electrification | 2030 | 227 | 5,474 5,807 with 100% renewables |
| Construction works and procurement | 2022 | 334 | 69,030 |

*The negative emissions savings represents an increase in emissions for the first year, before landfill avoidance savings are realised. This would break even around 2032 from which point the use of EFW would see annual emissions reductions by comparison to waste reduction programs alone

[^]Emissions savings of all waste initiatives are compared to the waste reduction programs alone, which are assumed to be implemented in all scenarios

[#]Energy from waste savings are not including indirect impacts from offset of energy from the electricity grid, as this effect would be unlikely to be directly accounted for in MSCs future emissions inventories

[~]Renewable energy savings do not include the energy efficiency program, and would be less if all energy efficiency projects were pursued

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| Initiative | Capital Cost (\$) | Average Annual Cost Saving (\$)* | Cost of Abatement (\$ / t CO ₂ e) |
|-----------------------------------|-------------------|----------------------------------|--|
| Waste reduction programs | Not estimated | Not estimated | Not estimated |
| Landfill gas capture (flaring) | \$1,936,518 | -\$67,917 | \$11 |
| Landfill gas capture (generation) | \$3,214,209 | \$686,809 | -\$28 |
| Energy from waste | Not estimated | Not estimated | Not estimated |
| Building efficiency retrofits | Not estimated | \$294,242 | Not estimated |
| Streetlight efficiency retrofits | \$0* | \$53,112 | -\$183 |
| Energy efficiency in new builds | Not estimated | \$76,950 | Not estimated |
| Renewable energy | \$4,484,159 | \$2,073,243 | -\$622 |
| Biofuels | \$0 | \$0 | \$0 |
| Fleet electrification | \$0 | \$267,136 | -\$231 |
| Construction works mitigations | Not estimated | Not estimated | Not estimated |

*A negative cost saving represents an increase in costs

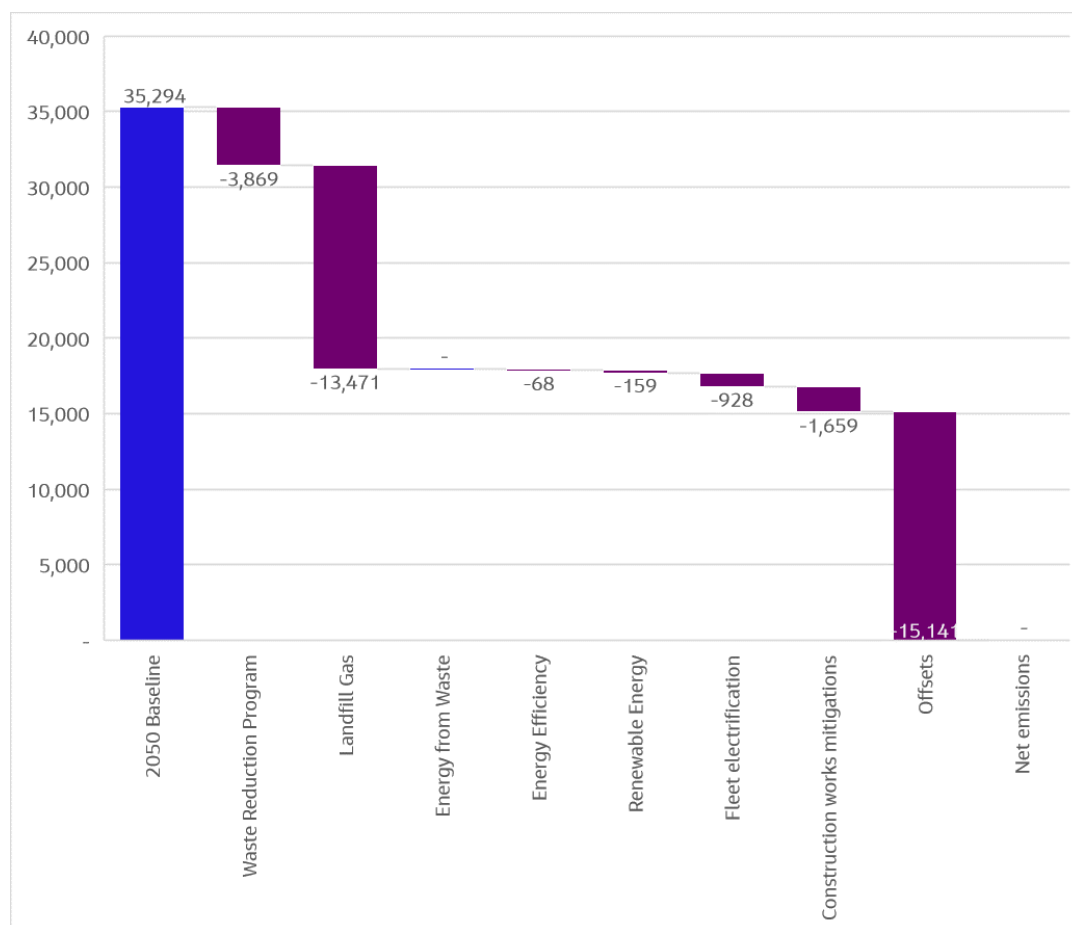
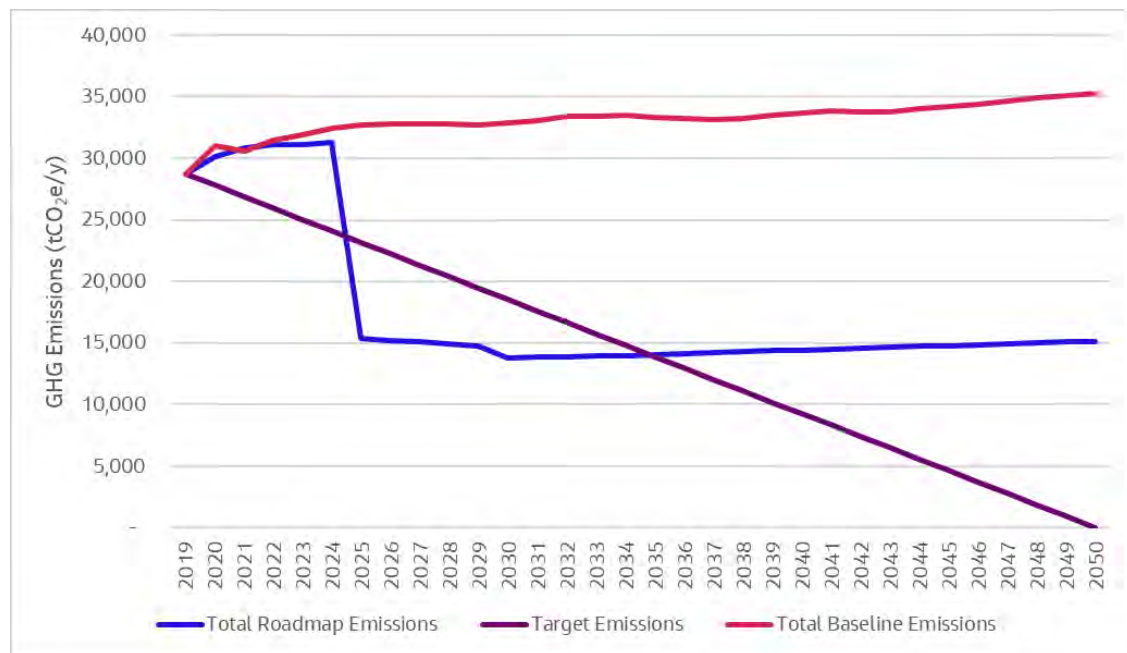
*No capital cost as the upgrades are paid through a 10-year annuity program, included in annual cost savings

Net Zero Roadmap Outcomes

Based on the adoption of each of the presented opportunities (with the exception of energy from waste), there is a considerable reduction in emissions achieved, however there is some residual emissions present. This requires both an ongoing refinement of mitigation strategies over time and offsetting to achieve the 2050 target of net zero.

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Next Steps

The implementation of the roadmap strategy will require ongoing management. The actions for implementation over the short, medium and long term are presented below.

12 months

- Begin collecting more detailed data for missing emissions sources to develop inventory
 - Require procurement teams to keep records of materials (concrete, steel, asphalt, aggregates, etc), water treatment chemicals and similar in physical units (e.g. tonnes or m³)
 - Require construction teams to report on land clearing and land use changes as part of projects
 - Integrate requirement for regular reporting of fuel, electricity and materials use information into external contracts
 - HVAC servicing contractors to provide records of refrigerant top-ups in kg of refrigerant
- Refine resourcing plan for waste management to address priority actions, including:
 - Undertake waste auditing to improve waste composition records for landfill
 - Develop Council response plan to address actions within the National Waste Policy Action Plan 2019, NSW Waste and NSW Sustainable Materials Strategy 2041 and other relevant strategies
 - Identify funding and/or grant opportunities as part of National and State strategies for waste reduction, diversion or similar
 - Investigate opportunities for improved FOGO diversion rates and expansion to commercial FOGO collection
 - Audit landfill gas monitoring results and investigate areas for improvement
 - Investigate landfill gas capture opportunities and source funding for feasibility studies and detailed costings
 - Potential initiation of a Council Waste Management Strategy to address above priorities
- Arrange energy audits to identify retrofit opportunities for key buildings including Muswellbrook Marketplace, Tertiary Education Centre (TEC) Annex, Bridge St Library and Council Administration
- Integrate improved energy efficiency requirements into the design for new Council buildings including the Entertainment Centre and Bridge St mixed use development
- Investigate opportunities for biofuel (B5) procurement and storage at Council depot and transition all petrol and diesel to be replaced with E10 and B5 for Council works where compatible (and integrate requirement into construction contracts for third parties)
- Undertake FY2020 and FY2021 updates of emissions inventory using provided tool and NGERs Calculators

3-6 years

- Ongoing updates of emissions inventory including additional detailed emissions source information

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- Prepared detailed costings of emissions reduction strategies and integrate into Council budget forecasts
 - Identify opportunities for National and/or State funding and grant opportunities
- Integrate emissions reduction Key Performance Indicators (KPIs) into construction contracts and identify emissions reduction opportunities for construction works
- Review opportunities for further construction works emissions reduction in collaboration with contractors, including opportunities for the use of sustainability rating systems (e.g. Infrastructure Sustainability Council of Australia for infrastructure and Green Star for buildings)
- Implementation of waste reduction programs and domestic and commercial FOGO systems
- Undertake design and implementation of energy efficiency retrofit opportunities
- Undertake detailed design, tendering and construction for landfill gas capture and generation system
- Investigate opportunities for increased renewable energy uptake (distributed, large scale and/or Power Purchase Agreements as appropriate)
- Produce a Green Fleet Strategy to identify detailed opportunities and requirements for transition of Councils plant and equipment fleet to electric (and potentially hydrogen as appropriate)

2030

- Finalise procurement and/or lease agreements for remaining fleet electrification
- Continued collaboration with construction contractors to identify opportunities for further emissions reductions
- Review progress against emissions reduction targets (50% below 2019 levels by 2030) and refine strategy for further mitigation as required [Drafting note: interim target to be confirmed by MSC]
- Begin investigating offset opportunities and consider development of an offset strategy where mitigations are unable to stay on track with targets
- Review ambition for net zero targets (potential to bring forward) and or potential for third-party certifications such as 'Carbon Neutral' under the Climate Active Standard

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Important note about your report

The sole purpose of this report is to document the assumptions used in modelling undertaken as part of the Net Zero Pilot Project, in accordance with the scope of services set out in the contract between Jacobs and the Department of Planning, Industry & Environment.

In preparing this report, Jacobs has relied upon, and presumed accurate, any information (or confirmation of the absence thereof) provided by Muswellbrook Shire Council, the Department of Planning, Industry & Environment and/or from other sources. Except as otherwise stated in the report, Jacobs has not attempted to verify the accuracy or completeness of any such information. If the information is subsequently determined to be false, inaccurate or incomplete then it is possible that our observations and conclusions as expressed in this report may change.

Jacobs derived the data in this report from information sourced by Muswellbrook Shire Council and/or available in the public domain at the time or times outlined in this report. The passage of time, manifestation of latent conditions or impacts of future events may require further examination of the project and subsequent data analysis, and re-evaluation of the data, findings, observations and conclusions expressed in this report. Jacobs has prepared this report in accordance with the usual care and thoroughness of the consulting profession, for the sole purpose described above and by reference to applicable standards, guidelines, procedures and practices at the date of issue of this report. For the reasons outlined above, however, no other warranty or guarantee, whether expressed or implied, is made as to the data, observations and findings expressed in this report, to the extent permitted by law.

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Relevant Definitions

The following definitions to key terms referenced in this document are aligned with definitions provided by Sustainability Advantage and are hence adopted for the Net Zero Pilot Project.

“Net Zero Emissions (NZE)”

Economic activities that result in the achievement of zero total net impact of human-induced Greenhouse Gas (GHG) emissions. NZE refers to achieving an overall balance between GHG emissions produced and GHG emissions taken out of the atmosphere. An organisation may achieve net zero by reducing its emissions through operational efficiency or avoidance measures and offsetting those remaining emissions through purchasing certified carbon offsets.

Carbon Neutral vs Net Zero Emissions

Becoming carbon neutral and achieving net zero emissions is effectively the same thing. They both refer to achieving an overall balance between GHG emissions produced (scope 1, 2 and 3) and GHG emissions taken out of the atmosphere.

100% Renewable

Achieving 100% Renewables refers to all energy being delivered from renewable sources. This could include on-site sources such as solar PV and biogas or procurement of off-site renewable energy through Power Purchase Agreements. Going 100% renewable differs from carbon neutrality/net zero emissions as it only covers emissions associated with energy consumption and typically ignores all scope 3 emissions (excluding from electricity transmission) such as those generated from waste, transport and procurement.

Science-Based Targets

Science-based targets provide companies with a clearly defined pathway to future-proof growth by specifying how much and how quickly they need to reduce their greenhouse gas emissions. Targets are considered “science-based” if they are in line with what the latest climate science says is necessary to meet the goals of International Agreements such as the Paris Agreement¹. E.g. a company may set a science-based target to reduce scope 1, 2 and 3 emissions by 60% by 2035, however, this would not be considered carbon neutral or net zero emissions. <https://sciencebasedtargets.org/what-is-a-science-based-target/>

¹ The Paris Agreement is an international agreement made as part of the Paris Climate Conference of Parties 21 (COP21) in 2015, under which signatories agreed to a number of goals including keeping global warming well below 2.0 degrees Celsius, with an aspirational goal of 1.5 degrees Celsius

1. Introduction

The Net Zero Pilot Project is an initiative of Sustainability Advantage, Department of Planning, Industry & Environment.

The NSW Government has committed to a 35% reduction in the state's greenhouse gas (GHG) emissions by 2030 from a 2005 baseline and has committed to net zero emissions for NSW by 2050. Currently, there are varying levels of business maturity in commitments and pathways to align with these commitments. Through the Net Zero Pilot Project, Sustainability Advantage aims to accelerate the transition towards net zero emissions by creating a consistent approach to net zero pathway development and close the gap in organisational knowledge to ensure that such pathways are met.

Muswellbrook Shire Council (MSC) is one of 30 participating organisations in the pilot project, assisted by Jacobs in the development of a net zero roadmap. Muswellbrook Shire Council does not currently have a net zero commitment but is interested in setting greenhouse gas reduction targets in line with NSW Government commitments of 35% below 2005 levels by 2030 and net zero by 2050.

A key component of developing a roadmap to net zero emissions is understanding what an organisation's emissions footprint is and how this is expected to change over time under business as usual (BAU) operations. Only through fully understanding a baseline trajectory of emissions can interventions be effectively planned and executed for shifting and accelerating that trajectory towards a future point of net zero.

This document aims to establish a series of assumptions for the development of such a baseline through to the 2040 target year. These assumptions are based on prior engagement with and data provided by Muswellbrook Shire Council and are to be reviewed and agreed prior to the development of a baseline model to ensure efficiency and accuracy.

Following the development of a baseline model, this document has been updated to capture assumptions regarding potential initiatives and recommendations for activities that can be undertaken by the organisation for reducing emissions over time.

The structure of this document includes:

- The development of a scope and boundary, methodology and baseline activity data (Section 2)
- A summary of assumptions used in projecting the most recent typical operational emissions forward in time based on a BAU approach (Section 3)
- The baseline forecast (Section 4)
- The roadmap forecast (details of the emissions reduction opportunities (Section 5)
- Next steps (Section 6)
- References (Section 8)

2. Baseline GHG Inventory

This section provides an overview of the establishment of GHG inventory data which will form the benchmark for projecting future baseline emissions trajectories, including the establishment of a 'Year 0' organisational emissions footprint. This includes the establishment of a Scope and Boundary for the assessment, a high-level methodology for collecting and collating inventory data and presentation of the 'Year 0' inventory.

2.1 Guiding Documents and Principles

The carbon accounting methodology follows the principles set out in the following documents:

- The Greenhouse Gas Protocol (GHG Protocol)(2004) Corporate Accounting and Reporting Standard by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI)
- The GHG Protocol (2011) Corporate Value Chain (Scope 3) Accounting and Reporting Standard by the WBCSD and the WRI
- ISO 14064-1 (2018) Greenhouse gases - Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals

The GHG inventories for this assessment have been calculated in accordance with the principles of the internationally accepted GHG Protocol. According to the GHG Protocol, GHG emissions are split into three categories, known as 'Scopes'. Scopes 1, 2 and 3 are defined by the GHG Protocol and can be summarised as:

- Scope 1 – Direct emissions of GHGs from sources that are owned or operated by a reporting organisation (examples – combustion of diesel in company owned vehicles or used in on-site generators)
- Scope 2 – Indirect Emissions associated with the import of energy from another source (examples – import of electricity from the grid, or heat)
- Scope 3 – Other indirect emissions – other than energy imports (above) which are a direct result of the operations of the organisation, but from sources not owned or operated by them (examples include production of procured materials and third party contracted services).

An overview of Scope 1, 2 and 3 emissions are demonstrated in Figure 2-1.

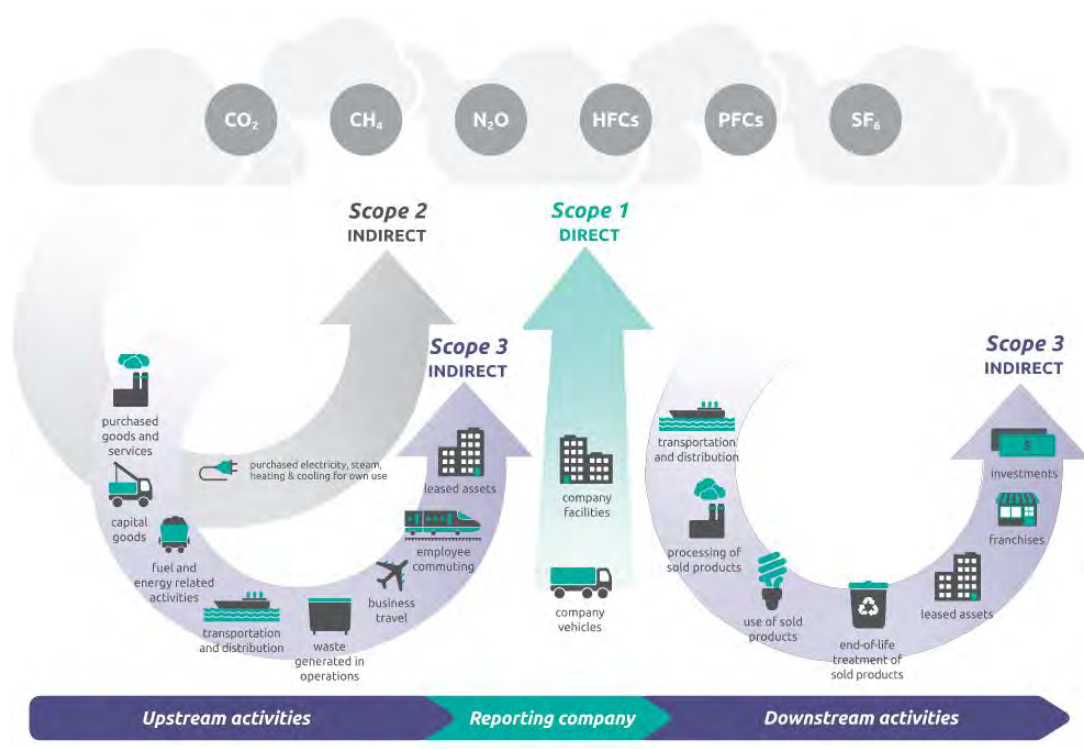


Figure 2-1: Overview of GHG Protocol scope and emissions sources (WBCSD and WRI, 2011)

2.2 Scope and Boundary

The GHG Protocol (and many other reporting schemes) requires the reporting of all Scope 1 and 2 sources, whilst reporting of Scope 3 sources is optional. The reporting of 'significant Scope 3 emissions sources' is recommended by the GHG Protocol if they represent a material contribution to overall organisational GHG footprint. That is, the contribution of a Scope 3 emissions source is typically not considered to be 'material' if it represents less than one per cent of the total organisational GHG emissions. This approach is consistent with reporting under the NGER scheme – with the exception that Scope 3 GHG emissions are not reported under the NGER Scheme (but can be used under Australia's National Greenhouse Accounts).

The Climate Active Carbon Neutral Standard for Organisations (Commonwealth of Australia, 2020) requires accounting for all relevant and material emissions sources, which includes Scope 3. Sustainability Advantage defines achieving net zero emissions as effectively equivalent to Carbon Neutral and hence is inclusive of Scope 3 emissions sources.

This project will focus heavily on the achievement of Scope 1 and 2 emissions reductions, however, baseline projections for Scope 3 emissions sources are to be estimated and high-level aspirational goals for improved accounting and reductions in these emissions sources will be made. No inclusion of community emissions has been proposed, this would require an entirely separate assessment and is not considered to be part of the Scope 3 boundary for Council but would rather be assessed separate under the GHG Protocol for Cities.

An overview of GHG emissions sources which will be included in the boundary of baseline and roadmap emissions modelling is shown in Table 2-1.

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Table 2-1: System boundary: sources of direct and indirect GHG emissions to be modelled

| Source of GHG emission | Activity | Included in inventory? | Direct | | Indirect | |
|--------------------------------|---|------------------------|---------|---------|----------|--|
| | | | Scope 1 | Scope 2 | Scope 3 | |
| Stationary fuel | Fuel consumed by permanent equipment and facilities (e.g. diesel use in generators and maintenance plant) | ✓ | • | | • | |
| Transport fuel | Fuel consumed by the company vehicle fleet | ✓ | • | | • | |
| Wastewater | Council owned treatment of wastewater | ✓ | • | | | |
| Fugitive emissions | Leakage of refrigerants | ✓ | • | | | |
| Waste | Emissions from landfill facilities | ✓ | • | | | |
| Purchased electricity | Electricity consumed for operation of assets which are owned by or in the control of Council | ✓ | | • | • | |
| Construction materials* | Procurement of materials for capital and maintenance works | ✓ | | | • | |
| Contracted services* | Emissions associated with contracted maintenance and capital works | ✓ | | | • | |
| Transport fuel | Contracted transportation of waste | ✓ | | | • | |
| Waste recycling | Emissions associated with the operation of third-party recycling facility | ✓ | | | • | |
| Transport fuel | Employee commute | ✗ | | | • | |

*These emissions sources will only be based on high-level combined financial metrics for the purposes of this assessment due to a lack of specific data available so will not be able to be separated by specific emissions source (i.e. materials or fuel and electricity). High level discussion will be provided for expected compositions and a key goal will be further data gathering and refinement in the short to medium term

The baseline year considered will be that of the most recent typical Muswellbrook Shire Council reporting year, being July 2018 to June 2019, which will be known as 'Year 0'. This year is considered to be representative of normal operations, noting that the conclusion of the data is prior to the impact of the Covid-19 global pandemic.

Projections of these baseline emissions are forecasted on an annual basis through to the target year of 2050 to coincide with the currently desired date of net zero commitment. This is generally done on the basis of linear scaling rates with the exception of known stepwise changes in emissions sources, further described in Section 3.

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2.3 Method

The emissions inventory data used for 'Year 0' is based on data provided by Muswellbrook Shire Council including:

- Annual fuel and electricity consumption data for FY18-19
- Landfill data for legacy emissions and FY18-19 waste received
- Solar energy generation data for FY19-20
- Wastewater treatment quantities for Muswellbrook and Denman treatment plants for FY18-19
- Council FY18-19 financial statements

No further manipulation of raw data has been undertaken for 'Year 0'.

Inventory activity data will be combined with emissions factors to establish the baseline GHG footprint. These emissions factors have been derived from a number of sources with a preference for factors aligned with the National Greenhouse and Energy Reporting Act 2007 (NGER Act) where available including National Greenhouse Accounts Factors 2020 (NGA Factors, Department of Industry, Science, Energy and Resources).

Emissions resulting from landfill operation and wastewater treatment will be accounted for through National Greenhouse and Energy Reporting (Measurement) Determination 2008 Parts 5.2 and 5.3 respectively.

Other emissions factors include financial based input-output data for construction services. Whilst it is acknowledged that there is uncertainty in the level of accuracy of these emissions factors, it has been advised that process-based activity data is not available. These emissions factors are considered appropriate for determining the scale of contribution of Scope 3 sources at this point in time and a key recommendation for the roadmap is actions for sourcing improved emissions data from suppliers to refine the accuracy of these over time.

2.4 Initial GHG Activity Data

A summary of the activity data for 'Year 0' (2018-2019) is presented in Table 2-2. This data will be combined with emissions factors as described in Section 2.3 to produce the total emissions footprint.

Table 2-2: 'Year 0' Greenhouse Gas Inventory Activity Data

| Emissions Source | Quantity | Unit |
|---------------------------------|----------|------|
| Diesel | 253 | kL |
| Petrol | 26 | kL |
| E10 | 22.8 | kL |
| Purchased Electricity (Grid) | 5,783 | MWh |
| Generated renewable electricity | 576 | MWh |
| Wastewater treated | 933,334 | kL |

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| | | |
|--|------------|---------------------|
| Landfill waste received | 19,378 | tonnes |
| Total landfill emissions | 15,106 | t CO ₂ e |
| Legacy landfill emissions | 7,482 | t CO ₂ e |
| Organic waste Processed | 1,515 | tonnes |
| Recycling collected | 999 | tonnes |
| Construction spend (new assets) | 25,269,000 | \$AUD |
| Construction spend (renewals/replacements) | 12,978,000 | \$AUD |
| Construction spend (maintenance) | 7,106,000 | \$AUD |
| Plant and equipment spend | 2,205,000 | \$AUD |
| Waste collection spend | 1,089,000 | \$AUD |
| Office equipment spend | 316,000 | \$AUD |
| Furniture and fittings spend | 192,000 | \$AUD |

It is noted that no information has been provided for refrigerant stocks or quantities recharged post leakage, and it is recommended that as part of improved greenhouse gas inventory data collection going forward, this information is collated, and emissions estimates updated. Depending on the refrigerant types used, this may be a material emissions source.

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3. Business as Usual Forecast - Assumptions

Before developing interventions for moving towards net zero, it is critical to develop a picture of how emissions are expected to change in the future with a 'do nothing' approach so that it is clear what the expected contributions to future emissions would be.

Business as usual (BAU) operations are essentially considered the current pathway where the only changes are a result of existing organisational strategy and external factors beyond the organisations control. An example of the former could be additional facility upgrades which have been confirmed, the latter could be a greater increasing prevalence of renewable energy in the electricity market.

This section contains all assumptions which will be captured as part of the baseline development, for review and agreement by MSC prior to undertaking the modelling. Whilst this is not an exhaustive list of changes which may impact emissions into the future, it is considered to cover the most significant known changes that would have the greatest influence. Similarly, there may be other external factors which cannot be predicted at this time, but it is expected that over time such modelling can be revised and updated to more accurately capture a changing operational environment.

3.1 Population

Population served by Council within the shire is assumed to grow consistent with the NSW Department of Planning, Industry and Environment (DPIE) 2019 projections for Muswellbrook Shire Council as shown in Table 3-1.

Table 3-1: Population Projections for Muswellbrook Shire Council

| | 2016 | 2019 | 2021 | 2026 | 2031 | 2036 | 2041 | 2050* |
|---------------------------------------|--------|---------|--------|--------|--------|--------|--------|---------|
| Total Population | 16,450 | 16,850^ | 17,100 | 17,600 | 17,950 | 18,200 | 18,350 | 18,700* |
| Average Annual Growth Rate (%) | 0.8 | 0.8 | 0.6 | 0.4 | 0.3 | 0.2 | 0.2 | 0.2* |

^Population for 2019 has been inferred from 2016 based on the population growth rate to be used as the 'Year 0' population

*The period from 2041 to 2050 is not contained in NSW Department of Planning projections and so the growth rate has been assumed to remain consistent from the prior period.

While the COVID-19 pandemic is expected to have some impact on population which is not contained in the 2019 projections, it is noted by NSW DPIE (2020) that COVID-19 is expected to impact cities more than regions. The difference in pre and post COVID-19 population projections for the 'Rest of NSW' (i.e. outside of Sydney) are shown to be negligible. As such, no allowance has been made for changes in population growth due to COVID-19.

It is assumed that this growth in population will be directly correlated with all emissions inventory data presented in Table 2-2 and hence quantities of fuel, landfill waste, goods, etc will grow by an equivalent rate per annum to population as shown in Table 3-4 (resulting in a total increase of 11% by 2050 compared to the 'Year 0' levels).

It is noted that there is likely to be a combination of baseload and variable load and some systems may not have linear growth in alignment with population. In reality, increases in activity data may occur in stepwise changes rather than consistent growth and any future upgrades to increase capacity may be more efficient than existing systems. This means the gradual 1:1 scaling with population growth assumed is a conservative assumption but considered appropriate for the level of assessment required.

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The exception to this linear increase will be in electricity use which is expected to grow by only the known changes referenced in Section 3.2 until 2023, following which the growth in electricity will be limited to alignment with population growth rates.

3.2 New Facilities and Expected Upgrades

Energy use for new facilities is calculated using a kWh/m²/annum basis due to a lack of further information available at the time of assessment and is generally based on minimum practice (i.e. no design for greater efficiency beyond compliance), however all energy has been assumed to be provided through electricity with no allowance for gas or similar. These rates are summarised in Table 3-2.

Table 3-2: Standard energy intensity for new buildings

| Building Type | Energy Intensity (kWh/m ² /annum) | Source |
|---------------|--|--|
| Retail | 134 | NABERS Reverse Calculator 2020, Shopping Centres 2.5 Stars, assumed open 8AM-5PM, 6 days/week and 360 days per year |
| Education | 61 | Beyond Zero Emissions (2013), Zero Carbon Australia Buildings Plan Education building average |
| Warehouses | 108 | Beyond Zero Emissions (2013), Zero Carbon Australia Buildings Plan Warehouse building average |
| Office | 262 | NABERS Reverse Calculator 2020, Offices 2.5 Stars, assumed occupied 40 hours/week |
| Cinema | 109 | Beyond Zero Emissions (2013), Zero Carbon Australia Buildings Plan Cinema building average |

An average solar power generation rate of 1,730 kWh/annum/kWp² has been assumed based on the average output of the solar panel systems vs their nominal power for the existing systems provided.

Known facility upgrades include:

- The Muswellbrook Sewage Treatment Works was upgraded to become a Recycled Water Treatment Plant in 2020. The change associated with this was a decrease of 145 MWh per year for the Muswellbrook Sewage Treatment Works but an uplift of 1,239 MWh for the additional Recycled

² kilowatts peak (kWp) is the nominal power of the solar system under standard test conditions and is typically the rated power advertised. This is generally not the power achieved under actual conditions.

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Water Treatment Plant infrastructure, i.e. a net increase of 1,094 MWh. This facility was only commissioned in February 2020, meaning it was only operating for 5 months in the data provided so requires adjustment. Hence the average annual operations are expected to result in **an increase of 2,626 MWh per year**.

- Upgraded swimming pool opening in March 2021. The upgrade includes a new heated indoor pool, new entrance and foyer, kiosk, function room, sauna and spa including 25kWp of solar power. The upgrade is assumed to require an additional 50% energy usage on top of the existing pool, for **an increase of 224 MWh per year**. The solar panels are assumed to provide an additional 43.3 MWh per year.
- An animal shelter and sustainability hub opening in December 2021 which will include 150m² non-airconditioned space and 385m² of airconditioned space as well as including 25kWp of solar power. The air-conditioned space is assumed to be equivalent to 'Offices' energy use while the non-airconditioned space is assumed to be equivalent to 'Warehouses' energy use for a total of **an additional 81 MWh per year**. The solar panels are assumed to provide an additional 43.3 MWh per year.
- Tertiary education centre (Stage 2) and Loxton House retrofit opening in December 2021 including an additional 984m² of floor area. The energy use is assumed to be based on 'Education' for a total **additional electricity use of 58 MWh per year**.
- Opening of new depot (and closure of existing depot) in March 2022. The new depot will include 525m² airconditioned space (plus lift), 350 m² non-airconditioned workshop, 260 m² storage shed. The existing facility has 330 m² airconditioned demountable offices, 300 m² non-airconditioned workshop and 375 m² non-airconditioned store. It is assumed that the majority of energy use is attributed to the air-conditioned space and hence the new depot will result in a 60% increase in energy use compared to the existing facility for **an additional 26 MWh/year** (70 MWh/year up from 44 MWh/year). The facility is less than 1% of Councils electricity use so this assumption is assumed not to be critical.
- Entertainment centre opening in December 2022 with 2,380m² of floor area. The energy use is assumed to be equivalent to 'Cinema' for a **total energy use of 260 MWh per year**.
- Food organics and garden organics (FOGO) upgrade beginning operation in July 2023. Electricity usage for this system is expected to be negligible compared to the total electricity usage across the Council asset portfolio and has not been included in projections.
- Bridge Street mixed-use development opening in July 2023 consisting of 1,150 m² commercial/retail space and 455 m² residential floor space. The retail space is assumed to have a **total energy usage of 154 MWh per year**. The residential floor space has not been allocated to the Council footprint as it is assumed this power will be attributed to the occupants.
- Denman Tourist Park and Thermal baths opening in December 2023. The current feasibility assessment has proposed for the power requirements to be provided through a solar thermal combined heat and power system and hence **the greenhouse gas impact of the proposal has been assumed to be negligible and is not included in the projections**.
- A proposed 800kW solar system at the Muswellbrook Recycled Water Treatment Plant and 5kW at Denman recreation area to be constructed in 2021. The solar panels are assumed to provide an **additional 1,393 MWh per year**.

Whilst there are inevitably likely to be further facility upgrades that occur following 2023 under a business as usual scenario, increases to inventory data as a result of these are expected to be captured approximately through the linear scaling in alignment with population growth as presented in Section 3.1.

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3.3 Energy Sources

Electricity procurement is expected to remain predominantly from the NSW grid with the exception of the known solar installations currently installed or proposed to be installed in Section 3.2.

It is assumed that new facilities will not utilise diesel or gas generators/boilers and will be fully electrically powered.

Proportions of biofuels in the fuel mix for Council fleet is not expected to change, and no electrification of fleet is expected in the baseline scenario.

3.4 Waste

It is assumed that existing waste treatment processes and external waste processing remains consistent, with no changes to current practices with the exception of the FOGO project proposed for July 2023.

The **baseline composition of landfill waste is based on the provided composition for 2018/19**. This includes:

- 3% construction and demolition waste
- 43% commercial and industrial waste
- 54% municipal solid waste.

The composition of municipal solid waste is assumed to follow the standard composition from the National Greenhouse and Energy Reporting (Measurement) Determination 2008. This is based on municipal solid waste class II (as a dedicated garden waste bin is provided to residents). No detailed waste composition results were available for Muswellbrook.

The FOGO service is assumed to divert 38% of available food organics from the municipal solid waste stream, based on the average diversion across Councils found in [Rawtec, 2018 \(Analysis of NSW Food and Garden Bin Audit Data\)](#). The composition of municipal solid waste prior to and after the implementation of FOGO collection services is shown in Table 3-3. After FOGO implementation, the composition of landfill waste is expected to be:

- 3.3% construction and demolition waste
- 46.9% commercial and industrial waste
- 49.9% municipal solid waste.

Table 3-3: Assumed municipal solid waste composition prior to and after implementation of FOGO

| Waste Stream | Proportion prior to FOGO (%) | Proportion after FOGO (%) |
|---------------------|------------------------------|---------------------------|
| Food | 40.3 | 29.5 |
| Paper and cardboard | 15.0 | 17.7 |
| Garden and park | 3.9 | 4.6 |
| Wood and wood waste | 1.2 | 1.4 |
| Textiles | 1.7 | 2.0 |

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| | | |
|--------------------|------|------|
| Sludge | 0.0 | 0.0 |
| Nappies | 4.6 | 5.4 |
| Rubber and Leather | 1.2 | 1.4 |
| Inert waste | 32.1 | 37.9 |

Waste quantities are expected to increase aligned with population growth presented in Section 3.1.

3.5 Capital Works and Procurement

Procurement and capital works costs are expected to increase aligned with population growth presented in Section 3.1.

3.6 Summary

A summary of the relevant assumptions which have been used in the baseline model is presented in Table 3-4.

Table 3-4: Summary of baseline model assumptions

| Relevant Area | Key Assumption |
|-------------------|---|
| Population growth | <p>Population served by Council within the shire is assumed to grow consistent with the 2019 NSW Department of Planning, Industry and Environment (DPIE) projections for Muswellbrook Shire Council</p> <p>It is assumed that this growth in population will be directly correlated with all emissions inventory data hence quantities of fuel, landfill waste, goods, etc will grow by an equivalent rate per annum to population (resulting in a total increase of 11% by 2050 compared to the 'Year 0' levels).</p> |
| New facilities | <p>A total increase in Councils annual energy consumption of 3,429 MWh per year is expected to become operational between 'Year 0' (FY18-19) and 'Year 5' (FY23-24). This consists of:</p> <ul style="list-style-type: none"> Recycled Water Treatment Plant with 2,626 MWh per year from Feb 2020 Upgrade of Muswellbrook Swimming Pool with 224 MWh per year from March 2021 Animal shelter and sustainability hub with 81 MWh per year from December 2021 Tertiary education centre with 58 MWh per year from December 2021 New depot with an additional 26 MWh per year from March 2022 Entertainment centre with 260 MWh per year from December 2022 FOGO system with immaterial electricity use from July 2023 |

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| | |
|--------------------------|--|
| | <ul style="list-style-type: none"> Bridge St retail development with 154 MWh per year from July 2023 |
| Solar Power | <p>An average solar power generation rate of 1,730 kWh/annum/kWp has been assumed based on the average output of the solar panel systems vs their nominal power for the existing systems provided.</p> <p>An additional 1,480 kWh of solar generation is planned.</p> |
| Energy sources | <p>Electricity procurement is expected to remain predominantly from the NSW grid with the exception of the known solar installations currently installed or proposed to be installed.</p> <p>No stationary energy use for facilities through diesel, gas or similar is expected.</p> <p>Proportions of biofuels in the fuel mix for Council fleet is not expected to change, and no electrification of fleet is expected in the baseline scenario.</p> |
| Waste composition | <p>The baseline composition of landfill waste is based on the provided composition for 2018/19. This includes:</p> <ul style="list-style-type: none"> 3% construction and demolition waste 43% commercial and industrial waste 54% municipal solid waste. <p>The composition of municipal solid waste is assumed to follow the standard composition from the National Greenhouse and Energy Reporting (Measurement) Determination 2008. This is based on municipal solid waste class II (as a dedicated garden waste bin is provided to residents).</p> |
| FOGO | The FOGO service is assumed to divert 38% of food organics |

4. Baseline Forecast

Under a business as usual scenario, Muswellbrook Shire Council's total GHG emissions are projected to continue to increase through to the net zero target year of 2050, as shown in Figure 4-1.

This upwards trend is predominantly due to an ongoing increase in Scope 1 emissions, the largest contribution of which is a result of landfill operations. These landfill emissions are expected to grow faster than population growth, due to the effect of increasing legacy emissions year on year as the total amount of waste within the landfill increases over time.

Scope 2 emissions are expected to undergo a small initial increase due to the addition of new facilities, followed by an ongoing decline due to both increasing on-site renewable energy use and a gradual decline in the emissions intensity of the NSW electricity grid. Under current projections for the NSW grid, there is still expected to be some residual Scope 2 emissions by 2050, however, these are expected to only be less than 7% of existing Scope 2 emissions and less than 1% of total emissions by this time.

Scope 3 emissions are expected to undergo only a gradual increase, slower than population growth. While some Scope 3 emissions sources are expected to increase aligned with population, this is partially countered by a decrease in Scope 3 emissions associated with electricity use, due to factors equivalent to the decline in Scope 2 emissions.

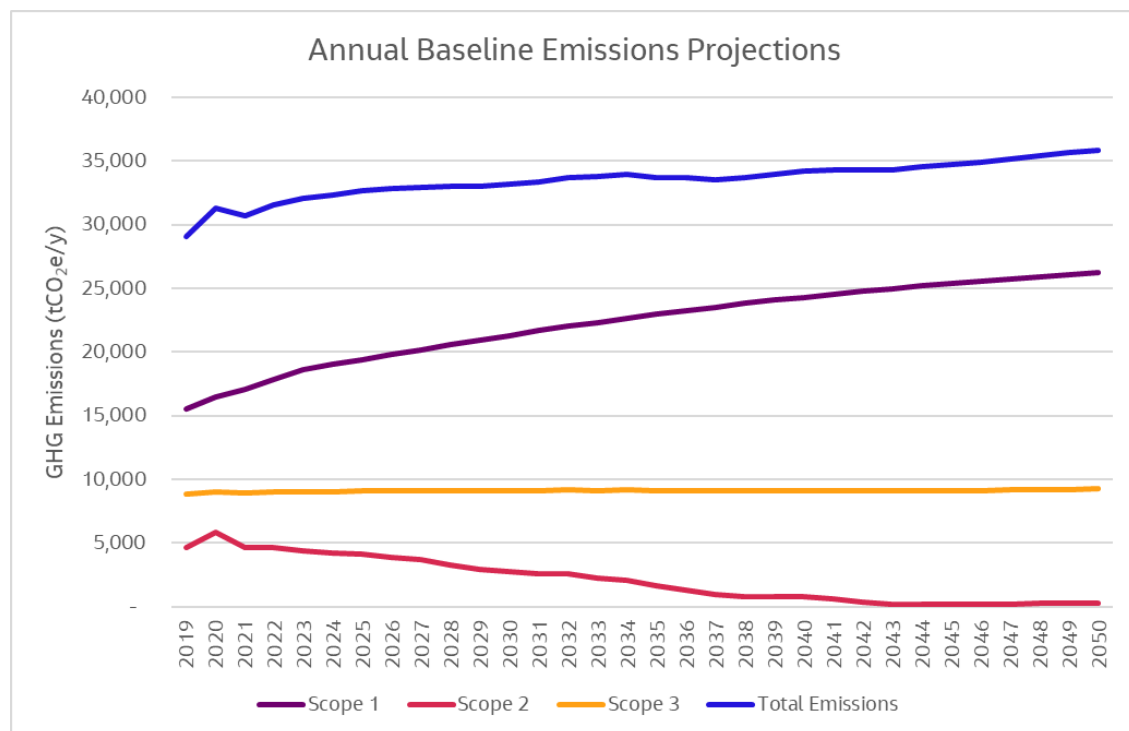


Figure 4-1: Baseline emissions trajectory to 2050 (All Scopes)

A detailed breakdown of emissions contributions by source is shown in Figure 4-2 and Figure 4-3.

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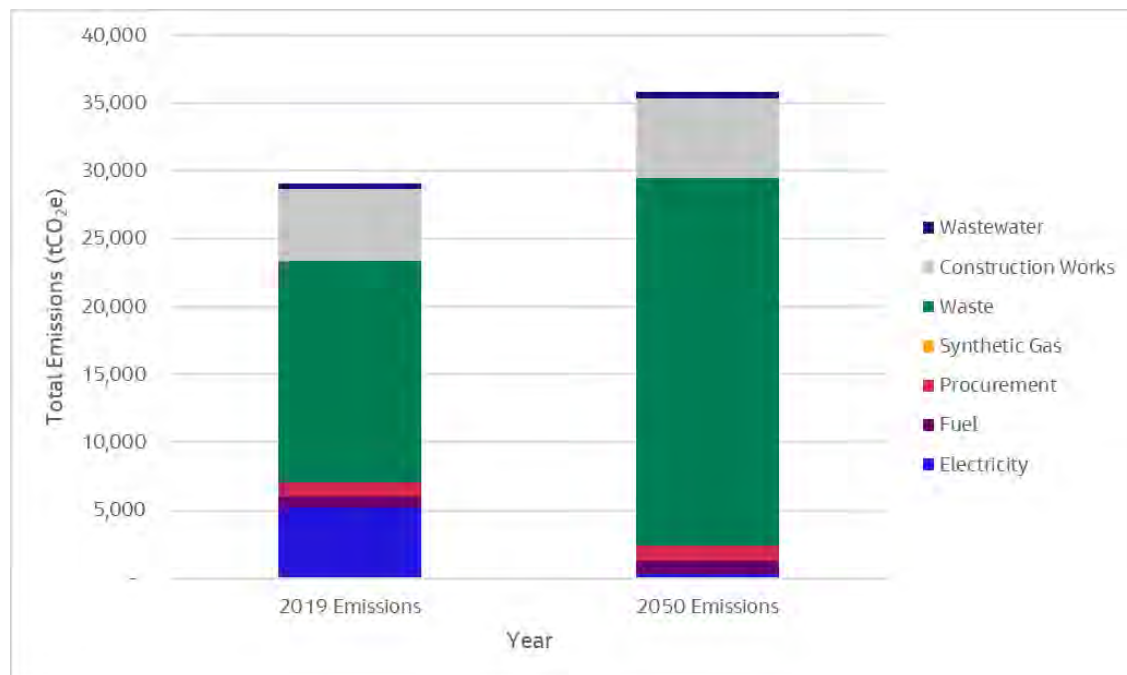


Figure 4-2: Relative emissions contribution for 2019 and 2050

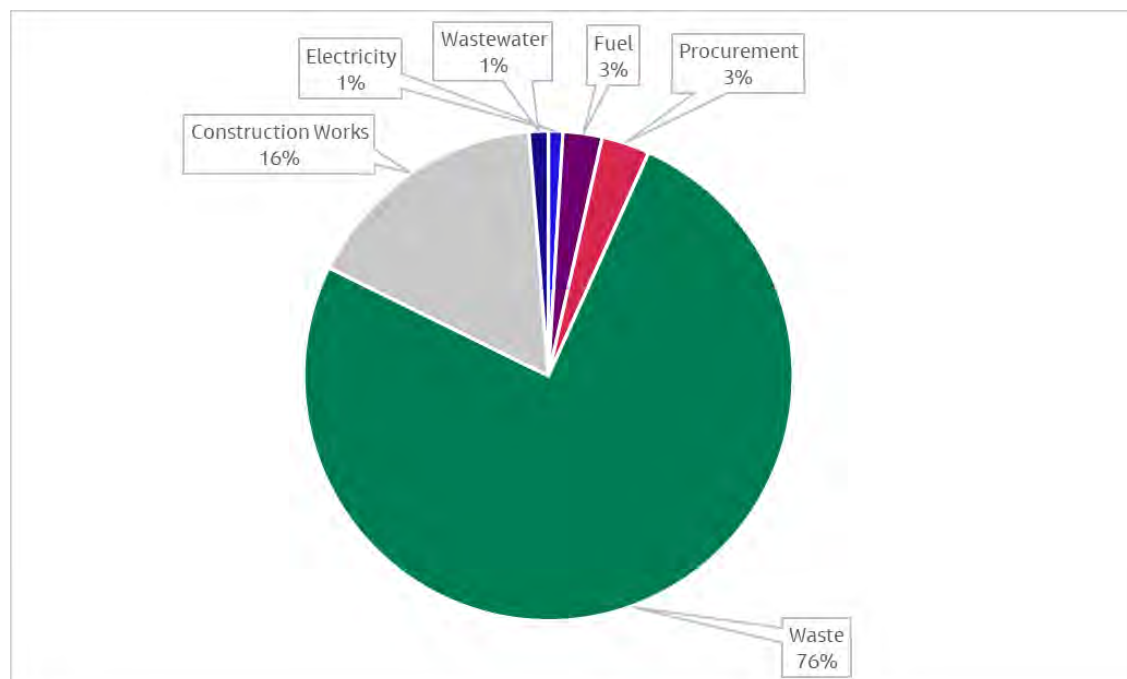


Figure 4-3: 2050 Total Emissions contribution by source (All Scopes)

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5. Roadmap Forecast – Emissions Reduction Opportunities

Evidently, the upwards trajectory of emissions under a business as usual scenario is inconsistent with a net zero 2050 commitment, and further emissions reduction opportunities are required to track towards this goal.

