



muswellbrook  
shire council

Muswellbrook Shire Council

# ORDINARY COUNCIL MEETING

BUSINESS PAPER

TUESDAY 26 NOVEMBER 2024



**MUSWELLBROOK SHIRE COUNCIL**

P.O Box 122  
MUSWELLBROOK  
19 November, 2024

Councillors,

You are hereby requested to attend the Ordinary Council Meeting to be held in the Meeting Room / Teams, Muswellbrook Library, 126 Bridge Street, Muswellbrook on **Tuesday 26 November 2024** commencing at **6:00pm**.

Derek Finnigan  
**GENERAL MANAGER**





# Council Meetings

## Meeting Principles

Council and committee meetings should be:

- Transparent:* Decisions are made in a way that is open and accountable.
- Informed:* Decisions are made based on relevant, quality information.
- Inclusive:* Decisions respect the diverse needs and interests of the local community.
- Principled:* Decisions are informed by the principles prescribed under Chapter 3 of the Act.
- Trusted:* The community has confidence that councillors and staff act ethically and make decisions in the interests of the whole community.
- Respectful:* Councillors, staff and meeting attendees treat each other with respect.
- Effective:* Meetings are well organised, effectively run and skilfully chaired.
- Orderly:* Councillors, staff and meeting attendees behave in a way that contributes to the orderly conduct of the meeting.

## Public Forums

The council may hold a public forum prior to each ordinary meeting of the council for the purpose of hearing oral submissions from members of the public on items of business to be considered at the meeting. Public forums may also be held prior to extraordinary council meetings and meetings of committees of the council.

To speak at a public forum, a person must first make an application to the council in the approved form. Applications to speak at the public forum must be received by no later than 9.00 am two (2) days prior to the day of the meeting before the date on which the public forum is to be held, and must identify the item of business on the agenda of the council meeting the person wishes to speak on, and whether they wish to speak 'for' or 'against' the item.

Approved speakers at the public forum are to register with the council any written, visual or audio material to be presented in support of their address to the council at the public forum, and to identify any equipment needs no more than 3 days before the public forum. The general manager or their delegate may refuse to allow such material to be presented.

Each speaker will be allowed 2 minutes to address the council. This time is to be strictly enforced by the chairperson.



## Declarations of Interest

### **Statement of Ethical Obligations**

Councillors are reminded of their oath or affirmation of office, made under section 233A of the NSW Local Government Act 1993, to undertake the duties of the office of Councillor in the best interests of the people of Muswellbrook Shire and Muswellbrook Shire Council and to faithfully and impartially carry out the functions, powers, authorities and discretions vested in them, under the Local Government Act 1993 or any other Act, to the best of their ability and judgment. Pursuant to the provisions of the Muswellbrook Shire Council Code of Meeting Practice and the Muswellbrook Shire Council Code of Conduct, Councillors are reminded of their obligations to disclose and appropriately manage conflicts of interest.

Section 451 of the Local Government Act requires that if a Councillor or Member of a Council or committee has a pecuniary interest in any matter before the Council or Committee, he/she must disclose the nature of the interest to the meeting as soon as practicable and must not be present at, or in sight of, the meeting, when the matter is being discussed, considered or voted on.

A pecuniary interest is an interest that a person has in a matter because of a reasonable likelihood or expectation of financial gain or loss (see sections 442 and 443 of the Local Government Act).

A non-pecuniary interest can arise as a result of a private or personal interest which does not involve a financial gain or loss to the councillor or staff member (eg friendship, membership of an association, or involvement or interest in an activity). A Councillor must disclose the nature of the interest to the meeting as soon as practicable.

Council's Model Code of Conduct now recognises two forms of non-pecuniary conflict of interests:

- Significant
- Less than significant

A Councillor must make an assessment of the circumstances and determine if the conflict is significant.

If a Councillor determines that a non-pecuniary conflict of interests is less than significant and does not require further action, they must provide an explanation of why it is considered that the conflict does not require further action in the circumstances.

If the Councillor has disclosed the existence of a significant non-pecuniary conflict of interests at a meeting they must not be present at, or in sight of, the meeting, when the matter is being discussed, considered or voted on.



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- 1. Applications for Attendance via Audio Visual Link**
- 2. Acknowledgement of Country**
- 3. Civic Prayer**
- 4. Apologies and Applications for a Leave of Absence**
- 5. Confirmation of Minutes**

**Ordinary Council Meeting held in 27 August, 2024**

**Extra-Ordinary Council Meetings held on 11 October, 2024 and 22 October, 2024**

**RECOMMENDATION**

The Minutes of the Ordinary Council Meeting held on **27 August, 2024**, and the Extra-Ordinary Council Meetings held on **11 October, 2024 and 22 October, 2024**, copies of which have been distributed to all members, be taken as read and confirmed as a true record.

**Moved:** \_\_\_\_\_ **Seconded:** \_\_\_\_\_

- 6. Disclosure of any Pecuniary or Non-Pecuniary Interests**
- 7. Mayoral Minute**  
Nil
- 8. Public Participation**
- 9. Business Arising (From Previous Meetings)**  
Nil



## 10. Business (Specific Reports)

### 10.1. Planning and Environment

#### 10.1.1. Local Government Boundary Adjustment - Bayswater Power Station

**Responsible Officer:** Sharon Pope - Director - Planning & Environment

**Author:** Director - Planning & Environment

**Community Strategic Plan:** 1 - Economic Prosperity

*A dynamic local economy with full employment for current and future residents in a diverse range of high value industries.*

**Delivery Program Goal:** 1.2.1 - Facilitate the diversification of the Shire's economy and support growth of existing industry and business enterprise.

**Operational Plan Action:** 1.1.1.3 - Work with AGL Macquarie, Singleton Council, the State Government and other parties to maximise the economic opportunities on the Bayswater and former Liddell Power Station sites.

**Attachments:** Nil

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#### PURPOSE

The purpose of this report is to obtain Council's support to commence the process to adjust the Local Government boundary between Singleton Council and Muswellbrook Shire Council (MSC), so that the proposed Enterprise zone/Renewable Energy Hub on the former Liddell Power Station site, and current Bayswater Power Station, would be wholly located in the Muswellbrook Shire Council Local Government Area (LGA).

#### OFFICER'S RECOMMENDATION

Council RESOLVES to:

- A. Authorise the General Manager to consult Singleton Council on the proposed Local Government boundary adjustment shown in Figure 2, so that Bayswater Power Station is wholly located in the Muswellbrook Shire Council Local Government Area (the Proposal).
- B. Authorise the General Manager to consult AGL Macquarie, the Department of Primary Industries and Regional Development, Department of Planning, Housing and Infrastructure and other relevant agencies to obtain in-principle support for the Proposal.
- C. If Singleton Council is supportive of the Proposal, commence the process set out under section 218(E) of the *Local Government Act 1993* to effect a minor Local Government boundary adjustment.

**Moved:** \_\_\_\_\_ **Seconded:** \_\_\_\_\_



## EXECUTIVE SUMMARY

AGL Macquarie and Council have previously agreed on the importance of attracting new employment opportunities to the LGA prior to closure of the Bayswater Power Station. AGL Macquarie has outlined ambitious plans for the former Liddell power station site and the current Bayswater Power Station site. It is being referred to as a renewable energy hub, featuring renewable energy technologies, including solar storage systems, grid-scale batteries, and potentially solar panel manufacturing and recycling facilities.

However, the possible range of uses would extend beyond this.

Preparation of a land use master plan for the site has commenced to enable a planned transition for the site, to secure required planning approvals, and funding for infrastructure. Early information gathering has indicated that having the site in two council areas will increase complexity for future planning and the delivery of infrastructure. For example, water infrastructure is currently sourced by AGL from the Hunter River in Singleton Shire and transported to the power station sites in Muswellbrook Shire.

## BACKGROUND

AGL Macquarie Pty Limited (AGL) owns approximately 10,000 hectares of land surrounding the Bayswater Power Station and the former Liddell Power Station. Electricity generation in Australia is undergoing a significant transition towards more distributed, intermittent generation sources.

### Liddell Power Station

Liddell Power Station was initially constructed by the NSW Government owned State Electricity Commission and operated from the early 1970s until its closure in April 2023. AGL has decommissioned the building which has involved isolating hazards, decontaminating the plant, and ensuring it is safe and ready for demolition. When the State Significant Development application for closure and rehabilitation is approved, demolition can commence. On completion of the demolition works, the site will be rehabilitated in line with regulatory requirements.

### Bayswater Power Station

Bayswater Power Station was initially constructed by the NSW Government owned State Electricity Commission, and has remained in operation since being commissioned between 1985 and 1986. Bayswater Power Station is scheduled to cease generating in 2033.

## CONSULTATION

The purpose of the report is to seek Council's support for consultation to commence with AGL, Singleton Shire Council, and relevant government agencies on a proposal to adjust the local government boundary.

## REPORT

A master plan is required to identify how the land should be developed and constraints managed. An infrastructure strategy and delivery plan needs to be developed in conjunction with the master plan, to determine capacity and infrastructure gaps. This will guide future planning proposals to facilitate employment generating developments that would offset employment loss anticipated due to the closure of the power stations and local mining operations development.

The Hunter Regional Plan 2041 identifies the Liddell/Bayswater power stations as a regionally significant growth area because of its employment generating potential and opportunity to diversify into renewable energy industries. The proposed master planning of the site will address the desired place strategy outcomes to inform future planning proposals.



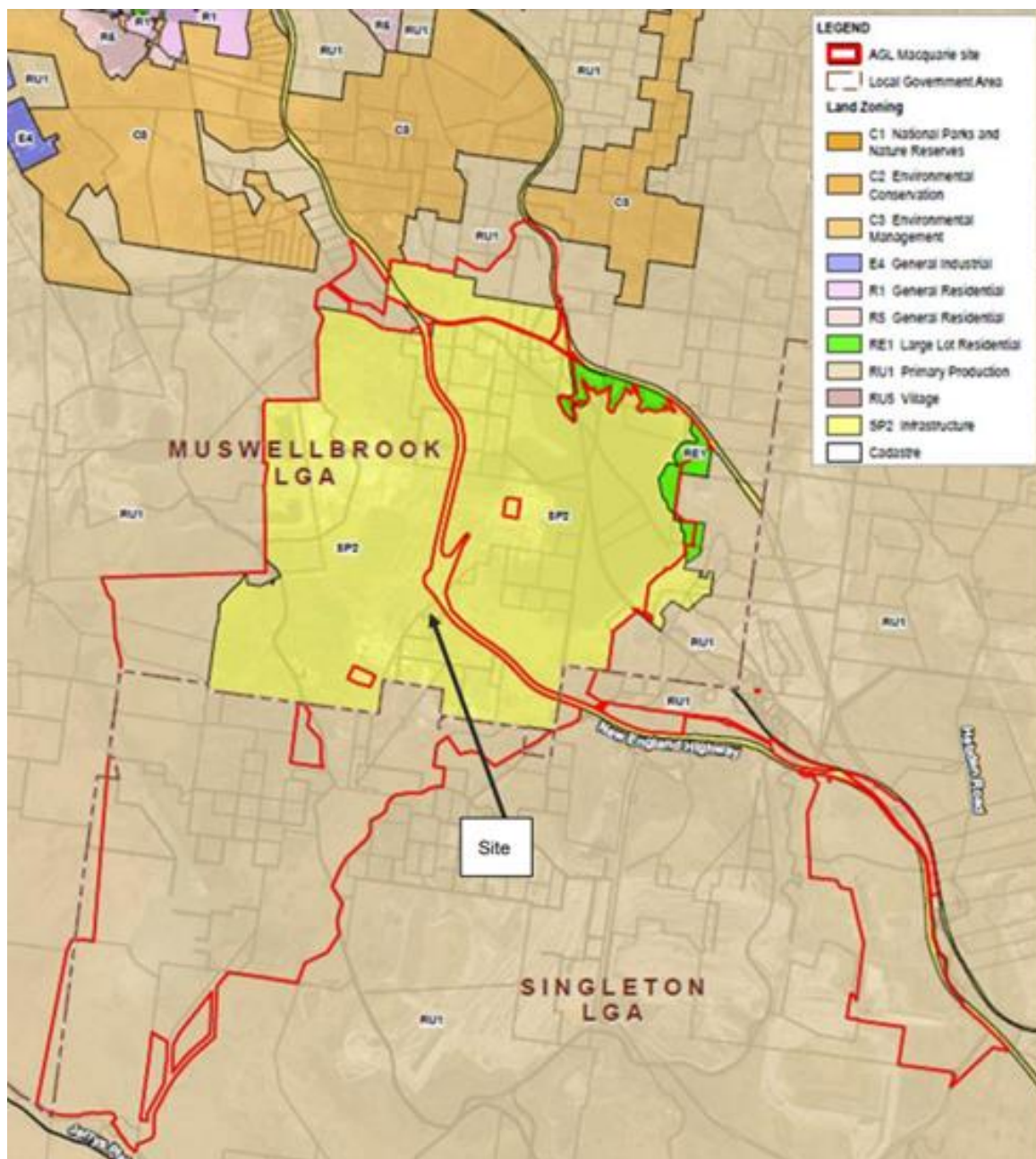
Singleton Council and key stakeholders will be consulted in the preparation of the master planning given part of the Bayswater site is in and adjoins that LGA. The boundary adjustment will result in a loss of rating income for Singleton Shire Council. This will form part of discussions in the proposed boundary adjustment.

The proposed Local Government boundary adjustment will simplify the master planning process being coordinated by MSC with AGL.

AGL landholdings is unique in that it is in single ownership, has both rail and highway access, and offers land, water, and infrastructure assets. Water availability is a challenge in this part of the Hunter and the planned closure of the power stations provides an opportunity to consider how water allocations should be used to diversify into renewable energy and supporting industries.

The AGL site is currently zoned part SP2 - Infrastructure (Power Station) and part RU1 Primary Production under the *Muswellbrook Local Environmental Plan 2009*. The southern portion of the Bayswater site, down to the Hunter River, is located in the Singleton LGA, and zoned RU1 Primary Production. Refer to Figure1, zoning map, below. The Liddell PS site is wholly within the Muswellbrook Shire LGA.





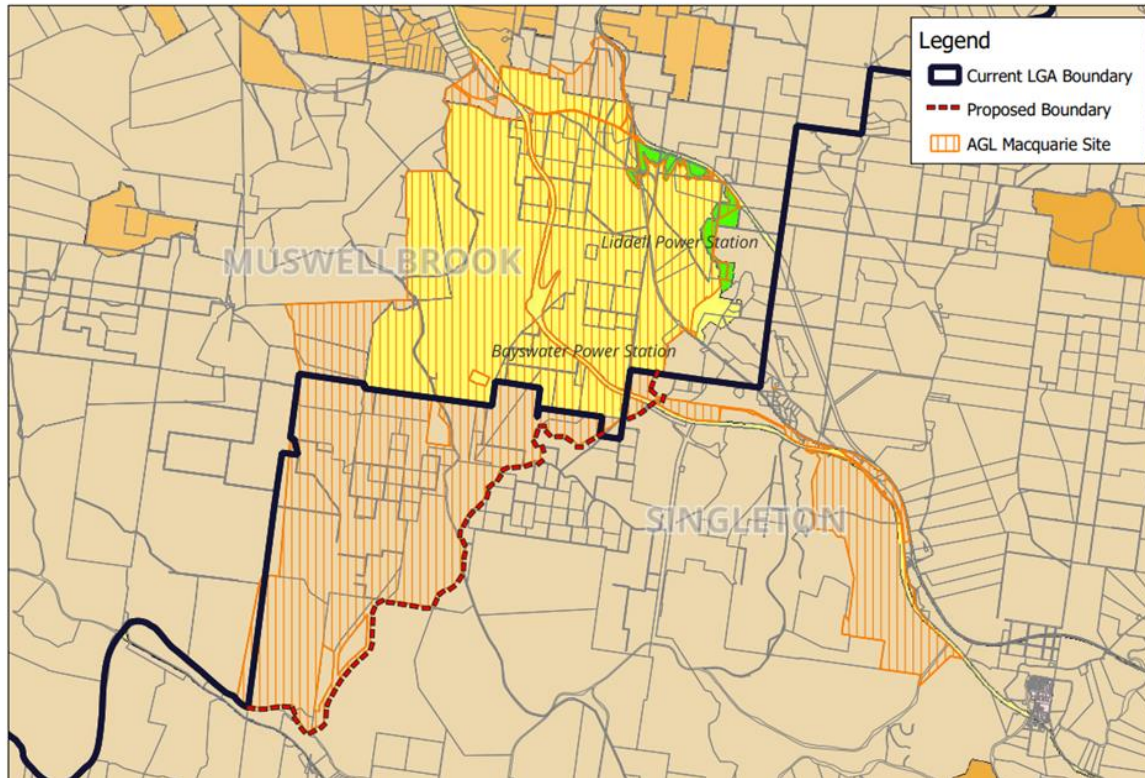
**Figure 1 – Land Zoning Map for AGL site**

Pursuing the proposed Local Government boundary adjustment so that the Bayswater area of the site is wholly located in Muswellbrook LGA provides the following potential advantages:

- it simplifies governance, in that Muswellbrook Shire Council (MSC) will continue to progress the master planning and infrastructure delivery plan for the entire Bayswater/Liddell site. Singleton Council will be invited to attend future workshops and continue to be an important stakeholder to determine the future development outcomes;
- it will not be necessary to prepare joint planning proposals between MSC and Singleton Council after the results of the master planning and infrastructure investigations are complete (likely to be a mix of rural, infrastructure, conservation, and enterprise zones);
- streamlining the master planning investigations and approval processes will expedite the

delivery of employment generating developments to offset employment loss anticipated due to the closure of the power stations; and

- any future development of the land currently located in the Singleton LGA requires augmentation/sharing of essential infrastructure and services, such as power transmission lines, highway access, and structures, which are primarily located in the Muswellbrook LGA.



**Figure 2 - Proposed Local Government boundary adjustment map**

## FINANCIAL CONSIDERATIONS

AGL has employed several staff and consultants to prepare a master plan for the site, in consultation with Singleton Council and MSC.

The Department of Planning, Housing and Infrastructure has provided a staff member to MSC for the period October 2024 to July 2025 to assist with work on several planning proposals for the AGL site to increase the permitted uses on parts of the site in the interim and to help with preparation of the master plan.

MSC and AGL have also applied for a \$5m grant from the Federal Regional Precincts and Partnerships Program. The funding will be used to progress the master planning and an infrastructure servicing strategy for the AGL site. No decision has yet been made about the grant application.

Once an infrastructure servicing strategy is prepared, there will be a range of options for MSC and AGL to consider regarding who will accept responsibility for the provision and maintenance of infrastructure and billing of new business who use that infrastructure. This will be the subject of separate reports to Copulin.



## **POLICY IMPLICATIONS**

The Local Government boundary adjustment should improve governance and the planning processes to expedite the delivery of employment generating developments.

Council's Operational Plan includes:

*Action 1.1.1.3 - Work with AGL Macquarie, Singleton Council, the State Government and other parties to maximise the economic opportunities on the Bayswater and former Liddell Power Station sites.*

## **STATUTORY / LEGISLATIVE IMPLICATIONS**

The Local Government Act and Regulations set out the process for an adjustment to local government boundaries and will need to be followed to obtain the approval of the Minister for Local Government.

An amendment to the Muswellbrook Local Environmental Plan 2009 will be required to update the Local Government boundary, zoning, and planning controls. This can be done alone as a stand-alone administrative amendment or combined with another planning proposal.

## **COMMUNITY CONSULTATION / COMMUNICATIONS**

Broader community consultation on the proposed adjustment would not occur until after initial consultation with Singleton Council and various government agencies.

**10.1.2. Road Naming Proposal - Denman Recreation Area**

|                                  |  |
|----------------------------------|--|
| <b>Responsible Officer:</b>      | Sharon Pope - Director - Planning & Environment  |
| <b>Author:</b>                   | Director - Planning & Environment  |
| <b>Community Strategic Plan:</b> | 6 - Community Leadership<br><br>Collaborative and responsive leadership that meets the expectations and anticipates the needs of the community |
| <b>Delivery Program Goal:</b>    | 6.2.4 - Regulatory activities are undertaken to maintain public safety and companion animal wellbeing.   |
| <b>Operational Plan Action:</b>  | Not applicable   |
| <b>Attachments:</b>              | Nil  |

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**PURPOSE**

To discuss a proposal to name the road within the Denman Recreation area, located off Turner Street Denman, that provides access to the Denman Childcare centre and numerous sporting facilities, to allow easier identification of incident locations by first responders.

**OFFICER'S RECOMMENDATION**

Council APPROVES the concept of a road naming proposal, for the road in the Denman Recreation area, becoming Watkin Wynn Way, and that staff take the following steps:

- A. to publicly notify the naming proposal for community input in accordance with the Muswellbrook Community Participation Plan;
- B. should no objections be received, authorise the General Manger to proceed with registration with the Geographical Names Board of the road name "Watkin Wynn Way"; and
- C. should any objections be raised during the notification period, a further report be submitted to Council at the conclusion of the advertising and notification period.

**Moved:** \_\_\_\_\_ **Seconded:** \_\_\_\_\_

**PREVIOUS RESOLUTIONS**

Council meeting 24 January 2023:

**9.1.4. Road Renaming Proposal - Denman Recreation Area**

*Planning, Environment and Regulatory Services*

*RESOLVED on the motion of Cr B. Woodruff and Cr A. Barry that:*

*Council supports the concept of a road naming proposal, for the road in the Denman Recreation area becoming Denman Parkway, and that staff take the following steps:*

- a. to publicly notify the naming proposal for community input in accordance with the Muswellbrook Community Participation Plan; and*
- b. should no objections be received, authorise the registration with the Geographical Names Board of the road name "Denman Parkway"; and*





- c. should any objections be raised during the notification period, a further report be submitted to Council at the conclusion of the advertising and notification period.

*In Favour: Cr S. Reynolds, Cr J. Lecky, Cr A. Barry, Cr M. Bowditch, Cr D. Douglas, Cr J. Drayton, Cr L. Dunn, Cr G. McNeill, Cr R. Mahajan, Cr D. Marshall, Cr R. Scholes and Cr B. Woodruff.*

*Against: Nil*

## BACKGROUND

The road naming proposal arose when Council was notified that first responders had difficulty locating the correct site for an incident at the Denman Child Care Centre.

Council staff requested advice from the Geographical Names Board on the suitability of the name "Denman Parkway" for the road, however this was rejected as it was considered similar to "Denman Road" which already exists in the Shire.

## CONSULTATION

Councillors were advised by email on 29 August 2023 that the Geographical Names Board had asked for an alternative road name. Councillors indicated that the preferred alternative name was Watkin Wynn Way.

*Watkin Wynn was a great servant to the Denman and Muswellbrook Shire Councils, in his capacity as Shire Clerk of Denman and the Deputy role in the first Muswellbrook Shire Council after amalgamation. He was also an outstanding member of the Denman community for many years prior to his passing.*

## REPORT

The intention is that once the internal access road is named, the separate users will be provided with a street number in accordance with property addressing guidelines of the Geographical Names Board, for example, the Child Care Centre would become number 1 Watkin Wynn Way.



**Figure 1:** Denman Rec Area internal road and indicative property numbering after road naming.



As part of the consultation for the naming proposal it will also be referred to Crown Lands for feedback.

### **FINANCIAL CONSIDERATIONS**

This matter has no direct financial impact upon Council's adopted budget or forward estimates.

### **POLICY IMPLICATIONS**

Watkin Wyn Way complies with Council's Road Development Standards Policy – MSC09E, which provides guidance on road naming.

### **STATUTORY / LEGISLATIVE IMPLICATIONS**

Road naming procedures issued by the Geographical Names Board will be followed to ensure the process is undertaken in a fair and transparent way.

### **COMMUNITY CONSULTATION / COMMUNICATIONS**

The road naming proposal will be notified to seek feedback from the Community as the next step in the process. If no objections are received, staff propose that the General Manager be delegated to finalise the road naming proposal with the Geographical Names Board.



|                |  |
|----------------|--|
| <b>10.1.3.</b> | <b>Monthly Report to Council - Planning, Environment and Regulatory Services</b> |
|----------------|--|

**Responsible Officer:** Sharon Pope - Director - Planning & Environment

**Author:** Sustainability Officer

**Community Strategic Plan:** 6 - Community Leadership

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

**Delivery Program Goal:** 6.2.1 - Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves.

**Attachments:** Nil

#### OFFICER'S RECOMMENDATION

The information contained in this report be noted.

**Moved:** \_\_\_\_\_ **Seconded:** \_\_\_\_\_

#### REPORT

#### PLANNING AND ENVIRONMENT

##### *Schedule 1: Development Applications Approved (1/10/2024-13/11/2024)*

| DA No.    | DESCRIPTION  | PROPERTY                             | VALUE (\$)   |
|-----------|--|--------------------------------------|--------------|
| 2024.53.2 | S4.55(1) Modification - Delete condition 16 - use of materials   | Bengalla Road<br>Muswellbrook        | \$150,000.00 |
| 2024.69.1 | Carport  | 16 John Howe Circuit<br>Muswellbrook | \$17,342.00  |
| 2024.68.1 | Inground Swimming Pool   | 110 Ironbark Road<br>Muswellbrook    | \$100,000.00 |
| 2019.37.2 | S4.55(1A) Modification -Construction of Pipes and Pump Infrastructure to Return Seepage Water from Lake Liddell Dam Wall to Lake Liddell | New England Highway<br>Muswellbrook  | \$760,000.00 |
| 2024.67.1 | Replacement Dwelling   | Hungerford Road Denman               | \$439,025.00 |
| 2024.66.1 | Single Storey Dwelling   | 10 Hastings Street<br>Muswellbrook   | \$369,187.00 |
| 2024.65.1 | Dwelling, Swimming Pool, Cabana and Shed   | 4 Shearer's Close<br>Muswellbrook    | \$813,205.00 |
| 2024.64.1 | Dwelling, Swimming Pool, Cabana and Shed   | 6 Jackaroo Close<br>Muswellbrook     | \$632,073.00 |



| DA No.    | DESCRIPTION  | PROPERTY                           | VALUE (\$)   |
|-----------|--|------------------------------------|--------------|
| 2023.56.2 | S4.55 (1A) Modification - Revised scope - Geotechnical Investigations & Clearing of Native Vegetation            | Limestone Road<br>Muswellbrook     | \$993,939.00 |
| 2023.4.3  | S4.55(1A) Modification - Renovations & Accessible Entry  | 14 Aberdeen Street<br>Muswellbrook | \$181,650.00 |
| 2024.56.1 | Steel Framed Shed  | 105 Sydney Street<br>Muswellbrook  | \$34,650.00  |
| 2024.46.1 | Shed   | 3 Osborn Avenue<br>Muswellbrook    | \$40,000.00  |
| 2020.83.1 | Subdivision of one lot (1) into three (3)  | 60-62 Palace Street<br>Denman      | \$10,000.00  |
| 2024.70.1 | Demolition of existing buildings including a house, multiple sheds, shearing shed, sheep yards and cattle yards. | Dry Creek Road<br>Muswellbrook     | \$50,000.00  |

**TOTAL = 14*****Schedule 2: Development Applications Currently Being Assessed As at 13/11/2024***

| DA No.     | DESCRIPTION   | PROPERTY                            | VALUE (\$)   |
|------------|---|-------------------------------------|--------------|
| 2024.79.1  | Shed  | 23 Stockyard Parade<br>Muswellbrook | \$48,726.00  |
| 2024.73.1  | Hay Storage & Machinery Shed  | Grasstree Ridge Row<br>Muswellbrook | \$107,670.00 |
| 2024.65.2  | S4.55 (1A) Modification - Moving dwelling, swimming pool and Cabana 1 Meter                 | 4 Shearer's Close<br>Muswellbrook   | \$813,205.00 |
| 2023.130.2 | S4.55(1) Modification - Subdivision of Six (6) lots into Three (3)                          | New England<br>Highway Liddell      | \$34,000.00  |
| 2024.78.1  | Strata subdivision of one (1) lot into eighty-three (83) Lots                               | Victoria Street<br>Muswellbrook     | \$10,000.00  |
| 2017.18.5  | S4.55 (2) Modification - modification of condition 20 and amendment to fire safety measures | 15 Sydney Street<br>Muswellbrook    | \$700,000.00 |
| 2024.75.1  | Extension to Existing Shed  | 54 Shiraz Street<br>Muswellbrook    | \$6,084.00   |
| 2024.71.1  | Single Storey Dwelling  | 9 Stockyard Parade<br>Muswellbrook  | \$520,085.00 |
| 2024.77.1  | Shed  | 58 Osborn Avenue<br>Muswellbrook    | \$19,480.00  |





| DA No.     | DESCRIPTION   | PROPERTY                              | VALUE (\$)      |
|------------|---|---------------------------------------|-----------------|
| 2021.99.2  | S4.55(1A) Modification - Alterations and Additions to Muswellbrook Indoor Sports/Youth Centre                     | Rutherford Road<br>Muswellbrook       | \$1,148,786.00  |
| 2024.76.1  | Change of Use - Recreation Facility Indoor (pilates and recovery studio)  | 168-170 Bridge<br>Street Muswellbrook | \$86,000.00     |
| 2024.72.1  | Single Storey Dwelling (Manufactured Home)  | 3220 Wybong Road<br>Hollydeen         | \$402,813.00    |
| 2024.48.1  | Shed and Slab   | 5 Sepoy Crescent<br>Muswellbrook      | \$57,000.00     |
| 2023.79.2  | S4.55(2) Modification - Camping Ground, Community Building, Amenities   | 66 Palace Street<br>Denman            | \$249,000.00    |
| 2024.61.1  | Multi Dwelling Housing comprised of four (4) dwellings  | 28 Hunter Terrace<br>Muswellbrook     | \$950,000.00    |
| 2024.60.1  | Construction of K-12 School   | 72-74 Maitland Street<br>Muswellbrook | \$7,892,500.00  |
| 2024.36.1  | Subdivision of (2) Lots into (24) & Construction of multi-dwelling housing comprised of ninety-six (96) dwellings | Ironbark Road<br>Muswellbrook         | \$20,679,314.00 |
| 2024.39.1  | Warehouse   | 6 Common Road<br>Muswellbrook         | \$180,000.00    |
| 2024.12.1  | Construction of a 40m Telecommunications Monopole   | Cook Street<br>Muswellbrook           | \$350,000.00    |
| 2023.137.1 | Ancillary Shed and Swimming Pool  | 54 Humphries Street<br>Muswellbrook   | \$46,504.00     |
| 2024.24.1  | Demolition & Construction of Childcare Centre   | 118 Maitland Street<br>Muswellbrook   | \$4,268,105.00  |
| 2024.23.1  | Inground Swimming Pool & Associated Barriers  | 27 Chardonnay<br>Street Muswellbrook  | \$30,000.00     |
| 2024.19.1  | Subdivision of Two (2) Lots into Three (3) Lots   | 20 Ogilvie Street<br>Denman           | \$15,000.00     |
| 2024.9.1   | Demolition Of Existing Structures & Construction of Childcare Centre  | 38 Maitland Street<br>Muswellbrook    | \$1,924,000.00  |
| 2023.135.1 | Shed  | 44 Cousins Street<br>Muswellbrook     | \$30,000.00     |
| 2023.123.1 | Dwelling - Relocated  | 478 Sandy Creek<br>Road Muswellbrook  | \$135,240.00    |



| DA No.     | DESCRIPTION   | PROPERTY                                    | VALUE (\$)      |
|------------|---|---|-----------------|
| 2021.29.2  | S4.55(1A) Modification - Relocation of Existing Dwelling & Construct New dwelling   | 49 Carl Street<br>Muswellbrook              | \$490,000.00    |
| 2023.72.1  | Demolition of Existing Structures & Construction of Childcare Centre  | 200 Bridge Street<br>Muswellbrook           | \$2,960,280.00  |
| 2023.61.1  | Three (3) Lot Subdivision   | Golden Hwy Giants<br>Creek                  | \$20,031.00     |
| 2023.14.1  | Storage Complex - 103 self storage units and 12 open storage bays   | Turner Street<br>Denman                     | \$3,555,527.00  |
| 2019.53.1  | Subdivision of Two (2) Lots into Seventy Five (75) Lots   | 9027 New England<br>Highway<br>Muswellbrook | \$4,875,600.00  |
| 2024.80.1  | Proposed alterations and additions to existing industrial building. Additions of 3 new office rooms, reception area, meeting room, kitchenette, bathroom, outdoor lunch area, proposed new covered entry are and 7 new car parking spaces | 24 Strathmore Road<br>Muswellbrook          | \$365,540.00    |
| 2024.74.1  | Construction of Kit home  | 120 Reedy Creek<br>Road Hollydeen           | \$ 330,000.00   |
| 2024.63.1  | proposed secondary house  | 19 Northview Circuit<br>Muswellbrook        | \$ 425,000.00   |
| 2008.319.5 | 12 Lot residential subdivision and construction of new road   | 65 Ironbark Road<br>Muswellbrook            | \$ 1,000,000.00 |

