

3. *Establishing the performance agreement*

The performance agreement is the most important component of successful performance management. The performance agreement should include clearly defined and measurable performance indicators against which the general manager's performance can be measured.

As one of the general manager's key responsibilities is to oversee the implementation of council's strategic direction, it is important to align the general manager's performance criteria to the goals contained in the council's Community Strategic Plan, Resourcing Strategy, Delivery Program and Operational Plan.

The performance agreement should also include the general manager's personal contribution to the council's key achievements and the general manager's core capabilities, including leadership qualities.

The performance agreement should contain but not be limited to key indicators that measure how well the general manager has met the council's expectations with respect to:

- service delivery targets from the council's Delivery Program and Operational Plan;
- budget compliance;
- organisational capability;
- timeliness and accuracy of information and advice to councillors;
- timely implementation of council resolutions;
- management of organisational risks;
- leadership etc.

4. *Performance Review Process*

The Standard Contract requires that the performance of the general manager must be formally reviewed at least annually. The governing body of council may also undertake interim performance reviews as appropriate.

The assessment should include:

- self assessment by the general manager
- assessment by the review panel of the general manager's performance against the performance agreement.

The performance review meeting should be scheduled with sufficient notice to all parties and in accordance with clauses 7.6 and 7.7 of the Standard Contract.

The meeting should concentrate on constructive dialogue about the general manager's performance against all sections of the agreed performance plan.

The meeting should identify any areas of concern and agree actions to address those concerns.

In undertaking any performance review, care must be taken to ensure that the review is conducted fairly and in accordance with the principles of natural justice and that the laws and principles of anti-discrimination are complied with. The

appointment by a council, in agreement with the general manager, of an external facilitator (see above) to advise on the process should assist council in complying with these laws and principles.

The council's governing body must advise the general manager, in writing, in clear terms, the outcome of any performance review.

The new performance agreement for the next period should be prepared as soon as possible after the completion of the previous period. The agreement should be presented to the governing body of council for discussion in a closed meeting together with the outcomes of the previous review period.

5. Contract Renewal or Separation

It is important that any decision by the governing body of council to renew a contract for the general manager and the term of that contract be reported back to an open meeting of council, together with the total amount of any salary package agreed to.

Termination of a contract on the basis of poor performance can only occur where there has been a formal review undertaken against the signed performance agreement where performance difficulties were identified and have not subsequently been remedied. For further discussion on separation or renewal of general managers' contracts, see section F, below.

6. Reward and Remuneration

An annual increase in the salary package, equivalent to the latest percentage increase in remuneration for senior executive office holders as determined by the Statutory and Other Offices Remuneration Tribunal, is available to the general manager under the Standard Contract on each anniversary of the contract.

Discretionary increases to the general manager's total remuneration package under the provisions of the Standard Contract may only occur after a formal review of the general manager's performance has been undertaken by the governing body of council and the governing body of council resolves to grant such a discretionary increase because of better than satisfactory performance.

Discretionary increases are intended to be an incentive for general managers to perform at their maximum throughout the life of the contract. Discretionary increases are also intended to encourage contracts of the maximum duration.

Any discretionary increases should be modest and in line with community expectations.

All discretionary increases in remuneration, together with the reasons for the increase, must be reported to an open meeting of council.

F. SEPARATION OR RENEWAL

1. Termination of a general manager's employment

The Standard Contract for general managers sets out how a general manager's contract can be terminated before its expiry date by either the governing body of council or the general manager (clause 10 of the Standard Contract).

Termination can be by agreement of both parties. The general manager may terminate the contract by giving 4 weeks written notice to the governing body of council.

A governing body of council may terminate the contract by giving 4 weeks written notice where the general manager has become incapacitated for 12 weeks or more, has exhausted their sick leave and the duration of the incapacity is either indefinite or for a period that would make it unreasonable for the contract to be continued.

Termination of a contract on the basis of poor performance may only occur where there has been a formal review undertaken against the signed performance agreement, where performance difficulties have been identified and have not been remedied as agreed. In these instances, the council must give the general manager either 13 weeks written notice of termination or termination payment in lieu of notice calculated in accordance with Schedule C of the Standard Contract.

A governing body of council may terminate the general manager's contract at any time by giving the general manager 38 weeks written notice or pay the general manager a lump sum of 38 weeks remuneration in accordance with Schedule C of the Standard Contract. If there are less than 38 weeks left to run in the term of the general manager's contract, a council can pay out the balance of the contract in lieu of notice.

In the circumstances set out at 10.4 of the Standard Contract, a council may summarily dismiss a general manager. The remuneration arrangements under these circumstances are set out in clause 11.4 of the Standard Contract.

Section 336 (2) of the Act sets out other circumstances where a general manager's appointment is automatically terminated.

2. Suspension of General Manager

The governing body of council may suspend the general manager. However, great caution should be exercised when considering such a course of action and it would be appropriate for a governing body of council to seek and be guided by expert advice from a person or organisation that is suitably qualified and experienced in such matters. The governing body may authorise the Mayor to obtain such expert advice.

Suspension should be on full pay for a clearly defined period.

Any decision to suspend a general manager should be taken by a governing body of council at a closed council meeting, having first carefully considered any independent expert advice obtained on the specific matter.

It would not be appropriate to seek advice from council human resources staff on the issue of suspending the general manager.

The principals of natural justice and procedural fairness apply to any decision to suspend a general manager, ie, the general manager must be advised of the circumstances leading to the suspension, the reasons for the suspension, the period of the suspension and be given a right to respond to the decision to suspend.

3. *Dispute resolution*

The Standard Contract contains a dispute resolution clause at clause 17.

These provisions are designed to encourage councils and general managers to attempt to negotiate agreement on disputes where they arise.

The governing body of council should ideally resolve to delegate this function to the mayor or a panel of 3 councillors including the mayor.

If the dispute involves the mayor then the deputy mayor should take the mayor's place. If there is no deputy mayor then the governing body should resolve to appoint another councillor to take the mayor's place.

The governing body of council and general manager should agree on an independent mediator to mediate the dispute. The LGSA and LGMA can provide assistance to their members to identify a suitable mediator.

The Standard Contract allows the Chief Executive of the Division of Local Government to appoint a mediator where the parties cannot agree on one.

4. *Renewing a general manager's contract*

Clause 5 of the Standard Contract describes how a general manager's appointment may be renewed.

The terms of the new contract, and in particular the schedules to the new contract, should be set out in the letter of offer. Before offering a new contract, the council should carefully review the terms of the schedules to the new contract.

The governing body of council should ensure that the performance management terms of the new contract adequately reflect its expectations as to the general manager's performance.

The governing body of council should also have regard to the previous performance reviews conducted under previous contracts.

The process of deciding whether or not to offer a general manager a new contract should be that:

- a performance review is conducted
- findings and recommendations are reported to a closed council meeting in the absence of the general manager
- the closed meeting considers and decides whether or not to offer a new contract and on what terms as set out in the schedules to the contract
- the general manager is then advised of the governing body of council's decision in confidence by the mayor.

Details of the decision to offer a new contract and a salary package should be reported to an open council meeting.

Appendix 1 - Performance Management Timelines

Timeline	Activity	Responsibility
At commencement of each new council	Provide induction training on performance management of the general manager	Council
Within 3 months of the commencement date of the contract	A performance agreement setting out agreed performance criteria must be signed between the general manager and the council	Council or council panel General Manager
Within 2 months of the signing of the performance agreement	The general manager must prepare and submit to council an action plan which sets out how the performance criteria are to be met	General Manager
21 days notice (before annual review)	The general manager gives the council written notice that an annual performance review is due	General Manager
At least 10 days notice	The council must give the general manager written notice that any performance review is to be conducted	Council or council panel
After 6 months	The council may also decide, with the agreement of the general manager, to provide interim feedback to the general manager midway through the annual review period	Council or council panel General Manager
Prior to the annual review	Ensure all councillors on the Review Panel have been trained in performance management of general managers	Council
Prior to the annual performance review	The general manager may submit to council a self assessment of his/her performance	General Manager
Annually	The general manager's performance must be reviewed having regard to the performance criteria in the agreement	Council or council panel General Manager
Annually	The performance agreement must be reviewed and varied by agreement	Council or council panel General Manager
Within 6 weeks of the conclusion of the performance review	Council will prepare and send to the general manager a written statement with council's conclusions on the general manager's performance during the performance review period	Council or council panel
As soon as possible after receipt of the statement	The general manager and the council will agree on any variation to the performance agreement for the next period of review	Council or council panel General Manager

Appendix 2 - Stages of performance management

STAGE	ACTION	PROCESS
1. Developing performance agreement	<ul style="list-style-type: none"> Examine the position description and contract List all position responsibilities from the position description Identify stakeholder expectations List the key strategic objectives from the Service Delivery and Operational Plans Develop performance measures (identify indicators - set standards) 	<ul style="list-style-type: none"> Good planning Direct and effective communication Open negotiation Joint goal setting
2. Action planning	<ul style="list-style-type: none"> Develop specific strategies to meet strategic objectives Identify resources Delegate tasks (eg, put these delegated tasks into the performance agreements for other senior staff) 	<ul style="list-style-type: none"> Detailed analysis Two way communication Detailed documentation
3. Monitoring progress (feedback half way through the review period)	<ul style="list-style-type: none"> Assess performance Give constructive feedback Adjust priorities and reset performance measures if appropriate 	<ul style="list-style-type: none"> Communication Avoid bias Counselling Coaching Joint problem solving
4. Annual	<ul style="list-style-type: none"> Assess performance against measures Give constructive feedback Identify poor performance and necessary corrective action Identify outstanding performance and show appreciation 	<ul style="list-style-type: none"> Evaluation of the reasons behind performance being as assessed Open, straightforward communication (as bias free as possible) negotiation Counselling, support, training Documenting Decision making
5. Developing revised agreement	See stage 1	See Stage 1

Appendix 3 – Standard Contract of Employment

STANDARD CONTRACT OF EMPLOYMENT

for

**GENERAL MANAGERS OF LOCAL
COUNCILS IN NEW SOUTH WALES**

Acknowledgements

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Contract of Employment

This Contract of Employment is made on

Date _____

between

Name of Council _____

[Referred to in this contract as "Council"]

Address _____

and

Name of Employee _____

[Referred to in this contract as "the employee"]

Address _____

1 Position

The position to which this contract applies is that of General Manager.

Note: A person who has held civic office in relation to Council must not be appointed to any paid position on the staff of Council within 6 months after ceasing to hold the office: section 354 of the Act.

2 Term

Subject to the terms and conditions in this contract, Council will employ the employee for a term of:

[Length of term] _____

Note: The term of this contract must not be less than 12 months or more than 5 years (including any option for renewal): section 338 of the Act.

commencing on [date] _____

and terminating on [date] _____

3 Definitions

3.1 In this contract, unless otherwise stated or indicated:

the Act means the *Local Government Act 1993*.

Code of conduct means the document within the meaning of section 440 of the Act adopted by Council and which incorporates the provisions of the model code.

Commencement date means the date that this contract commences as specified in clause 2.

Confidential information means any and all confidential information, data, reports, operations, dealings, records, materials, plans, statistics, finances or other agreements and things (other than that which is already in the public domain), whether written or oral and of whatever type or nature relating to property, assets, liabilities, finances, dealings or functions of Council or any undertaking from time to time carried out by Council.

Director-General means the Director-General of the New South Wales Department of Local Government.

Equal employment opportunity management plan means the document a council must prepare under Part 4 of Chapter 11 of the Act.

Minister means the New South Wales Minister for Local Government.

Model code means the Model Code of Conduct for Local Councils in NSW prescribed by the Regulation.

Month means a calendar month.

Performance agreement means the agreement referred to in clause 7.

Performance criteria means the criteria to which a performance review is to have regard.

Performance review means a review of the employee's performance conducted in accordance with the procedures under clause 7.

the position means the position referred to in clause 1.

the Regulation means the *Local Government (General) Regulation 2005*.

Senior executive office holder (New South Wales Public Service) means the holder of a senior executive position within the meaning of the *Public Sector Employment and Management Act 2002*.

Statutory and Other Officers Remuneration Tribunal means the Statutory and Other Officers Remuneration Tribunal constituted under the *Statutory and Other Officers Remuneration Act 1975*.

Termination date means the date that this contract terminates as specified in clause 2.

3.2 Expressions in this contract corresponding with expressions that are defined in the Act have those meanings.

4 Contract operation and application

- 4.1 This contract constitutes a contract of employment for the purposes of section 338 of the Act, and governs the employment of the employee while in the position.
- 4.2 A reference in this contract to any Act or regulation, or any provision of any Act or regulation, includes a reference to subsequent amendments of that Act, regulation or provision.
- 4.3 A reference to a Schedule to this contract refers to a Schedule as may be varied in accordance with this contract, and applies whether or not the Schedule has been physically attached to this contract.
- 4.4 Where the mayor or any other person is lawfully authorised to act as Council or Council's delegate for the purpose of this contract, this contract will be construed as if:
- (a) any reference to Council includes a reference to that authorised person, and
 - (b) any reference to a requirement for Council's approval includes a reference to a requirement for that authorised person's written approval,
- 4.5 Any staff entitlement under a lawful policy of Council as adopted by Council from time to time and that is set out in Schedule A will apply to the employee unless this contract makes express provision to the contrary. Schedule A may be varied from time to time by agreement between the employee and Council, such agreement not to be unreasonably withheld.

Note: Only those policies that create entitlements are to be set out in Schedule A. Schedule A policies are distinct from those which create a *duty or function* as referred to in subclause 6.1.4 and which are *not* required to be set out in Schedule A.

- 4.6 Subject to clauses 7 and 13, the terms of this contract, as varied from time to time in accordance with this contract, represent the entire terms of all agreements between the employee and Council and replace all other representations, understandings or arrangements made between the employee and Council that relate to the employment of the employee in the position.

Note: The contract authorises the making of agreements that are linked to the contract. Clause 7 requires the parties to sign a performance agreement. Clause 13 allows either party to require the other to sign a confidentiality agreement for the purpose of protecting intellectual property.

5. Renewal of appointment

- 5.1 At least 9 months before the termination date (or 6 months if the term of employment is for less than 3 years) the employee will apply to Council in writing if seeking re-appointment to the position.
- 5.2 At least 6 months before the termination date (or 3 months if the term of employment is for less than 3 years) Council will respond to the employee's application referred to in subclause 5.1 by notifying the employee in writing of its decision to either offer the employee a new contract of employment (and on what terms) or decline the employee's application for re-appointment.
- 5.3 At least 3 months before the termination date (or 1 month if the term of employment is for less than 3 years) the employee will notify Council in writing of the employee's decision to either accept or decline any offer made by Council under subclause 5.2.
- 5.4 In the event the employee accepts an offer by Council to enter into a new contract of employment, a new contract of employment will be signed.

6. Duties and functions

- 6.1 The employee will:
 - 6.1.1 to the best of their ability, meet the performance criteria set out in the performance agreement as varied from time to time,
 - 6.1.2 carry out the duties and functions imposed by the Act and Regulation, or any other Act and associated regulations, which include but are not limited to:
 - (a) the efficient and effective operation of Council's organisation,
 - (b) implementing, without undue delay, the decisions of Council,
 - (c) exercising such of the functions of Council as are delegated by Council to the employee,
 - (d) appointing staff in accordance with an organisation structure and resources approved by Council,
 - (e) directing and dismissing staff,
 - (f) implementing Council's equal employment opportunity management plan,

-
- (g) consulting with Council prior to the appointment or dismissal of senior staff,
 - (h) reporting to Council, at least once annually, on the contractual conditions of senior staff,
 - (i) giving immediate notice to Council on becoming bankrupt or making a composition, arrangement or assignment for the benefit of the employee's creditors and providing Council, within the time specified by Council with any further information concerning the cause of the bankruptcy or of the making of the composition, arrangement or assignment,
 - (j) subject to subclause 6.2.3, providing advice and recommendations to Council or the mayor if directed to do so,
 - (k) not engaging, for remuneration, in private employment or contract work outside the service of Council without the approval of Council,
 - (l) not approving, where appropriate, any member of Council staff from engaging, for remuneration, in private employment or contract work outside the service of Council that relates to the business of Council or that might conflict with the staff member's Council duties,
 - (m) acting honestly and exercising a reasonable degree of care and diligence in carrying out the employee's duties and functions,
 - (n) complying with the provisions of the code of conduct,
 - (o) preparing and submitting written returns of interest and disclosing pecuniary interests in accordance with the Act and the Regulation,

Note: Sections 335, 337, 339, 341, 352, 353, 439, 440 and 445 of the Act.

- 6.1.3 carry out the duties and functions set out in Schedule B as varied from time to time by agreement between the employee and Council, such agreement not to be unreasonably withheld,

Note: Schedule B may include additional duties and functions, for example, those related to special projects.

- 6.1.4 carry out the duties and functions set out in the policies of Council as adopted by Council from time to time during the term of this contract,

-
- 6.1.5 observe and carry out all lawful directions given by Council, in relation to the performance of the employee's duties and functions under this contract,
 - 6.1.6 work such reasonable hours as are necessary to carry out the duties and functions of the position and the employee's obligations under this contract,
 - 6.1.7 obtain the approval of the Council for any absences from the business of Council,
 - 6.1.8 promote ethical work practices and maintain a culture of integrity and professionalism where Council staff members treat each other, members of the public, customers and service providers with respect and fairness,
 - 6.1.9 facilitate Council staff awareness of the procedures for making protected disclosures and of the protection provided by the *Protected Disclosures Act 1994*,
 - 6.1.10 take all reasonable steps to ensure that actions and policies of Council accord with the strategic intent of Council,
 - 6.1.11 take all reasonable steps to maximise compliance with relevant legislative requirements,
 - 6.1.12 maintain effective corporate and human resource planning,
 - 6.1.13 maintain the Council staff performance management system,
 - 6.1.14 maintain satisfactory operation of Council's internal controls, reporting systems (including protected disclosures), grievance procedures, the documentation of decision-making and sound financial management,
 - 6.1.15 develop procedures to ensure the code of conduct is periodically reviewed so that it is in accordance with the Act and Regulation and adequately reflects specific organisational values and requirements,
 - 6.1.16 promote and facilitate compliance with the code of conduct ensuring that each councillor and Council staff member is familiar with its provisions, and
 - 6.1.17 report to Council on any overseas travel taken by the employee or any Council staff member where that travel is funded in whole or in part by Council.
- 6.2 Council:

-
- 6.2.1 will provide adequate resources to enable the employee to carry out the duties and functions specified in subclause 6.1 and Schedule B,
 - 6.2.2 will provide the employee with reasonable opportunities to participate in professional development initiatives relevant to the duties and functions under this contract subject to the operational needs of Council, and
 - 6.2.3 will not direct the employee as to the content of any advice or recommendation made by the employee.

Note: section 352 of the Act.

7. Performance agreement and review

- 7.1 Within 3 months after the commencement date, the employee and Council will sign a performance agreement setting out agreed performance criteria.
- 7.2 In the event that the employee and Council are unable to agree on the performance criteria, Council will determine such performance criteria that are reasonable and consistent with the employee's duties and functions under clause 6 and in Schedule B.
- 7.3 The performance agreement may be varied from time to time during the term of this contract by agreement between the employee and Council, such agreement not to be unreasonably withheld.
- 7.4 Within 2 months after signing or varying the performance agreement, the employee will prepare and submit to Council an action plan which sets out how the performance criteria are to be met.
- 7.5 Council will ensure that the employee's performance is reviewed (and, where appropriate, the performance agreement varied) at least annually. Any such review is to have regard to the performance criteria.

Note: Council may review the employee's performance every 6 months or more frequently if necessary.

- 7.6 The employee will give Council 21 days' written notice that an annual performance review in accordance with subclause 7.5 is due.
- 7.7 Council will give the employee at least 10 days notice in writing that any performance review is to be conducted.

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- 7.8 The structure and process of the performance review is at the discretion of Council following consultation with the employee.
- 7.9 The employee may prepare and submit to Council an assessment of the employee's own performance prior to a performance review.
- 7.10 Within 6 weeks from the conclusion of a performance review, Council will prepare and send to the employee a written statement that sets out:
- (a) Council's conclusions about the employee's performance during the performance review period,
 - (b) any proposal by Council to vary the performance criteria as a consequence of a performance review, and
 - (c) any directions or recommendations made by Council to the employee in relation to the employee's future performance of the duties of the position.
- 7.11 The employee and Council will, as soon as possible after the employee receives the written statement referred to in subclause 7.10, attempt to come to agreement on any proposal by Council to vary the performance criteria and on any recommendations by Council as to the future performance of the duties of the position by the employee.
- 7.11 Subject to the employee being available and willing to attend a performance review, Council undertakes that if a performance review is not held in accordance with this clause, this will not operate to the prejudice of the employee unless the employee is responsible for the failure to hold the performance review.

8. Remuneration

- 8.1 Council will provide the employee with the total remuneration package set out in Schedule C.
- 8.2 The total remuneration package includes salary, compulsory employer superannuation contributions and other benefits including any fringe benefits tax payable on such benefits.

Note: Compulsory employer superannuation contributions are those contributions required under the *Superannuation Guarantee Charge Act 1992* of the Commonwealth and any contributions required to be paid for an employee under a superannuation arrangement entered into by Council for that employee. See Schedule C.

-
- 8.3 Council may, on only one occasion during each year of this contract, approve an increase in the total remuneration package where the employee's performance has been assessed in accordance with a performance review as being of a better than satisfactory standard.
- 8.4 Any increase in remuneration approved under subclause 8.3 will not be paid as a lump sum.
- 8.5 On each anniversary of the commencement date, the total remuneration package will be increased by a percentage amount that is equivalent to the latest percentage amount increase in remuneration for senior executive office holders as determined by the Statutory and Other Officers Remuneration Tribunal.

Note: When making determinations referred to in subclause 8.5, the Tribunal takes into account key national economic indicators and movements in public sector remuneration across Australia, market conditions, the Consumer Price Index and wages growth as measured by the Wage Cost Index. Tribunal determinations are published in the Government Gazette and are available at www.remtribunals.nsw.gov.au. The Premier's Department issues periodic Memoranda summarising the Tribunals determinations. These Memoranda are available at www.premiers.nsw.gov.au.

- 8.6 The structure of the total remuneration package may be varied from time to time during the term of this contract by agreement between the employee and Council, such agreement not to be unreasonably withheld.
- 8.7 The total remuneration package, as varied from time to time, remunerates the employee for all work undertaken by the employee while in the position. No other remuneration, benefit, overtime or allowances other than those to which the employee may be entitled under this contract will be paid to the employee during the term of this contract.

9. Leave

9.1 General

- 9.1.1 Council will pay remuneration calculated in accordance with Schedule C to the employee proceeding on paid leave under this clause.
- 9.1.2 On the termination of this contract, and if the employee is not re-appointed to the position under clause 5 or appointed to any other position in Council's organisation structure, the Council will pay:
- (a) to the employee in the case of annual leave, or

- (b) to the employee or new employer council in the case of long service leave,

accrued but unused leave entitlements calculated at the monetary value of the total remuneration package as specified in Schedule C.

- 9.1.3 If the employee is re-appointed to the position under clause 5 or appointed to any other position in Council's organisation structure within 3 months after the termination of this contract, the employee will be taken to have continuing service with Council for the purpose of determining the employee's entitlement to annual leave, long service leave and sick leave.

- 9.1.4 Any leave accrued with Council standing to the credit of the employee immediately prior to entering into this contract will be taken to be leave for the purposes of this contract.

9.2 Annual leave

The employee is entitled to four weeks paid annual leave during each year of employment under this contract to be taken as agreed between the employee and Council.

9.3 Long service leave

- 9.3.1 The employee's entitlement to long service leave is to be calculated by the same method that applies to a non-senior member of Council staff.
- 9.3.2 Long service leave is transferable between councils in New South Wales in the same manner that applies to a non-senior member of Council staff.

9.4 Sick leave

- 9.4.1 The employee is entitled to 15 days paid sick leave during each year of employment under this contract provided that:
 - (a) Council is satisfied that the sickness is such that it justifies time off, and
 - (b) satisfactory proof of illness to justify payment is provided to Council for absences in excess of two days.
- 9.4.2 Sick leave will accumulate from year to year of employment under this contract so that any balance of leave not taken in any one year may be taken in a subsequent year.

9.4.3 Council may require the employee to attend a doctor nominated by Council at Council's cost.

9.4.4 Accrued but unused sick leave will not be paid out on the termination of this contract.

9.5 Parental leave

9.5.1 Parental leave includes supporting parent's leave, maternity leave, paternity leave and adoption leave.

9.5.2 The employee is entitled to the same parental leave that a non-senior member of Council staff would be entitled.

9.6 Carer's leave

The employee is entitled to the same carer's leave that a non-senior member of Council staff would be entitled.

9.7 Concessional leave

The employee is entitled to the same concessional leave that a non-senior member of Council staff would be entitled.

9.8 Special leave

Council may grant special leave, with or without pay, to the employee for a period as determined by Council to cover any specific matter approved by Council.

10 Termination

10.1 General

On termination of this contract for any reason the employee will immediately return to Council all property of Council in the employee's possession including intellectual property and confidential information and will not keep or make any copies of such property and information.

10.2 Termination date

The employment of the employee under this contract terminates on the termination date.

10.3 Termination by either the employee or Council

This contract may be terminated before the termination date by way of any of the following:

10.3.1 written agreement between the employee and Council,

10.3.2 the employee giving 4 weeks' written notice to Council,

10.3.3 Council giving 4 weeks' written notice to the employee, or alternatively by termination payment under subclause 11.1, where:

- (a) the employee has been incapacitated for a period of not less than 12 weeks and the employee's entitlement to sick leave has been exhausted, and
- (b) the duration of the employee's incapacity remains indefinite or is likely to be for a period that would make it unreasonable for the contract to be continued,

10.3.4 Council giving 13 weeks' written notice to the employee, or alternatively, by termination payment under subclause 11.2 where Council:

- (a) has conducted a performance review, and
- (b) concluded that the employee has not substantially met the performance criteria or the terms of the performance agreement,

10.3.5 Council giving 38 weeks' written notice to the employee, or alternatively, by termination payment under subclause 11.3.

10.4 Summary dismissal

10.4.1 Council may terminate this contract at any time and without notice if the employee commits any act that would entitle an employer to summarily dismiss the employee. Such acts include but are not limited to:

- (a) serious or persistent breach of any of the terms of this contract,

-
- (b) serious and willful disobedience of any reasonable and lawful instruction or direction given by Council,
 - (c) serious and willful misconduct, dishonesty, insubordination or neglect in the discharge of the employee's duties and functions under this contract,
 - (d) failure to comply with any law or Council policy concerning sexual harassment or racial or religious vilification,
 - (e) commission of a crime, resulting in conviction and sentencing (whether or not by way of periodic detention), which affects the employee's ability to perform the employee's duties and functions satisfactorily, or in the opinion of Council brings Council into disrepute,
 - (f) absence from the business of Council without Council approval for a period of 3 or more consecutive business days.

10.4.2 This contract is terminated immediately without notice if the employee becomes bankrupt, applies to take the benefit of any law for the relief of bankrupt or insolvent debtors, compounds with his or her creditors or makes an assignment of his or her remuneration for their benefit.