The preferred pathway for achieving net zero emissions should follow an emissions reduction hierarchy for best practice which prioritises mitigation before compensation (Pineda et al, 2020). This hierarchy is often presented differently, although contains common themes of avoidance, reduction and then offset (WBCSD, 2019). A more detailed hierarchy of use is that developed for the Victorian EPA carbon management principles (Victorian EPA, 2017), as summarised in Figure 5-1.

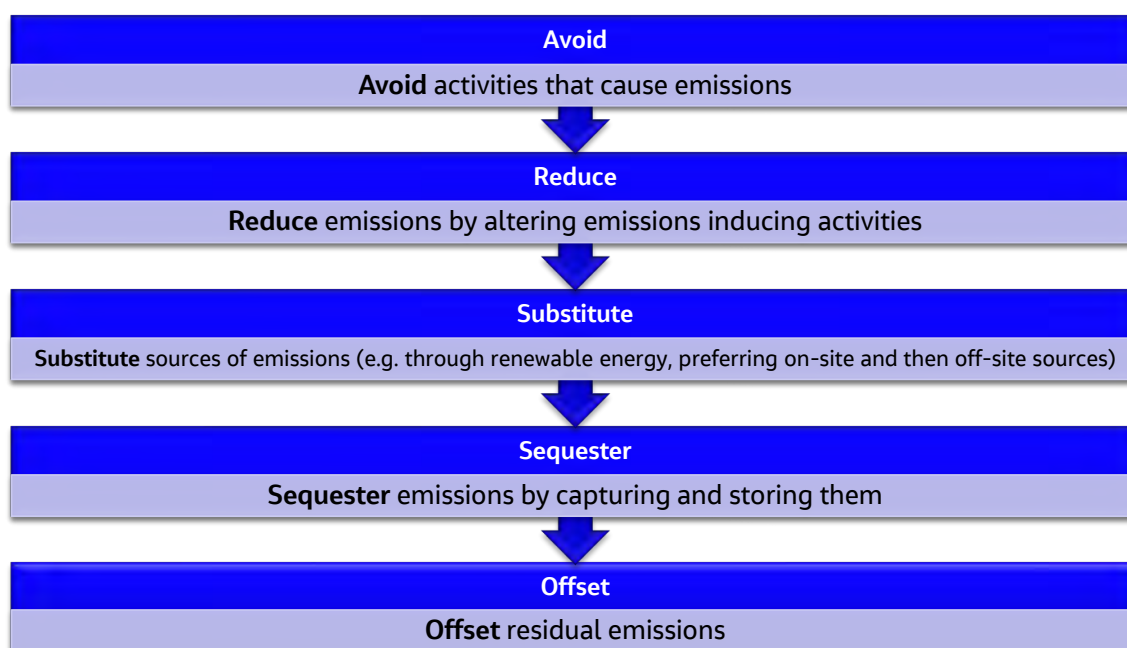


Figure 5-1: Emissions reduction hierarchy (Victorian EPA, 2017)

This section contains all assumptions which have been used as part of the roadmap development. Whilst this is not an exhaustive list of initiatives which may be implemented to reduce emissions into the future, it is considered to cover the most significant feasible opportunities that would have the greatest influence.

It is noted that the priority for emissions reduction opportunities as part of the net zero roadmap has been focused on residual emissions sources identified in the baseline model. Energy efficiency measures for electricity saving are generally not covered due to Muswellbrook Shire Council's plan for zero emissions electricity sourcing, however, these opportunities are still considered to be worthwhile and best practice from an emissions reduction hierarchy and economics perspective. Muswellbrook Shire Council may continue to identify and implement energy efficiency or on-site renewables opportunities where they are feasible and economical in the future, in addition to the emissions reduction opportunities identified.

5.1 Waste and Landfill Operation

Given the large proportion of Council emissions profile associated with landfill operations, the treatment of waste presents the largest opportunity for emissions reduction. Some opportunities are presented in this section which have been considered at a high level, however each would require detailed feasibility studies of their own in the future, prior to implementation.

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5.1.1 Waste Reduction Programs

A number of waste reduction actions and programs are available for Council to implement to reduce waste generated and being sent to landfill.

National Waste Policy Action Plan

One opportunity for improving landfill emissions, is to undertake a targeted waste avoidance and recycling intervention program, utilising best practice to improve landfill diversions and hence reduce waste quantities.

The National Waste Policy Action Plan 2019 has set a target of a 10% reduction in per person waste generation by 2030. For the purposes of the roadmap, it is assumed that MSC will support priority actions under the plan where within its control to support the achievement of this target. This includes supporting the following relevant actions taken from the plan:

- Support the Fight Food Waste campaign, to divert foodstuffs from landfill
- Report on lessons learned and options to support waste reduction in the commercial and industrial, and construction and demolition waste streams
- Deliver targeted programs to build businesses' capability to identify and act on opportunities to avoid waste and increase materials efficiency and recovery
- Support community-based reuse and repair centres, enabling communities to avoid creating waste
- Support and promote circular economy principles in urban planning, infrastructure and development projects
- Align community education efforts to reduce food waste, to maximise impact and reduce confusion
- Undertake research to better understand the contributing factors of household contamination of kerbside recycling collection, to inform future interventions

Under the roadmap, it is assumed that Council support for such initiatives, alongside actions by others, will result in the achievement of the National Waste Policy Action Plans target such that the current waste generation will reduce linearly to a 10% per person reduction achieved by 2030 and maintained from then on.

Costs of such actions have not been estimated, however, are considered predominantly to require only additional Council resourcing as well as some minor marketing/consultancy costs and potentially grant programs.

Kerbside FOGO Improvement Program

For the business as usual scenario, an average efficiency of the proposed FOGO service of 38% of available food organics from the municipal solid waste stream has been adopted. It is noted, however, that waste collection and community education interventions, timed to coincide with the FOGO service implementation, can increase the diversion rates.

Analysis undertaken by Rawtec (2018) found that food waste diversion rates of up to 78% had been observed, showing that there is the potential for the success of FOGO schemes to be enhanced. This analysis also found that Councils that utilised only fortnightly, rather than weekly general waste collection, whilst providing smaller general waste bins (120/140 litre) and weekly FOGO collection, had food waste diversion efficiencies of on average 54%.

It was also found that a large proportion of households (45-55%) had no food waste in their FOGO bins, suggesting that the best improvements could be achieved through targeted efforts on encouraging greater participation for those that are not currently using the service.

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Whilst generally the configuration and time of service had influence on the food waste diversion efficiencies, there was still variation within these which suggested that factors such as waste education are expected to be important for improving food waste diversion outcomes.

For the purposes of the roadmap, it is assumed that the implementation of the FOGO service will coincide with:

- Optimising the kerbside waste collection configuration with
 - Weekly FOGO collection services and;
 - The provision of a smaller (120/140 litre) general waste bin, only collected fortnightly
- Implementation of an ongoing waste education program aimed at improving compliance
- Auditing of households and encouraging those with low levels of compliance to improve their practices (e.g. through bin tagging programs³)

Following implementation of these interventions, a long-term domestic food waste diversion rate of 54%, coinciding with the best performing configuration in Rawtec (2018) has been adopted for the roadmap. It is noted however, that the best performing Council was able to achieve rates of up to 78%, which could be a long term stretch target when developing detailed intervention plans.

Costs of such actions have not been estimated and are outside of the scope of this assessment, however, are considered to require additional Council resourcing as well as cost of waste bin changes and changes to waste collection agreements with third party contractors.

Commercial and Industrial Waste Diversion Improvements

Whilst the existing FOGO scheme has been proposed for kerbside municipal waste collection, there is the opportunity to provide a similar scheme for Commercial and Industrial waste, to facilitate diversion of food organics from such facilities. This would require the development of a food organics waste service for commercial and industrial facilities within the LGA, and advocacy and education to encourage uptake. An important aspect would be ensuring cost competitiveness with existing third-party waste services for such facilities, to improve uptake, and could be incentivised through cheaper gate fees for separated food waste for composting or similar.

Under the roadmap scenario, it is assumed that this would begin trials at the same time as the kerbside municipal FOGO system, with increasing prevalence up to 2030 where diversion rates are assumed to be aligned with the National Waste Policy Action Plan 2019 target of a 50% reduction in organic waste to landfill by 2030.

A commercial FOGO system has been considered to be cost neutral as costs would be recovered through waste charges for users, and could even become a new income source for Council if the system could be operated in a competitive way to regular landfill services.

5.1.2 Landfill Gas Capture

Despite best efforts for waste avoidance and minimisation, there will be ongoing greenhouse gas emissions at the landfill from both legacy waste and newly generated waste. Whilst landfill gas comprises of both methane and carbon dioxide in approximately equal amounts, the carbon dioxide is considered to be derived from biomass sources and is not typically accounted for (NGA, 2020). To avoid the release of methane to the atmosphere, it is possible to capture and combust it which converts the methane (CH₄) with a global warming

³ <https://www.cleanaway.com.au/sustainable-future/bin-tagging-reduce-contamination/>

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potential⁴ (GWP) of 28) to carbon-dioxide (CO₂ with a GWP of 1) and hence dramatically reducing its contribution to global warming.

It is not financially practical to capture all emissions from the landfill, but landfill gas collection systems can capture a reasonable amount. Landfill gas collection efficiency depends on site conditions and management practices. The Global Methane Initiative (GMI, 2012), estimates the following maximum collection efficiencies are achievable:

- At active non-engineered landfill sites: 50 percent in wet climates and 60 percent in dry climates.
- At closed non-engineered landfill sites: 70 percent.
- At active engineered landfills: 75 percent in wet climates and 80 percent in dry climates.
- At closed engineered landfills: 85 percent.

As it utilises a past coal mine void (Muswellbrook Shire Council, 2015), the existing landfill is assumed not to be an 'engineered landfill' for the purposes of this assessment, and hence would have a maximum achievable collection efficiency of 60% while active. It is understood that the existing facility expected to be progressively staged with capping of each stage at approximately 6 year intervals, with the capping of Stage 2 occurring in 2025.

It is assumed that after capping from 2025 onwards, 65% of landfill gas could be captured on average between the existing (then closed) stages and the active stage. It's noted that engineering the caps and new stages to optimise landfill gas capture could potentially pursue higher rates of collection; however, Jacobs experience is that historically, landfill methane capture projects have underdelivered greenhouse gas reductions compared to modelled predictions globally, and hence a slightly more conservative estimate has been used for this assessment.

For the purposes of this assessment, it is assumed that the existing landfill stage is capped, with landfill gas capture installed alongside the construction of the new stage becoming active from 2025. From 2025 it is assumed that both the existing and the new landfill stages will have landfill gas capture capabilities operating at an average 65% capture rate.

There are two opportunities for the treatment of the gas captured: flaring or energy generation. The first involves combusting to turn the methane into carbon dioxide without utilising the energy generated, whilst the latter involves treatment of the gas to be used in a biogas generator, to generate electricity which can be used on site or fed into the grid. Whilst setting the project up for biogas electricity generation may have additional capital cost, it provides the added benefit of enabling a lower carbon energy source to replace electricity from the grid, whilst also providing an operational cost incentive through energy savings and/or feed-in tariffs.

Capital and maintenance costs of landfill gas projects have been estimated following advice received from Jacobs Waste Management team in the UK with experience in similar projects. Capital and maintenance costs for landfill gas collection and flaring are based on cost guidance from SEPA (2016) whilst capital and maintenance costs for gas generation systems are based on US EPA (2021).

A gas collection and flaring project would be estimated to cost approximately \$5.2M to cover both the existing 19.4 ha site and the expanded 32.4 ha site, with operation and maintenance costs of over \$480k per year. The installation of a landfill gas generator system would be expected to cost an additional \$1.3M and require additional operation and maintenance costs of approximately \$45k per year.

Generation of electricity from the latter would be able to save approximately \$809,000 per year through the generation of approximately 2,400 MWh from the first year of operation. This would be equivalent to over 4

⁴ Global Warming Potential (GWP) is a metric used to compare the ability of gases to absorb heat in the atmosphere and is based on the equivalent mass of carbon-dioxide over a 100 year period

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times the existing renewable energy generation through existing solar systems and would significantly reduce the size of a renewable energy system required to achieve 100% renewables as discussed in Section 5.2.2.

There is also the opportunity for receiving ongoing financial support for a landfill gas project through the generation of Australian Carbon Credit Units (ACCUs) which can be sold to the Clean Energy Regulator (CER) or to third parties through a separate carbon credit market. The generation of ACCUs through a landfill gas project requires adherence to the Carbon Credits (Carbon Farming Initiative—Landfill Gas) Methodology Determination 2015. It is noted that such detailed investigations are outside the scope of this assessment, and hence only high-level estimates have been provided.

The crediting period for ACCUs can be for up to 12 years for flaring only and up to 7 years for electricity generation⁵. The ACCU price assumed to be achieved is equivalent to that included in Section 5.5.1 for ACCU purchase. Based on this, landfill gas capture has the potential to generate up to almost \$2.6M of income from ACCUs for flaring and \$1.5M for electricity generation. It's noted that this does not include administrative costs for facilitating the ACCUs through the CER each year.

Both flaring and generation options would be expected to result in a negative Net Present Value (NPV) after ACCU income and electricity savings at a discount rate of 3% and so would come at an overall cost, although generation would become positive at a non-discounted NPV. The relative costs of abatement are \$11/tCO₂e and -\$28/tCO₂e respectively, with the latter representing a net cost saving associated with the project.

It's noted that costs are indicative only to compare costs of abatement and are very high level. A more detailed feasibility and costing study would be required to refine feasibility and costings to inform investment decisions.

5.1.3 Energy from waste

It is understood that MSC is working with industry to identify the opportunity for an energy from waste facility within the region. Being able to combust residual waste streams for energy rather than being sent to landfill presents the opportunity for emissions savings in the longer term, as the combustion of waste would be expected to result in lower greenhouse gas emissions compared to allowing gradual breakdown in landfill. It would also, in the short to medium term, replace more intensive energy generation from the existing NSW electricity grid.

Utilising a third-party energy from waste facility would result in an emissions shift from Scope 1 emissions at the Council owned and operated landfill site, to Scope 3 emissions associated with the combustion of the waste at the contracted facility. As the emissions associated with waste breakdown are delayed from the year of landfill receipt, the use of an energy from waste facility would result in an initial uplift in emissions compared to a business as usual scenario, as waste is combusted before it would have decomposed. Over the longer term, the impact would break even as the decomposition emissions exceed the combustion emissions. This effect can be seen in Figure 5-2.

For the purposes of the modelling, the emissions associated with energy from waste have been based on a linear scaling of publicly available data for a proposed facility in Victoria, with Australian Paper (Jacobs, 2018). This includes emissions associated with waste incineration, gas and diesel combustion. Whilst these emissions would vary based on the composition of the waste being incinerated, these figures are considered broadly appropriate for a high-level comparison of options in this assessment.

It is assumed for the EFW option that all waste that would have been sent for landfill, is instead sent to the EFW facility from 2025 onwards, as this is when it is understood that the existing landfill will reach capacity (Muswellbrook Shire Council, 2015).

⁵ <http://www.cleanenergyregulator.gov.au/ERF/Choosing-a-project-type/Opportunities-for-industry/landfill-and-alternative-waste-treatment-methods/Capture-and-combustion-of-landfill-gas>

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**5.1.4 Summary of Waste Opportunities**

Different combinations of waste intervention options are possible, with each resulting in different success in terms of emissions reduction. No options available would reach a net zero emissions standpoint by 2050 and hence would require offsets to achieve the target.

The adoption of a waste reduction program has been considered fundamental and is assumed to be adopted in all roadmap scenarios, to align with the mitigation hierarchies for waste and greenhouse gas which prioritise avoidance and reduction prior to other options. There are interdependencies which means that without the waste reduction program, results for the other option would differ from those presented here (e.g. less food waste present in the waste mix would result in less methane to capture and flare).

Of the options available, the adoption of a waste reduction program combined with a landfill gas capture and electricity generation system is considered the best option from a greenhouse gas emissions reduction perspective, as seen in Figure 5-3. This would achieve a cumulative emissions reduction of 61% compared to the baseline.

Compared to a waste reduction program alone, over the period up to 2050, the adoption of an energy from waste facility would only be expected to result in a 10% reduction in cumulative emissions. This would be increased to 19% when accounting for the effects of offsetting grid electricity, however, is still not comparable to landfill gas options.

All intervention options presented will result in residual emissions for the landfill in the long term. Moving towards a circular economy and drastic waste reduction/diversion beyond that presented within this report is considered the only currently feasible option for significant landfill emissions reduction in the long term. Continued investigation and improvement in waste avoidance, reduction and diversion will be required to minimise landfill emissions as far as reasonably practical.

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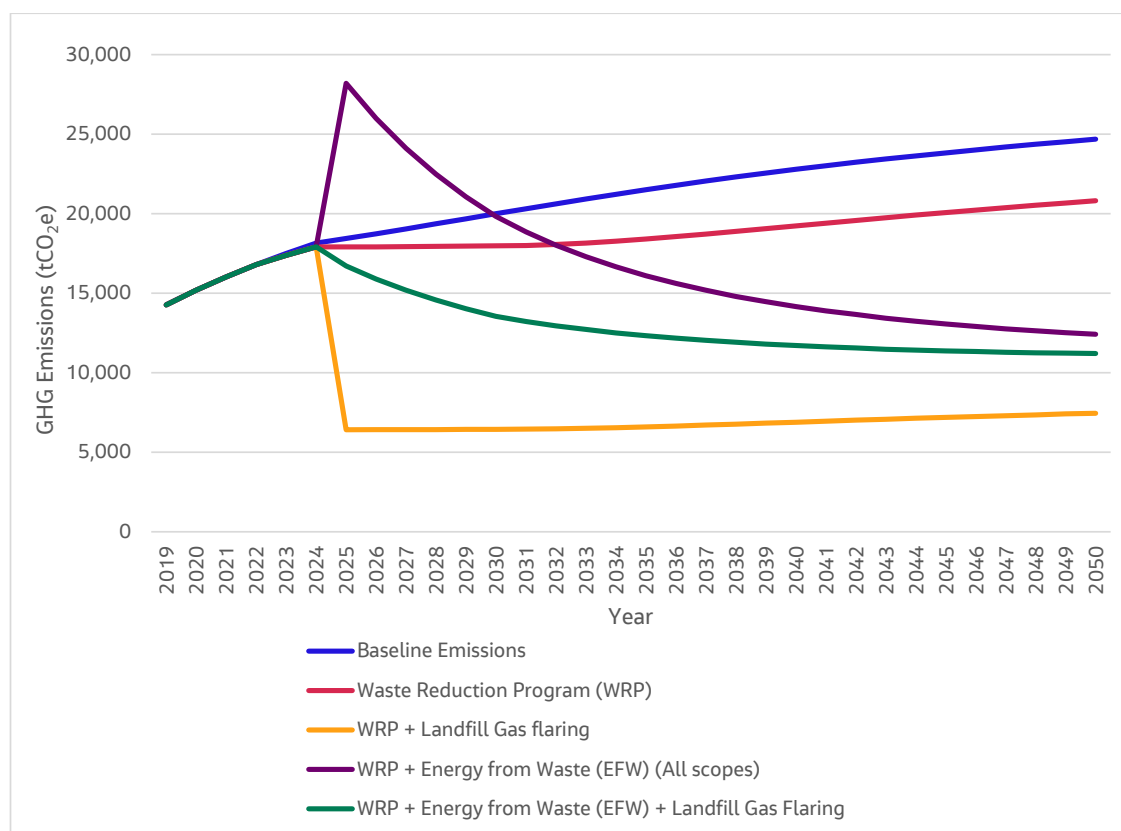


Figure 5-2: Annual GHG emissions comparison of different waste intervention options

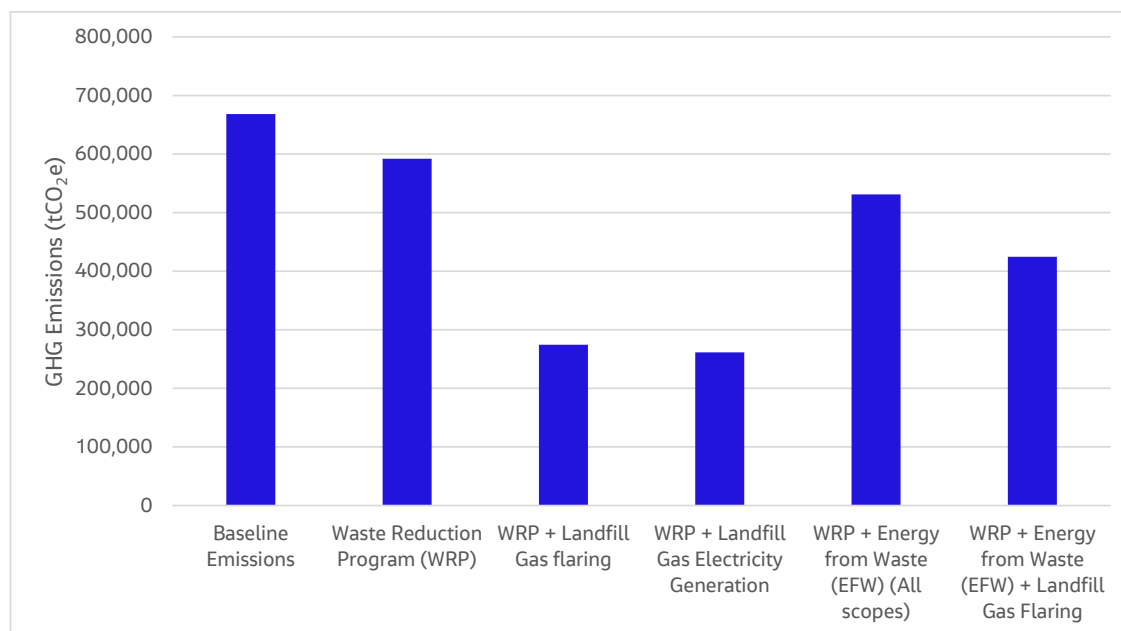


Figure 5-3: Cumulative GHG emissions comparison of different waste intervention options (2019-2050)

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5.2 Electricity

5.2.1 Energy Efficiency

Whilst the decarbonisation of the existing electricity grid would be expected to reasonably align with a net zero 2050 commitment (residual emissions would remain although <1% of the baseline footprint), best practice in terms of the GHG mitigation hierarchy requires avoidance and reduction of emissions sources prior to substitution such as renewable energy penetration.

This means that energy efficiency projects should still be explored to align with best practice. As climate change is more of a function of cumulative emissions than emissions at a single point in time, decarbonisation pathways should generally prioritise earlier reductions. Energy efficiency projects provide the opportunity to achieve interim reductions of electricity use emissions whilst also lowering Council's cumulative emissions to 2050.

Two types of energy efficiency initiatives exist:

- Retrofitting of existing energy uses
- Increasing energy efficiency standards for new Council projects

Efficiency Retrofits

Energy efficiency retrofits would be best targeted at Councils largest energy uses where the savings achievable would best justify the level of effort. For the purposes of the roadmap, retrofits are limited to the top 5 electricity uses which are well suited to retrofit initiatives:

- Muswellbrook Marketplace
- Street lighting
- Tertiary Education Centre (TEC) Annex
- Bridge St Library
- Council Administration

These facilities cumulatively accounted for approximately 47% of Councils electricity use during 2019. It's noted that the Muswellbrook Recycled Water Treatment Plant and Water Works and Intake Treatment are also each major energy uses (33% together) where interventions could be explored, however these would require more detailed energy audits outside of the scope of this assessment.

Of the existing facilities considered, only the Bridge St Library has had an energy audit undertaken (Essential Energy, 2013) which identified only limited opportunities related to lighting with the potential to save approximately 6% of electricity use.

A comprehensive study of the potential for energy savings in Australia's existing building stock (Beyond Zero Emissions, 2013) identified the opportunity for retrofits of retail centres to be able to achieve efficiency gains of up to 35% with significant retrofit, offices built between 1980-2000 savings up to over 75% and education buildings from 1970-2013 savings up to over 75%.

Pursuing deep energy retrofits to the greatest extent possible, would have the potential for energy savings as shown in Table 5-1.

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Table 5-1: Existing energy uses and the assumed energy efficiency retrofit potential

| Electricity source | Assumed Reduction Achievable (%) | Electricity Savings (MWh/year) |
|---------------------------------------|----------------------------------|--------------------------------|
| Muswellbrook Marketplace | 35% | 512 |
| Tertiary Education Centre (TEC) Annex | 75% | 153 |
| Bridge St Library | 75% | 107 |
| Council Administration | 75% | 97 |

Together, from 2025 the energy efficiency retrofits would have the potential to achieve first year emissions savings of 512 tCO₂e and cumulative savings of 4,774 tCO₂e to 2050.

Some retrofit options will likely present the most attractive payback periods to take advantage of the 'low hanging fruit' and most economical opportunities, following which there would likely be diminishing returns for further reductions. Detailed costings for retrofits are outside of the scope of this assessment and should be undertaken for each building to better understand the scale and attractiveness of retrofit opportunities.

As an indication, across a broad range of building portfolios assessed in Beyond Zero Emissions (2013), over a 30 year building life, the investment in retrofits would be expected to result in a lower net present cost for 3% and 5% discount rates when considering upgrade costs vs energy cost savings.

Streetlight Retrofits

At approximately 15% of Councils electricity use, the retrofit of older street lighting to LEDs also presents a significant opportunity for energy savings as well as saving costs on maintenance due to the longer life of LEDs compared to traditional alternatives and income from Energy Saving Certificates (ESCs).

The retrofit opportunity has been investigated and costed by Ausgrid, with the opportunity for over 1,500 luminaires that are currently a mix of compact fluorescent, high pressure sodium and metal halide to be replaced with LED variants. This retrofit program has the potential for electricity savings of approximately an average of 62%, saving up to 566 MWh per year, equivalent to 388 t CO₂e for 2022.

This program would be paid for over 10 years at an annual cost of \$96,907, with a once off income of \$220,515 for the sale of ESCs and ongoing cost savings of \$90,539 from reduced electricity use.

Energy Efficient New Builds

Opportunities for improved energy efficiency of new projects are presented for:

- Entertainment centre opening in December 2022
- Bridge Street mixed-use development opening in July 2023

For the Bridge Street mixed-use development, an upgrade of the design from a 2.5 star NABERS rated development to a 5 star development would present the opportunity to save 56% of energy use, a saving of 86 MWh/year⁶. Assuming a similar savings potential for the entertainment centre through an equivalent standard of

⁶ <https://www.nabers.gov.au/reverse-calculators>

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design (entertainment centres are not rated by NABERs), would equate to a saving of up to 146 MWh. These two design improvements would have the potential for savings of up to 141 tCO₂e from 2024 and up to 1,506 tCO₂e cumulatively to 2050.

Other known new facilities are expected to be built too soon to still be within the sphere of influence, however subsequent developments also present opportunities for improved energy efficiency. This could be through mandating the demonstration of a performance beyond the National Construction Code minimum requirements as part of the projects design (e.g. 20% below Section J compliance) and/or requiring a high level of achievement in building rating schemes such as NABERs or Green Star.

Increasing the efficiency of new building design and construction may have a marginal increase in construction capital costs, however, this would be expected to be paid back through energy savings over the building's lifetime. More detailed cost comparisons for achieving different levels of efficiency should be estimated as part of the building design services.

5.2.2 Renewable Energy

Whilst it was discussed within prior workshops that renewable electricity generation would be the preferred source of emissions reduction, under the baseline scenario emissions associated with electricity usage are expected to decline significantly without significant intervention. This is due predominantly to external factors associated with changes in the emissions intensity of NSW electricity grid.

As with energy efficiency, it is still considered preferable, from both an emissions reduction hierarchy and a cumulative emissions perspective, that on-site renewable energy projects would be explored and adopted early where possible. Adoption of 100% renewable energy from 2025 onwards, would result in emissions savings of over 43,900 tCO₂e through to 2050 compared to the baseline, or almost 1.4 times the 2019 total MSC footprint.

There are four primary opportunities for the supply of renewable energy for Council

- Establishment of a Power Purchase Agreement (PPA) with an existing third-party supplier of renewable energy
- Construction and operation of a large (MW scale) solar or wind facility on Council owned land, sufficient to cover all Council electricity use
- Construction and operation of a number of distributed commercial scale (up to 100kW) solar facilities on Council owned land and rooftops
- Purchase of Large-scale Generation Certificates (LGCs) to offset Councils electricity use

Establishing a PPA would have an initial cost associated with setting up the agreement contract, however the ongoing cost of electricity supply would be expected to be competitive with current prices, if not cheaper. The purchase of LGCs for offset would be an ongoing cost, and with the current price of LGCs at around \$35/MWh⁷, would be an increase in electricity costs of almost 40% compared to current industrial electricity pricing⁸. Therefore, in the long term, the most cost-effective means of electricity supply, and best for community support (based on advice from MSC) would be the construction of Council owned and operated renewable energy projects.

Based on the residual grid energy demand from Council assets from 2024 onwards (following the installation of all currently planned renewable energy projects), meeting the needs of all electricity use through solar photovoltaics would require generation of 7,780 MWh. Based on the generation efficiency of the existing Council owned panels, this would be equivalent to the installation of approximately 4,500 kWp of new panels (~4.5MW). Undertaking energy efficiency projects identified in Section 5.2.1 would be expected to reduce this by up to 23%.

⁷ <http://greenmarkets.com.au/>

⁸ <https://energy.nsw.gov.au/sites/default/files/2020-12/NSW%20Electricity%20Infrastructure%20Roadmap%20-%20Detailed%20Report.pdf>

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This provision of solar power and/or storage could be provided through a single, large, dedicated site, or through multiple distributed projects across Council assets.

For large scale installations, optimising the efficiency may require a slightly smaller system. For comparison of scale, existing operating solar farms in NSW range between 10-162 MW of capacity⁹. Based on a similar land use to the 11MW Narromine Solar Farm at Dubbo solar hub, meeting the needs of all residual MSC assets would require approximately 11.6 ha. At a rough cost of approx. \$1.1M for a 1MW solar system¹⁰, this would require an investment of up to approximately \$5M as a very rough guide for a single large system. For multiple systems of a scaling of approx. 100kW, this would be expected to be closer to \$4.2M¹¹ and hence may be preferable.

Whilst wind power would also be possible, typically wind power is built at much larger scales of at least 50MW to hundreds of MW, and hence the economics at such a small scale are unlikely to be favourable compared to solar. As an indicative example, a similar scale 4.1MW wind system consisting of just two turbines exists at the Hepburn Community Wind Park in Leonards Hill, Victoria. This project cost \$12.9M¹², significantly more than an equivalent scale solar system would be expected to cost for MSC. Whilst the efficiency of such a system may mean that the power generated could be higher than the same capacity solar system (2,715 MWh/annum/MW for the Hepburn project compared to 1,730 MWh/annum/MWp for existing MSC solar) this depends on the site selection and strength/consistency of wind at the site, and is unlikely to be significant enough to justify the difference in capital cost, at least in the short-medium term.

It is noted, however, that cost figures presented are very high-level indications and such financial comparisons should undergo more detailed feasibility study and financial estimate prior to any firm commitments being made. This does not account for supply/demand match and is based on offsetting night-time uses through export during the day, nor does it account for future demand growth. To improve the match of supply and demand, the use of battery systems would be required, and to account for future growth through to 2050, oversizing of at least approximately 7.5% would be required (based on scaling with population growth). This oversizing would increase to around 11% if it was to also account for electrification of the plant and vehicle fleet as discussed in Section 5.3.2.

5.3 Fuel

Fuel usage for MSC plant and fleet form part of the baseline Scope 1 emissions and present the opportunity to switch to a greater proportion of biofuel in the shorter term and in the longer term switch vehicles and plant from internal combustion engines (ICE) to electric vehicles, with charging provided through a combination of on-site renewable energy and grid purchased electricity.

5.3.1 Biofuels

In the shorter term, prior to fleet electrification, a greater use of biofuels in MSC plant and fleet presents the opportunity for marginal emissions reduction.

Currently, E10 makes up approximately 46% of all petrol use for Council, whilst there is no existing use of biodiesel. Scaling this up to 100% E10 for all petrol applications, and 100% B5 for all diesel applications would be expected to result in emissions reductions of 4.4 tCO₂e and 6.0 tCO₂e respectively in 2022.

Generally, E10 would be expected to be compatible with most plant and fleet without modification, however, should be confirmed with manufacturer data. Regular diesel can contain up to 5% biodiesel without labelling, however the use of B5 guarantees the proportion, and hence there would not be expected to be any compatibility issues with existing diesel plant using B5 fuels compared to regular diesel. Switching to a greater use of E10 and B5 biofuels would be expected to have negligible cost implications and as such has not been estimated as part this assessment.

⁹ <https://energy.nsw.gov.au/renewables/renewable-generation/solar-energy>

¹⁰ <https://www.solarchoice.net.au/blog/1mw-solar-pv-systems-compare-prices-and-installer-options/>

¹¹ <https://www.solarchoice.net.au/commercial-solar-power-system-prices>

¹² http://chepstowwindfarm.com.au/downloads/Business_Models_For_Enabling_Sustainable_Precincts_Case_Study_Hepburn.pdf

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5.3.2 Fleet Electrification

The upfront cost of electric vehicles is expected to reach an equivalent price to ICE vehicles from 2030, based on the central scenario from CSIRO projections¹³. It's assumed that from 2030, the cost of switching leases from ICE vehicles to electric vehicles will have no upfront cost impact and is therefore assumed to be the year of adoption for the purposes of the roadmap. Similarly, it is assumed that by 2030, electric options for other plant and equipment will be available and cost competitive.

Due to the complexity of Councils fleet, a full fleet electrification strategy would require a separate piece of work outside of the scope of this roadmap. It is likely that a staged approach involving early electrification of some plant and later electrification of others would be more suitable, however, 2030 is considered a reasonable mid-point for the purposes of this roadmap.

Whilst electric vehicles can be charged from existing electrical outlets, access to these for the Council fleet may be restricted and depending on schedules of use, fast charging could be required. Without adequate planning this could be a limitation for adoption. It's therefore recommended that investigations are held for future proofing of new Council buildings, in particular the depot, as a priority to save additional costs associated with future retrofits of electrical systems. Fast chargers can range from \$1,700 – 50,000¹⁴ depending on the size, speed and number of charging points, so costs for a full fleet are not expected to be insignificant. Based on significant uncertainties at this point in time, however, charging infrastructure costs have not been estimated as part of this assessment, and as such, the cost of abatement presented within this report is expected to be an optimistic representation. Some network charging infrastructure may be provided by others (e.g. public charging points), however convenience and logistics is likely to require some extent of charging infrastructure at Council sites. Future works on fleet electrification could update these figures with more accurate costs.

Energy conversion for fuels is based on comparative efficiencies of ICE and electric cars, assuming 11.6 L/100km for diesel passenger vehicles, 10.7L/100km for petrol passenger vehicles¹⁵ and 11.7 kWh/100km for electric vehicles¹⁶. The relative fuel to electric conversion adopted for the transition is therefore effectively 1 kWh per 1 L of diesel and 1.1 kWh per 1L of petrol.

If charging of electric vehicles was undertaken directly from the grid, this could facilitate emissions savings of up to 227 tCO₂e for the first year of adoption and 5,474 tCO₂e through to 2050. If this charging was combined with renewable energy supply through an option as discussed in Section 5.2.2 this cumulative benefit would be increased to 5,807 tCO₂e.

Based on comparative electricity costs vs petrol and diesel costs, electrification of Councils fleet would be expected to result in annual cost savings of up to \$330,000 from the first year. Whilst not built into the roadmap, it is encouraged that options for investment in electric vehicle and plant alternatives are explored sooner than 2030 based on life-cycle ownership costs (i.e. with consideration to fuel cost savings that may offset any increases in purchase or lease costs incurred prior to price parity) which would hasten the transition.

5.4 Construction Works and Procurement

The first step required for reducing emissions in construction, is the collection of detailed data from construction contractors for capital and maintenance works. It should be integrated into contracts, that Council is to be provided with annual data on as a minimum, fuel, electricity, materials used, and waste generated. This can be used to build a more accurate inventory of Scope 3 emissions associated with contracted construction works.

There are a number of methods to lower the Scope 3 emissions contribution to Councils GHG emissions. Firstly, emissions reduction targets could be integrated into construction contracts, with contracts over a certain value to

¹³ Graham, P.W. and Havas, L. 2020, Projections for small-scale embedded technologies, CSIRO, Australia.

¹⁴ https://www.mav.asn.au/_data/assets/pdf_file/0007/21877/Electric-Vehicle-Charging-Infrastructure-for-LG-Fleets-Questions-and-Answers-05dec18.pdf

¹⁵ 92080D0001_1202201810 Survey of Motor Vehicle Use, Australia, 12 months ended 30 June 2018

¹⁶ Future Fuels Strategy: Discussion Paper, Australian Government Department of Industry, Science, Energy and Resources 2021.

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demonstrate achievement of emissions reductions of an agreed percentage compared to a business as usual approach. This is becoming prevalent on larger construction projects, particularly those rated under schemes such as the Infrastructure Sustainability Council of Australia (ISCA) IS Rating Scheme. Smaller contractors, however, may require ongoing management and assistance to achieve such reductions, and the preparation of tools to assist with carbon accounting and decision-making frameworks for emissions reduction could ensure a robust process. Initiatives such as increased electrification of contractor construction fleet, requiring the use of a proportion of GreenPower and biofuels, or incentivising the use of more efficient design and construction methodologies could assist in reducing the emissions of construction works.

Council procurement teams should also be requested to keep records of physical quantities of materials purchased, such as concrete, asphalt, aggregates, piping, steel and other major materials sources. This materials information can be combined with greenhouse gas emissions factors for each material to build up a more accurate picture of major emissions contributors in the supply chain. Targeted interventions such as the use of lower carbon materials can then be developed, such as requiring the use of supplementary cementitious materials in concrete, Reclaimed Asphalt Pavements (RAP) laid as a warm mix, and the use of recycled aggregates. A preference for such materials can also be integrated into contracts with third party construction works so that Councils contractors are also using lower carbon materials.

The Infrastructure Sustainability Council of Australia measures best practice GHG mitigation in construction (energy and materials) as up to a 30% improvement compared to 'business as usual' (BAU). If we consider the existing construction practice of MSC as equivalent to a BAU approach, an improved GHG management in construction works would be expected to be able to achieve 'best practice' across their portfolio by 2030 as a conservative estimate. This may start with trials on larger projects, with lessons learnt shared across smaller projects to the point where over time, 'best practice' becomes BAU across all MSC projects.

Assuming that interventions would begin in 2022 and success would gradually build to 2030, emissions savings would be 334 tCO₂e for the year after adoption (assuming the first year would be focused on building skills and improved accounting with limited savings), growing to 2,746 tCO₂e by 2030. From this point it is conservatively assumed that savings would flatline at 30% below existing practice, however further savings could and should be pursued. Total cumulative savings to 2050 would be up to 69,030 tCO₂e.

The cost of reducing contractor emissions has not been assessed in detail and is outside of the scope of this assessment. There may be some additional labour/resourcing costs associated with ongoing management of contractor GHG emissions, and potentially some costs where more innovative materials are preferentially selected to traditional ones. Any offset requirements built into construction contracts would also come at a cost, however, otherwise, it is considered that such reductions could be facilitated with either neutral cost impacts or even potentially cost savings where resource use reductions or construction efficiencies can be identified that otherwise would not be.

5.5 Offsets

It is considered unlikely that all emissions (Scope 1, 2 and 3) will be feasibly able to be reduced to zero within the target dates set (and some residual emissions sources within the supply chain may be permanently unavoidable). In order to reach net zero emissions, the residual emissions (once emissions reduction strategies have been implemented) must be offset.

An offset is a project which reduces or removes greenhouse gas emissions from the atmosphere through natural or technological methods e.g. through reforestation, energy efficiency or renewable energy projects. This is completed through projects outside of the organisational boundary, although similar projects can be undertaken by partnering within the supply chain (e.g. co-sponsoring initiatives) which is referred to as 'insetting' and is effectively a Scope 3 reduction.

Offsets must follow several integrity principles to ensure that they are genuine emissions reductions, with the following principles taken from the Climate Active Carbon Neutral Standard for Organisations:

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| | |
|------------------------------|---|
| Additional | • Must result in emissions reductions that would not otherwise occur and are not double counted by others |
| Permanent | • Emissions that are sequestered must not be released back into the atmosphere in the future |
| Measurable | • Clear and convincing methods of emissions reduction accounting are used |
| Transparent | • Consumers and stakeholders have access to information about the offset project |
| Address Leakage | • Does not result in material increases in emissions elsewhere as a result of the project |
| Independently audited | • The project is verified by an independent, qualified third party |
| Registered | • The offset is listed and tracked in a publicly transparent way |

Figure 5-4: Offset project integrity principles (Climate Active Carbon Neutral Standard for Organisations, Commonwealth of Australia 2020)

A range of offset units are available for purchase which are deemed to meet the above integrity principles and are accepted under the Climate Active Carbon Neutral Standard. The use of such offsets is considered important both to align with best practice but also such that Muswellbrook Shire Council may be eligible to pursue Carbon Neutral verification in the future if desired. These include:

- Australian Carbon Credit Units (ACCUs)
- Certified Emissions Reductions (CERs)
- Removal Units (RMUs)
- Verified Emissions Reductions (VERs) issued by the Gold Standard
- Verified Carbon Units (VCUs) issued by the Verified Carbon Standard

Once a carbon offset is purchased, it must then be 'retired', which effectively prevents any future sale, transfer or double counting of the offset.

A wide variety of offset projects are available and can be browsed through an offset marketplace such as the [Carbon Market Institutes 'Australian Carbon Marketplace'](#). Domestic offsets often include projects such as:

- reforestation
- indigenous burning
- changes to agricultural practices
- landfill gas capture
- other projects as available

International offsets such as those available through the [Gold Standard](#) often include:

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- renewable energy projects
- clean cookstove and clean water projects
- reforestation projects
- other projects as available

Often, additional environmental and social benefits can be facilitated through offsets other than purely the emissions reduction or removals themselves. The Gold Standard, for instance, requires that projects also make multiple contributions to the UN Sustainable Development Goals (UN SDGs) and are designed to safeguard from specific adverse outcomes such as human rights abuses. While these best-practice offset projects are generally more expensive, they can provide significant additional value such as the example shown in Figure 5-5 for cleaner cookstove projects. These projects include providing access to cleaner cooking technologies in developing countries, to replace biomass cooking through open fires or traditional stoves with more efficient cookstove technologies and fuel sources, providing both greenhouse gas and health benefits.



Figure 5-5: Example extended value chain of an offset project for provision of cleaner cookstoves (Gold Standard)

It is recommended that a corporate strategy is undertaken with engagement of employees and stakeholders for targeting inseting and offsetting projects to align with the Corporate Social Responsibility (CSR) strategy.

5.5.1 Offset Pricing

Prices of emissions offsets vary significantly by project type and offset standard, with ongoing market fluctuations meaning that long-term predictions of offset pricing is difficult.

The price of ACCUs has reached \$18.50/tCO₂e earlier in 2021¹⁷, and projects under other offset standards such as VCUs vary between as low as approx. \$16/tCO₂e to as high as \$44/tCO₂e¹⁸.

The pricing of offsets going forward is highly dependent both on the policy context and the combination of regulatory and voluntary demand, however expectations are for price rises for ACCUs of between \$20-45/tCO₂e by 2030¹⁹ and could reach between \$30-100 by 2040²⁰.

Integrating carbon pricing into investment decision making is known as shadow pricing and involves consideration to a potential future cost associated with an organisation's emissions. In the context of

¹⁷ <https://www.reputex.com/research-insights/alert-co2-spot-price-hits-record-high-of-18-50-t-up-12-ytd/>

¹⁸ <https://market.southpole.com/home/offset-emissions>

¹⁹ <https://www.reputex.com/research-insights/recording-scenarios-for-australian-carbon-offset-price-development-under-net-zero-emissions-fy21-30/>

²⁰ <https://www.reputex.com/research-insights/co2-offset-price-of-100-t-for-australia-to-reach-and-maintain-net-zero-emissions/>

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Muswellbrook, even without regulatory restrictions or any form of carbon tax, this could include consideration of potential offset costs from 2050 onwards, to meet the organisations net zero commitments (or earlier if interim targets were unable to be met). Through the use of carbon shadow pricing, financial decision making for whether or not to invest in an emissions reduction project would include consideration to the avoided cost of offsets. Cost savings to be presented within this report do not include such a shadow price, however this could be a consideration for Muswellbrook Shire Council going forward. Whilst not common budgeting practice in the public sector at this time, it may be worthwhile for consideration in light of state commitments.

5.6 Summary of opportunities

A number of opportunities are available for emissions reduction with varying costs of abatement. A summary of the emissions potential for all opportunities is presented in Table 5-2 and the corresponding costs of abatement (where available) are presented in Table 5-3 and Figure 5-6.