**Total = 35**

#### 20.1.12

**Inspect onsite wastewater sewerage systems to ensure they are installed and maintained in compliance with regulatory requirements.**

#### On-site Wastewater Statistics - 13 Month Analysis (2023/2024)

|   | Oct 23 | Nov 23 | Dec 23 | Jan 24 | Feb 24 | Mar 24 | Apr 24 | May 24 | Jun 24 | Jul 24 | Aug 24 | Sept 24 | Oct 24 |
|---|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|--------|
| Applications Received<br>(new installation) | 2      | 3      | 0      | 1      | 0      | 0      | 0      | 0      | 1      | 0      | 0      | 0       | 0      |
| Applications Approved<br>(new installation) | 0      | 1      | 1      | 0      | 1      | 0      | 0      | 0      | 0      | 0      | 0      | 0       | 0      |
| Inspections<br>(new system)                 | 3      | 3      | 3      | 0      | 0      | 1      | 0      | 1      | 0      | 0      | 0      | 0       | 0      |
| Inspections<br>(existing system)            | 0      | 3      | 0      | 1      | 33     | 10     | 13     | 2      | 1      | 0      | 0      | 0       | 0      |



**24.1.5 Registration and inspection of regulated premises (caravan parks, food outlets, skin penetration premises, hairdressers, mortuaries, air handling systems) in accordance with regulatory requirements to ensure public health and safety is protected.**

|  | Oct 23 | Nov 23 | Dec 23 | Jan 24 | Feb 24 | Mar 24 | Apr 24 | May 24 | Jun 24 | Jul 24 | Aug 24 | Sept 24 | Oct 24 |
|--|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|--------|
| Applications Received (new businesses) | 1      | 1      | 28     | 2      | 2      | 5      | 1      | 1      | 0      | 0      | 0      | 0       | 0      |
| Inspections (new businesses)           | 1      | 2      | 4      | 3      | 2      | 2      | 0      | 1      | 2      | 3      | 0      | 0       | 0      |
| Inspections (existing businesses)      | 0      | 1      | 0      | 3      | 1      | 28     | 14     | 0      | 24     | 1      | 0      | 0       | 0      |
| Re-inspections                         | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0       | 0      |

**4.1.1.1 Reduce the environmental impact of development on our community by carrying out regular inspection of building sites and monitoring waste.**

**Building Site Compliance Inspection Statistics – 13 Month Analysis (2023/2024)**

|                                  | Oct 23 | Nov 23 | Dec 23 | Jan 24 | Feb 24 | Mar 24 | Apr 24 | May 24 | Jun 24 | Jul 24 | Aug 24 | Sept 24 | Oct 24 |
|----------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|--------|
| Total Sites Inspected            | 10     | 15     | 6      | 7      | 10     | 16     | 9      | 11     | 3      | 12     | 12     | 14      | 15     |
| Total non-compliant and educated | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0       | 0      |
| Total compliance after education | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0       | 0      |
| Total Penalty Notices Issued     | 0      | 0      | 0      | 2      | 0      | 0      | 0      | 0      | 0      | 0      | 0      | 0       | 0      |



**14.1.11 Continue surveillance and regulation of illegal dumping on an ongoing basis through participation in the Hunter Central Coast Regional Illegal Dumping Squad**

**Illegal Dumping Statistics – 13 Month Analysis (2023/2024)**

|   | Oct 23 | Nov 23 | Dec 23 | Jan 24 | Feb 24  | Mar 24  | Apr 24 | May 24 | Jun 24 | Jul 24 | Aug 24 | Sept 24 | Oct 24 |
|---|--------|--------|--------|--------|---|---|--------|--------|--------|--------|--------|---------|--------|
| Total Investigations                              | 1      | 5      | 1      | 7      | 8<br>(3 reports were also made with no waste actually found or insufficient information to investigate) | 5<br>(1 report made with no waste actually found) | 4      | 5      | 10     | 18     | 6      | 8       | 0      |
| Total Clean up by Council - insufficient evidence | 0      | 2      | 0      | 3      | 1   | 2   | 0      | 0      | 0      | 0      | 6      | 5       | 0      |
| Total Clean Up by individual                      | 0      | 0      | 0      | 2      | 1   | 0   | 0      | 0      | 0      | 0      | 0      | 3       | 0      |
| Total Penalty Notices Issued                      | 0      | 0      | 0      | 0      | 0   | 0   | 0      | 0      | 0      | 0      | 0      | 0       | 0      |
| Court Attendance Notice Issued                    | 0      | 0      | 0      | 0      | 0   | 0   | 0      | 0      | 0      | 0      | 0      | 0       | 0      |
| Still under investigation                         | 1      | 3      | 1      | 2      | 6   | 2   | 4      | 5      | 10     | 18     | 18     | 18      | 0      |



### 24.1.8 Ensure statutory requirements under the Private Swimming Pools Program (Swimming Pool Act 1992) are implemented.

#### Swimming Pool Compliance Statistics – 13 Month Analysis (2023/2024)

|  | Oct 23 | Nov 23 | Dec 23 | Jan 24 | Feb 24 | Mar 24 | Apr 24 | May 24   | Jun 24 | Jul 24 | Aug 24 | Sept 24 | Oct 24 | Total       |
|--|--------|--------|--------|--------|--------|--------|--------|----------|--------|--------|--------|---------|--------|-------------|
| Applications for Compliance Certs.                     | 2      | 1      | 1      | 0      | 3      | 3      | 2      | 3        | 0      | 6      | 3      | 5       | 0      | 21          |
| Total compliance inspections (not inc. finals for OCs) | 12     | 7      | 5      | 13     | 8      | 5      | 10     | 4        | 6      | 6      | 1      | 2       | 7      | 83          |
| Initial Inspections                                    | 7      | 2      | 2      | 5      | 2      | 4      | 4      | 1        | 4      | 4      | 7      | 3       | 5      | 40          |
| Re-inspections   | 5      | 5      | 3      | 8      | 6      | 1      | 6      | 3        | 2      | 2      | 4      | 2       | 2      | 43          |
| Compliance Certs / Occ. Certs issued                   | 7      | 4      | 2      | 5      | 5      | 1      | 5      | 4        | 3      | 4      | 7      | 3       | 4      | 44          |
| Fees invoiced  | \$1600 | \$650  | \$500  | \$900  | \$1050 | \$514  | \$1200 | \$572.73 | \$650  | \$1100 | \$1600 | 650     | \$1300 | \$10,063.73 |

#### Total Pools in Council's SPR = 1002

(Note: 1141 records in SPR but 136 have been notified as demolished, 2 are Council's Public Pools and 1 is on Crown Land)

**Current Compliance = 22.45%**

#### SUSTAINABILITY

August to October 2024

#### **Infill Planting Project**

600 native seedlings were planted on Muscle Creek slopes. A large amount of weed control was also undertaken. 600 native seedlings were also planted in Hyde Park, Denman. Flat natural areas are maintained by 1 full time and 1 part time Council natural areas staff. Sloped natural areas are maintained by private contractors through sustainability budgets.

#### **Restoration of Muscle Creek**

Work continues on the second stage of the NSW Government Environmental Trust funded Muscle Creek Restoration project. This 3-year project involves planting 4500 native seedlings and weed control over 4 hectares.

#### **River Red Gum Genetics Project**

Council staff continue to work with staff from Royal Botanic Gardens Sydney and the Department of Planning and Environment to increase the genetic diversity of River Red Gums in plantings.



### Bin Inspections and FOGO Education

Staff have helped field inquiries from the public about the change to FOGO. Only a very small percentage of residents have any issue with FOGO. Most residents we speak to say they have no problems but are worried about how others can cope. Council worked with EnviroCom to conduct inspections and tagging of residents' bins. This checked contamination levels and provided residents with information. EnviroCom also ran some educational activities about FOGO and waste.

- Inspected residential kerbside bins to assess contamination levels and provide information to households.
- Ran workshops with 4 schools.
- Held 2 pop up community drop-in information sessions at Muswellbrook Marketplace and Muswellbrook Fair.



### Sustainability Hub

Sustainability staff completed the following activities at the Sustainability Hub.

- Gave away 600 native seedlings with Muswellbrook residents.
- Planted 240 native seedlings at the Hub to create a native garden.
- Ran a tour with Muswellbrook Preschool educators.
- Hosted the Sustainable Educators Group.
- Planted native seedlings and created signs for the native plant garden with Polly Farmer students and teachers.
- Worked with Hunter Disability Supports each week.
- Worked with Auroa Supports to care for the garden.
- Warrior Disability Services continue to deliver food scraps, coffee grounds and shredded paper.
- Supported Penguin Community Garden and Denman Community Garden with their activities.
- Muswellbrook Preschool visited the Hub for presentations about native plants, gardening, worm farms and animal care.







### Community Events

Sustainability staff attended the following events:

- Curiosity Kit Launch Day at the Muswellbrook Library.
- The Cultural Spectacular. Staff gave away free native seedlings and spoke with residents about FOGO.
- Bengalla Community Day. Staff gave away free native seedlings and spoke with residents about FOGO.

### Educational Activities

Sustainability staff conducted the following activities. Some of these activities are funded through the NSW Government Environmental Trust “Muswellbrook Sustainable Futures Network” education grant. In 2024 this program has run 30 activities with over 1500 people.

- Helped revitalize gardens at MOOSH and Richard Gill School.
- Assisted with a craft activity at the Muswellbrook library.
- Ran educational activities about waste with kids at EduKare.
- Conducted a waste audit with Sandy Hollow Public School.
- Rean educational activities with Little Kindy.
- Gave away native seedlings to Muswellbrook Preschool.
- Ran a talk at St Joseph’s School Denman on animals and lent out our animal specimen collection.
- The Denman Men’s Shed made 12 fauna boxes that were then installed at 8 school/preschools.
- Funded Muswellbrook Preschool to visit Baiame Caves.





- Funded an artist to help Sandy Hollow Public School to create artwork as part of the EcoStories Competition.
- Funded an artist to help Muswellbrook Preschool create artwork as part of the EcoStories Competition.
- Frog presentations with 8 school and community groups covering 220 students.







### Hunter River Health Check

The Sustainability Hub played host to 60 students from 8 schools for workshops as part of the Hunter River Health Check.





### Aussie Bird Count Week

In October Liz from the Hunter Bird Observers Club and Sustainability staff visited 7 schools, preschools and after school care to deliver presentations to 220 kids about birds. We also conducted a bird watching walk along Muscle Creek for the community. This was part of the annual Aussie Bird Count Week.



### Sustainable Education and Landcare Grants

Council recently funded grants as part of our Sustainable Education Program. Groups have recently started to implement these grant funded projects.

- Little Kindy for a bush tucker garden and water tank connections - \$3630
- Muswellbrook South Public School for garden supplies - \$1800.85
- EduKare for a water refill station – \$3283.50
- Sandy Hollow Public School for a nude food zero waste project, water tanks and a mulcher. - \$3325.18
- Denman Children Centre for bins - \$590
- McCully's Gap Sustainability & Landcare Group Inc. for a Dung Beetle workshop - \$8000 (Landcare Grant)

### Ecostory Competition

Educational groups were encouraged to create a story that will inspire community members in Muswellbrook Shire to take positive action and change their behaviour in relation to the aims of the Muswellbrook Sustainable Futures Network. The Eco stories aimed to motivate people to engage positively with the wider community in relation to climate change adaption and mitigation.

Groups within the network were encouraged to use the knowledge they have gained through participation in field trips and awareness. Participants of this project developed their own materials, to raise awareness and change behaviour of community members.

We received four entries. Parts of their submissions are shown below.





## Goodstart Early Learning Centre Muswellbrook



## Muswellbrook Preschool





## Sandy Hollow Public School

### Mosaics

- ▶ We were lucky enough to engage with a talented local artist, Leanne Ward, who came to work with the students to create a set of mosaics depicting the slogan 'reduce, reuse and recycle'.
- ▶ The mosaics hang in our eating area and are a reminder for students to use the correct bins, and that we are saving our planet when we do!



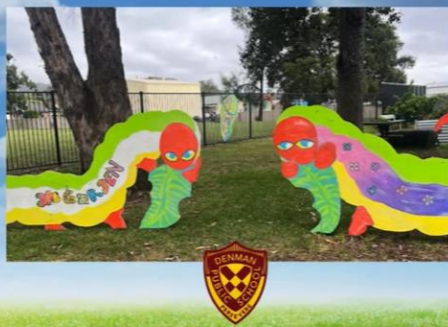
**Sandy Hollow Public School**  
Published by Jane Fulano  
3 September

Over the last few weeks we have had a special visitor, Leanne Ward, a talented local artist the school to work with students to create some amazing mosaics for our eating area. The mosaics are part of our sustainable school program, and showcase the work we have been to reduce the amount of landfill created by the school. Reduce, Reuse and Recycle! Students all had input into the creation of these installations and have thoroughly enjoyed working with Leanne. The project was funded by Muswellbrook Shire Council's Sustainability Hub. Thank you Leanne, we have loved having you and we love your work!!! #shps2024 #LoveWhereYou #smallschoolbigimpact #sustainableschools



## Denman Public School

**Our finished entrance to the school garden.  
A combined artwork with local artist Lisa Wiseman.**



**Made possible thanks to the Sustainable Futures Network.**





### **Sustainable Futures – Muswellbrook Facebook**

The popularity of the Sustainable Futures – Muswellbrook Facebook page continues to grow. It has now received 1870 page likes and 2,100-page followers. This page continues to be a great way for Council to engage with the community around a range of sustainability topics. This includes promotion of sustainability activities, waste management practices, FOGO, sewerage management, the Reuse Shop, soft plastic recycling, Sustainability Hub activities, reducing food waste, plastic free July, worm farms, composting, grant projects and more.



## 10.2. Infrastructure and Property

### 10.2.1. Guideline for the Installation and Management of Public Gates (Stock Grids) for ADOPTION

**Responsible Officer:** Matthew Lysaught - Director - Infrastructure & Property

**Author:** Asset Inspector

**Community Strategic Plan:** 5 - Community Infrastructure

Effective and efficient infrastructure that is appropriate to the needs of our community.

**Delivery Program Goal:** 5.4.1 - Maintain and continually improve the Shire's shared pathway networks to increase connectivity.

**Operational Plan Action:** 5.1.3.2 - Conduct regular asset condition assessment inspections.

**Attachments:** 1. Guideline - Installation and Management of Public Gates ( Stock Grids) [10.2.1.1 - 19 pages]

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#### PURPOSE

To advise Council that the *Guideline for the Installation and Management of Public Gates (Stock Grids)* (the Guideline) has been on public exhibition for a period of 28 days and to request Council's adoption of the Guideline.

#### OFFICER'S RECOMMENDATION

Council:

1. ADOPTS '*The Guideline for the Installation and Management of Public Gates (Stock Grids)*' as amended and attached to the report; and
2. APPROVES the waiving of the first inspection fee nominated in Council's Fees and Charges for 2024-25 for the inspections undertaken to determine the condition of each public gate in 2024.

**Moved:** \_\_\_\_\_ **Seconded:** \_\_\_\_\_

#### EXECUTIVE SUMMARY

The NSW Roads Act 1993 Part 9 Division 2 Public gates section 128 and the NSW Road Regulation 2018 Part 6 Public gates legislate requirements for the management of Public Gates on roads for the roads authority to follow.

A guideline has been developed to assist Council, staff and Public Gate owners to implement the legislated requirements to ensure the proper management of Public Gates and/or Stock Grids (Public Gates) located on Muswellbrook Shire Council (Council) roads

This guideline aims to:

- Document a transparent system for the determining of applications for new Public Gates.
- Identify standards for the construction of new Public Gates.



- Define maintenance and responsibilities for new and existing Public Gates.
- Define registration and recording procedures for all Public Gates.
- Reduce the exposure of the property owner and/or Council to the possibility of a claim through the management of risks associated with Public Gates.

## PREVIOUS RESOLUTIONS

The Guideline for the Installation and Management of Public Gates (Stock Grids) was reported to the 27 February 2024 Ordinary Council Meeting, where Council resolved as follows:



### 10.2.1. Guideline for the Installation and Management of Public Gates (Stock Grids)

286 RESOLVED on the motion of Cr B. Woodruff and Cr J. Drayton that:

Council:

1. APPROVES placing the *Guideline – Installation and Management of Public Gates (Stock grids)* on public exhibition for a period of 28 days; and
2. Requests that, at the conclusion of the 28 day public notification period, a further report is submitted to Council providing detail of any submissions received.

In Favour: Cr S. Reynolds, Cr J. Lecky, Cr A. Barry, Cr M. Bowditch, Cr D. Douglas, Cr J. Drayton, Cr L. Dunn, Cr G. McNeill, Cr R. Mahajan, Cr D. Marshall, Cr R. Scholes and Cr B. Woodruff.

Against: Nil.

## BACKGROUND

The guideline has been developed to provide for and encourage the proper management of Public Gates and/or Stock Grids (Public Gates) located on Muswellbrook Shire Council (Council) roads.

The guideline aims to cover all matters relating to the administration and management of existing and proposed Public Gates. The guideline expands upon Council Policy MSC09E Road Development Standards Policy part 2.3 Public Ramps.

The guideline also intends to improve the safety of the public road network by assisting property owners to locate, install and maintain their Public Gate. This will allow for the movement of stock across a road or graze stock within the road reserve without causing adverse impact to other road users.

The Roads Act 1993 (NSW) (the Act) imposes a statutory duty on Council to inspect, maintain, and repair any part of a public road. A Public Gate is considered an acquired component of a road, and is regarded as privately-owned road infrastructure and the responsibility of the property owner under the Act.

## CONSULTATION

Manager Works

Technical Assistant – Roads and Drainage Assets





## Group Manager Infrastructure &amp; Operations

## Upper Hunter Shire Council

**REPORT**

The *Guideline – Installation and Management of Public Gates (Stock Grids)* was placed on public exhibition for 28 days following the 27 February 2024 Ordinary Council Meeting. The Guideline was made available for public comment on Council's webpage and Council's Facebook page.

No submissions were received during the public exhibition period.

Following internal staff review, the following amendments were made to the document:

- 2.7 Provision for Joint Ownership

The above change has been included in the amended guideline attached for Council's consideration.

Part of the research into council experiences in implementing a similar program was to contact Upper Hunter Shire Council (UHSC), whose program commenced in 2023. Some valuable information was provided by UHSC, including the use of language when approaching potential identification of grid owners. UHSC has had a reasonable success rate with 80% to 90% positive responses to their program of 229 public ramps identified in Upper Hunter Shire.

As part of the registration process for all existing Public Gates, and the creation of an accurate register of these structures, Council is requested to consider waiving the costs for all existing responsible owners of public gates, for the cost of the first inspection. Upper Hunter Shire Council implemented a similar fee waiver that has contributed significantly to the program's success.

This fee waiver may be advantageous for Council in ensuring the maximum uptake of landowners when requesting landowners to provide updated information to secure a permit to allow the structure on the road, and to provide evidence of current certificate of currency for Public Liability Insurance.

Options include:

1. No action – Council risks public liability in the case of injury, damage, or death to road users;
2. Council adopts the Guideline, which will enable enforcement of the standards in order to ensure safety for road users and to minimise risk to Council by demonstrating that Council is diligently addressing Duty of Care responsibilities; or
3. Remove all grids – enforcing the removal of grids and eliminating the issues of ownership and maintenance.

Adoption of the '*Guideline for the installation and management of Public Gates on Local Muswellbrook Shire Roads*' will assist staff to undertake a program to identify responsibilities for landowners whilst providing a transparent guide for all stakeholders, including Council staff, on the administration of Public Gates to meet the requirements of the *Roads Act 1993*.

The Guideline aims to cover all matters relating to the administration and management of existing and proposed Public Gates. The Guideline expands upon Council Policy *MSC09E Road Development Standards Policy part 2.3 Public Ramps* and intends to improve the safety of the public road network by assisting property owners to install and maintain a Public Gate to the required standards.

In addition, it aims to facilitate a benefit to the landowner for the grazing of stock within the road reserve without causing adverse impact to other road users.



### **FINANCIAL CONSIDERATIONS**

Council's inspection fee for Public Gates/Grid is \$399.50, and re inspection fee is \$204. Application/Permit fee is \$399.50.

Council's budget for 2024-25 does not assume revenue from Public Gates/Grid fees.

If Council resolves as recommended, Council would be forgoing revenue for the initial inspection.

### **POLICY IMPLICATIONS**

The guideline will support Council's *Road Development Standards Policy*.

### **STATUTORY / LEGISLATIVE IMPLICATIONS**

Nil known.

Ownership and maintenance/operation of the Public Gates are the responsibility of the designated landowners who benefit from them.

### **RISK MANAGEMENT IMPLICATIONS**

Structures within the road reserve can pose a risk to public safety.

### **WASTE MANAGEMENT IMPLICATIONS**

The Guideline specifies any public gate removed from the road reserve by the permit holder is to be disposed of at a registered waste management facility. Further, any public gate removed by Council will be disposed of at a registered waste management facility and the responsible landowner invoiced for the cost.

### **COMMUNITY CONSULTATION / COMMUNICATIONS**

The draft Guideline has been placed on public exhibition for 28 days, with no submissions received.



## GUIDELINE –

# Installation and Management of Public Gates (Stock Grids)

### Authorisation Details

|                          |   |                           |          |
|--------------------------|---|---------------------------|----------|
| <b>Authorised by:</b>    |   | <b>Internal/External:</b> | External |
| <b>Date:</b>             |   | <b>Minute No:</b>         |          |
| <b>Review timeframe:</b> | 4 years                                     | <b>Review due date:</b>   |          |
| <b>Department:</b>       | Infrastructure and Operations               |                           |          |
| <b>Document Owner:</b>   | Group Manager Infrastructure and Operations |                           |          |

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**Muswellbrook Shire Council Guideline – INSTALLATION and MANAGEMENT  
OF PUBLIC GATES (Stock Grids)**

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**Muswellbrook Shire Council Guideline – INSTALLATION and MANAGEMENT  
OF PUBLIC GATES (Stock Grids)**

**1. INTRODUCTION**

The aim of this guideline is to provide for and encourage the proper management of Public Gates and/or Stock Grids (Public Gates) located on Muswellbrook Shire Council (Council) roads. The Guideline aims to cover all matters relating to the administration and management of existing and proposed Public Gates. This guideline expands upon Council Policy MSC09E Road Development Standards Policy part 2.3 Public Ramps.

This guideline also intends to improve the safety of the public road network by assisting property owners to locate, install and maintain a Public Gate. This will allow for the daily movement of stock across a road or graze stock within the road reserve without causing adverse impact to other road users.

The *Roads Act 1993* (NSW) (the Act) imposes a statutory duty on Council to inspect, maintain and repair any part of a public road. A Public Gate is considered an acquired component of a road and is regarded as privately-owned road infrastructure and the responsibility of the property owner under the Act.

All costs associated with the construction, maintenance and repair of a Public Gate is the responsibility of the owner of the land to which the Public Gate permit has been granted. Should the land be sold or passed on to another, then the obligation of maintenance and repair is deemed the responsibility of the new property owner. Council does not acquire the property owner's responsibility for the Public Gate upon sale.

This guideline also informs a compliance check of a permitted Public Gate and ensures that the appropriate liability insurance is held by the property owner.

Council reserves the right to inspect the Public Gate at any time and, if deemed necessary, undertake maintenance or removal of the Public Gate where it poses a hazard to other road users. This will be at the property owner's expense. Further to this, if Council determines that the Public Gate is not maintained to the appropriate standard or is not warranted or no longer needed, Council may remove the Public Gate and reinstate the road. This will also be at the property owner's sole expense.

Improved road safety shall be achieved by developing and maintaining a systematic approach to the approval, inspection, evaluation, maintenance and repair of all Public Gates as identified in the Public Gates Register and by implementation and management of a permit system.

This guideline aims to:

- Document a transparent system for the determining of applications for new Public Gates.
- Identify standards for the construction of new Public Gates.
- Define maintenance and responsibilities for new and existing Public Gates.
- Define registration and recording procedures for all Public Gates.
- Reduce the exposure of the property owner and/or Council to the possibility of a claim through the management of risks associated with Public Gates.

**Muswellbrook Shire Council Guideline – INSTALLATION and MANAGEMENT  
OF PUBLIC GATES (Stock Grids)**

**2. APPROVAL AND PERMIT PROCEDURES**

**2.1 Permit Application for Existing Public Gates**

A Flow chart for Permit Applications is included in Appendix A.

Owners of any existing Public Gate whether registered or unregistered will be required to lodge a Public Gate Permit Application (permit) with Council. The applicant will be required to identify whether the current condition of the structure complies with the defined standard and provide a current copy of their public liability insurance (\$20million minimum).

At the time of assessment, the condition of the structure must comply with the standard to enable Council to issue a permit. In cases where a permit is not issued for an existing structure, Council may direct the owner to take appropriate action. These actions may include:

- Upgrading of the structure or ancillary infrastructure to comply with current standards,
- Replacement of the structure or ancillary infrastructure to comply with current standards,
- Removal of the structure, disposal at a licenced waste facility and reinstatement of the road.
- Eliminate the need for the Public Gates by fencing the road reserve.

**2.2 Unregistered Public Gates**

When an unregistered Public Gate is brought to Council's attention a letter is to be sent to all surrounding property owners requesting submissions to establish the ongoing operational need for the specified structure or the removal of that structure. The letter may also indicate the results of an inspection of the Public Gate undertaken by Council. In conjunction with the issuing of this letter to the responsible parties, a notice will be placed on the specified Public Gate. All responses received will be judged on merit and a decision of the future of the Public Gate will be made by the responsible Council officer. Responses must be submitted within 30 days from the date of erection of the notice on the Public Gate.

If a submission is received in response to the notice, the condition of the structure will be reassessed prior to the issuance of any approval.

If no response is received Council will take action to remove the structure from the road reserve. The adjoining property owners will be notified a minimum of 30 days prior to the removal of the structure to allow provisions to be made for the containment of stock. The containment of any stock always remains the responsibility of the property owner and Council bears no responsibility for any damage or injury arising from unsecured livestock.

The costs of removing the structure and impounding of livestock may be recovered by Council from the adjoining property owners. Any materials salvaged will remain the property of Council.



**Muswellbrook Shire Council Guideline – INSTALLATION and MANAGEMENT  
OF PUBLIC GATES (Stock Grids)**

**2.3 Permit Application for new Public Gates**

Council will consider applications for a Public Gate Permit only when:

- No viable alternative such as fencing, exists;
- Road safety concerns indicate that the placement of such structures would not create an unacceptable hazard.

**2.4 Criteria for installation of Public Gates**

The Public Gate must be constructed according to the following criteria:

- The location is limited to Access Roads and Minor Roads as defined by Council's Road Asset Management Plan and Road Register with a traffic count not exceeding 50 vehicles per day;
- The Community Infrastructure Department must determine that there is no impact on road safety due to a reduction in sight distance etc;
- The Public Gate is to be used for genuine farming purposes only;
- Evidence that the owners of all surrounding properties have been consulted with is provided to Council;
- Any comments or feedback is to be considered during the assessment of an application;
- The Public Gate must be located at a suitable location which will allow for current road usage patterns to continue and the future traffic requirements of the road will not be impeded;
- The proposed Public Gate must have a width greater than the minimum standard trafficable width for the road classification or the existing formation width;
- The Public Gate must be designed to be catered for HS20-T44 loading with drawings and computations certified by a qualified structural engineer;
- Statutory planning requirements must be met if applicable;
- Council approval must be granted. Approval is dependent on the applicant following all procedures set by the Community Infrastructure Department;
- An agreement prepared pursuant to the Act and the *Roads Regulations (2018)* (the Regulations) must be signed by the applicant agreeing to full responsibility of all costs associated with the construction, ongoing maintenance and repair and replacement of the Public Gate;
- The property owner deriving the benefit of the Public Gate is required to extend their public liability insurance to cover liability claims in connection with the maintenance or use of the Public Gate. Public liability insurance must be at least \$20 million, and kept up to date
- All farming operations within the road reserve be conducted in accordance with all relevant laws and Council policies.

**Muswellbrook Shire Council Guideline – INSTALLATION and MANAGEMENT  
OF PUBLIC GATES (Stock Grids)**

**2.5 Permit Periods**

Section 130 of the Roads Act states that a Council may at any time revoke a Public Gate permit. Without limiting the circumstances in which Council can revoke a permit, Council will revoke a permit where it comes to the attention of Council that the Public Gate is not being maintained to standard or is a risk to road safety.

All Public Gate permits have a maximum permit period of one year. A permit must be renewed annually.

**2.6 Road Carriageway**

The trafficable width of any Public Gate must be greater than the minimum standard trafficable width of the road class and the existing formation width. Where an existing Public Gate has been constructed with a width less than this, the signage provided should include a "NO OVERTAKING OR PASSING" warning sign (R6-1A) on each approach.

The Public Gate applicant is responsible for the maintenance of the road carriageway for a minimum distance of 20m either side of the structure as identified in the Regulations clause 71. Council reserves the right to vary the distance based on the circumstances of the application.

The Public Gate permit issued by Council will contain conditions regarding the maintenance of the road carriageway. The permit holder must comply with these conditions.

Council may carry out maintenance of the carriageway within this distance from the structure at the permit holder's expense if the conditions are not complied with.

The permit holder must not carry out maintenance works on the carriageway unless specified in the Public Gate permit.

Any works to be undertaken in the road reserve must be conducted pursuant to a section 138 Road Opening Permit. Further information regarding a section 138 Permit is available on Council's website.

**2.7 Provision for Joint Ownership**

Where a public gate is on a property boundary and it is deemed that both property owners receive benefit (or both property owners have claimed ownership), then a Joint Permit can be issued.

This will be assessed on a case by case basis.

**Muswellbrook Shire Council Guideline – INSTALLATION and MANAGEMENT  
OF PUBLIC GATES (Stock Grids)**

**3. INSPECTIONS**

**3.1 Proactive Inspections**

The permit holder is responsible for carrying out regular inspections to ensure the structure complies with specified standards.

Subject to availability of resources, Council staff will inspect Public Gates as part of scheduled road network inspections. Any identified condition defects may be advised to the permit holder for rectification.

**3.2 Reactive Inspections**

Council staff will respond to customer requests. Any defects observed during such inspections may be advised to the permit holder for rectification.

**3.3 Failure to Maintain**

Failure to ensure that maintenance of Public Gates is carried out may result in Council revoking the Public Gate Permit and removing the structure from the road reserve. Council will order the permit holder to conduct repair works within the timeframe nominated by Council based on a risk assessment. If the permit holder fails to meet the requirements of such an order, then the permit will be revoked, and the structure removed from the road reserve and disposed at a licenced waste facility. All costs associated with the removal of structures will be recovered from the permit holder and all materials salvaged shall be disposed of at a licenced waste facility or taken to Council's Works Depot where it will be the property of Council.

Where a Public Gate is deemed to be in a dangerous condition and the permit holder cannot be immediately contacted, the Public Gate will be temporarily repaired by Council at the permit holder's cost. This will include any steps Council deems necessary to make the structure safe for traffic and may include temporarily filling the Public Gate with compacted gravel or the removal of the Public Gate. The permit holder will be held solely responsible for any damage or injury caused by the structure.

If any person fails to carry out their obligations under this guideline following the serving of various notices and requests from Council the statutory procedures for compliance and the levying of penalties pursuant to the Act will be applied.

**Muswellbrook Shire Council Guideline – INSTALLATION and MANAGEMENT  
OF PUBLIC GATES (Stock Grids)**

**4. APPLICATION PROCEDURES**

The following procedures provide a guide to applicants regarding what they can expect when applying for a Public Gate permit.