11 Termination payments

- 11.1 On termination of this contract under subclause 10.3.3, where written notice has not been given, Council will pay the employee a monetary amount equivalent to 4 weeks' remuneration calculated in accordance with Schedule C.
- 11.2 On termination of this contract under subclause 10.3.4, where written notice has not been given, Council will pay the employee a monetary amount equivalent to 13 weeks' remuneration calculated in accordance with Schedule C.
- 11.3 On termination of this contract under subclause 10.3.5, where written notice has not been given, Council will pay the employee a monetary amount equivalent to 38 weeks' remuneration calculated in accordance with Schedule C, or the remuneration which the employee would have received if the employee had been employed by Council to the termination date, whichever is the lesser.
- 11.4 On termination of this contract under subclause 10.3.1, 10.3.2, 10.4.1 or 10.4.2, Council will pay the employee remuneration up to and including the

date of termination calculated in accordance with Schedule C and any other payment to which the employee is entitled under this contract.

12 Expenses and credit cards

In addition to any duties or entitlements that may be set out in any relevant policies of Council as adopted by Council from time to time, the employee will:

- 12.1 keep such records of expenses, travel and motor vehicle use as required by Council from time to time,
- 12.2 be reimbursed by Council for expenses properly incurred on Council business, subject to Council's prior approval to this expense being incurred,
- 12.3 only use any credit card provided by Council for expenses incurred on Council business, and
- 12.4 return any credit card provided by Council on request from Council.

13 Intellectual property

- 13.1 Any literary work, computer program, invention, design, patent, copyright, trademark, improvement or idea developed by the employee in the course of employment under this contract is the sole property of Council and Council will unless otherwise agreed have the exclusive right to use, adapt, patent and otherwise register it.
- 13.2 The employee will immediately disclose to Council any literary work, computer program, invention, design, patent, copyright, trademark, improvement or idea developed by the employee after the commencement date to enable Council to ascertain whether it was discovered, developed or produced wholly outside and wholly unconnected with the course of employment under this contract.
- 13.3 To protect disclosures made in accordance with subclause 13.2, Council or the employee may require a confidentiality agreement to be signed prior to, during or immediately after discussion of the intellectual property being considered.

Note: IP Australia, the Commonwealth Government intellectual property agency, has developed a Confidentiality Agreement Generator for the purpose of preparing intellectual property confidentiality agreements. It is available at <http://www.ipaustralia.gov.au/smartstart/cag.htm>.

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- 13.4 The employee assigns to Council by way of future assignment all copyright, design, design right and other property rights (if any) in respect to any literary work, computer program, invention, design, patent, copyright, trademark, improvement or idea developed by the employee in the course of employment under this contract.
- 13.5 At the request and expense of Council the employee will complete all necessary deeds and documents and take all action necessary to vest in Council any literary work, computer program, invention, design, patent, copyright, trademark, improvement or idea developed by the employee in the course of employment under this contract and obtain for Council the full benefit of all patent, trademark, copyright and other forms of protection throughout the world.

14 Confidential Information

The employee will not divulge any confidential information about Council either during or after the term of their employment under this contract.

15 Waiver

The failure of either the employee or Council to enforce at any time any provision of this contract or any right under this contract or to exercise any election in this contract will in no way be considered to be a waiver of such provision, right or election and will not affect the validity of this contract.

16 Inconsistency and severance

- 16.1 Each provision of this contract will be read and construed independently of the other provisions so that if one or more are held to be invalid for any reason, then the remaining provisions will be held to be valid.
- 16.2 If a provision of this document is found to be void or unenforceable but would be valid if some part were deleted, the provision will apply with such modification as may be necessary to make it valid and effective.

17 Dispute resolution

- 17.1 In relation to any matter under this contract that may be in dispute, either the employee or Council may:

-
- (a) give written notice to each other of the particulars of any matter in dispute, and
 - (b) within 14 days of receiving a notice specified in subclause 17.1(a), a meeting will be convened between Council (along with any nominated representative of Council) and the employee (along with any nominated representative of the employee) in an attempt to resolve the dispute.
- 17.2 The employee and Council will attempt to resolve the dispute at the workplace level.
- 17.3 Upon failure to resolve the dispute at the workplace level, the employee and Council will:
- (a) refer the dispute to an independent mediator as agreed by the employee and Council, or otherwise as appointed by the Director-General,
 - (b) agree to participate in any mediation process in good faith, with such mediation to operate in a manner as agreed by the employee and Council, and
 - (c) acknowledge the right of either the employee or Council to appoint, in writing, another person to act on their behalf in relation to any mediation process.
- 17.4 The cost of the mediation service will be met by Council.
- 17.5 The employee and Council will each be responsible for meeting the cost of any advisor or nominated representative used by them.

18 Service of notices and communications

- 18.1 Any communication, including notices, relating to this contract will be in writing and served on the employee or Council at their last known residential or business address in accordance with subclause 18.2.
- 18.2 Any written communication including notices relating to this contract is taken to be served:
- (a) when delivered or served in person, immediately,
 - (b) where served by express post at an address within New South Wales in the Express Post Network, on the next business day after it is posted,

- (c) where served by post otherwise in the ordinary course of postage, as set down in Australia Post's delivery standards, and
- (d) where sent by facsimile, within standard business hours otherwise on the next business day after it is sent.

19 Variations

- 19.1 Where this contract provides that its terms may be varied, that variation will be by agreement in writing signed by the employee and Council.

Note: See clauses 4.5, 6.1.3, 7.3, 8.6 and 19.2.

- 19.2 Where the Director-General approves an amended or substitution standard form of contract for the employment of the general manager of a council, the provisions of this contract may be varied by agreement between the employee and Council to the extent that they are consistent with the provisions of that amended or substitution standard form of contract.

Note: See section 338 of the Act.

20 Other terms and conditions

- 20.1 The employee and Council acknowledge that they have sought or had the opportunity to seek their own legal and financial advice prior to entering this contract.
- 20.2 In accordance with section 731 of the Act, nothing in this contract gives rise to any action, liability, claim or demand against the Minister, the Director-General or any person acting under their direction.

21 Signed by the employee and Council

COUNCIL:

The Seal of

[Council name]

[Seal]

affixed by authority of a resolution of Council.

Signed
by Council

Date

Name of signatory
in full [printed]

Office held [printed]

Signed by Witness

Name of Witness
in full [printed]**THE EMPLOYEE:**Signed
by the employee

Date

Name of employee
in full [printed]

Signed by Witness

Name of Witness
in full [printed]

Schedule A – Council policies

Note: This Schedule may be varied during the term of this contract in accordance with subclauses 4.5 and 19.1 of this contract.

This Schedule operates on and from

Date _____

For the purposes of subclause 4.5 of this contract, the following policies apply to the employee:

Signed by Council _____

Signed by the employee _____

Schedule B - Duties and functions

Note: This Schedule may be varied during the term of this contract in accordance with subclauses 6.1.3 and 19.1 of this contract.

This Schedule operates on and from

Date _____

In addition to the duties and functions specified in clause 6 of this contract, the employee will carry out the following duties and functions:

Signed by Council _____

Signed by the employee _____

Schedule C - Remuneration

Note: This Schedule may be varied during the term of this contract in accordance with subclauses 8.7 and 19.1 of this contract.

This Schedule operates on and from

Date _____

The Annual Total Remuneration Package is as follows:

\$ _____

The Total Remuneration Package is comprised of:

ANNUAL REMUNERATION	\$

The employee agrees and acknowledges that deductions under subclause 8.2 of this contract are made principally for the benefit of the employee and that the Council relies on that statement in providing the non-cash benefits requested by the employee.

In the case of an employee who is a member of a defined benefit division of the Local Government Superannuation Scheme (or equivalent) compulsory employer superannuation contributions are the long term or "notional" employer contribution, as advised by the Actuary for the Local Government Superannuation Scheme from time to time.

The employee's superable salary will be the amount of the total remuneration package less the amount of compulsory superannuation contributions.

Signed by Council _____

Signed by the employee _____

12.5 REPORT ON INVESTMENTS HELD AS AT 28 FEBRUARY 2022

Attachments:	A. Portfolio Valuation Report - 28 February 2022 B. Trading Limit Report - 28 February 2022
Responsible Officer:	David Walsh - Manager - Corporate Services & Chief Financial Officer
Author:	Mandy Fitzgerald - Asset and Financial Accountant
Community Plan Issue:	<i>A Council that is well managed, efficient and properly resourced and that is responsive to its communities and stakeholders</i>
Community Plan Goal:	<i>Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves.</i>
Community Plan Strategy:	<i>Work towards the achievement of a sustainable Operating Budget result in the General Fund.</i>

PURPOSE

To present the list of financial investments currently held by Council in accordance with the Regulation.

OFFICER'S RECOMMENDATION

The information showing Council's investments as at 28 February 2022 be noted.

Moved: _____ Seconded: _____

REPORT

Clause 212 (1) of the Local Government (General) Regulation 2005, requires details of funds invested, as at the end of the preceding month, to be reported to an ordinary meeting of Council. Due to Council meetings held earlier in the month, the month prior will be reported.

Funds invested under Section 625 of the Local Government Act, as at 28 February 2022 are shown in the attachments.

COMMENT:

As at 28 February 2022, Council's weighted running yield is 0.84% for the month. No reported trading exceedances are noted.

The Responsible Accounting Officer certifies that the investments listed have been made in accordance with the Act, the Regulations and Council's Investment Policy. This includes investments that have been made in accordance with Minister's Orders that have been subsequently amended. "Grandfathering" provisions still allow the holding of these investments. A detailed list of investments is attached.



At Call Deposit	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
	Westpac Bus Prem At Call		14,225,069.06	1.00000000	14,225,069.06	100.000	0.000	14,225,069.06	22.00%	0.34%	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%	0.34%
			14,325,069.06		14,325,069.06			14,325,069.06	22.16%		0.34%
Fixed Rate Bond											
	BENAU 1.7 06 Sep 2024 Fixed	AU3CB0266377	2,500,000.00	1.00000000	2,500,000.00	98.985	0.822	2,495,175.00	3.86%	1.88%	1.88%
	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	0.226	2,004,520.00	3.10%	1.10%	1.10%
	NTTC 1.1 15 Dec 2025 - Issued 6 September 2021 - Muswellbrook Council Fixed		1,500,000.00	1.00000000	1,500,000.00	100.000	0.226	1,503,390.00	2.33%	1.10%	1.10%
	SunBank 1.85 30 Jul 2024 Fixed	AU3CB0265403	2,000,000.00	1.00000000	2,000,000.00	99.544	0.148	1,993,840.00	3.08%	1.80%	1.80%
			8,000,000.00		8,000,000.00			7,996,925.00	12.37%		1.46%
Floating Rate Deposit											
	ANZ 1.2 21 Jul 2022 2557DAY FRD		1,000,000.00	1.00000000	1,000,000.00	100.000	0.133	1,001,327.29	1.55%	1.27%	1.27%
			1,000,000.00		1,000,000.00			1,001,327.29	1.55%		1.27%
Floating Rate Note											
	Auswide 0.75 07 Nov 2022 FRN	AU3FN0057345	1,000,000.00	1.00000000	1,000,000.00	100.272	0.047	1,003,190.00	1.55%	0.82%	0.82%
	Auswide 1.05 17 Mar 2023 FRN	AU3FN0053567	2,000,000.00	1.00000000	2,000,000.00	100.610	0.224	2,016,680.00	3.12%	1.12%	1.12%
	Auswide 0.6 22 Mar 2024 FRN	AU3FN0059317	1,500,000.00	1.00000000	1,500,000.00	99.882	0.125	1,500,105.00	2.32%	0.67%	0.67%
	BOQ 1.05 03 Feb 2023 FRN	AU3FN0040549	500,000.00	1.00000000	500,000.00	100.676	0.077	503,765.00	0.78%	1.12%	1.12%
	BOQ 1.03 18 Jul 2024 FRN	AU3FN0049094	1,000,000.00	1.00000000	1,000,000.00	101.169	0.123	1,012,920.00	1.57%	1.09%	1.09%
	BOQ 1.1 30 Oct 2024 FRN	AU3FN0051272	500,000.00	1.00000000	500,000.00	101.325	0.090	507,075.00	0.78%	1.17%	1.17%
	BENAU 1.05 25 Jan 2023 FRN	AU3FN0040523	500,000.00	1.00000000	500,000.00	100.672	0.104	503,880.00	0.78%	1.12%	1.12%
	MACQ 0.48 09 Dec 2025 FRN	AU3FN0057709	3,000,000.00	1.00000000	3,000,000.00	99.355	0.120	2,984,250.00	4.62%	0.54%	0.54%
	RACB 0.93 24 Feb 2023 FRN	AU3FN0053146	1,000,000.00	1.00000000	1,000,000.00	100.313	0.011	1,003,240.00	1.55%	1.01%	1.01%
	MYS 0.65 16 Jun 2025 FRN	AU3FN0061024	3,000,000.00	1.00000000	3,000,000.00	99.765	0.145	2,997,300.00	4.64%	0.72%	0.72%
	NAB 0.93 26 Sep 2023 FRN	AU3FN0044996	2,000,000.00	1.00000000	2,000,000.00	101.016	0.166	2,023,640.00	3.13%	1.00%	1.00%
	NPBS 1.4 06 Feb 2023 FRN	AU3FN0040608	500,000.00	1.00000000	500,000.00	100.932	0.085	505,085.00	0.78%	1.45%	1.45%
	NPBS 1.12 04 Feb 2025 FRN	AU3FN0052627	4,500,000.00	1.00000000	4,500,000.00	101.248	0.078	4,559,670.00	7.05%	1.19%	1.19%
	Qld Police 1.15 06 Dec 2022 FRN	AU3FN0052072	2,000,000.00	1.00000000	2,000,000.00	100.544	0.277	2,016,420.00	3.12%	1.21%	1.21%
	Qld Police 0.75 22 Mar 2024 FRN	AU3FN0059416	1,500,000.00	1.00000000	1,500,000.00	99.602	0.153	1,496,325.00	2.31%	0.82%	0.82%
	UBS Aust 1.05 21 Nov 2022 FRN	AU3FN0054151	1,000,000.00	1.00000000	1,000,000.00	100.612	0.022	1,006,340.00	1.56%	1.13%	1.13%
	UBS Aust 0.87 30 Jul 2025 FRN	AU3FN0055307	1,850,000.00	1.00000000	1,850,000.00	100.926	0.072	1,866,467.00	2.58%	0.93%	0.93%
			27,150,000.00		27,150,000.00			27,306,352.00	42.24%		0.97%
Term Deposit											
	AMP 1 30 Nov 2022 365DAY TD		1,000,000.00	1.00000000	1,000,000.00	100.000	0.247	1,002,465.75	1.55%	1.00%	1.00%
	JUDO 0.95 10 Oct 2022 272DAY TD		5,000,000.00	1.00000000	5,000,000.00	100.000	0.125	5,006,246.60	7.74%	0.95%	0.95%
	ME Bank 0.5 18 Oct 2022 484DAY TD		3,000,000.00	1.00000000	3,000,000.00	100.000	0.345	3,010,356.15	4.66%	0.50%	0.50%



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
NAB 0.52 11 Jul 2022 181DAY TD		5,000,000.00	1.00000000	5,000,000.00	100.000	0.068	5,003,419.20	7.74%	0.52%	0.70%
		14,000,000.00		14,000,000.00			14,022,487.70	21.69%		
Fixed Interest Total		64,475,069.06		64,475,069.06			64,652,161.05	100.00%		0.84%



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1 Issuer Trading Limits

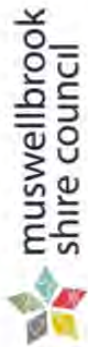
Issuer	Issuer Rating Group (Long Term)	Issuer Parent	Already Traded Limit For (with Issuer Group) Book or Face Value National	Trading Limit Type	Trading Limit Value	Trading Limit Used (%)	Trading Limit Available (%)	Trading Limit Exceeded (Value)	Trading Limit Exceeded (%)	Trading Limit Exceeded (\$)
AMP Bank Ltd	BBB+ to BBB-		1,000,000.00 Book	10.00 % of 64,475,069.06	6,447,506.91	16.00	84.00	5,447,507	0.00	0
ANZ Banking Group Ltd	AA+ to AA-		1,000,000.00 Book	30.00 % of 64,475,069.06	19,342,520.72	5.00	95.00	18,342,521	0.00	0
Auswide Bank Limited	BBB+ to BBB-		4,500,000.00 Book	10.00 % of 64,475,069.06	6,447,506.91	70.00	30.00	1,947,507	0.00	0
Bank of Melbourne	AA+ to AA-	Westpac Banking Corporation Ltd	14,325,069.06 Book	30.00 % of 64,475,069.06	19,342,520.72	74.00	26.00	5,017,462	0.00	0
Bank of Queensland Ltd	A+ to A-		5,000,000.00 Book	10.00 % of 64,475,069.06	6,447,506.91	78.00	22.00	1,447,507	0.00	0
BankSA	AA+ to AA-	Westpac Banking Corporation Ltd	14,325,069.06 Book	30.00 % of 64,475,069.06	19,342,520.72	74.00	26.00	5,017,462	0.00	0
BankVic	BBB+ to BBB-		0.00 Book	10.00 % of 64,475,069.06	6,447,506.91	0.00	100.00	6,447,507	0.00	0
BankWest Ltd	AA+ to AA-	Commonwealth Bank of Australia Ltd	0.00 Book	30.00 % of 64,475,069.06	19,342,520.72	0.00	100.00	19,342,521	0.00	0
Bendigo & Adelaide Bank Ltd	A+ to A-		3,000,000.00 Book	10.00 % of 64,475,069.06	6,447,506.91	47.00	53.00	3,447,507	0.00	0
Commonwealth Bank of Australia Ltd	AA+ to AA-		0.00 Book	30.00 % of 64,475,069.06	19,342,520.72	0.00	100.00	19,342,521	0.00	0
Credit Suisse Sydney	A+ to A-		0.00 Book	20.00 % of 64,475,069.06	12,895,013.81	0.00	100.00	12,895,014	0.00	0
Credit Union Australia Ltd / as Great Southern Bank	BBB+ to BBB-		0.00 Book	10.00 % of 64,475,069.06	6,447,506.91	0.00	100.00	6,447,507	0.00	0
Greater Bank Ltd	BBB+ to BBB-		0.00 Book	10.00 % of 64,475,069.06	6,447,506.91	0.00	100.00	6,447,507	0.00	0
Heritage Bank Ltd	BBB+ to BBB-		0.00 Book	10.00 % of 64,475,069.06	6,447,506.91	0.00	100.00	6,447,507	0.00	0
ING Bank Australia Limited	A+ to A-		0.00 Book	10.00 % of 64,475,069.06	6,447,506.91	0.00	100.00	6,447,507	0.00	0
Investec Bank Australia Limited	A+ to A-		0.00 Book	10.00 % of 64,475,069.06	6,447,506.91	0.00	100.00	6,447,507	0.00	0
Judo Bank	BBB+ to BBB-		5,000,000.00 Book	10.00 % of 64,475,069.06	6,447,506.91	78.00	22.00	1,447,507	0.00	0
Macquarie Bank	A+ to A-		3,000,000.00 Book	20.00 % of 64,475,069.06	12,895,013.81	23.00	77.00	9,895,014	0.00	0
Members Banking Group Limited / as RACQ Bank	BBB+ to BBB-		1,000,000.00 Book	10.00 % of 64,475,069.06	6,447,506.91	16.00	84.00	5,447,507	0.00	0
Members Equity Bank Ltd	A+ to A-	Bank of Queensland Ltd	5,000,000.00 Book	10.00 % of 64,475,069.06	6,447,506.91	78.00	22.00	1,447,507	0.00	0
MyState Bank Ltd	BBB+ to BBB-		3,000,000.00 Book	10.00 % of 64,475,069.06	6,447,506.91	47.00	53.00	3,447,507	0.00	0
National Australia Bank Ltd	AA+ to AA-		7,000,000.00 Book	30.00 % of 64,475,069.06	19,342,520.72	36.00	64.00	12,342,521	0.00	0
Newcastle Permanent Building Society Ltd	BBB+ to BBB-		5,000,000.00 Book	10.00 % of 64,475,069.06	6,447,506.91	78.00	22.00	1,447,507	0.00	0
Northern Territory Treasury Corporation	AA+ to AA-		3,500,000.00 Book	30.00 % of 64,475,069.06	19,342,520.72	18.00	82.00	15,842,521	0.00	0
P&N Bank Ltd	BBB+ to BBB-		0.00 Book	10.00 % of 64,475,069.06	6,447,506.91	0.00	100.00	6,447,507	0.00	0
OPCU LTD / as OBANK	BBB+ to BBB-		3,500,000.00 Book	10.00 % of 64,475,069.06	6,447,506.91	54.00	46.00	2,947,507	0.00	0
Rabobank Australia Ltd	A+ to A-		0.00 Book	20.00 % of 64,475,069.06	12,895,013.81	0.00	100.00	12,895,014	0.00	0
Rabobank Nederland Australia Branch	A+ to A-		0.00 Book	20.00 % of 64,475,069.06	12,895,013.81	0.00	100.00	12,895,014	0.00	0
Royal Bank of Scotland	BBB+ to BBB-		0.00 Book	5.00 % of 64,475,069.06	3,223,753.45	0.00	100.00	3,223,753	0.00	0
Rural Bank Ltd	A+ to A-	Bendigo & Adelaide Bank Ltd	3,000,000.00 Book	10.00 % of 64,475,069.06	6,447,506.91	47.00	53.00	3,447,507	0.00	0



Trading Limit Report 125
Muswellbrook Shire Council
As At 28 February 2022

1 Issuer Trading Limits

Issuer	Issuer Rating Group (Long Term)	Issuer Parent	Already Traded (with Issuer Group) For Value National	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 (\$)
St George Bank Limited	AA+ to AA-	Westpac Banking Corporation Ltd	14,325,069.06	Book	30.00 % of 64,475,069.06	19,342,520.72	74.00	26.00	5,017,452	0.00	0
Suncorp Bank	A+ to A-		2,000,000.00	Book	20.00 % of 64,475,069.06	12,895,013.81	16.00	84.00	10,895,014	0.00	0
UBS Australia Ltd	A+ to A-		2,650,000.00	Book	20.00 % of 64,475,069.06	12,895,013.81	21.00	79.00	10,245,014	0.00	0
Westpac Banking Corporation Ltd	AA+ to AA-		14,325,069.06	Book	30.00 % of 64,475,069.06	19,342,520.72	74.00	26.00	5,017,452	0.00	0
			115,450,276.24			370,731,647.10			255,281,376		0
		(Excluding Parent Group Duplicates)	64,475,069.06								



2 Security Rating Group Trading Limits

Security Rating Group	Already Traded Face Value National Entity	Limit For Book or Trading Entity	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 64,475,069.06	64,475,069.06	0.00	100.00	64,475,069	0.00	0
AA+ to AA-	5,500,000.00	Book	100.00 % of 64,475,069.06	64,475,069.06	9.00	91.00	58,975,069	0.00	0
A+ to A-	10,650,000.00	Book	70.00 % of 64,475,069.06	45,132,548.34	24.00	76.00	34,482,548	0.00	0
A1+	20,325,069.06	Book	100.00 % of 64,475,069.06	64,475,069.06	32.00	68.00	44,150,000	0.00	0
A1	1,000,000.00	Book	70.00 % of 64,475,069.06	45,132,548.34	2.00	98.00	44,132,548	0.00	0
A2	7,500,000.00	Book	60.00 % of 64,475,069.06	38,685,041.44	19.00	81.00	31,185,041	0.00	0
A3	7,000,000.00	Book	60.00 % of 64,475,069.06	38,685,041.44	18.00	82.00	31,685,041	0.00	0
BBB+ to BBB-	12,500,000.00	Book	60.00 % of 64,475,069.06	38,685,041.44	32.00	68.00	26,185,041	0.00	0
N/R	0.00	Book	10.00 % of 64,475,069.06	6,447,506.91	0.00	100.00	6,447,507	0.00	0
	64,475,069.06			406,192,935.08			341,717,864		0

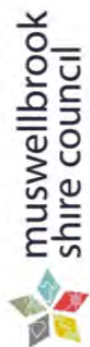
Notes

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.