Table 5-2: Summary of emissions reduction opportunities

| Initiative | Year of Adoption | First Year Emissions Savings (t CO ₂ e) | Total Cumulative Emissions Savings (to 2050) (t CO ₂ e) |
|---|------------------|--|--|
| Waste reduction programs | 2022 | 527 | 76,206 |
| Landfill gas capture and flaring [^] | 2025 | 11,491 | 317,238 |
| Landfill gas capture and electricity generation [^] | 2025 | 12,900 | 330,630 |
| Energy from waste ^{^#} | 2025 | -10,290* | 60,975 111,407 with electricity offset |
| Energy from waste with landfill gas capture and flaring ^{^#} | 2025 | 1,201 | 167,263 |
| Building energy efficiency retrofits | 2025 | 512 | 4,774 |
| Streetlight energy efficiency retrofits | 2022 | 388 | 4,774 |
| Energy efficiency for new builds | 2022 | 141 | 1,506 |
| Renewable energy [~] | 2025 | 4,608 | 43,915 |
| Biofuels | 2022 | 36 | 292 |
| Fleet electrification | 2030 | 753 | 18,047 19,095 with 100% renewables |

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| | | | |
|---|------|-----|--------|
| Construction works and procurement | 2022 | 192 | 39,621 |
|---|------|-----|--------|

*The negative emissions savings represents an increase in emissions for the first year, before landfill avoidance savings are realised. This would break even around 2032 from which point the use of EFW would see annual emissions reductions by comparison to waste reduction programs alone

^Emissions savings of all waste initiatives are compared to the waste reduction programs alone, which are assumed to be implemented in all scenarios

#Energy from waste savings are not including indirect impacts from offset of energy from the electricity grid, as this effect would be unlikely to be directly accounted for in MSCs future emissions inventories

~Renewable energy savings do not include the energy efficiency program, and would be less if all energy efficiency projects were pursued

Table 5-3: Summary of abatement cost estimates

| Initiative | Capital Cost (\$) | Average Annual Cost Saving (\$) [#] | Cost of Abatement (\$ / t CO ₂ e) |
|--|-------------------|--|--|
| Waste reduction programs | Not estimated | Not estimated | Not estimated |
| Landfill gas capture (flaring) | \$1,936,518 | -\$67,917 | \$11 |
| Landfill gas capture (generation) | \$3,214,209 | \$686,809 | -\$28 |
| Energy from waste | Not estimated | Not estimated | Not estimated |
| Building efficiency retrofits | Not estimated | \$294,242 | Not estimated |
| Streetlight efficiency retrofits | \$0* | \$53,112 | -\$183 |
| Energy efficiency in new builds | Not estimated | \$76,950 | Not estimated |
| Renewable energy | \$4,484,159 | \$2,073,243 | -\$622 |
| Biofuels | \$0 | \$0 | \$0 |
| Fleet electrification | \$0 | \$267,136 | -\$231 |
| Construction works mitigations | Not estimated | Not estimated | Not estimated |

*A negative cost saving represents an increase in costs

*No capital cost as the upgrades are paid through a 10-year annuity program, included in annual cost savings



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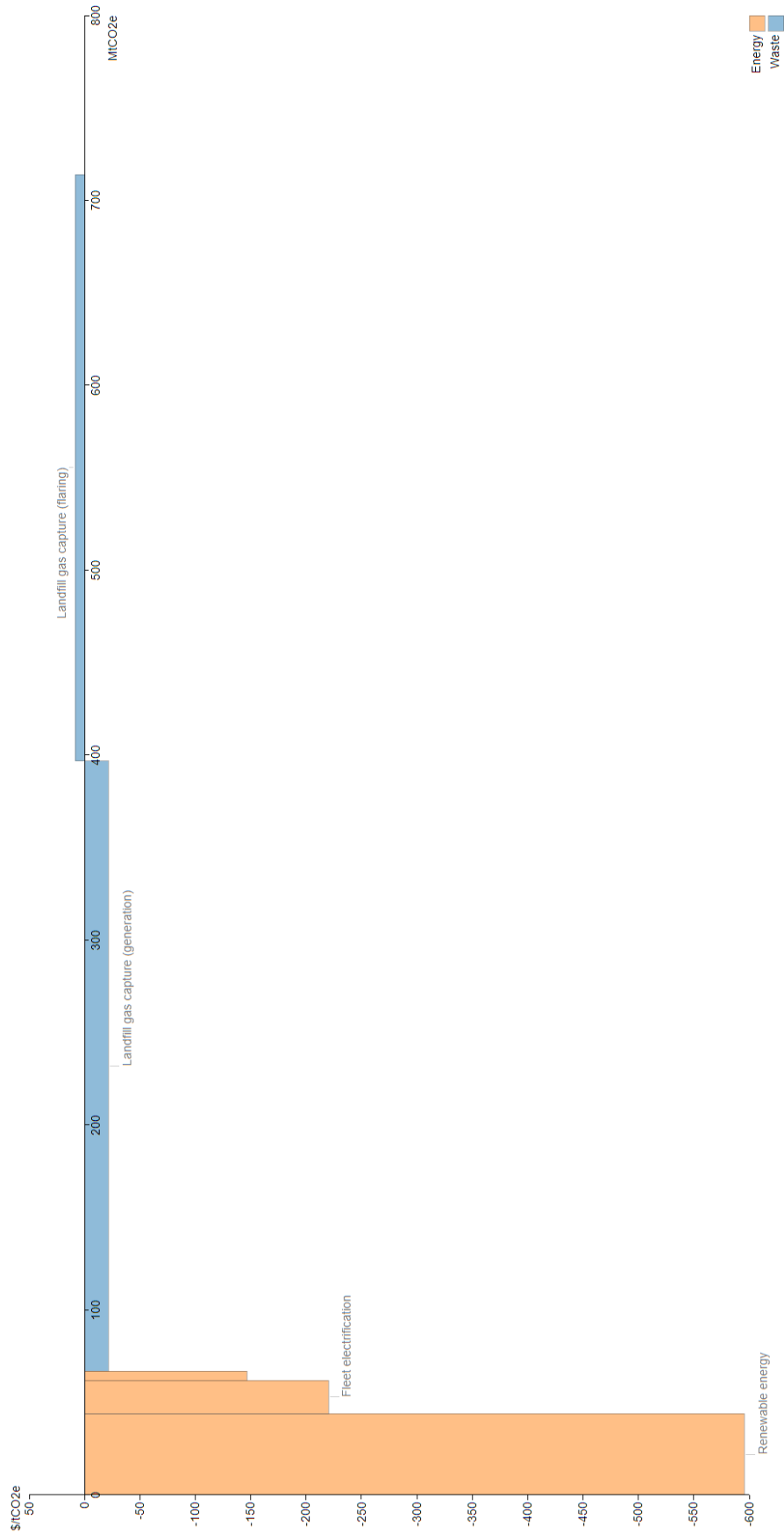


Figure 5-6: Marginal abatement cost curve (MACC)

IA210700-MSC-REP-0001

6. Roadmap Forecast – Net Zero Pathway Results

Based on the adoption of each of the presented opportunities (with the exception of energy from waste), there is a considerable reduction in emissions achieved, however there are residual emissions present. This requires both an ongoing refinement of mitigation strategies over time and offsetting to achieve the 2050 target of net zero. Projections of annual emissions pre and post roadmap implementation are presented in Figure 6-1, with reductions in annual emissions for the target year shown in Figure 6-2.

At 2030 it is expected that the emissions will be over 50% below 2019 levels. Whilst no 2005 baseline exists for MSC for comparison to state interim targets, assuming that trends in MSC emissions are similar to that of NSW (i.e. have been falling since 2005²¹), a 50% reduction on 2019 levels may exceed a 35% reduction on 2005 levels. **[Drafting note: interim target to be confirmed by MSC]** If MSCs emissions have been increasing since 2005, however, as projected in the forward focused baseline scenario, this may not be the case and only the establishment of a 2005 baseline of equivalent boundary could confirm.

It is noted that whilst the year of adoption will not impact the annual emissions profile at 2050 (provided all are adopted by then), the cumulative emissions reduction achieved will differ, and should adoption be delayed, roadmap emissions will more closely track against baseline emissions for an extended period. This would result in higher cumulative emissions over the period between now and 2050, and hence urgency of adoption is considered important for minimising net contribution to global warming.

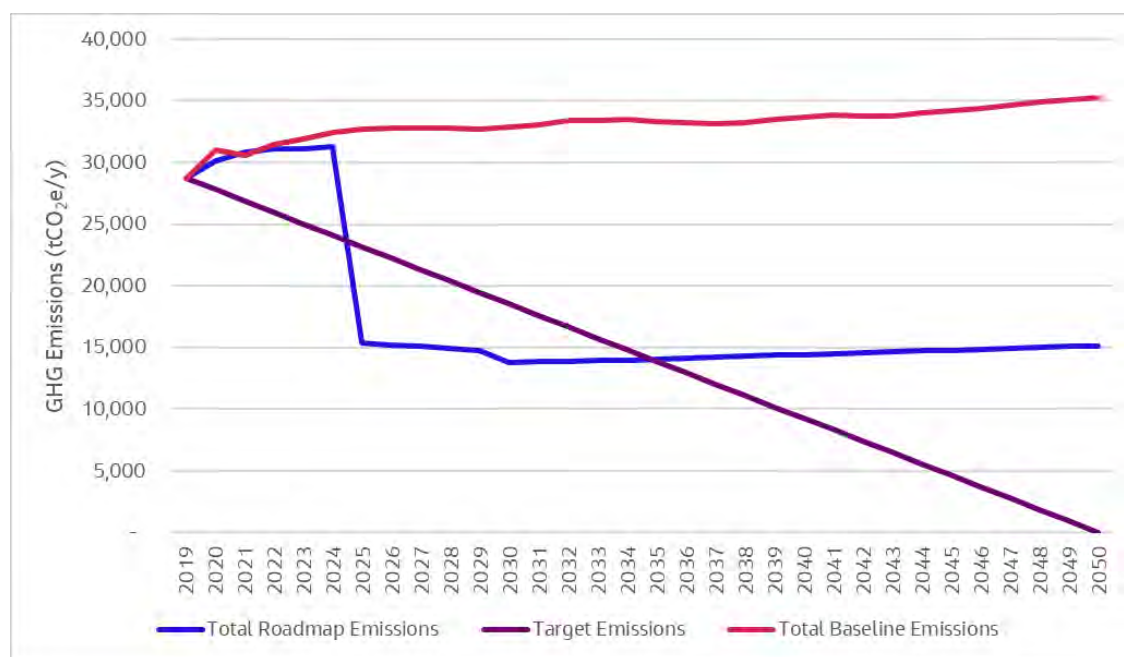


Figure 6-1: Roadmap total emissions vs target trajectory

From 2035 the residual emissions are expected to exceed the target trajectory without further reductions. Strategies to continually reduce construction emissions and to further reduce waste emissions should be refined over time to realign the actual emissions after this point. Where this is not possible and residual emissions remain, procurement of offsets will be required.

²¹ <https://www.soe.epa.nsw.gov.au/all-themes/climate-and-air/greenhouse-gas-emissions>

Roadmap Technical Report

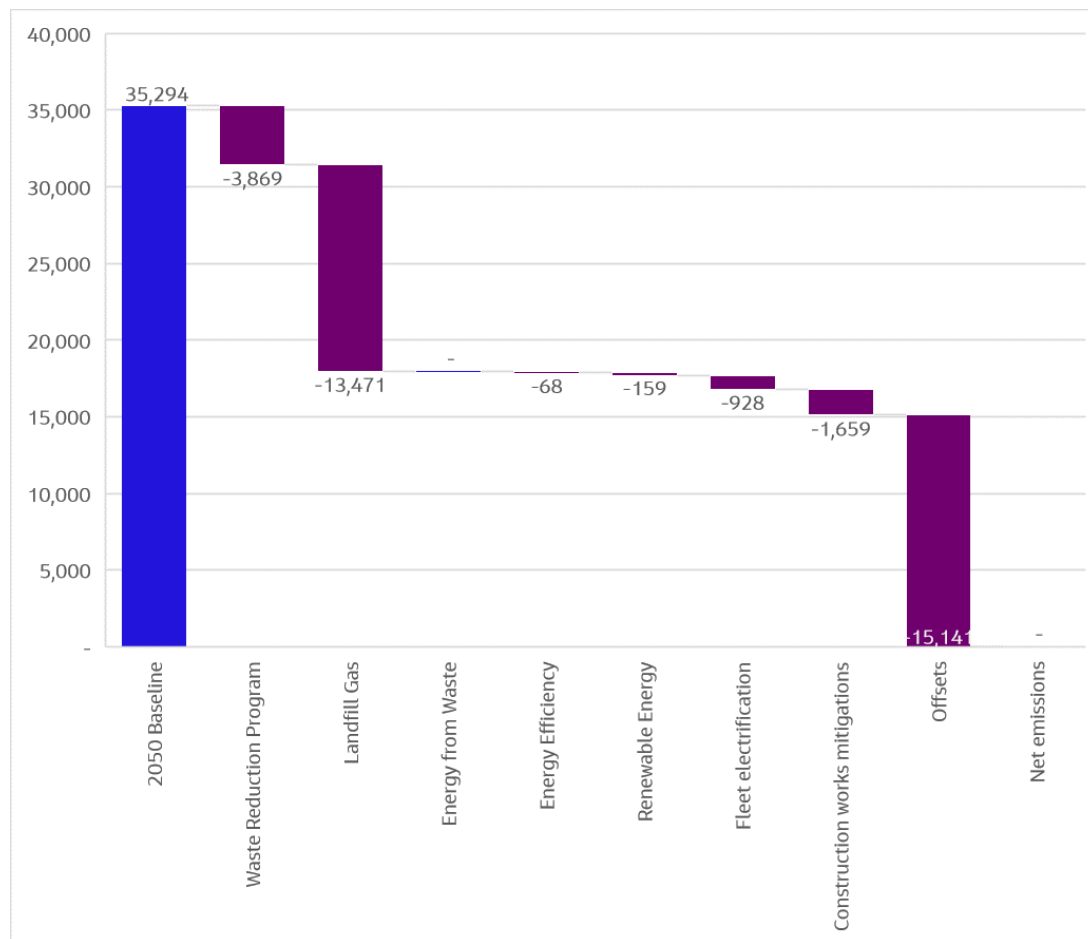


Figure 6-2: Emissions reductions in 2050 under the roadmap

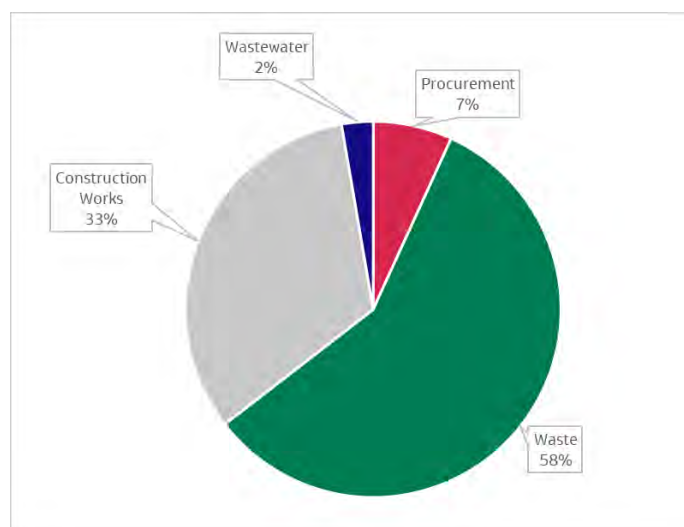


Figure 6-3: Roadmap residual emissions proportions 2050

IA210700-MSC-REP-0001

7. Next Steps

The implementation of the roadmap strategy will require ongoing management. The actions for implementation over the short, medium and long term are presented below.

12 months

- Begin collecting more detailed data for missing emissions sources to develop inventory
 - Require procurement teams to keep records of materials (concrete, steel, asphalt, aggregates, etc), water treatment chemicals and similar in physical units (e.g. tonnes or m³)
 - Require construction teams to report on land clearing and land use changes as part of projects
 - Integrate requirement for regular reporting of fuel, electricity and materials use information into external contracts
 - HVAC servicing contractors to provide records of refrigerant top-ups in kg of refrigerant
- Refine resourcing plan for waste management to address priority actions, including:
 - Undertake waste auditing to improve waste composition records for landfill
 - Develop Council response plan to address actions within the National Waste Policy Action Plan 2019, NSW Waste and NSW Sustainable Materials Strategy 2041 and other relevant strategies
 - Identify funding and/or grant opportunities as part of National and State strategies for waste reduction, diversion or similar
 - Investigate opportunities for improved FOGO diversion rates and expansion to commercial FOGO collection
 - Audit landfill gas monitoring results and investigate areas for improvement
 - Investigate landfill gas capture opportunities and source funding for feasibility studies and detailed costings
 - Potential initiation of a Council Waste Management Strategy to address above priorities
- Arrange energy audits to identify retrofit opportunities for key buildings including Muswellbrook Marketplace, Tertiary Education Centre (TEC) Annex, Bridge St Library and Council Administration
- Integrate improved energy efficiency requirements into the design for new Council buildings including the Entertainment Centre and Bridge St mixed use development
- Investigate opportunities for biofuel (B5) procurement and storage at Council depot and transition all petrol and diesel to be replaced with E10 and B5 for Council works where compatible (and integrate requirement into construction contracts for third parties)
- Undertake FY2020 and FY2021 updates of emissions inventory using provided tool and NGERs Calculators

Roadmap Technical Report

3-6 years

- Ongoing updates of emissions inventory including additional detailed emissions source information
- Prepared detailed costings of emissions reduction strategies and integrate into Council budget forecasts
 - Identify opportunities for National and/or State funding and grant opportunities
- Integrate emissions reduction Key Performance Indicators (KPIs) into construction contracts and identify emissions reduction opportunities for construction works
- Review opportunities for further construction works emissions reduction in collaboration with contractors, including opportunities for the use of sustainability rating systems (e.g. Infrastructure Sustainability Council of Australia for infrastructure and Green Star for buildings)
- Implementation of waste reduction programs and domestic and commercial FOGO systems
- Undertake design and implementation of energy efficiency retrofit opportunities
- Undertake detailed design, tendering and construction for landfill gas capture and generation system
- Investigate opportunities for increased renewable energy uptake (distributed, large scale and/or Power Purchase Agreements as appropriate)
- Produce a Green Fleet Strategy to identify detailed opportunities and requirements for transition of Councils plant and equipment fleet to electric (and potentially hydrogen as appropriate)

2030

- Finalise procurement and/or lease agreements for remaining fleet electrification
- Continued collaboration with construction contractors to identify opportunities for further emissions reductions
- Review progress against emissions reduction targets (50% below 2019 levels by 2030) and refine strategy for further mitigation as required **[Drafting note: interim target to be confirmed by MSC]**
- Begin investigating offset opportunities and consider development of an offset strategy where mitigations are unable to stay on track with targets
- Review ambition for net zero targets (potential to bring forward) and or potential for third-party certifications such as 'Carbon Neutral' under the Climate Active Standard

8. References

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MPO Rail Salvage Project – S138 application - Covering Letter.



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20th September 2021

The General Manager
Muswellbrook Shire Council
60-82 Bridge St
Muswellbrook NSW 2333
council@muswellbrook.nsw.gov.au

Dear Sir/Madam,

S138 Permit Application (Rev 2) – MPO Rail Salvage Project

Please find the attached application for a Section 138 Approval for the MPO Rail Salvage Project (Appendix D).

MACH Energy's Mount Pleasant Operation (MPO) constructed its Stage 1 Rail, Coal Loading and Hunter River Water pumping infrastructure in 2017-2018 under DA 92/97. The construction of this infrastructure provided connection of the site's coal handing and preparation plant, situated north of Wybong Road (East), to ARTC's Ulan main rail line, which enabled commencement of mining operations and export of thermal coal from the site in late 2018.

MPO then developed, submitted, and received approval for Modification 4 to its Consent which would allow it to construct the Stage 2 - Rail, Coal Loading and Hunter River Water pumping infrastructure, which is now under construction. The Rail 2 Project is facilitated by approved Section 138 (S138) 2021/0019 and is planned to be completed late 2021.

A requirement of these consent modifications, as approved by the Department of Planning, Industry and Environment (DPIE), is that all Stage 1 Infrastructure must be removed prior to 31st October 2022. These removal works are referred to as the MPO Rail Salvage Project.

Some of the MPO owned Stage 1 Infrastructure resides within the Muswellbrook Shire Council (MSC) road reserves. The construction of this Stage 1 Infrastructure, which is now required to be removed, was facilitated by numerous Section 138 approvals through MSC in 2017 & 2018. It is proposed that all aspects of the MPO Rail Salvage Project and its interactions with MSC's public road reserve and assets would be conducted under a single S138 approval for ease and consistency. MPO are working on the detailed designs & final planning of this project and preliminary works are scheduled to commence at the end of November this year (2021).

For reference, the existing S138 approvals that were utilised for the construction of this infrastructure are listed on the following page. Similarly, the associated removal bonds for this infrastructure are noted for each relevant approval. These bonds will continue to remain until such time that this infrastructure is removed, lands rehabilitated and accepted by MSC, as per their associated existing S138 approvals. The Special Conditions for these existing S138 approvals are attached in appendix C.

Revision 2 – In consultation with MSC

Page 1 of 3

MPO Rail Salvage Project – S138 application - Covering Letter.

| Construction phase section 138 approvals | Bonds |
|---|----------------|
| 2017/0002 - Wybong Road Conveyor Culverts | \$ 210,000.00 |
| 2017/0055 - Rail Bridge Bengalla Link Road | \$1,205,000.00 |
| 2018/0009 - Overhead and Buried Services Bengalla Link Road | NA |
| 2018/0015 - Rail & Road works Bengalla & Old Bengalla Roads | \$ 525,000.00 |
| 2018/0097 - Rail Loop Access Bengalla Link Road | NA |

The MSC roads directly affected by the MPO Rail Salvage Project are currently managed and maintained by MPO by its existing Road Maintenance Management Plan agreement with MSC. These roads are indicated in yellow within Appendix A - Project General Arrangements. Measurable extents of these areas are listed below:

Bengalla Link Road: from 650m East of the Old Bengalla Road Intersection, through to the intersection with Wybong Road.

Old Bengalla Road: from the intersection with Bengalla Link Road, through to 20m beyond the cattle grid.

Wybong Road (East): from the intersection with Bengalla Link Road, through to 'Bates Gate' (3.3km from Bengalla Link Road).

MPO Rail Salvage Project - High level scope associated with MSC assets.

For reference, please see the attached MPO Rail Salvage Project - General Arrangements (Appendix A) for locations and aerial imagery of the assets.

- Option 1: Removal of the MPO owned Road-Over-Rail Bridge on Bengalla Link Road and reinstatement of the road reserve (as per S138 2017/0055) – see 'A' in appendix A, or
- Option 2: MPO owned Road-Over-Rail Bridge to remain in place on Bengalla Link Road under the current S138 agreement, remaining as MPO owned and maintained infrastructure, until such time that Bengalla Link Road is relocated. Removing requirement of significant disturbance to the public road traffic during its demolition.
- Removal of the MPO owned Active Level Rail Crossing and Rail Infrastructure on Old Bengalla and Bengalla Link Roads and reinstate the road reserve (as per S138 2018/0015) – see 'B' in appendix A.
- Decommissioning works, including sealing and filling of the MPO owned Over Land Conveyor culverts, under Wybong Road to remain in situ, sealed and filled. Removing the requirement of significant disturbance to the public road traffic during demolition of the structure, in addition to not disturbing the Wybong Road Rehabilitation works currently being completed, see 'C' in appendix A.
- Removal of all Stage 1 Rail, Train Loading, Conveyor, Water & Power Supply infrastructure from the rail easements (not within MSC road reserves) and transported off site to salvage/disposal facilities via accesses onto public roads.
- Bulk earthwork material movements across Bengalla Link Road and Old Bengalla Road.
- Decommission and secure redundant/affected private services and road assets.
- Rehabilitation of affected MSC road corridors and assets, equal to or better than pre-existing standard.

MPO Rail Salvage Project – S138 application - Covering Letter.

The project will utilise existing access gates as listed below and noted on the attached MPO Rail Salvage Project – Accesses and Work Zone Table (Appendix B):

- (1) Hunter River Water Access: South of Bengalla Link Road
- (2) Active Rail Crossing - Rail alignment: Both sides of Old Bengalla Road
- (3) Gate 15: East of Bengalla Link Road
- (5) Rail Loop Access: East of Bengalla Link Road
- (6) MPO Site Entry: North of Wybong Road
- (7) Gate 21: South of Wybong Road
- (8) Bates Gate: North of Wybong Road

The project will reinstate a previous haul crossing connection (4) as a haul crossing location of Bengalla Link Road with Gate 15. The location of the Active Rail Crossing will also be utilised for heavy vehicle movements across Old Bengalla Road (2). Current imagery of all accesses is shown in Appendix F.

Attachments:

- **Appendix A: MPO Rail Salvage Project – General Arrangement**
- **Appendix B: MPO Rail Salvage Project – Accesses & Work Zone Table**
- **Appendix C: Construction Phase Section 138 approvals – Special Conditions**
- **Appendix D: S138 Road Opening/Activity Permit Application**
- **Appendix E: Public Liability Insurance – Certificate of Currency**
- **Appendix F: Pre-Project Accesses Status**

Kind regards,

Joshua Kelly

Permits & Approvals

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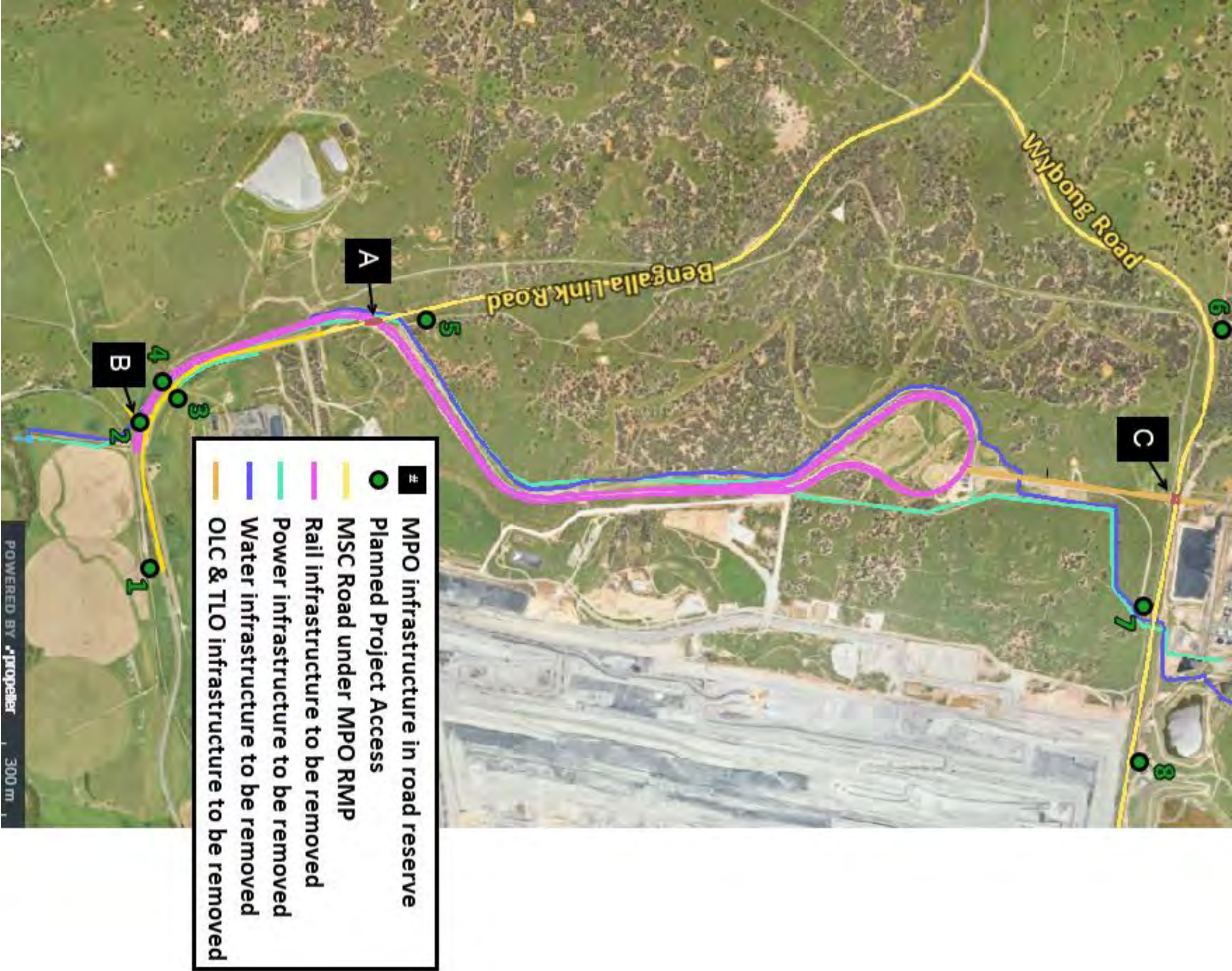


MPO Rail Salvage Project – S138 application – Appendix A

Appendix A

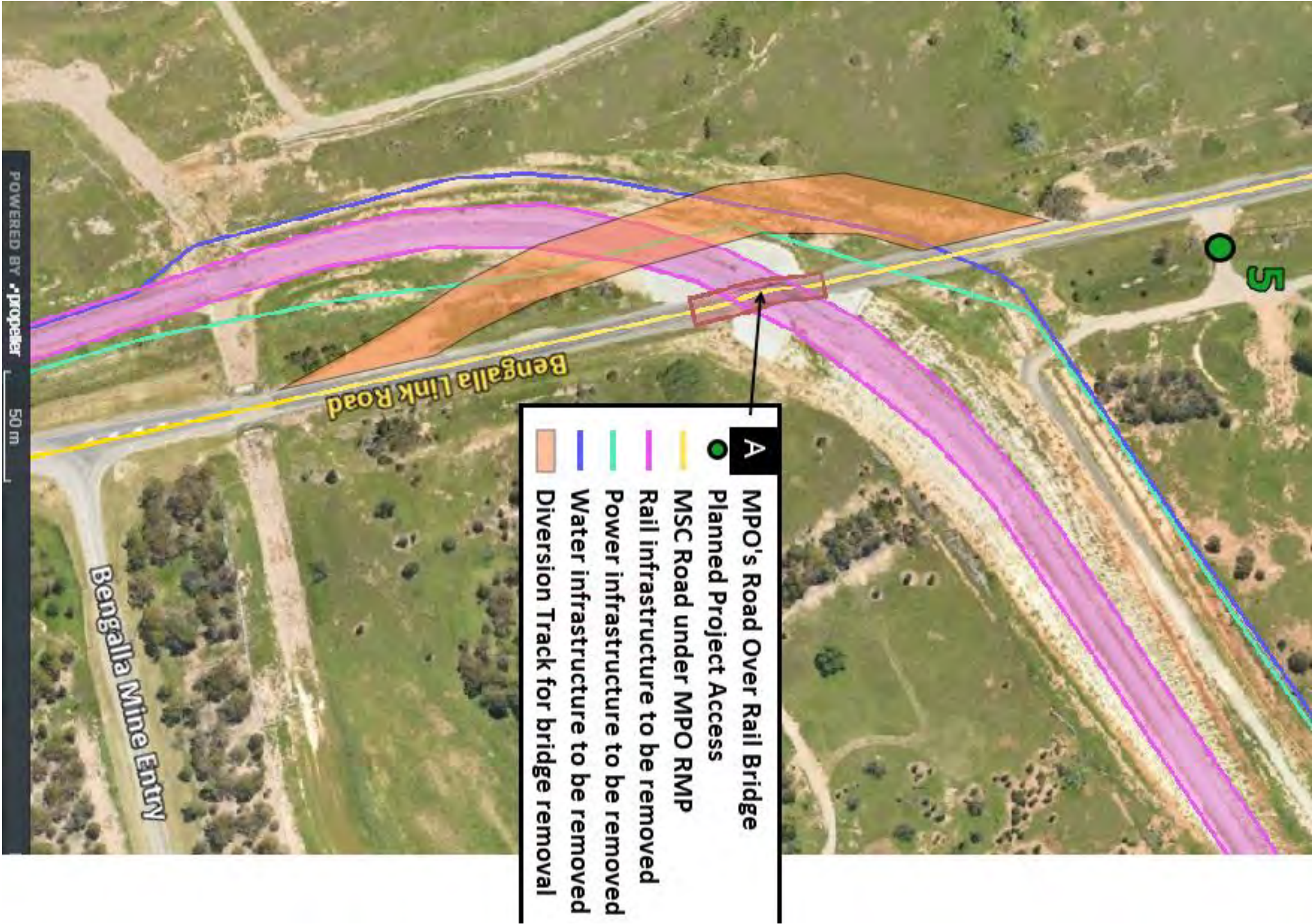
MPO Rail Salvage Project – General Arrangements

MPO Rail Salvage Project – Full Project General Arrangement

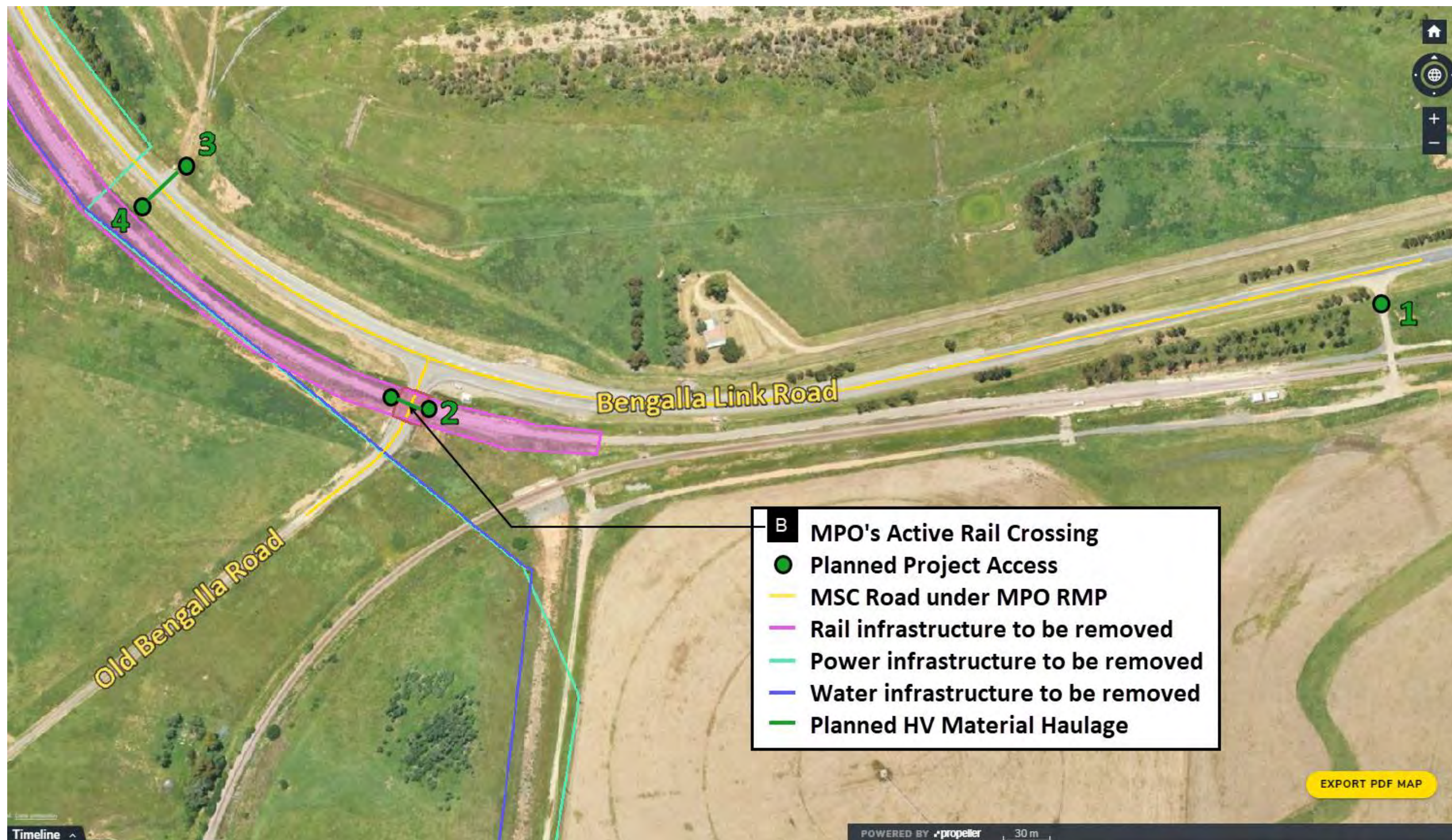


MPO Rail Salvage Project – S138 application – Appendix A

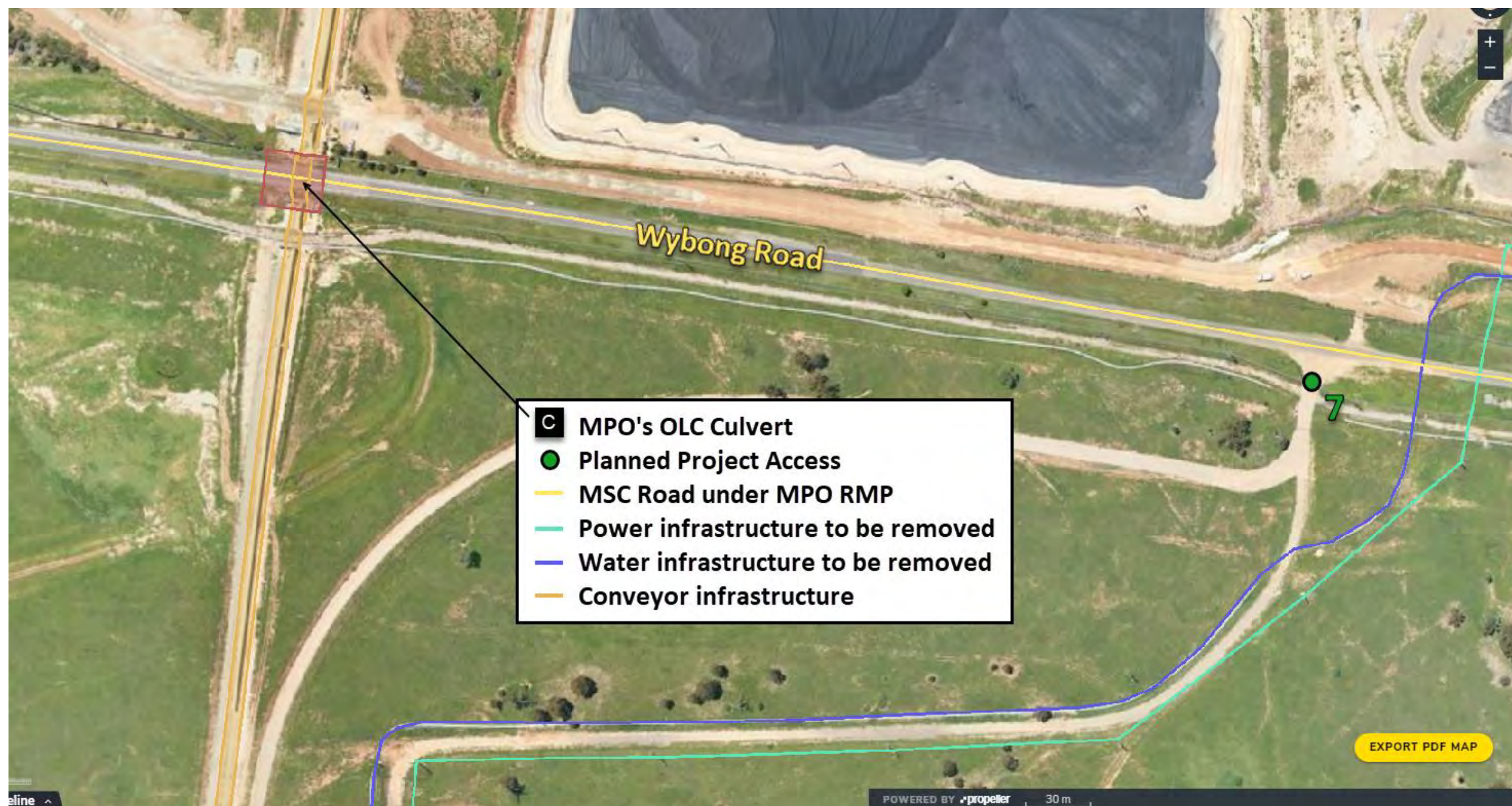
MPO Rail Salvage Project – Work Zone A - General Arrangement



MPO Rail Salvage Project – Work Zone B General Arrangement



MPO Rail Salvage Project – Work Zone C General Arrangement



MPO Rail Salvage Project – S138 application – Appendix B

Appendix B

MPO Rail Salvage Project – Accesses & Work Zone Table

MPO Rail Salvage Project – S138 application – Appendix B

| MPO Rail Salvage Project - ACCESSES & WORKZONE TABLE - S138 Application ACCESS SCHEDULE - Construction Access and Permanent Access Gates | | | | |
|---|---|---|--|--|
| Access/ Work zone | Status | Location Description - Purpose of Access/ Work zone | Action Post Construction S138 | Issues and Constraints |
| Access 1 | Existing Suitable Permanent Access | <p>Location: Southern side of Bengalla Link Road, 620m East of the Old Bengalla Road intersection.</p> <p>History: Constructed by MACH during the Stage 1 Rail Project in 2017. It replaced an existing access off Bengalla Link Road to a private rail level crossing, which facilitates resident access to agricultural lands, as well as access by ARTC to their Ulan line infrastructure, Bengalla and MPO to their Hunter River Water Pumping infrastructure, all located on the southern side of the ARTC Ulan Rail line.</p> <p>Project Purpose: Access to/from MPO's Hunter River Pumping infrastructure located on the southern side of the ARTC Ulan line, for the demolition and removal of this infrastructure.</p> <p>Indicative Project Utilisation:</p> <ul style="list-style-type: none"> - 12 semi-trailer movements total (materials and plant transport) 6 LV movements per day for approximately a 2 month period <p>Post Project Purpose: As this is an existing shared access for multiple parties, it will remain in place at completion of this project and no longer be used by MPO.</p> | Permanent Access utilised and maintained by parties outside of MPO. | <p>To be maintained as per the current MPO Road Maintenance Management Plan agreement with MSC, until Practical Completion of the MPO Rail Salvage Project by 31 October 2022.</p> <p>Council requires written confirmation that this access will be utilised and maintained by others post Practical Completion of the MPO Rail Salvage Project. This written confirmation must be confirmed by the other party and is to include:</p> <ul style="list-style-type: none"> - Who the other party is that requires the access, - What they require the access for, - Commitment from the other party to own the ongoing maintenance of the access. <p>Prior to the projects utilisation of Access 1, the applicant is to submit confirmation of swept paths for the largest vehicle utilising this access, to ensure the current access is sufficient for the project's requirements, to Council's satisfaction.</p> |
| Access 2 | Current Active Rail Crossing Temporary for Construction Use | <p>Location: Old Bengalla Road, 30m from the intersection with Bengalla Link Road.</p> <p>History: The Active Rail Crossing was constructed by MACH during the Stage 1 Rail Project in 2017/18. It facilitates safe operation of trains across Old Bengalla Road, between the ARTC Ulan Main rail line to the MPO Rail Loop.</p> <p>Project Purpose: Removal of Active Rail crossing and associated infrastructure. Temporary use of location for construction and earthworks equipment movements across Old Bengalla Road, under Traffic Control, for removal of material and infrastructure from the ARTC corridor to the MPO Rail Loop area.</p> <p>Post Project Purpose: Old Bengalla Road will be reinstated with the current constructed designed pavements from the Stage 1 Construction (or similar approved by MSC) and sealed. MPO will not require use of this area post Practical Completion of the MPO Rail Salvage Project.</p> | <p>Temporary Access during Project Works period.</p> <p>To be decommissioned to the satisfaction of Council prior to completion of the MPO Rail Salvage Project or by 31 October 2022.</p> | <p>Old Bengalla Road pavement to be reinstated as per the Stage 1 Rail constructed pavement (or similar approved by MSC) and sealed.</p> <p>Surrounding areas within the road reserve are to be rehabilitated, including reinstatement of boundary fencing, all disturbances within the road reserve to be re-established to Auspec standard including top soiling, grass seeding, reshaping of table drains, and scour protection where required to Council's satisfaction.</p> <p>To be maintained as per the current MPO Road Maintenance Management Plan agreement with MSC, until Practical Completion of the MPO Rail Salvage Project by 31 October 2022.</p> <p>The below information is to be provided to Council prior to commencement of the removal works on Old Bengalla Road:</p> <ul style="list-style-type: none"> - Pavement reinstatement design - Extent of Work - Work methodology |

MPO Rail Salvage Project – S138 application – Appendix B

| Access/ Work zone | Status | Location Description - Purpose of Access/ Work zone | Action Post Construction S138 | Issues and Constraints |
|----------------------|--|---|---|---|
| Access 3 | Existing Suitable Permanent Access Known as BMC's Gate 15 | <p>Location: Northern side of Bengalla Link Road, 200m West of the Old Bengalla Road intersection.</p> <p>History: Originally installed by Bengalla Mining Company (BMC) and labelled 'Gate 15'. During the MPO Stage 1 Rail Project, this access was upgraded as part of the Bengalla Road Realignment works and utilised for construction access and Heavy Vehicle material movements across Bengalla Link Road.</p> <p>Project Purpose: Construction vehicle access to laydown area and Heavy Vehicle material movements across Bengalla Link Road from material stockpiles on the Northern side, to the Rail Loop area on the Southern side.</p> <p>Indicative Project Utilisation:</p> <ul style="list-style-type: none"> - 80 HV 40T Articulated Truck movements per day for 1 month - 6 LV movements per day for 1 month - 12 plant/float movements total <p>Post Project Purpose: Access will remain in place for the continued use and management by BMC. MPO will not require use of this area post Practical Completion of the MPO Rail Salvage Project.</p> | Permanent Access utilised and maintained by parties outside of MPO. | <p>To be maintained as per the current MPO Road Maintenance Management Plan agreement with MSC, until Practical Completion of the MPO Rail Salvage Project by 31 October 2022.</p> <p>Council requires written confirmation that this access will be utilised and maintained by others post Practical Completion of the MPO Rail Salvage Project. This written confirmation must be confirmed by the other party and is to include:</p> <ul style="list-style-type: none"> - Who the other party is that requires the access, - What they require the access for, - Commitment from the other party to own the ongoing maintenance of the access. <p>Prior to the use of Access 3 for the movement of Earthmoving Equipment across Bengalla Link Road, the applicant is to submit the following to Council's satisfaction:</p> <ol style="list-style-type: none"> Geometric design for the access; Pavement design to be constructed for the impacted section of Bengalla Link Road to facilitate the road crossing by 40t Moxy Trucks; A road maintenance plan to be implemented on the impacted section Bengalla Link Road at the crossing for the duration of its use for construction purposes; A pavement design for the permanent reinstatement of the affected section of Bengalla Link Road at the Crossing; and Provide Council with a TMP And TGS for safe management and utilisation of this access. |
| Access 4 | Temporary for Construction Purposes | <p>Location: Southern side of Bengalla Link Road, 200m West of the Old Bengalla Road intersection - directly opposite Access 3.</p> <p>History: During the MPO Stage 1 Rail Project, this access was utilised for construction access to Work area and Heavy Vehicle material movements across Bengalla Link Road.</p> <p>Project Purpose: Construction vehicle access to Work area and Heavy Vehicle material movements across Bengalla Link Road from material stockpiles on the Eastern side, to the Rail Loop area on the Western side, under Traffic Control.</p> <p>Post Project Purpose: Access will be removed and rehabilitate prior to Practical Completion of the MPO Rail Salvage Project.</p> | Temporary Access during Project Works period. To be decommissioned to the satisfaction of Council prior to completion of the MPO Rail Salvage Project or by 31 October 2022. | <p>To be decommissioned at the completion of the MPO Rail Salvage Project or before 31 October 2022. This will include reinstatement of boundary fencing, all disturbances within the road reserve to be re-established to Auspec standard including top soiling, grass seeding, reshaping of table drains, and scour protection where required to Council's satisfaction.</p> <p>To be maintained as per the current MPO Road Maintenance Management Plan agreement with MSC, until Practical Completion of the MPO Rail Salvage Project by 31 October 2022</p> |
| Access 5 | Existing Suitable Permanent Access Known as Rail Loop Access | <p>Location: Eastern side of Bengalla Link Road, 530m North of Bengalla Mine entrance.</p> <p>History: Constructed by MACH during the Stage 1 Rail Project in 2017. It provided construction and operational access off Bengalla Link Road to the MPO Rail Loop. This access is currently utilised periodically by MPO's Rail rolling stock operator 'Aurizon', MPO for Rail Loop Maintenance activities and BMC for access to their lands to the North of the MPO Rail Loop.</p> <p>Project Purpose: Construction access to/from MPO's Rail Loop area, East of Bengalla Link Road, to the Rail Loop itself, for the demolition and removal of this infrastructure.</p> <p>Indicative Project Utilisation (Peak Volumes):</p> <ul style="list-style-type: none"> - 50 x 6 Wheeler Truck movements per week - 75 x LV movements per week <p>Post Project Purpose: As this is an existing shared access with BMC, it will remain in place at completion of the MPO Rail Salvage Project, but no longer be used or maintained by MPO.</p> | Permanent Access utilised and maintained by parties outside of MPO. | <p>To be maintained as per the current MPO Road Maintenance Management Plan agreement with MSC, until Practical Completion of the MPO Rail Salvage Project.</p> <p>Council requires written confirmation that this access will be utilised and maintained by others post Practical Completion of the MPO Rail Salvage Project. This written confirmation must be confirmed by the other party and is to include:</p> <ul style="list-style-type: none"> - Who the other party is that requires the access, - What they require the access for, - Commitment from the other party to own the ongoing maintenance of the access. |