**4.1 Upon Application**

- Lodgement of application form/s (ensuring all information is completed as required).
- Lodgement of associated plans as required by the application form.
- Payment of fees.

**4.2 Initial Inspection**

- The location proposed for the Public Gate is inspected by a Council officer.
- The officer prepares a report which may include any photos or drawings made during inspection and supporting information in relation to site suitability (eg site distance measurements, road width etc).
- If the site is found to be unsuitable, a letter is sent to the applicant advising of the unsuccessful application. The letter may be accompanied by a partial refund of fees at the Council's discretion.

**4.3 Community Consultation**

- The proposed Public Gate is advertised in the local newspaper as required by law.
- Submissions may be received by Council in response to the advertisement.
- Council will provide a written or verbal response to the submissions as appropriate.
- Council will review the submissions and determine the application.

**4.4 Conditional Approval**

- Law requires that conditional approval may only be granted 28 days or more after community consultation has concluded.
- Council will write to the applicant advising the conditions of approval.

**4.5 Construction Approval**

This approval is granted through a section 138 permit and includes all documentation submitted as stipulated in the conditions. As a minimum this must include;

- Design and layout of proposed structure
- Construction contractor's insurance details
- Traffic Guidance Scheme
- Certificate of Currency of Public Liability Insurance for the proposed structure with a minimum cover of \$20,000,000.
- Construction / maintenance bond lodged, if required
- Provided all the submitted documentation is satisfactory, Council provides the applicant with approval of design and Traffic Guidance Scheme, and acknowledgment of receipt of insurance details with the Section 138 permit.

**Muswellbrook Shire Council Guideline – INSTALLATION and MANAGEMENT  
OF PUBLIC GATES (Stock Grids)**

**4.6 As Constructed Inspection/s**

- Once the Public Gate is constructed the applicant advises Council and a Council officer inspects the Public Gate.
- If construction is found to be below the required standard or not to specifications, the Council officer will liaise with the applicant and provide a;
  - Detailed list of defects identified during inspection
  - Written or verbal notification to applicant or construction contractor
  - Follow-up inspection details

**4.7 Final Permit**

Council will write to the applicant providing a Public Gate permit number. The construction bond is transferred to maintenance bond if applicable.

Council's Register of Public Gates is updated with the following minimum information;

- Permit Number
- Applicants Name
- Date of Application
- Date of Advertisement
- Date of Determination
- Construction requirements
- Location of Public Gate
- Road name and chainage from start datum or crossroad
- Legal description of properties adjoining structure (Lot/Section/DP)
- Legal description of responsible land parcel (lot/Section/DP)

**5. FEES AND CHARGES**

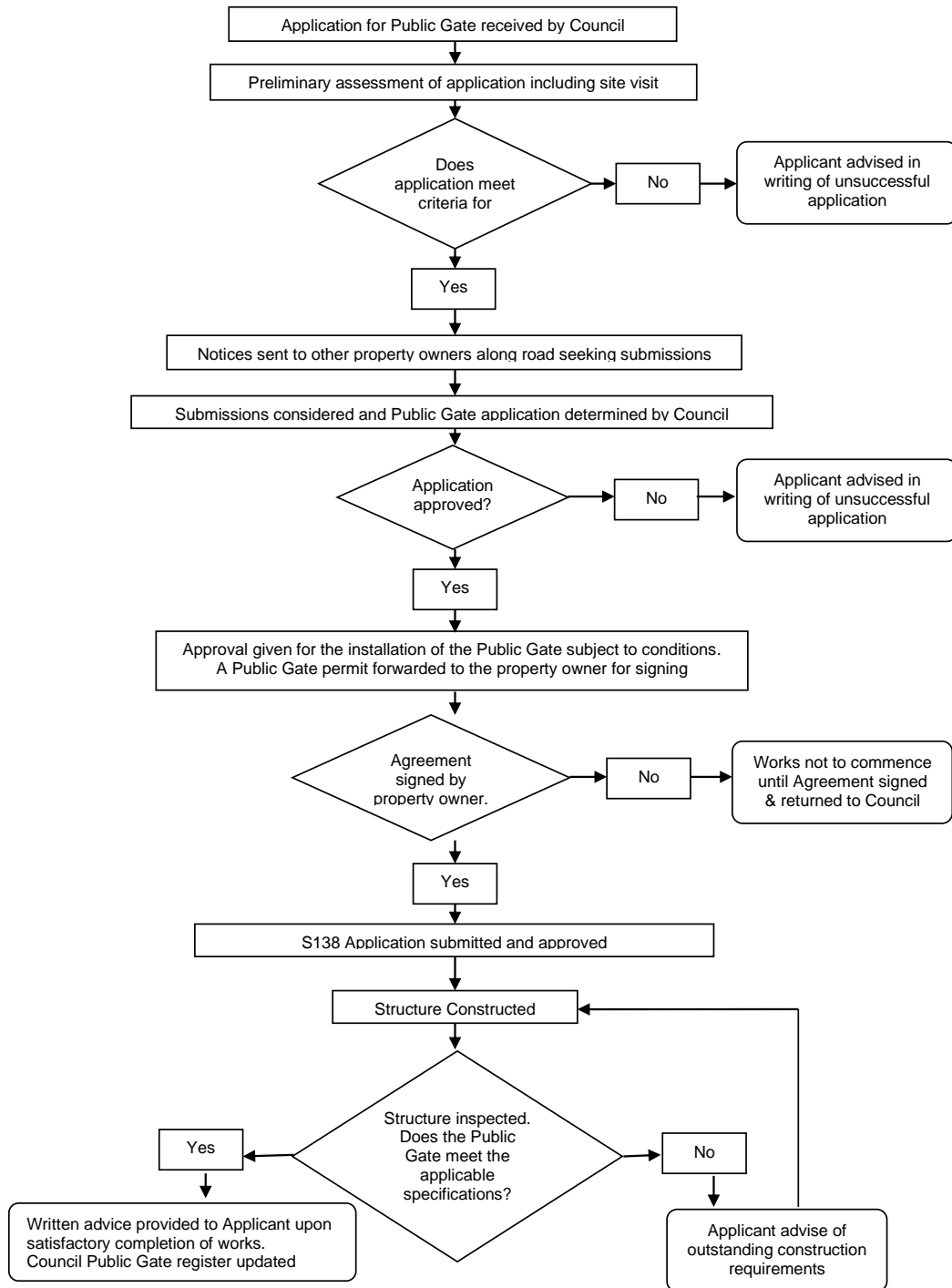
Fees will be charged in accordance with Council's adopted Schedule of Fees and Charges available on Council's Website.

**Muswellbrook Shire Council Guideline – INSTALLATION and MANAGEMENT OF PUBLIC GATES (Stock Grids)**

**6. APPENDICES**

**Appendix A: Flow chart for Permit Applications**

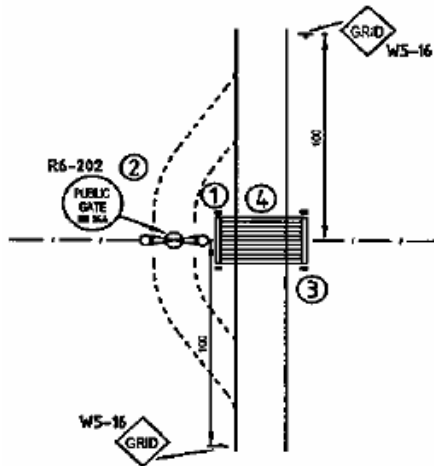
**Process Map for Application to Install a Public Gate**





**Muswellbrook Shire Council Guideline – INSTALLATION and MANAGEMENT  
OF PUBLIC GATES (Stock Grids)**

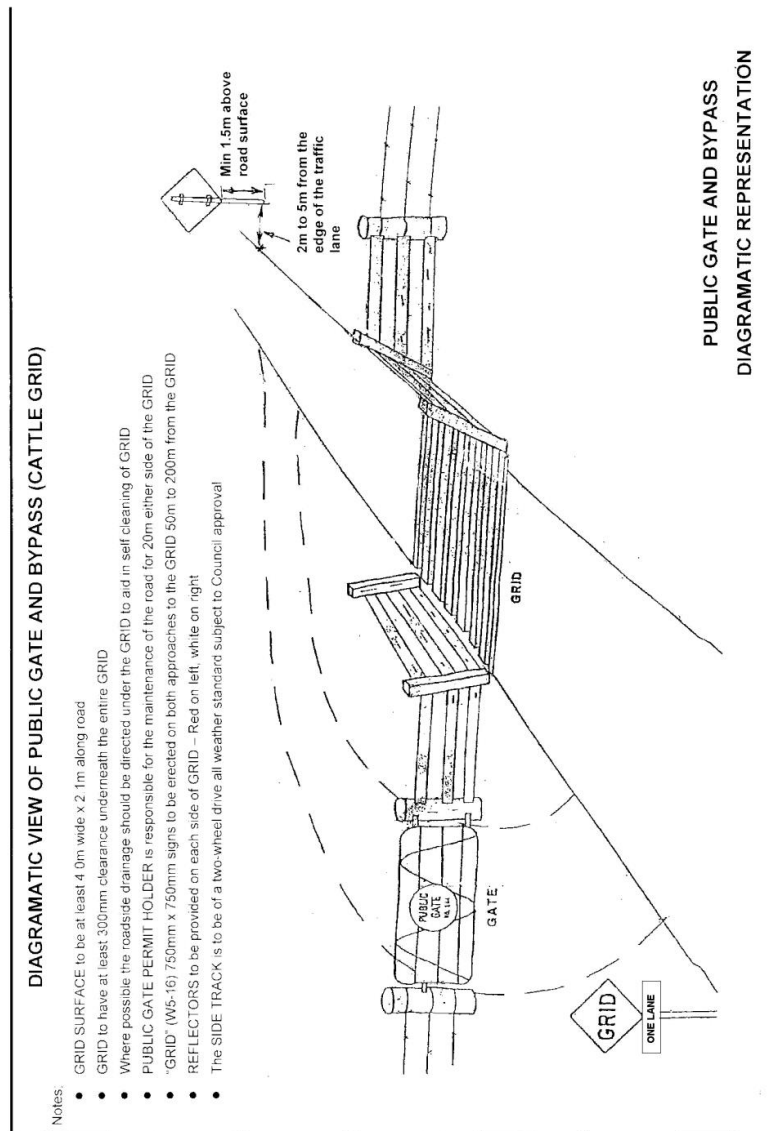
**Appendix B: Standard Drawing of a Public Gate and Stock Grid in Bypass  
Combination**



**Notes**

1. Public Gate to be registered and kept painted white by property owner.
2. All signs at property owner's cost.
3. Guideposts with reflectors either side (4)
4. Public Gate and Stock Grid to be 4m wide on narrow gravel road, 7.22m wide on two lane gravel road.

**Muswellbrook Shire Council Guideline – INSTALLATION and MANAGEMENT  
OF PUBLIC GATES (Stock Grids)**



**Muswellbrook Shire Council Guideline – INSTALLATION and MANAGEMENT  
OF PUBLIC GATES (Stock Grids)**

**Appendix C: Public Gate Installation Application Form**



**PUBLIC GATE PERMIT NO.**

|                            |              |  |
|----------------------------|--------------|--|
| Permit Holder:             |              |  |
| Address:                   |              |  |
| <b><u>GRID DETAILS</u></b> |              |  |
| Road:                      |              |  |
| Distance:                  |              |  |
| Ownership (Single/Joint):  | Single/Joint |  |
| Grid Size:                 | in metres    |  |
| Gate Size:                 | in metres    |  |
|                            |              |  |

**CONDITION OF PERMIT**

1. The Public Gate is to be installed and maintained in accordance with the provisions of the Road Act 1993, the Roads regulation 2018 and Council's design standards.
2. The Public Gate comprises both a stock grid and gate. A stock grid shall be located on the centreline of the existing road formation. The gate shall be located to one side of the stock grid and be clear of the normal travel path of a vehicle.
3. The permit holder(s) is responsible for the erection of and maintenance of the Public Gate, warning signs on the approaches to the grid and the immediate approaches on either side of the grid as per the above Act and Regulations.

\_\_\_\_\_  
Permit Holder

Derek Finnigan  
General Manager

**Muswellbrook Shire Council Guideline – INSTALLATION and MANAGEMENT  
OF PUBLIC GATES (Stock Grids)**

**Appendix D: Excerpt from NSW Legislation Act and Regulation**

**NSW Legislation Act and Regulation**

**Road Act 1993**

**Part 9 Division 2 Public gates**

**128 Roads authority may grant permit**

- (1) A roads authority may permit the occupier of any land through which an unfenced public road passes to erect a gate across the road at any place at which the road intersects a boundary fence.
- (2) A permit may not be granted with respect to a classified road except with the concurrence of RMS.
- (3) A roads authority must cause notice of the granting of the permit to be published in a local newspaper.
- (4) The occupier for the time being of the land to which a permit relates is taken to be the holder of the permit.

**129 Erection and maintenance of public gates**

- (1) The holder of a public gate permit may, at any time after one month from the publication of the notice of the granting of the permit, erect a gate in accordance with the permit.
- (2) The holder of a public gate permit must ensure that—
  - (a) a notice is attached to both sides of the gate bearing the words “PUBLIC GATE” in letters at least 75 millimeters high, and
  - (b) both the gate and the notice are maintained in good condition.

Maximum penalty—10 penalty units.

**130 Revocation of permit**

- (1) The roads authority may at any time revoke a public gate permit.
- (2) The occupier of the land the subject of a public gate permit that has been revoked must remove the gate within one month after notice of the revocation is served.

Maximum penalty—10 penalty units.

**131 Effect of permit**

While a public gate permit is in force, the public gate to which it relates is taken not to constitute a public nuisance and does not give rise to an offence against this or any other Act.

**132 Offences with respect to public gates**

- (1) A person must not cause any damage to a public gate or to any notice attached to the gate in accordance with this Division.

Maximum penalty—10 penalty units.

- (2) A person who opens a public gate must cause it to be closed again immediately after it has been used.

Maximum penalty—10 penalty units.

- (3) A person who fails to cause a public gate to be closed is liable for any loss or damage suffered by the occupier of the land adjoining the public road on which the gate is situated as a result of the gate having been left open.

**Muswellbrook Shire Council Guideline – INSTALLATION and MANAGEMENT  
OF PUBLIC GATES (Stock Grids)**

**133 Construction of by-pass around road gate**

- (1) An occupier of land adjoining an unfenced public road across which a public gate is situated at the point where the road intersects a boundary fence—
  - (a) must not, unless the appropriate roads authority so permits, and
  - (b) must, if the appropriate roads authority so requires, construct a by-pass for vehicles at the intersection of the road with the boundary fence.

Maximum penalty—10 penalty units.

- (2) The roads authority may not permit or require the construction of a by-pass—
  - (a) if the by-pass is to be used in connection with a public gate across a main road, except with the concurrence of RMS, and
  - (b) if the public gate is part of a rabbit proof, dog proof or marsupial proof fence, except with the concurrence of Local Land Services.
- (3) A by-pass is to consist of—
  - (a) a ramp to allow vehicles to be driven over the top of the boundary fence, or
  - (b) a cattle grid or sheep grid located beside the gate and must be constructed in accordance with such specifications as may be approved by the roads authority.
- (4) If the appropriate roads authority so requires, the person permitted or required to construct a by-pass—
  - (a) must construct the by-pass along the line of the road, and
  - (b) must re-locate the gate beside the by-pass.

Maximum penalty—10 penalty units.

- (5) The occupier for the time being of land to which a permit relates is taken to be the holder of the permit.

**134 Notice board to be erected at by-pass**

- (1) The occupier of land on which a by-pass is constructed must ensure that—
  - (a) a notice, in the form required by the appropriate roads authority, is exhibited on a conspicuous notice board near each end of the by-pass, and
  - (b) both the by-pass and the notice are maintained in good condition.

Maximum penalty—10 penalty units.

- (2) A notice may prohibit vehicles exceeding a specified laden weight from being driven over the by-pass.
- (3) If the appropriate roads authority requires a person to construct a by-pass, that authority may contribute to the cost of construction and erection of the notices.

**135 Closing of by-pass**

- (1) A by-pass may be closed and the notices relating to the by-pass may be removed—
  - (a) if the public gate in connection with which the by-pass was constructed is removed, or
  - (b) if the fence of which the by-pass forms part is made rabbit proof, dog proof or marsupial proof.
- (2) A person who closes a by-pass—
  - (a) must give notice of the closure to the appropriate roads authority before or immediately after the closure, and
  - (b) must take such steps as the appropriate roads authority directs to ensure the safety of persons using the road.

**Muswellbrook Shire Council Guideline – INSTALLATION and MANAGEMENT  
OF PUBLIC GATES (Stock Grids)**

**136 Revocation of by-pass permit**

- (1) The roads authority may revoke a permit given with respect to a by-pass by means of a notice served on the holder of the permit.
- (2) The occupier of the land the subject of the permit must, within the time specified in the notice—
  - (a) remove the by-pass and its notices, and
  - (b) take such steps as are specified in the notice to ensure the safety of persons using the road.

Maximum penalty—10 penalty units.

**137 Offences**

- (1) A person must not—
    - (a) drive a vehicle over a by-pass in contravention of a notice displayed in connection with the by-pass, or
    - (b) willfully damage or remove a notice displayed in connection with a by-pass, or
    - (c) willfully obstruct or damage a by-pass.
- Maximum penalty—10 penalty units.
- (2) A person who causes damage to a by-pass as a result of driving a vehicle over the by-pass in contravention of such a notice is liable for—
    - (a) the cost of any repairs to the by-pass necessary as a result of the contravention, and
    - (b) any loss or damage suffered by any other person as a result of the damage to the by-pass.



**Muswellbrook Shire Council Guideline – INSTALLATION and MANAGEMENT  
OF PUBLIC GATES (Stock Grids)**

**Appendix E: Road Regulation 2018**

**Roads Regulation 2018**

**Part 6 Public gates**

**68 Consent of adjoining landowner to be obtained**

An application for a public gate permit that is made by a person who owns land on one side only of the road across which the proposed public gate is to be erected must be accompanied by the written consent of the owner or owners of the land on the other side of the road.

**69 Notice inviting objections**

Before determining an application for a public gate permit, the roads authority—

- (a) must cause notice of the proposal to erect a public gate (including the proposed location of the gate) to be published in a local newspaper or on the roads authority's website, and
- (b) must allow sufficient time (being not less than 28 days from the date of publication of the notice) for written submissions on the proposal to be made to the roads authority, and
- (c) must have due regard to any written submissions on the proposal that are made to the roads authority within that time.

**70 Maintenance of public gates**

The holder of a public gate permit must ensure that—

- (a) the gate is white, and
- (b) the posts on either side of the gate are fitted with reflectors facing along the road in each direction.

Maximum penalty—10 penalty units.

**71 Road near gate**

The holder of a public gate permit must ensure that the road approaches to the gate are maintained in good condition for the distance (not exceeding 20 metres) from each side of the gate, and for the width, determined by the roads authority when granting the permit.

Maximum penalty—10 penalty units.

**Muswellbrook Shire Council Guideline – INSTALLATION and MANAGEMENT  
OF PUBLIC GATES (Stock Grids)**

**Appendix F: Public Gate Inspection Report Form**

|   |                 |
|---|-----------------|
| <b>MUSWELLBROOK SHIRE COUNCIL</b><br><br><b>RAMP INSPECTION SHEET</b> |                 |
| Permit No _____   |                 |
| ROAD NAME: _____  | DISTANCE: _____ |
| PERMIT HOLDER: _____  | ADDRESS: _____  |

|                                    |                         | Yes                      | N<br>o                   |
|------------------------------------|-------------------------|--------------------------|--------------------------|
| <b><u>Warning Signs:</u></b>       | Erected                 | <input type="checkbox"/> | <input type="checkbox"/> |
|                                    | Location Satisfactory   | <input type="checkbox"/> | <input type="checkbox"/> |
|                                    | Satisfactory Condition  | <input type="checkbox"/> | <input type="checkbox"/> |
| <b><u>Foundation/Abutment:</u></b> | Satisfactory Condition  | <input type="checkbox"/> | <input type="checkbox"/> |
| <b><u>Grid Rails:</u></b>          | Satisfactory Condition  | <input type="checkbox"/> | <input type="checkbox"/> |
| Rails Bent                         | Number Bent _____       |                          |                          |
| Rails Broken                       | Number Broken _____     |                          |                          |
| <b><u>Grid Support Beams:</u></b>  | Number Provided 4 _____ |                          |                          |
|                                    | Satisfactory Condition  | <input type="checkbox"/> | <input type="checkbox"/> |
| <b><u>Wing Walls:</u></b>          | Type: Steel             | <input type="checkbox"/> | <input type="checkbox"/> |
|                                    | Painted White           | <input type="checkbox"/> | <input type="checkbox"/> |
|                                    | Delineators Fixed       | <input type="checkbox"/> | <input type="checkbox"/> |
|                                    | Satisfactory Condition  | <input type="checkbox"/> | <input type="checkbox"/> |

**Muswellbrook Shire Council Guideline – INSTALLATION and MANAGEMENT  
OF PUBLIC GATES (Stock Grids)**

|                                 |                         | Yes                      | N<br>o                   |
|---------------------------------|-------------------------|--------------------------|--------------------------|
| <b><u>Public Gates:</u></b>     | Satisfactory Condition  | <input type="checkbox"/> | <input type="checkbox"/> |
|                                 | Does it Swing Properly? | <input type="checkbox"/> | <input type="checkbox"/> |
| <b><u>General Comments:</u></b> |                         |                          |                          |
|                                 |                         |                          |                          |
|                                 |                         |                          |                          |
|                                 |                         |                          |                          |
|                                 |                         |                          |                          |
| Date: _____                     |                         |                          |                          |

**10.2.2. General Building Renewal Programme 2024/2025**

|                                  |  |
|----------------------------------|--|
| <b>Responsible Officer:</b>      | Matthew Lysaught - Director - Infrastructure & Property<br>Derek Finnigan - General Manager  |
| <b>Author:</b>                   | Co-Ordinator - Commercial Property   |
| <b>Community Strategic Plan:</b> | 5 - Community Infrastructure<br><br>Effective and efficient infrastructure that is appropriate to the needs of our community             |
| <b>Delivery Program Goal:</b>    | 6.2.1 - Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves. |
| <b>Operational Plan Action:</b>  | 5.1.3.1 - Prioritise Capital works program to demonstrate continual improvement in community infrastructure.                             |
| <b>Attachments:</b>              | Nil  |

---

**PURPOSE**

To submit for Council's consideration the General Building Renewal Programme for 2024/2025.

**OFFICER'S RECOMMENDATION**

Council approves the 2024/2025 General Building Renewal Programme as provided in the report.

**Moved:** \_\_\_\_\_ **Seconded:** \_\_\_\_\_

**EXECUTIVE SUMMARY**

Council's asset and management team undertake periodic inspections of building assets and meet with both internal and external user groups. The 2024-25 General Building Renewal Programme has a budget allocation of \$200,000 and is allocated to eleven minor projects detailed in the table provided below.

**BACKGROUND**

Council provides a recurrent annual capital General Building Renewal Programme, with funds allocated to specific projects.

The report provides a list of projects and budget allocations for Council's consideration and approval.

**CONSULTATION**

Projects Manager – Property and Building Services

Manager – Property and Building Services

Stakeholders and user groups

Director Infrastructure & Property



**REPORT**

The capital budget allocation for the General Building Renewal Programme for 2024-2025 is \$200,000. Suggested projects include as follows:

| #  | Project                                   | Description   | Cost/Budget Estimate |
|----|---|---|----------------------|
| 1  | Muswellbrook Library Seminar Room Upgrade | Refurbish the Seminar Rooms to accommodate external bookings and serve as a temporary Council Chamber.  | \$22,200             |
| 2  | Muswellbrook Library                      | Replace zip hot water system, lighting improvements and renewal.  | \$20,550             |
| 3  | Security Provisions and Improvements      | Assess security measures and implement improvements to enhance staff safety, building security, and passive surveillance across several workplaces. | \$70,000             |
| 4  | Muswellbrook Child Care Centre            | Replace the aging sliding door and improve connectivity to the outdoor playground area.   | \$10,000             |
| 5  | Donald Horne Building Restaurant Finishes | Refine the final finishes to the dining area and improve storage security.  | \$8,400              |
| 6  | Staff Housing                             | Minor capital improvements and renewal to staff Housing.  | \$4,850              |
| 7  | Muswellbrook Works Depot                  | Improve fire safety measures and site security.   | \$15,000             |
| 8  | SES - Industrial Close                    | Investigate and repair termite damage.  | \$15,000             |
| 9  | Vietnam Memorial Toilets                  | Replace male and female toilets with vandal resistant security accessible toilet suite.   | \$15,000             |
| 10 | Campbells Corner Shop 11                  | Install new air conditioning unit.  | \$16,000             |
| 11 | Denman Memorial                           | Hall floor repair.  | \$3,000              |
|    | <b>Total</b>                              |   | <b>\$200,000</b>     |

**FINANCIAL CONSIDERATIONS****Ongoing Operational and Maintenance Costs Implications Associated with Capital Project****1. Financial Implications – Capital**

Council has an allocation of \$200,000 in the 2024/2025 Capital Budget for the General Building Renewal Programme.

**2. Financial Implications – Operational**

Capital improvements may assist potential operational savings.



**POLICY IMPLICATIONS**

Nil.

**STATUTORY / LEGISLATIVE IMPLICATIONS**

Nil.

**RISK MANAGEMENT IMPLICATIONS**

Nil.

**COMMUNITY CONSULTATION / COMMUNICATIONS**

Consultation will continue to be carried out with the users of Council facilities.



### 10.2.3. General Recreation Programme 2024/2025 Including Small and Large Capital Grants

**Responsible Officer:** Matthew Lysaught - Director - Infrastructure & Property

**Author:** Recreation & Property Officer

**Community Strategic Plan:** 5 - Community Infrastructure

Effective and efficient infrastructure that is appropriate to the needs of our community

**Delivery Program Goal:** 2.1.2 - Promote and facilitate increased participation in active and passive recreation activities.

**Operational Plan Action:** 2.1.2.2 - Continue matched funding Sport and Recreation Grants Programs.

**Attachments:**

1. Muswellbrook Shire Council - Small Capital Grant Application 2024 [**10.2.3.1** - 3 pages]
2. Muswellbrook Shire Council - Large Capital Grant Application 2024 [**10.2.3.2** - 3 pages]

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#### PURPOSE

To submit for Council's consideration the General Recreation Programme 2024/2025 and request the advertisement of the Sport and Recreation Small and Large Capital Grants.

#### OFFICER'S RECOMMENDATION

Council:

1. Approves the General Recreation Programme 2024/2025 as described in the report; and
2. Supports advertising the Sport and Recreation Small and Large Capital Grants through December 2024 and January 2025.

**Moved:** \_\_\_\_\_ **Seconded:** \_\_\_\_\_

#### EXECUTIVE SUMMARY

The report provides completed and proposed allocations for the General Recreation Programme 2024/2025, totalling \$197,200, for Council's consideration, and requests proceeding with advertising the Small and Large – Sport and Recreation Capital Grants Programme applications.

#### PREVIOUS RESOLUTIONS

Not applicable.

#### BACKGROUND

Each new financial year the asset manager for Council's sport and recreation assets reports to Council a list of proposed capital works projects for the General Recreation Programme.



Due to the interval of Local Government elections, some projects were progressed for practical completion, however, others remain discretionary for Council's decision.

The report provides the proposed projects for approval by Council for 2024-25. The list of proposed projects has been informed by consultation with the Muswellbrook Shire Sport and Recreation Committee, facility user group meetings, and asset condition inspections. There is a budget allocation of \$119,144 for the 2024-25 General Recreation Programme.

The Sport and Recreation Small and Large Capital Grants have been a very successful Council initiative. It has facilitated local user groups to fund their user priorities using matched Council funding.

Further, Council's funding has assisted user groups in attracting additional funding from other grant programmes. Since 2015 Council has facilitated 70 user group projects. The budget allocation this year is \$75,000 expected to be divided between \$25,000 for the Small Capital Grants Programme and \$50,000 for the Large Capital Grants Programme.

### CONSULTATION

Muswellbrook Shire Sport and Recreation Group

Facility User Groups

Works Coordinator - Parks

Director Infrastructure & Property

### REPORT

Projects status and Proposed General Recreation Programme:

| Project                               | Description  | Cost Estimate | Status    |
|---------------------------------------|--|---------------|-----------|
| Sandstone Block Installation          | Supply and installation of sandstone and concrete blocks at various parks for separation of vehicles and pedestrians including Karoola Park, Rutherford Park, and Wollombi Park. | \$41,400      | Completed |
| Denman Recreation Area Gate           | Supply and installation of access gate to the Denman Recreation Area to prevent vehicle access due to repeated incidents of vandalism to sporting fields using motor vehicles.   | \$7,580       | Completed |
| Wollombi Park Shelter and Crash Fence | Supply and Installation of shelter, table and a crash fence for safety and comfort of park users.  | \$29,076      | Completed |
| Highbrook Playground Softfall         | Replace the bark softfall in the toddler's playground and under the flying fox at Highbrook Park with TPV rubber   | \$100,000     | Proposed  |



| Project             | Description   | Cost Estimate    | Status   |
|---------------------|---|------------------|----------|
| Minor Capital Works | Various small capital works at the eight sport and recreation facilities across Muswellbrook Shire. | \$19,144         | Proposed |
|                     | Outstanding   | \$119,144        |          |
|                     | Expended  | \$78,056         |          |
|                     | <b>Subtotal</b>   | <b>\$197,200</b> |          |

Highbrook Park is the Shire's regional playground, with the highest usage. Replacing the existing bark softfall with Thermoplastic Vulcanised (TPV) rubber provides a safer, more durable, and, importantly, low-maintenance surface, reducing the risk of injuries, and minimising ongoing maintenance costs. TPV rubber is also environmentally sustainable over time, as it does not decompose, attract pests, or require frequent replenishment, such as is required for bark softfall.

Excluding the aquatic centres, which have separate budget allocations, and Volunteer Park, Council has eight sport and recreation facilities, including 6 x sportsgrounds and 2 x indoor sports centres, which have lists of required minor capital works. It is proposed to allocate the balance of funding towards these works based on priority.

#### **Sport and Recreation Small and Large Capital Grants:**

It is proposed to open the Sport and Recreation Small and Large Capital Grants in December and close in January to be reported back to Council in February/March.

The total combined budget for grant funding 2024/2025 is \$75,000.

The Sport and Recreation Small Capital Grants Application form and the Sport and Recreation Large Capital Grants Application form, which provide the grant guidelines, are attached for reference purposes to the report.

Council could consider allocating the remaining funding to alternative projects.

The provision of sport and recreation encourages active and passive recreation for all age groups and provides public amenity. Improving the facilities and equipment of local sport and recreation user groups assists in encouraging increased participation in sporting and recreational activities, leading to improved health and social outcomes

#### **FINANCIAL CONSIDERATIONS**

The General Recreation Programme budget allocation for 2024/2025 is \$197,200 (ledger number 3710.5293.504).

Sport and Recreation Small and Large Capital Grant funding allocation for 2024/2025 is \$75,000.00 (ledger number 3710.5494.504)

#### **Ongoing Operational and Maintenance Costs Implications Associated with Capital Project**

##### **1. Financial Implications – Capital**

\$197,200 General Recreation Programme

\$75,000 Major Dollar for Dollar Grant Program





**2. *Financial Implications – Operational***

Proposed replacement of bark softfall with TPV rubber softfall reduces operational expenses allocated to maintenance of the Highbrook Park Playground.

**POLICY IMPLICATIONS**

Nil.

**STATUTORY / LEGISLATIVE IMPLICATIONS**

Nil.

**RISK MANAGEMENT IMPLICATIONS**

Risk implications are considered in the evaluation of projects.

**COMMUNITY CONSULTATION / COMMUNICATIONS**

To be determined by each individual project.