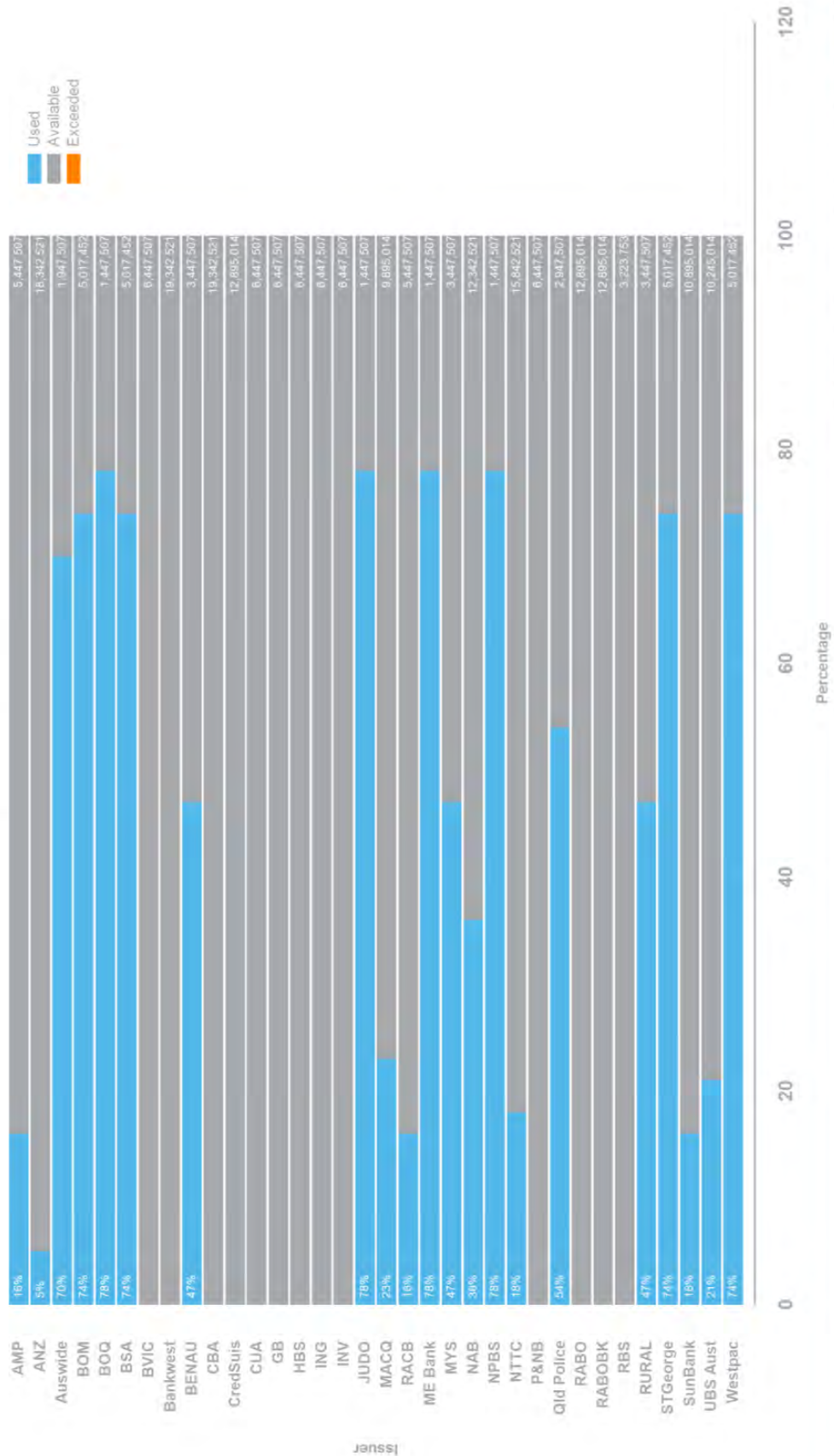


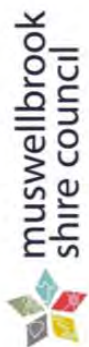
3 Term Group Trading Limits

Term Group	Already Traded Face Value	Limit For Book or National Entity	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	35,825,069.06	Book	100.00 % of 64,475,069.06	64,475,069.06	56.00	44.00	28,650,000	0.00	0
1-3 Year	17,500,000.00	Book	100.00 % of 64,475,069.06	64,475,069.06	27.00	73.00	46,975,069	0.00	0
3-5 Year	11,150,000.00	Book	100.00 % of 64,475,069.06	64,475,069.06	17.00	83.00	53,325,069	0.00	0
5+ Year	0.00	Book	100.00 % of 64,475,069.06	64,475,069.06	0.00	100.00	64,475,069	0.00	0
	64,475,069.06			257,900,276.24			193,425,207		0



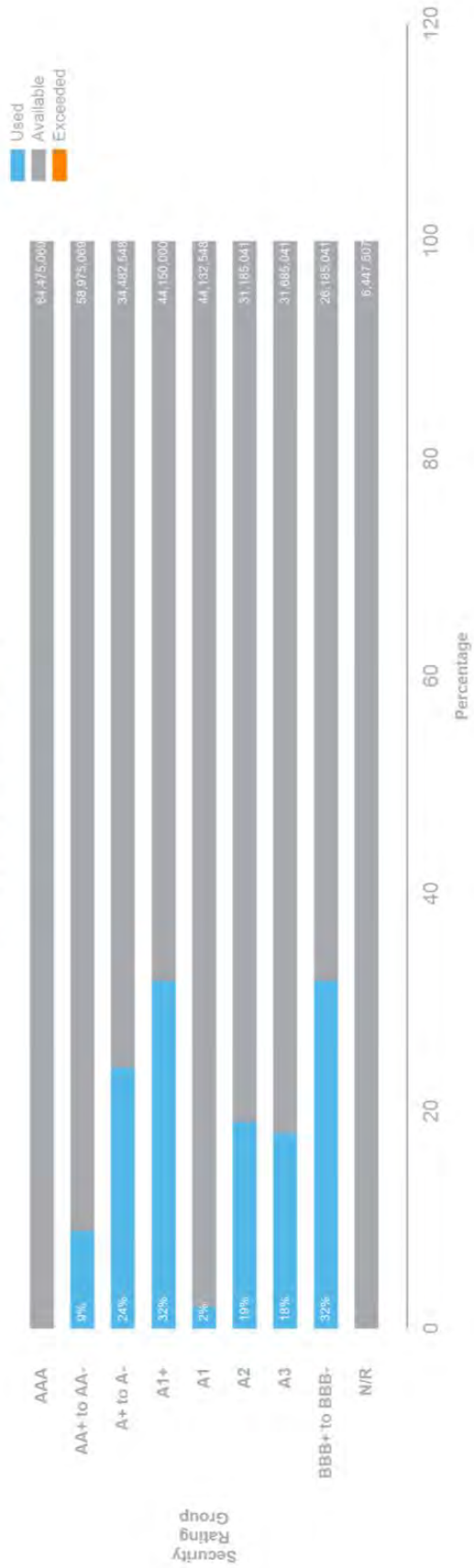
Issuer Trading Limits

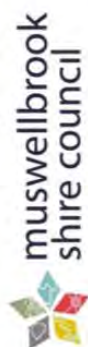




Trading Limit Report 125
Muswellbrook Shire Council
As At 28 February 2022

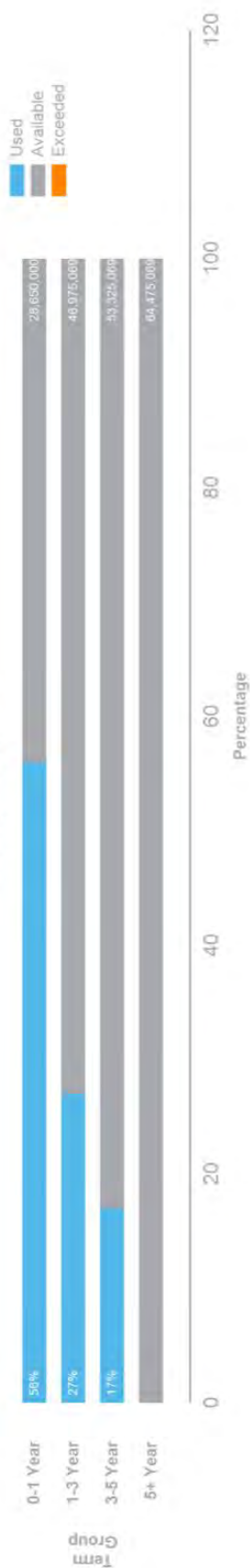
Security Rating Group Trading Limits

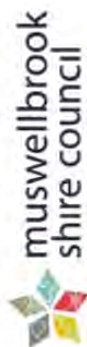




Trading Limit Report 125
Muswellbrook Shire Council
As At 28 February 2022

Term Group Trading Limits





Trading Limit Report 125
Muswellbrook Shire Council
A5 At 28 February 2022

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12.6 FINANCIAL POLICIES

Attachments:	A. MSC20E - Draft Financial Reserve Management Policy B. MSC13E - Draft Borrowing Policy C. MSC21E - Draft Financial Management Policy D. MSC14E - Draft Investment (Financial Securities) Policy E. MSC19E - Draft Debt Recovery Policy F. MSC15E - Draft Hardship Policy
Responsible Officer:	Fiona Plesman - General Manager
Author:	David Walsh - Manager - Corporate Services & Chief Financial Officer
Community Plan Issue:	<i>A Council that is well managed, efficient and properly resourced and that is responsive to its communities and stakeholders</i>
Community Plan Goal:	<i>Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves.</i>
Community Plan Strategy:	<i>Appropriate matters are reported to Council in a timely manner in accordance with the Financial Control and Reporting Policy.</i>

PURPOSE

The purpose of this report is for Council to review and adopt a number of financial policies that have been reviewed and updated.

OFFICER'S RECOMMENDATION

1. The following policies be placed on public exhibition for a period of 28 days:
 - a) MSC20E - Financial Reserve Management Policy
 - b) MSC13E - Borrowing Policy contained
 - c) MSC21E - Financial Management Policy
 - d) MSC14E - Investment (Financial Securities) Policy
 - e) MSC19E - Debt Recovery Policy
 - f) MSC15E - Hardship Policy
2. The policies be endorsed and approved by Council once the public exhibition period has been completed and no material amendments are proposed.

Moved: _____ Seconded: _____

BACKGROUND

The following report is in line with Council's commitment to reduce its Governance risk and it follows recommendations outlined in the Internal Auditor's report.

REPORT

During the September 2021 Ordinary Council Meeting, this report was resolved in accordance with the below minute. Unfortunately due to circumstances, these reports were not put on public exhibition – this report seeks for re-endorsement and exhibition of the policies in line with the original report.

12.6 FINANCIAL POLICIES

- 1 RESOLVED on the motion of Crs Ledlin and Scholes that:
 1. The following policies be placed on public exhibition for a period of 28 days:
 - a) MSC20E - Financial Reserve Management Policy
 - b) MSC13E - Borrowing Policy contained
 - c) MSC21E - Financial Management Policy
 - d) MSC14E - Investment (Financial Securities) Policy
 - e) MSC19E - Debt Recovery Policy
 - f) MSC15E - Hardship Policy
 2. The policies be endorsed and approved by Council once the public exhibition period had been completed and no material amendments are proposed and accepted.

Financial Reserve Management Policy

A report was considered at the Finance Review and Advisory Committee meeting held on 8 July 2021 where the following recommendation was determined:

“The Financial Reserve Management Policy be submitted to Council for review and consideration.”

The report from Finance Review and Advisory Committee meeting held on 8 July 2021 is replicated below.

It is recommended that current internally restricted reserves be discontinued or amalgamated into those contained in Table below.

The number of internally restricted reserves could be decreased. The proposal is to amalgamate current reserves into those listed in the left-hand column of the Table.

Current Reserves to be amalgamated with proposed reserves are listed in the right-hand column. Current reserves to be discontinued are listed at the end of the Table.

This table has been replicated from the draft Financial Reserve Management Policy.

It is recommended that a report containing a full list of reserves detailing the opening balance as at 1 July, original budgeted transfer amount, updated budgeted transfer amount, actual transferred amount and closing balance as at 30 June, is provided to the Finance Committee on a quarterly basis with the Investment Reconciliation Report.

It is recommended that works be identified for amounts held in each current reserve. Where excess unrestricted funds are held these be transferred to the employees' leave entitlement reserve. This reserve has 38.96% of the liability covered which may not be adequate.

It is recommended that the amount of the employees' leave entitlement reserve be based on a formula calculated by reference to age brackets and total leave accruals with each fund (General, Water, Sewer and Waste) contributing to employees of that fund.

Name of Internal Cash Restriction	Purpose of Restriction	Calculation Basis	Current Name of Internal Cash Restrictions	
Employee Leave Entitlement (ELE)	To ensure that adequate funds are available to fund employee leave	The amount of this Reserve is based on a formula calculated by reference to average brackets and total leave	• Employee Entitlement	Leave

Name of Internal Cash Restriction	Purpose of Restriction	Calculation Basis	Current Name of Internal Cash Restrictions												
	entitlements such as long service leave, and annual leave.	accruals. <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>	<ul style="list-style-type: none">• Infrastructure Replacement• Mine Affected Roads• Road Reserve• Carpark Replacement• Roadworks Contingency• Building Replacement• Drainage• Environmental• Stormwater• Builders Rubble• Road Pavement Consumption Charge• Road Closure• Waste Levy Aggregate (R&D)• Recreation• Mine Affected Roads Study• Infrastructure Works - Muswellbrook												
Future Fund	This Reserve consists of funds set aside for the acquisition, development, demolition or disposal of commercial property assets and to sponsor	<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</p>	<ul style="list-style-type: none">• Future Fund												

Name of Internal Cash Restriction	Purpose of Restriction	Calculation Basis	Current Name of Internal Cash Restrictions
	projects and initiatives to create jobs and improve education and training outcomes in the local community.	Reserve is based upon projects adopted in the IP&R strategies and plans.	
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.	• Plant and Vehicle
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.	• Legal Contingency
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	

Name of Internal Cash Restriction	Purpose of Restriction	Calculation Basis	Current Name of Internal Cash Restrictions
		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.	• Waste Management Centre
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.	• Deposits Retentions and Bonds
Current Internally Restricted Reserves proposed to be discontinued <ul style="list-style-type: none"> • Culture • Administrative • Sustainability • Contingency • Financial Assistance Grant • SRV 			

Borrowing Policy

A report was considered at the Finance Review and Advisory Committee meeting held on 8 July 2021 where the following recommendation was determined:

"The Borrowing Policy be submitted to Council for review and adoption."

The report from Finance Review and Advisory Committee meeting held on 8 July 2021 is replicated below.

The draft Borrowing 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.

Financial Management Policy

A report was considered at the Finance Review and Advisory Committee meeting held on 15 July 2021 where the following recommendation was determined:

“The Financial Management Policy be submitted to Council for consideration.”

The report from Finance Review and Advisory Committee meeting held on 15 July 2021 is replicated below.

The Financial Management Policy establishes the framework within which Council’s financial reporting for investments, reserves and budgetary management and control will be managed, monitored and reported on.

The policy objectives are to:

- 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 is regularly informed of trends that may impact on the annual budget and long-term financial outlook.
- Ensure compliance with approved budget resource allocations.

The 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.

Draft Investment (Financial Securities) Policy

A report was considered at the Finance Review and Advisory Committee meeting held on 8 July 2021 where the following recommendation was determined:

“The Investment (Financial Securities) Policy be submitted to Council for consideration.”

The report from Finance Review and Advisory Committee meeting held on 8 July 2021 is replicated below.

The Investment (Financial Securities) 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.

The proposed investment limits for credit rating categories and individual institution credit ratings remain consistent between policy versions. The changes between policy versions for these ratings are as follows:

- NSW Treasury Corp and TCorp IM Funds which are allowable under the Ministerial Order have been added to the Draft Policy as allowable investments.
- A Term to Maturity maximum percentage threshold table as well as a minimum threshold table of the total portfolio invested for a term of less than 12 months has been added to the draft Policy (page 8). These control the proportion of the total portfolio that can be invested into longer terms to ensure Council has adequate access to short and medium-term liquidity for required cashflow. The current Policy is silent on this requirement and the term to maturity percentage threshold is set at 100% for all terms in Councils investment reporting software.

Debt Recovery Policy

A report was considered at the Finance Review and Advisory Committee meeting held on 8 July 2021 where the following recommendation was determined:

“The Debt Recovery Policy be submitted to Council for consideration.”

The report from Finance Review and Advisory Committee meeting held on 8 July 2021 is replicated below.

The Debt Recovery Policy provides direction for the collection of rates, annual charges and sundry debtors and ensure that debt collections are reviewed on a regular basis to ensure integrity, confidentiality and fairness are maintained in all proceedings for Council and its Customers during the debt recovery process.

Hardship Policy

A report was considered at the Finance Review and Advisory Committee meeting held on 15 July 2021 where the following recommendation was determined:

“The Hardship Policy be submitted to Council for consideration.”

The report from Finance Review and Advisory Committee meeting held on 15 July 2021 is replicated below.

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.

The hardship policy 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.

The Hardship 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.

CONCLUSION

It is suggested that Council place the attached policies on public exhibition for a period of 28 days and that these policies be approved by Council at the conclusion of the exhibition period should no material amendments be received.



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



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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 expended 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.



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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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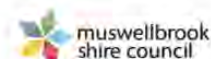
Version No.	Date changed	Modified by	Amendments made
2	22/12/20	Finance Committee	Major re-write



Investment (Financial Securities) Policy

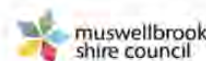
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1. INTRODUCTION

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

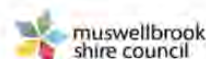
Officers shall refrain from personal activities that would conflict with the proper execution and management of Council's investment portfolio. Any potential conflicts of interest should be appropriately disclosed in accordance with Council's Code of Conduct.

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.

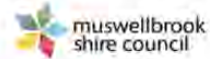
2.13 Measurement of Investment Performance

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.

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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:	
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Department:	Finance
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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

Authorised by:	Council
Minute No:	173
Date:	14/08/2006
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1	14/05/2001		Council minute no 142	
2	14/04/2003		Council minute no 1001	
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
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Version No.	Date changed	Modified by	Amendments made
1	16/02/16	Council minute no 427	
2	TBD		Major Rewrite

12.7 MT PLEASANT MODIFICATION - NEW VOLUNTARY PLANNING AGREEMENT

Attachments:	A. VPA Agreement Deed of Novation B. Offer new VPA
Responsible Officer:	Fiona Plesman - General Manager
Author:	Michelle Sandell-Hay - PA to the General Manager
Community Plan Issue:	<i>Higher quality final landforms with shallower voids and more emphasis on progressive rehabilitation with local workforce participation</i>
Community Plan Goal:	<i>Work in partnership with industry and other levels of government to achieve improved rehabilitation outcomes for disused mining lands and ongoing employment for the local workforce.</i>
Community Plan Strategy:	<i>Review new and modified consent applications approved by Department of Planning & Environment to ensure they are consistent with Council's Mining Policy.</i>

PURPOSE

MACH energy have applied to NSW Department of Planning for an extension or optimisation of the current Mt Pleasant mine.

OFFICER'S RECOMMENDATION

Council endorse the VPA as submitted by MACH energy.

Moved: _____ **Seconded:** _____

BACKGROUND

MACH Energy's Mt Pleasant Mine Optimisation Project has been approved by the NSW Department of Planning. In August 2021 (see attached) council was offered a new VPA, in line with the existing VPA, as part of the Mine Optimisation Project.

CONSULTATION

State Significant Development Committee

REPORT

The Mt Pleasant Optimisation Project will extend the mine life to 2048 and mine to the Edderton Seam Floor and consolidate the mining area. MACH energy have submitted a new Voluntary Planning Agreement to council for council's approval.

OPTIONS

Council does not endorse the new VPA Agreement

CONCLUSION

In line with approval for the Mt Pleasant Optimisation Project it is recommended that council endorse the new VPA agreement.

SOCIAL IMPLICATIONS

VPA Agreements benefit the local community and enhance liveability.

FINANCIAL IMPLICATIONS

The 2022 VPA Agreement provides the following;

- \$604,079 per annum indexed annually in line with CPI
- \$277,863 per annum indexed annually in line with CPI
- \$24,169 towards employment of an environmental officer, annually & indexed in line with CPI
- Engage 4 apprenticeships per year for the life of the mine.

POLICY IMPLICATIONS

No policy implications

STATUTORY IMPLICATIONS

No statutory implications

LEGAL IMPLICATIONS

No legal implications

OPERATIONAL PLAN IMPLICATIONS

No operational plan implications

RISK MANAGEMENT IMPLICATIONS

No risk management implications

WASTE MANAGEMENT IMPLICATIONS

No waste management implications

COMMUNITY CONSULTATION/MEDIA IMPLICATIONS

No media implications

Deed of Novation
(Voluntary Planning Agreement)

Coal & Allied Operations Pty Ltd
MACH Energy Australia Pty Ltd
Muswellbrook Shire Council

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This Deed is made on

16 May

2017

Parties

1. **Coal & Allied Operations Pty Ltd** (ACN 000 023 656) of 123 Albert Street, Brisbane, Queensland 4000 (the **Vendor**)
2. **MACH Energy Australia Pty Ltd** (ACN 608 495 441) of Level 17, 10 Eagle St, Brisbane QLD 4000 (the **Purchaser**)
3. **Muswellbrook Shire Council** (ABN 86 864 180 944) of 157 Maitland St, Muswellbrook NSW 2333 (the **Third Party**)

Recitals

- A The Third Party and the Vendor are parties to the Voluntary Planning Agreement dated 9 December 2011 (the **Agreement**).
- B Subject to the terms of, and pursuant to, the Implementation Agreement, the Vendor and the Purchaser have entered into an agreement for the sale and assignment of certain assets and rights relating to the Mount Pleasant coal project to the Purchaser (the **SPA**). Completion of the SPA and Implementation Agreement occurred on 4 August 2016.
- C As part of the sale and assignment of those assets and rights, the parties to this Deed have agreed to novate the Agreement on the terms of this Deed.

It is agreed as follows.

1 Interpretation

1.1 Definitions

1.2 Incorporated terms

Unless otherwise defined in this Deed or unless the context otherwise requires, terms defined in the Implementation Agreement have the same meaning when used in this Deed.

1.3 Interpretation

- (a) Headings are for convenience only and do not affect interpretation.
- (b) The following rules apply unless the context requires otherwise:
 - (i) The singular includes the plural, and the converse also applies.
 - (ii) A gender includes all genders.
 - (iii) If a word or phrase is defined, its other grammatical forms have a corresponding meaning.
 - (iv) A reference to a person includes a corporation, trust, partnership, unincorporated body or other entity, whether or not it comprises a separate legal entity.
 - (v) A reference to a clause is a reference to a clause of this Deed.
 - (vi) A reference to an agreement or document (including a reference to this Deed) is to the agreement or document as amended, assigned, supplemented, novated or replaced from time to time, except to the extent prohibited by this Deed or that other agreement or document.

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- (vii) A reference to a party to this Deed or another agreement or document includes the party's successors, permitted substitutes and permitted assigns (and, where applicable, the party's legal personal representatives).
- (viii) A reference to a right or obligation of any two or more people comprising a single party confers that right, or imposes that obligation, as the case may be, on each of them severally and each two or more of them jointly.
- (ix) Mentioning anything after, includes, including, for example, or similar expressions, does not limit what else might be included.

2 Conditions Precedent

No Conditions Precedent apply to this Deed.

3 Effective Date

This Deed takes effect on and from 4 August 2016 (the **Effective Date**).

4 Novation

4.1 Novation

The Vendor, the Purchaser and the Third Party agree to novate the Agreement, such that on and from the Effective Date:

- (a) the Purchaser is substituted for the Vendor under the Agreement as if the Purchaser had originally been a party to the Agreement instead of the Vendor; and
- (b) each reference in the Agreement to the Vendor is to be read as if it were a reference to the Purchaser.

4.2 Assumption of rights and obligations

On and from the Effective Date:

- (a) the Purchaser:
 - (i) will be bound by, and must comply with, the Agreement as it relates to the Vendor;
 - (ii) will enjoy all the rights and benefits conferred on the Vendor under or in respect of the Agreement (whether arising before, on or after the Effective Date); and
 - (iii) will assume all the obligations and liabilities of the Vendor under or in respect of the Agreement arising on or after the Effective Date; and
- (b) the Third Party will comply with the Agreement on the basis that the Purchaser has replaced the Vendor under it in accordance with the terms of this Deed.

5 Release

- (a) On and from the Effective Date, The Third Party releases the Vendor from:
 - (i) its obligations and liabilities under or in respect of the Agreement; and
 - (ii) all claims, actions, demands, proceedings and liability that the Third Party may have or claim to have or but for this release might have had against the Vendor in connection with the Agreement,arising on or after the Effective Date.
- (b) Nothing in this Deed releases the Vendor from:

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- (i) any of its obligations or liabilities under or in respect of the Agreement; or
 - (ii) any claims, actions, demands, proceedings or liability that the Third Party may have or claim to have against the Vendor in connection with the Agreement,
- arising prior to the Effective Date, and the Purchaser does not assume any such obligation or liability.

6 Priority of SPA

The Vendor and the Purchaser each acknowledge and agree that, as among them, nothing in this Deed limits or derogates from the provisions of the SPA and if there is any inconsistency between the provisions of the SPA and this Deed, the provisions of the SPA will prevail to the extent of the inconsistency and the provisions of this Deed will be construed accordingly.

7 Warranties

The Parties warrant to each other that they:

- (a) have full capacity to enter into this Deed, and
- (b) are able to fully comply with their obligations under this Deed.

8 Development Contributions – further agreement

For the purposes of clause 5 of the Agreement, the Purchaser and the Third Party have agreed that the Development Contributions are to be paid by monthly instalments, commencing with effect from 30 days after the agreed date of 25 November 2016, and that those monthly instalments are to be paid within 21 days of receipt of invoice by the Purchaser.

9 Entire Agreement

This Agreement contains everything to which the Parties have agreed in relation to the matters it deals with.

10 Miscellaneous

10.1 Notices under the Agreement

For the purposes of all provisions in the Agreement regarding service of notices, the address for the Purchaser is the address set out at the start of this Deed.

10.2 Further Assurances

At the reasonable request of another party, each party must do anything necessary (including executing agreements and documents) to give full effect to this Deed and the transactions contemplated by it.

10.3 Assignment

A party cannot assign, charge, encumber or otherwise deal with any of its rights or obligations under this Deed, or attempt or purport to do so, without the prior written consent of each other party, which may be withheld in its absolute discretion without giving any reason for doing so.

10.4 Amendment

This Deed may be amended only by another deed executed by all the parties.

Allens is an independent partnership operating in alliance with Linklaters LLP.

10.5 Costs and Duty

Each party must bear its own costs arising out of the negotiation, preparation and execution of this Deed. All duty (including stamp duty and any fines, penalties and interest) payable on or in connection with this Deed and any instrument executed under or any transaction evidenced by this Deed must be borne by the Purchaser. The Purchaser must indemnify the Vendor on demand against any liability for that duty.

10.6 No merger

The rights and obligations of the parties will not merge on the completion of any transaction contemplated by this Deed. They will survive the execution and delivery of any assignment or other document entered into for the purpose of implementing any such transaction. Each indemnity in this Deed survives the expiry or termination of this Deed.

10.7 No waiver

No failure to exercise nor any delay in exercising any right, power or remedy by a party operates as a waiver. A single or partial exercise of any right, power or remedy does not preclude any other or further exercise of that or any other right, power or remedy. A waiver is not valid or binding on the party granting that waiver unless made in writing.

10.8 Governing Law

This Deed is governed by the laws of New South Wales, Australia. Each party submits to the exclusive jurisdiction of courts exercising jurisdiction there and waives any right to object to claim that these courts are an inconvenient forum.


10.9 Counterparts

This Deed may be executed in any number of counterparts. All counterparts together will be taken to constitute one instrument.

Allens is an independent partnership operating in alliance with Linklaters LLP.

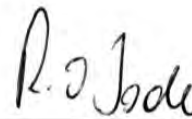
Executed and delivered as a Deed

Executed as a deed in accordance with
section 127 of the *Corporations Act 2001* by
Coal & Allied Operations Pty Ltd:



Director Signature
Simon John Ellinor

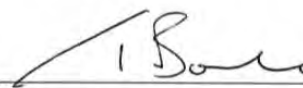
Print Name



Director/Secretary Signature
Robert O'Toole

Print Name

Executed as a deed in accordance with
section 127 of the *Corporations Act 2001* by
MACH Energy Australia Pty Ltd:



Director Signature
KT Bourke

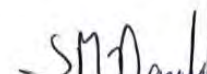
Print Name



Director/Secretary Signature
William Scott Winter

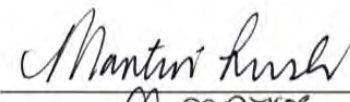
Print Name

Executed as a deed by affixing the common
seal of **Muswellbrook Shire Council** in the
presence of:



Title: GENERAL MANAGER
STEVE McDONALD

Print Name



Title: mayor
Martin Lush

Print Name

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MACH Energy Australia Pty Ltd
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10 August 2021

Ms Fiona Plesman
General Manager
Muswellbrook Shire Council

By email

Dear Fiona,

RE: MOUNT PLEASANT OPTIMISATION PROJECT - VOLUNTARY PLANNING AGREEMENT WITH MUSWELLBROOK SHIRE COUNCIL.

As you are aware, the Mount Pleasant Optimisation Project (the Project) is currently being assessed.

At a recent meeting on 8 June 2021 with you and your team, MACH Energy confirmed earlier discussions that we intended to offer Muswellbrook Shire Council (MSC) a continuation of the current VPA payments applicable under DA 92/97 (as escalated) for the term of the new Approval, should the Project application be favourably determined.

This letter formalises that offer. The proposed VPA Payments that would apply (as escalated to 1 July 2021) are detailed in the following table:

Item	Development Contribution
Mount Pleasant Community Contribution	\$604,079 per annum (indexed annually according to CPI). A community representative committee will be established, including Applicant representatives, to make recommendations to Council regarding these community contributions.
Council Road Maintenance Costs	Costs associated with the maintenance of roads, as reasonably apportioned to the use of the road by Mount Pleasant, up to a maximum annual payment of \$277,863 per annum (indexed according to CPI). This contribution will be made for the recurrent road maintenance to be used at Councils discretion for that purpose.
Environmental Officer	The Applicant to make contributions to an Environmental Officer, up to a maximum of \$24,169 per annum (indexed annually according to CPI).
Apprenticeships	The Applicant to use its best endeavours to engage 4 apprentices per year for the life of the mine sourced from residents within the Muswellbrook Shire and Aberdeen.



MACH Energy Australia Pty Ltd

Contributions under the new Approval will be contingent on the following:

- Agreement and execution of a Voluntary Planning Agreement between MACH Energy and MSC.
- Favourable determination of the Mount Pleasant Optimisation Project application (SSD-10418) by the NSW Independent Planning Commission or the Minister for Planning and Public Spaces (or delegate).
- MACH Energy taking up the new Development Consent under SSD-10418 and surrendering DA 92/97.