MPO Rail Salvage Project – S138 application – Appendix B

| Access/ Work zone | Status | Location Description - Purpose of Access/ Work zone | Action Post Construction S138 | Issues and Constraints |
|----------------------|--|---|--|--|
| Access 6 | Existing Suitable Permanent Access Known as MPO Site Entry | Location: Northern side of Wybong Road, 1.6km from the intersection with Bengalla Link Road. History: Constructed by MACH during the Wybong Road Upgrade Project in 2017. It provides construction and operational access to the main Mount Pleasant Operation site. Project Purpose: Construction access to/from MPO's Project Office and Laydown area, North of Wybong Road. Post Project Purpose: Continued Construction and Operational access to MPO. | Permanent Access utilised and maintained by MPO Construction and Operations | To continue to be maintained as per the current MPO Road Maintenance Management Plan agreement with MSC. |
| Access 7 | Existing Suitable Permanent Access Known as BMC Gate 21 | Location: Southern side of Wybong Road, 1.2km East of the intersection with Access 6 (MPO Site Entry). History: Originally installed by BMC in 2016 for access between their mine site South of Wybong Road and their Dry Creek Dam infrastructure North of Wybong Road. MPO utilised the existing access in 2017 for the Construction and Operational use of the MPO Stage 1 Rail infrastructure. MPO are currently upgrading this access as part of the Wybong Road Rehabilitation (WRR) Project, as per the MSC accepted design. Project Purpose: Construction access to/from MPO's Rail Loop, Train Load Out, Over Land Conveyor and associated infrastructure, South of Wybong Road, for the demolition and removal of this infrastructure. Indicative Project Utilisation (Peak Volumes): <ul style="list-style-type: none"> - 20 x OSOM movements per week - 30 x plant/float movements per week - 30 x Semi-trailer movements per week - 75 x LV movements per week Post Project Purpose: As BMC will continue to require utilisation of this access, as per the original functions of Gate 21, the access will remain in place at completion of the MPO Rail Salvage Project, but no longer be used by MPO. | Permanent Access utilised and maintained by parties outside of MPO. | To be maintained as per the current MPO Road Maintenance Management Plan agreement with MSC, until 2 years post Practical Completion of the MPO Rail 2 Project, as per the Rail Overbridge and Works Deed executed 17/03/2021. Council requires written confirmation that this access will be utilised and maintained by others post Practical Completion of the MPO Rail Salvage Project. This written confirmation must be confirmed by the other party and is to include: <ul style="list-style-type: none"> - Who the other party is that requires the access, - What they require the access for, - Commitment from the other party to own the ongoing maintenance of the access. Prior to the projects utilisation of Access 7, the applicant is to submit confirmation of swept paths for the largest vehicle utilising this access, to ensure the current access is sufficient for the project's requirements, to Council's satisfaction. All OSOM movements are to be undertaken under traffic control. |
| Access 8 | Existing Suitable Permanent Access Known as Bates Gate | Location: Northern side of Wybong Road, 660m East of Access 7 (Gate 21). History: Originally constructed by BMC in 2016 as a replacement private rural access to a residential property (Bates Homestead). MPO is currently upgrading this access to be a shared access with BMC as part of the Wybong Road Rehabilitation (WRR) Project, as per the MSC accepted design. This upgraded access also replaces BMC's Dry Creek Dam infrastructure access point (80m further East), which is currently being removed and rehabilitated as part of the WRR Project. Project Purpose: Construction access to/from MPO's Site North of Wybong Road, for relocation of salvaged infrastructure from the South of Wybong Road. Post Project Purpose: BMC access to their Dry Creek Dam infrastructure North of Wybong Road. The access will remain in place at completion of the MPO Rail Salvage Project. | Permanent Access utilised and maintained by parties outside of MPO. | To be maintained as per the current MPO Road Maintenance Management Plan agreement with MSC, until 2 years post Practical Completion of the MPO Rail 2 Project, as per the Rail Overbridge and Works Deed executed 17/03/2021. |

MPO Rail Salvage Project – S138 application – Appendix B

| Access/ Work zone | Status | Location Description - Purpose of Access/ Work zone | Action Post Construction S138 | Issues and Constraints |
|----------------------|--|---|---|---|
| Work Zone A | Existing Road over Rail Bridge | <p>Bengalla Link Road Bridge Location: Bengalla Link Road, area between approximately 100m to 550m North of Bengalla Mine Entrance. History: MPO constructed the road-over-rail Bengalla Link Road Bridge in 2017/18, under MSC S138 2017/0055. MSC hold a security bond for this infrastructure of \$1,205,000. <i>“The Security is to be held from the end of the construction period until the mine owned asset is removed from the road reserve and the road reserve and landform is restored to the satisfaction of council or as approved by Council.”</i> (S138 2017/0055 – Special Condition 1). This infrastructure has been managed and maintained by MPO since its construction, under the Road Maintenance Management Plan agreement with MSC.</p> | [See options below] | [See options below] |
| | | <p>Project Purpose – Option 1: Removal of all MPO infrastructure from within the Council road reserve in this area, to comply with S138 2017/0055 requirements, and rehabilitate the road reserve to the satisfaction of Council. Implementation of a temporary diversion road to direct public traffic safely around the bridge, enabling the demolition and removal of the bridge and associated infrastructure from the public road reserve, and replacement of materials into the void below the bridge and reinstatement of Bengalla Link Road carriageway and road reserve to the satisfaction of Councils as per designs to be approved by MSC (designs in development).</p> | Temporary Work Zone. To be decommissioned to the satisfaction of Council prior to completion of the MPO Rail Salvage Project or by 31 October 2022. | Rehabilitation of the area, including reinstatement of boundary fencing, all disturbances within the road reserve to be re-established to Auspec standard including top soiling, grass seeding, reshaping of table drains, and scour protection where required to Council's satisfaction, prior to Practical Completion of the MPO Rail Salvage Project or by 31 October 2022. Area to be maintained as per the current MPO Road Maintenance Management Plan agreement with MSC as per 'Condition of Consent (COC) area'. |
| | | <p>Project Purpose – Option 2: Agreement to leave the bridge in place under the Management and Maintenance of MPO until such time that either: a) MPO remove the infrastructure in the future through S138 approval separate to this application, or b) Bengalla Link Road is realigned, and the road reserve is extinguished, deeming the bridge and associated infrastructure obsolete, at which time MPO would remove the infrastructure without disturbance to the travelling public road users. This agreement would supersede S138 2017/0055.</p> | Permanent maintenance zone until item a) or b) are satisfied. | Manage and Maintain the bridge and the surrounding road reserve under the current Road Maintenance Management Plan agreement with MSC as per 'Condition of Consent (COC) area' until either: a) A future S138 approval for removal is obtained and actioned, or b) The bridge is confirmed as obsolete infrastructure by MSC This option requires written agreement between MPO and other affected stake holders to align with the MPO Consent, prior to formal acceptance by Council. This written agreement is currently progressing between MPO and these stake holders, evidence of which will be provided to Council if and when agreement is executed. |
| Work Zone B | Existing Private Rail Infrastructure and Active Rail Crossing | <p>Location: Old Bengalla Road, from the intersection with Bengalla Link Road to 20m beyond the cattle grid (130m total alignment). Bengalla Link Road from approximately 430m East of Old Bengalla Road intersection, to approximately 430m West of the Old Bengalla Road Intersection. History: MPO constructed Road and Rail works on Bengalla Link and Old Bengalla Roads in 2018, including Active Rail Crossing, Rail line and associated infrastructure, under MSC S138 2018/0015. MSC hold a security bond for this infrastructure of \$525,000. <i>“The Security is to be held until the mine owned asset is removed from the road reserve and the road reserve and landform is restored to the satisfaction of council or as approved by Council.”</i> (S138 2018/0015 – Special Condition 2). This infrastructure has been managed and maintained by MPO since its construction, under the Road Maintenance Management Plan agreement with MSC. Project Purpose: Removal of all MPO infrastructure from within the Council road reserve in this area, to comply with S138 2018/0015 requirements, and rehabilitate the road reserve to the satisfaction of Council.</p> | Temporary Work Zone To be decommissioned to the satisfaction of Council prior to completion of the MPO Rail Salvage Project or by 31 October 2022. | Road reserve returned to MSC with all MPO infrastructure removed and area rehabilitated, including reinstatement of boundary fencing, all disturbances within the road reserve to be re-established to Auspec standard including top soiling, grass seeding, reshaping of table drains, and scour protection where required to Council's satisfaction, prior to Practical Completion of the MPO Rail Salvage Project or by 31 October 2022. |

MPO Rail Salvage Project – S138 application – Appendix B

| Access/ Work zone | Status | Location Description - Purpose of Access/ Work zone | Action Post Construction S138 | Issues and Constraints |
|-------------------------------|--|--|---|--|
| Work Zone C | Existing Over Land Conveyor Culverts | <p>Location: Wybong Road, between approximately 500m to 800m East of Access 6 (MPO Site Entry)</p> <p>History: MPO constructed the Over Land Conveyor culverts in 2017/18, under MSC S138 2017/0002. MSC hold a security bond for this infrastructure of \$210,000. <i>“The Security is to be held until the mine owned asset is removed from the road reserve and the road reserve and landform is restored to the satisfaction of council or as approved by Council.”</i> (S138 2017/0002 – Special Condition 2).</p> <p>This infrastructure has been managed and maintained by MPO since its construction, under the Road Maintenance Management Plan agreement with MSC.</p> <p>This section of Wybong Road is currently undergoing rehabilitation by MPO as part of the Wybong Road Rehabilitation Project.</p> <p>Project Purpose: Decommissioning of the Overland Conveyor Culverts under Wybong Road, by way of sealing and filling of the void through the culvert, allowing structure to remain in situ. This will significantly reduce the disturbance to the public road traffic and the recently constructed Wybong Road Rehabilitation works.</p> | <i>Permanent Works. Structure to remain in situ under Wybong Road.</i> | MPO to provide Council with suitable designed solution for the culvert to remain permanently in situ under Wybong Road. |
| Various Buried Services | Existing services within the road reserve | <p>Location: Wybong Road, Bengalla Link Road and Old Bengalla Road. Various locations throughout the Project General Arrangement area within the Road Maintenance Management Plan segments.</p> <p>History: MPO constructed numerous Electrical, Communication and Clean Water services throughout the project area during the Construction of the Stage 1 Rail and associated infrastructure. These works were conducted and completed under S138 2018/0009 in 2017/18.</p> <p>Project Purpose: The MPO Rail Salvage project will result in these services becoming redundant and will be no longer required. As these services were suitable constructed under the road reserve as per S138 2018/0009 requirements, they will be disconnected and sealed at the limits of the road reserve and left in situ. These services will be recorded as decommissioned and survey files provided to MSC.</p> | Remain in situ. 'decommissioned' survey data collated and provided to MSC. | <p>The road reserve will be returned to MSC to an acceptable condition, including reinstatement of boundary fencing, all disturbances within the road reserve to be re-established to Auspec standard including top soiling, grass seeding, reshaping of table drains, and scour protection where required to Council's satisfaction</p> <p>Decommissioned Survey data to be provided to Council within 4 weeks of Practical Completion of the MPO Rail Salvage Project or 31 October 2022, as per S138 standard conditions.</p> |
| Construction Traffic | | | | <p>MPO to provide:</p> <ul style="list-style-type: none"> - Detailed Traffic Management Plan (TMP) - Vehicle Movement Plan (VMP) - Traffic Guidance Scheme's (TGS) where required |

MPO Rail Salvage Project – S138 application – Appendix C

Appendix C

Construction Phase Section 138 Approvals Special Conditions

MPO Rail Salvage Project – S138 application – Appendix C

Construction Phase Section 138 approvals – Special Conditions

The special conditions attributed to each of the existing S138 approvals in relation to the construction phase of the project are noted below. Any special conditions that can be attributed directly to the Salvage Project S138 application have been highlighted for reference.

2017/0002 – Wybong Road Overland Conveyor Culverts

1. Works must be commenced within one month of consent date. **[COMPLETE]**
2. The Consent Holder must lodge with Council a Security to be held for the removal of the mine owned asset from the road reserve and restoration of the landform to the satisfaction of council. The Security in the form of a cash bond or bank guarantee is for an amount to be agreed with the General Manager prior to the commencement of the construction of the Mine owned Infrastructure. The Security as a bank guarantee is to be indexed at the Construction Price Index rates biannually and if a cash bond, the amount is to be reviewed every five years from lodgment. The Security is to be held until the mine owned asset is removed from the road reserve and the road reserve and landform is restored to the satisfaction of council or as approved by Council. **[Bank Guarantee with MSC – \$210,000.00]**
3. The works should be completed without delay in accordance with the approved timetable. Should works be delayed by weather or other cause beyond the control of the applicant an early application for a time extension will be considered. **[COMPLETE]**
4. The applicant must apply for a Section 138 Consent for ongoing maintenance in accordance with Condition 41 of the Development Determination for maintenance of Wybong Road to Gates 20 & 21 and establishment of suitable landscape works as required.
5. The consent holder is to ensure minimum delays to the school bus and other public road users. **[COMPLETE]**
6. The Consent Holder is to advise Council's Engineering Officer Works Quality on 0418 110 010 three days prior to commencing work to confirm inspections prior to commencement. **[COMPLETE]**
7. The Consent Holder is to advise directly affected residents and property owners of the program of Works that may affect access etc. at least a week in advance and incorporate reasonable access needs for those properties. The Consent Holder is to advise the general public of the Works by variable message board in the local area of the Works and advertisement in the local newspaper at least a week prior to site works. **[COMPLETE]**
8. The occupation of the Road should be undertaken in a safe manner, with adequate dust control. **[COMPLETE]**
9. The Consent Holder shall check for other services and is responsible for any damage to services and Council Infrastructure. Dial before you dig 1100. **[COMPLETE]**
10. This Consent does not constitute approval of any environmental impacts and the Consent Holder is responsible for any such impacts and any approvals that may be required in relation to the Works. **[COMPLETE]**
11. The Consent Holder must ensure that mud and dust from the Works is not carried on to the Road. (It is suggested that a device (from the Soil management book) may be required to remove such materials prior to entering the roads. Note: If required a shake down device should be placed off the existing road so that the public did not need to travel on it.) **[COMPLETE]**

MPO Rail Salvage Project – S138 application – Appendix C

2017/0055 – Rail Bridge Bengalla Link Road

1. The Consent Holder must lodge with Council a Security to be held for the removal of the mine owned asset from the road reserve and restoration of the landform to the satisfaction of council. The Security in the form of a cash bond or bank guarantee is for an amount to be agreed with the General Manager prior to the commencement of the construction of the Mine owned Infrastructure. The Security as a bank guarantee is to be indexed at the Construction Price Index rates biannually and if a cash bond, the amount is to be reviewed every five years from lodgment. The Security is to be held from the end of the construction period until the mine owned asset is removed from the road reserve and the road reserve and landform is restored to the satisfaction of council or as approved by Council. The agreed amount of the bond is \$1,285,000.00. **[Bank Guarantee with MSC]**

2. The works should be completed without delay in accordance with the approved timetable. Should works be delayed by weather or other cause beyond the control of the applicant an early application for a time extension will be considered. **[COMPLETE]**

3. The Consent Holder is to advise Council's Engineering Officer Works Quality on 0418 110 010 three days prior to commencing work to confirm inspections prior to commencement. **[COMPLETE]**

4. The Consent Holder is to advise directly affected residents and property owners of the program of Works that may affect access etc. at least a week in advance, and incorporate reasonable access needs for those properties. The Consent Holder is to advise the general public of the Works by variable message board in the local area of the Works and advertisement in the local newspaper at least a week prior to site works. **[COMPLETE]**

5. The occupation of the Road should be undertaken in a safe manner, with adequate dust control. **[COMPLETE]**

6. The Consent Holder shall check for other services and is responsible for any damage to services and Council Infrastructure. Dial before you dig 1100. **[COMPLETE]**

7. This Consent does not constitute approval of any environmental impacts and the Consent Holder is responsible for any such impacts and any approvals that may be required in relation to the Works. **[COMPLETE]**

8. The Consent Holder must ensure that mud and dust from the Works is not carried on to the Road. (It is suggested that a device (from the Soil management book) may be required to remove such materials prior to entering the roads. Note: If required a shake down device should be placed off the existing road so that the public did not need to travel on it.) **[COMPLETE]**

MPO Rail Salvage Project – S138 application – Appendix C

2018/0009 – Overhead and Buried Services Bengalla Link Road

1. The work must be commenced within one month of the consent date. **[COMPLETE]**
2. Consent holder to advise Council's Eng Officer Works Quality (on 0418 110 010) 3 days prior to confirm inspections prior to commencement. **[COMPLETE]**
3. Consent holder to advise directly affected residents and property owners of the works program that may affect access at least a week in advance and incorporate reasonable access needs for those properties. **[COMPLETE]**
4. The occupation of the road should be undertaken a safe manner with adequate dust control. **[COMPLETE]**
5. Consent holder shall check and is responsible for any damage to services and Infrastructure. Dial before you dig 1100. **[COMPLETE]**
6. Consent does not constitute approval of any environmental impacts and Consent holder is responsible for any such impacts and approvals required in relation to works. **[COMPLETE]**
7. Consent Holder must ensure mud and dust from works is not carried onto the road. It is suggested a device may be required to remove materials prior to entering roads. **[COMPLETE]**

Private Underground Power & Pipeline Special Conditions

1. Pipeline shall be placed 1MTR below table drain and Underground power 1.5M below. **[COMPLETE]**
2. All disturbed land shall be reinstated to condition prior to construction and to satisfaction of Council. **[COMPLETE]**
3. All due care & diligence must be exercised undertaking proposed works. **[COMPLETE]**
4. If any damages are caused to Council's assets or any other assets you will be responsible for all costs incurred to rectify them. You must have adequate public Liability Insurance to cover the operation. **[COMPLETE]**
5. Council does not take responsibility for maintenance or safety of the pipeline and other associated assets placed within road reserve. **[COMPLETE]**

This consent may be revoked if conditions are not complied with. **[COMPLETE]**

MPO Rail Salvage Project – S138 application – Appendix C

2018/0015 – Rail & Road works Bengalla & Old Bengalla Roads

1. The works must be commenced within two months of the consent date. **[COMPLETE]**
2. The Consent Holder must lodge with Council a Security to be held for the removal of the mine owned asset from the road reserve and restoration of the landform to the satisfaction of council. The Security in the form of a cash bond or bank guarantee is for an amount to be agreed with the General Manager prior to the commencement of the construction of the Mine owned Infrastructure. The Security as a bank guarantee is to be indexed at the Construction Price Index rates biannually and if a cash bond, the amount is to be reviewed every five years from lodgment. The Security is to be held until the mine owned asset is removed from the road reserve and the road reserve and landform is restored to the satisfaction of council or as approved by Council. **[Bank Guarantee with MSC - \$525,000.00]**
3. The works should be completed without delay in accordance with the approved timetable. Should works be delayed by weather or other cause beyond the control of the applicant an early application for a time extension will be considered. **[COMPLETE]**
4. The applicant must apply for a Section 138 Consent for ongoing maintenance in accordance with Condition 41 of the Development Determination for maintenance of the modified section of Bengalla Link Road, and establishment of suitable landscape works as required.
5. The Consent Holder is to advise Council's Engineering Officer Works Quality on 0418 110 010 three days prior to commencing work to confirm inspections prior to commencement. **[COMPLETE]**
6. The Consent Holder is to advise directly affected residents and property owners of the program of Works that may affect access etc. at least a week in advance, and incorporate reasonable access needs for those properties. The Consent Holder is to advise the general public of the Works by variable message board in the local area of the Works and advertisement in the local newspaper at least a week prior to site works. **[COMPLETE]**
7. The occupation of the Road should be undertaken in a safe manner, with adequate dust control. **[COMPLETE]**
8. The Consent Holder shall check for other services and is responsible for any damage to services and Council Infrastructure. Dial before you dig 1100. **[COMPLETE]**
9. This Consent does not constitute approval of any environmental impacts and the Consent Holder is responsible for any such impacts and any approvals that may be required in relation to the Works. **[COMPLETE]**
10. The Consent Holder must ensure that mud and dust from the Works is not carried on to the Road. (It is suggested that a device (from the Soil management book) may be required to remove such materials prior to entering the roads. Note: If required a shake down device should be placed off the existing road so that the public did not need to travel on it.) **[COMPLETE]**

2018/0097 – Rail Loop Access Bengalla Link Road

[No Special Conditions applied to this approval]

MPO Rail Salvage Project – S138 application – Appendix D

Appendix D

S138 Road Opening/Activity Permit Application

(3-page MSC application form attached)



Muswellbrook Shire Council ABN 86 864 180 944
 Ph 02 6549 3700 • Fax 02 6549 3701 • Email council@muswellbrook.nsw.gov.au
 PO Box 122 Muswellbrook NSW 2333 • 157 Maitland Street, Muswellbrook
www.muswellbrook.nsw.gov.au

S138 Road Opening/Activity Permit Application

This application becomes a permit made under Section 138 Roads Act 1993 (NSW) once signed by a Council authorised officer.

Muswellbrook Shire Council is the Road Authority for public roads within Muswellbrook Shire, with the exception of freeways and crown roads. To undertake work/activity on, or alongside, public roads an S138 permit must first be obtained. This advises Council of the planned work/activity and allows Council to assess the necessary implementation of standards relevant to the work/activity being proposed. These specific standards need to be identified and adhered to, ensuring Muswellbrook Shire roads are kept safe and well maintained.

Request, or download from muswellbrook.nsw.gov.au/roads, a copy of [S138 frequently asked questions](#) and S138 technical conditions for [roads](#) or [utilities](#).

Permit no. **Office use only**

Applicant details

| | | | |
|----------------|--|-------|---------------------------|
| Applicant name | MACH Energy Australia Pty Ltd | | |
| Address | Suite 1, Level 3, 426 King Street Newcastle West, NSW, 2303 | Phone | (02) 5517 1101 |
| | | Email | general@machenergy.com.au |

Location and specifications of proposed works (you are required to attach a plan)

| | |
|---|---|
| DA/CDC number (if applicable) | DA 92/97 |
| Name and location of road to be affected | Wybong, Bengalla & Old Bengalla Roads |
| Details of work/activity to be carried out | Removal of Mount Pleasant Operation's Stage 1 Rail Infrastructure and associated works as per covering letter and appendices. |
| Details of proposed restoration works <i>In the event you are not able to undertake restoration/works to the required standard yourself, you may seek a quote from Council's Works Department to schedule the works for you.</i> | N/A |

Do you require Muswellbrook Shire Council to provide a quote for restoration works to pavement, seal, footpath or other?

☐ Yes, please arrange for a quote ☒ No thanks

Duration of consent period

| | | | |
|-------------------|--------------------|-----------------|--------------------|
| Commencement date | 29th November 2021 | Completion date | 31st December 2022 |
|-------------------|--------------------|-----------------|--------------------|

Declaration of Applicant¹ or Director²

¹ I/we, the applicant, apply to Muswellbrook Shire Council, as the roads authority for the road and/or road reserve, for consent to undertake the above mentioned works and/or activity in, on or over the specified road as shown in the attached plan.

² (If applicant is a Company under the Corporations Act 2001) Signed by the Applicant Pursuant to s127(1) of the Corporation's Act 2001. Also in understanding and acceptance of the conditions under which this consent is granted.

| | | | |
|------------------------------------|---------------------|---------------------------------|----------------|
| Signature of Applicant or Director | | Signature of Director/Secretary | |
| Print name | Ferdian Purnamasidi | Print name | Michael Howard |
| Date | 13 August 2021 | Date | 13 August 2021 |

Approved on behalf of
Muswellbrook Shire
Council by its duly

Manager, Roads, Drainage and
Technical Services, Kellie Scholes

Date

Conditions

1. Manner of Work and/or Activity

- 1.1. The Work/Activity must be conducted according to the Plan and the Specifications.
- 1.2. The Applicant must complete any backfilling of trenching works in accordance with Council's Auspec #1 Specification 306 – "Road Openings and Restoration" – as stipulated in Technical conditions 1151 and/or 1152.
- 1.3. Where work/activity is undertaken in the CBD, the applicant must meet the Council's CBD specifications, at the applicant's expense.

2. Council Requirements

The Applicant must comply with all Council requirements in relation to the Work/Activity:

- a) Contained in this Permit and annexures;
- b) Contained in any notice in writing concerning the Work/Activity given to the Applicant by the Council; and
- c) Any direction given to the Applicant by the Council.

3. Legislation

The Applicant must observe all requirements with respect to the Work/Activity imposed by any statute, regulation or ordinance or otherwise imposed by a statutory or other authority.

4. Term

The Work/Activity must not be carried out at any time other than during the Consent Period.

5. Proceed Continuously

The Applicant must carry out the Work as expeditiously and safely as practicable and proceed continuously until completion.

6. Layout of Work

- 6.1. All pipe work crossing the Road must be laid perpendicular to the direction of the Road unless otherwise consented to by Council and described in the Specifications or shown in the Plan.
- 6.2. The pavement surrounding any excavation of the Road must be neatly saw-cut prior to excavation.
- 6.3. The Applicant must ensure that any cut pavement maintains a neatly finished edge at all times.

7. Advise Council

- 7.1. The Applicant must give the Council a minimum of five working days notice prior to when the Work/Activity is to commence.
- 7.2. The Applicant must notify Council as soon as the Work is completed if completion occurs during Business Hours.
- 7.3. The Applicant must notify Council during the next Business Hours if the Work is completed outside of Business Hours.

8. Expense

The Work is carried out at the Applicant's expense.

9. Consent and Acknowledgement

This Permit must be signed for and on behalf of Council in order for consent to be granted; and must also be signed by the Applicant in acknowledgement of the conditions under which this consent is granted.

10. Service Conduit

Any Service Conduit placed across the Road must have at least 400mm of fill cover in addition to the road pavement thickness.

11. Footpaths

Where any footpath is disturbed it must be restored to the original condition by the Applicant at the Applicant's cost.

12. Fee

The Permit Fee is to be paid for the issue of this Permit.

13. Restoration Fees

13.1.

Where Council is required to undertake Restoration works, determination of the Restoration Fees is governed by Section 67 of the Local Government Act.

13.2.

Where a Restoration Fee is applicable the Applicant must pay the Restoration Fee:

- a) As soon as the Work is completed if completion occurs during Business Hours; or
- b) During the next Business Hours if the Work is completed outside of Business Hours.

13.3.

If disturbance to the Road exceeds that shown on the Specifications, the Applicant must pay the additional cost to Council for restoration.

14. Indemnity

The Applicant indemnifies and holds Council harmless against all Claims by any person arising in connection with any acts or performance of an obligation under this Permit.

14.1. Specific Indemnities:

- Without limiting clause 13.5 the Applicant indemnifies and holds Council harmless against any Claim arising directly or indirectly out of the following:

- a) The construction and installation of the Work;
- b) Conduct by the Applicant which amounts to a breach of any license, permit, approval or legislation;
- c) Council granting consent to the Applicant to carry out the Work;
- d) Failure to comply with any obligation of the Applicant under this permit.

14.2. Applicant to Maintain Insurance

- a) The Applicant must maintain a public liability insurance policy with an insurer approved by Council with a limit for any one event of not less than twenty million dollars (\$20,000,000).
- b) The Applicant must produce evidence of the currency and terms of insurance

as part of each permit application.

- c) The insurance must be on terms to the reasonable satisfaction of Council and name Council as an insured party

15. Traffic Management Plan

15.1.

The Applicant must ensure that a Traffic Management Plan is in place whilst the Work is being carried out.

15.2.

The appropriate traffic control measures must be established at the Applicant's cost.

15.3.

The traffic control measures must be in accordance with the current RMS Guidelines "Traffic Control at Work Sites".

15.4.

The Applicant must not interrupt or otherwise disturb the traffic flow on the Road without the written consent of Council.

16. Responsibility for Restoration works

16.1.

Where the applicant is not able to meet the standards required, the applicant can either contract the services of another provider that can – or apply to Council's Works Department for a quote, and for the work to be undertaken by Council at the applicant's expense

16.2.

Where council is required to undertake the restoration works, the Applicant is responsible for the Works until Council's road maintenance service provider completes the standard road pavement restoration. Where the applicant undertakes to do the restoration work themselves, then the applicant is responsible until Council agrees to the standard of that restoration work

17. Responsibility in the event of absence or emergency.

17.1.

In the Applicant's absence from the site of the Work, or in the event of any emergency (for which the Council has sole right of decision), Council may take such action as it considers necessary to prevent:

- a) Loss of or damage to the whole or any part of the Work;
- b) Loss or damage to the Road or any property adjacent to the work; or
- c) To prevent personal injury to any person;

17.2.

Any such action (under sub-clause 15.2) is at the Applicant's expense.

18. Safety

The Applicant must:

- 18.1. Carry out the Work with due regard to the safety and rights of the public;
- 18.2. In addition to clauses 0 and 3 comply with the requirements of the NSW Workcover Authority, the Department of Industrial Relations & Employment, and the Police Service of NSW.

19. Relocation

19.1.

If it is necessary in the reasonable opinion of Council:

- a) To relocate or remove any portion of the Work; or
- b) Carry out any additional work for the safety and protection of the public, Applicant must relocate or carry out such removal or additional work as reasonably determined by the Council.

19.2.

Any such relocation and/or additional work required to be carried out is at the Applicant's expense.

20. Public Risk

Nothing in this consent shall be deemed to:

- a) Prejudice or affect the rights of the public to free passage upon or along the Road;
- b) Authorise any nuisance to, or permanent obstruction of, the Road or public places;
- c) Confer upon the Applicant exclusive right or title to that part of the Work within the boundaries of the Road, or
- d) In any way restrict or limit the powers of the Authority and the Council in respect of the Road.

21. Deemed Acknowledgement

Upon commencement by the Applicant of any part of the Work it shall be deemed that the Applicant has agreed with the Council to comply with the conditions of this consent.

22. Conditions for moving or grazing stock on Council roads (this permit is not valid unless the applicant has approval from Local Land Services.)

- a) That stock warning signs as described in the Local Land Act 2013 indicating the presence of stock on the road shall be prominently displayed 200 metres before and after the section of road being used;
- b) Stock signs must be displayed at all times when stock are on or adjacent to a roadway, and removed when stock are no longer present;
- c) That the distance over which stock are being grazed does not exceed 2kms at any one time;
- d) When stock are being moved along the road, warning signs shall be no further than 5kms apart;
- e) That at least one person shall be attending the stock at all times;
- f) That the stock may only be present on a public road during daylight hours.

Recitals

- A. The Council is a public roads authority for the Road under s7(4)(b) of the Roads Act 1993 (NSW).
 B. The Council consents to the Applicant placing, installing or erecting the Work within or across the Road under the conditions contained in this Permit.
 C. The consent is granted under s138 of the Roads Act 1993.

Definitions

“**Act**” means Roads Act 1993 (NSW)

“**Applicant**” means the signatory on the application being the individual(s) with the authority and the responsibility for the carrying out of the work;

“**Business Hours**” means the opening hours of Muswellbrook Shire Council Administration Centre;

“**Claims**” means any loss, damages, claims, demands, causes of action or suits of any kind;

“**Consent Period**” means _____
 _____ or as per the application;

“**Council**” means Muswellbrook Shire Council;

“**Council Officer**” means the Muswellbrook Shire Council’s nominated officer;

“**Permit Fee**” means the fee paid by the Applicant to Council for the administrative costs associated with the issue of the Permit and shown in the Specifications;

“**Pipe work**” means pipes, conduits, hoses, tubing, cables and wires;

“**Plan**” means the plan attached and marked Annexure “A”;

“**Restoration Fee**” means a fee paid to Council in consideration for the Council restoring the Road surface after completion of the Work;

“**Road**” means _____
 _____ including/not including the road reserve;

“**RMS**” means Roads and Maritime Services;

“**Service Conduit**” means conduits used to run service wires and cables underground;

“**Specifications**” means Council’s Technical Conditions 1151 and/or 1152, Council’s CBD Specifications, and any other specifications as issued in the permit consent notification.

“**Traffic Management Plan**” means the Traffic Management Plan (also referred to as Traffic Control Plan or TCP) as approved by Council; and

“**Work**” means the plan of works described in application, including any restoration whether by the applicant or Council, and special instructions

Notes

An Application should be lodged for Consent to Carry out a Section 138 Roads Act Activity if the Applicant proposes to:

- erect a structure or carry out a work in, on or over a public road, or
- dig up or disturb the surface of a public road, or
- remove or interfere with a structure, work or tree on a public road, or
- pump water into a public road from any land adjoining the road, or
- connect a road (whether public or private) to a classified road being a main road, a state highway, a controlled access road or a secondary road.

The applicant must lodge with the application the following:

- ☒ A plan showing the exact location of the proposed Road Works
☐ Specifications of the proposed Road Works
☒ Evidence of suitable public liability insurance
☐ Traffic control plan - **Will be provided to MSC 'Technical Officer - Roads & Drainage' prior to commencement**
☒ The application fee of \$ _____ (the current fee as set by Council)

Any permit issued will not be valid without the above information and the original application attached

Payment methods merchant fee of 0.82% charged on all credit card transactions.

| | | | | | |
|--------------------|--------|----------------------|------|--|----------------------|
| cash | cheque | Mastercard | Visa | credit card no. | <input type="text"/> |
| Card holder's name | | <input type="text"/> | | Expiry date | <input type="text"/> |
| Signature | | <input type="text"/> | | Today's date | <input type="text"/> |
| | | | | Daytime ph (for payment processing queries) | <input type="text"/> |
| | | | | Amount | <input type="text"/> |

Muswellbrook Shire Council is committed to protecting your privacy. We take all reasonable steps to comply with relevant legislation and Council policy. For further information phone 02 6549 3700 or email council@muswellbrook.nsw.gov.au.

MPO Rail Salvage Project – S138 application – Appendix E

Appendix E

Public Liability Insurance – Certificate of Currency

(1-page certificate attached)

CERTIFICATE OF CURRENCY


PUBLIC & PRODUCTS LIABILITY

Date of issue: 30-APR-2021

This document serves to provide a summary of the cover afforded under the policy detailed below and to confirm the currency of the policy as at the Date of Issue specified above.

This certificate confers no rights upon the holder and does not amend, extend nor alter the terms and conditions of the contract of insurance in any way.

Summary only

| | | |
|------------------------------------|---|---------------|
| Insured: | MACH Energy Australia Pty Ltd MACH Australia Holdings Pty Ltd MACH Mount Pleasant Operations Pty Ltd MACH Mount Pleasant Marketing Pty Ltd Including subsidiary or controlled companies now or previously existing, or hereafter formed or acquired | |
| Interested Party(ies): | Muswellbrook Shire Council for their respective rights and interests | |
| ABN / ITC % | ABN: 34 608 495 441 | ITC: 100% |
| Period of insurance: | From: 30-APR-2021 at 4:00pm Local Standard Time (LST) To: 30-APR-2022 at 4:00pm LST | |
| Geographical limits: | Worldwide excluding USA and Canada | |
| Sums insured: | Public Liability, any one occurrence | \$ 20,000,000 |
| | Products / Completed Operations Liability <i>Any one occurrence and in the annual aggregate</i> | \$ 20,000,000 |
| | Pollution Liability (Sudden & Accidental only) <i>Any one occurrence and in the annual aggregate</i> | \$ 20,000,000 |
| | Goods in Care, Custody or Control <i>Any one occurrence and in the annual aggregate</i> | \$ 1,000,000 |
| Insurer(s): | Berkshire Hathaway Specialty Insurance / Epsilon Underwriting Agencies | |
| Policy number(s): | 47-ZCA-307096-03 / WRB70M | |
| Relevant policy extensions: | + Nil | |
| Prepared by: |  Anthony Auzmendi Senior Account Manager, Allegiant IRS | |

1

CONFIDENTIAL | CERTIFICATE OF CURRENCY – PUBLIC & PRODUCTS LIABILITY


MPO Rail Salvage Project – S138 application – Appendix F

Appendix F

Pre-Project Accesses Status

(3-page document with imagery of all proposed access locations)

Additional information with Revision 1 – In consultation with Council

| MPO Rail Salvage Project - ACCESSES & WORKZONE TABLE - S138 Application | | | |
|---|--|---|---|
| PRE-PROJECT ACCESS STATUS | | | |
| Aerial Imagery June 2021 | Location Photos 19/08/2021 | | |
| Access 1 | A | B | C |
|  |  |  |  |
| Access 2 | A | B | |
|  |  |  | |
| | C | D | |
| |  |  | |

| | | | |
|---|--|--|--|
| <p>Accesses 3 & 4</p>  | <p>A</p>  <p>C</p>  | <p>B</p>  <p>D</p>  | |
| <p>Access 5</p>  | <p>A</p>  | <p>B</p>  | <p>C</p>  |

C



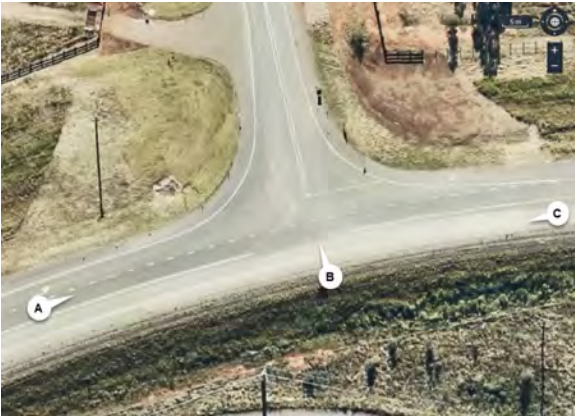
B



A



Access 6



C



B



A



Access 7



C



B



A



Access 8



Schedule of Details

| | | |
|------------------------------------|---|-----------------|
| 1. The Works | The works are the works within the Road Reserve of Bengalla Road, Bengalla Link Road and Wybong Road as detailed in the email and application MACH Energy dated 20 September 2021 and attached to the September 28 report to Council and held by Council as Doc ID 1307389. | |
| 2. The Site | Wybong Road, Bengalla Link Road, Old Bengalla Road and associated areas as shown in the above documents. | |
| 3. Estimated Cost of the Works | \$ (GST inclusive) | [Clause 6.1(e)] |
| 4. Estimated Council Costs | Plan Approval \$ 5,930.00 (GST inclusive) Construction Observation & Traffic Control Plans \$ 59,540.00 (GST inclusive) Final Acceptance (WAE review etc) \$ 5,000.00 (GST inclusive) Total \$ 70,470.00 (GST inclusive) | [Clause 6.1(f)] |
| 5. Defects Liability Period | 12 Months | [Clause 8.4] |
| 6. Consent Holder's Representative | Name..... Richard Bailey..... Position..... General Manager Operation..... Mobile Phone... 0417 412 962..... Office Phone..... Email richard.bailey@machenergyaustralia.com.au .. Facsimile..... | [Clause 14.3] |
| 7. Council's Representative | Name..... Kellie Scholes..... Position..... Manager Roads Drainage & Technical Services..... Mobile Phone... 0407 252 142 Office Phone... 02 6549 3756..... Email Kellie.scholes@muswellbrook.nsw.gov.au..... Facsimile..... 02 6549 3701..... | [Clause 14.3] |
| | | |

Draft Special Conditions MPO Rail Salvage Project

1. Prior to commencement of any salvage/construction activity, all proposed temporary construction and permanent accesses are to be located, designed and constructed to meet minimum requirements of Muswellbrook Shire Council's rural property access drawing 0041/1 revision A dated 16/7/2012 unless otherwise agreed by Council. Approved accesses are to be in accordance with those stipulated on MPO Rail Salvage Project s.138 application Appendix B Accesses and Workzones Table.
2. All constructed temporary accesses are to be removed and decommissioned upon completion of construction, boundary fencing reinstated and all areas of disturbances within the road reserve to be reestablished to AUS-SPEC standard including top soiling, grass seeding, reshaping of table drains and scour protection where required to Council's satisfaction.
3. All permanent accesses that will remain in place on completion of the Salvage Project that no longer benefit MPO are to have confirmation in writing from the third party/ies that the access is of necessity and that the third party will take responsibility for the ongoing maintenance of the access/es to the satisfaction of Council.
4. Prior to the use of Access 3 for the movement of Earthmoving Equipment across Bengalla Link Road, the applicant is to submit the following to Council's satisfaction:
 - a) Geometric design for the access;
 - b) Pavement design to be constructed for the impacted section of Bengalla Link Road to facilitate the road crossing by 40t Moxy Trucks;
 - c) A road maintenance plan to be implemented on the impacted section Bengalla Link Road at the crossing for the duration of its use for construction purposes;
 - d) A pavement design for the permanent reinstatement of the affected section of Bengalla Link Road at the Crossing; and
 - e) Provide Council with a TMP And TGS for safe management and utilisation of this access.
5. Standard hours of operation are:
 - 7:30am to 5:00pm Monday to Friday;
 - 7:30am to 1:pm on Saturdays; and
 - No work to occur on Sundays or Public Holidays.unless otherwise agreed with Council. See also Condition 14 School Bus times.
6. The location of the contractor construction site office access is to be decided in consultation with Council to determine the impact the access will have on the adjoining public road.
7. Any oversize/overmass loads must have gained prior approval either through NHVR or directly to Council to travel on any local road.
8. The consent holder is required to facilitate other OSOM loads that have gained Council approval to travel on Wybong Road and Bengalla Link Road.
9. An approved Construction Traffic Management (and Vehicle Movement) Plan CTMP has been approved by DPIE, post consultation with Council. The permit holder is to discuss

details of the Traffic Management, including construction traffic volumes, staging timing and Traffic Guidance Schemes with Council's Technical Officer, Roads & Drainage prior to and during the period of construction. This information is to be provided and accepted by Council prior to commencement of and during the period of construction.

10. All works impacting public roads will require a Traffic Guidance Scheme (TGS). All TGS plans are to be developed as per RMS "Traffic Control at Worksites Conditions" and to be accepted by Council prior to use. Any changes to the TGS's will require submission to council prior to the implementation of the changes. MACH Energy are to coordinate with other adjacent Section 138 *Roads Act 1993* permit holders for access requirements and coordination of TGS's, (if applicable) to Council's satisfaction.
11. Road Maintenance Management Plan: The applicant will be required to carryout a full maintenance regime in accordance with their existing Road Maintenance Management Plan for Roads affected by the Rail Salvage Project works.
12. Dilapidation report: A dilapidation report which records the conditions of the road pavement, drainage structures and other road related infrastructure must be compiled in consultation with Council MRD&TS for:
 - i. Bengalla Link Road from Access 1 to the intersection of Wybong Road;
 - ii. Wybong Road from the intersection of Bengalla Link Road to Access 7 (known as BMC Gate 21)
 - iii. Old Bengalla Road from the intersection of Bengalla Link Road to the first Cattle grid.On practical completion of the project the dilapidation report must be undertaken again and all defects identified. Any defects identified will be rectified to the pre work conditions or better at the full cost to the applicant or in accordance with clause 14 of the general condition of the s.138 *Roads Act 1993* approval covered under "Restoration Fees"
13. Time frames: A schedule of works will be provided to Council in the form of a Gant chart detailing individual key work activities associated with the overall work project and completion of work stages. Specifically where this works impacts Council's road reserve. This is to be updated every 4 weeks and made available to Council. A liaison meeting should be scheduled as required.
14. School bus times Construction traffic is not to operate on Wybong or Bengalla Link Road during the school bus times. School bus times are to be confirmed by the applicant in consultation with the relevant bus companies.
15. Inclement weather: Council as the road authority reserves the right to automatically suspend or decrease the construction traffic activity in the event of heavy or prolonged rain affecting their roads. Construction traffic movements are not permitted on public roads when fog conditions prevail and sight distances are compromised.
16. The consent Holder is to advise Council's Technical Officer, Roads & Drainage on 0418 110010 fourteen days prior to commencing work to confirm inspections regime.
17. The Consent Holder is to advise directly affected residents and property owners of the program of Works that may affect access etc. at least one week in advance, and incorporate reasonable access needs for those properties. The Consent Holder is to

advise the general public of the Works by variable message board in the local area of the Works and advertisement in the local newspaper at least a week prior to site works.