## Sport and Recreation Small Capital Grants Program Guidelines

1. Grant applications will be considered from “not for profit” sporting and community groups in the Muswellbrook Shire Local Government Area that have an ABN
2. All applicants will be notified of the funding round outcome within 10 working days of determination
3. Grants are available on a matched funding (dollar for dollar) basis, up to a value of \$2,000 per project
4. Grants will be payable to successful applicants on the provision of an invoice from the applicant
5. Donated materials or voluntary labour will generally not be considered in assessing applicant contributions. However, if the applicant can provide independent evidence of their value such submissions will be considered on a case-by-case basis
6. The successful applicant will be responsible for project management and all project costs in excess of the approved grant, with all works undertaken required complying with Council policy, including but not limited to Workplace Health and Safety, Volunteer and procurement policies. Works will be subject to inspection and verification
7. Grants are for construction, maintenance, refurbishment, capital improvements or replacement of public sport or recreation facilities only. Applications to purchase sporting equipment, small capital items such as administration materials or software, or uniforms will not be considered for funding
8. Applications may not be submitted for work that has already taken place
9. The number of grants given in any funding period is subject to the total annual funding pool
10. Applicants will be required to acknowledge the funding provided by Council to be approved by Council Staff
11. Evidence of sufficient funds being held by the applicant to match the grant will be required before the grant is funded
12. Council has the authority to approve grants of less than the amount being sought to applicant organisations
13. Accurate cost estimates/quotes must be submitted as part of an application
14. Successful applicants must provide an acquittal of the monies received with evidence of expenses and photos of the project before and after submitted to Council's General Manager within 1 month of project completion
15. The grant may only be used for the purpose specified in the funding agreement, unless written approval is received from Council
16. Council reserves the right to publicise approved projects in any media form it chooses
17. Funded projects must be completed within 12 months of the grant being approved
18. These guidelines are subject to change from time to time
19. If grants are for structures, relevant approvals must be in evidence before funding will be made available
20. Funding received from Council must at a minimum be matched by the successful applicant
21. Councillors Spokespersons for Sport, Recreation and Well-Being have the authority to prioritise applications following consideration of advice from Council staff officers and reference to the Guidelines
22. Funding received under Council's Large Capital Grants program may not be used as the applicant contribution in an application to the Large Capital Grants Program
23. Applications involving partnerships between clubs will be considered if the total funding provided is not the entire cost of the project; applicants must match funding requested of Council
24. Grant application period is from December 2024 to 31 January 2025

## Sport and Recreation Small Capital Grants Program Application


### Your Organisation

|   |                      |
|---|----------------------|
| Name of Organisation:                   | <input type="text"/> |
| Contact name:                           | <input type="text"/> |
| Position or office within Organisation: | <input type="text"/> |
| Postal address:                         | <input type="text"/> |
| Email address:                          | <input type="text"/> |
| Phone number:                           | <input type="text"/> |
| Organisation Facebook (optional):       | <input type="text"/> |
| Australian Business Number (ABN):       | <input type="text"/> |

### Application details


|                                |                      |
|--------------------------------|----------------------|
| Where is your project located? | <input type="text"/> |
| Please describe your project:  | <input type="text"/> |
| Why is this project needed?    | <input type="text"/> |

Alternatively, please **attach** a detailed document describing your project and why it is needed for the Organisation.

 *Maximum 500 words – attach document*

What is the total cost of your project?

**NOTE the total project cost must be at least double the amount of funding requested**

 attachcost estimates/quotes

\$

Amount of grant funding requested?

**NOTE the maximum funding for one project is \$2,000 and ALL funding must be matched by the applicant**

\$

Does your Organisation have the available funds to match the grant amount?

 If yes, attached evidence

☐ Yes ☐ No

Does your project need Development Approval?

If yes, does your project have Development Approval yet?

☐ Yes ☐ No  
☐ Yes ☒ No

I certify that the information provided in and supporting this application is true and correct and that I am legally authorised to sign this application for and on behalf of the applicant Organisation.

Applicant's signature

Position

Date

## Sport and Recreation Large Capital Grants Program Guidelines

1. Grant applications will be considered from “not for profit” sporting and community groups in the Muswellbrook Shire Local Government Area that have an ABN
2. All applicants will be notified of the funding round outcome within 10 working days of determination
3. Grants are available on a matched funding (dollar for dollar) basis, up to a value of \$50,000 per project
4. Grants will be payable to successful applicants on the provision of an invoice from the applicant
5. Donated materials or voluntary labour will generally not be considered in assessing applicant contributions. However, if the applicant can provide independent evidence of their value such submissions will be considered on a case-by-case basis
6. The successful applicant will be responsible for project management and all project costs in excess of the approved grant, with all works undertaken required complying with Council policy, including but not limited to Workplace Health and Safety, Volunteer and procurement policies. Works will be subject to inspection and verification
7. Grants are for construction, maintenance, refurbishment, capital improvements or replacement of public sport or recreation facilities only. Applications to purchase sporting equipment, small capital items such as administration materials or software, or uniforms will not be considered for funding
8. Applications may not be submitted for work that has already taken place
9. The number of grants given in any funding period is subject to the total annual funding pool
10. Applicants will be required to acknowledge the funding provided by Council to be approved by Council Staff
11. Evidence of sufficient funds being held by the applicant to match the grant will be required before the grant is funded
12. Council has the authority to approve grants of less than the amount being sought to applicant organisations
13. Accurate cost estimates/quotes must be submitted as part of an application
14. Successful applicants must provide an acquittal of the monies received with evidence of expenses and photos of the project before and after submitted to Council's General Manager within 1 month of project completion
15. The grant may only be used for the purpose specified in the funding agreement, unless written approval is received from Council
16. Council reserves the right to publicise approved projects in any media form it chooses
17. Funded projects must be completed within 12 months of the grant being approved
18. These guidelines are subject to change from time to time
19. If grants are for structures, relevant approvals must be in evidence before funding will be made available
20. Funding received from Council must at a minimum be matched by the successful applicant
21. Councillors Spokespersons for Sport, Recreation and Well-Being have the authority to prioritise applications following consideration of advice from Council staff officers and reference to the Guidelines
22. Funding received under Council's Small Capital Grants program may not be used as the applicant contribution in an application to the Large Capital Grants Program
23. Applications involving partnerships between clubs will be considered if the total funding provided is not the entire cost of the project; applicants must match funding requested of Council
24. Grant application period is from December 2024 to January 2025



## Sport and Recreation Large Capital Grants Program Application


### Your Organisation

|   |                      |
|---|----------------------|
| Name of Organisation:                   | <input type="text"/> |
| Contact name:                           | <input type="text"/> |
| Position or office within Organisation: | <input type="text"/> |
| Postal address:                         | <input type="text"/> |
| Email address:                          | <input type="text"/> |
| Phone number:                           | <input type="text"/> |
| Organisation Facebook (optional):       | <input type="text"/> |
| Australian Business Number (ABN):       | <input type="text"/> |

### Application details


|                                |                      |
|--------------------------------|----------------------|
| Where is your project located? | <input type="text"/> |
| Please describe your project:  | <input type="text"/> |
| Why is this project needed?    | <input type="text"/> |

Alternatively, please **attach** a detailed document describing your project and why it is needed for the Organisation.

 *Maximum 500 words – attach document*

What is the total cost of your project?

**NOTE the total project cost must be at least double the amount of funding requested**

 attach cost estimates/quotes

\$

Amount of grant funding requested?

**NOTE the maximum funding for one project is \$50,000 and ALL funding must be matched by the applicant**

\$

Does your Organisation have the available funds to match the grant amount?

 If yes, attached evidence

☐ Yes ☐ No

Does your project need Development Approval?

If yes, does your project have Development Approval yet?

☐ Yes ☐ No  
☐ Yes ☒ No

I certify that the information provided in and supporting this application is true and correct and that I am legally authorised to sign this application for and on behalf of the applicant Organisation.

Applicant's signature

Position

Date

**10.2.4. Legal Permanent Road Closure of Part Yarraman Road**

|                                  |  |
|----------------------------------|--|
| <b>Responsible Officer:</b>      | Matthew Lysaught - Director - Infrastructure & Property  |
| <b>Author:</b>                   | Traffic & Roads Status Officer   |
| <b>Community Strategic Plan:</b> | 5 - Community Infrastructure<br><br>Effective and efficient infrastructure that is appropriate to the needs of our community |
| <b>Delivery Program Goal:</b>    | 5.1.3 - Facilitate investment in high quality community infrastructure necessary to a Regional Centre.                       |
| <b>Operational Plan Action:</b>  | Not applicable   |
| <b>Attachments:</b>              | 1. Yarraman Road Closure Sketch Council Report<br>[10.2.4.1 - 1 page]  |

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**PURPOSE**

To recommend the permanent legal closure of part of Yarraman Road as outlined in the report, and to request Council's approval to progress the matter in accordance with Part 4, Division 3 of the Roads Act 1993.

**OFFICER'S RECOMMENDATION**

Council authorises the commencement of the proposed road closure of part of Yarraman Road, including:

1. publishing a notice in the local newspaper and on Council's website seeking public submissions;
2. notifying all adjoining landowners; and
3. notifying all utilities authorities which may have assets affected by the closure:

**Moved:** \_\_\_\_\_ **Seconded:** \_\_\_\_\_

**EXECUTIVE SUMMARY**

Yarraman Road has been realigned and a new bridge constructed over Wybong Creek. The old unnecessary alignment of Yarraman Road now needs to be legally closed, and the former land comprising the former public road will be given in compensation for other lands acquired for road purposes.

Council is now required to follow the processes in accordance with the Roads Act 1993 to legally close the old portion of Yarraman Road.



## PREVIOUS RESOLUTIONS

### 28 September 2021- Resolution 120

*RESOLVED on the motion of Crs McNeill and Ward that:*

*Council endorse the direction taken by Council Officers in negotiating with Mangoola Coal Operations in relation to:*

- 1. Wybong Post Office Road Closure and Purchase;*
- 2. Mangoola construct or fund construction of a one in twenty-year flood mitigation crossing over Wybong Creek on Yarraman Road; and*
- 3. Bank Guarantee regarding removal obligations for the Mangoola extension Haul Road Overbridge.*

### 24 January 2023- Resolution 254

Mangoola Coal Continued Operations Project - Yarraman Road Upgrade - Land Required for Road Purposes

*RESOLVED on the motion of Cr R. Scholes and Cr J. Drayton that:*

*Council approves the following land dealings as outlined in the report:*

- 1. Agree to pay compensation as outlined in the report to Landowner 1;*
- 2. Agree to the land swap and works in kind to Landowner 2;*
- 3. Agree to the land swap to Landowner 3.*

### 28 May 2024 – Resolution 416

Mangoola Coal Continued Operations Project - Yarraman Road Upgrade - Documents to be Signed Under the Seal of Council

*RESOLVED on the motion of Cr J. Drayton and Cr J. Lecky that:*

*Council APPROVES the seal and signatures of Council to be affixed in accordance with the Regulations to Transfer documents, dealings, and plans associated with the acquisition of land required for road purposes for the ‘Yarraman Road Portion Upgrade’.*

## BACKGROUND

Mangoola Coal Operations Pty Limited received approval from the Independent Planning Commission on 26 April 2021 for SSD 8642, Mangoola Coal Continued Operations Project.

Council and Mangoola entered into the “The Road Closure and Works Deed”, dated 18 November 2021, which, among other matters, requires that Mangoola, at its cost, on behalf of Council is to undertake and complete the Yarraman Road Portion Upgrade which encompasses the realignment of Yarraman Road and a high level bridge to be constructed over Wybong Creek.

The Deed outlines that Council must, at its own cost, acquire all land, by compulsory acquisition or otherwise, necessary in order to construct the Yarraman Road Portion Upgrade, including any temporary area required during construction. This will incorporate the road closure of the unnecessary portion of Yarraman Road following the construction of the bridge and the realignment of the road.

## CONSULTATION

Affected Landowners

Council’s Legal Counsel

Crown Lands Division Department of Planning & Environment



Public consultation will be undertaken as outlined in the report

## REPORT

Section 38A of the Roads Act 1993 provides that Council may close a Council Public Road if:

- the road is not reasonably required as a road for public use (whether for present or future needs); and
- the road is not required to provide continuity of an existing road network; and
- if the road provides a means of vehicular access to particular land, another public road provides lawful and reasonably practicable vehicular access to that land.

The new bridge over Wybong Creek and the realigned portion of Yarraman Road have now been completed and opened for use by the public. The new realigned portion of Yarraman Road was dedicated as a public road in the plan of subdivision DP1297571 registered on 18 October 2023. As outlined above, the former alignment of Yarraman Road has now become unnecessary as a public road and is proposed to be closed in accordance with Part 4 Division 3 of the Roads Act 1993.

Council intends that the land forming part of a former public road will be given in compensation for other land acquired for the purposes of the Roads Act. Council has entered into separate agreements with the affected landowners adjoining the portion of Yarraman Road proposed to be closed. Council required additional land for the new road alignment from the affected landowners. All land acquisition matters have been negotiated and Deeds of Agreement entered into with the affected landowners for the lands required for road purposes.

The sections of Yarraman Road proposed to be closed form part of the negotiated agreements in the form of land swaps. This was previously reported to Council on January 2023 and May 2024.

In accordance with the provisions of the Roads Act, the following consultation will be undertaken by Council as part of this process:

- the notice of proposed road closure will be published in the local newspaper and on Council's website seeking public submissions;
- all owners of land adjoining the road will be notified; and
- all notifiable utilities authorities will be notified.

A report will be submitted to Council, following the public consultation period, to further progress the matter. Staff are requesting Council's endorsement to proceed under these provisions.

## FINANCIAL CONSIDERATIONS

The money received by Council from Mangoola for the sale of the land formerly comprised in the now closed portion of Wybong Post Office Road has been set aside and can only be used for acquiring land for public roads or for carrying out road works on public roads in accordance with s.43 (4) of the Roads Act 1993. This source of funding will cover the costs and fees associated with the road closure process and land swap agreements.





**Ongoing Operational and Maintenance Costs Implications Associated with Capital Project**

**1. *Financial Implications – Capital***

Nil.

**2. *Financial Implications – Operational***

Nil.

**POLICY IMPLICATIONS**

Nil.

**STATUTORY / LEGISLATIVE IMPLICATIONS**

Council is acting in accordance with the provisions of the Roads Act 1993.

**RISK MANAGEMENT IMPLICATIONS**

There may be objections from the public or public utilities authorities to the proposed road closure. Any submission received will be reported back to Council for consideration.

**COMMUNITY CONSULTATION / COMMUNICATIONS**

Public consultation will be undertaken as outlined in the report.





### 10.2.5. FOGO - Additional Services

**Responsible Officer:** Derek Finnigan - General Manager

**Author:** Chief Financial Officer

**Attachments:** Nil

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#### PURPOSE

To provide information for Council on options for funding an additional 240L red-lid bin service for residential premises on request.

#### OFFICER'S RECOMMENDATION

Council:

1. Provides an upsized 240L red lid bin to any residential premises on request with no upfront one-off bin exchange fee;
2. Endorses maintaining the current fee structure for Domestic Waste Management Charges for 2024/2025, including the fees for additional services, and the mechanisms for applying for a financial hardship subsidy; and
3. Will review the Domestic Waste Management Charges for the 2025/2026 Budget, including the costs for the 240L red-lid bin exchange fee, and recovery of these costs through the annual charges over time.

**Moved:** \_\_\_\_\_ **Seconded:** \_\_\_\_\_

#### EXECUTIVE SUMMARY

It is recommended that, for the 2025/2026 Financial Year, the Domestic Waste Management Charges are reviewed, and that the \$100 one-off charge for the exchange of the larger 240L bin is removed, including for this financial year 2024/2025, and recovered in the respective annual charges over time.

#### PREVIOUS RESOLUTIONS

At the 22 October 2024 Extraordinary Council Meeting, Council resolved as follows in relation to report '7.1 FOGO ':



## 7. Notices of Motion

### 7.1. FOGO

- 78 RESOLVED on the motion of Cr D. Douglas and Cr R. Mahajan that:
- It is requested that the General Manager reviews the logistics of providing an upsized 240L red lid bin to any residential premises that requests one, and that the upsized red bin is provided to the residential premises with no charge applying for the supply of the bin.
- In Favour Cr C. Bailey, Cr D. Douglas, Cr J. Drayton, Cr L. Dunn, Cr D. Hartley, Cr R. Mahajan, Cr M. Morris and Cr R. Scholes
- Against: Cr A. Barry, Cr G. McNeill, Cr D. Marshall and Cr S. Ward

## REPORT

On 1 July 2024, Council transitioned to a Food Organics & Garden Organics (FOGO) green-lid bin system. FOGO transition supports Council and the community in reducing environmental impact, managing waste more sustainably, reducing longer-term costs, and promoting a circular economy by turning waste into a valuable resource.

The implementation of the FOGO system involved the transition of the red-lid bin (general waste) collection from weekly to fortnightly, and the green-lid bin, which can now be used for food organics and garden organics (FOGO), from fortnightly to weekly. This structure has been selected to maintain Council's Domestic Waste Management Charges as one of the lowest in the Hunter Region.

Households that require red-lid bin services above the fortnightly 140L collection can request additional services at a cost and can apply for the cost to be subsidised in financial hardship circumstances.

### Domestic Waste Management Charges and Collection Frequency

It is understood that some residents/households require additional red-lid bin services. The options available include:

| Service   | Cost (2024/25)                |
|---|-------------------------------|
| Additional 140L Red-Lid Bin (fortnightly pickup)      | \$125/yr                      |
| Weekly pickup 140L Red-Lid Bin (limited availability) | \$100/yr                      |
| Upsize to 240L Red-Lid Bin (fortnightly pickup)       | \$266/yr + \$100 Exchange Fee |

To support those households in need, Council introduced mechanisms to provide subsidies, as outlined below:

For property owners to apply for the subsidised provision of:

- A. One additional 140L red lid bin, or
- B. Exchange one existing 140L bin for one 240L red lid bin,





one or more of the following criteria must be met:

1. Household with two or more children in nappies.
2. A large household of 6+ residents (excluding rooming houses, Airbnb's, other holiday and business rentals – businesses are encouraged to seek commercial waste and recycling services).
3. Household with one or more members with medical conditions generating excess waste.

And, the household is under financial hardship.

**Upsized 240L red lid bin**

Council has investigated options for funding an upsized 240L red-lid bin service for residents that may require this service. Unfortunately, no applicable grant funding sources have been identified to fund this service.

Domestic Waste Management Charges are levied on a user pays / cost recovery basis. If additional red-lid bin services are provided to some households, but no direct charges are applied for those services, the annual Domestic Waste Management Charges would need to increase for all households in the Domestic Waste Management system.

To avoid all households subsidising households that opt for the 240L red-lid bin service, the cost of the one-off \$100 exchange fee could be recovered over a term of five years, for example. This would increase the 240L Red-Lid Bin (fortnightly pickup) annual service charge, but no upfront one-off bin exchange fee.

For the 2025-26 financial year, Council could then consider distributing waste services charges more proportionally within the waste services charges. On review, both the supplementary red-lid bin service (additional 140L or 140L weekly pick-up), could be higher with respect to user pays / cost recovery principles and the 240L red-lid bin service slightly lower.

**10.2.6. Council Chambers - Concept Design**

|                                  |  |
|----------------------------------|--|
| <b>Responsible Officer:</b>      | Matthew Lysaught - Director - Infrastructure & Property  |
| <b>Author:</b>                   | Community Infrastructure Engineer  |
| <b>Community Strategic Plan:</b> | 5 - Community Infrastructure<br><br>Effective and efficient infrastructure that is appropriate to the needs of our community |
| <b>Delivery Program Goal:</b>    | 5.1.4 - Maintain and continually improve community infrastructure across the Shire.  |
| <b>Operational Plan Action:</b>  | Not applicable   |
| <b>Attachments:</b>              | 1. Council Chambers Concept Design [10.2.6.1 - 47 pages]   |

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**PURPOSE**

To report the concept design for the new dedicated Council Chambers and Councillors Room, and the proposed offices for the Mayor and General Manager for Council's consideration.

**OFFICER'S RECOMMENDATION**

Council endorses the proposed concept design attached to this report and approves progressing detailed design.

**Moved:** \_\_\_\_\_ **Seconded:** \_\_\_\_\_

**EXECUTIVE SUMMARY**

This report presents to Council the further developed concept design for the new Muswellbrook Shire Council Chambers and associated rooms to be constructed within the footprint of Campbells Corner.

The design aims to integrate a contemporary space, while acknowledging the significant heritage value of the Campbells Corner building.

The draft interior finishes for the Council Chambers have been selected to reflect both the heritage and evolution of industry in Muswellbrook Shire, and to provide a meaningful improvement on the corporate office aesthetic previously included in the development approved concept.

Additionally, the concept design includes proposed new offices for the Mayor and General Manager and offers Councillors direct access to the premises.

The project progressed from Council securing \$974,686 from Resources for Regions Round 9 funding for the Reactivation of Campbells Corner and associated works, including the Council Chambers. The complete scope of works is subject to the total cost, which is being reviewed with an updated quantity survey cost estimate.





## PREVIOUS RESOLUTIONS

At the October 2023 Ordinary Council meeting, Council:

- 143      **RESOLVED** on the motion of Cr G. McNeill and Cr D. Marshall that:  
Council grants development consent to DA 2023/26 involving alterations and additions to an existing commercial building (Campbells Corner), change of use for public administration building, and demolition works at 60 – 82 Bridge Street, Muswellbrook (Lot 101 DP 606303), subject to the conditions of consent contained in Attachment C of the report.

In Favour:    Cr S. Reynolds, Cr J. Lecky, Cr A. Barry, Cr D. Douglas, Cr L. Dunn,  
Cr G. McNeill, Cr R. Mahajan, Cr D. Marshall and Cr B. Woodruff.

Against:      Nil.

## BACKGROUND

The need for a dedicated Council Chambers was identified due to the limitations of the multipurpose Loxton room, which cannot accommodate a significant number of attendees or provide adequate space for public Ordinary Council meetings.

A portion of the previous IGA supermarket premises was identified for renovation to accommodate a new Council Chambers and associated rooms, with the remaining supermarket space is to be developed into a fresh produce store. The proposed works also include the refurbishment of some retail and commercial spaces within Campbells Corner.

## CONSULTATION

General Manager

Director Infrastructure and Property

Project Manager – Property and Building Services

## REPORT

Attached to this report is the proposed concept design for the new Council Chambers and Councillors Room, and the new offices for the Mayor and General Manager.

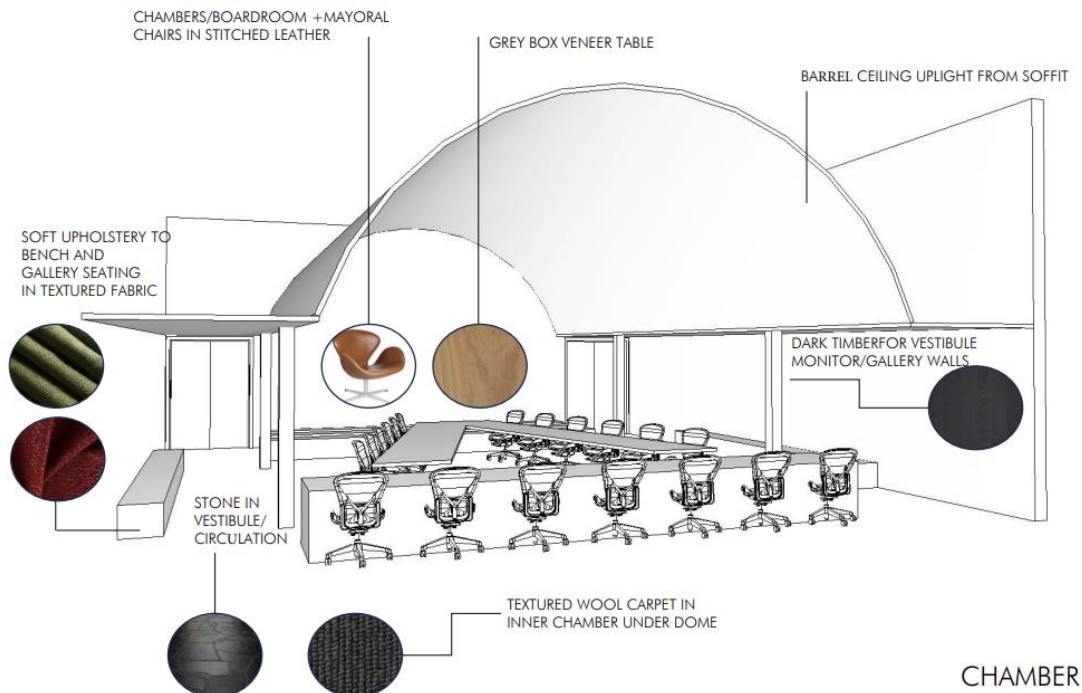
Some of the key design elements of the concept design include:

### **Council Chambers and Councillors Room**

The proposed design for the Council Chambers features a barrel ceiling, inspired by the arches of Campbells Corner, while the Councillors' Room (Boardroom) is to have an uncomplicated flat ceiling. An internal door will connect the Chambers to the Councillors' Room.

Subject to consultation with the local community, it is envisioned that a local Aboriginal design or motif in relief form, sculptural, such as including reference to the Muswellbrook Reconciliation Mural located in Simpson Park, could be incorporated behind the Mayoral and Executive bench. The intent would be to recognise the importance of local Aboriginal people in the Upper Hunter.

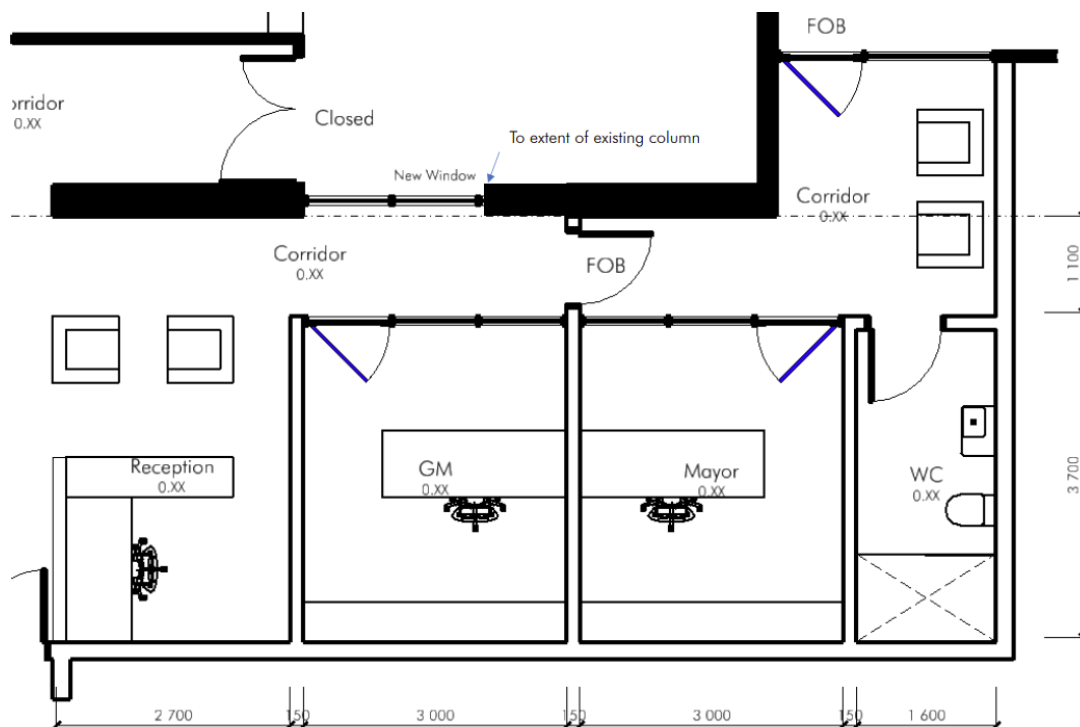
The proposed finishes to include natural, warm colours, and durable materials, including natural timbers, textured wool carpet, and upholstered furniture. Additionally, a raked floor for public gallery seating is planned, with fold-up seats for convenience.



### Mayor and General Manager Offices

The offices for the Mayor and General Manager will be positioned adjacent to one another, with access to the Mayor's office from outside the Administration Centre reception area, providing direct access for Councillors to both the Mayor and General Manager.

A separate office and reception area will be provided for the Executive Officer to both the Mayor and General Manager. The Executive Officer would work in close proximity with staff but be visible and available to both the Mayor and General Manager.





## **FINANCIAL CONSIDERATIONS**

### **Ongoing Operational and Maintenance Costs Implications Associated with Capital Project**

#### **1. *Financial Implications – Capital***

Council has secured \$974,686 from the Resources for Regions Round 9 funding for the Reactivation of Campbells Corner and associated works including the Council Chambers.

The complete scope of works is subject to the total costs which is being reviewed with an updated quantity survey costs estimate.

#### **2. *Financial Implications – Operational***

The addition of a Council Chambers is expected to have manageable operational costs, as it involves only a modest expansion of the existing floor area, resulting in minimal financial implications for ongoing operations.

A preliminary annual estimate is approximately \$30,000. The additional operational/maintenance costs approximately half of this. However, this will be reviewed in detail following consideration of any implications of the revised capital cost estimate to be received with respect to depreciation costs implications.

## **POLICY IMPLICATIONS**

Nil known.

## **STATUTORY / LEGISLATIVE IMPLICATIONS**

Nil known.

## **RISK MANAGEMENT IMPLICATIONS**

Risk management is considered and managed through each stage of the design and construction process.

## **COMMUNITY CONSULTATION / COMMUNICATIONS**

A communication plan will be developed during the implementation/construction phase.