Contributions under the proposed VPA would be made quarterly in advance. Apprenticeships may be provided through MACH Energy's mining services and/or coal processing services contractors.

MACH Energy expects that contributions for Thomas Mitchell Drive which are currently required by Schedule 3, Condition 41A of DA 92/97 would be similarly conditioned in the new consent.

MACH Energy looks forward to your response to this offer and advancing the VPA process.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Chris Lauritzen'.

Chris Lauritzen

General Manager Resources Development
MACH Energy Australia Pty Ltd.

12.8 FEBRUARY 2022 MONTHLY FINANCIAL REPORTS

Attachments:	A. Monthly Operating Report B. Project Report C. Loan Schedule D. Reserve Report
Responsible Officer:	David Walsh - Manager - Corporate Services & Chief Financial Officer
Author:	Mandy Fitzgerald - Asset and Financial Accountant
Community Plan Issue:	<i>A Council that is well managed, efficient and properly resourced and that is responsive to its communities and stakeholders</i>
Community Plan Goal:	<i>Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves.</i>
Community Plan Strategy:	<i>Work toward the achievement of the targets established in the Fit for the Future ratios.</i>

PURPOSE

To provide Council with an overview of the monthly financial performance of Council's General, Water, Sewer and Future Funds and to identify and explain any major variances against Council's approved budget at an organisational level for the month ending 28 February 2022.

OFFICER'S RECOMMENDATION

The Financial Reports for the month ending 28 February 2022 be noted.

Moved: _____ **Seconded:** _____

REPORT

Please refer to the attachments for the February 2022 details of:

- Monthly & YTD operating performance by Fund
- Project Spend
- Details of Current Loans
- Reserve Balance Projection

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12.9 COMMUNITY SERVICES

Attachments:	Nil
Responsible Officer:	Fiona Plesman - General Manager
Author:	Kim Manwarring - Manager - Community Services
Community Plan Issue:	<i>A Council that is well managed, efficient and properly resourced and that is responsive to its communities and stakeholders</i>
Community Plan Goal:	<i>Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves.</i>
Community Plan Strategy:	<i>Appropriate matters are reported to Council in a timely manner in accordance with the Financial Control and Reporting Policy.</i>

PURPOSE

To provide an update on activities in the Community Services section.

OFFICER'S RECOMMENDATION

The information contained in this report be noted.

Moved: _____ Seconded: _____

REPORT

MUSWELLBROOK SHIRE LIBRARIES – MUSWELLBROOK and DENMAN

During February Muswellbrook and Denman library branches celebrated Library Lovers Day with the relaunch of majority of its adult programs including Brain Training, Craft Group and book clubs at both branches. The relaunch of Brain training was well received with attendees participating in activities designed to improve neural connections as well as provide positive social engagements.

The library also hosted 'Blind Date with a book' where members were encouraged to borrow a mystery book only by a staff review.

The Muswellbrook Shire Libraries was attended by **1,620 customers**.

- **Providing opportunities that increase community literacy, both physical and digital**

Online Engagement:

Over the past month the library has had **2,025** post views on Facebook.

Collections:

During February the library added **138 new items** to the physical collections Over the month the library loaned **5,167 physical items** and there have been **255 eAudio loans, 136 eBook Loans and 69 Digital magazine loans**.

Home Library:

The Muswellbrook Shire Libraries has now extended its home library service to include a monthly service delivery from Denman branch and deliveries personally selected books, DVDs and Audio books to homebound customers. During the month of February this service delivered **283 items to 32 customers**.

- **Creating spaces and programs that meet the needs of members and library visitors**

Children's Programs

Children's Storytime and Rhyme time: These sessions were attended by **69 attendees** across both branches. These sessions incorporate song, movement and literacy building stories. Our staff have gotten creative and has been re-writing common nursery songs to fit theming which this month included Construction (including a special viewing on the Crane at the TEC II build), Library Lovers Day, Tigers and Library Ted.

Adults Programs

Brain Training recommenced at Muswellbrook and Denman Branch with **13 attendees** at the sessions. This monthly program will be hosted at both Muswellbrook and Denman branches and are designed to be an entertaining and interesting way to establish a program to stimulate and maintain a healthy mind the sessions were created to provide a fun, social group session for the Seniors of our community. Afterwards, tea, coffee, hot chocolate and biscuits and chit chat were also a highlight to the members!

The Adult Craft Group meets fortnightly at the Muswellbrook Branch and was attended by 16 attendees during February. This social groups shares crafts projects and provides important adult social connections to members of the Muswellbrook Community.

The Bookclub groups recommenced at both Muswellbrook and Denman Branch and was attended by 6 attendees. These groups meet monthly.

Wifi and Computer Usage Wifi Usage: Muswellbrook: 130 Denman: 148

- **Increasing and maintaining library memberships**

Muswellbrook and Denman libraries registered **46 new members** during February.

COMMUNITY PARTNERSHIPS

Networks, participation and attendance – Upper Hunter Community Service Interagency, Youth Network Meeting, Local Government Community Safety and Crime Prevention Network, Upper Hunter Homeless Support, Blackrock Industries, TAFE NSW, TEC2, Waste and reuse shop

Partnership and support have been provided to:

- Local NSW Seniors Festival 2022 Brochure, Seniors Festival is from the 25 March – 3 April 2022;
- Liaison with Aboriginal Oral History participants to add extra information to the upperhunter.workingwithindigenoustraditionals.info website.
- Work continues with Denman Childrens Centre to progress the extension of the Centre
- Upper Hunter Youth Services and the progression of the Muswellbrook Youth Venue Development Application.

PARTNERSHIPS & ENGAGEMENT

Partnerships and support have been provided to:

- The Stranger, screening at Denman Memorial Hall, 9 April
- Easter Family Fun Day, Lizard Park Muswellbrook, 16 April;
- Denman Chamber of Commerce, The Festival of Place - Summer Night Funding, claim the date, 23 April;

- The Sandy Hollow Horse Ride, 23 April;
- Australian Live Theatre Screenings - Denman Memorial Hall, Date to be confirmed
- ANZAC Day 2022 Celebrations.

Visitor Information Centre - Denman

Post COVID visitor numbers are increasing, predominantly visitors are from NSW which has been driven by border restrictions.

Visitors February 2022	
NSW Other	158
Muswellbrook LGA	35
Queensland	11
Tasmania	3
International	1
Total Visitors	208

Council representatives participated in the Destinations Sydney Surrounds North Strategic Plan development, the Muswellbrook Chamber of Commerce, participation in the training provided by the Muswellbrook Chamber of Commerce for Small Businesses and Industry Breakfast.

MUSWELLBROOK REGIONAL ARTS CENTRE

The 2022 Muswellbrook Art Prize was well attended with over 80 people being present to hear the announcements of the Winner of the Painting Prize – Rachel Milne ‘Nest’: Works on Paper, David Fairbairn ‘Double Lives’ and Ceramics, Fiona Hiscock ‘Royal Park Refuge’.

Exhibition of the Muswellbrook Art Prize 14 March-7 May 2022, at the launch Sarah Gurich the Director of Bathurst Regional Art Gallery was acknowledged for being the adjudicator of the 2022 Prize as well as Bengalla Mining Company who are our major sponsors.

The Gallery received a visit this month from The Hon Ben Franklin MLC, Minister for Aboriginal Affairs, Minister for the Arts and Minister for Regional Youth. The Minister was accompanied by the Member for the Upper Hunter David Layzell.

MUSWELLBROOK SHIRE FITNESS & AQUATIC CENTRES

Both outdoor pool facilities are scheduled to close to the public on the 31 March and be winterised to the next swimming season.

Preparations are underway at the Muswellbrook Aquatic Centre for the new operations of the pump and filtration systems of the sauna, spa and warm water pool. Staff are also working closely with Envibe the new customer software system that will be implemented with the opening of the indoor pool facilities.

12.10 GIFTS, BRIBES AND BENEFITS POLICY

Attachments:	A. DRAFT Policy B15-1 - Gifts, Bribes Benefits
Responsible Officer:	Fiona Plesman - General Manager
Author:	Kimberley Cotter - Governance Officer
Community Plan Issue:	<i>Collaborative and responsive community leadership that meets the expectations and anticipates the needs of the community</i>
Community Plan Goal:	<i>Enhanced collaboration with Council's community and stakeholders to ensure Council and its elected arm is best placed to make decisions in the best interest of the community.</i>
Community Plan Strategy:	<i>Implement and maintain a diverse range of communication channels between Council and community stakeholders..</i>

PURPOSE

For Council to endorse the public exhibition of the draft Gifts, Bribes and Benefits Policy.

OFFICER'S RECOMMENDATION

1. Council endorses the draft Gifts, Bribes and Benefits Policy for public exhibition for a period of 28 days;
2. Council adopts the *draft Gifts, Bribes and Benefits Policy* at the conclusion of the public exhibition period if no substantive changes are recommended in any submissions received.

Moved: _____ Seconded: _____

BACKGROUND

It is best practice for Council to maintain policies that are current and meet the operational needs of Council.

Council must review all policies within the timeframe prescribed in each policy and keep their content up to date and in compliance with applicable legislation, regulations and best practice guidelines. The attached policy has been updated in accordance with the *2020 Model Code of Conduct*.

CONSULTATION

General Manager.

REPORT

The Gifts, Bribes and Benefits Policy has been reviewed and updated as it was due for review. The revised policy is attached as **Appendix A**.

The objective of the Gifts, Bribes and Benefits Policy is to ensure council officials are informed on Council's position and expectations in relation to offers of gifts, bribes or personal benefits.

It is recommended that the revised Policy be placed on Council's website for a period of not less than 28 days to allow for community comment.

Given that only minor amendments have been made to the revised document, it is not required for the document to return to Council after the expiration of the public exhibition period, unless submissions suggesting substantive changes have been received. Therefore, after the expiration of the 28-day period, the policy will be taken to have been adopted by Council, subject to submissions.

The review of the Policy included updating the monetary limit defining “token value”. The new “token value” refers to gifts received over a 12-month period with an aggregated value of \$100 or less. No further amendments have been made to the Policy.

OPTIONS

Council may:

1. Resolve to provide public notice of its intention to adopt the policy and place the draft Gifts, Bribes and Benefits Policy on public exhibition for a period of 28 days.
2. Resolve not to place the draft Policy on public exhibition and request that further amendments be carried out to the draft policy prior to further consideration.
3. Resolve not to place the draft policy on public exhibition and retain the existing policy.

CONCLUSION

It is recommended that the draft Gifts, Bribes and Benefits Policy be placed on public exhibition.

SOCIAL IMPLICATIONS

Nil known.

FINANCIAL IMPLICATIONS

Nil known.

POLICY IMPLICATIONS

As described in the draft Gifts, Bribes and Benefits Policy (Attachment A)

STATUTORY IMPLICATIONS

The draft Gifts, Bribes and Benefits Policy aligns with the 2020 Model Code of Conduct

LEGAL IMPLICATIONS

Nil known.

OPERATIONAL PLAN IMPLICATIONS

This report links to the Operational Plan as follows: *“Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves”. “Enhanced collaboration with Council’s community and stakeholders to ensure Council and its elected arm is best placed to make decisions in the best interest of the community”.* **RISK MANAGEMENT IMPLICATIONS**

The draft Gifts, Bribes and Benefits Policy assists Council and Council Officials to identify and prevent risks associated with actual and perceived corruption.

WASTE MANAGEMENT IMPLICATIONS

Nil known.

COMMUNITY CONSULTATION/MEDIA IMPLICATIONS

Nil known.



muswellbrook shire council

Gifts, Bribes & Benefits

Policy No. B15/1

Adopted By Council
xx/xx/xxxx

Gifts, Bribes & Benefits.

B15/1

POLICY OBJECTIVES

Muswellbrook Shire Council understands the need for its business to be conducted in a fair, ethical and honest manner. The aim of this policy is to ensure council officials are informed on Council's position and expectations in relation to offers of gifts, bribes or personal benefits.

POLICY STATEMENT

1. Council officials, at some stage in their career may be offered a gift or benefit in the course of their work. The gift or benefit could be offered innocently in good faith or could be an attempt to influence. It is important that council officials are aware of this concept and respond accordingly to offers of gifts, bribes or benefits.
2. Individuals attempting to corrupt council officials often start with small inducements that appear to have no improper motive behind them, however escalate quickly creating a sense of obligation or preferred treatment. Corruptly receiving a gift, bribe or benefit, no matter how big or small, is an offence under both the common law and New South Wales legislation, this offence extends to the offering or seeking of a gift, bribe or benefit.
3. This policy applies to all those persons covered by the term 'council official' in Council's Code of Conduct.
4. It is the position of this Council, where possible and regardless of the value, that gifts and benefits be respectfully be declined. In a situation where it would be rude or inappropriate do to so, the gift or benefit must be reported to the General Manager, Public Officer or Mayor as soon as practicable after the event.
5. For the purposes of this policy, a reference to a gift, bribe or benefit does not include a political donation or contribution to an election fund that is subject to the provisions of the relevant election funding legislation.
6. Under no circumstances is an offer of cash or cash like alternative (bribe), defined in Council's Code of Conduct, to be accepted.
 - i. Council officials must not seek a bribe, receiving a bribe is an offence under both the common law and New South Wales legislation, with a maximum penalty of imprisonment.
 - ii. The common law offence of bribery is defined as receiving or offering any undue reward by, or to, any person in public office in order to influence his or her behaviour in that office, and to incline that person to act contrary to the known rules of honesty and integrity.
 - iii. Bribes should never be accepted. A person offered a bribe should refuse it and report the incident as soon as possible to their direct supervisor and the General Manager immediately. Council will then take steps to report the matter to Independent Commission Against Corruption (ICAC) and the police.

- iv. In the case a Councillors is offered a bribe, this should be reported to the Mayor and General Manager immediately. Council will then take steps to report the matter to Independent Commission Against Corruption (ICAC) and the police.
7. For the purposes of this policy “token value” is described as goods and/or services with an aggregated value of less than \$100, as defined in the Code of Conduct.
- i. Token value
- Some examples of gifts and benefits having token value are cheap marketing trinkets or corporate mementos and may include the following:
- a) Inexpensive pens and pencils;
 - b) Notepads;
 - c) Key rings;
 - d) Diaries; and
 - e) Computer mouse pads.
- ii. More than Token value
- Some examples of gifts and benefits having more than token value include:
- a) Tickets to sporting events or other entertainment;
 - b) Goods and items donated to Council and employee functions;
 - c) Meals or hospitality over “token” value;
 - d) Discounted products for personal use;
 - e) Use of facilities such as gyms and holiday homes;
 - f) Free or discounted travel;
 - g) Free “training excursions”;
 - h) Obtaining fly-buys, frequent flyer points etc as a consequence of Council transactions; and
 - i) Lucky door prizes or competition prizes.
8. As a council official, you must not by virtue of your position acquire a personal benefit or advantage which has a monetary value, other than that of token value.
9. You must not seek or accept any payment, gift or benefit intended or likely to influence you, or that could be reasonably perceived by an impartial observer as intended or likely to influence you to:
- i. act in a particular way (including making a particular decision);
 - ii. fail to act in a particular circumstance; and
 - iii. otherwise deviate from the proper exercise of your official duties.
10. You may, however it is not recommended, accept gifts or benefits of token value that does not create a sense of obligation on your part. Council officials must complete a Gifts, Bribes and Benefits declaration form for all gifts that could potentially be of token value.
11. It is Council's preferred position that:
- i. gifts and benefits not be offered to council officials;
 - ii. gifts and benefits are not to be solicited;
 - iii. gifts and benefits should be actively discouraged by council officials; and
 - iv. people doing business with Council should understand that they do not need to offer gifts or benefits to council officials to get high quality service (Council policy Business Ethics B45/1 provides further information).

12. From time-to-time council officials may purchase gifts or provide certain benefits to visiting dignitaries, such as Government Ministers. A common sense approach to gifts or benefits provided in such situations should be exercised. The appropriateness of gifts being purchased should be meaningful and of local significance rather than a lavish gift which can create a sense of obligation on the other party.
 - i. All gifts purchased for visiting dignitaries should be approved by the General Manager or Mayor and be within the council officials delegation of authority.
 - ii. All gifts purchased for visiting dignitaries will be recorded in Council's Gifts Register in the same manner as a council official would receiving a gift.
13. The purchasing of gifts for awards or prizes part of a competition or event hosted or in conjunction with Council is not subject to this policy.

LEGISLATION

Local Government Act 1993

Crimes Act 1900

Muswellbrook Shire Council Code of Conduct.

Muswellbrook Shire Council Procedures for Administration of the Code of Conduct.

PROCEDURE

Bribes

What to do if you receive an offer of a bribe.

1. If you think you have been offered a bribe, your supervisor (or appropriate senior officer) must inform senior management immediately. If your supervisor (or appropriate senior officer) does not do this, you should inform senior management yourself.
2. If you have been offered a bribe, the ICAC and the Police must be notified immediately. This will ordinarily be done by the Council. However, if this action is not taken expeditiously the employee may do so themselves.
3. For additional information and guidance on this issue of bribes please refer to;
 - i. Council's Code of Conduct
 - ii. Council's Business Ethics Policy B45/1

Gifts and Benefits

What to do if you receive an offer of a gift or benefit of more than token value, even those rejected.

1. Report the matter to your supervisor immediately (Councillors to Mayor or General Manager)
2. Complete details in writing (Form 1 attached can be used). Details should include
 - i. Date, time and place of the incident;
 - ii. Name of person to whom gift or benefit was offered;
 - iii. Name of person (and organisation) who offered gift or benefit and contact details (if known);
 - iv. Response to the offer;

- v. Other relevant details; and
- vi. Signature of the writer and date.

Gifts Register

1. Council will maintain a gifts and benefits register. The register will contain the following information.
 - i. The name of the recipient;
 - ii. The name of the person who offered the gift and their organisation;
 - iii. The decision taken in relation to the gift; and
 - iv. The signature of the Public Officer, General Manager, Mayor or appropriate officer.

It will be used to record all gifts and benefits that are received that are above a token value.

REVIEW HISTORY:

Responsible Officer: Governance Officer

	<i>Reviewed Policy</i>	<i>Previous</i>	<i>Proir</i>	<i>Prior</i>	<i>Prior</i>
<i>Minute No:</i>	xxx	369	219	171	820
<i>Meeting Date:</i>	05/04/22	11/06/2013	13/11/2006	09/02/2004	08/07/2002
<i>Review Date:</i>					

12.11 SUPERANNUATION PAYMENTS FOR COUNCILLORS

Attachments:	A. Councillor Superannuation Payments.pdf
Responsible Officer:	Fiona Plesman - General Manager
Author:	David Walsh - Manager - Corporate Services & Chief Financial Officer
Community Plan Issue:	<i>A Council that is well managed, efficient and properly resourced and that is responsive to its communities and stakeholders</i>
Community Plan Goal:	<i>Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves.</i>
Community Plan Strategy:	<i>Appropriate matters are reported to Council in a timely manner in accordance with the Financial Control and Reporting Policy.</i>

PURPOSE

To seek Council's decision as to whether Muswellbrook Shire Council will nominate to have Councillors receive superannuation payments payable on their allowances, subject to individual Councillor preference as outlined in the Act.

OFFICER'S RECOMMENDATION

Council nominates to provide superannuation payments in line with the Local Government Act 1993.

Moved: _____ **Seconded:** _____

BACKGROUND

- Following an amendment to the Local Government Act 1993 (the Act) last year, councils may make payments as a contribution to a superannuation account nominated by their councillors, starting from the financial year commencing on 1 July 2022.
- The making of superannuation contribution payments for councillors is optional and is at each council's discretion, currently Muswellbrook Shire Council does not contribute superannuation payments for Councillors.

CONSULTATION

Financial Controller

Manager of Governance

Finance Committee

REPORT

Per the attached Circular, what this means to Council is:

- To exercise the option of making superannuation contribution payments for their councillors, councils must first resolve at an open meeting to make superannuation contribution payments for the councillors.
- Where a council resolves to make superannuation contribution payments for its councillors, the amount of the payment is to be the amount the council would have been required to contribute under the Commonwealth Superannuation Guarantee (Administration) Act 1992 as superannuation if the councillors were employees of the council.

- To receive a superannuation contribution payment, each councillor must first nominate a superannuation account for the payment before the end of the month to which the payment relates. The superannuation account nominated by councillors must be an account for superannuation or retirement benefits from a scheme or fund to which the Commonwealth Superannuation Guarantee (Administration) Act applies.
- Councils must not make a superannuation contribution payment for a councillor if the councillor fails to nominate an eligible superannuation account for the payment before the end of the month to which the payment relates.
- Individual councillors may opt out of receiving superannuation contribution payments or opt to receive reduced payments. Councillors must do so in writing.
- Councils must not make superannuation contribution payments for councillors during any period in which they are suspended from their civic office or their right to be paid any fee or other remuneration, or expense, is suspended under the Act.
- Councillors are also not entitled to receive a superannuation contribution payment during any period in which they are not entitled to receive their fee under section 254A of the Act because they are absent.

OPTIONS

1. Nominate to provide superannuation payments to Councillors.
2. Continue current situation, where no superannuation payments are made to Councillors.

CONCLUSION

Decision to be made by the Finance Committee as to whether to support the report.

SOCIAL IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Contributions to Councillors in line with the Superannuation Guarantee, as of 1 July 2022, the superannuation guarantee rate will be 10.5%. The rate will increase by half a percent each year until 1 July 2025 when it reaches 12%, being paid at the same interval as the allowance.

For Muswellbrook Shire Council, the financial implications will be for the 2022/23 period approximately \$18,500.

POLICY IMPLICATIONS

Nil

STATUTORY IMPLICATIONS

Nil

LEGAL IMPLICATIONS

Nil

OPERATIONAL PLAN IMPLICATIONS

Nil

RISK MANAGEMENT IMPLICATIONS

Nil

WASTE MANAGEMENT IMPLICATIONS

Nil

COMMUNITY CONSULTATION/MEDIA IMPLICATIONS

Nil



Office of
Local Government

Circular to Councils

Circular Details	22-04/ 15 March 2022/ A811265
Previous Circular	21-07 <i>Commencement of Local Government Amendment Act 2021</i>
Who should read this	Councillors / General Managers / Council Governance Staff
Contact	Council Governance Team / 02 4428 4100 / olg@olg.nsw.gov.au
Action required	Information / Council to Implement

Payment of councillor superannuation

What's new or changing

- Following an amendment to the *Local Government Act 1993* (the Act) last year, councils may make payments as a contribution to a superannuation account nominated by their councillors, starting from the financial year commencing on **1 July 2022**.
- The making of superannuation contribution payments for councillors is optional and is at each council's discretion.

What this will mean for your council

- To exercise the option of making superannuation contribution payments for their councillors, councils must first resolve at an open meeting to make superannuation contribution payments for the councillors.
- Where a council resolves to make superannuation contribution payments for its councillors, the amount of the payment is to be the amount the council would have been required to contribute under the *Commonwealth Superannuation Guarantee (Administration) Act 1992* as superannuation if the councillors were employees of the council.
- As of 1 July 2022, the superannuation guarantee rate will be 10.5%. The rate will increase by half a percent each year until 1 July 2025 when it reaches 12%.
- The superannuation contribution payment is to be paid at the same intervals as the annual fee is paid to councillors.
- To receive a superannuation contribution payment, each councillor must first nominate a superannuation account for the payment before the end of the month to which the payment relates. The superannuation account nominated by councillors must be an account for superannuation or retirement benefits from a scheme or fund to which the *Commonwealth Superannuation Guarantee (Administration) Act* applies.
- Councils **must not** make a superannuation contribution payment for a councillor if the councillor fails to nominate an eligible superannuation account for the payment before the end of the month to which the payment relates.
- Individual councillors may opt out of receiving superannuation contribution payments or opt to receive reduced payments. Councillors must do so in writing.

Office of Local Government
5 O'Keefe Avenue NOWRA NSW 2541
Locked Bag 3015 NOWRA NSW 2541
T 02 4428 4100 F 02 4428 4199 TTY 02 4428 4209
E olg@olg.nsw.gov.au W www.olg.nsw.gov.au ABN 20 770 707 468

- Councils must not make superannuation contribution payments for councillors during any period in which they are suspended from their civic office or their right to be paid any fee or other remuneration, or expense, is suspended under the Act.
- Councillors are also not entitled to receive a superannuation contribution payment during any period in which they are not entitled to receive their fee under section 254A of the Act because they are absent.

Where to go for further information

- For further information please contact the Council Governance Team on 02 4428 4100 or by email at olg@olg.nsw.gov.au.

Melanie Hawyes
Deputy Secretary, Crown Lands and Local Government

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12.12 CHANGE OF DATE FOR ORDINARY MEETINGS OF COUNCIL

Attachments:	Nil
Responsible Officer:	Fiona Plesman - General Manager
Author:	David Walsh - Manager - Corporate Services & Chief Financial Officer Michelle Sandell-Hay - PA to the General Manager
Community Plan Issue:	<i>A Council that is well managed, efficient and properly resourced and that is responsive to its communities and stakeholders</i>
Community Plan Goal:	<i>Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves.</i>
Community Plan Strategy:	<i>Appropriate matters are reported to Council in a timely manner in accordance with the Financial Control and Reporting Policy.</i>

PURPOSE

To seek Council's approval to move the monthly Ordinary meeting of Council to the last Tuesday of each month.

OFFICER'S RECOMMENDATION

Council approve a change to the date of the Ordinary Meetings of Council from Tuesday in the first week of the month to Tuesday in the last week of each month.

Moved: _____ Seconded: _____

BACKGROUND

At the February 2022 Ordinary Council Meeting Council resolved to hold the monthly Ordinary Meetings of Council on the first Tuesday of each month.

Council's Financial Controller advises that as financial reports are required to be prepared at the end of the month there is insufficient time for reports to be prepared and distributed between the end of the month financial reporting period and the monthly meeting of council in the first week of the month.

CONSULTATION

Councillor Reynolds

MANEX

REPORT

This report recommends that council change the date of the Ordinary Council Meetings from the first Tuesday of the Month to the last Tuesday of month to ensure sufficient time is provided for statutory financial and investment reporting to be undertaken.

.

OPTIONS

Council can:

1. Change the date of the Ordinary Council Meetings from the first Tuesday of the Month to the last Tuesday of month to ensure sufficient time is provided for statutory financial and investment reporting to be undertaken.

or

2. Continue to hold the Ordinary Council Meetings on the first Tuesday of the Month and not deliver the statutory financial and investment reporting on time.

or

3. Choose another day of the month for the meetings to take place.

CONCLUSION

It is considered that best practice would be for the Ordinary Council Meetings to be held in the last week of each month.

SOCIAL IMPLICATIONS

Not applicable **FINANCIAL IMPLICATIONS**

Not applicable

POLICY IMPLICATIONS

Not applicable

STATUTORY IMPLICATIONS

Holding the Council meetings in the last week of each month will assist council to comply with statutory financial and investment reporting timeframes.

LEGAL IMPLICATIONS

Not applicable

OPERATIONAL PLAN IMPLICATIONS

Holding the monthly Council meetings on the last week of the month will ensure compliance with requirements regarding statutory financial and investment reporting.

RISK MANAGEMENT IMPLICATIONS

Not applicable

WASTE MANAGEMENT IMPLICATIONS

Not applicable

COMMUNITY CONSULTATION/MEDIA IMPLICATIONS

Not applicable.