18. The occupation of the Road should be undertaken in a safe manner, with adequate dust control.
19. The Consent Holder shall check for other services and is responsible for any damage to services and Council Infrastructure. Dial before you dig 1100.
20. The Consent does not constitute approval of any environmental impacts and the Consent Holder is responsible for any such impacts and any approval that may be required in relation to the Works.
21. The Consent Holder must ensure that mud and dust from the Works is not carried on to the Road. It is recommended that a device (from the Soil Management book) be used to remove such materials prior to entering the roads.
22. This Consent is not valid until all fees listed on the Schedule of Details and any Bond amounts and terms (if required) in the Schedule are agreed on.
23. A design and work methodology for the decommissioning works, including the sealing and filling associated with the MPO owned Under Road Conveyor Culvert on Wybong Road is to be provided to and accepted by Council prior to any work commencing at this location.
24. The nominated information is to be provided to Council prior to commencement of the removal works on Old Bengalla Road:
 - a) Road Pavement reinstatement design;
 - b) Extent of Work and
 - c) Work methodology.
25. Bengalla Link Road Road-Over- Rail Bridge Removal:

The removal of the MPO infrastructure within Council's roads will impose the following conditions where works associated with the decommissioning of the infrastructure will require the construction of a diversion road:

 - a. The design of the diversion road is to be in accordance with Austroads Guide to Temporary Traffic Management and specifically nominated criteria Part 2 Table 3.5:
 - i. >60km/h
 - ii. Two lane/two way
 - iii. Minimum lane widths 3.5m
 - iv. Curve with radius 100-250m requires curve widening 0.5m per lane
 - b. The diversion road is to provide for the accommodation of all approved vehicle types that will be using the route. Swept paths for 19m vehicles minimum need to be provided to confirm design of pavement widths with the road to accommodate OSOM vehicle movements. The design of the diversion is to be supported by a Level 2 Road Safety Audit undertaken by an independent (from the designer) qualified road safety auditor accredited by TfNSW to undertake the level of road audit required.

- c. On completion of the diversion road and prior to the public use of the diversion, MACH Energy must do all things necessary to vest the diversion roads with MSC as a Temporary Public Road, including (without limitation):
 - i. Preparing the diversion road Temporary Road Dedication Plan;
 - ii. Obtaining all necessary Approvals to enable the dedication of the diversion road as a Temporary Public Road and
 - iii. Take all necessary steps to effect registration of the Diversion Road Temporary Public Road Plan at NSW Land Registry Services.
- d. MACH Energy acknowledges and agrees that completion of the Diversion Road Works and the dedication of the diversion road as a temporary public road must be completed prior to the modification of traffic flow on affected roads so as to ensure that road users have either the original road alignment or the diversion for use at all times. MACH Energy are to meet all costs and expenses reasonably incurred associated with this process
- e. Construction is to be in accordance with AUS-SPEC specifications and RMS 3051 with Edition 6 or above. The constructed diversion road is to be subject to a Road Safety Audit to include day and nighttime conditions prior to the opening of the diversion road to traffic. The diversion road is to be placed under full traffic conditions for a period of at least one (1) week prior to the decommissioning of the road bridge or occupation of the road reserve of the affected portion of Bengalla Link Road.
- f. Maintenance- The consent holder shall conduct condition inspections of the Diversion Road and carry out maintenance in accordance with RMS Spec M3 SN1-3. The following inspections shall be carried out by trained and competent personnel:

Prompted inspection- Prompted inspections are needed when an event, incident or defect that is hazardous or potentially hazardous is reported or identified by any other means.

Routine inspection- Routine inspections involve both daytime and night-time asset inspections and occur as per the nominated timeframes at the frequency specified below. Daytime inspections involve driving the road carriageway, to elevate and record defects and the conditions of assets. The direction of travel must alternate for each inspection. Identify accident damage or deformation in an ancillary element such as furnishings. Inspection at night involve driving the road in both directions to observe, elevate and record defects and conditions of delineators and traffic signals.

Routine daytime inspection interval: In accordance with RMS Traffic Control at Works Sites Manual.

Routine night-time inspection interval: In accordance with RMS Traffic Control at Works Sites Manual.

An inspection system must be implemented, as agreed by the Principal, and operated to;

 - i. Record all defects and incidents including those reported by the public;
 - ii. Identify hazards and
 - iii. Provide a method for tracking compliance with the defect management
- g. Decommissioning- Prior to decommissioning the diversion road, the affected portion of the affected roads are to be reconstructed as follows:
 - i. The design and construction standards will be in accordance with Austroads Guidelines, TfNSW supplements and AUS-SPEC specifications for MSC road Class RS2M (Bengalla Link Road Hierarchy Class);

- ii. A Road Safety Audit undertaken by an independent (from the designer) qualified road safety auditor accredited by TfNSW is to be undertaken prior to opening to traffic and
- iii. The affected road portions are to be constructed to Council's satisfaction prior to the decommissioning of the diversion roads.

26. Council reserves the right to reconsider and review the special conditions relating to the movement of construction vehicles on public roads.



The Hon Brad Hazzard MP
Minister for Health
Minister for Medical Research

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

Our ref H18/55233

Dear Councillor Rush

I am writing to acknowledge the efforts of Muswellbrook Shire Council in providing drinking water services to your community and to offer ongoing support for water fluoridation and implementation of drinking water management systems. A safe drinking water supply is essential to protect public health.

The NSW Government continues to support fluoridation of drinking water as a safe, effective and equitable way to help prevent tooth decay in the community. I appreciate that some ageing fluoridation systems may need upgrades in the near future to meet the *NSW Code of Practice for Fluoridation of Public Water Supplies*. NSW Health can provide assistance to review fluoridation systems. A 100% subsidy is available for the construction of new fluoride plants and approved capital upgrade, repair or replacement works. This includes all preconstruction activities such as design and procurement costs.

Good training of staff is critical to maintain high quality drinking water services. The NSW Department of Industry - Water provides a comprehensive technical training program for water treatment operators. NSW Health can also assist with the costs of training of water fluoridation system operators.

The NSW Government is committed to supporting local water utilities in their responsibility to deliver safe drinking water to their communities. A properly implemented drinking water management system, which is required by the *Public Health Act 2010*, helps ensure safe drinking water. In particular, utilities must be confident that their critical control points are appropriate and working effectively. NSW Health can support utilities with specialist contractors to help implement drinking water management systems.

In line with the *State Infrastructure Strategy 2018-2038*, NSW Health and NSW Department of Industry - Water are working with utilities to identify priority infrastructure projects that protect drinking water safety. The NSW Government's Safe and Secure Water Program has committed \$1 billion to help water utilities address public health, water security, environmental outcomes and/or social benefits. Details are at: (www.industry.nsw.gov.au/water/plans-programs/infrastructure-programs/safe-and-secure-water-program).

For further information on water fluoridation (including plant upgrades and training) or implementing drinking water management systems, please contact your local Public Health Unit (<http://www.health.nsw.gov.au/Infectious/Pages/phus.aspx>).

Yours sincerely



Brad Hazzard MP

24 AUG 2018

GPO Box 5341, Sydney NSW 2001
Phone: (61 2) 8574 6000 Fax: (61 2) 9339 5506 Web: www.nsw.gov.au



MUSWELLBROOK SHIRE COUNCIL

Recycled Water Policy

Reference Number

(Draft)

*This document is a controlled document. Before using this document, check it is the latest version by referring to the Controlled Document Register.
Unless otherwise shown, printed or downloaded versions of this document are uncontrolled.*

POLICY OBJECTIVE

Muswellbrook Shire Council's Recycled Water Policy has been developed in line with the *Australian Guidelines for Water Recycling: Managing Health and Environmental Risks (Phase 1)*-2006 and formalises our commitment to safe, responsible and sustainable use of recycled water. All partners, contractors and partnership agencies should be made aware of the policy.

POLICY STATEMENT

Muswellbrook Shire Council supports and promotes the responsible use of recycled water and the application of a management approach that consistently meets the *Australian Guidelines for Water Recycling*, as well as recycled water user and regulatory requirements.

To achieve this, we will:

- Ensure that protection of public and environmental health is recognised as being of principal importance
- Maintain communication and partnerships with all relevant agencies involved in management of water resources, including waters that can be recycled
- Engage appropriate scientific expertise in developing recycled water schemes
- Recognise the importance of community participation in decision-making processes and the need to ensure that community expectations are met
- Manage recycled water quality at all points along the delivery chain from source to the recycled water user
- Use a risk-based approach in which potential threats to water quality are identified and controlled
- Integrate the needs and expectations of our users of recycled water, communities and other stakeholders, regulators and employees into planning processes
- Establish regular monitoring of control measures and recycled water quality and establish effective reporting mechanisms to provide relevant and timely information, and promote confidence in the recycled water supply and its management
- Develop appropriate contingency planning and incident-response capability
- Participate in and support appropriate research and development activities to ensure continuous improvement and continued understanding of recycled water issues and performance
- Contribute to the development of industry regulations and guidelines, and other standards relevant to public health and the water cycle
- Continually improve our practices by assessing performance against corporate commitments and stakeholder expectations.

Muswellbrook Shire Council will implement and maintain recycled water management systems consistent with the *Australian Guidelines for Water Recycling* to effectively manage the risks to public and environmental health.

LEGISLATION

- Australian Guidelines for Water Recycling: Managing Health and Environmental Risks (Phase 1) (2006)
- Protection of the Environment Operations Act 1997
- Environmental Protection Licences

Doc ID: [1306955]

Uncontrolled document when printed

2 of 3

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See copyright and confidentiality notice.

From: Duane Dowell <gm@muswellbrookraceclub.com.au>
Sent: Wednesday, 21 July 2021 3:37 PM
To: Fiona Plesman <Fiona.Plesman@muswellbrook.nsw.gov.au>
Subject: Mayors Cup
Importance: High

Hi Fiona,

I hope you are well.

Not sure if you know but I have accepted a role at Newcastle Jockey Club from 16th August and am looking to finalise race days and sponsorships before I leave.

Th Mayors Cup is run on Melbourne Cup Day (Tuesday 2 November) of which Muswellbrook Shire Council have supported for many years.

Muswellbrook Race Club very much enjoys the support from Muswellbrook Shire Council and the Mayors Cup is one of the feature races on our racing calendar.

I would like to invite you to continue your sponsorship and have taken the liberty of attaching a renewed agreement which is in line with last year's arrangement.

I look forward to your thoughts and your ongoing partnership at Muswellbrook Race Club.

Kind Regards,

Duane Dowell

Chief Executive Officer

Ph: (02) 6541 1699

Mob: 0432 925588

gm@muswellbrookraceclub.com.au

www.muswellbrookraceclub.com.au





09 September 2021

ABN 29 151 691 468
Level 26, 259 George Street
Sydney NSW 2000

The General Manager

PO Box R864
Royal Exchange NSW 1225

Muswellbrook Shire Council
PO Box 122
Muswellbrook NSW 2333

Ph: +61 2 8248 1272
Fax: +61 2 8248 1273

Website: www.malabarresources.com.au

By email: Fiona.Plesman@muswellbrook.nsw.gov.au

Dear Ms Plesman

Planning Agreement – Maxwell Underground Coal Project

In accordance with condition A17 of the Development Consent for the Maxwell Underground Coal Project (SSD-9526) granted on 22 December 2020 (**Consent**), Maxwell Ventures (Management) Pty Ltd (**Maxwell**) offers to enter into a planning agreement with Council on the terms set out in the attached document.

Consistent with our correspondence of 21 October 2020 and subsequent discussions with Council, the attached agreement provides for the following contributions:

- (a) From commencement of construction (in accordance with a notice issued under condition A13(b) of the Consent) to commencement of longwall production:
 - (i) a monetary contribution of \$100,000 per annum plus \$0.07 per tonne of Product Coal in excess of 1,500,000 tonnes per calendar year, to be used towards community, road and infrastructure initiatives; and
 - (ii) a commitment by Maxwell to use its best endeavours to engage 2 apprentices from the Muswellbrook Shire in each calendar year.
- (b) From commencement of longwall production:
 - (i) a monetary contribution of \$350,000 per annum plus \$0.07 per tonne of Product Coal in excess of 5,000,000 tonnes per calendar year, to be used towards community, road and infrastructure initiatives; and
 - (ii) a commitment by Maxwell to use its best endeavours to engage 4 apprentices from the Muswellbrook Shire in each calendar year.
- (c) From the commencement of construction, \$20,000 per annum to be used for the appointment of an environmental officer (with the first payment being made within 30 days after commencement of construction).

Maxwell also accepts its responsibility to:

- (a) Make payments under the Thomas Mitchell Drive Contributions Study in accordance with condition B88 of the Consent,
- (b) Construct a new Saddlers Creek crossing on Edderton Road in accordance with condition B89 of the Consent, and
- (c) Pay \$47,300 towards Council's Mine Affected Roads Strategy in accordance with an invoice previously issued by Council.

Maxwell considers that the attached document reflects the terms agreed between the parties to date and is consistent with:

- (a) the *General Terms of Applicant's VPA Offer* in Appendix 6 of the Consent (including additional contributions to those set out in that document); and
- (b) other planning agreements Council has entered into for similar projects.

We look forward to working with Council to deliver the community benefits under the planning agreement in connection with approved project.

Yours faithfully



James Johnson

General Manager Development & Operations

Malabar Resources

Voluntary Planning Agreement

Reference: MAL035-2

9 September 2021

Maxwell Ventures (Management) Pty Ltd
ACN 002 028 257

Muswellbrook Shire Council
ABN 86 864 180 944

NLS\NLS\79352815\1

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Sparke Helmore Lawyers

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Agreement

Date

Parties

First party

| | |
|------------------|--|
| Name | Maxwell Ventures (Management) Pty Ltd (Maxwell) |
| ACN | 002 028 257 |
| Contact | The General Manager |
| Telephone | 02 6542 0200 |

Second party

| | |
|------------------|---|
| Name | Muswellbrook Shire Council (Council) |
| ABN | 86 864 180 944 |
| Contact | The General Manager |
| Telephone | 02 6549 3706 |

Background

- A. Maxwell lodged Development Application SSD-9526 with the Department of Planning, Industry and Environment for State Significant Development comprising the Maxwell Underground Coal Mine Project in 2019. Development Consent was granted on 22 December 2020.
- B. Maxwell offered to enter into a planning agreement to make development contributions to Council in connection with the Development Application. Condition A17 of the Development Consent requires Maxwell to enter into a planning agreement with Council.
- C. Council has accepted Maxwell's offer and the parties now intend to enter into a planning agreement in accordance with the terms of this agreement and in satisfaction of the obligation under condition A17 of the Development Consent.

Operative part

1 Definitions

In this agreement, unless the context indicates a contrary intention:

Act means the *Environmental Planning and Assessment Act 1979* (NSW);

Address means a party's address set out in the Notices clause of this agreement;

Approval means any certificate, licence, consent, permit, approval or other requirement of any Authority having jurisdiction in connection with the activities contemplated by this agreement;

Authority means any government, semi-governmental, statutory, administrative, fiscal or judicial body, department, commission, authority, tribunal, public or other person;

Business Day means a day on which banks are open for general banking business in Sydney, excluding Saturdays and Sundays;

Care and Maintenance Period means any period as notified by Maxwell to Council, in which Maxwell has for any reason, ceased mining coal at the Development for a continuous period of time in excess of 6 months;

Commencement Date means the date of commencement of construction, as notified by Maxwell in a notice issued under condition A13(b) of the Development Consent;

Consent Authority means the consent authority for the Development as defined under the Act;

Contributions Schedule means the table in Schedule 1 setting out the Monetary Contributions;

CPI means the All Groups Consumer Price Index applicable to Sydney published by the Australian Bureau of Statistics;

Development means the Maxwell Underground Coal Mine Project as approved under the Development Consent;

Development Application means development application SSD-9526 lodged by Maxwell for the Development;

Development Consent means Development Consent SSD-9526 granted on 22 December 2020 as modified from time to time;

End of Mining Operations means the date of cessation of mining operations, as notified by Maxwell in a notice issued under condition A13(e) of the Development Consent;

GST has the same meaning as in the GST Law;

GST Law has the meaning given to that term in *A New Tax System (Goods and Services Tax) Act 1999* (Cth) and any other Act or regulation relating to the imposition of or administration of the GST;

Law means:

- (a) any law applicable including legislation, ordinances, regulations, by-laws and other subordinate legislation;
- (b) any Approval, including any condition or requirement under it; and
- (c) any fees and charges payable in connection with the things referred to in paragraphs (a) and (b);

Longwall Production means production of coal from the Development using the longwall coal mining system in accordance with the Development Consent and the Mining Operations Plan;

Mining Operations Plan means the mining operations plan or other plan or approval required for the Development which are required under the terms of any mining lease or Approval held in connection with the Development;

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Monetary Contributions means the monetary contributions payable by Maxwell to Council in accordance with clause 6.1 and the Contributions Schedule;

Product Coal means saleable coal as reported in a return lodged under section 289 of the *Mining Act 1992* (NSW), being a return prepared for the purpose of assessing the royalty to be paid under the *Mining Act 1992* (NSW); and

Security means a mortgage, charge, guarantee, bond or other similar security given for the purposes of obtaining finance.

2 Interpretation

In this agreement, unless the context indicates a contrary intention:

- (a) **(documents)** a reference to this agreement or another document includes any document which varies, supplements, replaces, assigns or novates this agreement or that other document;
- (b) **(references)** a reference to a party, clause, paragraph, schedule or annexure is a reference to a party, clause, paragraph, schedule or annexure to or of this agreement;
- (c) **(headings)** clause headings and the table of contents are inserted for convenience only and do not affect interpretation of this agreement;
- (d) **(person)** a reference to a person includes a natural person, corporation, statutory corporation, partnership, the Crown and any other organisation or legal entity and their personal representatives, successors, substitutes (including persons taking by novation) and permitted assigns;
- (e) **(party)** a reference to a party to a document includes that party's personal representatives, executors, administrators, successors, substitutes (including persons taking by novation) and permitted assigns;
- (f) **(requirements)** a requirement to do any thing includes a requirement to cause that thing to be done, and a requirement not to do any thing includes a requirement to prevent that thing being done;
- (g) **(including)** including and includes are not words of limitation, and a list of examples is not limited to those items or to items of a similar kind;
- (h) **(corresponding meanings)** a word that is derived from a defined word has a corresponding meaning;
- (i) **(singular)** the singular includes the plural and vice-versa;
- (j) **(gender)** words importing one gender include all other genders;
- (k) **(parts)** a reference to one or more things includes each part and all parts of that thing or group of things but nothing in this clause implies that part performance of an obligation constitutes performance of that obligation;
- (l) **(rules of construction)** neither this agreement nor any part of it is to be construed against a party on the basis that the party or its lawyers were responsible for its drafting;
- (m) **(legislation)** a reference to any legislation or provision of legislation includes all amendments, consolidations or replacements and all regulations or instruments issued under it;

- (n) **(time and date)** a reference to a time or date in connection with the performance of an obligation by a party is a reference to the time and date in Sydney, Australia, even if the obligation is to be performed elsewhere;
- (o) **(joint and several)** an agreement, representation, covenant, right or obligation:
 - (i) in favour of two or more persons is for the benefit of them jointly and severally; and
 - (ii) on the part of two or more persons binds them jointly and severally;
- (p) **(writing)** a reference to a notice, consent, request, approval or other communication under this agreement or an agreement between the parties means a written notice, request, consent, approval or agreement;
- (q) **(replacement bodies)** a reference to a body (including an institute, association or Authority) which ceases to exist or whose powers or functions are transferred to another body is a reference to the body which replaces it or which substantially succeeds to its power or functions;
- (r) **(Australian currency)** a reference to dollars or \$ is to Australian currency;
- (s) **(month)** a reference to a month is a reference to a calendar month; and
- (t) **(year)** a reference to a year is a reference to twelve consecutive calendar months.

3 Planning Agreement under the Act

The parties agree that this agreement is a planning agreement within the meaning of section 7.4 of the Act.

4 Application of this agreement

- (a) This agreement applies to:
 - (i) the Development, and
 - (ii) the land subject to the Development as specified in the Development Consent.
- (b) Council acknowledges that the development contributions set out in this agreement are in recognition of and commensurate with the impact of the Development.

5 Operation of this agreement

5.1 Commencement

This agreement commences on and from the date it is executed by all parties.

5.2 Termination

- (a) This agreement terminates on:
 - (i) if an appeal is commenced, the refusal of the Development Application by the final determination of a Court;
 - (ii) the declaration by a Court of competent jurisdiction that the Development Consent or other Approval granted for the Development is invalid; or

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- (iii) if the Development Consent or other Approval granted for the Development ceases for any reason to operate.
- (b) If the Development Consent or other Approval granted for the Development is declared to be invalid pursuant to clause 5.2(a) and a new approval is granted in respect of the same development, then Council agrees to accept payment of the Development Contributions under this agreement as satisfaction of any contributions required under the new approval.
- (c) If this agreement terminates pursuant to clause 5.2(a) this clause 5.2 survives termination of the Agreement.

5.3 *Suspension of Obligations*

The obligations under clause 6 of this agreement are suspended for the duration of any Care and Maintenance Period.

6 Contributions to be made under this agreement

6.1 *Monetary Contributions*

- (a) Maxwell must pay the monetary contributions set out in the Contributions Schedule to the Council.
- (b) The Monetary Contribution must be paid to Council at the times specified in the Contributions Schedule.
- (c) The Monetary Contribution must be paid by way of bank cheque in favour of Council or by deposit by means of electronic funds transfer into an account specified by Council.
- (d) The Monetary Contribution will be taken to have been made when the Council notifies the Developers in writing that the bank cheque has been received and cleared funds or electronic funds have been deposited in the Council's bank account.
- (e) The parties agree and acknowledge that the Monetary Contribution will be used by the Council towards the public purposes specified in the Contributions Schedule.

6.2 *Apprenticeships*

- (a) Maxwell will use its best endeavours to:
 - (i) engage two (2) apprentices in each calendar year for the period starting on the date that is 30 days after the Commencement Date and ending on the day before Longwall Production commences; and
 - (ii) engage four (4) apprentices in each calendar year for the period starting on the day Longwall Production commences until the End of Mining Operations.
- (b) Maxwell will use its best endeavours to source all apprentices from residents within the Muswellbrook Shire.

7 Application of s7.11, s7.12 and s7.24 of the Act to the Development

- (a) This agreement does not exclude the application of section 7.11 of the Act to the Development.
- (b) This agreement does not exclude the application of section 7.12 of the Act to the Development.
- (c) This agreement does not exclude the application of section 7.24 of the Act to the Development.
- (d) The benefits under this agreement are to be taken into consideration in determining a development contribution under section 7.11 of the Act.
- (e) Council acknowledges and agrees that:
 - (i) it will not seek any further payments from Maxwell other than in accordance with this agreement; and
 - (ii) it will not request the Consent Authority to impose a condition on any Development Consent for the Development requiring the payment of any contributions to Council, other than in accordance with this agreement.

8 Compliance with Laws

- (a) If a Law is changed or a new Law comes into force (both referred to as **New Law**) and Maxwell is obliged by the New Law to do something or pay an additional amount for a purpose which it is already contractually obliged to do or pay under this agreement then, to the extent only that the relevant obligation is required under both the New Law and this agreement, compliance with this agreement will constitute compliance with the New Law and compliance with the New Law will constitute compliance with this agreement.
- (b) If there is any doubt as to whether compliance with this agreement will constitute compliance with the New Law, Maxwell will pay such amounts required under the New Law and Council agrees that such payments will act as a credit with respect to any future payments required under this agreement so that the total Monetary Contribution payable by Maxwell under this agreement in accordance with the Contributions Schedule is not exceeded.

9 Review of this agreement

- (a) This agreement may be reviewed or modified. Any review or modification of this agreement will be conducted in the circumstances and in the manner determined by the parties.
- (b) No modification or review of this agreement will be of any force or effect unless it is in writing and signed by the parties to this agreement.
- (c) A party is not in breach of this agreement if it does not agree to an amendment to this agreement requested by a party in, or as a consequence of, a review.

10 Dispute Resolution

10.1 Reference to Dispute

If a dispute arises between the parties in relation to this agreement, the parties must not commence any court proceedings relating to the dispute unless the parties have complied with this clause, except where a party seeks urgent interlocutory relief.

10.2 Notice of Dispute

The party wishing to commence the dispute resolution process must give written notice (**Notice of Dispute**) to the other parties of:

- (a) The nature of the dispute,
- (b) The alleged basis of the dispute, and
- (c) The position which the party issuing the Notice of Dispute believes is correct.

10.3 Representatives of Parties to Meet

- (a) The representatives of the parties must promptly (and in any event within 10 Business Days of the Notice of Dispute) meet in good faith to attempt to resolve the notified dispute.
- (b) The parties may, without limitation:
 - (i) resolve the dispute during the course of that meeting,
 - (ii) agree that further material about a particular issue or consideration is needed to effectively resolve the dispute (in which event the parties will, in good faith, agree to a timetable for resolution); or
 - (iii) agree that the parties are unlikely to resolve the dispute and, in good faith, agree to a form of alternative dispute resolution which is appropriate for the resolution of the relevant dispute.

10.4 Further Notice if Not Settled

If the dispute is not resolved within 20 Business Days after the nominated representatives have met, either party may give to the other a written notice calling for determination of the dispute (Determination Notice) by mediation under clause 10.5.

10.5 Mediation

If a party gives a Determination Notice calling for the dispute to be mediated:

- (a) The parties must agree to the terms of reference of the mediation 10 Business Days of the receipt of the Determination Notice (the terms shall include a requirement that the mediation rules of the Institute of Arbitrators and Mediators Australia (NSW Chapter) apply);
- (b) The mediator will be agreed between the parties, or failing agreement within 15 Business Days of receipt of the Determination Notice, either Party may request the President of the Institute of Arbitrators and Mediators Australia (NSW Chapter) to appoint a mediator;
- (c) The mediator appointed pursuant to this clause 10.5 must:
 - (i) have reasonable qualifications and practical experience in the area of the dispute; and

- (ii) have no interest or duty which conflicts or may conflict with his or her function as a mediator he or she being required to fully disclose any such interest or duty before his or her appointment;
- (d) The mediator shall be required to undertake to keep confidential all matters coming to his or her knowledge by reason of his or her appointment and performance of his or her duties;
- (e) The parties must within 15 Business Days of receipt of the Determination Notice notify each other of their representatives who will be involved in the mediation;
- (f) The parties agree to be bound by a mediation settlement and may only initiate judicial proceedings in respect of a dispute which is the subject of a mediation settlement for the purpose of enforcing that mediation settlement; and
- (g) In relation to costs and expenses:
 - (i) Each party will bear its own professional and expert costs incurred in connection with the mediation; and
 - (ii) The costs of the mediator will be shared equally by the parties unless the mediator determines that a party has engaged in vexatious or unconscionable behaviour in which case the mediator may require the full costs of the mediation to be borne by that party.

10.6 *Litigation*

If the dispute is not *finally* resolved in accordance with this clause 10, then either party is at liberty to litigate the dispute.

10.7 *Confidentiality*

Any information or documents disclosed by a party during or for the purposes of engaging in the dispute resolution process under this clause 10:

- (a) must be kept confidential; and
- (b) may only be used to attempt to resolve the dispute.

10.8 *No suspension of contractual obligations*

Subject to any interlocutory order obtained under clause 10.1, the referral to or undertaking of a dispute resolution process under this clause 10 does not suspend the parties' obligations under this agreement.

11 *Registration of this agreement*

This agreement will not be registered on the title of the Land pursuant to section 7.6 of the Act.

12 *Enforcement*

12.1 *Default*

- (a) In the event Maxwell has failed to pay a Monetary Contribution within 28 days of the due date of the tax invoice as required under this agreement, Council may provide a notice to Maxwell (**Default Notice**) giving particulars of the outstanding amounts and requiring the default to be remedied within a reasonable time not being less than 10 Business Days.

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- (b) If Maxwell disputes the Default Notice it may refer the dispute to dispute resolution under clause 10 of this agreement.

12.2 Proceedings

If:

- (a) the Default Notice is not referred to dispute resolution and Maxwell fails to comply with the Default Notice, or
- (b) if the Default Notice is referred to dispute resolution and Maxwell fails to make a payment required as part of the resolution of the dispute or the dispute is not resolved in accordance with clause 10,

Council may commence proceedings in accordance with a court of competent jurisdiction to recover the amount due. Council must not commence proceedings to recover amounts due under this agreement unless it first gives the notices required under this clause.

13 Assignment

13.1 Restriction on assignment

Maxwell must not transfer, assign or novate or similarly deal with (**Dealing**) its rights or obligations under this agreement unless, prior to any such dealing, Maxwell procures that the transferee, assignee or novatee executes and delivers to the Council prior to any such Dealing taking effect, an agreement in favour of the Council whereby:

- (a) the transferee, assignee or novatee becomes contractually bound with the Council to perform all of Maxwell's obligations (including obligations which may have arisen before the transfer, assignment or novation takes effect); and
- (b) Maxwell is released from any obligations under or by virtue of this agreement which at the time of any proposed assignment or novation contemplated by this clause are required to be performed or satisfied by Maxwell at any time from or after the date on which that assignment or novation takes effect under this agreement.

13.2 Security

Clause 13.1 does not apply to a Dealing that is solely for the purpose of Maxwell obtaining finance for the Development by providing any Security in the Land, the Development or this agreement, provided that this agreement is disclosed to all relevant parties prior to the Dealing being made.

14 Approvals and consents

Except as otherwise set out in this agreement, and subject to any statutory obligations, a party may give or withhold an approval or consent to be given under this agreement in that party's absolute discretion and subject to any conditions determined by the party. A party is not obligated to give its reasons for giving or withholding consent or for giving consent subject to conditions.

15 No fetter

Nothing in this agreement shall be construed as requiring Council to do anything that would cause it be in breach of any of its obligations at law or as limiting or fettering, in any manner, the exercise of any statutory power or discretion of the Council, including,

but not limited to, any statutory power or discretion of the Council relating to the Development Consent or any other Approvals in connection with the Development.

16 Notices

Any notice given under or in connection with this agreement (**Notice**):

- (a) must be in writing and signed by a person duly authorised by the sender;
- (b) must be addressed as follows and delivered to the intended recipient by hand, or by email at the address below, or at the address last notified by the intended recipient to the sender after the date of this agreement:
 - (i) to Maxwell Ventures (Management) Pty Ltd: Private Mail Bag 9, Muswellbrook NSW 2333
Email: info@malabarresources.com.au
Attention: The General Manager
 - (ii) to Muswellbrook Shire Council: PO Box 122 Muswellbrook NSW 2333
Email: council@muswellbrook.nsw.gov.au
Attention: The General Manager
- (c) is taken to be given or made:
 - (i) in the case of hand delivery, when delivered; and
 - (ii) in the case of an email when the sender receives an email acknowledgement from the recipient's information system showing the Notice has been delivered to the email address stated above or when the Notice is first opened or read by the recipient, whichever occurs first; and
- (d) if under clause (c) a Notice would be taken to be given or made on a day that is not a Business Day in the place to which the Notice is sent, or later than 4.00 pm (local time), it is taken to have been given or made at the start of business on the next Business Day in that place.

17 General

17.1 Relationship between parties

- (a) Nothing in this agreement:
 - (i) constitutes a partnership between the parties; or
 - (ii) except as expressly provided, makes a party an agent of another party for any purpose.
- (b) A party cannot in any way or for any purpose:
 - (i) bind another party; or
 - (ii) contract in the name of another party.
- (c) If a party must fulfil an obligation and that party is dependent on another party, then that other party must do each thing reasonably within its power to assist the other in the performance of that obligation.

17.2 Time for doing acts

- (a) If the time for doing any act or thing required to be done or a notice period specified in this agreement expires on a day other than a Business Day, the time

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for doing that act or thing or the expiration of that notice period is extended until the following Business Day.

- (b) If any act or thing required to be done is done after 5.00 pm on the specified day, it is taken to have been done on the following Business Day.

17.3 Further assurances

Each party must promptly execute all documents and do all other things reasonably necessary or desirable to give effect to the arrangements recorded in this agreement.

17.4 Variation

A provision of this agreement can only be varied by a later written document executed by or on behalf of all parties and in accordance with the provisions of the Act.

17.5 Counterparts

This agreement may be executed in any number of counterparts. All counterparts taken together constitute one instrument.

17.6 Legal expenses and stamp duty

Each party must pay its own legal costs and disbursements in connection with the negotiation, preparation, execution, carrying into effect and release and discharge of this agreement.

17.7 Entire agreement

The contents of this agreement constitute the entire agreement between the parties and supersede any prior negotiations, representations, understandings or arrangements made between the parties regarding the subject matter of this agreement, whether orally or in writing.

17.8 Representations and warranties

The parties represent and warrant that they have the power and authority to enter into this agreement and comply with their obligations under the agreement and that entry into this agreement will not result in the breach of any law.

17.9 Severability

If a clause or part of a clause of this agreement can be read in a way that makes it illegal, unenforceable or invalid, but can also be read in a way that makes it legal, enforceable and valid, it must be read in the latter way. If any clause or part of a clause is illegal, unenforceable or invalid, that clause or part is to be treated as removed from this agreement, but the rest of this agreement is not affected.

17.10 Invalidity

- (a) A word or provision must be read down if:
- (i) this agreement is void, voidable, or unenforceable if it is not read down;
 - (ii) this agreement will not be void, voidable or unenforceable if it is read down; and
 - (iii) the provision is capable of being read down.

- (b) A word or provision must be severed if:
 - (i) despite the operation of clause (a), the provision is void, voidable or unenforceable if it is not severed; and
 - (ii) this agreement will be void, voidable or unenforceable if it is not severed.
- (c) The remainder of this agreement has full effect even if clause 17.10(b) applies.

17.11 Waiver

- (a) A right or remedy created by this agreement cannot be waived except in writing signed by the party entitled to that right. Delay by a party in exercising a right or remedy does not constitute a waiver of that right or remedy, nor does a waiver (either wholly or in part) by a party of a right operate as a subsequent waiver of the same right or of any other right of that party.
- (b) The fact that a party fails to do, or delays in doing, something the party is entitled to do under this agreement, does not amount to a waiver of any obligation of, or breach of obligation by, another party. A waiver by a party is only effective if it is in writing. A written waiver by a party is only effective in relation to the particular obligation or breach in respect of which it is given. It is not to be taken as an implied waiver of any other obligation or breach or as an implied waiver of that obligation or breach in relation to any other occasion.

17.12 GST

- (a) Words and expressions which are not defined in this agreement but which have a defined meaning in GST Law have the same meaning as in the GST Law.
- (b) Unless otherwise expressly stated, all prices or other sums payable or consideration to be provided under this agreement are exclusive of GST.
- (c) The parties agree, in accordance with Class Ruling CR2013/13 published by the Commissioner, that contributions required to be made under this agreement are exempt from GST.
- (d) If GST is imposed on any supply made under or in accordance with this agreement, the recipient of the taxable supply must pay to the supplier, an amount equal to the GST payable by the supplier on or for the taxable supply.

17.13 Governing law and jurisdiction

- (a) The laws applicable in New South Wales govern this agreement.
- (b) The parties submit to the non-exclusive jurisdiction of the courts of New South Wales and any courts competent to hear appeals from those courts.

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Schedule 1 Contributions Schedule

| Development Contribution | Timing | Intended Use - Public Purpose |
|--|--|---|
| <p>¹For the period between the date that is 30 days after the Commencement Date and the day before Longwall Production commences, the sum of:</p> <p>(a) \$100,000.00 per annum; and</p> <p>(b) \$0.07 per tonne of Product Coal from the Development that exceeds 1,500,000 tonnes per calendar year.</p> <p>Each payment is to be adjusted by the same percentage as percentage movements in the CPI between the date of this agreement and the first payment date and thereafter adjusted on each anniversary of the first payment date by a percentage equal to any percentage movement in the CPI over the then immediately preceding 12 month period.</p> | <p>Payments will be calculated based on Product Coal produced in each calendar year as reported by Maxwell. Maxwell will notify Council of the amount of Product Coal produced in the previous calendar year by 31 March.</p> <p>Payments will be made annually on or before 1 May, following receipt of an appropriate tax invoice issued by the Council at least 20 Business Days prior to the payment date.</p> | <p>To be used by the Council towards community, road and infrastructure initiatives at the Council's discretion</p> |

¹ Subject to clause 5.3

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| Development Contribution | Timing | Intended Use - Public Purpose |
|--|--|--|
| <p>²For the period between the date of commencement of Longwall Production and the End of Mining Operations, the sum of:</p> <p>(a) \$350,000.00 per annum; and</p> <p>(b) \$0.07 per tonne of Product Coal from the Development that exceeds 5,000,000 tonnes per calendar year.</p> <p>Each amount is adjusted by the same percentage as percentage movements in the CPI between the date of this agreement and the first payment date and thereafter adjusted on each anniversary of the first payment date by a percentage equal to any percentage movement in the CPI over the then immediately preceding 12 month period.</p> | <p>Payments will be calculated based on Product Coal produced in each calendar year as reported by Maxwell. Maxwell will notify Council of the amount of Product Coal produced in the previous calendar year by 31 March.</p> <p>Payments will be made annually on or before 1 May, following receipt of an appropriate tax invoice issued by the Council at least 20 Business Days prior to the payment date.</p> | <p>To be used by the Council towards community, road and infrastructure initiatives at the Council's discretion.</p> |
| <p>From the date that is 30 days after the Commencement Date until the termination of this agreement, \$20,000.00 per annum, indexed in accordance with increases in the CPI between the date of this agreement and the Commencement Date and thereafter adjusted on each anniversary of the Commencement Date by a proportion equal to any proportionate movement in the CPI over the immediately preceding 12 month period.</p> | <p>Payment will be made within 30 days after the Commencement Date and annually thereafter on receipt of a tax invoice issued by the Council at least 15 Business Days prior to the payment date.</p> | <p>To be used for the appointment by the Council of an Environmental Officer.</p> |

² Subject to clause 5.3

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Executed as an agreement

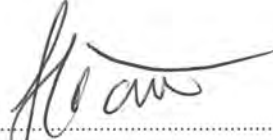
Executed by Maxwell Ventures
(Management) Pty Ltd ACN 002 028 257
in accordance with section 127 of the
Corporations Act 2001 (Cth) by:



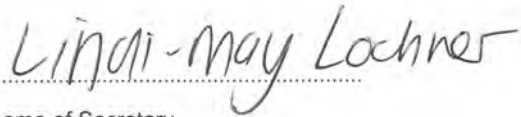
Signature of Director



Print name of Director



Signature of Secretary



Print name of Secretary

Signed by the General Manager as
authorised delegate for Muswellbrook
Shire Council ABN 86 864 180 944 in
accordance with a resolution of the
Council dated _____ [insert
date], in the presence of:

.....
Signature of Witness

.....
Signature of Authorised Representative

.....
Print name of Witness

.....
Address of Witness



Library Collection Management Policy

L06/21

This document is a controlled document. Before using this document, check it is the latest version by referring to Council's EDRMS and ensuring you are using the Last Approved Version. Printed or downloaded versions of this document are uncontrolled.

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Policy Objective

This policy focuses on the Library collection as a significant community resource which needs to be managed efficiently and provides a framework which ensures equitable access to a diverse range of resources to meet the changing needs of the community.

The collection management policy:

- Supports the identification and allocation of collection funds for current and future priorities.
- Ensures that objectivity and professional rigour inform the selection, allocation, rotation and weeding processes.
- Informs guidelines for the collection including subject profiles, depth of coverage and resource formats.
- Ensures that the operation of the library service is in accordance with the relevant Acts, regulations and codes governing public libraries in New South Wales.
- Provides an essential tool for induction, reference and ongoing staff training.

Scope

This policy provides direction for the acquisition, maintenance and retention of all materials for the collection.

Definitions

| | |
|-------------------|--|
| Library | Muswellbrook Shire Libraries encompassing Muswellbrook, Denman and digital library branches. |
| Council | Muswellbrook Shire Council |
| Collection | Refers to all collections owned by the Library including physical and digital resources |

Policy Statement

Collection Principles

A range of resources are included in the collection to meet the diverse ages, interests, cultures, languages and literacy levels of the community served.

The following principles underpin the collection management at the Library:

- Access: the Library will provide free adequate and convenient access to all resources
- Equity: the Library will make available resources to all people regardless of gender, age, disability, ethnic origin or economic status
- Participation: the Library will actively engage with the community through feedback processes
- Cultural relevance: the Library will collect resources which support the library related needs of all sectors of the local communities
- Quality and range: the Library will provide a wide range of resources with a strong focus on quality in terms of content, presentation and format.
- Information and learning: the Library will support lifelong learning with the provision of up to date and accessible library resources in a variety of formats
- Preservation: the Library will preserve records of local and regional significance

The Library does not attempt to duplicate the services and materials offered by other library providers. Through cooperative agreements, resources of other libraries may be available to members of the Library through the Inter-Library Loan service.



Textbooks and curriculum related materials are provided only when those materials also serve the general public. Legal and medical works will only be acquired for the collection only to the extent that they are useful to the general community or make up part of the State Library LIAC collection or Drug Information collection.

Selection Mechanisms

The library collection shall be an unbiased and diverse source of information, representing as many viewpoints as possible. Materials will be selected for all ages and not excluded because of race, nationality, religion, gender, sexual orientation, or political and social views of the author. Inclusion of materials does not imply agreement with or endorsement of content. Materials will be provided in a range of formats including digital resources to meet growing community need.

General criteria for selection of library materials include but are not limited to:

- Community and stakeholder engagement
- Significance of author or subject
- Local significance or emphasis
- Literary merit
- Importance of the subject matter to the collection
- Accessibility
- Age

Exclusions

The Library does not collect the following categories of material:

- Expensive or rare items inappropriate to a public library collection
- Ephemeral material unless they have significance to the local area.
- Superseded formats
- Items prohibited by law
- Old, out of date materials unless specially acquired for the Library regional history collection.

Donations

The Library may accept donations which meet selection criteria. Acceptance of donated items does not guarantee inclusion in the collection. Items donated to the Library become the property of the Library. Donations will be assessed individually utilising the Library selection profiles.

Controversial materials

It is recognised that many materials are controversial and that a particular item may offend some members of the community. Powers of censorship are vested in Federal and State Governments and materials will not be rejected on moral, political, racial or religious grounds if it otherwise meets selection guidelines. Materials prohibited by law will not be included in the collection.

Material will be allocated to the most appropriate collection based on industry best practices and Australian classification guidelines, for example adult, young adult or junior collections.

Collection maintenance and retention

The library collection is evaluated regularly to ensure it meets the needs of our community. Evaluation of library collections will utilise a number of mechanisms including:

- Turnover statistics
- Circulation
- Online/digital usage



- Stock held
- Age of collection
- Acquisition and discard rates

Deselection of material from the circulating collection is an essential part of effective collection maintenance. Items may be deselected for several reasons outlined in the [Library Weeding Procedure](#).

Disposal of withdrawn stock

Withdrawn stock may be:

- Gifted to approved local not-for-profit organisations;
- Resold through approved channels; or
- Recycled at the discretion of the Library in accordance with applicable standards and regulations.

Delegations

There are no delegations associated with this policy.

Legislation

The Library operates within the framework of the Library Act of NSW and its associated regulations. Relevant legislation and information informing this policy can be found at:

- ALIA Statement on Free Access to Information
- ALIA Statement on Information Literacy for All
- ALIA Statement on Online Content Regulation
- State Library of NSW Policies
- Australian Classification Board Guidelines

Current research and the collection policies of other libraries were also considered in the development of this policy.

References

There are no associated policies referenced.

Dispute Resolution

Persons raising an objection to the inclusion, or exclusion, of an item in the Library collection will be asked to provide a written explanation of their objections to the Head Librarian, citing specifics from the material in question. The Library will respond to the request in accordance with this Collection Management Policy and other applicable standards and regulations. The final decision will be made at the discretion of the Head Librarian.

Authorisation Details

| | |
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| Minute No: | |
| Date: | |
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| Department: | Community Services |
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**muswellbrook
shire council**

Library Membership Policy

Policy L1-3

Authorisation Details:

| | |
|--------------------------|--------------------|
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Policy Objective

The objectives of this policy are:

- Outline the requirements for people wanting to become a member of the Muswellbrook Shire Libraries
- Outline the responsibilities and conditions of library membership

Purpose

The purpose of this policy is to outline the requirements for obtaining membership of the Muswellbrook Shire Libraries and also outline the responsibilities of library membership.

Rationale

People applying for a new library membership to borrow physical resources from the Muswellbrook Shire Libraries are required to provide adequate identification in order to do so. Library members are also required to agree to follow the library's policies and procedures.

Scope

This policy applies to all members of the public who are currently or wish to become a member of the Muswellbrook Shire Libraries. The Muswellbrook Shire Libraries services the communities who reside and work within the Muswellbrook Shire Council area.

Policy Statement

Membership

Membership to the library is free, in accordance with the requirements of the Library Act 1939.

The library offers several different categories of membership and requires formal identification for full membership to the library service, as detailed below. To be eligible for full membership, customers must live, work or attend school in NSW otherwise customers can apply for temporary membership.

Categories of Membership

Library membership is available in the following categories:

- **Dependant Minor (Junior and Young Adult)** – Persons under the age of 18 years may become members (including infants) provided they have permission of a parent or legal guardian. The parent or guardian should accompany the child to the library and produce current identification when signing up the Junior member. The parent or legal guardian must agree to responsibility for any return of items and payments of late/replacement fees.
- **Independent Minor** –Independent young adults over the age of 16 years who are living out of home may join the library by showing identification with proof of ID. Independent young adult members must agree to the responsibility for the return of items and the payment of late/replacement fees.
- **Adult (Adult and Senior 65+)** – Permanent residents and ratepayers of Muswellbrook Shire and of neighbouring shires may join free of charge upon application.
- **Temporary Membership** – Visitors and non-residents who are current members of their local public library within Australia may join as a reciprocal borrower. This type of membership is free, however a current legal identification is required.



- Institutional – Local organisations, schools and Australian library services may join the library at the approval of library management.
- Electronic Membership – residents of the Muswellbrook Shire are eligible to become digital members. Digital members are limited to accessing digital library materials only, and must show acceptable ID to become a full member.

Accepted Forms of Identification

Current Identification showing the current address must be produced prior to becoming a member. Accepted forms of documentation are listed below:

- Drivers licence
- Health care concession card
- Lease agreement
- Council rates notice
- Utility account notice
- Student card
- Bank statement with address included
- Alternate forms of ID may be accepted provided that it includes current address details and is supplied by an official third party.

Responsibilities of Membership

Applicants for general library membership receive a physical library card and the library member, or guarantor for member, assumes full responsibility for all use made of their card. By signing the membership card, the card holder agrees to comply with all library policies and procedures; to pay all fees; to be responsible for any loss or damage to materials; to provide immediate notice of any change of address and contact details; and to provide immediate notice if the card is stolen, lost or damaged.

A membership card or proof of identification is required each time a library member wishes to borrow library materials. A membership card or proof of identification is also required for members to use audio-visual equipment and public computers in line with eSmart recommendations. In the occurrence a membership card is forgotten, accepted forms of identification may be used to loan items from the library.

Suspension of Membership

Membership can be suspended due to a breach of acceptable behaviours as detailed in the *Muswellbrook Shire Libraries Overdue Procedure* and *Cyber Safety Guidelines*. Suspension of library membership is only at the discretion of the Head Librarian or higher management.

Membership Card Replacement

A replacement fee is charged for a lost or stolen membership card. No fee is charged to replace a worn out or obsolete borrower's cards. Fees for card replacement may be waived only by the Head Librarian or higher management.

Complaints

Any complaints are to be firstly directed to the Head Librarian. If the customer remains unsatisfied, they may write to the General Manager.