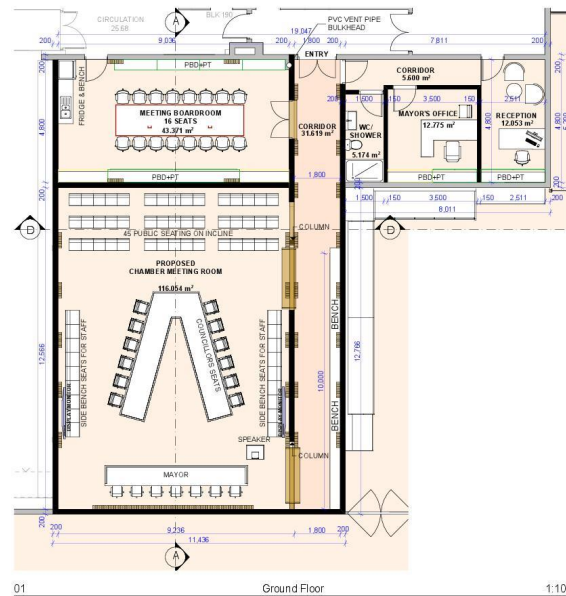
# CAMPBELLS CORNER

NEW COUNCIL CHAMBER DESIGN  
November 2024

MURYARCHITECTS

# CURRENT DESIGN

## DA APPROVAL



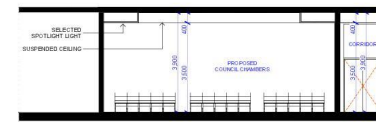
01 Ground Floor 1:100



01 Ceilings 1:100



01 A-A Section 1:100



01 D-D Section 1:100

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| ISSUE | REVISION                       | DATE       | ISSUE | REVISION | DATE |
|-------|--------------------------------|------------|-------|----------|------|
| A     | Preliminary Submission         | 26/06/2022 |       |          |      |
| B     | Amended Preliminary Submission | 26/06/2022 |       |          |      |
| C     | Amended Preliminary Submission | 10/08/2022 |       |          |      |
| D     | Amended Preliminary Submission | 15/09/2022 |       |          |      |

|             |   |
|-------------|---|
| PROJECT:    | 60 Bridge Street<br>Muswellbrook NSW 2333 |
| CLIENT:     | Muswellbrook<br>Shire Council             |
| PROJECT No: | 001/22                                    |
| DRAWING No: | 10 OF 30                                  |
| DATE:       | 9/10/2023                                 |
| SCALE:      | A3  |
| SHOWN:      | RA2                                       |
| DRAWN:      | EM  |
| CHECKED:    | AA  |

|                        |                     |
|------------------------|---------------------|
| AB&H Eco Group Pty Ltd | ALOK 035 959 413    |
| www.ab&heco.com.au     | alok@ab&heco.com.au |
| +61 433 613 580        | +61 2 8005 1888     |
| 600/101 Chapman Road   | Bahian NSW 2162     |





# DESIGN REVIEW CONCEPT 01

MOVE AWAY FROM  
'TRADITIONAL CORPORATE'  
FOR A BETTER CIVIC PLACE



*Do these spaces best represent the locality, people, and future of Muswellbrook Shire?*

# DESIGN REVIEW CONCEPT 02

## WORK WITH HERITAGE MOTIFS TO INTEGRATE CHAMBERS



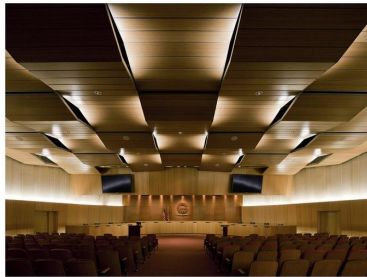












## PRECEDENTS OF BARREL/ARCHED SPACES IN PUBLIC CHAMBERS



## CONTEMPORARY PRECEDENTS OF BARREL/ARCHED SPACES IN CIVIC SETTINGS

# DESIGN REVIEW CONCEPT 03

## MAKE STRATEGY TACIT

# MUSWELLBROOK SHIRE 2022 – 2032 COMMUNITY STRATEGIC PLAN

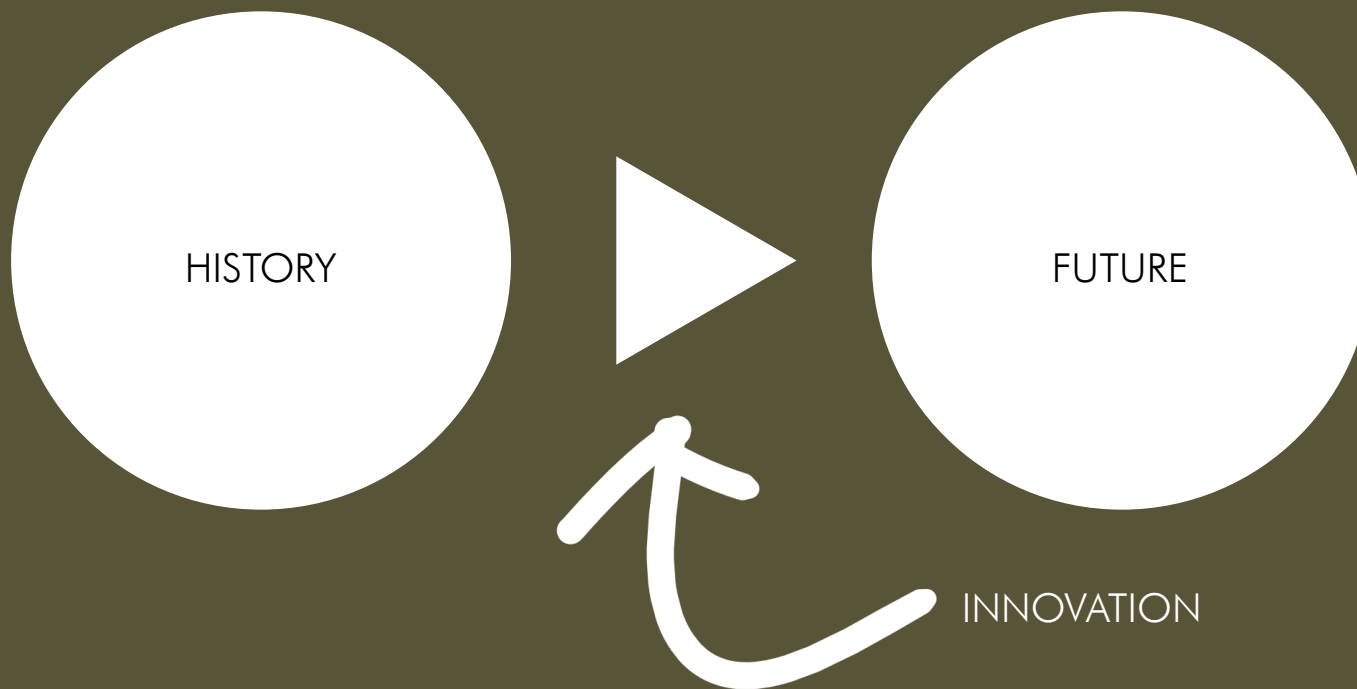


[muswellbrook.nsw.gov.au](https://muswellbrook.nsw.gov.au)



muswellbrook  
shire council

# TRANSITION













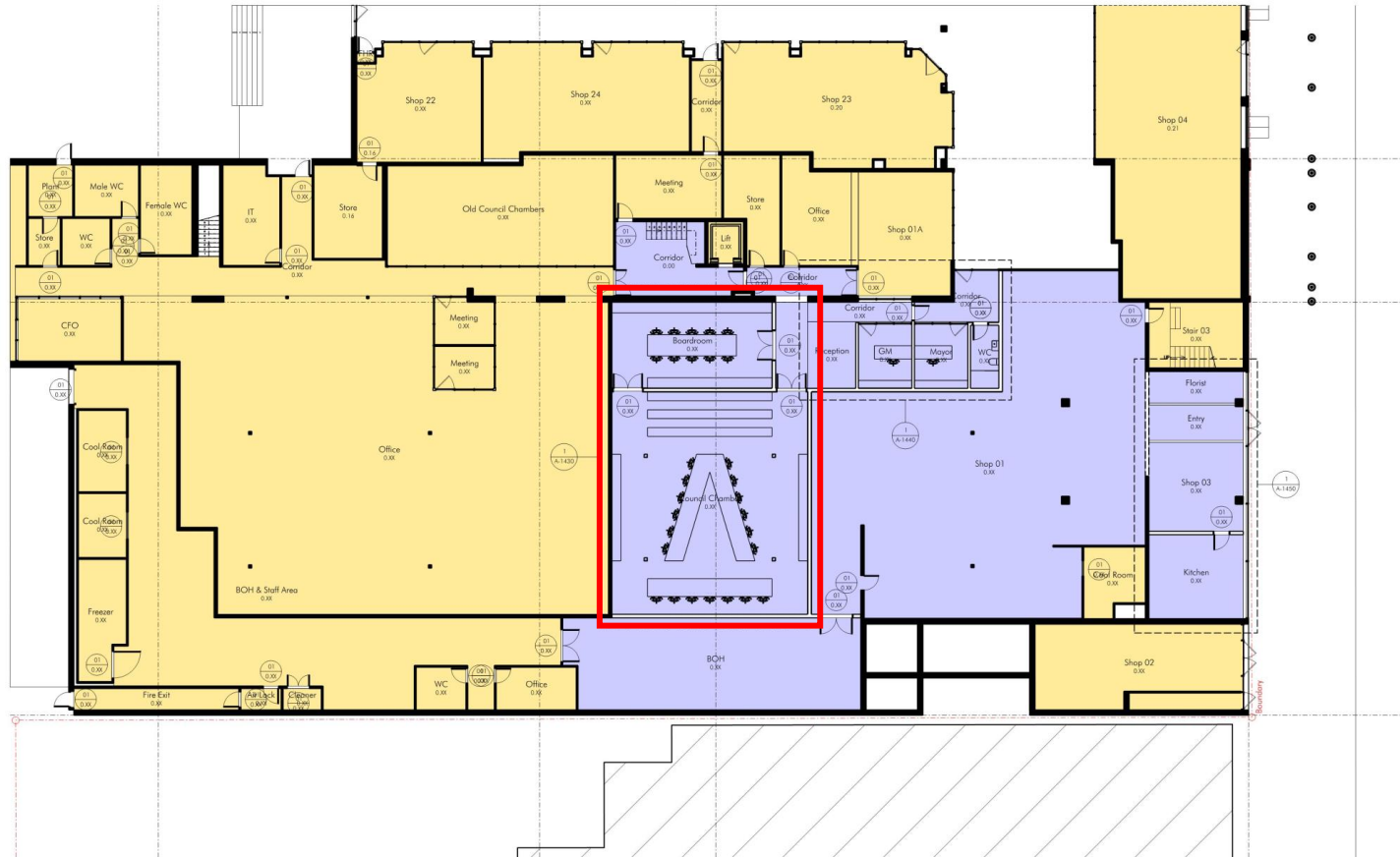
innovation



A large, solid dark olive-green rectangle occupies the upper two-thirds of the page. Centered within this rectangle is the text "PROPOSED DESIGN" and "NEW COUNCIL CHAMBERS" in a white, sans-serif, all-caps font.

# PROPOSED DESIGN

## NEW COUNCIL CHAMBERS



1 Enlarged Plan - Level 00 - Part 2  
A-1001 Scale 1:100

Notes  
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2. All dimensions are in millimetres unless otherwise noted.  
3. All dimensions shall be verified on site before proceeding with the work.  
4. Any Architect shall be notified in writing of any discrepancies.  
5. Refer to drawing A-1002 for symbols, abbreviations and codes.

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Tel: 02 6549 2700

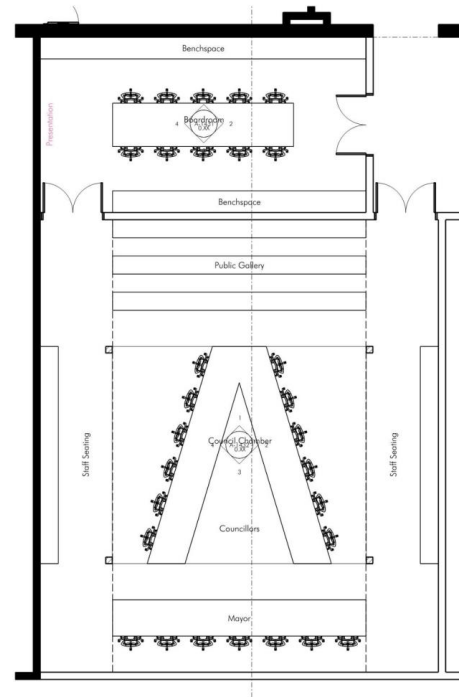
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Campbells Store  
60 - 82 Bridge Street  
Muswellbrook

Drawing Title  
Enlarged Plan -  
Level 00 - Part 2

PRELIMINARY ONLY

Scale  
1:100  
ISO A1  
Date  
XX.XX.XX

Project No.  
2401  
Drawing No.  
A-1001  
Issue  
PI



1 Council Chambers - Plan  
A-1430 / Scale 1:50

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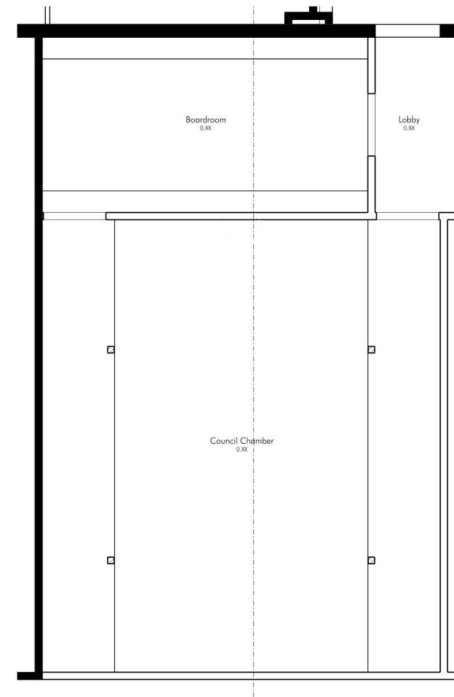
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60 - 82 Bridge Street  
Muswellbrook

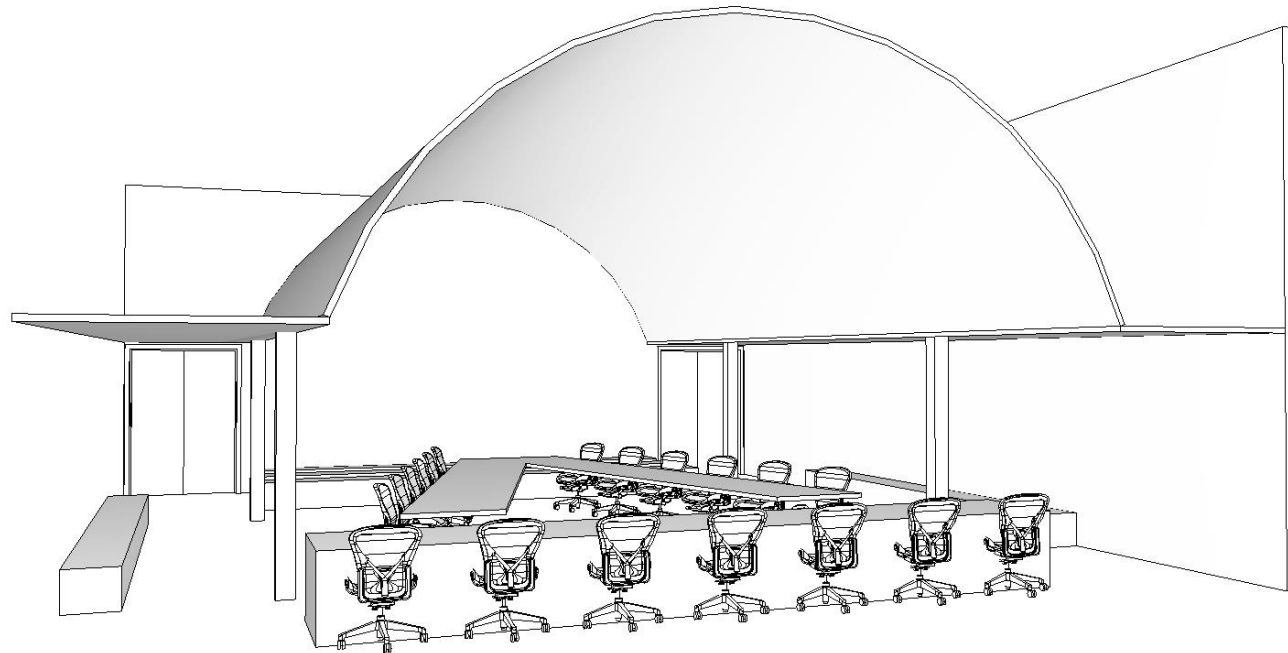
Drawing Title  
Specific Area -  
Chambers

PRELIMINARY ONLY

Scale  
1:50  
ISO A1  
Date  
XX.XX.XX  
Project No.  
2401  
Drawing No.  
A-1430  
Issue  
PI

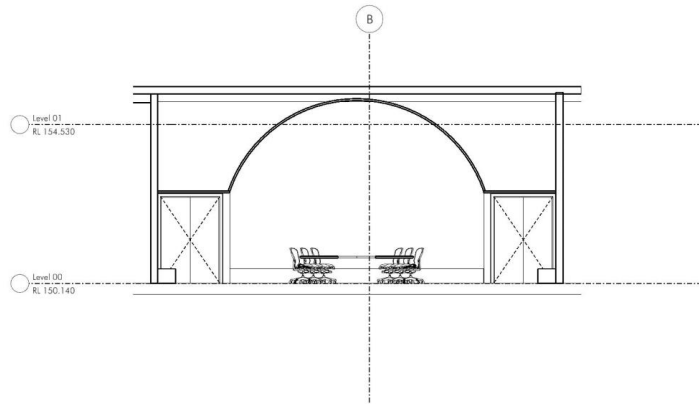
2 Council Chambers - RCP  
A-1430 / Scale 1:50



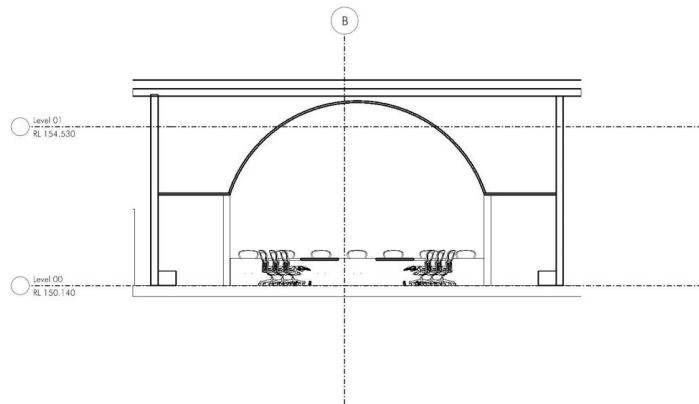


CHAMBER





1 Chambers - Elevation - North  
A-1432 Scale 1:50



3 Chambers - Elevation - South  
A-1432 Scale 1:50

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Email: m.woods@engencom.com.au

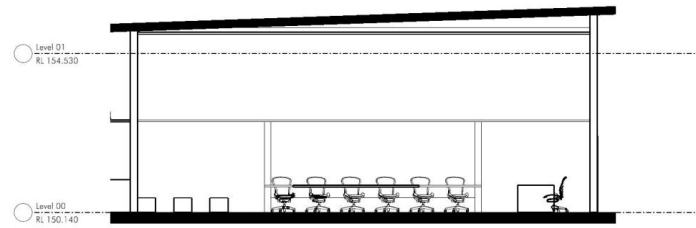
Client  
Muswellbrook Shire Council  
60 Bridge Street  
Muswellbrook NSW 2333  
Tel: 02 4349 3700

Location  
Campbells Store  
60 - 82 Bridge Street  
Muswellbrook

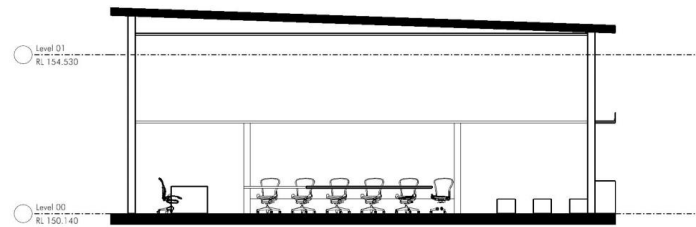
Drawing Title  
Specific Area -  
Chambers

PRELIMINARY ONLY

Scale  
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Size  
ISO A1  
Drawing No.  
A-1432  
Issue  
PI

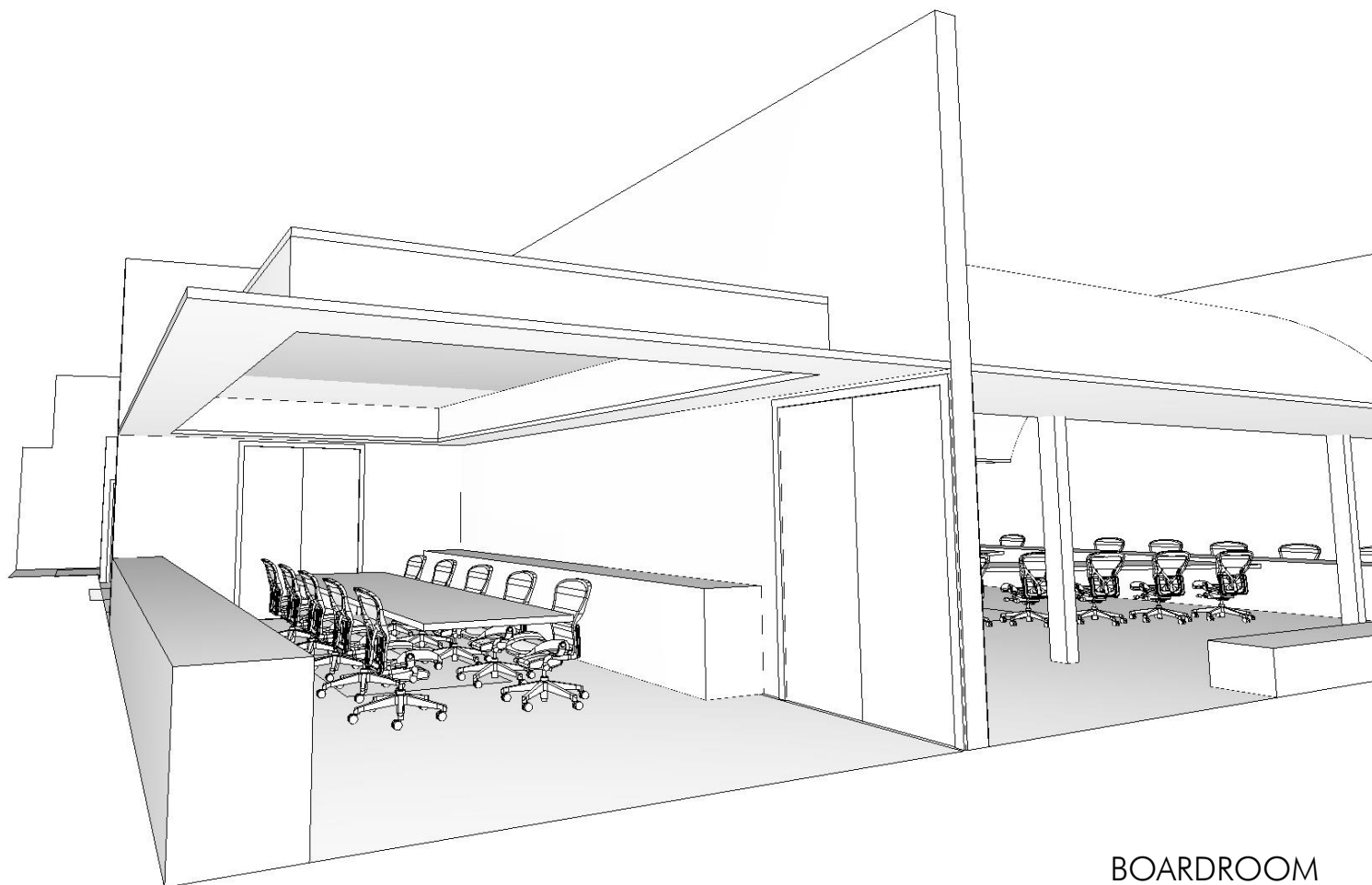


2 Chambers - Elevation - East  
A-1432 Scale 1:50

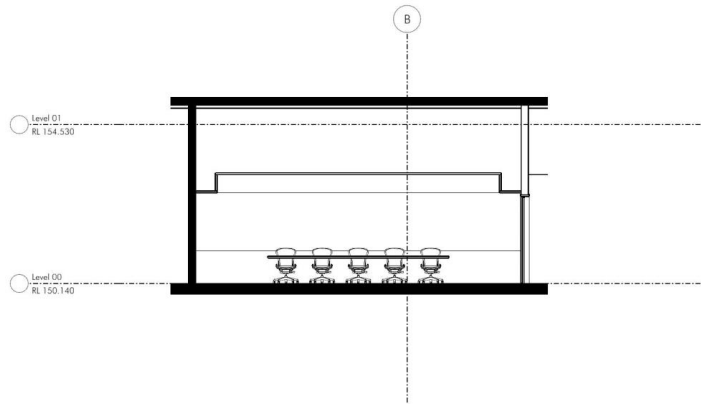


4 Chambers - Elevation - West  
A-1432 Scale 1:50

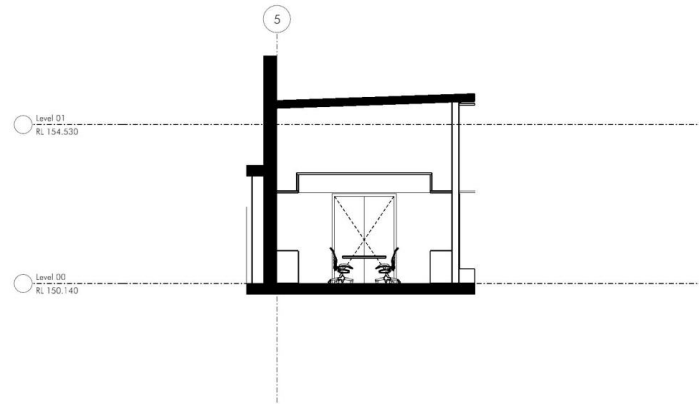
# PROPOSED DESIGN NEW BOARDROOM



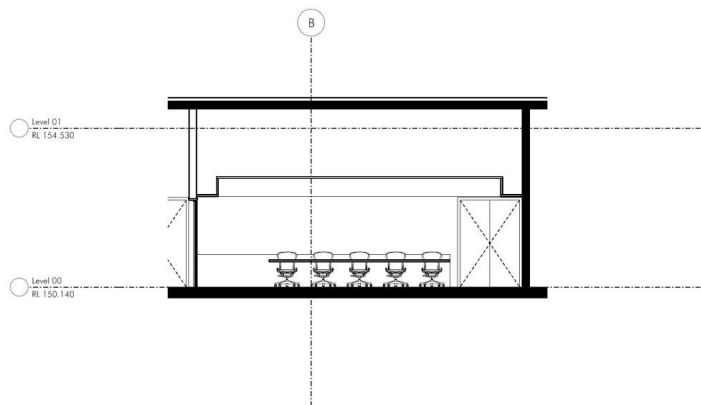
BOARDROOM



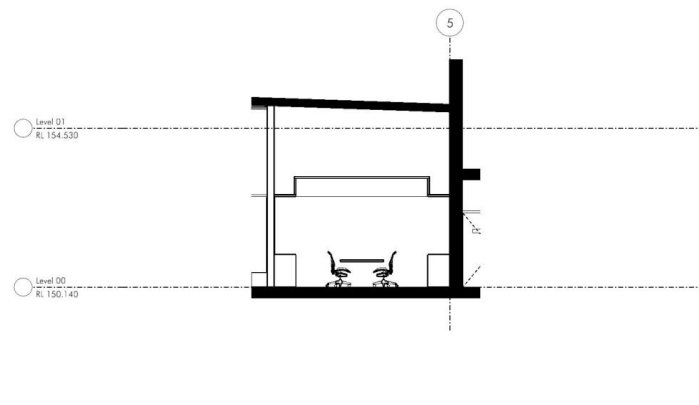
1 Chambers - Boardroom - Elevation - North  
A-1431 Scale 1:50



1 Chambers - Boardroom - Elevation - East  
A-1431 Scale 1:50



3 Chambers - Boardroom - Elevation - South  
A-1431 Scale 1:50



4 Chambers - Boardroom - Elevation - West  
A-1431 Scale 1:50

Notes  
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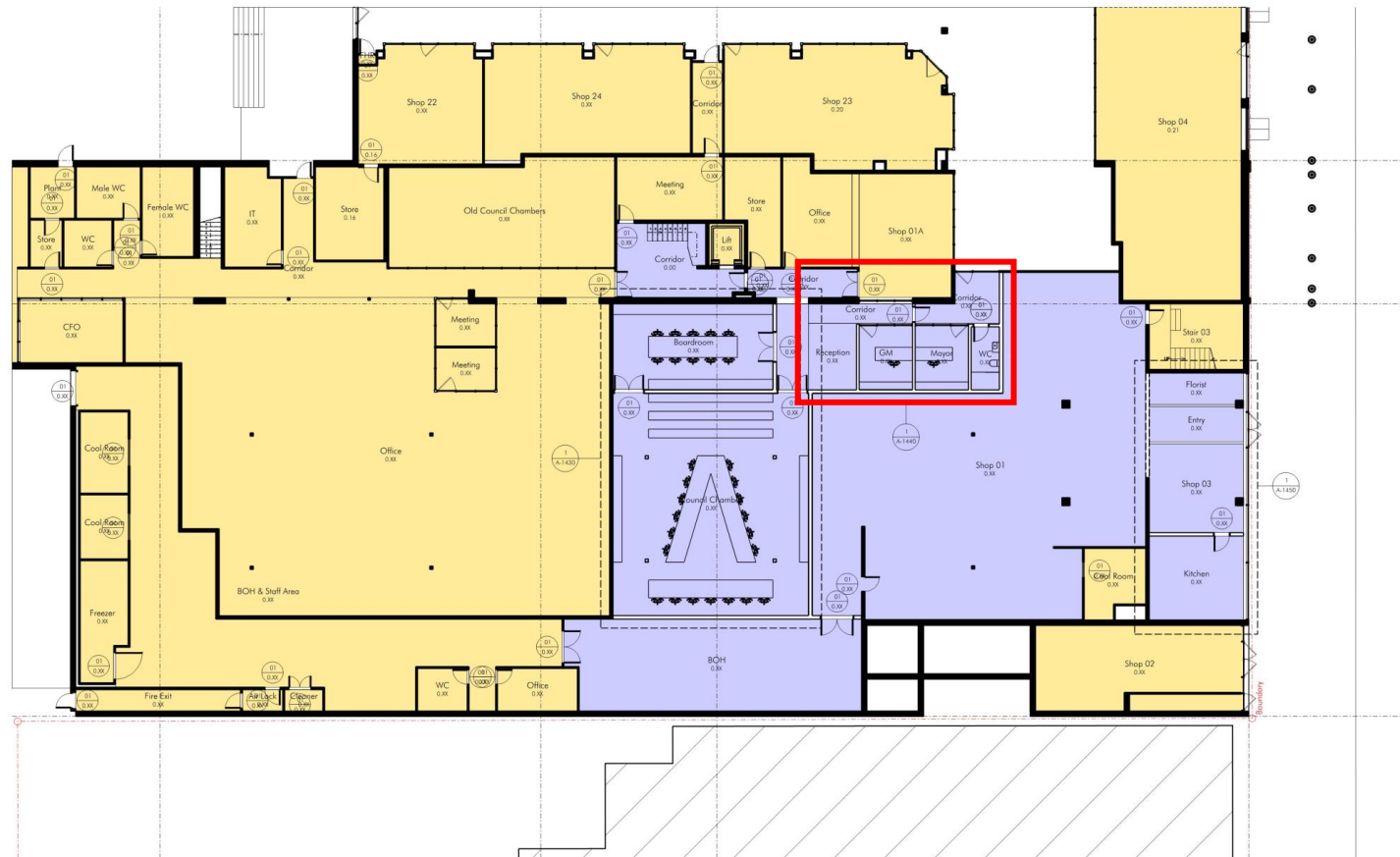
Drawing Title  
Specific Area -  
Chambers

PRELIMINARY ONLY

Scale  
1:50  
Size  
ISO A1  
Date  
XX.XX.XX  
Project No.  
2401  
Drawing No.  
A-1431  
Issue  
PI

PROPOSED DESIGN

ADMINISTRATIVE  
SUITE



1 Enlarged Plan - Level 00 - Part 2  
A-1001 Scale 1:100

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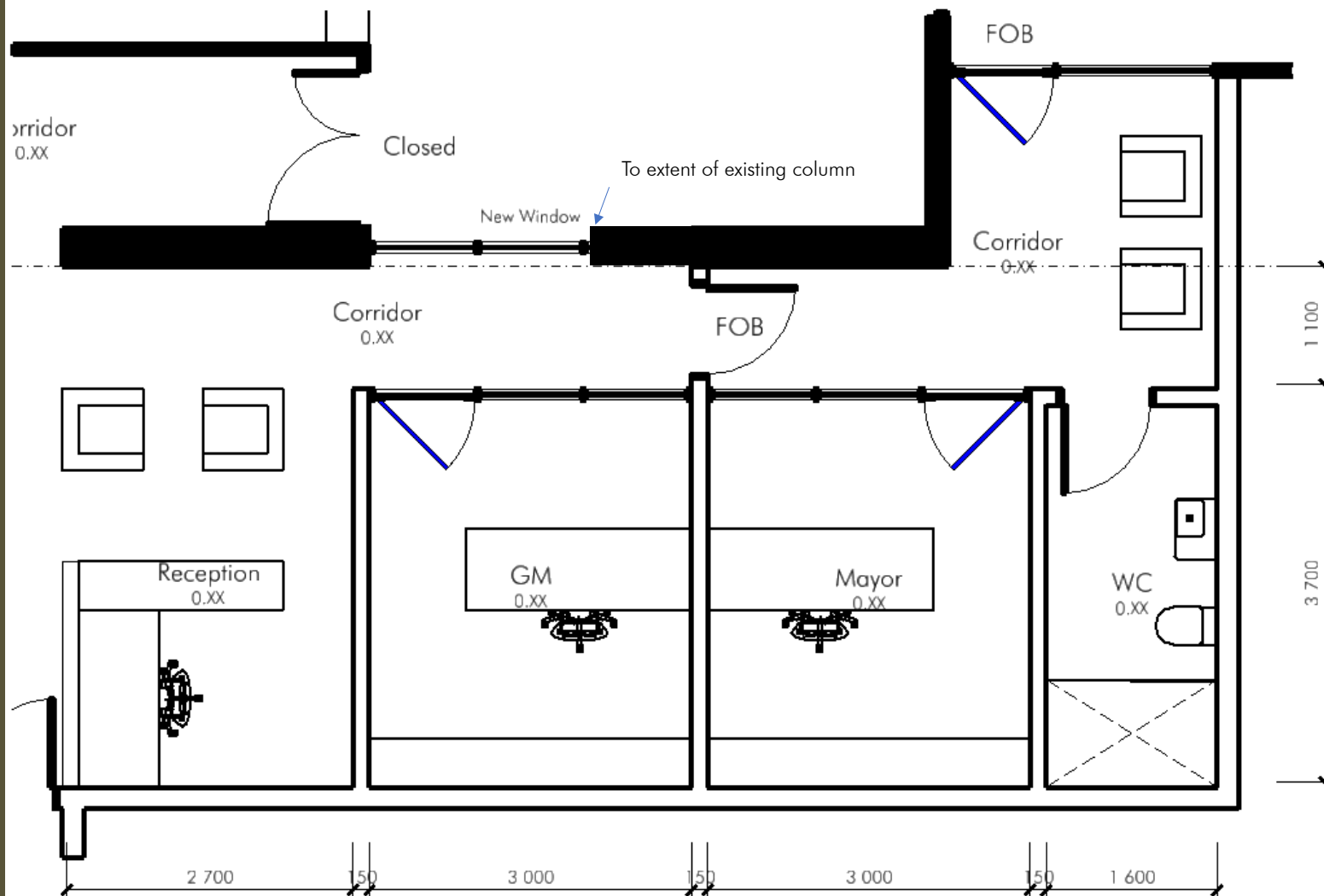
Location  
Campbells Store  
60 - 82 Bridge Street  
Muswellbrook