12.13 REQUEST FOR COUNCILS SUPPORT TO PROVIDE ADDITIONAL SPONSORSHIP FUNDS TO FACILITATE THE ANNUAL SANDY HOLLOW WESTPAC RESCUE HELICOPTER CHARITY HORSE RIDE

Attachments:	Nil
Responsible Officer:	Fiona Plesman - General Manager
Author:	Stephen Wright - Community Services Partnership Officer
Community Plan Issue:	<i>Facilitate cultural activities and events which engage the community and visitors, and which create a 'sense of place' and identity</i>
Community Plan Goal:	<i>Increase funding to the Blue Heeler Film Festival and the Bottoms Up Beer and Music Festival with a view to engaging more locals and visitors.</i>
Community Plan Strategy:	<i>Ensure that all local festivals are supported to experience improved and increased patron engagement and attendance.</i>

PURPOSE

To obtain councils support for additional Sponsorship funds to assist the Committee of the Westpac Rescue Helicopter Annual Sandy Hollow Charity Horse Ride to facilitate the 2022 event due to increased operational costs.

OFFICER'S RECOMMENDATION

Council supports the allocation of \$3,000 for additional sponsorship for the annual Sandy Hollow Westpac Rescue Helicopter Charity Horse Ride.

Moved: _____ **Seconded:** _____

BACKGROUND

The Westpac Rescue Service provides emergency aeromedical services to 1.5 million people across Northern NSW with an experienced operational team ready to respond 24 hours a day, 7 days a week having completed 80,000 missions since its inception in 1973. No one has ever had to pay to be rescued.

The service is an integral link in the NSW emergency care chain and is a registered charity and heavily reliant on community funding to support its operations. The funds received from local communities, like those in the Muswellbrook Shire, who raise and donate funds through events like the Annual Sandy Hollow Horse Ride ensure the quality, reliability, and sustainability of the Westpac Rescue Helicopter operations.

These funds are held in trust for our community and that's why the service has long been known as the "Community's Own" Rescue Helicopter. The Service has been shaped by our local communities, for our local communities.

CONSULTATION

Internal parties; General Manager, Manager of Community Services, Financial Controller, Grants and Community Engagement Advisor.

External parties: Steve Adams – Westpac Rescue Helicopter Service, Mick Turner – Organising Committee Annual Sandy Hollow Charity Horse Ride

REPORT

The Sandy Hollow Charity Horse Ride was established to raise funds for the Westpac Rescue Helicopter Service. An enthusiastic group of volunteers has conducted this ride for the past 35 years. The Horse

Ride raises around \$20,000 annually for a service that plays an important role in rural communities like Sandy Hollow.

Over the past two decades, the Charity Horse Ride has raised more than \$360,000 for the Westpac Rescue Helicopter Service. The annual event attracts more than 140 riders. The event is ideal for families and riders of all ages, with participants as young as four - and as mature as 80, taking part, ready to help raise money for the cause. The ride takes place across a 25 to 30km trek through the valleys and mountains surrounding the village.

The Sandy Hollow Valley is carved out of the mountains beside the Goulburn River and the Hall's and Giant's Creeks, providing a scenic and challenging ride. Following the ride, the fun continues for the riders and the greater community with entertainment and a charity auction at the Tourist Hotel.

The Sandy Hollow Charity Horse Ride has not been able to take place since 2019 due to COVID restrictions and this has impacted enormously on the committee's ability to raise funds to support the Westpac Rescue Helicopter Service and to facilitate this year's event. The Sandy Hollow Charity Horse Ride Committee has had to find an additional \$4,800 and is seeking an additional \$3,000 from Council to support the Ride. Funds have been identified in the current operational budget to meet the \$3000 request.

OPTIONS

Council could:

- Support the allocation of funds to Westpac Rescue Helicopter Service or
- Not support the allocation of funding

CONCLUSION

Due to COVID-19 the Sandy Hollow Charity Horse Ride has not been able to take place since 2019. Consequently the committee is short of funds to run the annual event in support the Westpac Rescue Helicopter Service.

Muswellbrook Shire Council has sponsored the 2022 event by contributing \$520 this will provide a BBQ breakfast for the participants. The organising committee has approached Council for additional support due to increased costs on the committee to organise the event this year.

Funds have been identified in the current budget to meet this request and is seeking councils' endorsement to provide an additional \$3000 Sponsorship. Funds have been identified in the current operational budget to meet the \$3000 request.

SOCIAL IMPLICATIONS

The Sandy Hollow Charity Horse Ride provides an opportunity for community members to come together and volunteer their time to raise money for an integral link in the NSW emergency care chain. This community event provides an opportunity to provide social cohesion.

FINANCIAL IMPLICATIONS

Ongoing Operational and Maintenance Costs Implications Associated with Capital Project

1. Financial Implications – Capital

Nil

2. Financial Implications – Operational

Funds have been identified in the current operational budget to meet the \$3000 request.

POLICY IMPLICATIONS

Nil

STATUTORY IMPLICATIONS

Nil

LEGAL IMPLICATIONS

Nil

OPERATIONAL PLAN IMPLICATIONS

This event supports the operational plan objectives.

RISK MANAGEMENT IMPLICATIONS

Nil

WASTE MANAGEMENT IMPLICATIONS

Nil

COMMUNITY CONSULTATION/MEDIA IMPLICATIONS

Council will continue to promote this activity through our media channels.

12.14 PUBLIC EXHIBITION - DRAFT MUSWELLBROOK SHIRE 2022-2032 COMMUNITY STRATEGIC PLAN

Attachments:	A. DRAFT 2022-2032 Muswellbrook Shire Community Strategic Plan
Responsible Officer:	Fiona Plesman - General Manager
Author:	Melissa Cleary - Manager - Governance
Community Plan Issue:	<i>Genuine and well informed community participation in decision making</i>
Community Plan Goal:	<i>Utilise best practice models of community engagement to ensure decision making is meeting the expectations of the community.</i>
Community Plan Strategy:	<i>Undertake a comprehensive community consultation program as per the Community Engagement Strategy.</i>

PURPOSE

To seek Council's endorsement for the public exhibition of the *DRAFT 2022-2032 Muswellbrook Shire Community Strategic Plan* (DRAFT CSP).

OFFICER'S RECOMMENDATION

Council endorses the *DRAFT 2022-2032 Muswellbrook Shire Community Strategic Plan* for public exhibition from 6 April 2022 to 17 May 2022.

Moved: _____ **Seconded:** _____

BACKGROUND

Pursuant to section 402 of the *NSW Local Government Act, 1993*, Muswellbrook Shire is required to have a Community Strategic Plan (CSP) that has been developed and endorsed by Council on behalf of the community. The CSP must cover a period of at least 10 years, is to identify the community's priorities and aspirations for the future of the Shire and describe strategies to achieve the community's goals.

Council is required to review and adopt the CSP before 30 June in the year following an ordinary election of council. Council may endorse the existing plan, or develop and endorse a new CSP, as appropriate, to ensure that the Shire has a CSP covering at least the next 10 years.

CONSULTATION

All Councillors

The community

General Manager

Manex

REPORT

The *DRAFT 2022-2032 Muswellbrook Shire Community Strategic Plan*, which is attached under separate cover, has been developed in consultation with the Shire communities, Councillors and Council's senior executive team.

Council's Integrated Planning and Reporting documents, including the DRAFT CSP require public exhibition of at least 28 days. Should Council endorse the *DRAFT 2022-2032 Muswellbrook Shire Community Strategic Plan* for public exhibition at this meeting, the public exhibition period will take place over the Easter and school holiday periods. It is therefore recommended that the exhibition period be

extended by fourteen days to 17 May 2022 to allow sufficient time for community engagement and for Council to consider the community's feedback on the DRAFT CSP.

OPTIONS

Council may determine to:

1. endorse the *DRAFT 2022-2032 Muswellbrook Shire Community Strategic Plan* for public exhibition; or
2. propose amendments to the DRAFT CSP prior to public exhibition.

CONCLUSION

It is recommended that Council endorses the *DRAFT 2022-2032 Muswellbrook Shire Community Strategic Plan* for public exhibition over a period of 42 days.

SOCIAL IMPLICATIONS

As described in the DRAFT CSP

FINANCIAL IMPLICATIONS

To be identified in the Long-Term Financial Plan and annual budgets

POLICY IMPLICATIONS

None identified

STATUTORY IMPLICATIONS

Consistent with requirements under section 402 of the *NSW Local Government Act, 1993*

LEGAL IMPLICATIONS

None identified

OPERATIONAL PLAN IMPLICATIONS

The 2022-2023 Operational Plan will be developed in alignment with the goals and strategies outlined in the adopted CSP

RISK MANAGEMENT IMPLICATIONS

As described in the DRAFT CSP

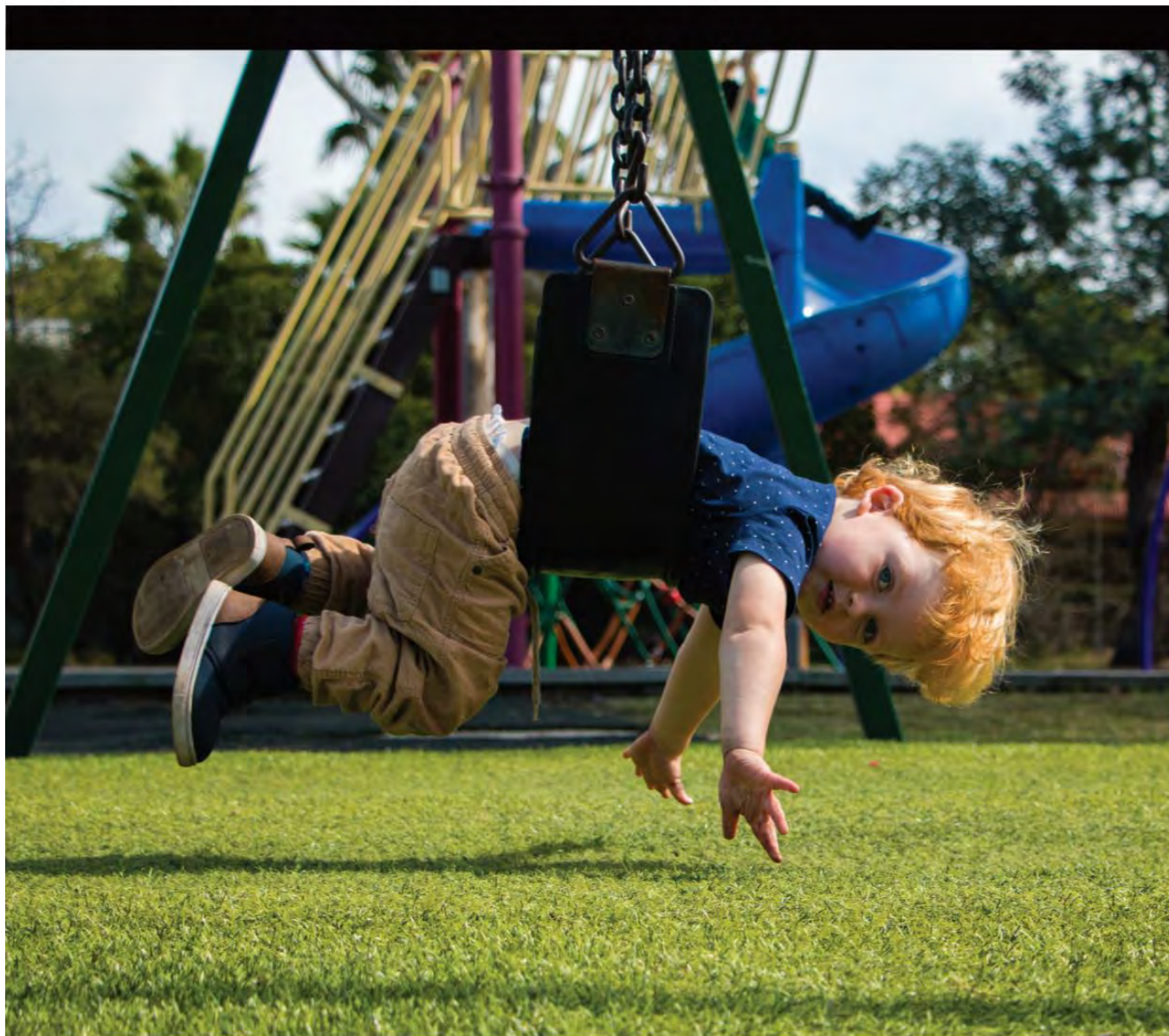
WASTE MANAGEMENT IMPLICATIONS

As described in the DRAFT CSP

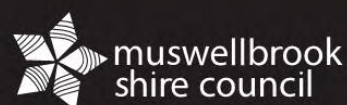
COMMUNITY CONSULTATION/MEDIA IMPLICATIONS

Community consultation and media plans will align with the adopted Community Participation Plan and Council's adopted 2021/2022 Budget.

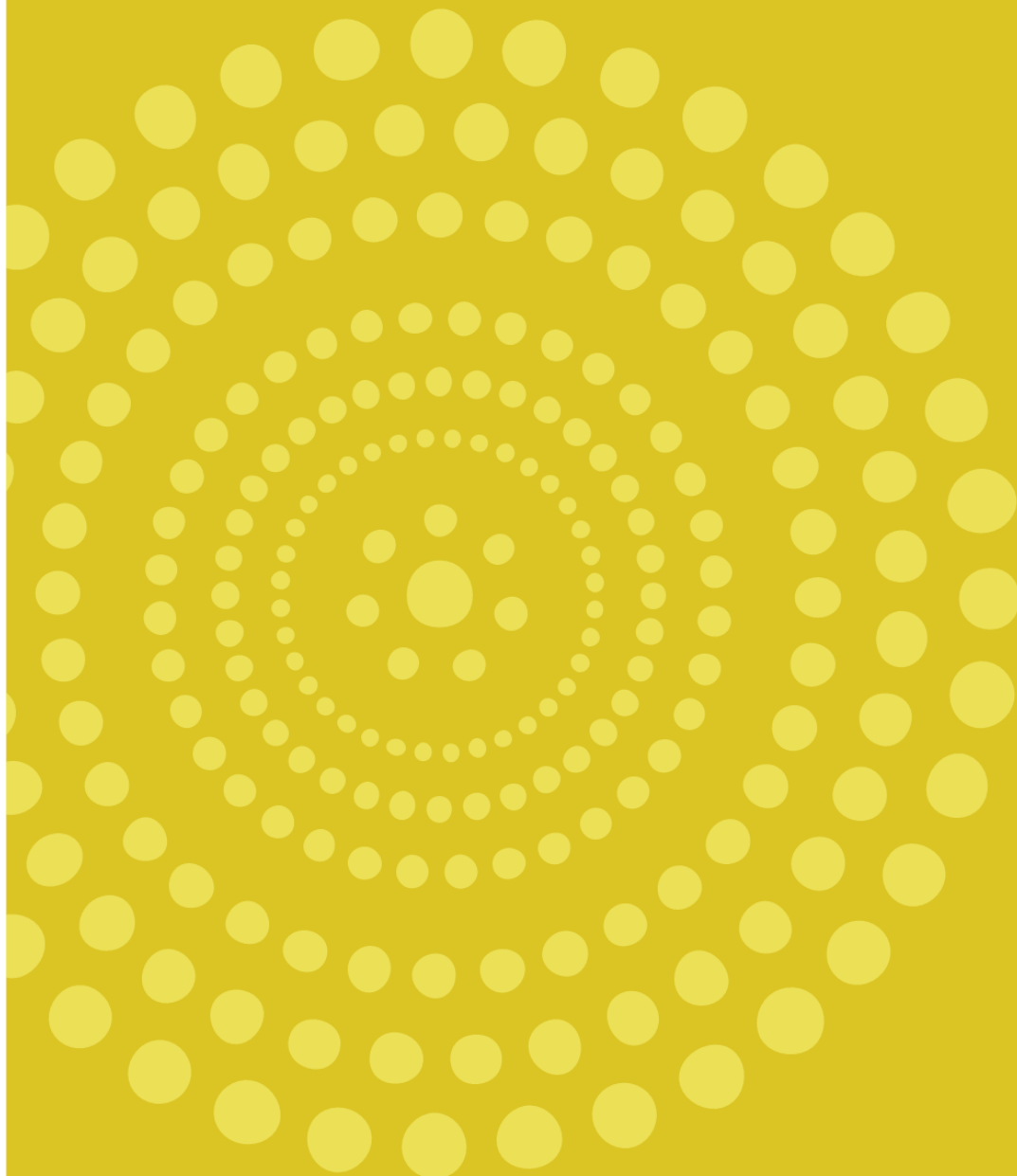
MUSWELLBROOK SHIRE 2022 – 2032 COMMUNITY STRATEGIC PLAN



muswellbrook.nsw.gov.au



***Muswellbrook Shire Council respectfully
acknowledges the Local Aboriginal People who are
the Traditional Owners and Custodians of the land***



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- 2. INTRODUCTION – the General Manager**
- 3. THE COMMUNITY STRATEGIC PLAN IN CONTEXT**
 - 3.1 Our Shire
 - 3.2 Muswellbrook at a Glance
 - 3.3 Economic Output
 - 3.4 Federal, State and Regional Context
 - 3.5 Strategic risks, challenges and opportunities
- 4. COMMUNITY ENGAGEMENT**
- 5. STRATEGIC DIRECTION**
 - 5.1 How to read this CSP
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 - 6.1 Economic Prosperity
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Foreword

A MESSAGE FROM THE MAYOR



As the concept of energy transition in the Hunter moves from theory to reality the crux of this Community Strategic Plan is to develop a comprehensive and well-co-ordinated strategy that

brings together all levels of government, local business and the community to attract investment and new employment opportunities.

In 2021 the State Government announced a \$25 million Royalties for Rejuvenation fund to drive job creation and provide support to our communities as they move to a clean energy economy over the coming decades. The Hunter Joint Organisation, representing ten of the region's Council's, including Muswellbrook Shire Council, is advocating for the creation of the Hunter 2050 Foundation to also work towards attracting new industries and opportunities as thermal coal mining is scaled down.

In the coming decade Muswellbrook Shire Council will foster the moves towards new industries such as renewable energy, bioresources and intensive agriculture and support the growth of existing viticulture and equine industries. Diversification of the economy will be achieved by building on the strengths of the region – a skilled workforce and existing infrastructure assets.

The Community Strategic Plan sets a clear direction, reflecting community expectations, for job creation, education opportunities, revitalisation of the town centre and improved liveability. Council will continue its focus on promoting, improving and expanding the many existing attractions in the Shire.

Collaboration with the University of Newcastle will see further research and development opportunities evolve while the Donald Horne Building, stage two of the Tertiary Education Centre, will house the Upper Hunter Innovation Hub and "makerspace", a prototyping facility combining engineering capability, equipment and business mentoring skills for students, entrepreneur's and start-ups.

This plan is a culmination of consultation and careful planning. Council thanks the General Manager and Council staff for the preparation of the Community Strategic Plan and commends the document to the community.

Steve Reynolds

Mayor,
Muswellbrook Shire Council

Introduction

A MESSAGE FROM THE GENERAL MANAGER



The Community Strategic Plan (CSP) is the highest-level plan that Council prepares on behalf of the community. The purpose of the plan is to capture and define the community's main priorities and

aspirations for the future of the Shire, devise strategies and identify partnerships for achieving these goals. The CSP guides all other Council strategies and plans and is reviewed by Council with, and on behalf of, the community at the beginning of each new term of Council.

The minimum timeframe for the CSP is 10 years and it addresses 4 key questions:

1. Where are we now?
2. Where do we want to be in 10 years?
3. How will we get there?
4. How will we know we have arrived?

The answers to these questions assist Council to understand the community's vision, values, opportunities and challenges, while establishing baseline targets, strategies and measures to guide performance monitoring and reporting.

Addressing the quadruple bottom line of social, environmental, economic and civic leadership issues in an integrated manner, the CSP is based on social justice principles of equity, access, participation and rights.

The Community's goals outlined in the *Muswellbrook Shire Community Strategic Plan 2022 - 2032* are informed by, and aligned with the priorities and actions endorsed in the Premier's Priorities, as well as the NSW State Plan and other NSW Government plans to grow the economy, deliver infrastructure, protect the vulnerable, reduce human impacts on the environment and improve health, education and public services across NSW.

Specific elements of those goals are also aligned with the strategic objectives identified in the *Hunter Regional Plan 2041* which will guide the delivery of greater prosperity and connectivity for communities across the Hunter region, including those in the Muswellbrook Shire.

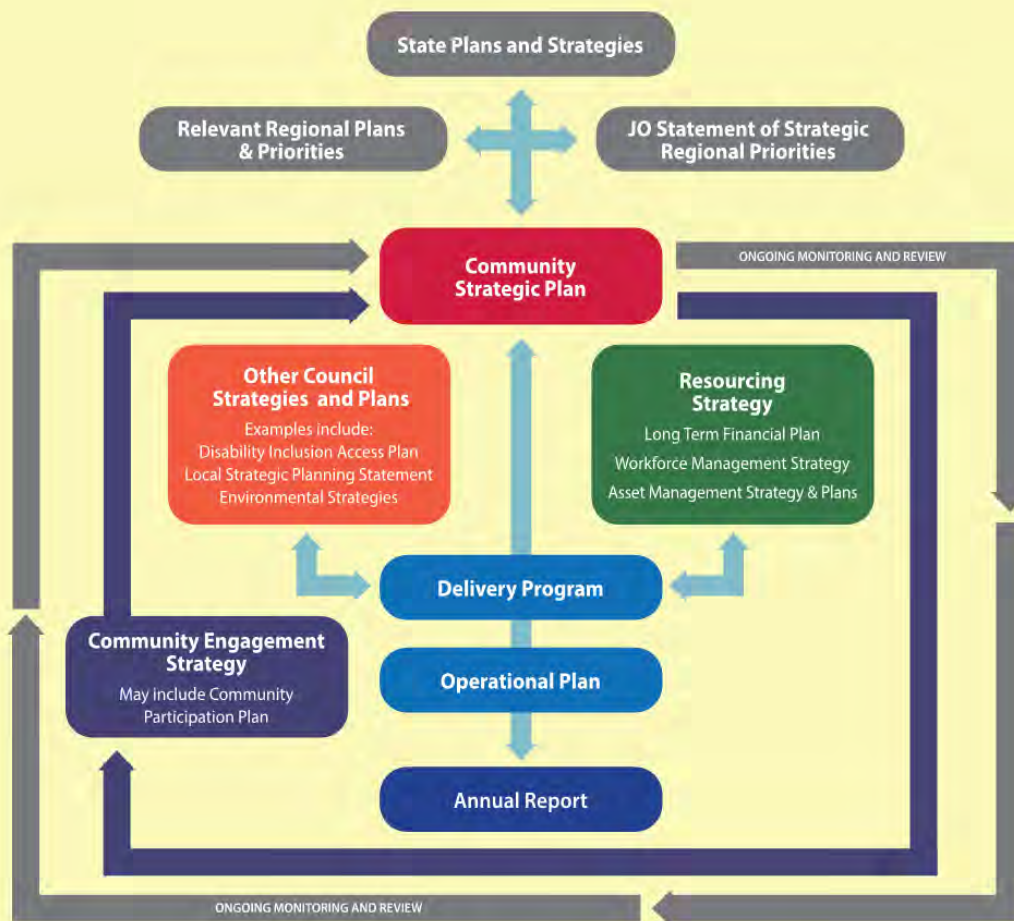
Fiona Plesman

General Manager,
Muswellbrook Shire Council



The Integrated Planning and Reporting Cycle

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



Integrated Planning & Reporting Framework

The Community Strategic Plan (10 year)

The Community Strategic Plan is an overview document that identifies the community's vision and goals for the future. It covers a minimum time frame of 10 years. Council's role is initiating, preparing and maintaining the Community Strategic Plan on behalf of the community, however Council is not wholly responsible for its implementation. Other partners, including state agencies, non-government organisations, business and industry, joint organisations and community groups may also have a part to play in enacting the strategies identified within the Plan.

The Delivery Program (4 year)

The Delivery Program is a four-year plan. It is the point of reference for all activities undertaken by the Council during the Councillors' term of office. The Delivery Program details the activities Council will undertake over a four-year period, which align with and support the goals and strategies identified by the community and outlined in the Community Strategic Plan.

Resourcing Strategy

The Resourcing Strategy demonstrates how Council will resource achievement of the Community Strategic Plan and Delivery Program. Council's Long Term Financial Plan, Asset Management Plan and Workforce Management Plan have been developed to explain how Council intends to resource the activities identified in the Delivery Program and the Community Strategic Plan goals. The Delivery Program also allocates responsibilities for each activity and it identifies suitable performance measures for determining the effectiveness of the activities undertaken.

The Operational Plan (annual)

The Operational Plan is a sub-plan of the Delivery Program. It directly addresses the activities outlined in the Delivery Program and identifies specific actions, projects and programs Council will be undertaking within the current financial year and allocates a corresponding budget commitment.

Annual Report

The Annual Report is one of the key means by which Council reports on its progress to the community. It focuses on Council's implementation of the Delivery Program and Operational Plan because these are the plans that are wholly Council's responsibility.



Muswellbrook Hospital

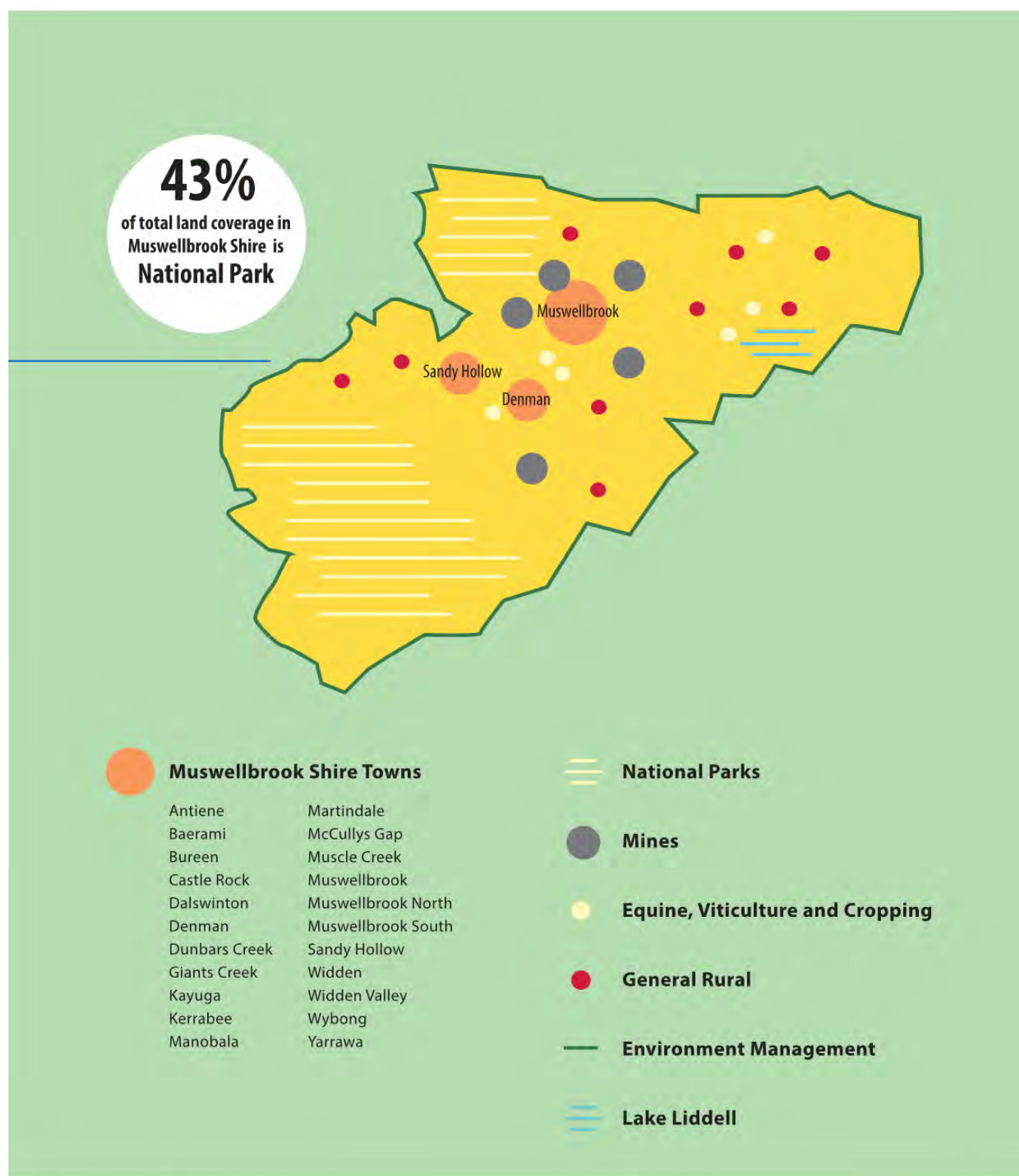


Loxton House and TEC1

3. The Community Strategic Plan In Context

WHERE ARE WE NOW? WE ARE HERE





3.1 OUR SHIRE

Muswellbrook Shire is located within the Gamilaraay Indigenous Nation, one of the four largest Indigenous nations in Australia.