Legislation

New South Wales Library Act 1939

Authorisation Details

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| 2.0 | 20/01/2021 | L Allan | Changes to library name and scope of policy. Muswellbrook Shire Libraries no longer a member of UHLN. |
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**muswellbrook
shire council**

Financial Reserve Management Policy

MSC20E

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1. PURPOSE

To provide the framework for the establishment and management of externally and internally restricted financial Reserves and unrestricted cash.

2. SCOPE AND APPLICATION

This policy covers both Statutory and Discretionary Financial Reserves.

This policy also covers unrestricted cash.

This policy excludes the Asset Revaluation Reserve that arises under the Australian Accounting Standards as it reflects the increments or decrements of fixed asset values as a result of an asset revaluation.

3. DEFINITIONS

Cash Backed – Money available in the form of liquid cash held in bank accounts or as investments.

Externally Restricted Financial Reserves – Reserves that are subject to external restrictions in their purpose. These Reserves are cash backed.

Internally Restricted Financial Reserves – Reserves established by Council to ensure that sufficient funds are available when required for a specific purpose. These Reserves are cash backed.

Unrestricted Cash – These are funds which are available to be used as operating capital or to cover unexpected or emergency expenses not provided for in the annual budget that is not covered by an available internal restriction.

4. STATEMENT

The establishment and management of reserves for specific purposes are a sound and prudent management strategy. All Reserves must be cash backed and included in Council's investment portfolio.

4.1 CLASSIFICATION OF FINANCIAL RESERVES

4.1.1 Externally Restricted Reserves

The purpose of each external cash restriction is contained on Schedule 2.

The following criteria apply to externally restricted Reserves:

- a) The Reserve is subject to legal requirements that govern the use of the funds.
- b) A Reserve will be established for any value if there is a legal requirement or a requirement under Australian Accounting standards.
- c) Transfer of funds are restricted by the individual funding agreements. Council must authorise transfers by Council resolution.
- d) The Reserve includes funds that have not been utilised for the purpose for which they were received, and an obligation or requirement to return funds to the contributor exist.
- e) All Reserves must be fully cash backed.



4.1.2 Internally Restricted Reserves

The purpose of each internal cash restriction is contained on Schedule 1.

The following criteria apply to internally restricted Reserves:

- a) The Reserve is not subject to legal requirements that govern the use of the funds.
- b) The establishment of a new Reserve must be for a specific internal purpose authorised by a Council resolution and shall not be established for an amount less than \$50,000.
- c) Transfer of funds are restricted by the internal purpose of the Reserve. All transfers must be authorised by Council resolution.
- d) The Reserve has been established for a specific internal purpose, however, if that purpose does not eventuate or Council changes its priorities the funding can be diverted to other purposes by Council resolution.
- e) All Reserves must be fully cash backed.

4.1.3 Unrestricted cash

Unrestricted cash refers to monies that are not tied to a particular use. Unrestricted cash can be used for any purpose since it is not earmarked for a specific use and it is taken as an instant reservoir of the cash that can be used for the sudden monetary requirements. Unrestricted cash is extremely liquid that is why it can be use readily for any purpose when required.

An unrestricted cash amount of approximately \$1,000,000 will be held at years' end subject to Council resolution.

4.2 INTEREST ON RESTRICTED CASH

Interest must be applied to external cash restrictions where required by legislation or otherwise, such as section 7.11 developer charges.

If interest is paid on internally restricted cash, the interest is paid into the General Fund.

4.3 BORROWINGS FROM RESTRICTED CASH

Council may borrow from internally restricted cash, (but not from externally restricted cash without consent from the Minister of Local Government). Any such borrowing must be authorised by resolution of Council and the full impact of the borrowing disclosed. Interest must be paid on any such borrowings.

4.4 TRANSFERS TO AND FROM RESTRICTED CASH

Funds may only be transferred into or transferred out of a cash restriction, by resolution of Council.

The authority for such transfers may be given:

- a) By specific resolution in the case of a particular project the subject of a Council resolution, or
- b) In the budget process, by virtue of the adoption of the Annual Budget, or
- c) In the Quarterly Budget Review Statement, by virtue of the adoption of that statement by Council, or



- d) By the adoption of the annual financial statements containing a schedule of restricted cash showing transfers in and out.

A transfer contained in a Quarterly Budget Review Statement must show the restricted cash item audited opening balance, the amount transferred in or out and the estimated closing balance.

4.5 REPORTING ON RESTRICTED CASH

The level of restricted cash shall be reported on in the Quarterly Budget Review Statement and annually in the Financial Statements.

Council must assess at least annually the adequacy of each internal cash restriction during the preparation of the Long Term Financial Plan and annual budget.

5. RESPONSIBILITIES /ACCOUNTABILITIES

Accountability for cash reserve management shall be the responsibility of the Executive Leadership Team.

Specific responsibilities are as follows:

Mayor & Councillors – the voting of money to or from a Reserve for use on Council works, services or operations.

General Manager & MANEX – have a responsibility to ensure that all Reserve balance changes or Reserves to be established/removed are done in consultation with the finance team and are approved by Council resolution.

Chief Financial Officer and Finance Officers – have a responsibility to ensure Reserve balances are appropriately accounted for in accordance with Council resolutions in the financial accounts and balances are reported to Council quarterly.

6. RELEVANT LEGISLATION

Local Government Act, 1993

Australian Accounting Standards

Code of Accounting Practice

7. RELATED POLICIES/DOCUMENTS

Investment (Financial Securities) Policy I20-1

Annual Financial Statements

Long Term Financial Plan

Quarterly Budget Reviews



Authorisation Details

| | |
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Schedule 1

Name and Purpose of Internal Cash Restrictions held

| Name of Internal Cash Restriction | Purpose of Restriction | Calculation Basis | | | | | | | | | | | | |
|-----------------------------------|--|---|----------|------------------------|-----|------|-------|-----|-------|-----|-------|-----|-----|-----|
| Employee Leave Entitlement (ELE) | To ensure that adequate funds are available to fund employee leave entitlements such as long service leave, and annual leave. | <p>The amount of this Reserve is based on a formula calculated by reference to average brackets and total leave accruals.</p> <table><tr><th>Age Band</th><th>% of Gross Entitlement</th></tr><tr><td>60+</td><td>100%</td></tr><tr><td>55-60</td><td>60%</td></tr><tr><td>50-55</td><td>30%</td></tr><tr><td>45-50</td><td>20%</td></tr><tr><td><45</td><td>10%</td></tr></table> | Age Band | % of Gross Entitlement | 60+ | 100% | 55-60 | 60% | 50-55 | 30% | 45-50 | 20% | <45 | 10% |
| Age Band | % of Gross Entitlement | | | | | | | | | | | | | |
| 60+ | 100% | | | | | | | | | | | | | |
| 55-60 | 60% | | | | | | | | | | | | | |
| 50-55 | 30% | | | | | | | | | | | | | |
| 45-50 | 20% | | | | | | | | | | | | | |
| <45 | 10% | | | | | | | | | | | | | |
| Asset Replacement | To ensure adequate funds are available to replace existing assets across the Council area to their previous level of service. | <p>The annual transfer to this Reserve is based upon projects adopted in the IP&R strategies and plans.</p> <p>The annual transfer may also consist of budget savings on completed works and budgeted projects not carried out.</p> | | | | | | | | | | | | |
| Future Fund | This Reserve consists of funds set aside for the acquisition, development, demolition or disposal of commercial property assets and to sponsor projects and initiatives to create jobs and improve education and training outcomes in the local community. | <p>Any surplus generated by the future fund business, after allowing for operating and capital expenses, will be added to this reserve on an annual basis.</p> <p>The annual transfer to this Reserve is based upon projects adopted in the IP&R strategies and plans.</p> | | | | | | | | | | | | |
| Carry Over Works – General Fund | To carry over unspent funds for uncompleted capital and operational works as agreed by Council resolution. | The annual transfer to this Reserve is the remaining (allocated) unspent budget required to complete the adopted Council works in progress at financial year end. | | | | | | | | | | | | |
| Plant Replacement | To be able to internally fund replacement of plant and vehicles at the optimal time. | The amount of this Reserve is based on an internal hire rate which is determined by the actual purchase price plus operating expenditure (including depreciation) less proceeds of sales. | | | | | | | | | | | | |



| Name of Internal Cash Restriction | Purpose of Restriction | Calculation Basis |
|-----------------------------------|--|--|
| Insurance | To fund insurance excess amounts for public liability and property claims on Council assets. | The amount of this Reserve is based on three times the excess amount of the public liability and property insurance policies. |
| Risk Management | To fund identified risk mitigation programs (staff and/or infrastructure) which are aimed at reducing Council's liability. | The annual transfer to this Reserve is based on the value of StateWide and StateCover rebates and incentives received during the financial year. |
| Legal | To fund unexpected legal expenses above the annual budgeted amount. | The amount of the Reserve is based on past legal expenses trends and maintained at a minimum of \$50,000. |
| Information Technology (IT) | To fund replacement of hardware and upgrades to the current IT system. | An annual transfer to this Reserve is the equivalent value of asset depreciation as per Note 9 of the Annual Financial Statements less the written down value of equipment sold throughout the relevant financial year or sale proceeds whichever is the higher. |
| Waste Management | To fund future transfer stations and landfill new cell development and remediation. | Funds transferred to and from this Reserve represent any surplus or deficit operating results on operations for the financial year. |
| Deposits, Retentions and Bonds | Funds that are temporarily held under Council policy arrangements. | Funds transferred to and from this Reserve represent deposits, retentions and bonds as part of Council's ongoing operations. |



Schedule 2

Name and Purpose of External Cash Restrictions held

| Name of External Cash Restriction | Purpose of Restriction | Calculation Basis |
|--|---|---|
| Developer Contributions | This Reserve contains section 7.11 and section 64 contributions received from developers in accordance with conditions applied to development applications, subject to constraints imposed by other legislation. | Funds will be allocated as part of the annual budget process, any unspent funds received within any financial periods will be constrained for future use. |
| Unexpended Government Grants and Contributions | This Reserve includes funds received from State or Federal Governments by way of a specific advance or grant or a contribution that is constrained or tied to a specific project or purpose, subject to contractual obligations or other legislation. | Funds will be expensed in line with funding conditions and individual funding agreements. |
| Water Supplies | This Reserve consists of funds set aside for future replacement of water related assets across the Council area and water capital works projects not completed in previous years. | Any surplus generated by the water business, after allowing for operating and capital expenses, will be added to this reserve on an annual basis. The annual transfer to this Reserve is based upon projects adopted in the IP&R strategies and plans. |
| Sewerage Services | This reserve consists of funds set aside for future replacement of sewer related assets across the Council area and sewer capital works projects not completed in previous years. | Any surplus generated by the sewer business, after allowing for operating and capital expenses, will be added to this reserve on an annual basis. The annual transfer to this Reserve is based upon projects adopted in the IP&R strategies and plans. |
| Domestic Waste | This reserve consists of funds set aside for future replacement of domestic waste related assets across the Council area and domestic waste capital works projects not completed in previous years. | Any surplus generated by the sewer business, after allowing for operating and capital expenses, will be added to this reserve on an annual basis. The annual transfer to this Reserve is based upon projects adopted in the IP&R strategies and plans. |



Borrowing Policy

MSC13E

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1. INTRODUCTION

This policy sets out Council's loan borrowing requirements, both internal and external and the use of any overdraft facility, with consideration given to the following primary objectives:

- Ensure that all borrowings (both internal and external) are in accordance within relevant legislative provisions.
- Ensure the total amount of the loan borrowings is sustainable in terms of Council's ability to meet future repayments and budgetary obligations.
- To detail Council's planned financial management strategy for existing and future debt.
- Minimise the cost of borrowing.
- Meeting industry best practice in respect to Council's Debt Service Ratio.
- Have regard to the long term and cumulative effects of Council's decisions.
- Exercise reasonable care and diligence that a prudent person would exercise when borrowing funds.

2. POLICY STATEMENT AND SCOPE

2.1 Principles

Borrowings are not a form of revenue and do not replace the need for Council to generate sufficient operating revenue to service its operating requirements.

Council aims to finance capital works and new assets to the greatest extent possible from revenue, grants, subsidies or any specific reserves primarily established to fund capital works.

It is Council's aspiration to fund depreciation, and restrict those funds into an internal reserve, for the purpose of funding capital works.

Existing assets, that are due for renewal are to be replaced from the funding of depreciation costs, with the exception of "lumpy" assets, where borrowing may be used, and the funded depreciation used to repay the loan, both principal and interest.

Council will not enter into any financing arrangements which involve the repayment of interest only.

Council will restrict all borrowings to expenditure on identified capital projects that are considered by Council to be of the highest priority, and which are unable to be funded from revenue. Under no circumstances will Council borrow funds for recurrent expenditure.

New assets, that are income producing, may be funded from debt.

Where a capital project for a service that is funded by user charges (e.g. waste, water or sewer) is determined to be funded by way of loans, the user charge should reflect the cost of providing the service (including any loan repayments).

Other specific capital projects, not funded by user charges, will only be considered for loan funding where the project is considered by Council to be beneficial to the majority of ratepayers.

Financing of major infrastructure assets requires a strategic approach to evaluate the risk exposure to Council.

In considering the impact of borrowing on council's budget council will be guided by:

- The Long Term Financial Plan resourcing the Community Strategic Plan.

- The relevant Asset Management Plan or Integrated Water Cycle Management Plan informing the Community Strategic Plan.
- Achieving the benchmark Operating Result Ratio.
- Achieving the benchmark Asset Renewal Ratio.
- Debt service ratios.

2.2 Scope

The following provides some context for the above principle points.

When to use debt?

The use of debt is closely linked to the concept of intergenerational equity. Operating and asset renewal expenses should be paid by current residents and therefore current revenue. Expenditures that provide benefits over many years should be paid for by users that benefit from the works over its economic life. This cannot be achieved by accumulating current revenues for future expenditure but is achieved by using current revenues to fund loan repayments over the life of the asset.

Debt is also appropriate where the expenditure results in a reduction of operating costs or an increase in operating revenues that cover the cost of borrowing. There may also be emergency situations where works are required urgently to avoid significant risks or escalations in remediation costs.

How will a project be approved for funding?

Assessment of a project will incorporate the following mandatory analysis:

Council Priorities

Does the project outcome support an objective of Council's Strategic Priorities?

Community Expectations

The project outcome must align to an action adopted under the Community Strategic Plan and Council's Delivery Program.

Asset Management

Is the expenditure programmed in the appropriate Asset Management Plan adopted by Council under the integrated planning and reporting provisions of the Local Government Act?

Will the project contribute to Council maintaining its Asset Renewal Ratio at or above the industry Asset Renewal Ratio benchmark?

Financial Management

Have the operating and capital cost of a project been accurately assessed and entered into Council's Long Term Financial Plan to determine the financial impact of a project and the capacity for Council to maintain a positive Operating Result Ratio?

Risk Management

All projects shall be evaluated under the Project Risk Assessment Matrix and identified risks will be mitigated or managed as documented in the risk assessment.

When is debt affordable?

Debt is affordable where the works are self-funding either from reduced operating costs or an increase in revenues or the net result of both. Alternatively, debt is only affordable if the



relevant fund has an operating surplus sufficient to cover the loan repayments. Operating revenues should be able to cover cash operating expenses as well as non-cash accruals for leave entitlements, depreciation and remediation, before committing to loan repayments, for the fund to be financially sustainable. The fund is required to maintain a positive Operating Result Ratio to achieve industry benchmarks.

What are appropriate sources and terms of debt?

The Office of Local Government will set controls for borrowings which may change at any time and Council needs to keep aware of these through the related legislation and references below. Council will not indulge in speculative debt arrangements and will adhere to standard table loans with set monthly, quarterly or bi-annual instalments and rates fixed for at least five years. Repayment periods will not exceed the economic life of the works to ensure intergenerational equity.

2.3 External Loans

In considering the need for new loans, the following criteria will be analysed:

- Any proposed borrowing amounts must be contained in Council's Long Term Financial Plan, Delivery Program and Operational Plan.
- Current and estimated future revenues - Where possible loans should only be raised for income producing products, however this will not apply to non-income generating assets such as roads and stormwater drainage, these works will only be considered if the project can demonstrate long term savings by bring works forward.
- Strategic planning for the future of the Council covering short, medium and long term.
- Inter-generational equity considerations in terms of ratepayers who benefit from the expenditure and therefore on a user pay basis, who should pay for the costs associated with such expenditure.
- Current and future funding needs for both operating and capital expenditures.
- Potential movements in interest rates and associated debt servicing costs.
- Ensure where possible that the structure of the borrowing is appropriate for the nature of the asset being funded.
- Any other strategic imperative that is linked to revenue and expenditure capacities.

2.4 Terms of Loans

The term of the loan should not exceed the expected economic life of the asset being funded, subject to the maximum periods below.

| Borrowing Amount | Term |
|----------------------------|-----------------|
| \$500,000 to \$1,000,000 | Maximum 5 years |
| \$1,000,000 to \$2,000,000 | 10 years |
| \$2,000,000 to \$5,000,000 | 20 years |
| Greater than \$5,000,000 | 30 years |

2.5 Determination of Appropriate Lending Institution

Once borrowing has been approved by Council, within its Delivery Plan and annual budget, a quotation process will be conducted whereby appropriate lending institutions (ADIs) will be invited to submit written quotations on Council's borrowing requirements.

Quotations/Tenders will be sought from ADIs with a long-term credit rating of A- or above in order to determine the appropriate lending institution for any new or renewal loan borrowings.

Written quotations/tenders must include:

- Interest rate - may be fixed or variable for the term of the loan;
- Term of the loan;
- Repayment intervals (monthly, quarterly or bi-annually);
- Repayment instalment amount (principal and interest only);
- Any applicable fees;
- Appropriate and acceptable documentation must be provided to Council by any prospective lender during the quotation/tender process; and
- The calculation for any loan break costs must be clearly set out in the loan documentation.

As Muswellbrook Shire Council has been deemed "Fit" under the NSW Government Local Government Reforms, Council is able to access the Statement Government borrowing facility. This borrowing facility is managed by NSW Treasury Corporation (TCorp). The minimum TCorp loan is \$1,000,000 and Council would also need to meet TCorp's rules in relation to its investment portfolio credit rating breakdown across the financial institutions it invests with.

2.6 Borrowing Authorisation

The authority to authorise loans and/or Council funding requirements is vested with Council by virtue of the Local Government Act, 1993. No officer of Council is authorised to undertake the establishment of a new loan facility without the authorisation of Council.

Council must have resolved to borrow funds as part of its Delivery Plan, Operational Plan, emergency circumstances and annual budget, before funds are borrowed.

The General Manager has the authority to accept loan offers, subject to the borrowing amount being previously approved by Council and the requirements of this policy being adhered to.

Council will be advised of the terms of the loan once finalised.

The Borrowings Return form must be submitted to The Office of Local Government (OLG) by July each year, outlining Council approved loan borrowings for the following financial year.

The Finance team will periodically review the debt portfolio to ascertain if there is an opportunity for refinancing which will deliver positive outcomes to Council.

2.7 Legislative Authority for Investments

The following legislation, circulars or guidelines are relevant to Councils when considering loan borrowing

- Local Government Act 1993
- Local Government (General) Regulation 2005
- Minister's Borrowing Order

- Local Government Circular 09-21

2.8 Limitations

Current borrowing restrictions are prescribed in the Local Government Borrowing Order which states:

A council shall not borrow from any source outside the Commonwealth of Australia nor in any current other than Australian currency.

Council has also determined that in addition to this the following limitations will apply:

- That the total amount of borrowings outstanding assets, excluding the Future Fund, is not to exceed 2.5 times the total amount of Ordinary Rates, including Special Rates and Annual Charges, in any one year, and
- That the total amount of borrowings is not to exceed a Debt Service Ratio of 20% (as disclosed in the Fit for the Future documentation)

2.9 Internal Borrowing

From Externally Restricted Funds

Internal loans from externally restricted funds do not need to be included in the Office of Local Government (OLG) "requested borrowing" return. Internal loans from externally restricted funds must have Ministerial approval before the internal loan can be drawn.

Section 410(3) of the Local Government Act, 1993 NSW states:

"Money that is not yet required for the purpose for which it was received may be lent (by way of internal loan) for use by the council for any other purpose if, and only if, its use for that other purpose is approved by the Minister."

From Internally Restricted Funds

The use of internally restricted funds is not considered to be an internal loan by the OLG. The use of internally restricted cash for a purpose that is different from its original purpose requires a resolution of Council.

Council has determined funds can be borrowed from Internally Restricted Reserves as a replacement for an external loan borrowing, on the basis:

- That the interest rate to be charged is pegged at 0.25% below the external rate
- Funds can be borrowed internally, within the Section 94 Reserve, only for the purpose of other Section 94 works and cannot be used to fund works that are not part of the Section 94 works schedule

2.10 Borrowing Redemption

When surplus funds exist, the decision to repay borrowings shall be made on the facts available at the time with consideration of impact on Council's Long Term Financial Plan and giving due regard to minimising the overall cost to the organisation.

Loans will only be paid out early if there is a significant net financial benefit to Council.

2.11 Overdraft

Council has an overdraft facility of \$750,000 established with Westpac Banking Corporation.

The overdraft facility is only used for short term unavoidable and essential cash flow purposes.



Council's finance staff will generally avoid the use of the overdraft facility via careful cash management practices that ensures sufficient funds are available to fund daily expenditure requirements.

2.12 Compliance and Monitoring

A reconciliation of all borrowings, including the weighted average interest rate of borrowings and accrual of interest, will be completed by the Responsible Accounting Officer and reported quarterly to the Finance Committee.

3. REFERENCES

- | | | |
|-------------------------|-----|---|
| Laws and standards | and | <ul style="list-style-type: none"> • Australian Accounting Standards • NSW Office of Local Government – Local Government Code of Accounting Practice & Financial Reporting • NSW Office of Local Government Borrowing Circulars • NSW Office of Local Government Capital Expenditure Guidelines • Local Government (General) Regulation 2005 • Local Government Act 1993 • Minister's Borrowing Order (gazetted) |
| Policies and procedures | and | <ul style="list-style-type: none"> • Code of Conduct • Financial Management Policy • Procurement Policy • Disciplinary Policy & Procedures • Internal Reporting Public Interest Disclosures Policy • Fraud and Corruption Prevention Strategy |

4. DEFINITIONS

| Term | Meaning |
|---------------------|--|
| Annual charges | Has the same meaning as determined by the Local Government Act. |
| Asset renewal ratio | $\frac{\text{Asset Renewals}}{\text{Depreciation, Amortisation \& Impairment Expense}}$ <p>This ratio measures Council's ability to renew assets at a rate equivalent to or greater than the consumption expense of Council's assets each year. Industry benchmarks require a ratio of 1 or above.</p> |
| Borrowing | Cash received from another party in exchange for future payment of the principal, interest and other finance charges. |
| Borrowing costs | Interest and other costs that an entity incurs in connection with the borrowing of funds. |
| Borrowing facility | A loan that is not drawn down (borrowed against) completely when approved but allows for a series of timed borrowings, over a period of time, up to the maximum of the facility. These are generally used for property development. |
| Debt service ratio | <p>The debt service cover ratio is calculated as:</p> $\frac{\text{Operating result before capital excluding interest and depreciation/impairment/amortisation}}{\text{Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)}}$ |

| Term | Meaning |
|--------------------------|--|
| | This ratio measures the availability of operating cash to service debt including interest, principal and lease payments (The OLG consolidated key performance indicator is greater than 2) |
| Emergency circumstances | An unforeseen, serious, unexpected or dangerous situation requiring immediate action |
| External borrowings | Includes raising and obtaining, in any way, money, credit and other financial accommodations from sources external to Council. |
| Loan break costs | Costs associated with paying out a loan prior to the loan expiry date. |
| Loan facility | A line of credit providing access to borrow money up to a particular amount. |
| Long term credit rating | A forward looking opinion about credit risk, by a recognised and reputable rating agency, as allowed under the Ministerial Investment Order. |
| Long Term Financial Plan | Council's Ten (10) year budget maintained in its resourcing strategy in accordance with Section 403 Local Government Act, 1993 |
| Lumpy assets | Assets that when due for renewal will require funding that is greater than two years of renewal funding for that particular assets, as defined in the Asset Management Plan (AMP) and Sub-Plans. An example would be the replacing the roof on a building. |
| Operating result ratio | $\frac{\text{Operating Revenue excluding Capital grants \& Contributions less Operating Expenses}}{\text{Operating Revenue excluding Capital grants \& Contributions}}$ <p>This ratio measures Council's achievement of containing operating expenditure within operating revenue. The industry benchmark is greater than or equal to break even average over three years.</p> |
| Ordinary rates | Has the same meaning as determined by the Local Government Act. |
| Overdraft facility | A flexible line of credit providing access to funds to manage the day to day cash flow needs of an organisation |
| Security | In accordance with the Local Government Act, security for any loan will only be given over the future Ordinary Rates of Council. |
| Renewal funding | The annual amount of funding that is required to be raised and held, that is equivalent to straight line depreciation of the total value of the asset over the useful life of the asset, being the renewal intervention life. For roads it is 45 years, whilst 50 years is considered the failure point. |
| Variable interest | Interest that fluctuates over the life of the loan and is usually pegged to a benchmark rate, such as the bond rate. |



Authorisation Details

| | |
|--------------------------|--|
| Authorised by: | Council |
| Minute No: | |
| Date: | |
| Review timeframe: | Within the first 12 months of the term of each new Council |
| Department: | Finance |
| Document Owner: | Chief Financial Officer |

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Financial Management Policy

Policy No MSC21E

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1. Policy Objectives

- Provide certainty about the roles, responsibilities and process for preparing, approving and amending the annual and delivery program budget.
- Ensure that budget variations are considered on a strategic basis.
- Maintain financial sustainability by ensuring that the long-term financial outlook is considered in decision making.
- Maintain financial sustainability by ensuring that Muswellbrook Shire Council (Council) is regularly informed of trends that may impact on the annual budget and long-term financial outlook.
- Ensure compliance with approved budget resource allocations.

2. Definitions

| Term | Definition in regard to this policy |
|--------------------------------|---|
| Estimate or Allocation | The amount of money provided in the budget for an individual program or purchase. The amount of revenue estimated to be derived from a particular source. |
| Budget | The document adopted by Council outlining estimates made regarding Council's Operating and Capital activities for the Financial Year. Any changes made by Council either through resolution or adoption of the Quarterly Budget Review are deemed to form part of the budget. |
| Business Unit | A distinct portion of the Council's operations, under the control of a single manager that consolidates a series of related programs. |
| Finance Committee | The Committee established by Council to oversee matters related to the financial control of Council. |
| Funding | The means by which the allocations made are made available for the activity or purchase. |
| MANEX | Council's Management Executive Group |
| Materiality | An amount by which the over expenditure or under receipt of an estimate might cause Council to need to take a significant action or to reallocate significant financial resources. Amounts considered to be material for the purposes of this policy are outlined in the table within the policy. |
| Program | An operation undertaken by a Business Unit or under a Capital Works Program for which a separate and distinct allocation has been made. |
| Quarterly Budget Review | The formal process by which Council reviews all financial estimates against actual expenditure and revenue at that time and responds to instances where actual results are not in line with estimates. These are conducted at the end of the September, December, March and June quarters. |



| Term | Definition in regard to this policy |
|---------------------------------------|---|
| Net Operating Result | The result shown in the budget pertaining to a particular Business Unit after taking into account the revenues and expenditures pertaining to that Business Unit. |
| Responsible Accounting Officer | The staff officer appointed to this role in accordance with clause 196 of the Local Government (General) Regulation 2005 |

3. Scope

This policy relates to:

All officers who have a financial responsibility within Council, with a particular focus on the Mayor, Councillors, General Manager, Deputy General Manager, Chief Engineer, Executive Managers, Managers, Directorate Finance Officers and nominated Budget Owners.

4. Policy Statement

Council accepts the importance of adopting a budget with estimates that allow for the effective operation of Council's activities. Council also accepts the need to ensure that, once adopted, the estimates made are strictly adhered to, with all material instances of non-adherence being reported in a timely manner to the appropriate forum.

This policy seeks to outline how Council will comply with clause 202 of Local Government (General) Regulation 2005 which states:

202 The Chief Financial Officer is to maintain a system for budgetary control:

The Chief Financial Officer of a council must:

- a) Establish and maintain a system of budgetary control that will enable the council's actual income and expenditure to be monitored each month and to be compared with the estimate of the Council's income and expenditure, and*
- b) If any instance arises where the actual income or expenditure of the Council is materially different from its estimated income or expenditure, report the instance to the next meeting of the Council.*

In regard to clause (a) of the Regulation, a reporting system will be maintained that allows staff ongoing oversight of current actual revenues and expenditures compared with the estimate. All instances of actual or likely non-compliance with the estimate are to be reported to MANEX on a monthly basis.

In response to clause (b) of the Regulation, Council deems the following reporting processes to be appropriate.

- Where the variance from the estimate is deemed to be favourable i.e. the actual expenditure is materially less than the estimate or the actual revenue is materially more than the estimate, then the matter will be considered as part of the next Quarterly Budget Review process. This will allow the matter to be considered in conjunction with the financial situation as a whole.
- Where the variance from the estimate is deemed to be adverse i.e. the actual expenditure is materially greater than the estimates or the actual revenue is materially less than the estimate then the matter must be reported to the next Council meeting in accordance with the Regulation.



- In order to determine the most appropriate forum for the reporting of any material expenditure over the estimate or the under receipt of estimated revenues, staff shall have regard to the materiality of the matter. For the purposes of this Policy, the situation shall be considered material when the amount of over expenditure or under receipt of the estimate is within the ranges set out in the table below:

| Amount of Estimate | Amount Considered to be Material |
|--|----------------------------------|
| Less than \$200,000 | More than \$10,000 |
| Between \$200,000 and \$1,000,000 | 5% of the allocation |
| Greater than \$1,000,000 | More than \$50,000 |

Where the instances of non-adherence are not deemed to be material, the matter shall be considered as part of the next Quarterly Budget Review process. In the event that it has become clear that a material adverse variance (i.e. the over expenditure or under receipt of an estimate) is likely to occur, the matter must be reported to the next meeting of Council or through the next Budget review Process. In making this decision, consideration will be given to the timing of the variance occurring, the ability to reschedule or halt works underway in accordance with the allocation while a decision is being made, the amount of the expected variance and the ability to maintain the Net Operating Result of the Business Unit after taking the variance into account.

For the purposes of this Policy, the estimates and actuals shall be compared at the Program level.

With regard to the alteration of estimates during the course of the year, this may be undertaken in two (2) ways:

- Through the Quarterly Budget Review process.
- Through a resolution of the Council.

During the Quarterly Budget Review process staff will review the actual and expected performance against the relevant estimates and propose a series of alterations to the original estimates to the Finance Committee. In the development of these proposed changes the following principles will be applied:

- The overall Operating Result for each Fund will at least be maintained or preferably improved.
- Proposals for changed estimates at a Program level will be balanced off as far as possible with changes in the estimate for other Programs within the same Business Unit. The aim is to at least maintain the budgeted net result applicable to the Business Unit. Where this is not possible the change to estimate may be balanced off against savings or increased revenues in other Business Units.
- Where there is a favourable budget variance, the resultant 'gain' does not automatically belong to the directorate and should be made available for Council to consider the most appropriate corporate allocation.
- Where there is an unfavourable variation that is unable to be funded by the directorate, the matter should be referred to the Chief Financial Officer to identify an offsetting funding source.
- Commercial business activities must submit a balanced budget review. Any variation in 'returns' from commercial business activities must be referred to the Chief Financial Officer for comment.

5. Items to be Considered by the Finance Committee

The Finance Committee will be provided with the following information:

Quarterly

- A full Budget document showing the original estimates, actual amounts and any proposed altered estimates.
- A list of all proposed changes to operating expenditure or revenue estimates greater than \$10,000.
- A list of all proposed changes or reallocations within the same budget centre to capital expenditure or revenue estimates greater than \$10,000.
- A list of all Reserves showing opening balance, approved transfers from/to, proposed movements from/to and estimated closing balance as at 30 June.
- Reports showing revenue and expenses by Type and By Business Unit
- A report on proposed changes in the review, outlining the financial impact of proposals and highlighting any significant proposed changes to estimates that may impact on Council's financial sustainability.
- A report on projects that have funding sources consisting of reserves, grants, loans or a combination of the same that details; budget, funding source, funding source amount used/drawn down to date, expenditure to date, expected expenditure to completion and expected completion date.

Monthly

- Financial reports at Income Statement level which provide expenditure and revenue trends but make no recommendations in terms of estimate variations for:
 - General Fund
 - Water Fund
 - Sewer Fund
 - Future Fund
- Investment reports detailing:
 - Portfolio Valuation Report
 - Trading Limit Report

6. Funding of Proposals Outside of the Quarterly Budget review Process

Proposals may only be submitted to Finance Committee outside of the Quarterly Budget Review process with the approval of the General Manager.

All items required to be presented to the Finance Committee should be presented to the same meeting as the quarterly budget review except where:

- Time is of the essence e.g. grant funding opportunities, acquisitions, expediency of work scheduling, unforeseen issue that needs to be addressed prior to the next quarterly review.
- A particular issue needs to be addressed urgently in the interest of the Community or Council.
- The item is of a complex nature and may need to be considered at more than one Finance Committee meeting.



- A proposal or issue that can be appropriately considered outside of the quarterly budget review process e.g. review of Council's long-term financial position.

Regardless of the timing of consideration by the Finance Committee, all items should be considered in the context of Council's overall short and longer term financial position.

In a situation where a budget variance is to be funded from existing funds, the report must clearly identify the source of funds to be transferred and the reason that the funding source is not required for its original purpose and the impact of not spending the funding for its original purpose. All stakeholders must be consulted in relation to the transfer of funds and this consultation should be included in the report.

Estimates can also be altered by resolution at a meeting of Council. In such instances, staff shall provide a report that outlines the following:

- The need for the altered or new estimate.
- The quantum of the altered or new estimate.
- The source of the funding that is required to allow for the altered or new estimate.

Council may also provide for contingency estimates in either the Operating or Capital Budgets. In using these funds, the General Manager is delegated authority to make payment in relation to an event or matter that has arisen in the normal course of Council's business but was unexpected in terms of either the nature (i.e. it was an event that could not have been reasonably expected) or scale (the cost of the event is greater than could have been reasonably expected) of the event or matter. The allocation may also be used in the case of a good or service being required urgently and no other appropriate allocation is available. The contingency allocation is not intended to be used as a source of funding for new activities, actions or goods.

When the contingency allocation is used, the contingency allocation is reduced and the allocation for the appropriate Activity is increased. These proposed changes will occur at the next Quarterly Budget Review.

In instances where an allocation needs to be altered so urgently that the processes outlined above are not practicable, the Mayor may authorise the alteration in accordance with the provisions of Section 226 of the Local Government Act 1993.

7. General Principles

7.1 Annual Budget Position

Under no circumstances is the annual budget allowed to go into a deficit position. If the annual budget is likely to go into a deficit position due to a high priority unfavourable variation, a corresponding favourable variation must be identified to balance the budget.

The annual budget must align with and as far as possible support the delivery of the annual Operational Plan.

7.2 Long Term Financial Outlook

All variations to the annual budget must give consideration to the long-term financial outlook of Council.

If a proposed variation is likely to impact on the four year Delivery Program or a future budget, the impact needs to be fully disclosed in the item/justification to Council.

If an item is likely to have a significant or material impact on future budgets or the long-term financial outlook of Council, a separate report is required that includes an impact statement from the Chief Financial Officer. Judgement needs to be exercised in assessing whether a particular



matter has a significant or material impact on the financial outlook of Council. If uncertain, the item should be discussed with the General Manager.

7.3 Salaries and Wages

An amount of money will be included in the budget that allows for probable progression in line with the Local Government (State) Award.

7.4 Recurrent and Non-Recurrent Estimate Variances

Any variation to a budget must also be identified in terms of 'Recurrent' or 'Non-Recurrent', as defined below:

Recurrent Budget – may be considered as a 'base budget' which represents the current level of service provided on an ongoing basis.

Non-recurrent Budget – may be considered as any expenditure/revenue budget that is not ongoing and may be approved for a limited period only.

Budgeted funds cannot be transferred between recurrent and non-recurrent.

The covering report for the budget variation is to provide a summary of the recurrent variations included in the review and the effect of the proposed variations on future budgets.

8. Legislation

- Local Government Act 1993
- Local Government (General) Regulation 2005
- Local Government Code of Accounting Practice

9. Associated Council Documentation

- Community Strategic Plan
- Operational Plan
- Delivery Program
- Long Term Financial Plan
- Asset Management Plans
- Revenue Policy
- Resourcing Strategy
- Workforce Plan

Authorisation Details

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**muswellbrook
shire council**

Investment (Financial Securities) Policy

MSC14E

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1. INTRODUCTION

The Investment Policy establishes the framework within which Council's cash and investment portfolio will be managed, monitored and reported on. This policy has been established in compliance with section 625 of the Local Government Act 1993 and provides guidance for the investment of Council's funds, with consideration given to the following primary objectives:

- Preservation of capital. Preservation of capital is the principal objective of the investment portfolio. Investments are to be placed in a manner that seeks to safeguard Council's cash and investments portfolio. This includes managing credit and interest rate risk within identified thresholds and parameters.
- Maximise investment returns within Council's risk appetite as outlined within this policy. Investments are expected to achieve a market average rate of return in line with Council's risk tolerance.
- Manage Council's cash resources to ensure sufficient liquidity to meet Council's business objectives over the short, medium and long term.

The policy reinforces Council's ongoing commitment to maintain a conservative risk and return portfolio, an important component of its ongoing prudent financial management practices.

For clarity, this policy does not apply to investments made by the Future Fund that operates under the Future Fund Policy, Operational Plan and Budget.

2. POLICY STATEMENT AND SCOPE

2.1 Funds for Investment

Investments are maintained to meet specified business needs, including:

- Strategic purposes consistent with Council's long-term strategic plan.
- Holding short-term investments for working capital requirements.
- Holding investments that are necessary to carry out Council operations consistent with annual long-term plans.

2.2 Legislative Authority for Investments

All investments are to be made in accordance with:

- Australian Accounting Standards
- NSW Office of Local Government Investment Circulars
- NSW Office of Local Government Investment Policy Guidelines
- Local Government (General) Regulation 2005 - Clause 212
- Local Government Act 1993 (particularly section 625)
- NSW Local Government Code of Accounting Practice and Financial Reporting
- Minister's Investment Order (gazetted)
- The Trustee Amended (Discretionary Investments) Act 1997 - Sections 14A(2), 14C(1) and (2)



2.3 Investment Governance

The following internal control practices are in place to ensure adequate governance and allow transparent and clear performance measurement for the management of Council's cash and investment portfolio:

- Financial planning and cash flow management
- Delegated authorities and investment approval
- Measurement of investment performance
- Performance benchmarks
- Reporting and review
- Audit oversight

2.4 Delegation of Authority

Authority for the implementation of the Investment Policy is delegated by Council to the General Manager in accordance with the *Local Government Act 1993*.

The General Manager (GM) has delegated the day-to-day management of Council's investment portfolio, including authority to invest surplus funds as follows:

- Chief Financial Officer (CFO)
- Other senior financial officers who have the requisite skills to undertake investment functions (as per the Delegations Register)

Officers with delegated authority are required to acknowledge they have received a copy of this policy and understand their obligations in this role.

2.5 Prudent Person Standard

The investment portfolio will be managed with the care, diligence and skill that a prudent person would exercise. As trustees of public monies, officers are to manage Council's investment portfolio to safeguard the portfolio in accordance with the spirit of this Investment Policy, and not for speculative purposes.

2.6 Ethics and Conflicts of Interest

Officers shall refrain from personal activities that would conflict with the proper execution and management of Council's investment portfolio. Any potential conflicts of interest should be appropriately disclosed in accordance with Council's Code of Conduct.

Independent advisors are also to declare that they have no actual or perceived conflicts of interest and receive no inducements in relation to Council's investments.

2.7 Approved Investments

Current investment regulations require Councils to invest with either the NSW Treasury Corporation (NSW TCorp) or Approved Deposit-taking Institutions (ADI) such as Australian banks or branches of foreign owned banks, credit unions and/or building societies as it acknowledges the additional assurance that arises from their regulation by the Australian Prudential Regulation Authority (APRA).

Investments are limited to those allowed by any current Ministerial Investment Order that has been issued by the NSW Minister for Local Government.



2.8 Prohibited Investments

In accordance with any current Ministerial Investment Order, this investment policy prohibits but is not limited to any investment carried out for speculative purposes, including:

- Derivative based instruments
- Collateralised Debt Obligations (CDO's)
- Principal only investments or securities that provide potentially nil or negative cash flow
- Standalone securities issued that have underlying futures, options, forward contracts and swaps of any kind.

This policy also prohibits the use of leveraging (borrowing to invest) of an investment.

2.9 Local Economic Benefit

Council will give consideration to investment products from institutions that provide a direct economic benefit to the Muswellbrook Shire community. This may include:

- Institutions that operate a retail branch in the Shire
- Institutions specifically established for the purpose of investing in the local area such as local credit unions

This is conditional upon the Council complying with its other obligations under this policy and the achievement of comparable investment security and rates of return. Any such consideration will be in line with the Council's obligations under legislation and its purchasing policies and procedures.

2.10 Investment Advisor

In managing its investments Council may, from time to time, engage the services of an independent investment advisor, licensed by the Australian Securities and Investment Commission for the purpose of achieving the aims of this policy. Independence includes receiving no commissions or other benefits in relation to the investments being recommended or reviewed, except as fully rebated to Council, promptly.

The independent advisor will review and assess the market value of the investment portfolio on a monthly basis.

Council's investment advisor is required to provide written confirmation that they do not have any actual or potential conflicts of interest in relation to the investments they are recommending or reviewing, including that they are not receiving any commissions or other benefits from the product providers in relation to the investments being recommended or reviewed.

2.11 Mandatory Investment Criteria

2.11.1 Scope

Investments must comply with the legislative authorities as described in the Legislative Authority for Investments paragraph of this policy.

2.11.2 Placing Investments

All new and renewal investments must be authorised by two (2) senior financial officers of Muswellbrook Shire Council one of which will be the Chief Financial Officer.



2.11.3 Currency

Investments must be denominated in Australian Dollars.

2.11.4 Ownership

Investments must be held in Muswellbrook Shire Council name.

2.11.5 Term / Maturity

The term to maturity of investments may not exceed the periods shown below:

| Investment | Maximum term |
|----------------------------|--------------|
| Fixed Rate Term Deposits | 5 years |
| Floating Rate Notes (FRNs) | 5.5 years |
| Other Investments | 10 years |

2.11.6 Risk Management Framework

Council's risk profile in relation to investing surplus funds is to be relatively prudent, conservative and risk averse. The profile will be achieved by effectively managing within the investment portfolio:

- The diversity of the investments
- The creditworthiness of the investments

Diversity is achieved by placing limits on the maximum exposure Council may have to individual funds or financial institutions and individual credit rating bands.

Creditworthiness of investments is primarily determined using industry standard credit ratings.

Investments are to comply with three key risk management criteria:

- Overall Portfolio Credit Framework: limit overall credit exposure of the portfolio
- Institutional Credit Framework: limit exposure to individual institutions based on their rating
- Term to Maturity Framework: limits based on maturity of securities

Overall Portfolio Credit Framework

To control the credit quality of the entire portfolio, the following credit framework limits the percentage of the total portfolio exposed to particular credit rating categories.

Credit rating agencies apply short-term ratings to investments with 12 months or less to maturity and long-term ratings to those with greater than 12 months to maturity.

| Short-term credit rating | Long-term credit rating | Overall portfolio exposure (as a % of Total Portfolio) |
|--------------------------|-------------------------|--|
| A-1+ | AAA | 100% |
| A-1 | AA | 100% |
| A-2 | A | 70% |



| Short-term credit rating | Long-term credit rating | Overall portfolio exposure (as a % of Total Portfolio) |
|--|-------------------------|--|
| A-3 | BBB | 60% |
| Unrated | Unrated | 10% |
| NSW Treasury Corp Deposits | | 100% |
| TCorp IM Funds (allowable under the Ministerial Order) | | 25% |

- Credit ratings apply to both products and institutions. This policy requires the rating applicable to the institution responsible for the product (e.g. guarantor) to be taken as the relevant rating given this represents the underlying risk to Council.
- Credit risk investment parameters are based on credit rating bands as published by the credit rating agencies (e.g. S&P, Moody's, Fitch). If an investment is rated by more than one ratings agency, the credit rating to be used will be based on the order of S&P, Moody's and then Fitch. In the event of disagreement between agencies as to the rating band ("split ratings") Council shall use the higher in assessing compliance with portfolio policy limits, but for conservatism shall apply the lower in assessing new purchases.
- Where the principal amount and accrued interest of any investment with a financial institution are directly guaranteed by the Australian Federal Government for full repayment, the exposure of the total portfolio to credit ratings lower than AAA may be exceeded, provided that the excess amount comprises only guaranteed investments. As a result, investments directly guaranteed by the Australian Federal Government may comprise the total investment portfolio. Management should ensure that any excess of investments over the parameters specified in the table above that is comprised of Australian Federal Government guaranteed investments can be managed back to within the specified parameter levels prior to the expiration of any such guarantee.

Institutional Credit Framework

Council's exposure to an individual institution will be restricted by their credit rating so that single entity exposure is limited.

Where Council has short-term and long-term holdings with the same institution, the limit associated to the institution's long-term rating will be used.

| Short-term credit rating | Long-term credit rating | Individual institution exposure (as a % of Total Portfolio) |
|----------------------------|-------------------------|---|
| A-1+ | AAA | 30% |
| A-1 | AA | 30% |
| A-2 | A | 20% |
| A-3 | BBB | 10% |
| Unrated | Unrated | 5% |
| NSW Treasury Corp Deposits | | 100% |



| Short-term credit rating | Long-term credit rating | Individual institution exposure (as a % of Total Portfolio) |
|--|-------------------------|---|
| NSW TCorp IM Funds (allowable under the Ministerial Order) | | 25% |

- Credit ratings apply to both products and institutions. This policy requires the rating applicable to the institution responsible for the product (e.g. guarantor) to be taken as the relevant rating given this represents the underlying risk to Council.
- Credit risk investment parameters are based on credit rating bands as published by the credit rating agencies (e.g. S&P, Moody's, Fitch). If an investment is rated by more than one ratings agency, the credit rating to be used will be based on the order of S&P, Moody's and then Fitch. In the event of disagreement between agencies as to the rating band ("split ratings") Council shall use the higher in assessing compliance with portfolio policy limits, but for conservatism shall apply the lower in assessing new purchases.
- Where the principal amount and accrued interest of any investment with a financial institution are directly guaranteed by the Australian Federal Government for full repayment, the exposure to individual institutions may exceed the stated limits provided that the excess amount comprises only guaranteed investments.

Term to Maturity Framework

The term to maturity framework specifies the maximum amounts or percentages of Council's total investment portfolio that can be held within the various investment maturity bands.