Drawing Title  
Enlarged Plan -  
Level 00 - Part 2

PRELIMINARY ONLY

Scale  
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ISO A1  
Date  
XX.XX.XX  
Project No.  
2401  
Drawing No.  
A-1001  
Issue  
PI

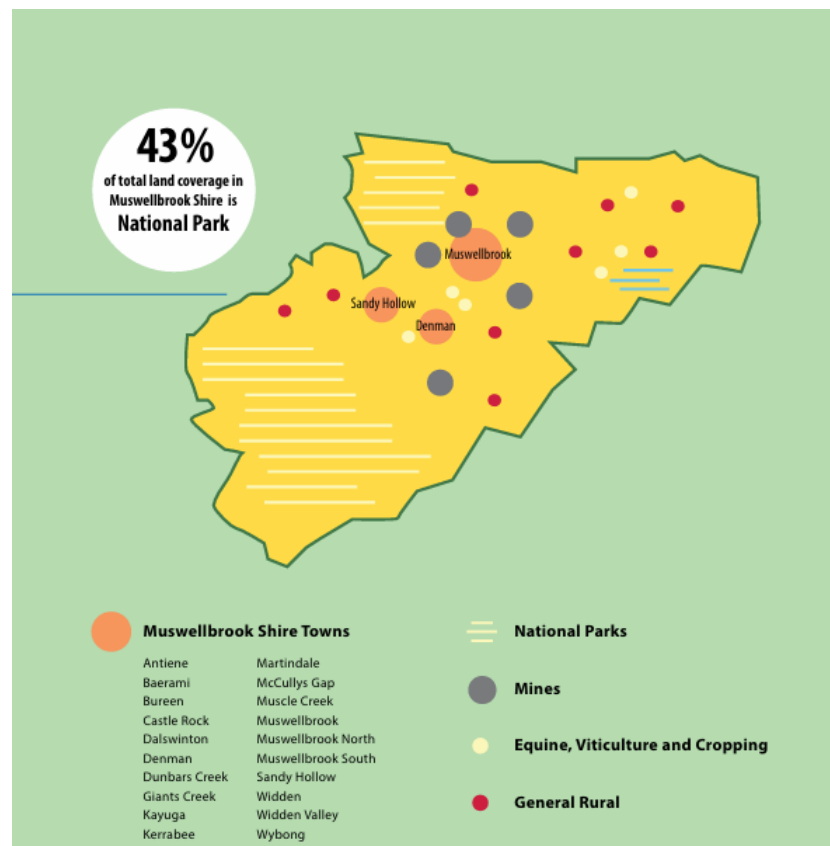




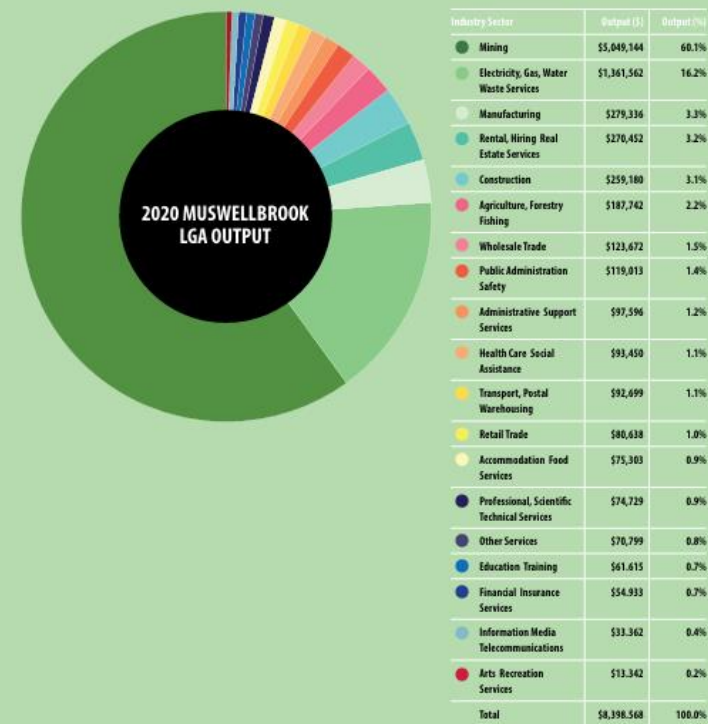
PROPOSED DESIGN

COLOUR PALETTE

INSPIRED BY CONTEXT + STRATEGIC DIRECTION



### 3.3 ECONOMIC OUTPUT OF THE SHIRE







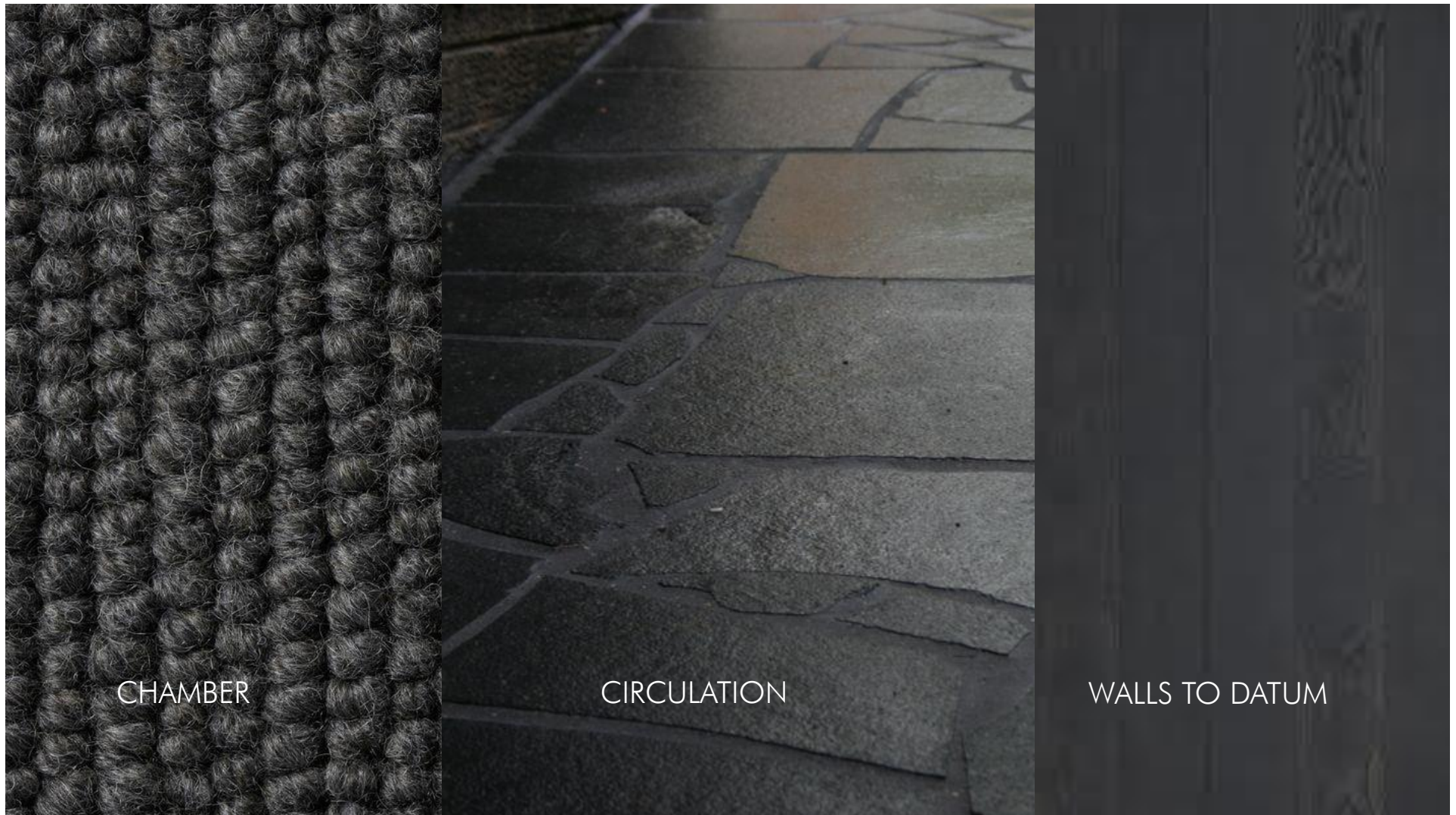
# THE FOUNDATION

## FLOORING









# COUNCIL TABLE



SHAPE OPTIONS

IMAGINE IF TABLE WAS ...



3D PRINTED OR



MADE FROM REPURPOSED  
[LIDDELL] ARTEFACTS



TIMBER OPTIONS –  
ENDEMIC SPECIES FOUND IN SHIRE



SLATY GUM  
(*Eucalyptus dawsonii*)



NARROW-LEAVED  
IRONBARK  
(*Eucalyptus crebra*)



GREY BOX  
(*Eucalyptus moluccana*)



SPOTTED GUM  
(*Corymbia maculata*)





SLATY GUM  
(*Eucalyptus dawsonii*)



NARROW-LEAVED  
IRONBARK  
(*Eucalyptus crebra*)



GREY BOX  
(*Eucalyptus moluccana*)



SPOTTED GUM  
(*Corymbia maculata*)

# SEATING



EQUINE INFLUENCE



CHAMBER SWIVEL CHAIRS  
'Saddle Leather'



Fixed



Flat



Tiered



Fold/Stack

## PUBLIC GALLERY Seating Options

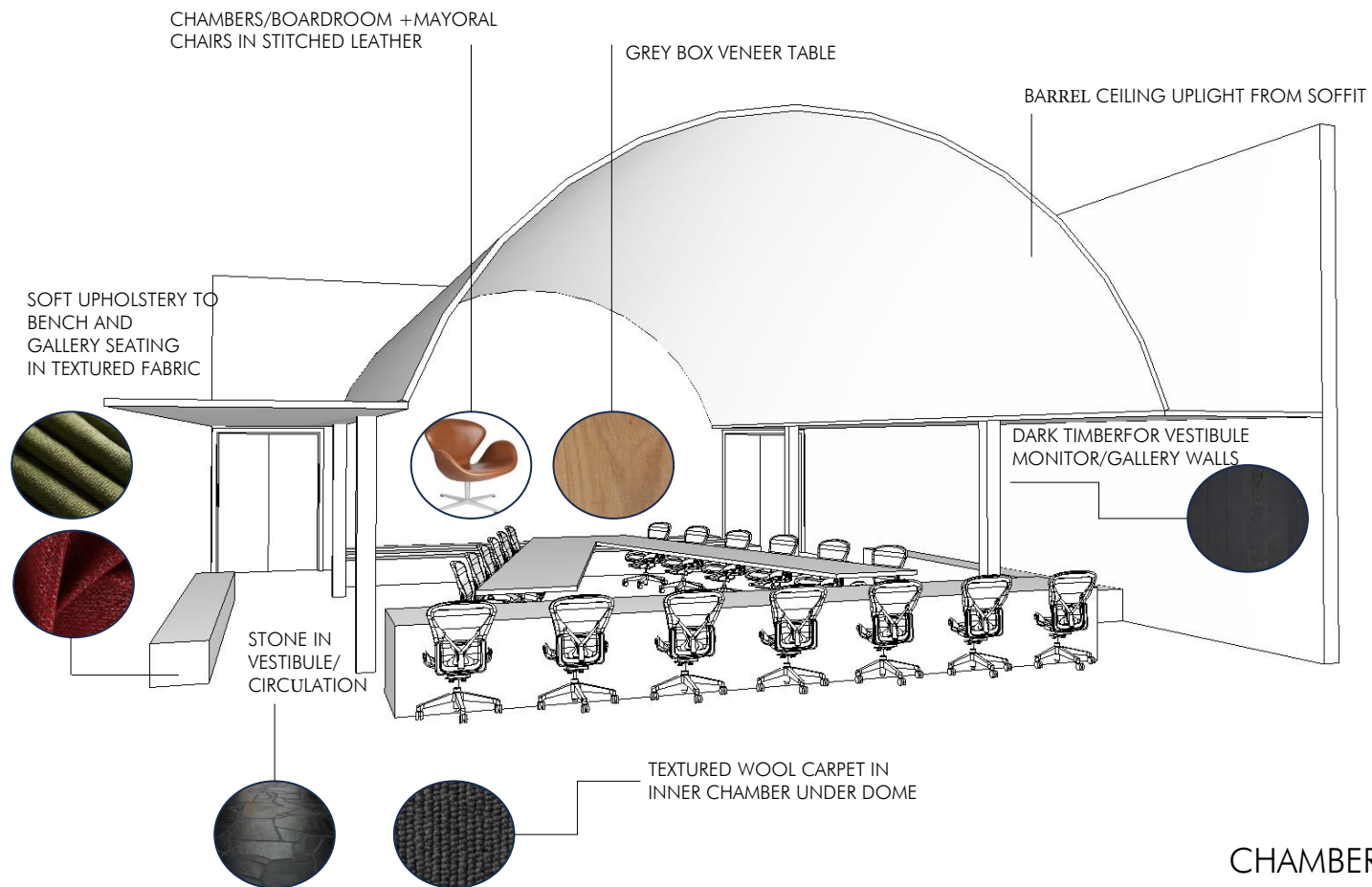


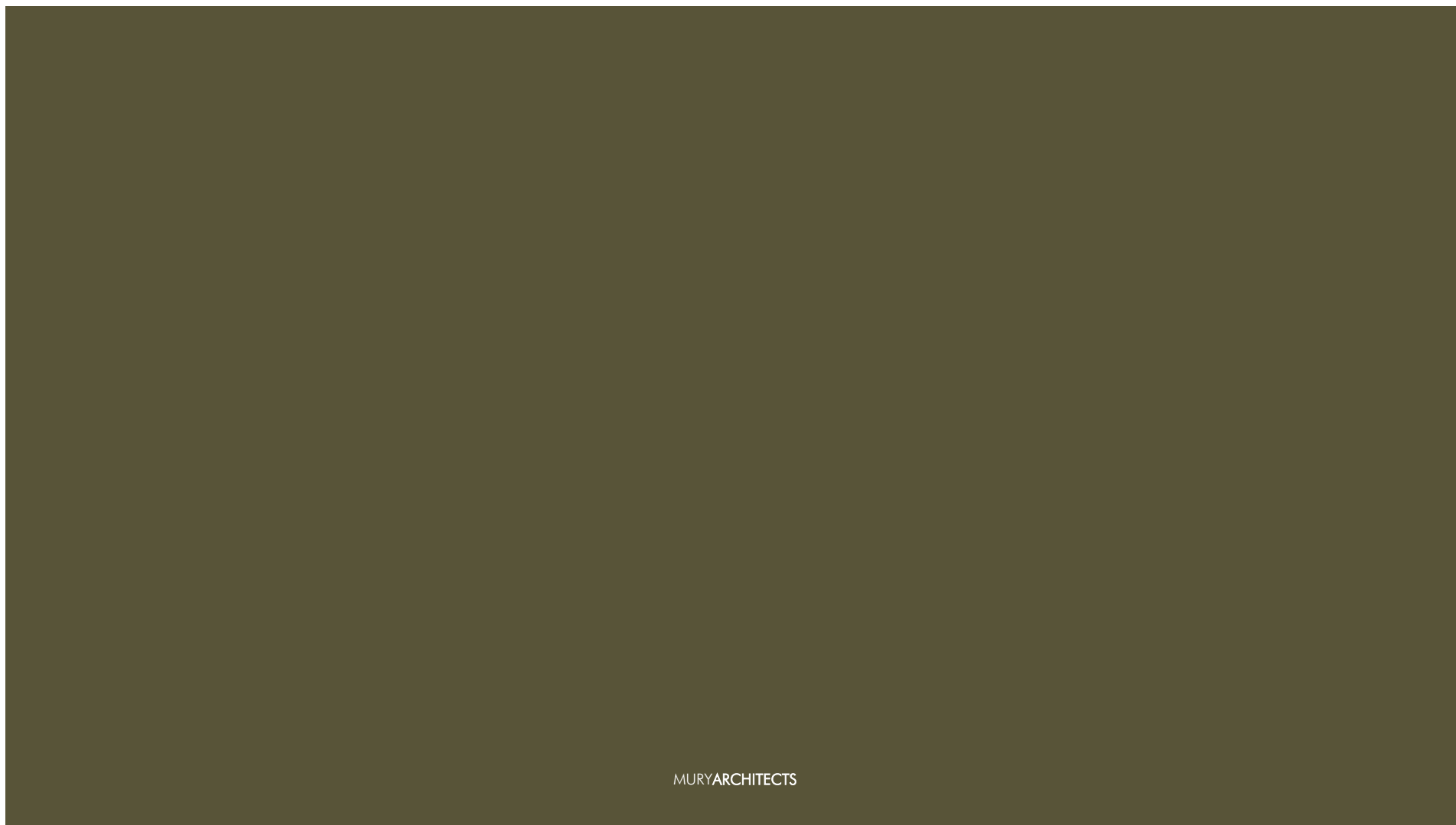


PUBLIC SEATING  
UPHOLSTERY CONCEPT

# PROPOSED DESIGN

## CHAMBER INTERIOR CONCEPT





**10.2.7. Draft Karoola Park Master Plan**

|                                  |   |
|----------------------------------|---|
| <b>Responsible Officer:</b>      | Matthew Lysaught - Director - Infrastructure & Property   |
| <b>Author:</b>                   | Community Infrastructure Engineer   |
| <b>Community Strategic Plan:</b> | 5 - Community Infrastructure<br><br>Effective and efficient infrastructure that is appropriate to the needs of our community  |
| <b>Delivery Program Goal:</b>    | 5.1.4 - Maintain and continually improve community infrastructure across the Shire.<br>5.4.1 - Maintain and continually improve the Shire's shared pathway networks to increase connectivity. |
| <b>Operational Plan Action:</b>  | 5.1.3.1 - Prioritise Capital works program to demonstrate continual improvement in community infrastructure.  |
| <b>Attachments:</b>              | 1. Draft Karoola Park Master Plan [10.2.7.1 - 30 pages]   |

---

**PURPOSE**

To inform Council of public submissions received during the public exhibition of the draft Karoola Park – Master Plan and seek Council's endorsement of the master plan.

**OFFICER'S RECOMMENDATION**

Council ADOPTS the Karoola Park Master Plan attached to the report.

**Moved:** \_\_\_\_\_ **Seconded:** \_\_\_\_\_

**EXECUTIVE SUMMARY**

The draft Karoola Park Master Plan seeks to enhance community infrastructure by providing a recreational space that accommodates the needs of diverse user groups in Muswellbrook Shire.

The attached master plan outlines the proposed upgrades to enhance the active and passive recreational opportunities in Karoola Park, and includes proposed structures for sustainable stormwater management and flood mitigation. Feedback received during the public exhibition period has been integrated into the final plan to address the community's concerns or preferences.





## PREVIOUS RESOLUTIONS

At the 23 July 2024 Ordinary Council meeting, Council resolved as follows:

### 10.3.4. Karoola Park - Draft Master plan

**23** RESOLVED on the motion of Cr B. Woodruff and Cr J. Lecky that:

Council:

1. APPROVES the Karoola Park - Draft Landscape Masterplan to be placed on public exhibition for a period of 28 days; and
2. Requests a further report, providing the details of all public submissions received, to be submitted to Council following conclusion of the public exhibition period.

In Favour Cr S. Reynolds, Cr J. Lecky, Cr A. Barry, Cr M. Bowditch, Cr D. Douglas, Cr J. Drayton, Cr L. Dunn, Cr G. McNeill, Cr R. Mahajan, Cr D. Marshall, Cr R. Scholes and Cr B. Woodruff

Against: Nil

## BACKGROUND

In financial year 2018/2019, as part of the General Recreation Programme, the need for a master plan was identified and prepared for Karoola Park to guide and support future planning. Since then, a further draft master plan has been developed and refined with inputs from the community, and funding has been secured to deliver some elements of the draft master plan.

Most recently, the draft master plan was placed on public exhibition following Council's resolution at the 23 July 2024 Ordinary Council meeting, and this report has been prepared to provide the details of public submissions received, and requests the master plan be adopted by Council.

## CONSULTATION

User Groups – Muswellbrook Netball Association, and Parkrun

Technical Officer – Recreation and Property

Project Manager Roads Drainage and Technical Services

Group Manager Infrastructure and Operations

Director Infrastructure & Property

## REPORT

The draft Karoola Park Master Plan was placed on public exhibition, ending 3 September 2024.



The following feedback was received during the public exhibition:

**Summary of feedback received during public exhibition of the Draft Karoola Park Master Plan**

| #  | Summary of Public Submissions   | Response   |
|----|---|--|
| 1. | <p><b>Resident 1</b></p> <p>“With the addition of paths and upgraded surfaces for said paths, will there also be lighting considered for pedestrian safety”</p>   | <p>Path lighting has been proposed along the shared concrete pathway spaces approximately 30 metres apart.</p> <p>Further investigation is needed to determine the most suitable lighting type.</p> <p>Solar lights may require significant reinvestment for battery replacements in 10-15 years, so a fixed power system with low-power LED lights may be a more suitable option.</p> <p>The path lighting is not funded at this stage.</p>   |
| 2. | <p><b>Resident 1</b></p> <p>“There are frequently dogs walking in Karoola park currently - will there be provision of doggie bags to clean up (such as at the top of hill descending toward the dog park?) and bins provided along the path to throw said bags away? I believe this will greatly assist with littering in general as well”</p>                            | <p>While doggie bag stations are not currently shown in the master plan, they can be considered and provided if required. They are currently provided at the Dog Park and refilled by Works Parks staff.</p>   |
| 3. | <p><b>Resident 2</b></p> <p>“I was unable to open the future development for Karoola Park Reserve.</p> <p>However, I have been suggesting for years a public access to toilets.</p> <p>Netball have toilets but this is not available through the working week.</p> <p>Or has this standard changed.</p> <p>Will public toilets be included in the new developments.”</p> | <p>Council plans to work with stakeholders to make the existing clubhouse toilets accessible to the public with the proposed relocation of the playground.</p>   |
| 4. | <p><b>Muswellbrook Netball Association</b></p> <p>Muswellbrook Netball Association (MNA) requested a meeting with Council to discuss about the draft Karoola Park Master Plan.</p>  | <p>A meeting was held between Council representatives, MNA and Karoola Park Parkrun group on 3 September 2024, to discuss the draft master plan. The following points were discussed and generally agreed on:</p> <ul style="list-style-type: none"> <li>• The timelines of the various projects to be implemented within the master plan will need to be scheduled in coordination with the netball season and parkrun events.</li> <li>• Muswellbrook Netball Association and Karoola Park Parkrun will be listed as existing users in the Master Plan.</li> </ul> |



| #  | Summary of Public Submissions  | Response  |
|----|--|---|
|    |  | <ul style="list-style-type: none"> <li>The final alignment of the shared concrete pathway will be consulted with MNA before the project execution. The current master plan shows a high-level layout of the shared concrete pathway.</li> </ul>   |
| 5. | <p><b>Parkrun</b></p> <p>“With the development and formalisation of the masterplan, we see this an opportunity for council to demonstrate their ongoing commitment to parkrun with some basic amenities to be included for construction, including:</p> <ul style="list-style-type: none"> <li>Storage facilities for Parkrun equipment</li> <li>Shelter structure with tables and chairs to provide weather protection for volunteers and spectators</li> <li>Seating</li> <li>Water fountain for humans/dogs</li> <li>Signage and course markers to indicate turns and distance</li> </ul> <p>We hope to discuss these matters with council representatives this afternoon (in the meeting)”</p> | <p>A walk-through meeting between the Council representative and Parkrun representative was held at Karoola Park on Friday, 20 September 2024.</p> <p>It was communicated that once a contractor is engaged for concrete pathway construction, Council will conduct further consultation with the users of the park, including the Parkrun Group, to inform of the construction details and program for the work.</p> <p>Following the above two meetings, the alignment of the shared concrete pathway was adjusted to incorporate the course map and route for the Park Run as per the Karoola Park Parkrun website.</p> <p>It is a good principle to reduce duplication in the provision of infrastructure so, as much as possible in design, infrastructure will assume multiple users, for example, exploring the options of netball clubhouse toilets being available for the playground.</p> |

## FINANCIAL CONSIDERATIONS

### Ongoing Operational and Maintenance Costs Implications Associated with Capital Project

#### 1. *Financial Implications – Capital*

Council has been successful in securing grant funding of \$973,974 through Essential Community Sports Assets Program (ECSAP) for stormwater channel realignment and riprap protection works.

Additionally, Council has secured grant funding of \$1,569,375 through Community Assets Program (CAP) for the construction of a shared concrete pathway, the construction of a drainage structure in the drainage gully next to the dog park, to improve accessibility, and the construction of a new playground.

#### 2. *Financial Implications – Operational*

Future provision of public toilets services considered will have additional operational costs.

As user groups and different uses establish in Karoola Park, Council may need to review the most appropriate licence and fees and charges arrangements.

## POLICY IMPLICATIONS

Nil known.



**STATUTORY / LEGISLATIVE IMPLICATIONS**

Nil known.

**RISK MANAGEMENT IMPLICATIONS**

Risk management is considered and will be managed throughout each stage of the design and construction process.

**COMMUNITY CONSULTATION / COMMUNICATIONS**

A communication plan will be developed during the Karoola Park project implementation.





## Karoola Park

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### Landscape Masterplan



# Karoola Park Masterplan Report

*Located on Wonnarua Country*

**Prepared for**  
Muswellbrook Shire Council

**Issue**  
03

**Date**  
11.10.24



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## Acknowledgement of Country

Moir Landscape Architecture would like to acknowledge the traditional custodians of the lands and waters of Australia, most notably the Wonnarua Nation, the traditional owners of the lands on which this project resides. We acknowledge their contribution to our community and their deep connection to the land. We pay our respects to Elders, past and present.



## Contents

- 01** Project Introduction
- 02** Document Overview
- 03** Site Context
- 04** Site Analysis
- 05** Opportunities and Constraints
- 06** Design Principles and Intent
- 07** Landscape Masterplan

## Issue 03

| Revision | Date     | Author | Checked | Comment    |
|----------|----------|--------|---------|------------|
| 01       | 28.06.24 | RD     | TB      | For review |
| 02       | 09.07.24 | RD     | TB      | For review |
| 03       | 11.10.24 | MG     | TB      | For review |





A close-up photograph of a flowering plant, likely a bottlebrush (Xanthorrhoea), featuring numerous bright orange and yellow flower heads on reddish-brown stems, surrounded by dense green foliage.

01

## Project Introduction



# Project Overview

Moir Landscape Architecture has been engaged by Muswellbrook Shire Council to prepare a Landscape Masterplan for the existing Karoola Park, Muswellbrook NSW. The comprehensive Landscape Master Plan for the proposed park will comprise of multiple sporting facilities for larger sporting events, a functional recreational space that encourages community connection, active play opportunities, educational nodes, connected pathways for pedestrian and cyclists, and the integration of flood mitigation. The landscape masterplan is to be prepared in accordance with Muswellbrook Shire Council (MSC) requirements, relevant DCP's and design guidelines. Relevant NSW policies, strategies and frameworks will guide the design intent to ensure best design outcomes of the built environment and improve health and well-being benefits within the Muswellbrook community.

The key landscape objectives:

- Incorporate the storm water drainage design and community needs to establish a safe and functional public open space.
- To allow activation of event spaces, sporting facilities and recreation opportunities.
- Improve circulation and connectivity throughout the park by providing key entry points for adjacent residential area, public school and wider community.
- To provide a thriving place for the community that allows expression of creativity and adventure.
- Provide education of the landscape through connected nodes and experiences drawing people throughout the park to key landscape features.
- Address parking and traffic requirements and further resolve pedestrians experience at the thresholds to storm water services.





# Site Overview

Karoola Park is a public open space located within the Muswellbrook residential zone northeast of the commercial town centre and main street (Bridge Street). The park is generally a Northwest to southeast orientation bordered by Shiraz Street, Humphries Street, Cook Street and Hunter Street. The park is predominantly surrounded by residents lots, further increasing its use, frequency and need within the local community. Due to the sites low-lying topography, the sites concurrent use is a storm water management system that includes a mix of graded swale drains, storm water inlets and outlets and a central concrete weir beginning approximately in the middle of the parkland and directing water to the Northwest outlet at the Hunter Street boundary. The park has multiple sporting facilities accommodating a variety of sporting and community events for larger groups.

**LGA: Muswellbrook Shire Council**

**Suburb: Muswellbrook**

## Existing Facilities

- Netball Courts
- Sporting Change Rooms and Canteen/ Kiosk
- BMX Pump Track
- Open Playing Field
- Dog Park
- Playground Equipment
- Cricket Nets

## Existing Users

- Local Community
- Adjoining Residents
- Muswellbrook Public School Students, Parents and Staff
- Fitness Groups (including Karoola Park Run)
- Muswellbrook Netball Association

- Property boundary
- Extent of works boundary
- Suburb boundary



Source: Nearmap, 2024. Scale: 1:3000 @ A3

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## Site Photos





## Site Photos



Directional Signage



BMX Track



Sporting Facilities and Playgrounds

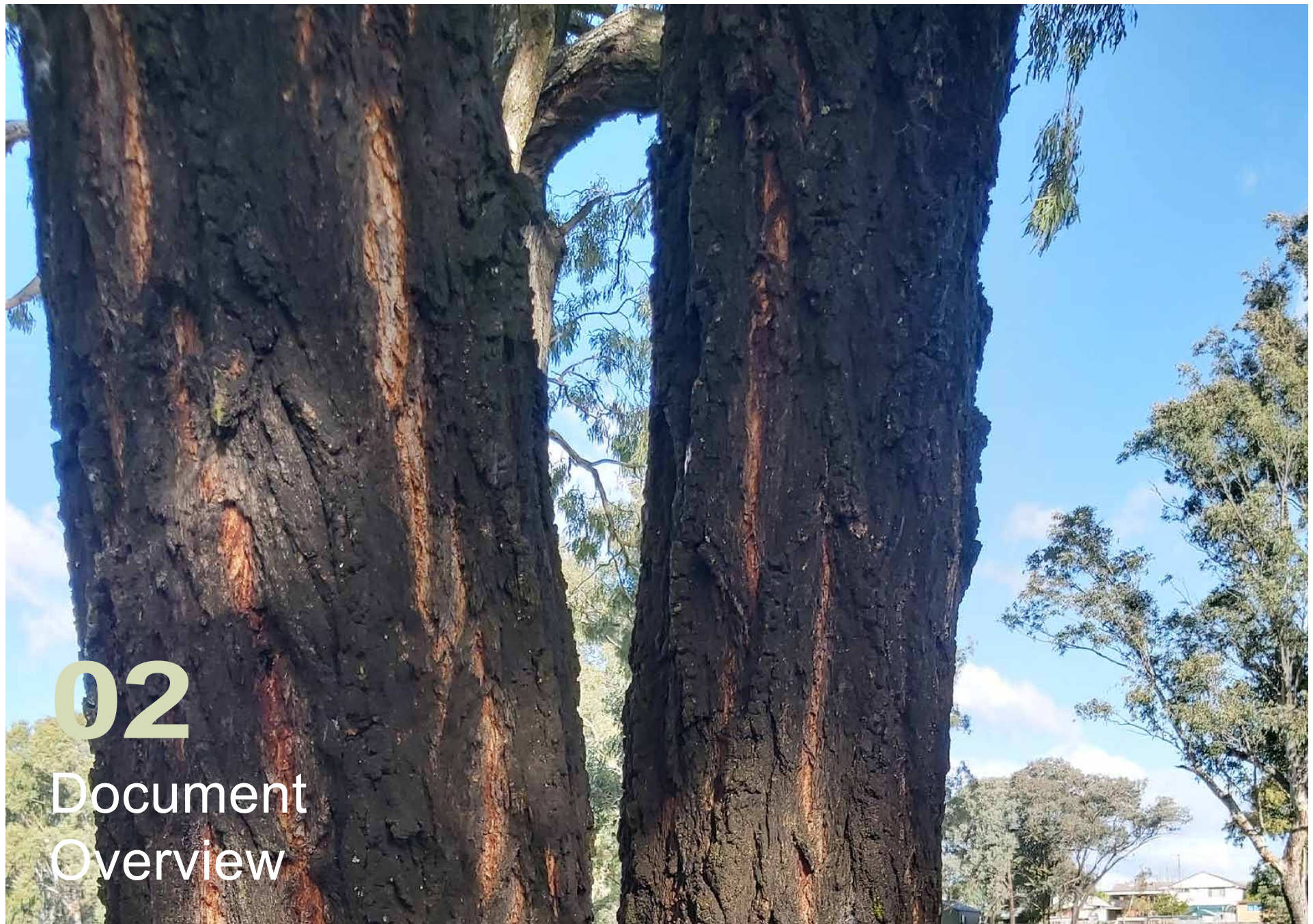


Educational Signage



Shelter and Seating





02

## Document Overview

# Government Architect NSW Documents



## Better Placed

The Government Architect NSW (GANSW) has prepared Better Placed as an overarching policy that guides the planning and design of the built environment across NSW.