Muswellbrook Shire acknowledges that the local Aboriginal People are the Traditional Owners and Custodians of the land.

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

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

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

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

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

We are a young community with a rising population

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

The estimated residential population for Muswellbrook (LGA) in 2020 was 16,355 people (ABS). This is up from 15,793 in 2016. Council anticipates low to modest population growth, in the short to medium term, associated with the planned closures of Liddell and Bayswater power stations offset by some diversification in the local economy.

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

The 2016 census indicated that Muswellbrook Shire has a relatively high proportion of Aboriginal and Torres Strait Islander peoples residing in the community at 8.3%. This compares with the 2.9% NSW State average.

Muswellbrook Shire tends to be a younger community with the median age of people being 36.9 years, compared to 37.9 for NSW.

In 2020 our population consisted of 22.6% aged 0-14 years compared with NSW at 18.5%; while 63.4% were aged 15-64 years compared with NSW at 64.8% and 14.1% aged 65 years and over compared to 16.7% across the State.

The ratio of men to women in 2020 was 51.4% and 48.6% female.

For more on the Shire's Community Profile visit: communityprofile.com.au/muswellbrook

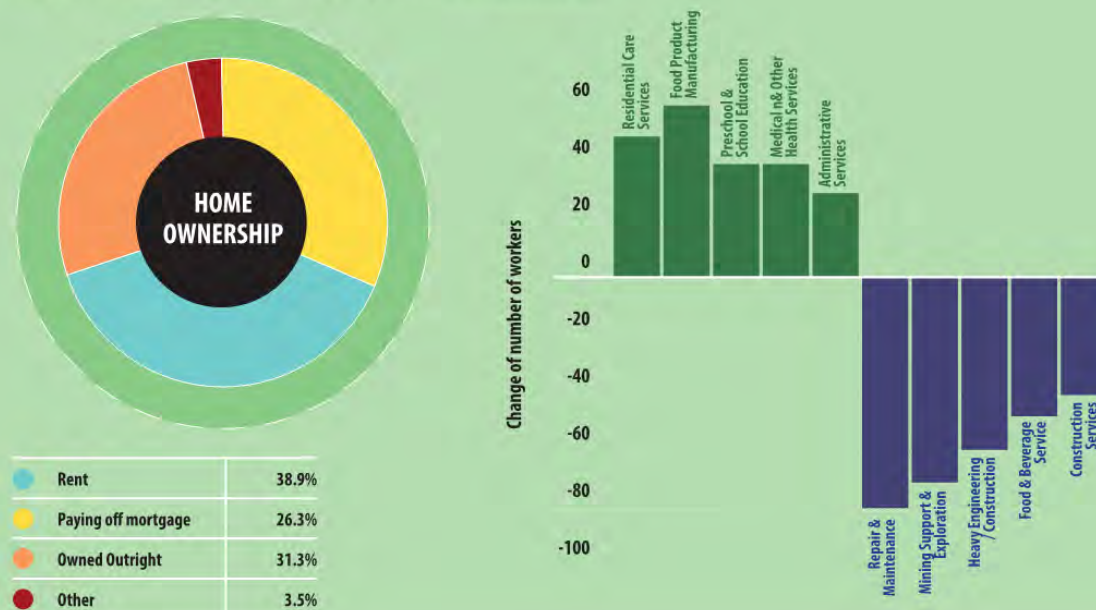
3.2 MUSWELLBROOK AT A GLANCE

A summary of significant indicators for Muswellbrook compared with NSW as a whole:

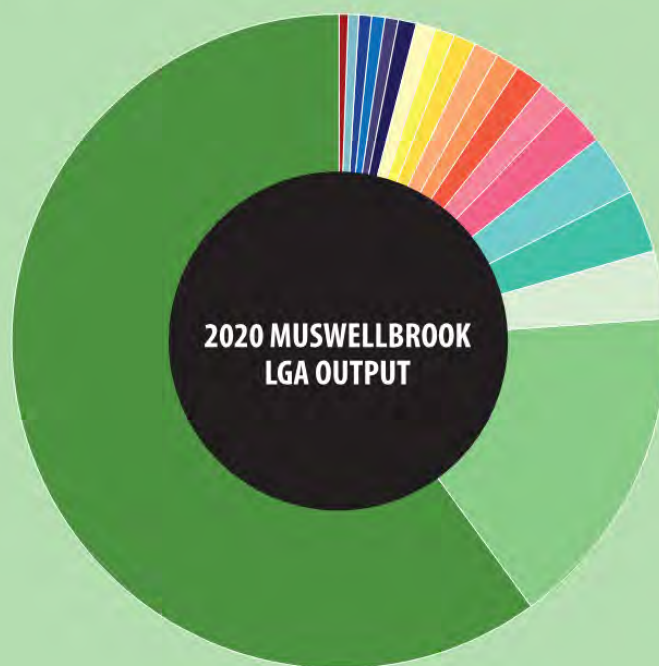
Indicator	Muswellbrook Shire	NSW
% Aboriginal and Torres Strait Islander (2016)	8.3	2.9
% University or tertiary institution level education (2016)	4.3	16.2
% Certificate level III or IV (2016)	22.7	14.8
Males per 100 females	105.7	98.5
Average age	36.9	37.9
% 0-14 years	22.6	18.5
% 15-64 years	63.4	64.8
% 65+ years	14.1	16.7
% born in Australia (2016)	84.7	65.5
% unemployed (2016)	8.2	6.3
% coal mining industry (2016)	20.3	0.6
% horse farming (2016)	3	0.1
% internet accessed from dwelling (2016)	76.5	82.5

EMPLOYMENT

Top growth and decline industries of employment in Muswellbrook



3.3 ECONOMIC OUTPUT OF THE SHIRE



Industry Sector	Output (\$)	Output (%)
Mining	\$5,049,144	60.1%
Electricity, Gas, Water Waste Services	\$1,361,562	16.2%
Manufacturing	\$279,336	3.3%
Rental, Hiring Real Estate Services	\$270,452	3.2%
Construction	\$259,180	3.1%
Agriculture, Forestry Fishing	\$187,742	2.2%
Wholesale Trade	\$123,672	1.5%
Public Administration Safety	\$119,013	1.4%
Administrative Support Services	\$97,596	1.2%
Health Care Social Assistance	\$93,450	1.1%
Transport, Postal Warehousing	\$92,699	1.1%
Retail Trade	\$80,638	1.0%
Accommodation Food Services	\$75,303	0.9%
Professional, Scientific Technical Services	\$74,729	0.9%
Other Services	\$70,799	0.8%
Education Training	\$61,615	0.7%
Financial Insurance Services	\$54,933	0.7%
Information Media Telecommunications	\$33,362	0.4%
Arts Recreation Services	\$13,342	0.2%
Total	\$8,398,568	100.0%

3.4 FEDERAL, STATE AND REGIONAL CONTEXT

For the past 50 years, the Shire's economy has been closely linked to the ebbs and flows of the energy industry and, in particular, the international thermal coal industry and the domestic power industry. When the *2012-2022 Community Strategic Plan* was adopted, the general focus had been on managing the rapid tripling in size of the thermal coal industry over the forward decade. The Community's focus had been on air quality and dust management, visual impacts, housing supply, childcare and health services.

Since that time there has been increasing uncertainty in the long-term future of the thermal coal mining industry, coal-fired power generation industry and associated jobs. AGL has announced closure dates for both local power stations (Liddell in 2023 and Bayswater by 2033) and regionally, Origin Energy has announced the closure of Australia's largest coal-fired power plant seven years earlier than scheduled, with the Eraring facility in the lower Hunter now set to close in 2025. Accordingly, the *2017-2027 Community Strategic Plan* reflected the shift in community focus to jobs, economic diversification, access to education and skills development and progressive mined-land rehabilitation.

At a time of rapid change, against the backdrop of an ongoing global pandemic and multiple natural disasters across Australia, the Federal Government is prioritising:

1. economic recovery by: investing in skills; increasing training places; supporting apprenticeships; boosting workforce participation; assisting vulnerable unemployed Australians into jobs; developing digital skills and investing in emerging technologies; and helping regional economies to grow and thrive;
2. achieving net zero emissions by 2050 by: taking advantage of new economic opportunities while continuing to serve traditional markets; and prioritising technologies to help Australia cut emissions while creating jobs and growing the economy

While acknowledging that mining will remain important to the State economy, the NSW Government is promoting high-growth areas such as advanced manufacturing, tech-innovation, medicine, education and tourism. The *NSW 2040 Economic Blueprint* outlines the NSW Government's priorities for:

- › innovative businesses and industries of the future;
- › an economy that is diversified in favour of fast-growing industries and services;
- › a high standard of living for a healthy, well-educated population that is skilled for the high-income jobs of the future;
- › productive and growing regions with world-class infrastructure and transport links;
- › biodiverse environments preserved for future generations, with reliable and affordable energy sources and enhanced water resilience across the State.

Closer to home, the *DRAFT Hunter Regional Plan 2041* promotes:

- › the concept of a '15-minute region', where access to jobs and services should be met within a short walk, bike-ride or car trip - in response to the effect of the COVID-19 on the way that people live and work;
- › the Hunter's sustainable transition to net zero emissions by diversifying employment, mining and energy generation lands to support economic renewal and innovation and open opportunities for renewal and change to new land uses;
- › economic self-determination and greater recognition of traditional custodians and respect for Aboriginal cultural knowledge;
- › net zero emissions as a guiding principle for all planning decisions and a renewed focus on green infrastructure, public spaces and nature to improve quality of life.

Accordingly, the *2022-2032 Community Strategic Plan* recognises the community's continued focus on challenges and opportunities identified in previous community strategic plans, while also acknowledging that the Shire's fortunes are tied to regional, state and federal contexts.

3.5 STRATEGIC RISKS, CHALLENGES AND OPPORTUNITIES

Building Economic Resilience

Muswellbrook Shire Council acknowledges both the long-term transition of the thermal coal industry and the closure and transition of coal-fired power generation and is committed to broadening the focus on the sustainability of the Shire's economic and employment base. Our region is rich in natural resources with significant mining, viticulture and equine sectors and the opportunity to attract new enterprise.

Mining

Muswellbrook Shire's long association with mining began in the late 1800s with the commencement of the first underground coal mine. Open cut coal mining has had a presence since 1944 and is the largest employer in the Shire today, with over 30 percent of the workforce engaged in the resources sector. The Shire is home to Muswellbrook Coal, which commenced operations in 1906 and is Australia's longest continuously operating coal mine. The owner of the soon-to-close mine, the Australian arm of Japanese company Idemitsu, has unveiled a masterplan for the Muswellbrook site that will see it converted into an industrial hub with a total of four renewable energy projects and related training facilities. All mining operations, including at Mt Arthur, Bengalla, Mangoola, Mt Pleasant and Dartbrook, contribute \$4,860.5 million or 75.8% of the Shire's total regional exports.



All industry sectors in Muswellbrook (A) ranked by Regional Exports

Industry Sector	Muswellbrook (A) (2020 Release 2)	
	\$M	%
Mining	\$4,860.491	75.8%
Electricity, Gas, Water Waste Services	\$1,082.777	16.9%
Agriculture, Forestry Fishing	\$147.295	2.3%
Manufacturing	\$119.565	1.9%
Rental, Hiring Real Estate Services	\$34.922	0.5%
Construction	\$32.415	0.5%
Wholesale Trade	\$28.397	0.4%
Transport, Postal Warehousing	\$27.282	0.4%
Administrative Support Services	\$16.835	0.3%
Financial Insurance Services	\$14.519	0.2%
Public Administration Safety	\$12.638	0.2%
Accommodation Food Services	\$12.034	0.2%
Other Services	\$8.950	0.1%
Information Media Telecommunications	\$6.080	0.1%
Professional, Scientific Technical Services	\$3.676	0.1%
Education Training	\$3.310	0.1%
Retail Trade	\$3.217	0.1%
Health Care Social Assistance	\$1.391	0.0%
Arts Recreation Services	\$0.564	0.0%
Total	\$6,416.358	100.0%

Power Generation

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

AGL has announced its intention to close the Liddell power station by 2023 and in February 2022 announced that the closure of the Bayswater power station would be brought forward to no later than 2033. AGL and Council are working closely together to minimise the challenges and maximise the opportunities that will arise from a transition to renewable energy generation in the Shire in order to contribute to the further diversification of our regional, state and national economy.

Education

Muswellbrook is strategically positioned for the efficient and effective provision of education and vocational training for both existing and emerging industries. Council has worked closely with Hunter TAFE, the University of Newcastle and industry to promote and provide higher learning pathways for local and visiting students, offer collaborative research opportunities with established and new industries and support the diversification of the Shire's economy.

Hunter TAFE and Council collaborated to construct the Tertiary Education Centre in the Muswellbrook Town Centre to facilitate higher education delivery. During the past term of Council, it expanded to house the University of Newcastle and works are progressing on the construction of the next stage of the Centre.

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

Thoroughbred Industry

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

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

Muswellbrook Shire is home to the largest critical mass of thoroughbred rearing in Australia, with a total employment in the vicinity of 200 people located in an arc from Widden Valley through Sandy Hollow to Jerry's Plains. Two of the largest thoroughbred horse studs in the southern hemisphere are located in the Muswellbrook Shire.

Viticulture Industry

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

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



Government Services

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

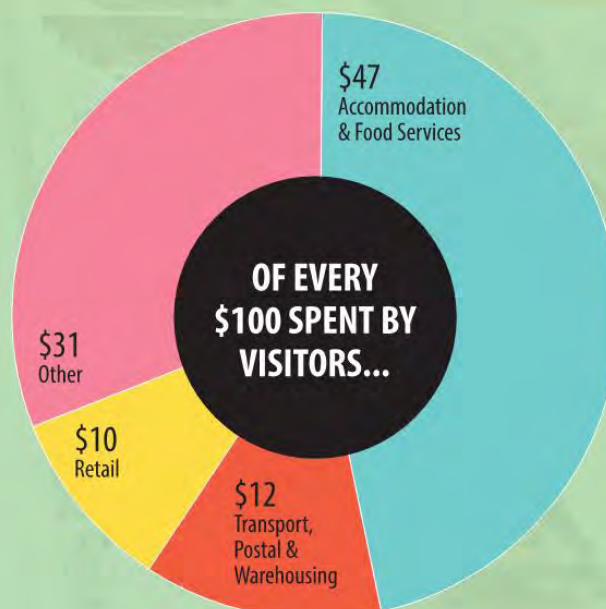
Centrally located between New England and Lower Hunter, Muswellbrook Shire provides an excellent geographical advantage. This has established it as the regional centre of the Upper Hunter, allowing government agencies to efficiently service the surrounding areas.

Tourism

Muswellbrook Shire is home to a significant proportion of the equine and wine industries in the Upper Hunter Region, along with boutique producers of olives, cheese, camel milk and other products. A key location advantage for the Shire as a tourist destination is its proximity to the already popular tourist destinations such as the Lower Hunter and the Blue Mountains. In addition, the New England and the Golden Highways, along with Bylong Valley Way are used as arteries to the New England, Central West and Lower Hunter.

The total value of output from accommodation and food services for Muswellbrook is estimated at \$75.3 million, which is 0.9% of total output. The total related employment estimate for the Shire was 505 jobs, which represents 5% of the total workforce.

Most visitors to the region are from NSW. Similarly, in the previous two years Sydney was the largest source of visitors to the region, followed by regional NSW and Queensland.



All industry sectors in Muswellbrook (A) ranked by portion of \$1 spent by tourist:

REMPAN – 2020 descending order	Muswellbrook (A) (2020 Release 2)		
Industry Sector	\$	%	Hundred dollars
Accommodation Food Services	\$0.43	43.3%	\$43.00
Transport, Postal & Warehousing	\$0.11	11.0%	\$11.00
Retail Trade	\$0.11	10.7%	\$11.00
Manufacturing	\$0.10	10.1%	\$10.00
Ownership of Dwellings	\$0.06	5.9%	\$6.00
Wholesale Trade	\$0.04	3.9%	\$4.00
Agriculture, Forestry Fishing	\$0.04	3.8%	\$4.00
Arts Recreation Services	\$0.03	3.5%	\$3.00
Education Training	\$0.03	3.3%	\$3.00
Administrative Support Services	\$0.01	1.2%	\$1.00
Rental, Hiring Real Estate Services	\$0.01	1.1%	\$1.00
Other Services	\$0.01	1.0%	\$1.00
Information Media Telecommunications	\$0.01	0.7%	\$1.00
Health Care Social Assistance	\$0.00	0.5%	\$0.00
Mining	\$0.00	0.0%	\$0.00
Electricity, Gas, Water Waste Services	\$0.00	0.0%	\$0.00
Construction	\$0.00	0.0%	\$0.00
Financial Insurance Services	\$0.00	0.0%	\$0.00
Professional, Scientific Technical Services	\$0.00	0.0%	\$0.00
Public Administration Safety	\$0.00	0.0%	\$0.00
Total	\$1.00	100.0%	\$100.00

Local Challenges and Opportunities by theme:

Local **economic prosperity** challenges and opportunities

- Uncertainty in the coal and energy industry, associated direct and indirect job losses, and impact more broadly upon the Shire's economic base
- The growth of the knowledge, creativity, and digital economy and a reshaping labour market
- Record high net migration from capital cities to regional areas
- Housing affordability and accessibility
- Land use conflict
- The movement from a linear economy (take, make, waste) to a circular economy (reduce, re-use, recycle)
- Growing export demand for agricultural product
- The continued growth of the services sector and access to services in regional centres

Local **social equity** challenges and opportunities

- Liveability and amenity - the extent to which the general well-being, health and quality of life of residents is supported physically, aesthetically, and in terms of accessibility
- Socio-economic and geographic disadvantage for people living in social housing
- Link between early childhood education and social advantage
- An ageing population and changing retirement patterns
- A high proportion of Aboriginal and/or Torres Strait Islander people in our community
- Community dissatisfaction with the quantity of quality youth services and facilities

Local **environmental sustainability** challenges and opportunities

- Impacts of mining on the environment today and in the future
- Loss of native vegetation and vegetation connectivity
- Poor riverside natural environments and limited public access to waterways
- Impacts of increasing human activity upon the local environment
- A changing climate

Local **cultural vitality** challenges and opportunities

- Preservation of the Shire's history and heritage
- Limited cultural participation
- Access to national and international arts and culture

Local **community infrastructure** challenges and opportunities

- Infrastructure to support Muswellbrook as a service centre for the Upper Hunter
- Limited all abilities access to Council's facilities
- Ageing Water and Wastewater Infrastructure
- Incomplete footpaths & cycleway links

Local **community leadership** challenges and opportunities

- Insufficient community consultation and participation in council planning and decision making
- Understanding community expectations for the delivery of appropriate, efficient and effective Council services and facilities
- Increasingly competitive market for attracting and retaining a suitably skilled Council workforce

4. Community Engagement

Over the past 5-year term (2016 – 2021), Council has consulted and engaged with Shire communities and stakeholders to inform the review of this Community Strategic Plan and the entire suite of Council's new integrated planning documents. Community members have been invited to share their attitudes and ideas about a wide-range of local issues, including their level of satisfaction with Council's services and facilities and their perceptions of the major challenges and opportunities affecting the region's future via:

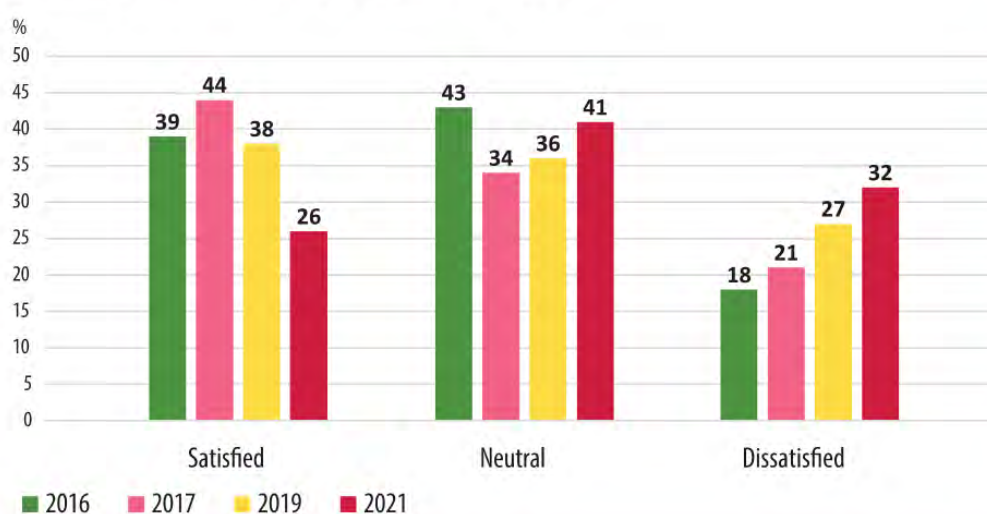
- › 6 random and statistically representative telephone surveys;
- › 2 Community Panels;
- › 1 online survey;
- › (add public exhibition period engagement schedule)

What the community has told Council:

Overall satisfaction with Council has fallen over the past term to 26% in 2021 after reaching a peak satisfaction rate of 44 % in 2017 (see Figure x). In 2021 the majority of respondents struggled to pinpoint a reason for their satisfaction or dissatisfaction score, with 18% indicating that there was 'room for improvement' and a further 18% stating that 'Council do a good job'. Where specific issues were identified, the top concerns were:

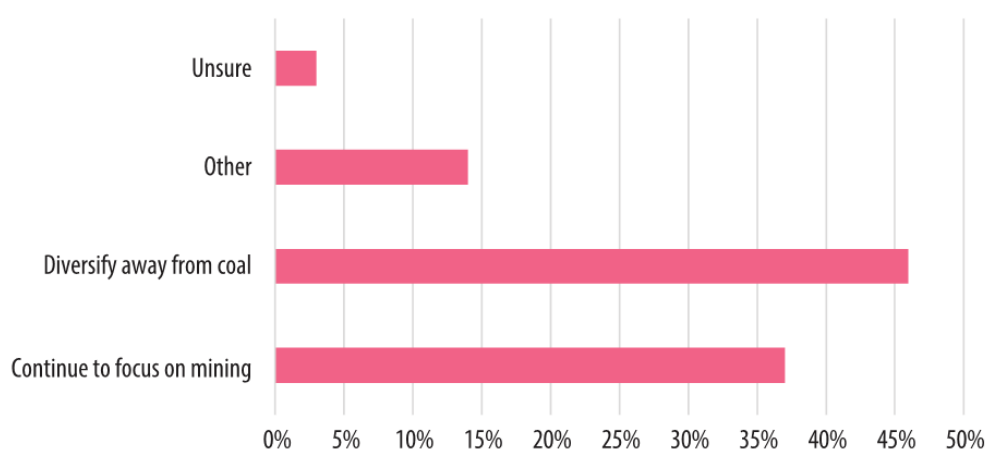
- › poor community engagement (13%),
- › 'problems with roads/parking' (7%), and
- › 'rates are too high' (6%).

Overall Satisfaction with Council 2016 - 2021



In light of ongoing debate about the Shire's economic future, in 2021 Council asked respondents: *Some people think the Muswellbrook Shire should continue to focus on coal mining for its future prosperity, while others think it should be trying to diversify into other industries. Which category do you fall into?*

Some people think the Muswellbrook Shire should continue to focus on coal mining for its future prosperity, while others think it should be trying to diversify into other industries. Which category do you fall into?



Some other noteworthy findings included:

- The proportion of residents agreeing that “there are good employment prospects for locals” in Muswellbrook has risen 35% since the survey in 2016, while agreement that “I feel safe walking in my local streets at night” increased by 9%;
- When asked how Council should spend a hypothetical \$5m windfall, residents focussed predominantly on the need for additional youth facilities and services. Roads and parking were the second most-mentioned item, along with community events and facilities, and enhanced sporting facilities;
- Major perceived opportunities for the Shire in 2021 included additional retail (13%), more coal mining (10%), agriculture and agribusiness (7%), and new energy sources (6%).
- The largest challenges identified by respondents included the uncertain future of the coal industry and coal-fired power generation (28%) and related job insecurity or unemployment (16%).

Following is a list of Council's stakeholder groups, including how we engage and communicate with them and why our relationships are important.

WHO	HOW	WHY
Community	<ul style="list-style-type: none"> › Web: www.muswellbrook.nsw.gov.au › Social media › Publications › Community Panel › Community forums › Events & ceremonies › Council meetings › Council offices › Surveys › Annual Report 	<p>The community contributes knowledge, cultural experience, resources, ideas and feedback.</p> <p>Council provides leadership, partnership, representation, information and efficient and effective services and facilities.</p>
Ratepayers	<ul style="list-style-type: none"> › Web: www.muswellbrook.nsw.gov.au › Rates notices › Social media › Community Panel › Community forums › Events & ceremonies › Council meetings › Council offices › Surveys › Annual Report 	<p>Ratepayers contribute knowledge, cultural experience, resources, ideas and feedback.</p> <p>Council generates sustainable growth and return to the community.</p>
Council Staff	<ul style="list-style-type: none"> › The Magpie Newsletters › General Manager's Newsletter › General Manager's Forums › Manex › Managers' Meetings › Tool box talks › Posters › Intranet › Email › Staff events and training › Staff Awards › Staff satisfaction and well-being surveys 	<p>Staff members contribute valuable knowledge, skills and labour for our operations.</p> <p>Council provides employment, training opportunities and flexible and supportive work arrangements.</p>
Community, Sporting & Cultural Organisations	<ul style="list-style-type: none"> › Web: www.muswellbrook.nsw.gov.au › Grants programs › Sustainability Hub › Social media › Community Panel › Community forums › Events & ceremonies › Council meetings › Council offices › Surveys 	<p>The community contributes knowledge, cultural experience, resources, ideas and feedback.</p> <p>Council provides civic leadership, partnership, representation and efficient and effective services and facilities.</p>

Muswellbrook business and industry sector	<ul style="list-style-type: none"> › Web: www.muswellbrook.nsw.gov.au › Participation in MCCI breakfasts › Annual Report › Other publications › Meetings › Surveys 	<p>The local business and industry community provides employment and economic growth.</p> <p>Council provides guidance, support and opportunity.</p>
Visitors	<ul style="list-style-type: none"> › Web: www.muswellbrook.nsw.gov.au › Muswellbrook Visitor Information Centre › Upper Hunter Country Visitor Guide › Events 	<p>Visitors bring economic benefits to the Shire including more local employment opportunities.</p> <p>Council provides high standard facilities and services.</p>
Government	<ul style="list-style-type: none"> › Web: www.muswellbrook.nsw.gov.au › Formal meetings › Correspondence › Forums and Conferences › Compliance reporting › Grant applications and reporting 	<p>The Federal and NSW State Governments provide partnerships, funding and networking opportunities.</p> <p>Council provides resources, partnerships and networks.</p>
Media	<ul style="list-style-type: none"> › Media releases › Media alerts and briefings › Social media › Interviews › Paid advertising 	<p>The media raises the community's awareness of services, facilities, events, emergencies and issues of importance.</p> <p>Council contributes content and comment for publication and broadcast.</p>



5.Strategic Direction

5.1 HOW TO READ THIS CSP

Following is an explanation about the various elements of the CSP to help you navigate the plan:

Where do we want to be in 10 years? – The 6 CSP goals have been developed in consultation with the community. They are the community's long-term aspirations for the Shire and align with the community vision.