Maximum thresholds are set to control the proportion of the total portfolio that can be invested into longer term investments to ensure that Council has adequate access to short and medium term liquidity to satisfy its business objectives. The maximum thresholds reduce as the maturity horizon extends further into the future.

| | < 1 Year | 1 to 3 Years | 3 to 5 Years | > 5 Years |
|------------------------------|----------|--------------|--------------|-----------|
| Maximum % of Total Portfolio | 100% | 70% | 40% | 10% |

Minimum thresholds are set to ensure that there will always be an adequate amount of liquidity available for ongoing working capital purposes. Remaining funds are invested across the various investment horizons, seeking the best relative value at the time of investment.

| < 1 Year | |
|------------------------------|-----|
| Minimum % of Total Portfolio | 40% |

2.11.7 Breaches of Criteria

This policy imposes limits and thresholds in relation to the acquisition and holding of investments. However, situations may occur where inadvertent breaches of these limitations or thresholds arise, other than from the acquisition of investments. For example:

- Amendments to regulatory directives or legislation



- Changes in the total value or amount of Council's investment portfolio which consequently changes any of the threshold limits so that they no longer meet the portfolio liquidity parameters

If the credit ratings of any of Council's investments are downgraded to an extent that they no longer fall within the investment policy limits, they will be divested as soon as practicable having regard to potential losses resulting from early redemption and subject to minimising any loss of capital that may arise from compliance with this provision.

Those limitations or thresholds breached due to amendments to regulatory directives or legislation, the investment portfolio must be managed in accordance with the respective amendments. Where the amendments enable retention and grandfathering of existing investments, Council may continue to actively manage those investments within the portfolio in accordance with all other regulations and policies applicable to such investments. This includes a strategy of holding or divesting such investments in accordance with regular investment considerations.

Where limitations or thresholds are breached due to a change in the overall size of the total investment portfolio, the following process will apply:

- An immediate freeze is imposed on the acquisition of new investments in the relevant category until the portfolio can be effectively managed back to accord with the requirements of this policy
- The relevant category of investments must be managed back in accord with the policy limits within a period that takes into account any adversity created by market liquidity, current valuations of these investments and the risks of default.

The immediate forced sale of the investments in breach of the limits or thresholds will not be required.

2.12 Investments in Financial Institutions which Support the Fossil Fuel Industry

Subject to consideration of the Risk Management Guidelines in this policy, preference is to be given to financial institutions that publicly state that they do not invest in or finance the fossil fuel industry if:

- The investment is compliant with Council's Investment Policy, and
- The investment rate of interest is equivalent to or more favourable to Council relative to other similar investments that may be on offer to Council at the time of the investment.

2.13 Measurement of Investment Performance

Investment performance includes both interest returns and any change in the underlying capital value of the investments.

Interim fluctuations of capital value are excluded from the monthly measurement of investment performance on the basis that:

- Investments are mainly acquired with the intention of holding them through to maturity, although some liquid assets may be sold prior to maturity should it be to the benefit of Council
- Cash liquidity requirements are structured and managed to ensure that Council is not in a financial position that will require a forced sale of these assets

Notwithstanding the above, changes in capital value are important and the monthly investment report will therefore provide Council with indicative market valuations of each investment. In the event that the capital value of any investment becomes impaired, or a



capital gain or loss is actually realised (through disposal), the gain or loss of value will be recognised within that month's financial accounts.

Investment performance will be measured monthly against the chosen benchmarks in relation to both current month and 12-month rolling returns.

The CFO will approve the use of independently determined benchmarks. Where Council changes independently determined benchmarks, monthly reports for the month of change and the next five months thereafter shall contain reporting of investment returns against benchmark for both the following:

- The benchmark that is being replaced, and
- The new benchmark backdated on a twelve-month basis.
- Council currently uses two performance benchmarks:
- Bloomberg AusBond Bank Bill Index (formerly known as UBSA Bank Bill Index) – the Bank Bill Index represents the performance of a notional rolling parcel of bills averaging 45 days and is the widely used benchmark for local councils and other institutional cash investments
- 30-day Bank Bill Rate - provides a fair indicator of the risk free rate of return so that Council can understand the return that has been earned from diversifying its investment portfolio and accepting conservative levels of risk

2.14 Reporting and Review

Council will maintain a separate record of money it has invested under section 625 of the *Local Government Act 1993*, in accordance with the criteria defined by the *Local Government Code of Accounting Practice and Financial Reporting*.

All investments are to be appropriately recorded in Council's financial records and reconciled at least on a monthly basis.

Pursuant to the *Local Government (General) Regulation 2005* (clause 212), the CFO will provide a monthly report to Council on investments. The monthly report to Council will detail the investment portfolio in terms of performance and rate of return on the overall portfolio for the period and will detail the purchase price, face value, current (market) value, credit rating and coupon / yield for each individual investment.

For audit purposes, the FM will obtain certificates from the banks or fund managers confirming the amounts of investment held on Council's behalf at 30 June each year.

The Investment Policy will be reviewed at least once a year or as required in the event of legislative changes.

3. REFERENCES

| | |
|-------------------------|---|
| Laws and standards | <ul style="list-style-type: none"> • Australian Accounting Standards • NSW Office of Local Government - Local Government Code of Accounting Practice & Financial Reporting • NSW Office of Local Government Investment Circulars • Office of Local Government Investment Policy Guidelines • Local Government (General) Regulation 2005 • Local Government Act 1993 • Minister's Investment Order (gazetted) • The Trustee Amended (Discretionary Investments) Act 1997 - Sections 14A(2), 14C(1) & (2) |
| Policies and procedures | <ul style="list-style-type: none"> • Code of Conduct • Financial Management • Procurement of Assets and Services • Disciplinary Policy & Procedures • Protected Disclosures Internal Reporting System • Fraud and Corruption Prevention |

4. DEFINITIONS

| Term | Meaning |
|---------------------------|---|
| Total investments | <p>Total investments comprise:</p> <ul style="list-style-type: none"> • Call accounts • Term deposits • Floating rate notes • Bonds with an active secondary market with government (including NSW T-Corp) and Authorised Deposit-taking Institutions (ADIs) <p>Investments also include grandfathered structured investments with other institutions as defined.</p> |
| Active investments | <p>Active investments are a part of total investments and comprise:</p> <ul style="list-style-type: none"> • Call accounts • Term deposits • Floating rate notes • Bonds with an active secondary market |
| Grandfathered investments | <p>Grandfathered investments are a part of total investments and comprise:</p> <ul style="list-style-type: none"> • Investments where new investment activity is prohibited by regulation • Other investments over which new investment activity is temporarily prohibited due to unintentional breaches of investment thresholds and limitations that arise due to changes in the level of unrelated |

| Term | Meaning |
|---|--|
| | investments within the portfolio, (the prohibition only remains as long as the breaches remain in place) |
| Impairment | The impairment of an investment represents the amount of the original cost of the investment that is not expected to be recovered at the investment's maturity date due to current adverse economic or investment conditions that impact on the investment's financial performance. |
| AusBond Bank Bill Index | The Bank Bill Index (BBI), formerly the UBS BBI, represents the performance of a notional rolling parcel of bills averaging 45 days, and is the widely used benchmark for local councils and other institutional cash investments. |
| Approved Deposit-taking Institution (ADI) | An institution that is authorised under the Banking Act 1959 to accept term deposits and conduct banking activities in accordance with that Act and under the prudential supervision of the Australian Prudential Regulation Authority (APRA). |
| Active secondary market | A market where investors purchase securities or assets from other investors, rather than from issuing companies themselves on an arm's length (independent) basis. |
| Benchmark rates | <p>Benchmark rates comprise:</p> <ul style="list-style-type: none"> Bloomberg AusBond Bank Bill Index - The Australian Bloomberg (formally UBSA) Bank Bill index is constructed as a benchmark to represent the performance of a passively managed short-term money market portfolio. It comprises thirteen Bank Bills of equal face value, each with a maturity seven days apart. The average term to maturity is approximately 45 days. A Bank Bill is a non-interest bearing security issued by a bank whereby the bank takes on an obligation to pay an investor a fixed amount (face value) at a fixed future date. It is sold to an investor at a discount to the face value. Bank Bills are short-term money market investments with maturities usually between 30 days and 180 days. 30 Day Bank Bill Index - The Bank Bill Index is designed to measure the performance of the Australian short-term money market and consists of 13 weekly maturities out to varying dates. Interest rates applied to these maturities are interpolated from cash and Bank Bill Swap (BBSW) rates. BBSW rates are administered by the Australian Stock Exchange (ASX). |
| Call funds | Call funds are closely linked with investments but do not constitute investments. Call funds are used to meet immediate operational cash needs and may be retained in Council cheque accounts and call accounts at an ADI. Call funds must be accessible immediately or up to a maximum of 24 hours' notice within normal ADI operating hours. |

| Term | Meaning |
|-------------------------|--|
| Credit risk | The risk that an institution or a product the Council has invested in fails to pay the interest and/or repay the principal of an investment. |
| Market risk | The risk that the fair value or future cash flows of an investment will fluctuate due to changes in market prices. |
| Liquidity risk | The risk the Council is unable to redeem the investment at a fair price within a timely period. |
| Maturity risk | The risk relating to the length of term to maturity of the investment - the longer the term, the greater the length of exposure and risk to market volatilities. |
| Preservation of capital | The requirement for preventing losses in an investment portfolio's total value (considering the time value of money) |
| Diversification | Setting limits to the amounts invested with a particular financial institution or government authority to reduce credit risk. |
| Liquidity | Ensuring that funds are available in a timely manner to meet the Council's cash flow requirements without the unanticipated, and potentially disadvantageous, sale of investment products. |

Schedule 1 - Investment Instrument Description

At call deposits

Cash invested on an overnight basis with an Australian Authorised Deposit-taking Institution (ADI). Funds can be recalled or re-invested prior to the bank's Real Time Gross Settlement cut-off each day.

Term Deposit

Interest bearing deposit held at an ADI for a specific contracted period. Term deposits are not tradeable in the market. They typically have a fixed rate for their life, but floating rate term deposits are also available. Prior to the introduction of Covered Bonds into the Australian market, in early 2012, term deposits ranked at the top of an ADI's capital structure.

Bank Bills and Negotiable Certificates of Deposits (NCDs)

Similar types of interest-bearing securities issued/accepted by ADIs, typically short dated. Unlike term deposits, these are tradeable in the market prior to maturity.

Floating Rate Note/Bond (FRN)

The FRN is a longer-term debt security issued for a fixed period of time but has a variable (floating) coupon on a monthly or quarterly basis. The coupon reflects current interest rates, which is determined as a margin over the BBSW rate set. FRN's appeal to investors who are reluctant to commit funds to fixed interest investments for longer periods in times of fluctuating interest rates. Typical issuers are banks, corporates, financial institutions and securitised vehicles. Only Senior FRNs issued by an Australian Authorised Deposit Taking Institution such as a bank, credit union or building society are an eligible form of FRN investment.

Fixed Interest Securities (Bonds)

Securities issued by Commonwealth, State or corporate institutions that pay a fixed rate of interest (coupon) and mature at a fixed point in time. The interest (coupon) is paid at regular intervals (semi-annually, but can be paid monthly, quarterly, or annually). These securities are generally issued for a period of greater than one year.

NSW Treasury Corporation's Investment Management Funds:

The NSW Treasury Corporation Investment Management Funds (TCorp IM Funds) comprises a number of pooled managed funds options each set up as a unit trust. The current cash and fixed income options available through TCorp IM are the Cash Fund and the Short-Term Income Fund.

The Cash Fund is primarily a cash management tool allowing for same day access to funds whilst paying a slightly higher return than could be expected from a bank cash management account. This fund is designed as a high-volume transactional account for investors that deposit and redeem large tranches of funds at least weekly. The fund is designed for investments with time horizons ranging from overnight to 1.5 years.

The Short-Term Income Fund holds longer dated securities than the Cash Fund, consequently it has potential for more volatile month-to-month returns than its sister fund. The intended investment time horizon for the Strategic Cash Fund is 1½ to 3 years, making it an alternative to medium length term deposits.

Both funds will pay back the balance of the investment generally within 24 to 72 hours.

Schedule 2 - Standard and Poor's Ratings descriptions

Credit Ratings

Standard & Poor's (S&P) is a professional organisation that provides analytical services. An S&P rating is an opinion of the general creditworthiness of an obligor with respect to particular debt security or other financial obligation — based on relevant risk factors.

Credit ratings are based, in varying degrees, on the following considerations:

- Likelihood of payment
- Nature and provisions of the obligation
- Protection afforded by, and relative position of, the obligation in the event of bankruptcy, reorganisation or other laws affecting creditors' rights

The issue rating definitions are expressed in terms of default risk.

Long-term Obligation Ratings are:

AAA: An obligation/obligor rated AAA has the highest rating assigned by S&P. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.

AA: An obligation/obligor rated AA differs from the highest rated obligations only in a small degree. The obligor's capacity to meet its financial commitment on the obligations is very strong.

A: An obligation/obligor rated A is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations/obligor in higher rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.

BBB: An obligation/obligor rated BBB exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity to the obligor to meet its financial commitment on the obligation.

Plus (+) or Minus (-): The ratings from "AA" to "CCC" may be modified by the addition of a plus or minus sign to show relative standing within the major rating categories.

CreditWatch highlights an emerging situation, which may materially affect the profile of a rated corporation and can be designed as positive, developing or negative. Following a full review, the rating may either be affirmed or changed in the direction indicated.

A Rating Outlook assesses the potential direction of an issuer's long-term debt rating over the intermediate-to-long term. In determining a Rating Outlook, consideration is given to possible changes in the economic and/or fundamental business conditions. An outlook is not necessarily a precursor of a ratings change or future CreditWatch action. A "Rating Outlook – Positive" indicates that rating may be raised. "Negative" means a rating may be lowered. "Stable" indicates that ratings are not likely to change. "Developing" means ratings may be raised or lowered.



Authorisation Details

| | |
|--------------------------|--|
| Authorised by: | Council |
| Minute No: | |
| Date: | |
| Review timeframe: | Earliest of Alteration of relevant Ministerial Investment Order, or within the first 12 months of the term of each new Council |
| Department: | Finance |
| Document Owner: | Chief Financial Officer |

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|--------------------|--------------------|-----------------------|--------------------|------------------------|
| 2 | 17/12/19 | Council minute no 220 | CFO | |
| 3 | TBD | | CFO | Major rewrite |
| | | | | |



**muswellbrook
shire council**

Debt Recovery Policy

MSC19E

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1. Policy Objective

- a) To provide direction for the collection of rates, annual charges and sundry debtors and ensure that debt collections are reviewed on a regular basis.
- b) To ensure integrity, confidentiality and fairness are maintained in all proceedings for Council and its Customers during the debt recovery process.

2. Definitions

Council means the Muswellbrook Shire Council

The Act means the Local Government Act 1993 (as amended)

The Regulation means the Local Government (General) Regulation 2005 (as amended)

Payment Arrangement means a negotiated agreement to pay regular amounts of money as a course of action

3. Policy Statement for Rates, Charges and Water Usage

Payment of rates and charges is an important obligation of all property owners. Revenue collected from rates and charges is used to fund facilities and services for our community. Without this revenue Council would not be able to function or meet the needs of the local community.

3.1 Rate Payment Timetable

Rates and charges are levied by 31 July each year and are payable by four equal instalments by the following dates:

- 31 August
- 30 November
- 28 February
- 31 May

Any instalment not paid by the due date falls into arrears and attracts interest charges.

3.2 Overdue Rates and Charges, Water Charges and Usage

Council may take recovery action within one (1) month of the Rates and Water becoming overdue, unless the ratepayer requests a short extension of time or enters into a suitable payment arrangement with Council.

Council may accept a payment arrangement in accordance with Section 564 of the Act. Payment arrangements can be for weekly, fortnightly or monthly in accordance with suitable arrangements (see clause 3.3).

3.3 Suitable Arrangements

- a) Council determines the reasons for the arrangement are acceptable.
- b) The payment arrangement is entered into Council's billing system with a member from Council via writing, personally or by telephone. If the arrangement is adhered to no further action is required.



- c) Arrangements should be made on the basis that current rates and charges are to be paid in full by the end of the financial year. This will prevent arrears being carried forward into the next rate year. Also, that at least one payment per month is made. If this cannot be achieved, then the arrangement should be reasonable so that the debt is reduced as soon as possible.
- d) Interest will continue to accrue at the prescribed rate per annum as per Section 566 of the Act on any arrears during the period of extension or payment arrangement.
- e) If an arrangement is made and later dishonoured Council will write to the rate debtor requesting that payment be made within 7 days or written application be made for approval to pay by direct debit to avoid further debt recovery action.
- f) Those debtors who do not respond to the 7-day follow-up letter are to be issued with a further letter advising that if payment is not received within 14 days or an arrangement to pay is not made by that date, legal action will commence. The letter will also advise that such action will incur estimated legal costs and that those costs incurred will be added to the debt.
- g) Legal action to commence.

3.4 Debt Recovery

If insufficient payments have been made to cover overdue amounts for rates and charges, water charges or usage or where there is no current arrangement in place then debt recovery action will commence. Council or their Debt Recovery Agent will issue the following:

- a) A Reminder Notice.
- b) A letter of Demand and/or a Letter of Intent.
- c) If the ratepayer does not contact Council or its Debt Recovery Agent to arrange to pay the arrears, or to enter into a suitable arrangement, then legal proceedings may be instigated against the ratepayer which will include the issue of a Statement of Claim against the owner/s of the property.
- d) Following service of the Statement of Claim, if the ratepayer fails to pay the arrears or enter into a suitable arrangement, Council will obtain Default Judgement and arrange to recover the Judgement Debt through the appropriate recovery actions.
- e) Any legal Costs and expenses incurred in debt recovery proceedings will be charged against the property (including the expenses of tracing a person in accordance with Section 605 of the Act) and will be payable by the ratepayer as these costs will remain a charge on the land until paid in full.

4. Hardship

Council recognises there are cases of genuine financial hardship requiring respect and compassion in special circumstances. Please refer to Council's Hardship Policy MSC15E with cases of hardship.

5. Sale of Land

Where the above policy and procedures have not been successful in relation to the recovery of outstanding rates and charges, Part 2, Division 5 of the Act (Sale of land for unpaid rates and charges, Sections 713 – 726) is to be instigated where applicable.



- a) Commence sale of land for unpaid rates process in accordance with the Local Government Act.
- b) Letter advising that property is included on future list of properties to be sold for unpaid rates.
- c) Interest at the rate determined annually in the Council's Rates and Charges Policy is applied to all outstanding rates, whether a suitable arrangement is in place or not. Interest commences to accrue on unpaid rates after the due date.

6. Water Usage Charges

Water meters are read in accordance with Council's reading program and accounts over \$5.00 are sent to the users after each meter reading.

6.1 When water usage accounts are considered overdue

Water usage accounts are considered overdue thirty (30) days after account issue date.

7. Sundry Debtors

Council incurs expenses, which are recoverable from ratepayers and the general public e.g. construction of kerbing and guttering, footpaths, private works, property information, etc.

Generally, accounts are raised as debtor information comes to hand and invoices are issued in batches at least twice a month. Within 10 days of the close of a month a monthly statement of debt is issued. The due date for payment is 30 days of the invoice date.

The following process is to apply to debtors other than those referred to in Policy C38/4 "Lease of Council buildings or property".

- a) If an account is not paid by the due date a second monthly statement will be forwarded as a reminder with advice that the account is now overdue.
- b) If payment is not received after issue of the second statement, then a letter will be forwarded warning of legal action and requesting immediate payment or the making of an arrangement within 7 days.
- c) If after 90 days of the due date there has been no satisfactory response, Council will commence normal debt recovery action to recover the debt.
- d) If the account is an ongoing account, e.g. property information etc., further credit to that debtor will be withdrawn until the account is paid in full.
- e) Requests for arrangements where legal action has occurred, or the debtor has defaulted on a previous arrangement must be in writing. Extensions of time without any payment are generally not acceptable. Regular payments assist the debtor in their financial planning and allows for early follow-up in case of further defaults. Extensions of time to pay past twelve months will be considered where there are exceptional circumstances, such as unemployment, sickness benefits, workers compensation etc.
- f) Where accounts for kerb and guttering and footpath paving are outstanding for longer than three (3) months and no arrangements for payment have been made with Council, action be taken forthwith to recover the debt. These charges are charges against the land. Any accounts raised will immediately be attached to Council's computer database to enable the amount outstanding to be shown on a section 603 certificate.



- g) Debtor arrangements to Council staff must be strictly enforced with no debt being allowed to fall into arrears unless there are exceptional circumstances. Any such circumstances should be approved by the General Manager. (Council cannot be seen to be providing financial benefit to non-paying staff).

8. Writing Off of Amounts Owing

The Act s564, s567, s607 and s610E provides for the writing off of rates, charges, fees and accrued interest. Applications for amounts to be written off should be in writing with an explanation of the reasons for the request. Each application will be considered on its individual merit, in conjunction with the criteria set out in the Act, and the Regulation.

The Regulations further provide that council, must, from time to time, by resolution, fix the amount of rates and charges above which any individual rate or charge may be written off only by resolution of the council. At a meeting held on the (11th October 2004) Council resolved that the amount be fixed at \$200 per account.

An amount of rates and charges and a debt of or below \$200 per account may be written off either by resolution of the council or by order in writing of the Council's General Manager.

The General Manager must advise council of rates and charges and debts written off by order of the General Manager. The General Manager's order will be in writing in the form provided at Appendix A to this policy.

Appendix A – General Manager's Order Form

**GENERAL MANAGER'S ORDER NUMBER _____****Writing off of rates, charges, debts and accrued interest**

In accordance with the provisions of the Local Government (General) Regulation 2005 Clause 131 and Council's policy MSC15E - Hardship, I hereby order that the following amounts be written off and the appropriate entries made in Council's records and accounts.

| | |
|--|--|
| Name of person whose debt is being written off | |
| Account number | |
| Amount to be written off | |
| Type of account | |
| Reason why account was raised | |

- Reason for writing off the account ☐ Error in the assessment
☐ Amount is not lawfully recoverable
☐ Result of court decision
☐ Attempt to recover would not be cost effective
☐ Small balance write-off prior to rate levy
☐ Hardship

Date to be reported to Policy and Planning Committee _____

Signed _____
GENERAL MANAGER

Date: _____

Prepared by _____

Council File Number _____

Date: _____

Finance Manager: _____



Authorisation Details

| | |
|--------------------------|--|
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| 3 | 11/10/2004 | | Council minute no 72 | |
| 4 | 14/08/2006 | | Council minute no 173 | |
| 5 | TBD | | | Major Rewrite |
| | | | | |



Hardship Policy

MSC15E

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1. Purpose

Payment of rates and charges is an important obligation of all property owners. Revenue collected from rates and charges is used to help provide a wide range of services and facilities to everyone that lives, works and visits the Muswellbrook Shire Council area. Without this revenue Council would not be able to function or meet the needs of the local community

2. Policy Objective

- 2.1** Council recognises there are cases of genuine financial hardship requiring respect and compassion in special circumstances. This policy establishes guidelines for the assessment of hardship or payment assistance applications applying the principles of social justice, fairness, integrity, appropriate confidentiality, and compliance with relevant statutory requirements. It applies to all applications for waiving, deferment and alternative payment arrangements, or writing off of rates, fees, annual charges and interest accrued on such debts.
- 2.2** This policy provides a framework for responding to applications from owners/ratepayers and customers experiencing genuine hardship with the payment of their rates, annual charges and fees in accordance with the Local Government Act 1993 and the Local Government (General) Regulation 2005.
- 2.3** Privacy will be maintained in accordance with the NSW Privacy and Personal Information Protection Act 1998.

3. Definitions

Council means the Muswellbrook Shire Council.

The Act means the Local Government Act 1993 (as amended).

The Regulation means the Local Government (General) Regulation 2005 (as amended).

The VOL Act means the Valuation of Land Act 1916 (as amended).

Financial Hardship means the inability of a ratepayer to meet payment of rates and/or charges as they fall due, where illness, injury, unemployment or another reasonable cause is the reason for hardship/special variation.

4. Policy Statement

4.1 Hardship Assistance to Ratepayers and Customers

- 4.1.1** A ratepayer may be eligible for consideration for hardship assistance in the payment of overdue rates, annual charges, interest, and fees, where:
- a) the person is unable to pay rates, annual charges, interest, or fees when due and payable for reasons beyond the person's control; or
 - b) payment when due would cause the person hardship.
- 4.1.2** The Act provides for the following assistance to ratepayers and customers who may experience hardship in some circumstances in paying rates, annual charges or fees:
- a) Periodical payment arrangements for overdue rates and charges [Section 564];
 - b) Writing off or reducing interest accrued on rates or charges [Section 564(2) & 567];
 - c) Waiving, reducing or deferring the payment of the increase in the amount of rates payable because of substantial hardship resulting from general revaluation of land in the Local Government Area [Section 601];
 - d) Waiving, or reducing rates, charges or interest of eligible pensioners. [Section 575, 582];
 - e) Waiving or reducing Council fees when the inability to pay is due to hardship [Section 610E].
- 4.1.3** Applications for assistance will be considered in accordance with the following principles:

- a) An assessment panel consisting of the Chief Financial Officer, Community Services Manager and Rates Clerk will form to assess cases of financial hardship;
- b) Rates or annual charges will not be reduced, alternative available approaches to dealing with cases of financial hardship will be considered;
- c) A arrangement of periodical payments outside due dates may be considered in cases of hardship or extenuating circumstances.

4.1.4 Applications for hardship must be made in writing, addressed to the Chief Financial Officer.

- a) The applicant must be the person whom is liable for the rates / annual charges / fees and / or interest on the property.
- b) The property to which the hardship application applies must be categorised as residential or farmland (excluding " Affected by Mining" and " Offset" farmland sub-categories) for rating purposes.
- c) The property to which the hardship application applies must be the principal place of residence of the applicant/s.
- d) The property for which the hardship applies must not be a rental property or otherwise income-producing.
- e) The property for which the hardship applies must not be categorised as Business or Mining for rating purposes.
- f) No ratepayer, including pensioners, will be permitted to accrue outstanding rates, fees, charges or interest to their estate.
- g) The rates payable must be more than 5% of the gross household income.

4.1.5 The application for hardship must be accompanied with the following supporting documentation, at a minimum:

- a) Statement of reasons why the person was unable to pay the rates and charges when they became due and payable; and
- b) Letter from a medical professional (if applicable) confirming medical conditions causing hardship; and
- c) Letter from a recognised financial counsellor or financial planner confirming financial hardship and containing, at a minimum, the following:
 - o Copy of recent bank statements (previous 3 months) for all accounts;
 - o Details of assets, income and expenditure.

4.1.6 Council may require the provision of any other documents and information which, in its opinion, it requires to make an assessment of the application.

4.1.7 Council may request the applicant attend an interview to assist Council in the understanding of the issues causing hardship.

4.1.8 Council may waive the application documents if ratepayers enter a maximum 12-month arrangement.

4.1.9 Support services and financial counsellors can be sought from these sources:

- a) Financial Advice, including financial counsellor search function - www.moneysmart.gov.au/managing-your-money-managing-debts
- b) Legal Aid service (Legal Advisers) – www.legalaid.nsw.gov.au/get-legal-help/find-a-service
- c) Community Legal Centres in different local government areas – www.clcnsw.org.au/find_legal_help
- d) Government funded Financial Rights Legal Centre who can be contacted at either 1800 007 007 or at www.financialrights.org.au

4.2 Hardship Assistance by Periodical Payment Arrangements

4.2.1 Council may enter into a formal agreement with a ratepayer eligible for alternative periodical payment arrangements for due and payable rates and charges. Council or the ratepayer may initiate a proposal for a periodical payment agreement. In accordance with section 568 of the Act, payments will be applied towards the payment of rates and charges in the order in which they become due.

4.2.2 The following guidelines should be met in determining eligibility:

- a) Payments must be made on a weekly, fortnightly or monthly basis.
- b) Any mutually acceptable repayment schedules have a maximum 12 month term.
- c) All repayment schedules are to be reviewed at the end of each 3 month period and upon the raising of further rates and charges.
- d) Any future rates and charges and water usage raised against a property are due and payable on the due dates.
- e) Interest charges may be suspended during the term of the mutually acceptable repayment agreement, subject to the ratepayer complying promptly with its obligations thereunder.
- f) Where a scheduled default occurs and subject to cl 4.2.2.e, the levying of interest charges is to be reactivated from the last payment made in accordance with the repayment schedule.
- g) Where an applicant does not complete an application or does not produce sufficient information (in Council's opinion) to enable a determination, the application shall be refused.
- h) Arranged payments must be of an amount so that all amounts owing are paid in full by a mutually satisfactory timeframe as agreed by Council and the ratepayer, with the aim being that all amounts are paid in full by 30 June of the financial year in which the payment arrangement was executed.
- i) Extenuating circumstances can be taken into consideration by providing additional supporting documentation to those documents required in section 4.1.5 and by referral to the Chief Financial Officer.

4.2.3 Council may require the provision of any documents and information which, in its opinion, it requires to enter into a periodical payment arrangement. Refer to sections 4.1.5-4.1.7 as a guide.

4.3 Hardship Assistance by Writing Off Accrued Interest and Costs

4.3.1 Council applies interest to overdue rates in accordance with section 566 of the Act. However, Council may write off accrued interest and costs on rates or charges payable by a person under Section 567 of the Act and the Regulation where:

- a) The person was unable to pay the rates or charges when they become due for reasons beyond the person's control; or
- b) The person is unable to pay accrued interest for reasons beyond the person's control; or
- c) Payment of the accrued interest would cause the person hardship.

4.3.2 Council may write off interest and costs in accordance with section 567(3) of the Act under the following circumstances:

- a) The ratepayer is experiencing genuine hardship. In such cases, Council will request the completion of a hardship application (see section 4.1);
- b) The ratepayer is a "first-time" defaulter, has previously had a good payment record and there are mitigating circumstances;
- c) Prolonged or serious illness has prevented the ratepayer meeting their financial obligations to Council;
- d) The ratepayer has complied with all criteria with respect to a section 564 periodic payment agreement;
- e) Council is satisfied that the circumstances giving rise to the default are temporary;
- f) Alternatives to recover the entire debt are unavailable.

4.4 Hardship Assistance due to Certain Valuation Changes

- 4.4.1 Under section 601 of the Act, any ratepayer who incurs a rate increase following a new valuation of land values may apply to Council for rate relief in the first year the valuation is used for rating purposes, if the new rate payable causes the ratepayer to suffer substantial hardship (section 601(1)).
- 4.4.2 Valuations are determined independently by the NSW Valuer-General. Council will encourage aggrieved ratepayers to make an appropriate application under the objection or appeal provisions of the VOL Act.
- 4.4.3 In determining an application made under s601(1), Council requires detailed evidence must be provided by the ratepayer to demonstrate that the rates made and levied on a new valuation cause the ratepayer to suffer "substantial hardship".
- 4.4.4 That evidence includes, but is not limited to, the documents and information specified in section 4.1 in respect of a hardship application.
- 4.4.5 Council considers that the use of the term "substantial hardship" in s601(1) sets a high bar.
- 4.4.6 In addition, it is considered that Council has maximised its scope under the Act to adopt a rating structure that cushions the impact of any change in valuations on rates.

4.5 Hardship Assistance in relation to Council Fees

- 4.5.1 Any application for hardship assistance in relation to Council fees or charges other than annual charges by waiving or reducing fees under section 610(E) of the Act will be assessed in accordance with the same criteria used to assess hardship assistance in respect of rates and annual charges.

5. General

- 5.1 Financial hardship cases will remain strictly confidential. Personal information collected as a consequence of this policy will only be used for the purpose of assessing eligibility under the policy and will not be used for any other purpose or disclosed to any other person unless required by law to do so or authorised to do so by the person to whom the personal information relates.
- 5.2 All hardship applications shall be determined under Council delegations.
- 5.3 All hardship applicants shall be advised in writing of Council's decision within 30 days of receipt of the application.

Authorisation Details

| | |
|--------------------------|--|
| Authorised by: | Council |
| Minute No: | |
| Date: | |
| Review timeframe: | Within the first 12 months of the term of each new Council |
| Department: | Finance |
| Document Owner: | Chief Financial Officer |

Details History

| Version No. | Date changed | Modified by | Amendments made |
|--------------------|---------------------|-----------------------|------------------------|
| 1 | 16/02/16 | Council minute no 427 | |
| 2 | TBD | | Major Rewrite |
| | | | |
| | | | |

MUSWELLBROOK REGIONAL ARTS CENTRE DIGITAL MARKETING STRATEGY

Introduction

With the recent refreshment of Muswellbrook Shire Council's branding, along with the redevelopment of Council's website and newly created role of Digital Media Officer, it is timely that Muswellbrook Regional Arts Centre's digital marketing strategies are likewise reviewed.

The Digital Marketing Strategy encompasses four integrated strategies:

- Naming,
- Branding,
- Website and,
- Digital Channels.

The Strategy is designed to build on existing digital marketing foundations an enhanced, cohesive and defining brand to support digital transformation, connect with audience and drive subsequent growth for the gallery.

Strategy 1. Naming

Overview

Muswellbrook Regional Arts Centre is frequently referred to in media and communications as *Muswellbrook Regional Art Gallery* or *Muswellbrook Art Gallery*. At its inception in 1976 until 2000 the name of the gallery was *Muswellbrook Regional Art Gallery*. The exhibition spaces inside the building are titled ____ *Gallery* and the café is named *Gallery Café*.

The inclusion of *Centre* in the title causes confusion in the community in relation to the gallery's purpose and function, i.e. 'What is an Arts Centre?'. The inclusion of *Centre* acts as a deterrent for the potential of non-visitors to engage with the service.

The inclusion of *Regional* in the title is redundant. It is not a requirement for inclusion in public and regional gallery programs, membership or funding. Further, the inclusion of *Regional* is inconsistent with Council's titling protocols, appearing in the naming of no other Council service.

As public art galleries are often known and referred to by their acronyms, the inclusion of *Regional* for Muswellbrook Regional Arts Centre causes frequent confusion with Maitland Regional Art Gallery, with each gallery known as MRAC and MRAG respectively.

New South Wales:

- Bank Art Museum Moree - contemporary rebrand
- Murray Art Museum Albury - contemporary rebrand
- Museum of Art and Culture Lake Macquarie - contemporary rebrand
- Western Plains Cultural Centre
- Newcastle Art Gallery
- Gloucester Gallery
- Wagga Wagga Art Gallery
- Wollongong Art Gallery
- Blue Mountains Cultural Centre

Victoria:

- Bendigo Art Gallery
- Shepperton Art Museum
- Art Gallery of Ballarat
- TarraWarra Museum of Art
- Benalla Art Gallery

Fig. 1 – List of Public, Regional Galleries without 'Regional' in their title.

Objectives

- Naming consistent with other Council services
- Naming recognised and understood by the community and media – inform audiences of 'who we are'
- Acronym distinguishable from other public galleries in relative close proximity

Actions

- Rename gallery as *Muswellbrook Art Gallery* (MAG)

Strategy 2. Branding

Overview

The use of Century Gothic as a typeface in Muswellbrook Regional Arts Centre's branding is inconsistent with Council's branding which employs Myriad Pro. Branding for the gallery across all marketing platforms, including but not limited to website, signage, print media and digital channels, has little cohesion having developed relatively organically over time.

Objectives

- Cohesive brand to build appeal and brand awareness for audiences
- Align with Council's branding, including typeface

Actions

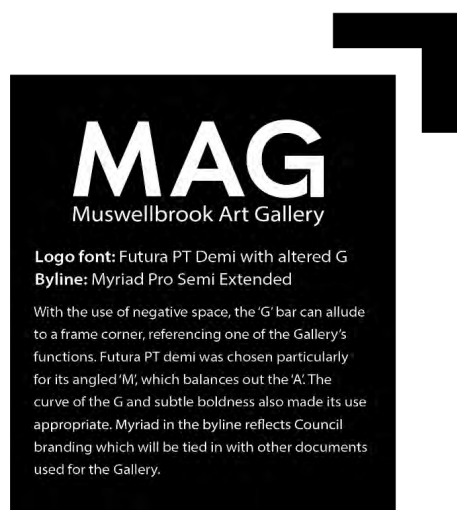
- Adopt and launch new brand and name
- Roll-out branding across digital channels, signage, print and digital media templates, publications, documents, promotional items, events and programs
- Full Style Guide to include photography styles, language and tone

- Undertake Key Works project to identify artworks of high, cultural value
- Utilise Key Works to inform colour palette, forming a modular, digital first system that reflects the gallery's cultural history, and used in marketing materials to build brand awareness through consistency

MAG

Muswellbrook Art Gallery

Fig. 2 – Logo



Logo font: Futura PT Demi with altered G
Byline: Myriad Pro Semi Extended

With the use of negative space, the 'G' bar can allude to a frame corner, referencing one of the Gallery's functions. Futura PT demi was chosen particularly for its angled 'M', which balances out the 'A'. The curve of the G and subtle boldness also made its use appropriate. Myriad in the byline reflects Council branding which will be tied in with other documents used for the Gallery.

Fig. 3 – Brand Rationale



Fig. 4 – Logo Samples and Variants

Strategy 3. Website

Overview

Muswellbrook Regional Arts Centre's website is currently hosted by Council's website. Once Council finalises their own website project, the gallery will cease to have a website unless the necessary actions are taken to finance and build a new gallery website.

The gallery's existing website is often out of date, with gallery staff having no autonomy over the site. As a result, the gallery relies on alternative digital platforms including Facebook, Instagram, Flipsnack (digital flipbooks) and MailChimp (email marketing platform) to distribute content to audiences in a timely manner. Further to this, the existing website lacks organisation and brand identity. In the absence of a quality website, gallery channels are themselves not able to be optimised, with a website acting as a cornerstone for associated digital channels.

Two of the three art prizes hosted by the gallery allow for online entry and payment however, entry to these are via two separate websites, each separate to the gallery's own website. Entry to the third art prize is not available online.

Objectives

- A well-organised website that is easy to navigate, clear and concise, modern in terms of style and layout, functional, branded and motivates the visitor to engage
- 'Blog style' website layout to facilitate clean integration with associated digital channels
- High quality website integrations to enable:
 - Submissions, registrations and payments
 - Flipbooks / digital catalogues
 - Video hosting
 - Digital 'flow style' exhibitions
- Gallery to have autonomy over management of website in order to facilitate timely content updates
- A website that optimises user experience

Actions:

- Procure and migrate to effective digital gallery management system (Appendix 1), capable of website integration, that supports:
 - Collection, exhibition and prize management
 - Stock control
 - Submissions, registration and payments
 - Digital publication of select works from the Collections
- Develop site map (see Appendix 2) and brief for web developers, including required integrations
- Fund and build website that fulfils identified objectives

Strategy 4. Digital Channels

Overview

Muswellbrook Regional Arts Centre currently utilises several digital platforms to engage audiences. Content plans for the gallery's digital channels are relatively informal and somewhat onerous on the publisher, resulting in fluctuations in the frequency of published content.

The gallery's digital audiences are comparable with regional galleries of a similar size. Audience engagement for digital channels are likewise comparable with regional galleries of all sizes. From these existing foundations, audiences can be built through planned, cohesive, branded content that supports long-term audience engagement.

'Likes, comments and follows' by the gallery for other channels has been limited in application. 'Likes, comments and follows' by the gallery for other channels has the potential to increase visibility and the capacity to act as a valuable tool in building audience engagement and visitation.

Objectives

- Timely publication of relevant content
- Content plan that supports current timings of gallery programs
- Content plan that supports the publisher
- Consistence of tone and 'voice'
- Digital channels that integrate with gallery website
- Increase channel visibility through 'likes, comments and follows' for other channels

Actions

- Develop standardised written content and formatting guide for marketing and communications
- Build marketing photo library
- Develop marketing templates utilising new branding
- Build list of curated content drawn from triannual gallery program cycle
- Develop and implement triannual Digital Channel Content Plan (see Appendix 3)
- Review plan at conclusion of the first triannual plan and subsequently on an annual basis
- Allocate time for engaging with other channels, and develop staff digital 'signatures' for use when commenting to make the gallery brand more personable

Costings

A significant number of actions, or part-thereof, are programmed to be delivered 'in-house' by gallery staff. These actions include:

- Roll-out branding across digital channels, print and digital media templates, publications, documents, promotional items, events and programs
- Full Style Guide to include photography styles, language and tone
- Undertake Key Works project to identify artworks of high, cultural value

- Utilise Key Works to inform colour palette, forming a modular, digital first system that reflects the gallery's cultural history, and used in marketing materials to build brand awareness through consistency
- Develop standardised written content and formatting guide for marketing and communications
- Build marketing photo library
- Develop marketing templates utilising new branding
- Build list of curated content drawn from triannual gallery program cycle
- Develop and implement triannual Digital Channel Content Plan (see Appendix 2)
- Review plan at conclusion of the first triannual plan and subsequently on an annual basis
- Allocate time for engaging with other channels, and develop staff digital 'signatures' for use when commenting to make the gallery brand more personable

Those actions that have tangible associated costs and are addressed below, include:

- Signage
- Software and Digital Platforms
- Website

Signage

Exhibition signage requires constant renewal to reflect exhibition programming and is included in existing budgets. Branding roll-out across exhibition signage will occur on an as-needs basis with no additional budget requirement.

A lesser amount of internal signage is permanent. Currently, this is limited to five gallery name signs. The cost to replace these is estimated at \$1,000. This amount is to be costed to the gallery's furniture, fittings and maintenance budget as a part of renewal programs for 2021/22.

External and wayfinding signage are currently minimal. With the café and gallery refurbishment project currently in the planning phase it is advised to wait until these works are completed prior to external and wayfinding signage being installed. An allowance of approximately \$8,000 should be dedicated to external and wayfinding signage within the refurbishment project budget.

Software and Digital Platforms

The following software and digital platforms are recommended for use:

- Adobe Creative Cloud All Apps is required for photo editing, video editing and graphic design projects. Annual cost – \$2,000.
- Flipsnack is currently utilised by the gallery for creating digital flipbooks/catalogues of gallery publications and sharing across social media and marketing platforms. Annual cost – \$250.
- Art Galleria is the recommended digital gallery management system to support:
 - Collection, exhibition and prize management
 - Stock control
 - Submissions, registration and payments
 - Digital publication of select works from the Collections

First year cost – \$5,800 (inclusive of custom integrations); subsequent annual cost – \$2,400.

All software and digital platform requirements can be delivered within budget following necessary budget adjustments and a new Technology Expenses budget line.

Website

A custom-built gallery website is estimated to cost in the range of \$15,000-\$20,000.

| Action | Existing Budget | Required Budget | Budget Deficit |
|---------------------------------------|--|-------------------------------|--|
| Exhibition Signage | \$4,200 | \$4,200 | \$0 |
| Internal Signage | \$1,631 (less annual renewal of paint supplies) | \$1,000 | \$0 |
| External and Wayfinding Signage | \$0 | \$8,000 | \$8,000 (within refurbishment project budget – Building Team) |
| Adobe Creative Cloud (all apps) | \$0 | \$2,000 | \$0 (following associated budget adjustments) |
| Flipbook / Digital Catalogue Platform | \$250 | \$250 | \$0 |
| Digital Gallery Management System | \$1,000 – current spend for prize management system Award Force by Gallery \$5,000 – current spend for prize management system Award Force by Executive Services | \$5,800 (first year); \$2,400 | \$0 (following associated budget adjustments) |
| Website | \$0 | \$20,000 | \$20,000 |

Fig. 5 Budget Summary

Appendix

Appendix 1. Digital Gallery Management System

Government agencies are increasingly using cloud computing solutions for the storage and management of data. This trend is likely to accelerate as cloud computing becomes more cost effective, flexible and responsive over time. It is necessary to ensure that any solutions selected are capable of meeting the relevant legal obligations in regard to public records.

The recommended digital gallery management system is Art Galleria. Art Galleria is a cloud-based storage system capable of website integration along with integration with Council's existing online payment system – Westpac's PayWay. The system supports:

- Collection, exhibition and prize management
- Stock control
- Submissions, registration and payments

- Digital publication of select works from the Collections

A data risk assessment for the Art Galleria system in regards to security and privacy has been undertaken using the below adapted risk matrix for cloud-based storage. Following assessment by Council's IT Section and the Corporate Lawyer it has been determined that use of the Art Galleria system poses a (M) minimal data risk.