The Policy outlines key priorities for good design in NSW with regard to current issues including climate change, population growth and health. The document provides outlines key objectives for design, driven by an iterative, comprehensive design process.

Better Placed sits alongside other GANSW policies, guides, manuals and case studies including the Draft Connecting with Country framework and the Draft Greener Places Design Guide. The guidance provided by these documents will inform the design approach for the landscape strategy, ensuring the delivery of a high quality design in line with State Government principles.



## Connecting with Country Framework

The Connecting with Country document is a framework for understanding the value of First Nations knowledge and experiences in the design and planning of the built environment in NSW. The framework has been prepared by GANSW in collaboration with Traditional Custodians, community representatives, consultants and other government staff.

The framework outlines the term 'Country' as "*Country encompasses everything. It includes both living and non-living elements. It holds everything within the landscape, including Earth, Water and Sky Country, as well as people, animals, plants, and the stories that connect them*" (p.20).

The document provides guidance on developing connections with Country to inform the planning, design and delivery of projects. It includes key principles and strategies for consideration, which are supported by case studies of existing projects across design disciplines.



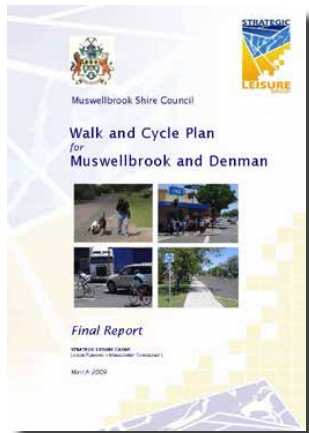
## Public Open Space Strategy for NSW

The Public Open Space Strategy for NSW is a significant initiative aimed at enhancing public open spaces across the state. The document aims to create vibrant, accessible, and sustainable open spaces that enhance our quality of life. It's a step toward healthier, happier communities.

These spaces include parks, natural areas, waterways, sports grounds, historical sites, and recreation trails. The strategy aims to create more effective and accessible open spaces that contribute to ecological, economic, social, and cultural well-being. Projects such as the Parks for People program, the Open Spaces Program, and the Everyone Can Play program are part of this effort to improve public open spaces in NSW. Access to these spaces promotes physical and mental health, making them essential for our communities.

It provides a collaborative, coordinated, and evidence-based approach for government agencies to plan, invest, and deliver public open spaces.





### Walk and Cycle Plan - 2009

Muswellbrook Shire Council is committed to providing walking and cycling facilities in Muswellbrook and Denman to improve mobility, recreation, and physical activity choices for people of varying ages and mobility. It also aims to ensure that the proposed network enhances the existing pathway network regarding connectivity, coverage, and safety.

The council aims to formalise access points to Karoola Park, increase signage and extend the park trail to the adjacent recreational infrastructure areas, ensuring connectivity and more opportunities for recreational activities. The council aims to address personal safety for path and trail users in linear open space reserves by conducting maintenance on existing paths and trail corridors.



### DRAFT Disability Inclusion Action Plan 2022-2026

Muswellbrook Shire Council aims to foster positive community attitudes and behaviours by prioritising accessible infrastructure and social connections, which are crucial for making people with disabilities feel welcome and included.

The council is committed to creating liveable communities by focusing on safe and accessible transport options, well-maintained footpaths, convenient parking, and pedestrian crossings. Public spaces will be enhanced with more seating options, shaded areas, and improved accessibility features.

Playspaces will receive attention with the addition of accessible facilities, clear signage, proper shading, and secure fencing. Accessible parking spaces will be designed to accommodate vans and taxis for unloading, with convenient kerb ramp access to footpaths. Additionally, towns and villages will be equipped with accessible pathways connecting essential services and facilities, ensuring that all community members can navigate their neighbourhoods with ease.



### Muswellbrook Urban Riparian Master Plan 2018

Muswellbrook Urban Riparian Master Plan is a framework report that outlines potential land-use opportunities for future development along the Muswellbrook riparian corridors and town centre. The report aims to identify opportunities to reactivate the Hunter River and Muscle Creek corridors, providing formal and informal access to create a sustainable source of tourism and local community space.

The master plan proposes improving the connection between Karoola Park and the Karoola Wetlands. Additionally, the amenities within the park are identified to experience flooding during seasons of excessive rainfall. As such, the master plan proposes using elevated mounds and naturalising the existing concrete channel to slow storm water and protect the existing amenities.



03

## Site Context





# Context

The site is located in Muswellbrook NSW within the Muswellbrook Shire Council LGA. Muswellbrook is approximately 130 km northwest from Newcastle CBD and is connected to the Hunter and Upper Hunter Regions by the New England Highway.

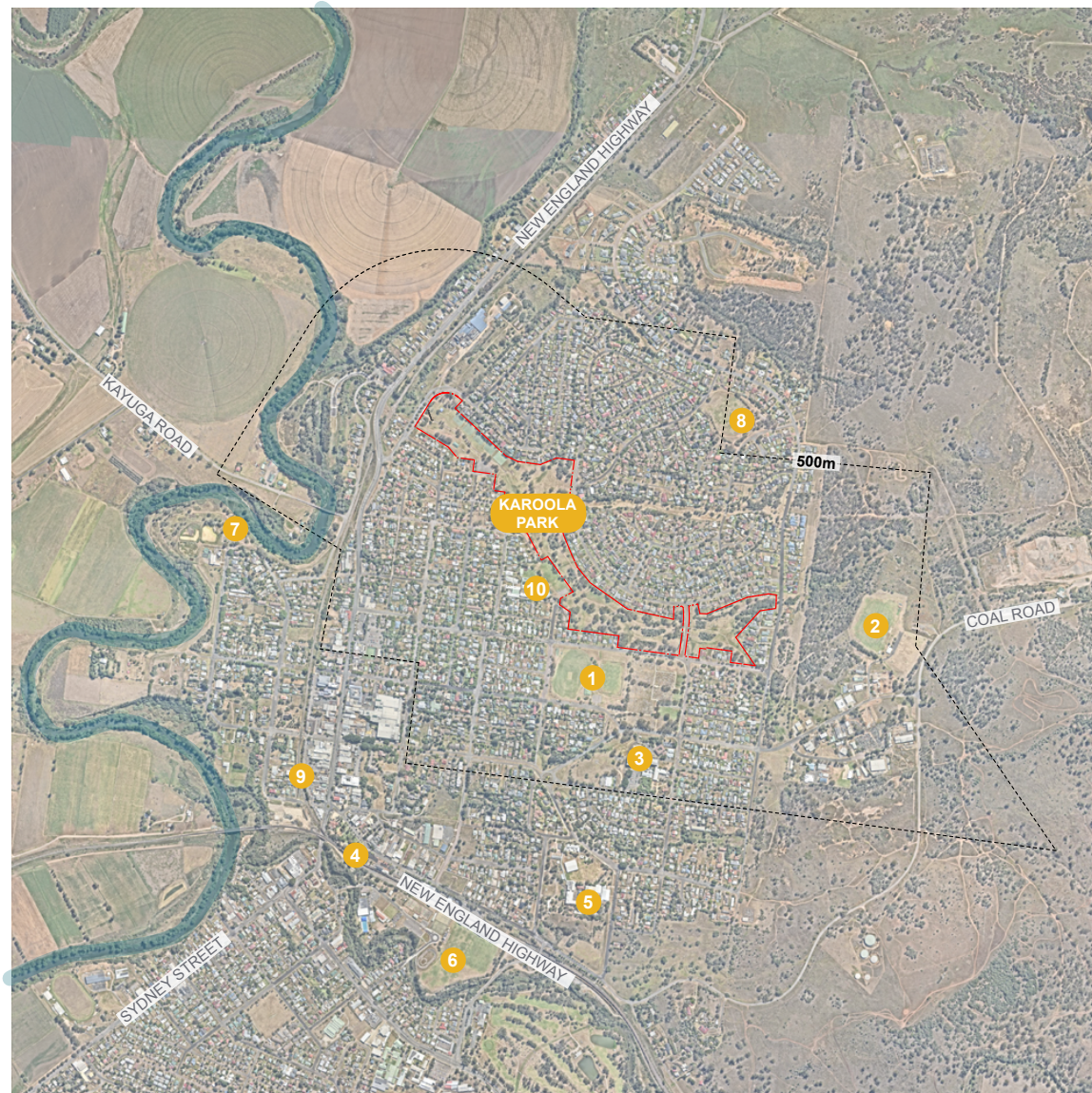
The site is located to the east of the Hunter River and orientated in a northwest to southeast direction and integrating within the surrounding Muswellbrook residential zone.

Muswellbrook Shire is further connected by sporting facilities, recreational zones and smaller community parks and open spaces, generally to the south and east of the site boundary.

- 1 Victoria Park
- 2 Weeraman Fields
- 3 Muswellbrook Hospital
- 4 Muswellbrook Train station
- 5 Muswellbrook High School
- 6 Olympic Park
- 7 Rutherford Park
- 8 Volunteer Park
- 9 Commercial Area
- 10 Muswellbrook Public School

## LEGEND

- Site boundary
- Suburb boundary
- Lot boundary
- Significant vegetation areas
- Hunter River



Source: Nearmap, 2024. Scale 1:25000 @A3



# 04

## Site Analysis





# Existing Tree Cover

Muswellbrook Shire has multiple parks and open spaces, sporting facilities and established street tree species all contributing to the canopy cover and mitigation to the urban heat island.

The established tree species within the site boundary providing essential shade canopy cover are *Eucalyptus crebra*, *Angophora floribunda*, *Eucalyptus blakelyi*, *Acacia linearifolia*, *Eucalyptus fibrosa*, *Eucalyptus tereticornis*, *Eucalyptus sideroxylon*.

Increased canopy cover in voids within the landscape will further increase the overall canopy cover and contribute to mitigation of the urban heat island whilst improving health and well-being benefits and attracting native wildlife.

## LEGEND

- Site boundary
- No Canopy Cover
- Canopy Cover



Source: Nearmap, 2023. Scale 1:15000 @A3



## Land Use

The site is zoned as RE1 Public Recreation. Design considerations and intent will be guided by the objectives stated in Muswellbrook Local Environmental Plan 2009.

The land use zoning within the site's immediate surrounds predominantly comprises of R1 - General Residential, SP2 - Health Service and SP2 - Rail Infrastructure. Muswellbrook Public School is zoned within the General Residential zone and adjoins a portion of the western boundary of the site.

### LEGEND

- Property boundary
- Suburb boundary
- C3 - Environmental Management
- RE1 - Public Recreation
- R1 - General Residential (Public School)
- R1 - General Residential
- E2 - Commercial Centre
- SP2 - Health Service; SP2 - Rail Infrastructure
- E4 - General Industrial



Source: Nearmap, 2023. Scale 1:15000 @A3



# Connectivity

The site access and parking is primarily via the three main parking lots, one on Hastings Street and two on Newman Street located to the south of the boundary. As a result of the site surrounded by the residential zone, the park can be accessed from the rear of lots and from the surrounding roadway where lots are not located.

The main pedestrian pathway is orientated from Dumaresq Street to the west of the site boundary to Shiraz Street to the east further connecting Muswellbrook Primary School and the existing parking areas. The pathway extends to the east of site boundary connecting to Queen Street. It is evident that multiple access points have been created by community foot traffic to gain access from adjacent roadways.

A number of bus stops are located within walking distance to the site providing public transport access within the local area and wider region.

- LEGEND**
  - Site boundary
  - Major road
  - Park Accessibility by Street Access
  - Bus Route
  - Bus Stops
  - Pedestrian / Cycle Connections
  - Muswellbrook Public School
  - Designated Car Parking



Source: Nearmap, 2024. Scale 1:15000 @A3





# 05

## Opportunities & Constraints

Moir Landscape Architecture, 19

## Opportunities

The following key opportunities have been identified for the site:

- 1 Formalise vegetated 'spine' within residential area for biodiversity and for recreational purposes
- 2 Utilise the proposed retention basin as an ecological micro-zone and increase water-sensitive design throughout the site. .
- 3 Maximise retaining existing trees and adding additional species to improve canopy cover, mitigation to the urban heat island, and enhanced biodiversity.
- 4 Utilise existing and proposed native vegetation for community educational purposes.
- 5 Utilise stormwater management methods as an aesthetic feature.
- 6 Enhance the connection between Karoola Park and Karoola Wetland using the Muswellbrook Urban Riparian Landcare Master Plan.

## Constraints

The following key constraints have been identified for the site:

- 1 Flood prone area, requires formal mitigation measures.
- 2 Manage interface with neighbouring properties, including lot boundaries and fence lines.
- 3 Address gaps in sealed walking and cycling tracks that limit user access of varying mobility.





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# Design Principles



## Play

Develop unique play spaces that encourage visitation and exploration, ensuring a destination that the community can be proud of. Showcasing the Everyone Can Play design principles is also integral to the project.



## Open Space

Ensure the site retains its existing open space and landscape character through a sensitive design approach whilst still providing an exciting and diverse range of recreational and passive offerings.



## Recreation

Enhance existing sporting facilities and provide new opportunities that encourage physical activity such as an improved network of walking paths, a new play space, improved access to netball facilities and better connections to surrounding sports facilities.



## Access For All

The design of the Masterplan will be underpinned by the importance of accessibility. Adhere to all relevant universal design and Australian standards to ensure a safe and enjoyable user experience while also providing unique play and recreation facilities with accessibility at the forefront.



## Cultural celebration

Provide opportunities for cultural celebration and education of Muswellbrook's unique cultural heritage through built form and embellishments within the park.



## Celebration of Nature

Create meaningful and unique opportunities to connect with nature. Strengthen and showcase local flora through thoughtful consideration of plant species which enhance the park amenity through provision of shade and comfort.





07

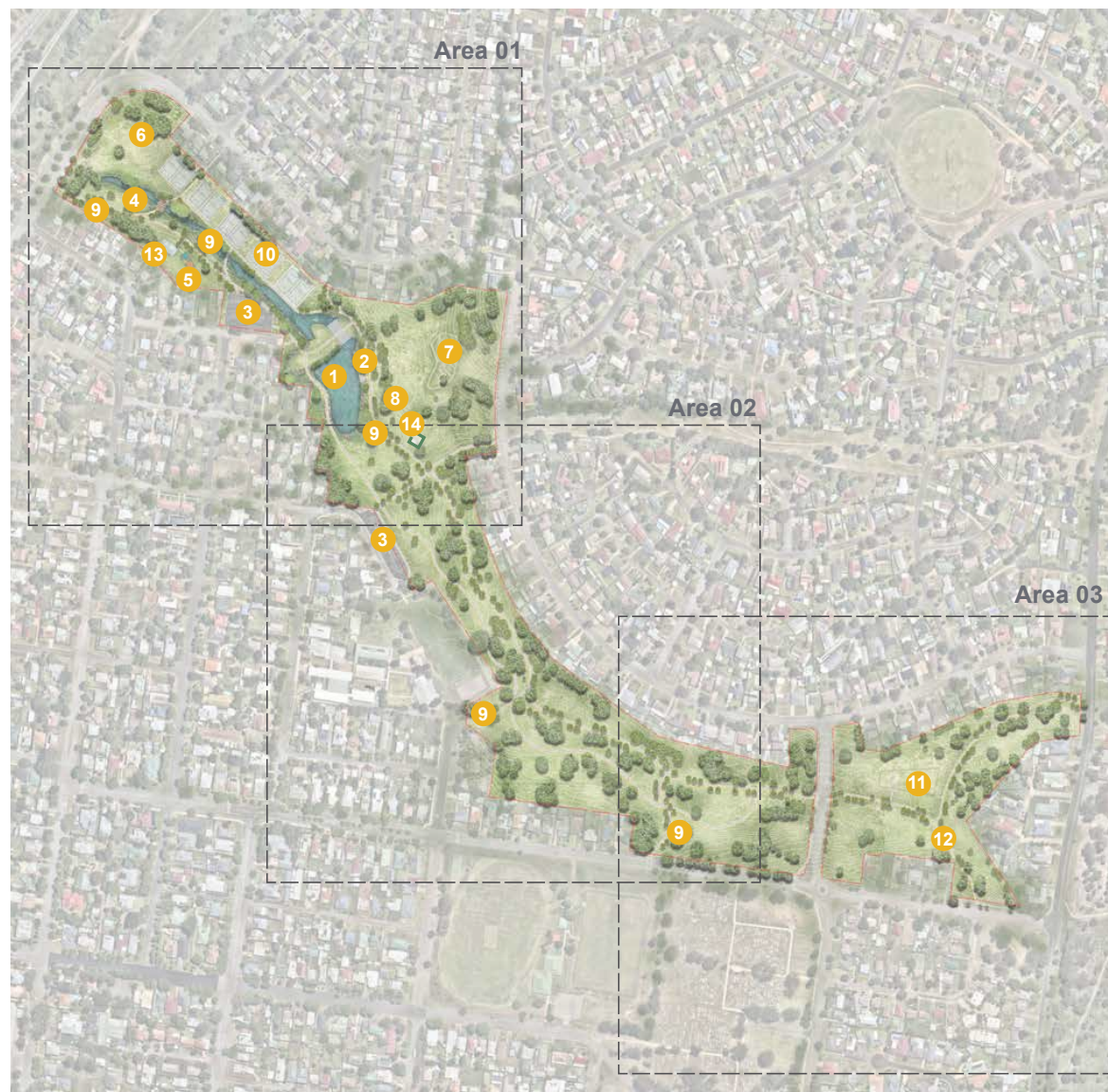
Masterplan



# Proposed Masterplan

The following form the key elements of the proposed Masterplan:

- 1 Proposed flood mitigation/detention basin
- 2 Proposed viewing platform/deck
- 3 Upgraded car park and additional car spaces
- 4 Naturalised storm water drain
- 5 New play space
- 6 Existing play space removed
- 7 Existing BMX Track (upgrade if demand can be demonstrated)
- 8 Tree planting on north side of paths for shade
- 9 New pathway connections
- 10 Existing Netball/Playing Courts
- 11 Existing Dog Park
- 12 Proposed elevated deck over flood prone land
- 13 Existing clubhouse
- 14 Existing sewer pump station
- Proposed earth bund surrounding pump station
- Proposed path lighting locations (Approx. 28-30 m centres)



Source: Nearmap, 2024.



## Area 01 - Western section

The following form the key elements of Area 01:

- 1 Naturalised detention basin
- 2 Viewing Platform
- 3 Upgraded car park and additional car spaces
- 4 Naturalised storm water drain
- 5 BMX Track (upgraded if demand can be demonstrated)
- 6 New Play Space
- 7 Existing Netball/Playing Courts
- 8 Proposed crossings for naturalised drainage channel
- 9 New path connection
- 10 New shade trees on north side of path.
- 11 Existing clubhouse
- 12 Existing sewer pump station
- Proposed earth bund surrounding pump station
- Proposed path lighting locations (Approx. 28-30 m centres)



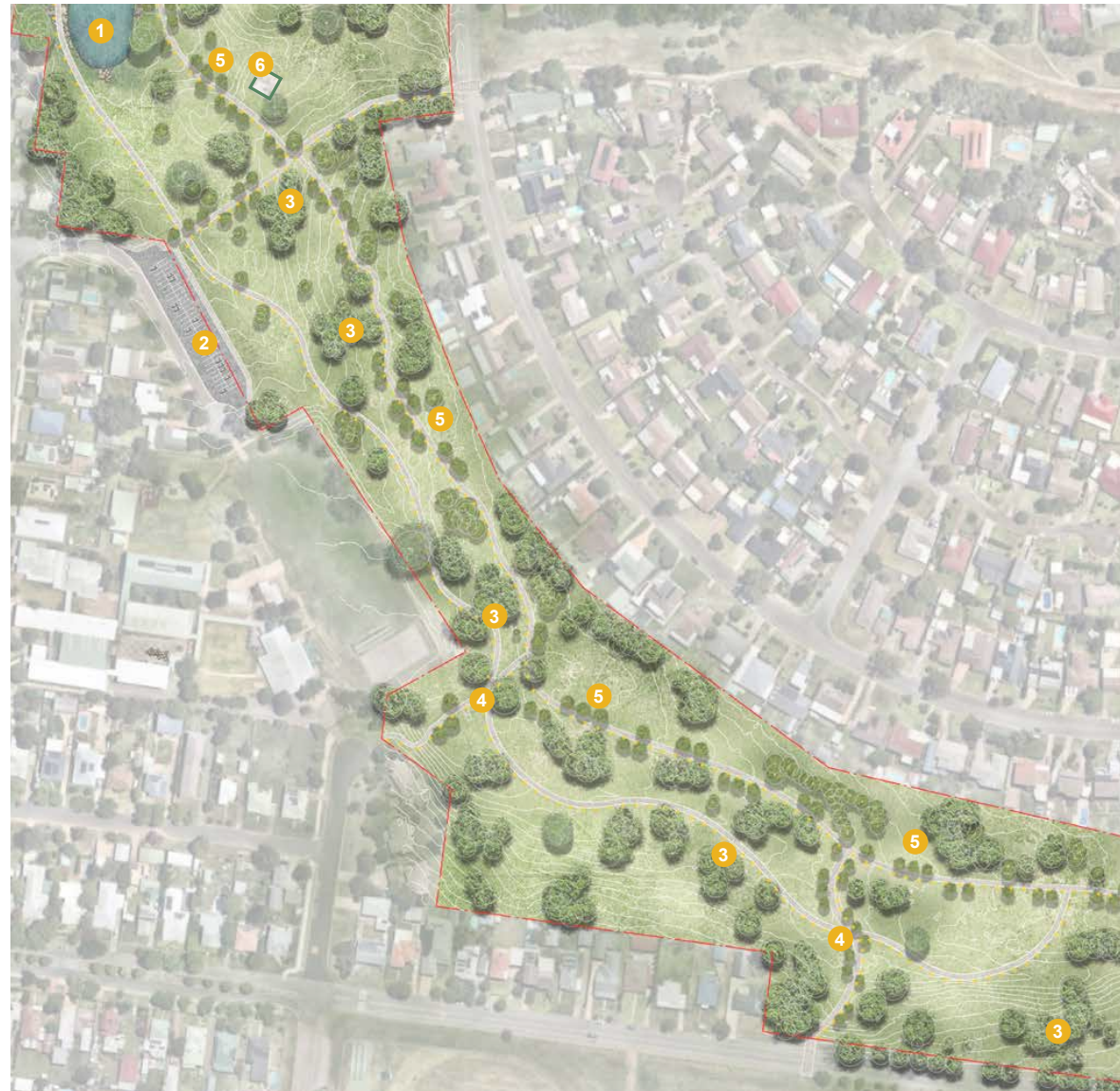
Source: Nearmap, 2024.



## Area 02 - Central Section

The following forms the key elements of Area 02:

- 1 Naturalised detention basin
- 2 Upgraded car park and additional car spaces
- 3 Native Planting Grove
- 4 New path connection
- 5 New shade trees on north side of path
- 6 Existing sewer pump station
- Proposed earth bund surrounding pump station
- Proposed path lighting locations (Approx. 28-30 m centres)



Source: Nearmap, 2024.



## Area 03 - Eastern section

The following form the key elements of the proposed Masterplan:

- 1 Boardwalk over low-lying area (All abilities access)
- 2 Existing Dog Park retained
- 3 Native Planting Grove
- 4 New path connection
- 5 New shade trees on north side of path.
- 6 Existing shrubs removed to improve sight lines
- Proposed path lighting locations (Approx. 28-30 m centres)



Source: Nearmap, 2024.

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# Access and Connectivity

-  DDA accessible pedestrian pathways connecting the entire park land.
-  Upgraded and resurfaced car parking areas
-  Improved pedestrian crossings to improve pedestrian safety.
-  Park Access points



Source: Nearmap, 2024.





# Precedent Images

Extensive planting



New Play Space



Shaded paths



All Abilities path surfaces



Effective signage



Effective signage

Board walks and crossings where required



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**10.2.8. Denman to Sandy Hollow Pipeline**

**Responsible Officer:** Derek Finnigan - General Manager

**Author:** Asset Manager Water and Wastewater

**Community Strategic Plan:** 5 - Community Infrastructure

Effective and efficient infrastructure that is appropriate to the needs of our community

**Delivery Program Goal:** 5.3.1 - Water, sewerage and waste services are provided in compliance with regulatory requirements.

**Operational Plan Action:** 6.2.1.4 - Seek funding opportunities to support the interests and aspirations of the Shire identified by the Community Strategic Plan and Delivery Program.

**Attachments:** Nil

---

**PURPOSE**

The report provides an update on the Denman to Sandy Hollow Water Pipeline project, including estimated capital costs, operational costs, water rates and charges, as well as the effect on the typical residential bill (TRB) if Council proceeds with the project.

**OFFICER'S RECOMMENDATION**

Council:

1. Notes the information in the report that following construction of the Denman to Sandy Hollow pipeline and Denman Water Treatment Plant upgrade the estimated Typical Residential Bill (TRB) will increase within an estimated range of 3.14% - 5.80% from the 2024/2025 TRB; and
2. Approves advising Infrastructure NSW that, subject to final approval and any other requirements of the funding body, Council intends to proceed with the detailed design and construction of the Denman to Sandy Hollow water pipeline and Denman Water Treatment Plant upgrade by calling tenders.

**Moved:** \_\_\_\_\_ **Seconded:** \_\_\_\_\_

**EXECUTIVE SUMMARY**

The liquidation of the proposed abattoir and feedlot project required Council to diligently assess the viability of proceeding with the Denman to Sandy Hollow Water Pipeline project. Each iteration of this assessment has tried to forecast, as accurately as possible based on estimated project construction costs and operational costs, the level of subsidy required in proceeding with the construction of the Denman to Sandy Hollow Pipeline to ensure that any level of subsidy required by ratepayers Shire wide is not unreasonable or unsustainable.

Further, the options to provide Sandy Hollow with a new Water Treatment Plant, which is required to meet Australian Drinking Water Guidelines in the future, are limited and expensive from both capital and operational perspectives.





In administering the \$18.9 million grant funding, Infrastructure NSW has worked positively with Council, however, express that a definitive position on the project from Council is required. The updated estimates and calculations are that, if Council proceeds with the Denman to Sandy Hollow pipeline and Denman Water Treatment Plant upgrade, the estimated Typical Residential Bill (TRB) will increase within a range of 3.14% - 5.80% above the 2024-25 TRB.

## PREVIOUS RESOLUTIONS

At the Ordinary Council meeting on 23 July 2024, Council considered an options report for the Denman to Sandy Hollow Water Pipeline project, and resolved as follows:

### 10.3.3. Denman to Sandy Hollow Pipeline Options Report

- 22 RESOLVED on the motion of Cr B. Woodruff and Cr D. Marshall that:  
Council APPROVES:
1. The General Manager to advise Infrastructure NSW that the project is progressing; and
  2. A further report be provided to Council prior to tendering for detailed design and construction.
- In Favour Cr S. Reynolds, Cr J. Lecky, Cr A. Barry, Cr M. Bowditch, Cr D. Douglas, Cr J. Drayton, Cr L. Dunn, Cr G. McNeill, Cr R. Mahajan, Cr D. Marshall, Cr R. Scholes and Cr B. Woodruff
- Against: Nil

At the Extra-Ordinary Council meeting on 22 October 2024, Council considered a further review of options for the Denman to Sandy Hollow Water Pipeline project, and resolved as follows:

## 6.2. Infrastructure and Property

### 6.2.1. Review of options for the Denman to Sandy Hollow Water Pipeline

- 71 RESOLVED on the motion of Cr A. Barry and Cr D. Marshall that:  
Council approves discussion with Infrastructure NSW regarding the option of not proceeding with the Denman to Sandy Hollow water pipeline at this stage, but instead requesting that the Growing Local Economies grant funding be used to upgrade the Denman Water Treatment Plant to service future growth, including the pipeline in Almond Street, Denman, and replacing the Sandy Hollow Water Treatment Plant, reservoirs, and network.
- In Favour Cr C. Bailey, Cr A. Barry, Cr D. Douglas, Cr J. Drayton, Cr L. Dunn, Cr D. Hartley, Cr G. McNeill, Cr R. Mahajan, Cr D. Marshall, Cr M. Morris, Cr R. Scholes and Cr S. Ward
- Against: Nil

## BACKGROUND

For several years, Council has been investigating treatment options for water quality issues of magnesium and hardness sourced from the Goulburn River at the Sandy Hollow Water





Treatment Plant (WTP). To address these issues, and to ensure ongoing compliance with Australian Drinking Water Guidelines, two potential methods of treating the Sandy Hollow WTP source water have been identified: Ion Exchange process (IEX) or Nanofiltration membrane process (NF). Both processes are complex, and involve certain restrictions, the most significant of which is managing the wastewater generated from the process.

In 2015, external consultants recommended the NF process as a main water treatment method. The main disadvantage of the NF process is a high volume of wastewater (brine) generated during operations that need to be disposed of. Sandy Hollow has no wastewater treatment plant close enough where process wastewater could be disposed of. As a solution to this, a Reverse Osmosis (RO) process has been suggested to further concentrate wastewater from the main NF process to decrease its volume. RO, being a complex process with high energy consumption in its nature, could only provide up to a 50% decrease of the wastewater volume. Highly concentrated wastewater from the RO process would need to be transported offsite and properly disposed of.

In 2020, Council received \$18.9 million grant funding through the Growing Local Economies (GLE) program by the Directorate of Regional NSW (DRNSW), to construct a water pipeline from Denman to Sandy Hollow, with an additional \$7-9 million of funding needed to fully fund the project. Council has also received a commitment of \$1.6 million from the Department of Climate Change, Energy, Environment and Water (DCCEE) towards the pipeline construction (in lieu of upgrade works to the Sandy Hollow water treatment plant).

The grant application anticipated a State Significant Development (SDD) proposed feedlot and abattoir project to handle 300,000 head of cattle per year and generate 500 direct jobs, requiring up to 258 megalitres (ML) per year of High Security water.

However, as reported at the 23 July 2024 Ordinary Council meeting, the developer of the abattoir has gone into liquidation and this customer is no longer considered for the GLE project. Since then, the viability of the pipeline project has been reviewed, in particular, from the perspective that, in the absence of a high volume water user, the additional operational costs would have to be subsidised by ratepayers across the whole of Muswellbrook Shire until an alternative industry could be attracted to establish and require potable water from the pipeline.

Council has also sought funding from the Australian Government, under the Growing Regions Program, to address the shortfall of \$7-9m in lieu of a Council contribution, however, this application was unsuccessful. Most recently, Council has applied under the Commonwealth Housing Support Program – Community Enabling Infrastructure Stream (HSP-CEI) for \$8,601,800. The purpose of the grant is to enable infrastructure and community amenities that support new housing developments.