How will we get there? – These are the strategies that will guide Council over the term as it works towards achievement of the long-term goals, and community vision.

Theme – The 6 CSP goals and strategies are grouped under 6 themes or focus areas with a corresponding colour:

1. Economic Prosperity,
2. Social Equity,
3. Environmental Sustainability,
4. Cultural Vitality,
5. Community Infrastructure and
6. Community Leadership.

SOCIAL EQUITY

Where do we want to be in 10 years?

2. An inclusive and connected community, where everyone enjoys full participation

How will we get there?

- 2.1 Improve the affordability, liveability and amenity of Shire communities
- 2.2 Promote social cohesion and improve connectivity and the delivery of social services within the Shire
- 2.3 Retain and expand quality and affordable childcare services
- 2.4 Facilitate opportunities to expand seniors living
- 2.5 Enhance relationships and engagement with the local indigenous communities
- 2.6 Investigate opportunities to expand youth services and facilities

Who can help?

Muswellbrook Shire Council;
Australian Government;
NSW Government;
Community groups;
Aboriginal cultural groups;
Wanaruah Local Aboriginal Land Council;
Compass Housing;
Muswellbrook and Denman chambers of commerce and industry;
Business community;
Education and training providers;
Community service providers;
Telecommunications providers;
Upper Hunter Youth Services;
The community

Who can help? – Council has a custodial role in relation to the CSP and is not solely responsible for its implementation – we all have a part to play. This is the list of identified stakeholders and partners whose contribution, participation and support will be vital to the achievement of the community's long-term goals and vision. Strong partnerships between these organisations, groups and individuals will need to be fostered and nurtured if we are to reach our goals.

How will we know we have arrived? – The performance measures will allow us to benchmark, monitor and report on the community's progress towards the achievement of the long-term goals and the effectiveness of the applied strategies over the term. Each measure is linked to a data source – eg the Council's Community Satisfaction Survey or ABS data.

How will we know we have arrived?

Measure	Source
The proportion of people living and working in the Shire is increasing	Australian Bureau of Statistics
Increasing community satisfaction	Muswellbrook Shire Council Community Satisfaction Survey
Increasing Hunter regional wellbeing index	Regional Wellbeing Survey
The number of partnership projects with the local indigenous communities is increasing	

How our Social Equity goals and strategies align with State and Regional Priorities and Plans:

PREMIER'S PRIORITIES: a strong economy; highest quality education; breaking the cycle of disadvantage.

NSW 2021 – A plan to make NSW Number One: better protect the most vulnerable members of our community and break the cycle of disadvantage; increase opportunities for people with a disability by providing supports that meet their individual needs and realise their potential; prevent and reduce the level of crime; make it easier for people to be involved in their communities; increase opportunities for seniors in NSW to fully participate in community opportunity and partnership with Aboriginal

Housing 2041 – NSW Housing Strategy: enabling access to and promoting the use of data and evidence based decision-making; working with local governments and communities to achieve the NSW Government housing objectives.

NSW Disability Inclusion Access Plan 2021-2025: support inclusion for people with disability, and improve access to mainstream services and facilities

HUNTER REGIONAL PLAN 2036: create healthy built environments through good design; enhance access to recreational facilities and connect open spaces; revitalise existing communities; promote housing diversity; deliver infrastructure to support growth and communities.

DRAFT HUNTER REGIONAL PLAN 2041: plan for

How our goals and strategies align with State and Regional Priorities – The CSP is developed with due regard to the NSW Government's State Priorities and other relevant state and regional plans. Where the community goals align with broader regional and state priorities, state agencies, non-government organisations, business and industry, joint organisations and community groups may also be engaged in delivering the CSP strategies.

5.2 COMMUNITY VISION

“Engaging with our community to achieve an inclusive, vibrant and sustainable future”

5.3 COMMUNITY VALUES

We value:

Community Wellbeing

Economic Prosperity

Social Equity and Inclusion

Environmental Sustainability

Cultural Vitality

Open communication and community engagement

Collaborative, accountable and transparent community leadership



5.4 COUNCIL'S ROLE AND SERVICES

Local Government is the most responsive, agile and community driven level of government in Australia. Council, as the local government authority, is responsible for day-to-day community services and infrastructure, ranging from kerbside bin collection, local roads and the public swimming pools in Denman and Muswellbrook to the provision of water and sewer across the Shire. Council also operates the Regional Art Centre, the Denman Memorial Hall, libraries and other cultural activities for residents and visitors alike.

It is important to distinguish between local government (Council) and the State and Federal governments that have responsibility for other services (see Figure xx). The Federal Government is responsible for defence, trade, foreign affairs and the collection and distribution of tax, whereas the State Government looks after schools, hospitals, public transport and national parks.

Federal Government	State Government	Local Government (Council)
immigration	local governments	water and sewerage services*
foreign affairs	education (schools)	rubbish collection and recycling
quarantine	health (hospitals)	local roads maintenance
defence	public transport (buses and trains)	parking
trade	public housing	footpaths and cycleways
currency	prisons	building regulation
taxation	national parks	pet control
communications (post, phone and internet)	main roads	parks
aged care	consumer affairs	sports fields
Centrelink	emergency services	swimming pools
Medicare	utilities (water, electricity and gas supply)	libraries
banking	environment	community halls
marriage and divorce	child welfare	local events
insurance		

*provided by 89 of the 128 councils in NSW

Councils are not responsible for the decisions of private enterprise, although Muswellbrook Shire Council is committed through its Job Creation Fund to support and encourage local businesses to establish, grow and flourish in the Shire.

On behalf of the community Muswellbrook Shire Council maintains:



**a road network of
almost 628 km**



**approximately 86 kms
of stormwater drainage
measures and over 1,427
rural culverts**



67 car parks



**185 km of kerb
and guttering**



**47 km of footpaths
and cycleways**



24 parks



7 sporting fields



3 Cemeteries



2 Swimming Pools



11 Rural Fire Stations

Council manages, maintains and provides services to the Shire communities via community owned facilities and infrastructure including:

- › Denman and Muswellbrook libraries;
- › Denman and Muswellbrook aquatic centres;
- › Muswellbrook Waste and Recycling Centre;
- › Denman Waste Transfer Station;
- › Muswellbrook, Denman and Sandy Hollow water treatment plants;
- › Muswellbrook and Denman Recycled Water Treatment Works;
- › Works Depot;
- › Muswellbrook Administration Centre;
- › Community Halls (total number or list of names?);
- › Muswellbrook and Denman Indoor Sports Centres
- › Denman Memorial Hall
- › Muswellbrook Regional Arts Centre
- › Muswellbrook, Denman and Giants Creek Cemeteries

5.5 STAKEHOLDERS, PARTNERS AND AGENCIES

Council partners with the following corporations, organisations, trusts, joint ventures, syndicates (or other bodies):

- › Arts Upper Hunter
- › Australian Local Government Association
- › Community Consultation Groups for the mines in our Shire: Mangoola, Bengalla, Mt Pleasant, Mt Arthur, Muswellbrook Coal, Malabar Coal and Dartbrook Coal
- › Create NSW
- › Denman and District Development Association
- › Denman Chamber of Commerce
- › Destination NSW
- › Healthy and Well Upper Hunter
- › Hunter Joint Organisation Group Entities
- › Hunter Joint Organisation of Councils, including associated entity Strategic Services Australia
- › Hunter Research Foundation
- › Integrated Living Australia
- › Liddell Transition and Community Dialogue Group
- › Local Buying Foundation Advisory Committee (run by BHP)
- › Local Government Professionals
- › Muswellbrook Chamber of Commerce and Industry
- › National General Assembly of Local Government
- › NSW Health and Local Area Health
- › NSW Local Government Association
- › NSW Rural Fire and Emergency Services
- › NSW Sport and Recreation
- › NSW Water Directorate
- › Planning Institute of Australia (NSW division)
- › Regional Arts NSW
- › Richard Gill National Music Academy
- › Royal Lifesaving NSW
- › Sandy Hollow Progress Association
- › Standards Australia
- › State Library NSW
- › Statecover
- › Statewide Mutual
- › TAFE NSW
- › Transcare Services
- › University of Newcastle
- › Upper Hunter Community Services
- › Upper Hunter Conservatorium of Music
- › Upper Hunter Domestic Violence Service
- › Upper Hunter Drug and Alcohol Service
- › Upper Hunter Economic Diversification Working Party
- › Upper Hunter Homeless Services
- › Upper Hunter Landcare
- › Upper Hunter Mining Dialogue, (coordinated by NSW Minerals Council)
- › Upper Hunter Tourism
- › Upper Hunter Water Alliance
- › Upper Hunter Youth Services
- › Wanaruah Local Aboriginal Land Council

6. Goals, Strategies and Measuring Success



ECONOMIC PROSPERITY

Where do we want to be in 10 years?	How will we get there?	Who can help?
1. A dynamic local economy with full employment for current and future residents in a diverse range of high value industries	1.1 Support job growth within the Shire 1.2 Diversify the economy, facilitate the development of intensive agriculture, innovative manufacturing, health services and other growth industries 1.3 Facilitate greater access to higher education 1.4 Develop Muswellbrook as a regional centre	Muswellbrook Shire Council; Australian Government; NSW Government; Hunter Joint Organisation of Councils; Industry groups; Research & development organisations; Muswellbrook and Denman chambers of commerce and industry; Tertiary education providers; Telecommunications providers; Mining and energy producers; The community

How will we know we have arrived?	
Measure	Source
The Shire's employment growth reflects workforce growth	Australian Bureau of Statistics
Increasing Hunter Region business confidence & sentiment	Hunter Research Foundation
Increasing number and diversity of businesses and industries in the Shire	Australian Bureau of Statistics
Increase in local matriculation rates	Department of Education
Increasing community satisfaction	Muswellbrook Shire Council Community Satisfaction Survey

How our Economic Prosperity goals and strategies align with State and Regional Priorities and Plans:

PREMIER'S PRIORITIES: a strong economy; highest quality education; breaking the cycle of disadvantage.

NSW 2021 – A plan to make NSW Number One: improve the performance of the NSW economy; drive economic growth in regional NSW; strengthen the NSW skill base; improve education and learning outcomes for all students.

NSW 2040 Economic Blueprint - a population that is healthy, well-educated and skilled for high-income jobs of the future; a diversified economy in favour of fast-growing industries and services and be expanding quickly enough to lift living standards; productive and growing regions, serviced by world-class infrastructure and transport links; innovative businesses and industries of the future;

HUNTER REGIONAL PLAN 2036: enhance inter-regional linkages to support economic growth; transform the productivity of the Upper Hunter; develop advanced manufacturing, defence and aerospace hubs; promote innovative small business and growth in the service sectors; grow tourism in the region; protect and enhance agricultural productivity; manage the ongoing use of natural resources; diversify and grow the energy sector; protect the economic functions of employment land; deliver infrastructure to support growth and communities; strengthen the economic self-determination of Aboriginal communities.

(DRAFT) HUNTER REGIONAL PLAN 2041: diversify the Hunter's mining, energy and industrial capacity; ensure economic self-determination for Aboriginal communities; plan for businesses and services at the heart of healthy, prosperous and innovative communities.

SOCIAL EQUITY

Where do we want to be in 10 years?	How will we get there?	Who can help?
2. An inclusive and interconnected community, where everyone enjoys full participation	2.1 Improve the affordability, liveability and amenity of Shire communities 2.2 Promote social cohesion and improve connectivity and the delivery of social services within the Shire 2.3 Retain and expand quality and affordable childcare services 2.4 Facilitate opportunities to expand seniors living 2.5 Enhance relationships and engagement with the local indigenous communities 2.6 Investigate opportunities to expand youth services and facilities	Muswellbrook Shire Council; Australian Government; NSW Government; Community groups; Aboriginal cultural groups; Wanaruah Local Aboriginal Land Council; Compass Housing; Muswellbrook and Denman chambers of commerce and industry; Business community; Education and training providers; Community service providers; Telecommunications providers; Upper Hunter Youth Services; The community

How will we know we have arrived?	
Measure	Source
The proportion of people living and working in the Shire is increasing	Australian Bureau of Statistics
Increasing community satisfaction	Muswellbrook Shire Council Community Satisfaction Survey
Increasing Hunter regional wellbeing index	Regional Wellbeing Survey
The number of partnership projects with the local indigenous communities is increasing	Muswellbrook Shire Council internal measure

How our Social Equity goals and strategies align with State and Regional Priorities and Plans:

PREMIER'S PRIORITIES: a strong economy; highest quality education; breaking the cycle of disadvantage.

NSW 2021 – A plan to make NSW Number One: better protect the most vulnerable members of our community and break the cycle of disadvantage; increase opportunities for people with a disability by providing supports that meet their individual needs and realise their potential; prevent and reduce the level of crime; make it easier for people to be involved in their communities; increase opportunities for seniors in NSW to fully participate in community life; fostering opportunity and partnership with Aboriginal people.

Housing 2041 – NSW Housing Strategy: enabling access to and promoting the use of data and evidence based decision-making; working with local governments and communities to achieve the NSW Government housing objectives.

NSW Disability Inclusion Access Plan 2021-2025: support inclusion for people with disability, and improve access to mainstream services and facilities

HUNTER REGIONAL PLAN 2036: create healthy built environments through good design; enhance access to recreational facilities and connect open spaces; revitalise existing communities; promote housing diversity; deliver infrastructure to support growth and communities.

(DRAFT) HUNTER REGIONAL PLAN 2041: plan for "Nimble Neighbourhoods", diverse housing and sequenced development

ENVIRONMENTAL SUSTAINABILITY

Where do we want to be in 10 years?	How will we get there?	Who can help?
3. An environmentally sensitive and sustainable community	3.1 Advocate for best practice mined-land rehabilitation to include local workforce participation, progressive, quality final landforms, and fewer and shallower voids 3.2 Improve native vegetation connectivity across the upper hunter 3.3 Enhance our local rivers and creeks to ensure that they are utilised and valued 3.4 Support initiatives which reduce the community's impact on the environment 3.5 Support federal and state initiatives to reduce the impacts of climate change	Muswellbrook Shire Council; Australian Government; NSW Government; Hunter Joint Organisation; Local mines and mining industry groups; Development Industry; Research and development orgs; Landcare; Community groups; Muswellbrook and Denman chambers of commerce and industry; Business community; Energy providers; The community

How will we know we have arrived?	
Measure	Source
Increasing community satisfaction	Muswellbrook Shire Council Community Satisfaction Survey
Increasing native biodiversity in the Shire's natural areas	Muswellbrook Shire Council internal measure
Rivers and creeks are a recognised recreational destination	Muswellbrook Shire Council Community Satisfaction Survey
Muswellbrook's heat profile is improving	Muswellbrook tree-canopy survey
Decreasing waste to landfill/increasing material separated from waste for recycling	Muswellbrook Shire Council internal measure

How our Environmental Sustainability goals and strategies align with State and Regional Priorities and Plans

PREMIER'S PRIORITIES: Well-connected communities with quality local environments

NSW 2021 – A plan to make NSW Number One: protect our natural environment; increase opportunities for people to look after their own neighbourhoods and environments; ensure NSW is ready to deal with major emergencies and natural disasters

NSW DPIE – Net Zero Plan, Stage 1: 2020 – 2030: drive uptake of proven emissions reduction technologies;

empower consumers and businesses to make sustainable choices; invest in the next wave of emissions reduction innovation; ensure the NSW Government leads by example

HUNTER REGIONAL PLAN 2036: protect and connect natural areas; sustain water quality and security; increase resilience to hazards and climate change

(DRAFT) HUNTER REGIONAL PLAN 2041: increase green infrastructure and quality public spaces and improve the natural environment; reach net zero and increase resilience and sustainable infrastructure

CULTURAL VITALITY

Where do we want to be in 10 years?	How will we get there?	Who can help?
4. A culturally rich and diverse Community with strong identities, history and sense of belonging	4.1 Conserve the heritage and history of the Shire 4.2 Facilitate options to improve participation in cultural activities in the Shire 4.3 Host and support a diverse range of cultural activities and events which create a sense of identity and belonging, engage the local community and attract visitors	Muswellbrook Shire Council; Australian Government; NSW Government; Hunter Joint Organisation of Councils; Research and development organisations; Sporting and leisure organisations; Cultural groups; Muswellbrook and Denman chambers of commerce and industry; Business community; The community

How will we know we have arrived?	
Measure	Source
Number of properties receiving Local Heritage Fund payments is trending upwards	Muswellbrook Shire Council internal measure
Increasing community satisfaction	Muswellbrook Shire Council Community Satisfaction Survey
Increasing attendances at Council events	Muswellbrook Shire Council internal measure

How our Cultural Vitality goals and strategies align with State and Regional Priorities and Plans:

PREMIER'S PRIORITIES: a strong economy

NSW 2021 – A plan to make NSW Number One: make it easier for people to be involved in their communities; enhance cultural, creative, sporting and recreation opportunities

HUNTER REGIONAL PLAN 2036: grow tourism in the region; identify and protect the region's heritage; revitalise existing communities

COMMUNITY INFRASTRUCTURE

Where do we want to be in 10 years?	How will we get there?	Who can help?
5. Effective and efficient infrastructure that is appropriate to the needs of our community	5.1 Construct and maintain well-planned community infrastructure that is safe, reliable, and provides agreed levels of service 5.2 Improve all abilities access to Council facilities 5.2 Provide safe, secure and reliable water supply and sewer services 5.3 Ensure road, footpath and cycleway networks are integrated and allow for the safe movement of residents and visitors	Muswellbrook Shire Council; NSW Government; Transport for NSW; Department of Planning; Environment and Industry; Developers; Mining and energy providers; The community

How will we know we have arrived?	
Measure	Source
Asset condition inspections demonstrate asset condition trending upwards	Muswellbrook Shire Council internal measure
Local infrastructure delivery supports planned growth and community needs	Muswellbrook Shire Council internal measure
Increasing number of accessibility upgrades at Council facilities	Muswellbrook Shire Council internal measure
Annual quality audits indicate compliance with best practice	Audit reports to Council
Increasing amount of new shared pathways	Compliance with Council's adopted Active Transport Strategy
Increasing community satisfaction	Muswellbrook Shire Council Community Satisfaction Survey

How our Community Infrastructure goals and strategies align with State and Regional Priorities and Plans:

PREMIER'S PRIORITIES: a strong economy; well-connected communities with quality local environments

NSW 2021 – A plan to make NSW Number One: invest in critical infrastructure; build liveable centres; secure potable water supplies; ensure NSW is ready to deal with major emergencies and natural disasters

HUNTER REGIONAL PLAN 2036: grow centres and renewal corridors; deliver infrastructure to support growth and communities

COMMUNITY LEADERSHIP

Where do we want to be in 10 years?	How will we get there?	Who can help?
6. Collaborative and responsive leadership that meets the expectations and anticipates the needs of the community	6.1 Enable genuine and well-informed community participation in decision making 6.2 Ensure Council is well managed, appropriately resourced, effective, efficient, accountable and responsive to its communities and stakeholders 6.3 Ensure Council is a best practice employer providing a safe, happy, suitably resourced and productive workplace	Muswellbrook Shire Council; NSW Government; Audit, Risk and Improvement Committee; Councillors and Council staff; The Community

How will we know we have arrived?	
Measure	Source
Increasing number of unique users, page views and time spent on Council's website	Muswellbrook Shire Council internal measure
Increasing number of people following Council on Facebook and LinkedIn	Muswellbrook Shire Council internal measure
Increasing community and customer service satisfaction	Community Satisfaction Survey
Increasing staff wellbeing index	Staff Satisfaction and Wellbeing Survey

How our Community Leadership goals and strategies align with State and Regional Priorities and Plans:

PREMIER'S PRIORITIES: a strong economy; well-connected communities with quality local environments; putting customer at the centre of everything we do

NSW 2021 – A plan to make NSW Number One: restore confidence and integrity in the planning system; restore trust in State and Local Government as a service provider; improve government transparency by increasing access to government information; involve the community in decision making on government policy, services and projects

HUNTER REGIONAL PLAN 2036: monitor housing and employment supply and demand

7. Democratic Governance

THE GOVERNING BODY

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

The Mayor and Councillors

The Mayor holds a number of Council delegations and some statutory responsibilities to make determinations on behalf of the Governing Body of the Council between Council meetings. The Mayor is responsible to the Governing Body for the determinations he or she makes.



MAYOR – Councillor Steve Reynolds

Second term councillor Steve was born and raised in Muswellbrook and is now raising his own family in the Shire. He was elected Mayor of

Muswellbrook in January 2022 and, as a lifetime local, fully understands the history, spirit and needs of the town and its surrounding areas. His priorities include upholding the pledge to improve communication and engagement within the community and delivering key capital projects alongside a team of dedicated councillors.



Councillor Amanda Barry

First term councillor and Denman resident, Amanda is looking forward to being part of a strong council that can be trusted and respected.

An advocate of community engagement, she wants to create a shared vision for the future which includes efficient and effective services and protection and enhancement of the natural environment.

Amanda.Barry@muswellbrook.nsw.gov.au



DEPUTY MAYOR – Councillor Jennifer Lecky

As a life member of the Australian Local Government Women's Association (NSW) and offering many years of invaluable experience on

Council, Jennifer's passions are her community and supporting women entering politics.

During the current term she would like to see revenue contributions from mining companies used to benefit the community and work towards developing a vibrant region.

Jennifer.Lecky@muswellbrook.nsw.gov.au



Councillor Mark Bowditch

Second term councillor Mark is involved in the environmental revegetation industry and runs trainee programs for young people giving them practical skills to enhance

future opportunities.

He wants to represent the community without an agenda, support homeowners on issues around development in the Shire and focus on listening to residents.

Mark.Bowditch@muswellbrook.nsw.gov.au



Councillor De-Anne Douglas

First term councillor and long-term Muswellbrook resident, De-Anne brings a wealth of local knowledge and experience to the role.

As manager of the Muswellbrook PCYC for more than 15 years she has developed deep community connections and a strong local voice. Her priorities include improved access to medical services and delivering the planned Community Hub.

De-Anne.Douglas@muswellbrook.nsw.gov.au



Councillor Jeff Drayton

Born and raised in Denman before relocating to Muswellbrook and with previous experience on Council Jeff wants to see this new Council refocus on real

issues and best outcomes for the community.

While acknowledging that Council is financially strong he wants to ensure that consultations with stakeholders are strong and transparent.

Jeff.Drayton@muswellbrook.nsw.gov.au



Councillor Louise Dunn

Long-term resident, schoolteacher and first term councillor Louise has a strong sense of community and has resolved to bring the Shire back to being caring and

compassionate.

While acknowledging that carbon neutrality and sustainable energy is the way of the future, she also understands that coal mining is vital to the economy and would also like to see more parks and open spaces.

Louise.Dunn@muswellbrook.nsw.gov.au



Councillor Rohit Mahajan

Born in India, Rohit is now a proud Australian citizen, Muswellbrook resident and successful businessman.

Running his own business puts him face-to-face with the community daily and he shares their concerns regarding local business and employment opportunities. With sound relationships in place, he wants to be their voice on Council.

Rohit.Mahajan@muswellbrook.nsw.gov.au



Councillor Darryl Marshall

A shire resident for 56 years, first term councillor Darryl has worked across the wine, agriculture and coal industries and ran his own contracting business for 20 years.

Now semi-retired he has the time to commit to Council and pledges to serve the people of the region, work hard for the community and bring a vibrant voice to Council.

Darryl.Marshall@muswellbrook.nsw.gov.au



Councillor Graeme McNeill

Incumbent councillor Graeme is in his third term on Council. As spokesperson for sport and recreation in the previous two terms, Graeme's priorities include pathways, cycleways,

improvements to roads and investment in the Shire's youth.

His hope for this new term is for Council to have a strong focus on community engagement.

Graeme.McNeill@muswellbrook.nsw.gov.au

**Councillor Rod Scholes**

Third term councillor and Muswellbrook resident since 1982 Rod and his family have contributed greatly to the Shire community.

He has served as deputy mayor and mayor during his time on Council and brings a wealth of experience to the table. He wants to continue to improve the Shire's liveability, infrastructure and services.

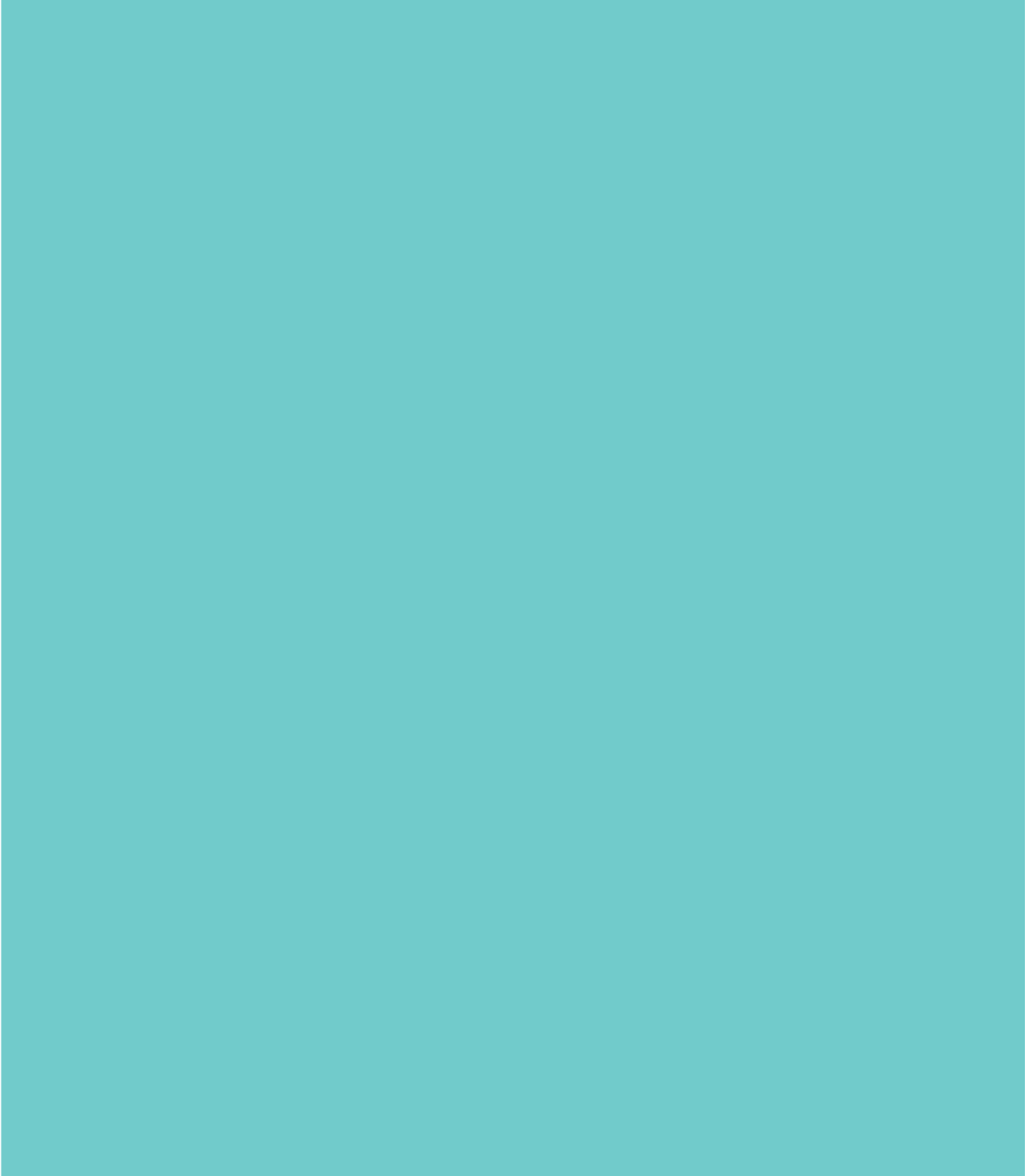
Rod.Scholes@muswellbrook.nsw.gov.au

**Councillor Brett Woodruff**

With strong connections to the Shire spanning four decades, Denman resident Brett wants to continue to represent the region with both head and heart.