Art Galleria:

- Australian Company (governed by Australian Laws)
- Privacy Policy comparable with that of other cloud-based systems
- Utilises best practice end-to-end encryption of data using the SHA-256 ECDSA internet standard for client-to-server communications
- Off-shore data storage as standard
- Option for dedicated Australian data storage (\$1,100 per month)
- Data readily exported for local storage to comply with relevant legislation and prevent loss of data and/or loss of access to data
- Payments via Council's existing provider Westpac PayWay

Figure 6. Art Galleria Key Point – Records, Privacy, Security

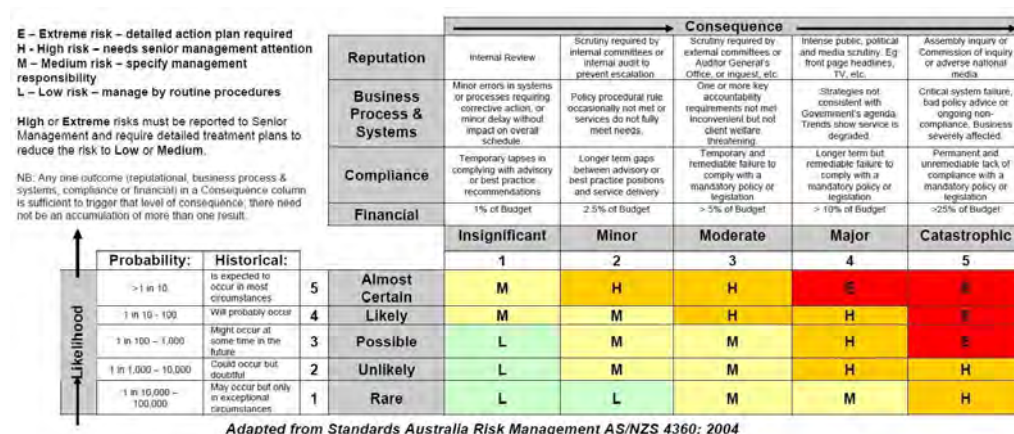


Fig 7. Cloud-Based Data Storage Risk Matrix

Appendix 2. Proposed Website Site Map

- Visit
 - Program
 - Exhibitions
 - Current
 - Upcoming
 - Past
 - Events
 - Calendar
 - (blog style upcoming events)
 - Activities
 - Art Detectives
 - Art Station
 - Gallery Tours (Book a Gallery Tour or join Open House Tour)

- The People's Studio
 - Muswellbrook Art Hunt
 - Café
 - Getting Here (Directions, Parking, Accessibility)
- Prizes
 - Muswellbrook Art Prize:
 - Information
 - (Link to submissions form, link to T&C and 'about' information regarding submissions)
 - Mullins Conceptual Photography Prize
 - Information
 - (Link to submissions form, link to T&C and 'about' information regarding submissions)
 - Viola Bromley Art Prize
 - Information
 - (Link to submissions form, link to T&C and 'about' information regarding submissions)
- Store
 - (Stock items – each item to include collapsible boxes for description, shipping and store policies)
- About
 - Collections
 - Muswellbrook Shire Art Collection (Collection Policy)
 - Max Watters Collection
 - Contact
 - Stories (Content to include: Q&As, Art Matters essays, interviews, video tours, 'how-tos', digital exhibitions)
 - Expressions of Interest
 - Gallery Programs
 - Youth Committee
 - Artist in Residence Program
 - Past participants
 - Expressions of Interest
 - Subscribe
 - Facebook, Instagram, Email
- Support
 - Become a Member
 - Make a Donation
 - Bequest
 - Cultural Gifts Program
 - Sponsorship
 - Volunteering
 - Internships and Work Placements
- *Footer*
 - Terms of Use (including disclaimers and copyright)
 - Privacy Policy
 - Accessibility

Appendix 2. Sample Triannual Digital Content Plan

| Date | Item | Website | Facebook | Instagram | Email Content |
|------|---------------------------|--|--|--|--|
| | Exhibition Launch Phase 1 | Exhibitions published individually: <i>Visit > Programs > Exhibitions > Current / Upcoming / Past</i> | NEW EXHIBITIONS this [MMM/MMM] *share exhibition launch website article | NEW EXHIBITIONS this [MMM/MMM] Launch: 6pm Saturday [DD Month] Dates: [DD Month] to [DD Month] | NEW EXHIBITIONS this [MMM/MMM] Launch: 6pm Saturday [DD Month] Dates: [DD Month] to [DD Month] |

| | | | | | |
|--|--------------|---|--|--|--|
| | | (where applicable) Exhibition Launch published: Visit > Events | | [EXHIBITIONS TITLE: Subtitles] Free entry. Exhibition launch sponsored by @[sponsors] Images: [credits] @[artists/partners] | [EXHIBITIONS TITLE: Subtitles] Free entry. Exhibition launch sponsored by [sponsors] Images: [credits] |
| | Exhibition 1 | N/A | CURRENTLY SHOWING – [Exhibition Title] [Artist Statement where possible] Image: [credits] Continues on exhibition until [DD Month] @[artist] | CURRENTLY SHOWING – [Exhibition Title] [Artist Statement where possible] Image: [credits] Continues on exhibition until [DD Month] @[artist] | N/A |
| | Art Matters | Full article posted under About > Stories | {Quote or Opening Paragraph} *share Art Matters website article | ART MATTERS with [Writer: Title] [Quote or Opening Paragraph] Visit the link in our bio to read the full article Image: [credits] @writer | ART MATTERS with [Writer: Title] [Quote or Opening Paragraph] *link to Art Matters website article Image: [credits] |

Muswellbrook Shire Council
Financial Report - Period ending 31 August 2021



| General Fund | | | | | | | | | | |
|----------------------------------|----------------------|----------------------|----------------------|-------------|--|-----------------------|----------------------|---------------------|--------------------------|-----------------------|
| Account Group | Monthly Actuals | Monthly Budget | Monthly Var | Mth Var % | Variance Commentary | YTD Actuals | YTD Adopted Budget | YTD Var | YTD % Spend vs FY Budget | Annual Adopted Budget |
| Revenue | | | | | | | | | | |
| Rates and Charges | (\$5,513) | (\$1,887,690) | (\$1,882,177) | 100% | Full year revenue has already been accounted for in July (See YTD) | (\$22,634,561) | (\$3,775,380) | \$18,859,182 | 100% | (\$22,652,277) |
| User Charges and Fees | (\$379,092) | (\$652,632) | (\$273,540) | 42% | Earned & recognised at various stages through the year - monthly budget doesn't necessarily reflect income timing. | (\$628,766) | (\$1,305,263) | (\$676,497) | 8% | (\$7,831,579) |
| Interest & Investments Revenue | \$18,678 | (\$37,548) | (\$56,226) | 150% | Timing difference; Interest rate movements need to be watched | (\$8,432) | (\$75,096) | (\$66,664) | 2% | (\$450,574) |
| Other Revenues | (\$119,001) | (\$215,712) | (\$96,711) | 45% | Timing difference | (\$297,776) | (\$431,424) | (\$133,648) | 12% | (\$2,588,546) |
| Operating Grants & Contributions | (\$808,604) | (\$477,588) | \$331,016 | -69% | Timing difference | (\$976,219) | (\$955,177) | \$21,042 | 17% | (\$5,731,061) |
| Internal Revenue | (\$290,700) | (\$343,352) | (\$52,652) | 15% | Timing difference | (\$581,400) | (\$686,704) | (\$105,304) | 14% | (\$4,120,222) |
| Total Revenue | (\$1,584,232) | (\$3,614,522) | (\$2,030,290) | 56% | | (\$25,127,154) | (\$7,229,043) | \$17,898,111 | 58% | (\$43,374,259) |
| Expenses | | | | | | | | | | |
| Wages and Salaries | \$989,452 | \$1,039,320 | \$49,868 | 5% | Vacancies - IP&R, Sustainability & others | \$1,849,241 | \$2,078,640 | \$229,399 | 15% | \$12,471,837 |
| Materials and Contracts | \$1,758,467 | \$1,208,819 | (\$549,648) | -45% | Timing Difference | \$2,595,477 | \$2,417,638 | (\$177,839) | 18% | \$14,505,828 |
| Other Costs | \$1,363,182 | \$379,674 | (\$983,508) | -259% | Large variance due to timing difference - large initial variance resulting from UHEDC funding | \$1,938,350 | \$759,349 | (\$1,179,001) | 43% | \$4,556,092 |
| Borrowing Costs | \$15,816 | \$36,499 | \$20,683 | 57% | | \$17,931 | \$72,998 | \$55,067 | 4% | \$437,990 |
| Overheads | \$133,704 | \$169,404 | \$35,700 | 21% | | \$267,407 | \$338,808 | \$71,401 | 13% | \$2,032,850 |
| Depreciation | \$763,156 | \$834,872 | \$71,716 | 9% | | \$1,526,312 | \$1,669,744 | \$143,432 | 15% | \$10,018,463 |
| Total Expenses | \$5,023,777 | \$3,668,588 | (\$1,355,189) | -37% | | \$8,194,718 | \$7,337,177 | (\$857,541) | 19% | \$44,023,060 |
| Result | \$3,439,545 | \$54,067 | (\$3,385,478) | | | (\$16,932,436) | \$108,133 | \$17,040,570 | | \$648,801 |

Muswellbrook Shire Council
Financial Report - Period ending 31 August 2021



| Water Fund | | | | | | | | | | |
|----------------------------------|------------------|--------------------|--------------------|-------------|--|----------------------|----------------------|------------------|--------------------------|-----------------------|
| Account Group | Monthly Actuals | Monthly Budget | Monthly Var | Mth Var % | Variance Commentary | YTD Actuals | YTD Adopted Budget | YTD Var | YTD % Spend vs FY Budget | Annual Adopted Budget |
| Revenue | | | | | | | | | | |
| Rates and Charges | \$209 | (\$146,663) | (\$146,872) | 100% | Full year revenue has already been accounted for in July (See YTD) | (\$1,767,826) | (\$293,327) | \$1,474,500 | 100% | (\$1,759,959) |
| User Charges and Fees | (\$20,946) | (\$373,562) | (\$352,616) | 94% | | \$37,899 | (\$747,124) | (\$785,023) | -1% | (\$4,482,744) |
| Interest & Investments Revenue | \$27,803 | (\$16,586) | (\$44,389) | 268% | | \$26,409 | (\$33,172) | (\$59,581) | -13% | (\$199,033) |
| Other Revenues | \$0 | \$0 | \$0 | 0% | | \$0 | \$0 | \$0 | 0% | \$0 |
| Operating Grants & Contributions | \$0 | (\$3,127) | (\$3,127) | 100% | | \$0 | (\$6,254) | (\$6,254) | 0% | (\$37,526) |
| Internal Revenue | \$0 | \$0 | \$0 | 0% | | \$0 | \$0 | \$0 | 0% | \$0 |
| Total Revenue | \$7,066 | (\$539,939) | (\$547,005) | 101% | | (\$1,703,518) | (\$1,079,877) | \$623,641 | 26% | (\$6,479,262) |
| Expenses | | | | | | | | | | |
| Wages and Salaries | \$103,068 | \$100,308 | (\$2,760) | -3% | | \$167,115 | \$200,617 | \$33,502 | 14% | \$1,203,699 |
| Materials and Contracts | \$136,494 | \$156,720 | \$20,226 | 13% | | \$203,121 | \$313,441 | \$110,320 | 11% | \$1,880,644 |
| Other Costs | \$17,204 | \$42,470 | \$25,266 | 59% | | \$30,248 | \$84,941 | \$54,693 | 6% | \$509,644 |
| Borrowing Costs | \$0 | \$7,122 | \$7,122 | 100% | | \$0 | \$14,245 | \$14,245 | 0% | \$85,467 |
| Overheads | \$113,231 | \$126,831 | \$13,600 | 11% | | \$226,462 | \$253,663 | \$27,201 | 15% | \$1,521,975 |
| Depreciation | \$158,641 | \$164,359 | \$5,718 | 3% | | \$317,282 | \$328,718 | \$11,436 | 16% | \$1,972,310 |
| Total Expenses | \$528,638 | \$597,812 | \$69,174 | 12% | | \$944,228 | \$1,195,623 | \$251,395 | 13% | \$7,173,739 |
| Result | \$535,704 | \$57,873 | (\$477,831) | | | (\$759,290) | \$115,746 | \$875,036 | | \$694,477 |

Muswellbrook Shire Council
Financial Report - Period ending 31 August 2021



| Sewer Fund | | | | | | | | | | |
|----------------------------------|-------------------|--------------------|--------------------|------------|---|----------------------|--------------------|--------------------|--------------------------|-----------------------|
| Account Group | Monthly Actuals | Monthly Budget | Monthly Var | Mth Var % | Variance Commentary | YTD Actuals | YTD Adopted Budget | YTD Var | YTD % Spend vs FY Budget | Annual Adopted Budget |
| Revenue | | | | | | | | | | |
| Rates and Charges | \$774 | (\$415,590) | (\$416,364) | 100% | The majority of revenue has already been accounted for in July (See YTD); further fees will be charged throughout the year. | (\$4,309,091) | (\$831,180) | \$3,477,912 | 86% | (\$4,987,077) |
| User Charges and Fees | (\$28,017) | (\$45,032) | (\$17,015) | 38% | Earned & recognised at various stages throughout the year. | (\$28,017) | (\$90,064) | (\$62,047) | 5% | (\$540,384) |
| Interest & Investments Revenue | \$4,954 | (\$5,095) | (\$10,049) | 197% | | \$3,925 | (\$10,189) | (\$14,114) | -6% | (\$61,136) |
| Other Revenues | \$0 | \$0 | \$0 | 0% | | \$0 | \$0 | \$0 | 0% | \$0 |
| Operating Grants & Contributions | \$0 | (\$3,049) | (\$3,049) | 100% | Timing difference. | \$0 | (\$6,099) | (\$6,099) | 0% | (\$36,593) |
| Internal Revenue | \$0 | \$0 | \$0 | 0% | | \$0 | \$0 | \$0 | 0% | \$0 |
| Total Revenue | (\$22,289) | (\$468,766) | (\$446,477) | 95% | | (\$4,333,183) | (\$937,532) | \$3,395,651 | 77% | (\$5,625,190) |
| Expenses | | | | | | | | | | |
| Wages and Salaries | \$76,086 | \$70,724 | (\$5,362) | -8% | | \$147,442 | \$141,447 | (\$5,995) | 17% | \$848,684 |
| Materials and Contracts | \$75,528 | \$71,783 | (\$3,745) | -5% | | \$129,400 | \$143,567 | \$14,167 | 15% | \$861,400 |
| Other Costs | \$22,867 | \$37,612 | \$14,745 | 39% | | \$85,965 | \$75,224 | (\$10,741) | 19% | \$451,344 |
| Borrowing Costs | \$57,107 | \$61,729 | \$4,622 | 7% | | \$112,243 | \$123,457 | \$11,214 | 15% | \$740,742 |
| Overheads | \$69,422 | \$69,422 | (\$0) | 0% | | \$138,844 | \$138,843 | (\$1) | 17% | \$833,060 |
| Depreciation | \$153,375 | \$157,497 | \$4,122 | 3% | | \$306,750 | \$314,993 | \$8,243 | 16% | \$1,889,959 |
| Total Expenses | \$454,385 | \$468,766 | \$14,381 | 3% | | \$920,644 | \$937,532 | \$16,888 | 16% | \$5,625,189 |
| Result | \$432,096 | (\$0) | (\$432,096) | | | (\$3,412,539) | (\$0) | \$3,412,539 | | (\$1) |

Muswellbrook Shire Council
Financial Report - Period ending 31 August 2021



| Future Fund | | | | | | | | | | |
|----------------------------------|--------------------|--------------------|--------------------|-------------|--|----------------------|----------------------|--------------------|--------------------------|-----------------------|
| Account Group | Monthly Actuals | Monthly Budget | Monthly Var | Mth Var % | Variance Commentary | YTD Actuals | YTD Adopted Budget | YTD Var | YTD % Spend vs FY Budget | Annual Adopted Budget |
| Revenue | | | | | | | | | | |
| Rates and Charges | \$0 | \$0 | \$0 | 0% | | \$0 | \$0 | \$0 | 0% | \$0 |
| User Charges and Fees | (\$522,629) | (\$609,905) | (\$87,276) | 14% | Timing difference - with rents received throughout the year. COVID impacts to be assessed. | (\$1,555,608) | (\$1,219,810) | \$335,798 | 21% | (\$7,318,858) |
| Interest & Investments Revenue | \$0 | \$0 | \$0 | 0% | | \$0 | \$0 | \$0 | 0% | \$0 |
| Other Revenues | \$0 | \$0 | \$0 | 0% | | \$0 | \$0 | \$0 | 0% | \$0 |
| Operating Grants & Contributions | \$0 | \$0 | \$0 | 0% | | \$0 | \$0 | \$0 | 0% | \$0 |
| Internal Revenue | (\$120,000) | (\$10,000) | \$110,000 | -1100% | | (\$120,000) | (\$20,000) | \$100,000 | 100% | (\$120,000) |
| Total Revenue | (\$642,629) | (\$619,905) | \$22,724 | -4% | | (\$1,675,608) | (\$1,239,810) | \$435,798 | 23% | (\$7,438,858) |
| Expenses | | | | | | | | | | |
| Wages and Salaries | \$20,739 | \$19,755 | (\$984) | -5% | | \$36,952 | \$39,511 | \$2,559 | 16% | \$237,065 |
| Materials and Contracts | \$107,969 | \$159,671 | \$51,702 | 32% | | \$172,094 | \$319,342 | \$147,248 | 9% | \$1,916,051 |
| Other Costs | \$136,934 | \$72,992 | (\$63,942) | -88% | Timing differences - higher costs early in year due to Insurance & rates | \$339,071 | \$145,984 | (\$193,087) | 39% | \$875,904 |
| Borrowing Costs | \$193,732 | \$72,757 | (\$120,975) | -166% | Timing differences | \$209,313 | \$145,514 | (\$63,799) | 24% | \$873,086 |
| Overheads | \$0 | \$0 | \$0 | 0% | | \$0 | \$0 | \$0 | 0% | \$0 |
| Depreciation | \$53,948 | \$53,948 | (\$0) | 0% | | \$107,896 | \$107,896 | (\$0) | 17% | \$647,374 |
| Total Expenses | \$513,322 | \$379,123 | (\$134,199) | -35% | | \$865,326 | \$758,247 | (\$107,079) | 19% | \$4,549,480 |
| Result | (\$129,307) | (\$240,782) | (\$111,475) | | | (\$810,282) | (\$481,563) | \$328,719 | | (\$2,889,378) |

1 Issuer Trading Limits

| Issuer | Issuer Rating Group (Long Term) | Issuer Parent | Already Traded (with Issuer Group) Face Value Notional | Limit For Book or Entity | Trading Limit Type | Trading Limit Value | Trading Limit Used (%) | Trading Limit Available (%) | Trading Limit Available (Value) | Trading Limit Exceeded (%) | Trading Limit Exceeded (\$) |
|--|---------------------------------|------------------------------------|--|--------------------------|--------------------------|---------------------|------------------------|-----------------------------|---------------------------------|----------------------------|-----------------------------|
| AMP Bank Ltd | BBB+ to BBB- | | 4,800,000.00 | Book | 10.00 % of 63,157,523.76 | 6,315,752.38 | 76.00 | 24.00 | 1,515,752 | 0.00 | 0 |
| ANZ Banking Group Ltd | AA+ to AA- | | 1,000,000.00 | Book | 30.00 % of 63,157,523.76 | 18,947,257.13 | 5.00 | 95.00 | 17,947,257 | 0.00 | 0 |
| Auswide Bank Limited | BBB+ to BBB- | | 4,500,000.00 | Book | 10.00 % of 63,157,523.76 | 6,315,752.38 | 71.00 | 29.00 | 1,815,752 | 0.00 | 0 |
| Bank of Melbourne | AA+ to AA- | Westpac Banking Corporation Ltd | 2,457,523.76 | Book | 30.00 % of 63,157,523.76 | 18,947,257.13 | 13.00 | 87.00 | 16,489,733 | 0.00 | 0 |
| Bank of Queensland Ltd | A+ to A- | | 6,500,000.00 | Book | 10.00 % of 63,157,523.76 | 6,315,752.38 | 100.00 | 0.00 | 0 | 3.00 | 184,248 |
| BankSA | AA+ to AA- | Westpac Banking Corporation Ltd | 2,457,523.76 | Book | 30.00 % of 63,157,523.76 | 18,947,257.13 | 13.00 | 87.00 | 16,489,733 | 0.00 | 0 |
| BankVic | BBB+ to BBB- | | 0.00 | Book | 10.00 % of 63,157,523.76 | 6,315,752.38 | 0.00 | 100.00 | 6,315,752 | 0.00 | 0 |
| BankWest Ltd | AA+ to AA- | Commonwealth Bank of Australia Ltd | 0.00 | Book | 30.00 % of 63,157,523.76 | 18,947,257.13 | 0.00 | 100.00 | 18,947,257 | 0.00 | 0 |
| Bendigo & Adelaide Bank Ltd | A+ to A- | | 3,000,000.00 | Book | 10.00 % of 63,157,523.76 | 6,315,752.38 | 48.00 | 52.00 | 3,315,752 | 0.00 | 0 |
| Commonwealth Bank of Australia Ltd | AA+ to AA- | | 0.00 | Book | 30.00 % of 63,157,523.76 | 18,947,257.13 | 0.00 | 100.00 | 18,947,257 | 0.00 | 0 |
| Credit Suisse Sydney | A+ to A- | | 0.00 | Book | 20.00 % of 63,157,523.76 | 12,631,504.75 | 0.00 | 100.00 | 12,631,505 | 0.00 | 0 |
| Credit Union Australia Ltd | BBB+ to BBB- | | 1,500,000.00 | Book | 10.00 % of 63,157,523.76 | 6,315,752.38 | 24.00 | 76.00 | 4,815,752 | 0.00 | 0 |
| Greater Bank Ltd | BBB+ to BBB- | | 0.00 | Book | 10.00 % of 63,157,523.76 | 6,315,752.38 | 0.00 | 100.00 | 6,315,752 | 0.00 | 0 |
| Heritage Bank Ltd | BBB+ to BBB- | | 0.00 | Book | 10.00 % of 63,157,523.76 | 6,315,752.38 | 0.00 | 100.00 | 6,315,752 | 0.00 | 0 |
| ING Bank Australia Limited | A+ to A- | | 0.00 | Book | 10.00 % of 63,157,523.76 | 6,315,752.38 | 0.00 | 100.00 | 6,315,752 | 0.00 | 0 |
| Investec Bank Australia Limited | A+ to A- | | 0.00 | Book | 10.00 % of 63,157,523.76 | 6,315,752.38 | 0.00 | 100.00 | 6,315,752 | 0.00 | 0 |
| Macquarie Bank | A+ to A- | | 6,000,000.00 | Book | 20.00 % of 63,157,523.76 | 12,631,504.75 | 48.00 | 52.00 | 6,631,505 | 0.00 | 0 |
| Members Banking Group Limited t/as RACQ Bank | BBB+ to BBB- | | 1,000,000.00 | Book | 10.00 % of 63,157,523.76 | 6,315,752.38 | 16.00 | 84.00 | 5,315,752 | 0.00 | 0 |
| Members Equity Bank Ltd | A+ to A- | Bank of Queensland Ltd | 6,500,000.00 | Book | 10.00 % of 63,157,523.76 | 6,315,752.38 | 100.00 | 0.00 | 0 | 3.00 | 184,248 |
| MyState Bank Ltd | BBB+ to BBB- | | 3,000,000.00 | Book | 10.00 % of 63,157,523.76 | 6,315,752.38 | 48.00 | 52.00 | 3,315,752 | 0.00 | 0 |
| National Australia Bank Ltd | AA+ to AA- | | 14,500,000.00 | Book | 30.00 % of 63,157,523.76 | 18,947,257.13 | 77.00 | 23.00 | 4,447,257 | 0.00 | 0 |
| Newcastle Permanent Building Society Ltd | BBB+ to BBB- | | 5,000,000.00 | Book | 10.00 % of 63,157,523.76 | 6,315,752.38 | 79.00 | 21.00 | 1,315,752 | 0.00 | 0 |
| Northern Territory Treasury Corporation | AA+ to AA- | | 2,000,000.00 | Book | 30.00 % of 63,157,523.76 | 18,947,257.13 | 11.00 | 89.00 | 16,947,257 | 0.00 | 0 |
| P&N Bank Ltd | BBB+ to BBB- | | 0.00 | Book | 10.00 % of 63,157,523.76 | 6,315,752.38 | 0.00 | 100.00 | 6,315,752 | 0.00 | 0 |
| QPCU LTD t/a QBANK | BBB+ to BBB- | | 4,250,000.00 | Book | 10.00 % of 63,157,523.76 | 6,315,752.38 | 67.00 | 33.00 | 2,065,752 | 0.00 | 0 |
| Rabobank Australia Ltd | AA+ to AA- | | 0.00 | Book | 20.00 % of 63,157,523.76 | 12,631,504.75 | 0.00 | 100.00 | 12,631,505 | 0.00 | 0 |
| Rabobank Nederland Australia Branch | AA+ to AA- | | 0.00 | Book | 20.00 % of 63,157,523.76 | 12,631,504.75 | 0.00 | 100.00 | 12,631,505 | 0.00 | 0 |
| Royal Bank of Scotland | BBB+ to BBB- | | 0.00 | Book | 5.00 % of 63,157,523.76 | 3,157,876.19 | 0.00 | 100.00 | 3,157,876 | 0.00 | 0 |
| Rural Bank Ltd | A+ to A- | Bendigo & Adelaide Bank Ltd | 3,000,000.00 | Book | 10.00 % of 63,157,523.76 | 6,315,752.38 | 48.00 | 52.00 | 3,315,752 | 0.00 | 0 |
| St George Bank Limited | AA+ to AA- | Westpac Banking Corporation Ltd | 2,457,523.76 | Book | 30.00 % of 63,157,523.76 | 18,947,257.13 | 13.00 | 87.00 | 16,489,733 | 0.00 | 0 |

1 Issuer Trading Limits

| Issuer | Issuer Rating Group (Long Term) | Issuer Parent | Already Traded (with Issuer Group) Face Value Notional | Limit For Book or Entity | Trading Limit | Trading Limit Type | Trading Limit Value | Trading Limit Used (%) | Trading Limit Available (%) | Trading Limit Available (Value) | Trading Limit Exceeded (%) | Trading Limit Exceeded (\$) |
|---------------------------------|---------------------------------|-------------------------------------|--|--------------------------|---------------|--------------------|---------------------|------------------------|-----------------------------|---------------------------------|----------------------------|-----------------------------|
| Suncorp Bank | A+ to A- | | 1,000,000.00 | Book | 20.00 | % of 63,157,523.76 | 12,631,504.75 | 8.00 | 92.00 | 11,631,505 | 0.00 | 0 |
| UBS Australia Ltd | A+ to A- | | 2,650,000.00 | Book | 20.00 | % of 63,157,523.76 | 12,631,504.75 | 21.00 | 79.00 | 9,981,505 | 0.00 | 0 |
| Westpac Banking Corporation Ltd | AA+ to AA- | | 2,457,523.76 | Book | 30.00 | % of 63,157,523.76 | 18,947,257.13 | 13.00 | 87.00 | 16,489,733 | 0.00 | 0 |
| | | | 80,030,095.04 | | | | 356,840,009.24 | | | 277,178,403 | | 368,496 |
| | | (Excluding Parent Group Duplicates) | 63,157,523.76 | | | | | | | | | |

2 Security Rating Group Trading Limits

| Security Rating Group | Already Traded Face Value Notional | Limit For Book or Trading Entity | Trading Limit | Trading Limit Type | Trading Limit Value | Trading Limit Used (%) | Trading Limit Available (%) | Trading Limit Available (Value) | Trading Limit Exceeded (%) | Trading Limit Exceeded (\$) |
|-----------------------|--|---|---------------|-----------------------|------------------------|---------------------------|--------------------------------|------------------------------------|-------------------------------|--------------------------------|
| AAA | 0.00 | Book | 100.00 | % of 63,157,523.76 | 63,157,523.76 | 0.00 | 100.00 | 63,157,524 | 0.00 | 0 |
| AA+ to AA- | 4,000,000.00 | Book | 100.00 | % of 63,157,523.76 | 63,157,523.76 | 6.00 | 94.00 | 59,157,524 | 0.00 | 0 |
| A+ to A- | 14,650,000.00 | Book | 70.00 | % of 63,157,523.76 | 44,210,266.63 | 33.00 | 67.00 | 29,560,267 | 0.00 | 0 |
| A1+ | 15,957,523.76 | Book | 100.00 | % of 63,157,523.76 | 63,157,523.76 | 25.00 | 75.00 | 47,200,000 | 0.00 | 0 |
| A1 | 0.00 | Book | 70.00 | % of 63,157,523.76 | 44,210,266.63 | 0.00 | 100.00 | 44,210,267 | 0.00 | 0 |
| A2 | 7,300,000.00 | Book | 60.00 | % of 63,157,523.76 | 37,894,514.26 | 19.00 | 81.00 | 30,594,514 | 0.00 | 0 |
| A3 | 750,000.00 | Book | 60.00 | % of 63,157,523.76 | 37,894,514.26 | 2.00 | 98.00 | 37,144,514 | 0.00 | 0 |
| BBB+ to BBB- | 20,500,000.00 | Book | 60.00 | % of 63,157,523.76 | 37,894,514.26 | 54.00 | 46.00 | 17,394,514 | 0.00 | 0 |
| N/R | 0.00 | Book | 10.00 | % of 63,157,523.76 | 6,315,752.38 | 0.00 | 100.00 | 6,315,752 | 0.00 | 0 |
| | 63,157,523.76 | | | | 397,892,399.69 | | | 334,734,876 | | 0 |

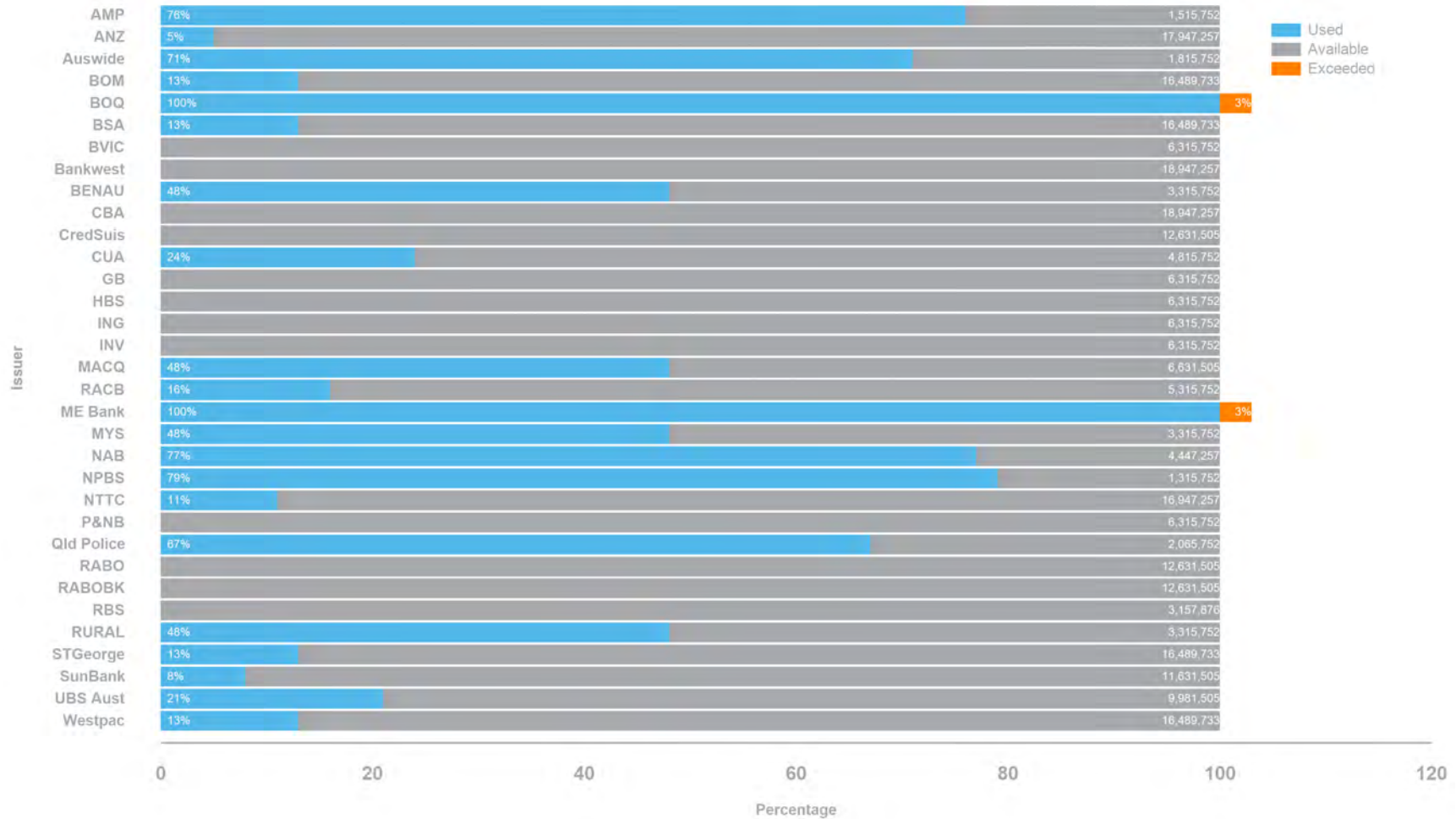
Notes

1. In instances where long securities have a term remaining which is less than 365 days, the issuer's short term rating is used instead of the security's (presumably long term) rating.

3 Term Group Trading Limits

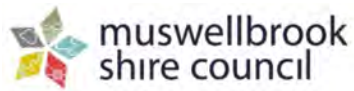
| Term Group | Already Traded Face Value Notional | Limit For Book or Trading Entity | Trading Limit | Trading Limit Type | Trading Limit Value | Trading Limit Used (%) | Trading Limit Available (%) | Trading Limit Available (Value) | Trading Limit Exceeded (%) | Trading Limit Exceeded (\$) |
|------------|--|---|---------------|-----------------------|------------------------|---------------------------|--------------------------------|------------------------------------|-------------------------------|--------------------------------|
| 0-1 Year | 27,507,523.76 | Book | 100.00 | % of 63,157,523.76 | 63,157,523.76 | 44.00 | 56.00 | 35,650,000 | 0.00 | 0 |
| 1-3 Year | 18,500,000.00 | Book | 100.00 | % of 63,157,523.76 | 63,157,523.76 | 29.00 | 71.00 | 44,657,524 | 0.00 | 0 |
| 3-5 Year | 17,150,000.00 | Book | 100.00 | % of 63,157,523.76 | 63,157,523.76 | 27.00 | 73.00 | 46,007,524 | 0.00 | 0 |
| 5+ Year | 0.00 | Book | 100.00 | % of 63,157,523.76 | 63,157,523.76 | 0.00 | 100.00 | 63,157,524 | 0.00 | 0 |
| | 63,157,523.76 | | | | 252,630,095.04 | | | 189,472,572 | | 0 |

Issuer Trading Limits









Trading Limit Report 125
Muswellbrook Shire Council
As At 31 August 2021

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Report Code: TBSBP125EXT-00.16
Report Description: Trading Limit Performance As At Date
Parameters:
As At/Scenario Date: 31 August 2021
Balance Date: 5 September 2021 (but 31 Aug 2021 used instead)
Trading Entity: Muswellbrook Shire Council
Trading Book: Muswellbrook Shire Council
Report Mode: BalOnly
Using Face Value
Trading Entity and Book Limits
Effects of Parent/Child Issuers Not Ignored

| Fixed Interest Security | ISIN | Face Value Original | Bond Factor | Face Value Current | Capital Price | Accrued Interest Price | Market Value | % Total Value | Running Yield | Weighted Running Yield |
|---|--------------|------------------------|----------------|-----------------------|------------------|------------------------------|----------------------|---------------------|------------------|------------------------------|
| At Call Deposit | | | | | | | | | | |
| MACQ 940353865 At Call | | 3,000,000.00 | 1.00000000 | 3,000,000.00 | 100.000 | 0.000 | 3,000,000.00 | 4.59% | 0.35% | |
| ME Bank At Call | | 500,000.00 | 1.00000000 | 500,000.00 | 100.000 | 0.000 | 500,000.00 | 0.77% | 0.40% | |
| Westpac Bus Prem At Call | | 4,014,842.31 | 1.00000000 | 4,014,842.31 | 100.000 | 0.000 | 4,014,842.31 | 6.15% | 0.34% | |
| Westpac Muswellbrook Trading Acct At Call | | 100,000.00 | 1.00000000 | 100,000.00 | 100.000 | 0.000 | 100,000.00 | 0.15% | 0.34% | |
| | | 7,614,842.31 | | 7,614,842.31 | | | 7,614,842.31 | 11.66% | | 0.35% |
| Fixed Rate Bond | | | | | | | | | | |
| BENAU 1.7 06 Sep 2024 Fixed | AU3CB0266377 | 2,500,000.00 | 1.00000000 | 2,500,000.00 | 102.677 | 0.822 | 2,587,475.00 | 3.96% | 1.68% | |
| NTTC 1.1 15 Dec 2025 - Issued 31 August 2021 - Muswellbrook Council Fixed | | 2,000,000.00 | 1.00000000 | 2,000,000.00 | 100.000 | 0.000 | 2,000,000.00 | 3.06% | 1.10% | |
| SunBank 1.85 30 Jul 2024 Fixed | AU3CB0265403 | 1,000,000.00 | 1.00000000 | 1,000,000.00 | 102.985 | 0.161 | 1,031,460.00 | 1.58% | 1.80% | |
| | | 5,500,000.00 | | 5,500,000.00 | | | 5,618,935.00 | 8.60% | | 1.49% |
| Floating Rate Deposit | | | | | | | | | | |
| ANZ 1.2 21 Jul 2022 2557DAY FRD | | 1,000,000.00 | 1.00000000 | 1,000,000.00 | 100.000 | 0.138 | 1,001,376.93 | 1.53% | 1.23% | |
| | | 1,000,000.00 | | 1,000,000.00 | | | 1,001,376.93 | 1.53% | | 1.23% |
| Floating Rate Note | | | | | | | | | | |
| Auswide 0.75 07 Nov 2022 FRN | AU3FN0057345 | 1,000,000.00 | 1.00000000 | 1,000,000.00 | 100.463 | 0.046 | 1,005,090.00 | 1.54% | 0.77% | |
| Auswide 1.05 17 Mar 2023 FRN | AU3FN0053567 | 2,000,000.00 | 1.00000000 | 2,000,000.00 | 100.947 | 0.219 | 2,023,320.00 | 3.10% | 1.07% | |
| Auswide 0.6 22 Mar 2024 FRN | AU3FN0059317 | 1,500,000.00 | 1.00000000 | 1,500,000.00 | 100.190 | 0.120 | 1,504,650.00 | 2.30% | 0.62% | |
| BOQ 1.02 16 Nov 2021 FRN | AU3FN0039418 | 1,000,000.00 | 1.00000000 | 1,000,000.00 | 100.205 | 0.043 | 1,002,480.00 | 1.53% | 1.03% | |
| BOQ 1.05 03 Feb 2023 FRN | AU3FN0040549 | 500,000.00 | 1.00000000 | 500,000.00 | 101.210 | 0.082 | 506,460.00 | 0.78% | 1.07% | |
| BOQ 1.03 18 Jul 2024 FRN | AU3FN0049094 | 1,000,000.00 | 1.00000000 | 1,000,000.00 | 102.056 | 0.124 | 1,021,800.00 | 1.56% | 1.05% | |
| BOQ 1.1 30 Oct 2024 FRN | AU3FN0051272 | 500,000.00 | 1.00000000 | 500,000.00 | 102.406 | 0.098 | 512,520.00 | 0.78% | 1.12% | |
| BENAU 1.05 25 Jan 2023 FRN | AU3FN0040523 | 500,000.00 | 1.00000000 | 500,000.00 | 101.232 | 0.106 | 506,690.00 | 0.78% | 1.08% | |
| CUA 1.25 06 Sep 2021 FRN | AU3FN0044269 | 1,500,000.00 | 1.00000000 | 1,500,000.00 | 100.019 | 0.297 | 1,504,740.00 | 2.30% | 1.27% | |
| MACQ 0.48 09 Dec 2025 FRN | AU3FN0057709 | 3,000,000.00 | 1.00000000 | 3,000,000.00 | 100.125 | 0.115 | 3,007,200.00 | 4.60% | 0.51% | |
| RACB 0.93 24 Feb 2023 FRN | AU3FN0053146 | 1,000,000.00 | 1.00000000 | 1,000,000.00 | 100.545 | 0.018 | 1,005,630.00 | 1.54% | 0.94% | |
| MYS 0.65 16 Jun 2025 FRN | AU3FN0061024 | 3,000,000.00 | 1.00000000 | 3,000,000.00 | 100.000 | 0.140 | 3,004,200.00 | 4.60% | 0.67% | |
| NAB 0.93 26 Sep 2023 FRN | AU3FN0044996 | 2,000,000.00 | 1.00000000 | 2,000,000.00 | 101.675 | 0.168 | 2,036,860.00 | 3.12% | 0.97% | |
| NPBS 1.4 06 Feb 2023 FRN | AU3FN0040606 | 500,000.00 | 1.00000000 | 500,000.00 | 101.418 | 0.097 | 507,575.00 | 0.78% | 1.39% | |
| NPBS 1.12 04 Feb 2025 FRN | AU3FN0052627 | 4,500,000.00 | 1.00000000 | 4,500,000.00 | 102.055 | 0.084 | 4,596,255.00 | 7.04% | 1.14% | |
| Qld Police 1.5 14 Dec 2021 FRN | AU3FN0046389 | 750,000.00 | 1.00000000 | 750,000.00 | 100.383 | 0.322 | 755,287.50 | 1.16% | 1.52% | |
| Qld Police 1.15 06 Dec 2022 FRN | AU3FN0052072 | 2,000,000.00 | 1.00000000 | 2,000,000.00 | 100.959 | 0.274 | 2,024,660.00 | 3.10% | 1.18% | |
| Qld Police 0.75 22 Mar 2024 FRN | AU3FN0059416 | 1,500,000.00 | 1.00000000 | 1,500,000.00 | 100.203 | 0.148 | 1,505,265.00 | 2.30% | 0.77% | |
| UBS Aust 1.05 21 Nov 2022 FRN | AU3FN0054151 | 1,000,000.00 | 1.00000000 | 1,000,000.00 | 101.127 | 0.023 | 1,011,500.00 | 1.55% | 1.06% | |
| UBS Aust 0.87 30 Jul 2025 FRN | AU3FN0055307 | 1,650,000.00 | 1.00000000 | 1,650,000.00 | 101.785 | 0.078 | 1,680,739.50 | 2.57% | 0.88% | |
| | | 30,400,000.00 | | 30,400,000.00 | | | 30,722,922.00 | 47.04% | | 0.95% |

| Fixed Interest Security | ISIN | Face Value Original | Bond Factor | Face Value Current | Capital Price | Accrued Interest Price | Market Value | % Total Value | Running Yield | Weighted Running Yield |
|-----------------------------------|------|------------------------|----------------|-----------------------|------------------|------------------------------|----------------------|---------------------|------------------|------------------------------|
| Term Deposit | | | | | | | | | | |
| AMP 0.75 30 Nov 2021 365DAY TD | | 1,000,000.00 | 1.00000000 | 1,000,000.00 | 100.000 | 0.563 | 1,005,630.14 | 1.54% | 0.75% | |
| AMP 0.3 19 Jan 2022 215DAY TD | | 800,000.00 | 1.00000000 | 800,000.00 | 100.000 | 0.061 | 800,486.58 | 1.23% | 0.30% | |
| AMP 0.55 14 Feb 2022 276DAY TD | | 3,000,000.00 | 1.00000000 | 3,000,000.00 | 100.000 | 0.164 | 3,004,927.41 | 4.60% | 0.55% | |
| ME Bank 0.5 18 Oct 2022 484DAY TD | | 3,000,000.00 | 1.00000000 | 3,000,000.00 | 100.000 | 0.097 | 3,002,917.80 | 4.60% | 0.50% | |
| NAB 0.5 26 Oct 2021 330DAY TD | | 5,000,000.00 | 1.00000000 | 5,000,000.00 | 100.000 | 0.375 | 5,018,767.10 | 7.68% | 0.50% | |
| NAB 0.43 19 Nov 2021 330DAY TD | | 5,000,000.00 | 1.00000000 | 5,000,000.00 | 100.000 | 0.295 | 5,014,726.05 | 7.68% | 0.43% | |
| NAB 0.5 02 Dec 2021 365DAY TD | | 2,500,000.00 | 1.00000000 | 2,500,000.00 | 100.000 | 0.373 | 2,509,315.08 | 3.84% | 0.50% | |
| | | 20,300,000.00 | | 20,300,000.00 | | | 20,356,770.15 | 31.17% | | 0.49% |
| Fixed Interest Total | | 64,814,842.31 | | 64,814,842.31 | | | 65,314,846.39 | 100.00% | | 0.79% |

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Report Code: TBSBP100EXT-01.17
Report Description: Portfolio Valuation As At Date
Parameters:
Term Deposit Interest Included
Cash Excluded
Settlement Date-Based Balances

MINUTES OF THE FINANCE REVIEW AND ADVISORY MEETING OF THE MUSWELLBROOK SHIRE COUNCIL HELD IN THE LOXTON ROOM, ADMINISTRATION CENTRE, BRIDGE STREET, MUSWELLBROOK ON THURSDAY 9 SEPTEMBER, 2021 COMMENCING AT 4.07PM.

PRESENT: Cr J. Ledlin (Chair (VC)) and Cr R. Scholes.

IN ATTENDANCE: Ms F. Plesman (General Manager), Mr D. Finnigan (Deputy General Manager), Mr D. Walsh (Manager – Corporate Services & Chief Financial Officer), Mr J. Hogan (Financial Controller) (VC) and Mrs M. Sandell-Hay (PA to General Manager).

1 APOLOGIES AND LEAVE OF ABSENCE

Nil

2 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

RECOMMENDED on the motion of Cr Scholes and Cr Ledlin that:

The Minutes of the Finance Review and Advisory Committee held on 19 August 2021, a copy of which has been distributed to all members, be taken as read and confirmed as a true record.

3 DISCLOSURE OF ANY PECUNIARY AND NON-PECUNIARY INTEREST

Nil

4 BUSINESS ARISING

Nil

5 BUSINESS

5.1 AUGUST 2021 MONTHLY FINANCIAL REPORT

RECOMMENDED on the motion of Cr Scholes and Cr Ledlin that:

The Financial Report for the month ending 31 August 2021 be noted.

5.2 REPORT ON INVESTMENTS HELD AS AT 31 AUGUST 2021

RECOMMENDED on the motion of Cr Scholes and Cr Ledlin that:

The information showing Council's investments as at 31 August 2021 be noted and that the minor discrepancy with the issuer trading limits be approved.

6 DATE OF NEXT MEETING

23 September 2021

7 CLOSURE

The meeting was declared closed at 4.15pm.

.....
Ms F. Plesman
General Manager

.....
Cr J. Ledlin
Chairperson

MINUTES OF THE STATE SIGNIFICANT DEVELOPMENT COMMITTEE MEETING OF THE MUSWELLBROOK SHIRE COUNCIL HELD IN VIA TEAMS / THE LOXTON ROOM, ADMINISTRATION CENTRE, MUSWELLBROOK ON MONDAY 6 SEPTEMBER, 2021 COMMENCING AT 3.45PM.

PRESENT: Cr R. Scholes (Chair) and Cr J. Ledlin.

IN ATTENDANCE: Ms F. Plesman (General Manager), Mr D. Finnigan (Deputy General Manager), Ms S. Pope (Executive Manager – Planning & Environment) and Mrs M Sandell-Hay.

1 APOLOGIES AND LEAVE OF ABSENCE

RECOMMENDED on the motion of Cr Ledlin and Cr Scholes that:

The apologies for inability to attend the meeting submitted by Cr B. Woodruff be ACCEPTED.

2 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

RECOMMENDED on the motion of Cr Ledlin and Cr Scholes that:

The Minutes of the State Significant Development Committee held on 23 August 2021, a copy of which has been distributed to all members, be taken as read and confirmed as a true record.

3 DISCLOSURE OF ANY PECUNIARY AND NON-PECUNIARY INTEREST

Nil

4 PUBLIC PARTICIPATION

Nil

5 BUSINESS ARISING

Nil

6 BUSINESS

6.1 MAXWELL UNDERGROUND MINE MOD 1

RECOMMENDED on the motion of Cr Ledlin and Cr Scholes that:

The Committee endorses the draft submission provided by staff at the meeting.

6.2 LIDDELL BATTERY PROJECT - CONSIDERATION OF MOU TO COUNTER REQUIREMENT FOR VPA

RECOMMENDED on the motion of Cr Ledlin and Cr Scholes that:

The Committee agrees that the MOU in Attachment A be accepted in lieu of a further VPA for SSD-8889679.

MINUTES OF THE STATE SIGNIFICANT DEVELOPMENT COMMITTEE MEETING OF THE MUSWELLBROOK SHIRE COUNCIL HELD IN VIA TEAMS / THE LOXTON ROOM, ADMINISTRATION CENTRE, MUSWELLBROOK ON MONDAY 6 SEPTEMBER, 2021 COMMENCING AT 3.45PM.

DRAFT VOLUNTARY PLANNING AGREEMENT BETWEEN THE MAXWELL VENTURES (MANAGEMENT) PTY LTD AND MUSWELLBROOK SHIRE COUNCIL

RECOMMENDED on the motion of Cr Scholes and Cr Ledlin that:

The General Manager be delegated authority to finalise the Voluntary Planning Agreement provided in attachment B, between Muswellbrook Shire Council and the Maxwell Ventures (Management) Pty Ltd subject to confirmation from Maxwell that construction will commence this financial year.

7 DATE OF NEXT MEETING

20 September 2021

8 CLOSURE

The meeting was declared closed at 4.11pm.

.....
Ms F. Plesman
General Manager

.....
Cr R. Scholes
Chairperson