Council's longest serving councillor, this is his sixth term, he is determined to provide residents with guidance, support and governance. His mantra is to look back and appreciate the past, enjoy the now and plan for the future.

Brett.Woodruff@muswellbrook.nsw.gov.au





muswellbrook.nsw.gov.au



12.15 ADDITIONAL RATE VARIATION - APPLICATION PROPOSAL

Attachments:	A. Minister for Local Government - Guidelines for Additional Special Rates Variation Process for 2022-23
Responsible Officer:	Fiona Plesman - General Manager
Author:	David Walsh - Manager - Corporate Services & Chief Financial Officer Josh Hogan - Financial Controller
Community Plan Issue:	<i>A Council that is well managed, efficient and properly resourced and that is responsive to its communities and stakeholders</i>
Community Plan Goal:	<i>Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves.</i>
Community Plan Strategy:	<i>Work towards the achievement of a sustainable Operating Budget result in the General Fund.</i>

PURPOSE

Provide Councillors information in order to decide on whether to support an additional special variation (ASV), and endorse an application by Council to IPART to seek a rate increase.

OFFICER'S RECOMMENDATION

Council endorse an application to IPART seeking an additional rate variation of 1.8%.

Moved: _____ **Seconded:** _____

BACKGROUND

IPART annually reviews council rates and charges and sets the maximum increase councils can apply to their general income from these charges – this is called the rate peg. For the budget period 2022/23, IPART has set a limit of 0.7%. This report seeks to outline the impacts that the low-rate peg will have on Council. Furthermore, IPART has provided for an Additional Special Variation (ASV) through an application to be made by 29th April 2020, with the ability for Council's to apply for a rate increase consistent with their 2021/22 LTFP. As such, this report will also provide an overview of how an additional increase of 1.8% could enable Council to provide a maintained level of service to the community.

CONSULTATION

Mayor

General Manager

Deputy General Manager

Financial Controller

Manex

Finance Committee

REPORT

Due to on-going cost pressures across Councils and a decision by IPART to set the rate peg at 0.7%, Councils across NSW have been put into a position of difficulty. As a result, IPART have released an

additional round of special variations (ASV) that Councils are able to apply for. In a departure from traditional SRV applications, the ASV is to be based on a simple application process allowing for Council's to seek permissions to increase their rates, provided Council endorses such an application through resolution, and that amounts sought are reasonable.

IPART are still to release all documentation and the application, so to date Council officers are limited in the information they are able to provide, however, some high-level modelling has been done to provide community impacts for the successful application of an ASV at different levels.

Rate Category	No. of Assess.	Increase at 0.70%	Increase at 2.50%	Increase at 4.00%	Increase at 5.00%	Avg Increase at 0.70%	Avg Increase at 2.50%	Avg Increase at 4.00%	Avg Increase at 5.00%	Avg Increase at 2.50% vs 0.7%	Avg Increase at 4.00% vs 0.7%	Avg Increase at 5.00% vs 0.7%
Residential	6,603	\$ 40,456	\$ 144,485	\$ 231,177	\$ 288,971	\$ 6	\$ 22	\$ 35	\$ 44	\$ 16	\$ 29	\$ 38
Business	631	\$ 12,724	\$ 45,442	\$ 72,707	\$ 90,883	\$ 20	\$ 72	\$ 115	\$ 144	\$ 52	\$ 95	\$ 124
Farmland	474	\$ 10,404	\$ 37,156	\$ 59,449	\$ 74,311	\$ 22	\$ 78	\$ 125	\$ 157	\$ 56	\$ 103	\$ 135
Mining	9	\$ 74,690	\$ 266,751	\$ 426,801	\$ 533,502	\$ 8,299	\$ 29,639	\$ 47,422	\$ 59,278	\$ 21,340	\$ 39,123	\$ 50,979
Power Generation (Business)	2	\$ 1,924	\$ 6,871	\$ 10,994	\$ 13,742	\$ 962	\$ 3,436	\$ 5,497	\$ 6,871	\$ 2,474	\$ 4,535	\$ 5,909
Grand Total	7,719	\$ 140,197	\$ 500,705	\$ 801,128	\$ 1,001,409	\$ 18	\$ 65	\$ 104	\$ 130	\$ 47	\$ 86	\$ 112
Impact vs 0.7%			\$ 360,507	\$ 660,930	\$ 861,212							

- **What would be the overall revenue impact to apply an additional 1.8% in rates increases?**
 - @2.5% → 360k
 - @ 4% → 660k
 - @ 5% → 860k
- **What would that mean to the average household/business?**
 - @2.5% → \$16
 - @4% → \$29
 - @5% → \$38
- **How would that benefit the council over the medium term?**
 - 10-year cumulative additional revenue impact of around \$3.9m (@2.5% vs 0.7%; assuming 2% in subsequent years)
 - @4% → \$7.2m
 - @5% → \$9.4m
 - Without the increase, Council services would have to reduce (e.g. Reduced road maintenance and renewals, parks maintenance, etc)

Based on impacts to households and businesses being reasonable, it is proposed that Council endorse council officers to make an application to IPART for an ASV.

OPTIONS

1. Endorse Council Officers to apply to IPART for an additional special variation (ASV) of, at a minimum, 1.8%, or
2. Leave the current rate increase as set by IPART at 0.7%.

CONCLUSION

Council officers recommend council endorse an application to IPART for an ASV.

SOCIAL IMPLICATIONS

As per the report.

FINANCIAL IMPLICATIONS

As per the report.

POLICY IMPLICATIONS

Nil

STATUTORY IMPLICATIONS

Nil

LEGAL IMPLICATIONS

Nil

OPERATIONAL PLAN IMPLICATIONS

Nil

RISK MANAGEMENT IMPLICATIONS

Nil

WASTE MANAGEMENT IMPLICATIONS

Nil

COMMUNITY CONSULTATION/MEDIA IMPLICATIONS

Nil



The Hon. Wendy Tuckerman MP
Minister for Local Government

Ms Fiona Plesman
General Manager
Muswellbrook Shire Council
PO Box 122
MUSWELLBROOK NSW 2333

Clr Steve Reynolds
Mayor
Muswellbrook Shire Council

Via email: council@muswellbrook.nsw.gov.au

Dear Ms Plesman and Clr Reynolds,

I am writing to advise that I have arranged for a new, special rates variation opportunity for the 2022-23 financial year. This one-off opportunity will support councils that had budgeted for a larger income increase than received when IPART announced its annual rate peg in December 2021.

I have carefully listened to the concerns of councils and others about the impact of the 0.7 per cent general rate peg and have taken immediate steps to respond. This new special rates variation opportunity, coupled with IPART's review of the methodology used to determine the general component of the annual rate peg, demonstrates that the NSW Government is serious about ensuring that our councils are financially sustainable so they can continue to deliver the key services and infrastructure communities need.

For councils wishing to avail themselves of this new opportunity, the Office of Local Government (OLG) has issued Circular 22-03 outlining the process to be followed. As advised in the Circular, IPART will release streamlined application forms and further information shortly.

I am pleased to be able to make this opportunity available to you, and would encourage your council to consider the guidance provided by OLG in Circular 22-03 when making its decision about whether to take it up.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Wendy Tuckerman'.

The Hon. Wendy Tuckerman MP
Minister for Local Government

13 REPORTS FROM COMMITTEES

13.1 REPORT OF THE LOCAL TRAFFIC COMMITTEE MEETING HELD ON TUESDAY, 8 MARCH 2022

Attachments:	Nil
Responsible Officer:	Derek Finnigan - Deputy General Manager
Author:	Imelda Williams - Technical Officer - Traffic & Roads
Community Plan Issue:	<i>Our community's infrastructure is planned well, is safe and reliable and provides required levels of service</i>
Community Plan Goal:	<i>Facilitate investment in high quality community infrastructure necessary to a regional centre.</i>
Community Plan Strategy:	<i>Investigate and recommend appropriate management treatments for road safety and traffic management.</i>

PURPOSE

To facilitate Council's adoption of the recommendations of the meeting of the Local Traffic Committee held on 8 March 2022.

OFFICER'S RECOMMENDATION

The Minutes of the Local Traffic Committee Meeting held on Tuesday 8 March 2022 be received and the recommendations contained therein ADOPTED.

Moved: _____ Seconded: _____

REPORT

The Local Traffic Committee met on Tuesday 8 March 2022.

The Minutes of the meeting are attached for the information of the Councillors.

PRESENT: Cr M. Bowditch (Chairperson), Cr D. Marshall, Ms A. McGrath (Transport for NSW), Mr M. Kelly (Representing Member for Upper Hunter), Ms A. Sweeney (NSW Police) and Mrs K. Scholes (Manager – Roads, Drainage & Technical Services).

IN ATTENDANCE: Mrs I. Williams (MSC)

1 APOLOGIES AND LEAVE OF ABSENCE

Nil

2 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

RECOMMENDED that:

The Minutes of the Local Traffic Committee held on 13 July 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 ELECTION OF CHAIR

RECOMMENDED that:

Cr Mark Bowditch be elected Chair and Cr Darryl Marshall be elected Alternate Delegate/Deputy Chair of the Local Traffic Committee.

VOTE: Unanimous Support

5.2 SCOPE AND ROLE OF COMMITTEE

Ms McGrath provided the Committee with a brief presentation of the scope and role of the committee. A copy of the presentation is attached to the Minutes as Appendix A.

The information contained in this report be noted.

VOTE: Unanimous support

5.3 ROAD CLOSURES TO CONDUCT THE ANZAC DAY CEREMONY AND MARCH

RECOMMENDED that:

Council uses its delegated authority to approve the following road closures on Monday 25 April, 2022 to conduct the ANZAC Day March and Ceremony:

MINUTES OF THE LOCAL TRAFFIC COMMITTEE MEETING OF THE MUSWELLBROOK SHIRE COUNCIL HELD IN THE COUNCILLORS ROOM, ADMINISTRATION CENTRE, MUSWELLBROOK ON TUESDAY 8 MARCH, 2022 COMMENCING AT 2:00PM.

Muswellbrook

1. The New England Highway between Sydney and Hill Streets from approximately 5:30 a.m. to 6:30 a.m. and approximately 9:30 a.m. to 12:30 p.m. subject to Transport for NSW approval;
2. Market Street between Carl & Bridge Streets from 5:30 a.m. to 6:30 am and 9:00am to 12:30pm and
3. William Street between Market & Sowerby Streets from 5:30am to 6:30am and 9:00 a.m. to 12:30pm

Denman

4. Palace Street from the Crinoline to Ogilvie Streets (11:30 a.m. to 1:00 p.m.)
5. Ogilvie Street from Palace to Paxton Streets (11:30 a.m. to 1:00 p.m.)
6. Paxton Street from Ogilvie to Crinoline Streets (11:30 a.m. to 1:00 p.m.)
7. Isobel Street (11:30am to 1:00 p.m.)

subject to Transport for NSW (TfNSW) approval, Traffic Control personnel having the appropriate TfNSW approved qualifications, the provision of the RSL public liability insurance cover for a minimum of \$20,000,000 for the event and the National Heavy Vehicle Regulator to be advised of the road closures.

VOTE: Unanimous Support

5.4 ROAD CLOSURES TO CONDUCT THE DENMAN ANTIQUE TRUCK PARADE AND STREET FAIR - SATURDAY 23 APRIL, 2022

RECOMMENDED that:

Council uses its delegated authority to approve the closure of Ogilvie Street, Denman, on Saturday 23 April 2022 from 8:00 a.m. to 4.00 p.m. under the following conditions:

- Road users must be advised of the road closure prior to the event (variable message boards/notification in the local paper etc);
- Traffic management plan (prepared by suitably qualified personnel) to include traffic guidance scheme, parking and access arrangements to the event;
- A letterbox drop must be undertaken to the affected residents;
- All emergency services must be advised of the road closure and provisions made for access through the site if required;
- All traffic control personnel to have the appropriate TfNSW approved qualifications;
- The event is to be covered by public liability insurance for a minimum of \$20m coverage;
- NSW Police are to be advised of the event and provisions for any counter terrorism threat to be followed if required.

VOTE: Unanimous support

7 DATE OF NEXT MEETING

12 April 2022

8 CLOSURE

The meeting was declared closed at 3:20pm.

.....
Cr M. Bowditch

Chairperson

Appendix A



Transport
for NSW

Traffic Committees – Purpose and Scope

- Transport for NSW (TfNSW) is legislated as the organisation responsible for the control of traffic on all roads in New South Wales.
- TfNSW manages the control of traffic on all State Roads.
- In order to effectively deal with the number and range of traffic related matters on non-State Roads, certain aspects of the control of traffic on Regional and Local Roads is delegated to the Councils of Local Government areas.
- Traffic committees are a requirement of the delegation process.

1

Types of Traffic Committees

There are two types of traffic committees:

- Local Traffic Committee (LTC) - The LTC is primarily a technical review committee, which is required to advise the Council on matters referred to it by Council. These matters must be related to prescribed traffic control devices and traffic control facilities for which Council has delegated authority. The LTC should consider the technical merits of any proposal and ensure that the proposal meets current technical guidelines.
- Regional Traffic Committee (RTC) - The RTC operates across the state and deals with appeals from members of LTCs. TfNSW and Police members of the LTC can lodge appeals. Appeals can also be lodged if Council wishes to take action either contrary to the unanimous advice of the LTC, or when the advice is not unanimous.

2

Functions Delegated to Council

The functions delegated to Council for the control of traffic on Regional and Local Roads are:

- Authorisation of prescribed traffic control devices - signs, pavement markings or devices placed or erected for the purpose of regulating, warning or directing traffic and/or pedestrians.
- Regulation of traffic - regulating traffic includes implementing road closures and other physical restrictions to carry out work on a road.
- Authorisation of special event parking schemes on public roads, other than classified roads – e.g. Anzac Day Celebrations.

3

Council responsibilities

The Council has responsibility for:

- exercising the delegated functions related to the Roads Act 1993
- seeking the advice of the NSW Police and TfNSW prior to exercising delegated functions
- obtaining the views of local residents affected by any proposal, if required
- preparing Traffic Management Plans (TMP), if required
- coordination and administration of LTC meetings

4

TfNSW responsibilities

TfNSW has responsibility for:

- reviewing any TMPs submitted
- providing advice on Council proposals referred to the LTC
- appointing the Chairperson of the RTC
- providing secretarial services to the RTC

5

NSW Police and Local Member responsibilities

NSW Police have responsibility for:

- providing advice on Council proposals referred to the LTC

The local Member of Parliament has responsibility for:

- providing advice on Council proposals referred to the LTC
- nominating someone to represent them if necessary

6

Members of the Local Traffic Committee

The LTC is to be made up of four formal members:

- one representative of Council (Councillor or Council officer)
- one representative of the NSW Police
- one representative of TfNSW
- the local Member of Parliament (MP) or their nominee.

*Where a Council LGA is represented by more than one MP, or covered by more than one NSW Police LAC, additional members/officers are entitled to be members of the LTC.

Additional members/officers are only permitted to vote on matters that affect their electorate or LAC.

7

Members of the Local Traffic Committee

- There is no minimum number of attendees required at an LTC, however any advice can only be returned to the elected Council by the LTC if the views of TfNSW and the NSW Police have been obtained.
- The Council (in consultation with the formal members of the LTC) may also decide to have additional informal (non-voting) advisors to the LTC who can provide input into the process - Road Safety Officer, Bus operator representative, etc.
- Council must consult with the Ministry of Transport where public passenger transport matters are affected.

8

Public Participation in Local Traffic Committees

- LTC members can agree to allow residents, or other interested stakeholders, to address the committee
- Residents, or other interested stakeholders, do not have voting powers at the LTC
- The merits of any proposed traffic scheme, from a public perspective, is the responsibility of the Council and thus residents views should be taken into account by the Council rather than the LTC.

9

Site Inspections

- It is recommended that each member of the LTC undertake a site inspection prior to considering any proposal
- This site visit may be undertaken individually by LTC members, or may be organised by Council as a joint visit.

10

Traffic issues outside of LTC Delegation

- Councils often require advice on difficult traffic problems or wish to discuss traffic issues, which are outside the LTC Delegation (e.g. installation of speed limits or traffic control signals).
- These matters should not be dealt with as formal items by the LTC, however they can be included on the agenda under a separate 'Informal Items' section. Informal items should only be dealt with following the completion of the formal LTC items.
- Any outcomes from discussions on informal items cannot be included in the LTC report to the Council.

11

Voting on Local Traffic Committees

Voting members include:

- one representative of Council (Councillor or Council officer)
- one representative of the NSW Police
- one representative of TfNSW
- the local Member of Parliament (MP) or their nominee.

While an organisation, which is a voting member, may choose to send more than one representative, that organisation is still limited to one vote only.

12

Voting on Local Traffic Committees

LTC advice to Council on a proposal referred to it by Council must be one of the following:

- 1) unanimous support;
- 2) majority support;
- 3) Split vote;
- 4) minority support;
- 5) or unanimous decline.

13

Voting on Local Traffic Committees

A Council's action on the LTC advice will be:

- (a) If Council is in agreement with the LTC unanimous support then the proposal may be approved
- (b) If Council is in agreement with the LTC unanimous support, but no longer wants to proceed, the proposal may still be rejected
- (c) If Council is in agreement with the LTC unanimous decline then the proposal may be rejected
- (d) If Council decides to proceed with a proposal where the advice of the LTC is not unanimous support, then the Council must first advise TfNSW and the NSW Police representatives in writing of their intention to approve the proposal.

TfNSW or the NSW Police may then lodge an appeal to the RTC.

*See pages 8 – 25 in the Traffic Committee Guidelines for useful flow charts.

14

Other useful documents

Roads Act 1993 - <https://legislation.nsw.gov.au/view/html/inforce/current/act-1993-033>

STMA – Road Transport (Safety and Traffic Management) Act 1999 -
<https://www.legislation.act.gov.au/a/1999-80/>

STMR – Road Transport (Safety and Traffic Management) Regulation 1999 -
<https://www.legislation.nsw.gov.au/#/view/regulation/1999/623>

Portable Traffic Signals Guide to Use - <https://roads-waterways.transport.nsw.gov.au/business-industry/partners-suppliers/documents/specifications/tsi-sp-049.pdf>

Traffic Signs database - <https://roads-waterways.transport.nsw.gov.au/cgi-bin/index.cgi?action=searchtrafficsigns.form>

TfNSW General Maintenance Requirements - <https://roads-waterways.transport.nsw.gov.au/business-industry/partners-suppliers/documents/specifications/m1.pdf>

**13.2 REPORT OF THE STATE SIGNIFICANT DEVELOPMENT MEETING
HELD ON MONDAY, 21 MARCH 2022**

Attachments:	Nil
Responsible Officer:	Fiona Plesman - General Manager
Author:	Michelle Sandell-Hay - PA to the General Manager
Community Plan Issue:	<i>A Council that is well managed, efficient and properly resourced and that is responsive to its communities and stakeholders</i>
Community Plan Goal:	<i>Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves.</i>
Community Plan Strategy:	<i>Appropriate matters are reported to Council in a timely manner in accordance with the Financial Control and Reporting Policy.</i>

PURPOSE

To inform Council of a meeting of the State Significant Development held on 21 March 2022.

OFFICER'S RECOMMENDATION

The minutes for the State Significant Development meeting held on Monday 21 March 2022 be NOTED.

Moved: _____ Seconded: _____

REPORT

The Executive Officer reports that the State Significant Development met on Monday 21 March 2022.
The minutes of the meeting are attached for the information of the Councillors.

**13.3 REPORT OF THE FINANCE REVIEW AND ADVISORY COMMITTEE
MEETING HELD ON THURSDAY, 24 MARCH 2022**

Attachments:	Nil
Responsible Officer:	Fiona Plesman - General Manager
Author:	Michelle Sandell-Hay - PA to the General Manager
Community Plan Issue:	<i>A Council that is well managed, efficient and properly resourced and that is responsive to its communities and stakeholders</i>
Community Plan Goal:	<i>Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves.</i>
Community Plan Strategy:	<i>Appropriate matters are reported to Council in a timely manner in accordance with the Financial Control and Reporting Policy.</i>

PURPOSE

To inform Council of a meeting of the Finance Review and Advisory Committee held on 24 March 2022.

OFFICER'S RECOMMENDATION

The minutes for the Finance Review and Advisory Committee meeting held on Thursday 24 March 2022 be NOTED.

Moved: _____ Seconded: _____

REPORT

The Executive Officer reports that the Finance Review and Advisory Committee met on Thursday 24 March 2022.

The minutes of the meeting are attached for the information of the Councillors.

14 NOTICES OF MOTION / RESCISSION**14.1 FOOD AND GARDEN ORGANICS COLLECTION****Attachments:** Nil**Responsible Officer:** Fiona Plesman - General Manager

Councillor Brett Woodruff has indicated his intention to move the following motion at the next Ordinary Council Meeting on 5 April 2022, as follows:

MOTION

1. Muswellbrook Shire Council incorporate a food organics & garden organics (FOGO) collection into our waste management scheme.
2. That the timing of the introduction of said service be at the best advantage to the current contract for waste collection, the expertise of Council staff and the provision of the service to our community.

Moved: _____ **Seconded:** _____

14.2 NOTICE OF MOTION COUNCILLOR MCNEILL**Attachments:** Nil**Responsible Officer:** Fiona Plesman - General Manager

Councillor McNeill has indicated his intention to move the following motion at the next Ordinary Council Meeting on 5th April, as follows:

MOTION**Background:**

Our Shire has some fantastic attractions, parks and other facilities. I feel it is essential that we promote these to drive economic benefit and tourism to our Shire and showcase what Muswellbrook Shire has to offer.

MOTION:

That the General Manager submits a report to the May 2022 ordinary meeting for the consideration of Council, which:

1. outlines a project plan for the development of an externally produced tourism video and photographic package to showcase our Shire;
2. identifies specific Shire businesses and recreational facilities to be featured in the package;
3. estimates the financial and associated resources required to complete the project;
4. identifies an available source of funding in the adopted 2021/22 budget for allocation to the project.

Moved: _____ **Seconded:** _____

RESPONSE BY GENERAL MANAGER

A report as requested can be provided to the May Ordinary Meeting of Council.

15 QUESTIONS WITH NOTICE

Nil

16 COUNCILLORS REPORTS**17 QUESTIONS FOR NEXT MEETING****18 ADJOURNMENT INTO CLOSED COUNCIL**

In accordance with the Local Government Act 1993, and the Local Government (General) Regulation 2005, business of a kind referred to in Section 10A(2) of the Act should be dealt with in a Confidential Session of the Council meeting closed to the press and public.

19 CLOSED COUNCIL**RECOMMENDATION**

Council adjourn into Closed Session and members of the press and public be excluded from the meeting of the Closed Session, and access to the correspondence and reports relating to the items considered during the course of the Closed Session be withheld unless declassified by separate resolution. This action is taken in accordance with Section 10A(2) of the Local Government Act, 1993 as the items listed come within the following provisions:

19.1 TENDER 2021-2022-500 - DENMAN AND DISTRICT HERITAGE VILLAGE

Item 19.1 is classified CONFIDENTIAL under the provisions of Section 10A(2)(c) of the local government act 1993, as it deals with information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business, and Council considers that discussion of the matter in an open meeting would be, on balance, contrary to the public interest.

19.2 HUNGERFORD ROAD MAINTENANCE AND ACCESSIBILITY

Item 19.2 is classified CONFIDENTIAL under the provisions of Section 10A(2)(b) of the local government act 1993, as it deals with discussion in relation to the personal hardship of a resident or ratepayer, and Council considers that discussion of the matter in an open meeting would be, on balance, contrary to the public interest.

19.3 RICHMOND GROVE ROAD

Item 19.3 is classified CONFIDENTIAL under the provisions of Section 10A(2)(g) of the local government act 1993, as it deals with advice concerning litigation, or advice as comprises a discussion of this matter, that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege, and Council considers that discussion of the matter in an open meeting would be, on balance, contrary to the public interest.

19.4 APPLICATION UNDER UNDETECTED WATER LEAKS POLICY W5/4

Item 19.4 is classified CONFIDENTIAL under the provisions of Section 10A(2)(b) of the local government act 1993, as it deals with discussion in relation to the personal hardship of a resident or ratepayer, and Council considers that discussion of the matter in an open meeting would be, on balance, contrary to the public interest.

19.5 VISITOR INFORMATION CENTRE - MUSWELLBROOK

Item 19.5 is classified CONFIDENTIAL under the provisions of Section10A(2)(c) of the local government act 1993, as it deals with information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business, and Council considers that discussion of the matter in an open meeting would be, on balance, contrary to the public interest.

19.6 TENDER 2021-2022-0439 WATER MAIN REPLACEMENT PROGRAMME

Item 19.6 is classified CONFIDENTIAL under the provisions of Section10A(2)(c) of the local government act 1993, as it deals with information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business, and Council considers that discussion of the matter in an open meeting would be, on balance, contrary to the public interest.

19.7 LOXTON HOUSE STRUCTURAL REPAIRS

Item 19.7 is classified CONFIDENTIAL under the provisions of Section10A(2)(c) of the local government act 1993, as it deals with information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business, and Council considers that discussion of the matter in an open meeting would be, on balance, contrary to the public interest.

19.8 TENDER 2020-2021-456 - CONCEPT DESIGN FOR DENMAN TO SANDY HOLLOW WATER PIPELINE

Item 19.8 is classified CONFIDENTIAL under the provisions of Section10A(2)(c) of the local government act 1993, as it deals with information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business, and Council considers that discussion of the matter in an open meeting would be, on balance, contrary to the public interest.

Moved: _____ Seconded: _____

20 RESUMPTION OF OPEN COUNCIL

21 CLOSURE

DATE OF NEXT MEETING: TUESDAY 3 MAY 2022