Council staff have been in regular contact with Infrastructure NSW, who administer the GLE funding, providing updates on the status of the project, including Council's decisions from the 23 July 2024 Ordinary Council meeting and 22 October 2024 Extra-ordinary Council meeting.

A meeting with Infrastructure NSW was conducted on 11 November 2024, where a project update was provided, and other potential options were presented as per Council's 22 October 2024 resolution. The preference of Infrastructure NSW is to follow the scope of the project, but understands Council's concerns about ensuring any ratepayer subsidy of the Denman to Sandy Hollow Pipeline in the immediate future is sustainable until large end users connect to the supply, and that they would be willing to consider options, but stressed it was critical for Council to provide a definitive position.



## CONSULTATION

Infrastructure NSW

Morrison Low

GHD Pty Ltd

NSW Public Works Advisory

## REPORT

Financial analysis was presented to Council at an Extra-Ordinary Council meeting conducted on 22 October 2024, that included the following options:

1. Continue Sandy Hollow WTP operations as currently.
2. Construct Denman to Sandy Hollow Pipeline with upgrade of Denman WTP and closure of Sandy Hollow WTP.
3. Upgrade Sandy Hollow WTP to Nanofiltration process.
4. Upgrade Sandy Hollow WTP to partial (20-25% of flow demand) Nanofiltration process with blending NF treated water with the existing treated water.

Option 1a and 1b were included for comparison purposes only, providing the base case of existing treatment operations for both Sandy Hollow and Denman WTPs respectively. It is important to note that continuation of Sandy Hollow WTP operations is not considered as a viable option in the long-term, due to the potential inability to maintain water quality parameters outlined in Australian Drinking Water Guidelines.

Since the report submitted to Council at the meeting on 22 October, additional calculations have been made using updated data for operational and maintenance costs. Actual figures for the 2024-25 year have been used to make calculations as current as possible. The additional goal of the updated calculations was to estimate a potential change in the typical residential bill (TRB) for the whole of Muswellbrook Shire if the Denman to Sandy Hollow pipeline construction was to proceed.

The previously reported table has been restructured and updated.

### Assumptions and basic data

*Note: The capital and operational cost estimates provided below are preliminary because the project is at an initial design stage and not at a detailed design stage.*

The following assumptions and methods have been used in calculations:

- Options estimates were used from D2SH GLE Pipeline – Sandy Hollow Option Estimates Report provided by GHD on 18 June 2024, and from Denman Sandy Hollow Water Supply Project – Financial and Economic Assessment provided by MorrisonLow in May 2024.
- Useful life of the Denman to Sandy Hollow Pipeline assumed to be 80 years. The useful lives for Water Treatment Plant civil, mechanical, and electrical assets have been sourced from the NSW Reference Rate Manual for annual depreciation cost evaluation.
- Useful Life for Treatment Plant and pump stations assumed to be 40 years.
- Capital cost for the Sandy Hollow WTP is sourced from the NSW Reference Rate Manual, assumed to be 50% civil, 25% mechanical, and 25% electrical.



**Table 1. Main data used in calculations.**

| <b>MSC Water Supply</b>                         |            |
|---|------------|
| Annual Water Production (2023/2024), ML/year:   |            |
| – Muswellbrook                                  | 1911       |
| – Denman  | 270        |
| – Sandy Hollow                                  | 32         |
| Average annual water consumption, kL/connection | 202.28     |
| Total Water Connections, Number                 | 6029       |
| Water usage tariff, \$/kL                       | 2.80       |
| Fixed Charge component of tariff, \$            | 270        |
| Current TRB, \$/property                        | 835.60     |
| <b>Project details</b>                          |            |
| Total Estimated Capital Cost, \$                | 26,522,484 |
| Including:                                      |            |
| – Denman to Sandy Hollow Pipeline               | 15,069,664 |
| – Denman Treatment Plant Upgrade                | 4,816,270  |
| – Reservoirs (2) Construction                   | 4,499,646  |
| – Booster Pumping Stations (2) Construction     | 2,136,904  |

**Table 2. Financial analysis summary.**

| Item  | Existing Operations<br>Reviewed November 2024 |                       | D2SH Pipeline<br>Project (Option 2)<br>Calculations |                   | Sandy<br>Hollow<br>WTP<br>Upgrade |
|---|---|-----------------------|---|-------------------|-----------------------------------|
|   | Sandy<br>Hollow<br>(Option 1a)                | Denman<br>(Option 1b) | Initial<br>Oct'24                                   | Updated<br>Nov'24 |                                   |
| Total O&M costs, \$   | 214,208                                       | 257,557               | 777,800   | 511,374           | 653,817                           |
| Depreciation, \$  | 36,545  | 150,000               | 418,447   | 418,447           | 73,062                            |
| Total Production<br>Expense, \$                                 | 250,753                                       | 407,557               | 1,196,247   | 929,821           | 726,879                           |
| Water Production cost<br>on relevant WTP, \$/kL                 | 7.83  | 1.51                  | 3.96  | 3.07              | 22.71                             |
| All MSC Production<br>costs increase, \$/kL                     | -   | -                     | 0.24  | 0.13              | 0.22                              |
| Projected TRB increase<br>(water only),<br>\$/property/annually | -   | -                     | 48.48   | 26.26             | 44.44                             |
| <b>Relative increase, %</b>                                     |   |                       | <b>5.80</b>   | <b>3.14</b>       | <b>5.31</b>                       |



The total production expense of \$929,821 for the Denman to Sandy Hollow Pipeline is replacing \$658,310 in production expense for both Denman and Sandy Hollow Water Treatment Plants.

The fixed component of the tariff will need to increase as a result of the Denman to Sandy Hollow water pipeline if proceeding, however, for the purposes of this calculation, the increase in costs have been captured in production costs.

### Results Assessment

Data and calculations above show that current water production costs at Sandy Hollow WTP are very high and approximately equal to \$7.83 per kL. Denman WTP production costs are less, however, still high compared to the Muswellbrook WTP. In general, Muswellbrook water production subsidises the rest of the Shire water supply in Denman and Sandy Hollow.

Initial analysis conducted in October 2024 showed \$0.16/kL production costs increase for the whole Shire water supply. Revised calculations returned \$0.24/kL production costs increase. Accordingly, Total Residential Bill may be increased up to \$48.48 per year per property, which is equal to a 5.80% increase of TRB for the option of constructing the Denman to Sandy Hollow pipeline.

In November 2024, updated analysis of the most recent data regarding water production at WTPs, as well as operational and maintenance costs, have been conducted that revealed the potential for a reduced production costs increase equal to approximately \$0.13/kL. In this case, the projected TRB may increase up to \$26.26 per year per property, which is equal to a 3.14% increase of TRB.

To compare options, production costs as well as TRB increase, have been also calculated for Sandy Hollow WTP upgrade with UF and RO technologies. Analysis revealed that production costs will become nearly 3 times higher than currently (\$22.71/kL comparing 7.83/kL). This increase in production costs will translate into potential TRB increase of up to \$44.44 per year per property, which is equal to a 5.31% TRB increase from the current level.

This data appears to be reasonable, as suggested technologies – Nanofiltration for the main water treatment process and Reverse Osmosis for processing wastewater at Sandy Hollow WTP are both costly to operate in terms of operational costs, including electricity and considerable expenses for disposal of process wastewater. Capital expenditure is also relatively high.

The Denman to Sandy Hollow Pipeline construction project will provide several benefits for the communities of Muswellbrook Shire. These include:

- Denman WTP upgrade to increase reliability and water security for growing population.
- Removal of aging and unreliable Sandy Hollow WTP.
- Ensuring water security and reliable water supply for Sandy Hollow residents.
- Improvement of potable water quality for Sandy Hollow residents to achieve 100% compliance with Regulations.
- Potential to avoid water restrictions in dry years.
- Potential boost for new developments in Sandy Hollow area.
- Increase of property values in Sandy Hollow area.
- Potential increase of tourist income through tourist park and local businesses that may boost cash flow to the local economy.
- Potential attraction of developers and investors, injecting more spending to the local economy.





## **CONCLUSION**

Following analysis of the options, it is recommended that Council advises Infrastructure NSW to proceed with the upgrade of the Denman Water Treatment Plant and construction of the Denman to Sandy Hollow Pipeline and associated infrastructure, as per the project scope.

## **SOCIAL IMPLICATIONS**

The construction of the Denman to Sandy Hollow water pipeline would provide secure, high quality potable water to the community of Sandy Hollow and surrounding areas.

## **FINANCIAL CONSIDERATIONS**

Denman to Sandy Hollow Pipeline:

Capital Expenditure - \$26,522,484

Estimated Operational and Maintenance expenditure \$511,374/year.

Total residential bill (TRB) increase (from 2024-25 level), an estimated increase of \$26.26/year per property, or relative increase of 3.14%.

## **POLICY IMPLICATIONS**

Nil known.

## **STATUTORY / LEGISLATIVE IMPLICATIONS**

As the Local Water Utility, Council is acting within its powers under the Local Government Act 1993.

## **RISK MANAGEMENT IMPLICATIONS**

There are risks associated with the project, including increase of construction costs in case of project delay.

## **WASTE MANAGEMENT IMPLICATIONS**

A discrete waste management plan will be developed for the construction project.

## **COMMUNITY CONSULTATION / COMMUNICATIONS**

Community consultation has been undertaken around the proposal of the Denman to Sandy Hollow Water pipeline project.

Further community consultation will be carried out as the project progresses.

**10.2.9. Major Projects**

**Responsible Officer:** Matthew Lysaught - Director - Infrastructure & Property

**Author:** Director - Infrastructure & Property

**Community Strategic Plan:** 5 - Community Infrastructure

Effective and efficient infrastructure that is appropriate to the needs of our community

**Delivery Program Goal:** 5.1.4 - Maintain and continually improve community infrastructure across the Shire.

**Operational Plan Action:** Not applicable

**Attachments:** 1. Major Projects Spreadsheet November 2024 [10.2.9.1 - 7 pages]

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**PURPOSE**

To provide for Council's information the Major Projects Status Report for November 2024.

**OFFICER'S RECOMMENDATION**

Council NOTES the information contained in the report.

**Moved:** \_\_\_\_\_ **Seconded:** \_\_\_\_\_

**EXECUTIVE SUMMARY**

The Major Projects Status Report is reported to Council to provide a clear understanding on the status of respective capital projects. This recurrent report has now been updated to include additional detail on associated funding and expenditure for projects.

**PREVIOUS RESOLUTIONS**

Not applicable.

**BACKGROUND**

A monthly tabular report is provided with status updates and information on major community infrastructure projects.

**CONSULTATION**

Respective project managers.

**REPORT**

The Major Projects Status Report is attached for the information of Councillors as of 19 November 2024.

Each iteration of the report is reviewed to improve the communication of status updates against Council's Delivery Program and 2024–2025 Operational Plan, providing a clear representation of each project's expected and actual progress.



**FINANCIAL CONSIDERATIONS**

Nil known.

**POLICY IMPLICATIONS**

Nil known.

**STATUTORY / LEGISLATIVE IMPLICATIONS**

Nil known.

**RISK MANAGEMENT IMPLICATIONS**

Risk implications are considered and assessed for major projects.

**COMMUNITY CONSULTATION / COMMUNICATIONS**

Subject to the type and scale of the project, Council consults and provides communications to the community.

| PROJECT  | PROJECT STAGE<br>INVESTIGATION (I)<br>DESIGN (D)<br>CONSTRUCTION (C) | GL NUMBER     | PROJECT<br>BUDGET<br>ESTIMATE | FY BUDGET<br>ALLOCATION | FY ACTUALS | FUNDING<br>SOURCES   | FUNDING<br>AMOUNTS | FUNDING<br>DEADLINES | TOTAL FUNDING | PROCUREMENT<br>STATUS | PLANNED<br>START | PLANNED<br>COMPLETION | ACTUAL<br>START | ACTUAL<br>COMPLETION | STATUS AT 19 NOVEMBER 2024  |
|--|--|---------------|-------------------------------|-------------------------|------------|--|--------------------|----------------------|---------------|-----------------------|------------------|-----------------------|-----------------|----------------------|---|
| GENERAL FUND   |  |               |                               |                         |            |  |                    |                      |               |                       |                  |                       |                 |                      |   |
| MULTIPLE YEAR PROJECTS                                   |  |               |                               |                         |            |  |                    |                      |               |                       |                  |                       |                 |                      |   |
| Denman Recreation Area and Tourist Park Precinct - Resor |  |               |                               |                         |            |  |                    |                      |               |                       |                  |                       |                 |                      |   |
| Bell Street Upgrade                                      | C  | 3500.7862.504 | \$800,000                     | \$728,538               | \$89,265   | Resources for Regions<br>9                                 | \$728,538.         | 29/08/2025           | \$800,000     | Contracted            | Oct-24           | Feb-25                | Oct-24          |                      | <b>Bell Street Upgrade</b><br>Contract awarded August 2024 to Contractors KCE Pty Ltd. Contractor has been inducted and established on the site. Tree removal and clearing has been undertaken and works have commenced on the construction of Bell Street and the netball courts.  |
| Carpark Denman Rec. and Internal Roads                   | C  | 3500.7863.504 | \$325,000                     | \$392,541               | \$0        | Resources for Regions<br>9                                 | \$392,541          | 29/08/2025           | \$392,541     | Contracted            | Oct-24           | Feb-25                |                 |                      | <b>Carpark Denman Rec. &amp; Internal Road</b><br>Contract awarded August 2024. Contractor has established at the site. The internal roads and carpark will be constructed as stage 2 of the overall Denman Recreation Reserve Project and will commence late 2024.   |
| Denman Netball Courts (Earthworks, Drainage)             | C  | 3710.7844.504 | \$479,147                     | \$437,954               | \$0        | Resources for Regions<br>9                                 | \$437,954          | 29/08/2025           | \$437,954     | Contracted            | Oct-24           | Feb-25                | Oct-24          |                      | <b>Netball Courts Denman Earthwork Drainage</b><br>Contract awarded August 2024 to Contractors KCE Pty Ltd. Contractor has been inducted and established on the site. Tree removal and clearing has been undertaken and works have commenced on the construction of the netball courts.   |
| Denman Netball Courts                                    | D&C  | 3710.7825.504 | \$311,451                     | \$280,173               | \$0        | Stronger Country<br>Communities -<br>Women's Participation | \$206,286          | 31/03/2025           | \$311,451     | Contracted            | Oct-21           | Feb-25                | Sep-22          |                      | <b>Denman Netball Courts</b><br>Project start dates delayed due to additional funding required. Denman Recreation Area user group consultation complete. Tenders closed 3 March 2023 and received tender was over budget. The scope of works has been included in the internal road works and to commence late 2024. REF required. Works are currently underway on the Netball courts and internal roads.   |
|  |  |               |                               |                         |            | Bengalla VPA Funding                                       | \$105,165          | n/a                  |               |                       |                  |                       |                 |                      |   |
| Mountain Bike Trail Denman Rec                           | I  | 3710.7845.504 |                               | \$134,823               | \$0        | Resources for Regions<br>9                                 | \$134,823          | 29/08/2025           | \$134,823     |                       |                  |                       |                 |                      | <b>Mountain Bike Trail Denman Rec</b><br>Route options over Crown Land being investigated.  |
| New Amenities Denman Rec                                 | I  | 3910.5969.504 |                               | \$138,690               | \$0        | Resources for Regions<br>9                                 | \$138,690          | 29/08/2025           | \$138,690     |                       |                  |                       |                 |                      | <b>New Amenities Denman Rec</b><br>Location and scope to be developed as part of the Denman Tourist Park Masterplan.  |
| Denman Children Centre                                   | C  | 0475.0216.500 | \$1,229,714                   | \$1,735,351             | \$105,563  | Ridgeland Community<br>Fund                                | \$470,000          |                      | \$1,986,644   | Contracted            | Jun-18           | Dec-24                | Mar-21          |                      | <b>Denman Children's Centre</b><br>Council has accepted the tender from Westbury Constructions Pty Ltd and the Contract has been awarded and executed Project Kick-off meeting held early mid- October. Site established. Demolition works completed. Construction Certificate application under review to include changes to the BCA. S68 works planned to commence in the interim while the CC is being arranged. Headwall works inspection scheduled for 14/11.  |
|  |  |               |                               |                         |            | Council Co-contribution                                    | \$150,000          |                      |               |                       |                  |                       |                 |                      |   |
|  |  |               |                               |                         |            | Denman Children<br>Centre                                  | \$68,870           |                      |               |                       |                  |                       |                 |                      |   |
|  |  |               |                               |                         |            | 2021 Start Strong<br>Capital Works Grant                   | \$540,690          | 28/09/2025           |               |                       |                  |                       |                 |                      |   |
|  |  |               |                               |                         |            | Resources for Regions<br>Round 9                           | \$120,000          | 29/08/2025           |               |                       |                  |                       |                 |                      |   |
|  |  |               |                               |                         |            | Local Roads &<br>Community<br>Infrastructure Rd 4          | \$337,084          | 30/06/2025           |               |                       |                  |                       |                 |                      |   |
| Denman Tourist Park                                      | D  | 3710.7849.504 | \$10,500,000                  | \$546,766               | \$44,799   | Mangoola VPA<br>Funding                                    | \$546,766          | 29/08/2025           | \$546,766     |                       |                  |                       |                 |                      | <b>Denman Tourist Park</b><br>Changes to concept plan informed by Councilor Workshop, plan to reported to be November 2024 Council meeting to be publicly exhibited. Changes to the concept design currently underway.  |
|  |  |               |                               |                         |            |  |                    |                      |               |                       |                  |                       |                 |                      |   |
| Regional Entertainment and Conference Centre             |  |               |                               |                         |            |  |                    |                      |               |                       |                  |                       |                 |                      |   |
| Muswellbrook Town Centre Precinct                        |  |               |                               |                         |            |  |                    |                      |               |                       |                  |                       |                 |                      |   |
| CBD Stage 7 (Town Centre) Bridge Street Footpath         | C  | 3500.4591.504 | \$900,000                     | \$828,733               | \$248,573  | Resources for Regions<br>Round 7                           | \$704,532          | 31/12/2025           | \$900,000     | Contracted            | Jan-22           | Dec-24                | Jan-22          |                      | <b>CBD Stage 7 (Town Centre)</b><br>Reallocation of Resources for Regions Round 7, \$2,850,318.<br><del>1- Public Domain Works between Donald Home Building and Library-</del><br><del>2- Lenton House Refurbishment (any remaining costs have been removed from this project). The current status is that the DA modification was approved and Design contract executed. A further separate DA application is being lodged for the lower ground floor basement of Lenton House as per recent advice received from Heritage Council.</del><br><del>A revised Heritage Impact Statement is under preparation to facilitate the DA lodgement.</del><br><del>3- Hill St Construction- This project has been completed-</del><br>4. Part Bridge Street Footpath. Tenders have been received, evaluated for the streetscape works. The Tenders received were reported to the May 2024 Ordinary meeting of Council. Construction works commenced.<br>5. Bridge Street Median. As above project 4. Tenders reported to May Ordinary meeting of Council.<br><del>6- Marketplace Public Car Park- This work has been completed-</del><br>7. Marketplace laneway. As above for project 4 and 5. |
|  |  |               |                               |                         |            | Priority Community<br>Infrastructure Program<br>(PCIP)     | \$195,468          | 1/10/2026            |               |                       |                  |                       |                 |                      |   |
| Civic Precinct (Town Square)                             | D & C  | 3690.5498.504 | \$13,175,000                  | \$2,885,362             | \$221,066  | Priority Community<br>Infrastructure Program<br>(PCIP)     | \$10.5M            |                      | \$12,355,300  |                       | Oct-21           | Dec-25                | Oct-21          |                      | <b>Civic Precinct (Town Square)</b><br>Development Application for demolition of 88-108 Bridge Street buildings was approved on 17 June 2024. A detailed contamination assessment commenced in February 2024 together with a detailed survey of the whole precinct. Tender for demolition rolled out in September 2024 and closed 24 October 2024. A detailed survey has been completed of the lower portion of Possum Gully drainage. Tender submissions to be reported to the December 2024 Council meeting.  |
|  |  |               |                               |                         |            | Resources for Regions<br>9                                 | \$425,000          | 29/08/2025           |               |                       |                  |                       |                 |                      |   |
|  |  |               |                               |                         |            | Stronger Communities<br>5                                  | \$250,000          | 2/02/2026            |               |                       |                  |                       |                 |                      |   |
|  |  |               |                               |                         |            | VPA  | \$1,180,300        |                      |               |                       |                  |                       |                 |                      |   |



|  |       |               |              |             |              |  |             |  |              |                   |        |        |        |  |   |
|--|-------|---------------|--------------|-------------|--------------|--|-------------|--|--------------|-------------------|--------|--------|--------|--|---|
| Hunter Innovation CID Pilot Program          | D & C | 0833.2978.500 | \$316,666    | \$316,666   | \$75,479     | Community Improvement District Pilot Program (CID) Department of Transport | \$316,666   | 1/05/2025                                    | \$316,666    |                   | Jun-24 | May-25 |        |  | <b>Hunter Innovation CID Pilot Program</b><br>Successful in receiving \$316,666 Community Improvement District Pilot Program Funding. Community reference group organised, an area activation expert JOC consulting has been contracted for consultancy, approx. 80 first year architecture and built environment students from the University of Newcastle will be supplying suggestions and advice as part of their assessment, an onsite visit with students took place 10 October. The students assessments are due November 2024, Milestone 2 report meeting with funding body was held Friday, 11 October.  |
| Loxton House                                 | D     | 3665.4910.504 | \$1,250,000  | \$295,468   |              | Resources for Regions Round 7  | \$750,000   | 1/12/2025                                    | \$1,250,000  |                   | Dec-22 | Dec-24 | Dec-22 |  | <b>Loxton House</b><br>Development approval for ground and level 1 of Loxton House. A further possibly separate DA may be lodged for the lower ground floor subject to Heritage Council advice following completion of the Value engineering exercise, which is currently subject to FEBQ approval by the Fire Brigade for the BCA code changes. If this happens it is recommended that Council tender out the works for areas approved as soon as practical. Performance fire engineering report completed. Coordination meeting to be held following Fire Brigade approval.   |
|  |       |               |              |             |              | Priority Community Infrastructure Program (PCIP)                           | \$500,000   | 1/09/2026                                    |              |                   |        |        |        |  |   |
| Pocket Park - Enabling Works                 | I     | 3690.5433.504 | \$1,000,000  | \$650,000   | Refer to REC | Resources for Regions 9  | \$425,000   | 29/08/2025                                   | \$650,000    | Assessment Period | Oct-24 | Mar-25 | Oct-21 |  | <b>Pocket Park - Enabling Works</b><br>Removal of Hazardous materials works with the removal of Asbestos Containing Material completed 18 December 2023. Additional scope identified and removal undertaken on 16 August 2024. Geotechnical investigation at 116 Bridge Street staged and follow-up investigation being scheduled following the end of the lease with the Kentan Machinery. Development approval for demolition works was received 17 June 2024. Tender for Demolition to be reported to the December 2024 Ordinary Council meeting. Estimated four to five months in demolition.   |
|  |       |               |              |             |              | Priority Community Infrastructure Program (PCIP)                           | \$225,000   |  |              |                   |        |        |        |  |   |
| Pocket Park - Construction                   | D     | 3690.5433.504 | \$2,300,000  | \$250,000   | Refer to REC | Stronger Communities   | \$250,000   | 2/02/2026                                    | \$2,300,000  |                   | Oct-21 | Dec-25 | Oct-21 |  | <b>Pocket Park - Construction Works</b><br>Detailed design 80% complete to be reported to Council and works to be timed to follow demolition works.   |
|  |       |               |              |             |              | Priority Community Infrastructure Program (PCIP)                           | \$2,050,000 |  |              |                   |        |        |        |  |   |
| Regional Entertainment and Conference Centre | D & C | 3690.5433.504 | \$16,500,000 | \$3,102,747 | \$5,508      | Resources for Regions Round 8  | \$9,685,515 | 31/12/2025                                   | \$16,866,020 |                   | Oct-21 | Dec-26 | Oct-21 |  | <b>Regional Entertainment and Conference Centre</b><br>A report on the Special Rate Variation Capital Projects was reported to the April 2024 Ordinary Council meeting. Council resolved to continue with design development for the Regional Entertainment Centre. A cost estimate of reduced footprint reported to the Regional Entertainment Centre Advisory Committee. It was recommended to engage a Principal Quantity Surveyor (QS) to advise value engineering opportunities to inform a design that align with the approved budget. RFQ for QS rolled out through Vendor Panel resulted in no submissions. RFQ re-issued and 3 submissions received and have been assessed. The outcome of the assessment has been reported to Procurement.QS to be engaged late November.   |
|  |       |               |              |             |              | Mt Pleasant, Mt Arthur, Ridgeland VPA Funding                              | \$3,000,000 |  |              |                   |        |        |        |  |   |
|  |       |               |              |             |              | Special Rate Variation   | \$3,135,055 |  |              |                   |        |        |        |  |   |
|  |       |               |              |             |              | Resources for Regions Round 7  | \$1,045,450 | 31/12/2025                                   |              |                   |        |        |        |  |   |
| <b>Olympic Park Precinct</b>                 |       |               |              |             |              |  |             |  |              |                   |        |        |        |  |   |
| Olympic Park Amenities and Grandstand        | D & C | 3710.7824.504 | \$15,500,000 | \$4,110,326 | \$535,691    | Special Rate Variation   | \$4,800,000 |  | \$14,511,992 |                   | Jan-21 | Apr-26 | Jan-21 |  | <b>Olympic Park Amenities and Grandstand</b><br>The Olympic Park Development Advisory Committee was meeting monthly or as required. Development Approval has been received. A report on the Special Rate Variation Capital Projects was reported to the April 2024 Ordinary Council meeting. Council resolved to continue design development for the Olympic Park Amenities and Grandstand. Tender for Detailed Design closed 19 June 2024. Contracts for detailed design have been awarded to Barnson and currently being finalised. Start up meeting held 19 September. The design consultant is currently preparing high level preliminary design options for renew vs new components of the grandstand for Council's consideration. QS is currently being undertaken between DA approved design and value management option of refurbishing the old grandstand. |
|  |       |               |              |             |              | Priority Community Infrastructure Program (PCIP)                           | \$5,500,000 | 1/09/2026                                    |              |                   |        |        |        |  |   |
|  |       |               |              |             |              | NSW Gov - Office of Sport - Regional Sport Facility Fund                   | \$1,000,000 | 31/12/2025 Variation submitted for Oct 2026  |              |                   |        |        |        |  |   |
|  |       |               |              |             |              | NSW Gov - Regional NSW - NSW Stronger Country Communities                  | \$486,992   | 31/10/2025 Will request variation early 2025 |              |                   |        |        |        |  |   |
|  |       |               |              |             |              | Stronger Country Communities R4 - Intelligent Lighting                     | \$125,000   | Completed                                    |              |                   |        |        |        |  |   |
|  |       |               |              |             |              | 2019-2020 Active Transport Program - Shared Pathway                        | \$150,000   | Completed                                    |              |                   |        |        |        |  |   |
|  |       |               |              |             |              | Resources for Regions Round 5 - Wilder Street Bridge                       | \$1,250,000 | Completed                                    |              |                   |        |        |        |  |   |
|  |       |               |              |             |              | Bengalla VPA Funding   | \$1,200,000 |  |              |                   |        |        |        |  |   |

|   |          |   |             |             |           |   |             |                                  |             |                    |        |        |        |   |  |
|---|----------|---|-------------|-------------|-----------|---|-------------|----------------------------------|-------------|--------------------|--------|--------|--------|---|--|
| Olympic Park Field Improvements                               | D & C    | 3710.7829.504   | \$1,500,000 | \$911,087   |           | Regional Sport Facility Fund 2021/22 - Office of Sport - Field Improvements \$1M      | \$1M        | Variation submitted for Oct 2026 | \$1,000,000 |                    | Jul-22 | Apr-26 | Jul-22 | Olympic Park Field Improvements<br>Draft drainage and irrigation designs have been prepared for Olympic Park field improvements. Discussions have been held with funding bodies to align grant and project milestones with Australian Government grant funding. Field works to be tendered and awarded to be completed concurrently with construction of buildings. The field works are envisaged to start following the majority of construction that encroaches near the fields are completed. The sports field lighting works are underway at Weeraman and Highbrook to accommodate relocation of user groups and expected to be completed in November. It is envisaged to include the field design as a variation to Bamson contract to ensure consistency in both grandstand and field design. |  |
| Olympic Park Projects (multiple)                              | D        | 3710.1405.504   | TBD         | \$43,292    | \$0       | Special Rate Variation  |             |                                  |             |                    | Jul-22 | Apr-26 | Jan-21 | Olympic Park Projects<br>Funding for Olympic Park Precinct has been allocated for investigation and design of other precinct stages, including precinct landscape design, for example, fencing has been installed around the Olympic Park Bridge. The Olympic Park Precinct Plan of Management has been adopted.  |  |
| Wollombi Precinct   |          |   |             |             |           |   |             |                                  |             |                    |        |        |        |   |  |
| Adventure Playground - Wollombi Park Pump Track               | I, D & C | 3710.7831.504   | \$480,000   | \$21,200    | \$25,092  | Open Spaces Program: Places to Play<br>Department of Planning, Industry & Environment |             |                                  |             | N/A                | Jan-24 | Jun-24 | Feb-24 | Aug-24  | Adventure Playground - Wollombi Park Pump Track<br>Works completed, Practical Completion issued and currently under the defects liability period.  |
| PROPERTY & BUILDING SERVICES:                                 |          |   |             |             |           |   |             |                                  |             |                    |        |        |        |   |  |
| Aquatic Centre Programme 2024                                 | C        | 3700.5151.504/<br>3700.5312.504   |             | \$409,953   | \$110,290 | General Revenue   |             | 30/06/2025                       |             | N/A                |        |        |        |   | Aquatic Centre Programme 2024<br>Installation of dehumidifier in Spa Contract awarded and completed. WHS inductions completed. Gym equipment, shelter, BSO and furniture arrived and installed October. Solar Panel RFQ out too market.  |
| Arts Centre Programme   |          |   |             |             |           |   |             |                                  |             |                    |        |        |        |   |  |
| Arts Centre Offsite Storage                                   | D & C    | 3910.5972.504   | \$821,893   | \$821,893   |           | Darbrook VPA Funding  | \$821,893   |                                  | \$821,893   |                    |        |        |        |   | Art Centre Offsite Storage<br>Preliminary concept to be developed.   |
| Buildings New and Replacement Programme                       | C        | 3910.5800.504 /<br>3910.5815.504 /<br>3910.5819.504 /<br>3910.5855.504 /<br>3910.5877.504 /<br>3910.5883.504 /<br>3910.5907.504 /<br>3910.5955.504 /<br>3910.5964.504 | \$250,000   | \$440,254   | \$53,338  | General Revenue   |             |                                  |             |                    | Oct-22 | Jun-24 | Jul-23 | Jun-24  | Buildings New and Replacement Programme<br>Activation of some projects were contingent on grant funding, which has now commenced. This includes Victoria Park upgrade to amenities funded from the Stronger Country Communities Fund - Round 5. Victoria Park upgrade is complete.   |
|   |          |   |             |             |           | Stronger County Communities Rd 5  | \$100,000   | 2/02/2026                        |             |                    |        |        |        |   |  |
| Muswellbrook Animal Care & Sustainability Hub                 | D & C    | 3910.5887.504   | \$150,000   | \$150,000   | \$12,649  | General Revenue   |             | 30/06/2025                       |             |                    | Sep-24 | Jan-25 |        |   | Muswellbrook Animal Care & Sustainability Hub<br>A consolidated list of prioritized works and their corresponding quotes has been finalized. This will be finalised in consultation with stakeholders.   |
| Muswellbrook Indoor Sport Centre - Youth Centre               | D & C    | 3910.5844.504   | \$1,850,000 | \$1,582,994 | \$33,258  | Stronger Country Communities  | 330,124     |                                  | \$1,582,994 | Assessment Period  | Oct-19 | Jun-24 | Oct-19 |   | Upper Hunter Youth Centre<br>Tenders reported to July 2024 Ordinary Council meeting. Council resolved to enter in to negotiations with consultant. Negotiations are being discussed with consolidated design package to be provided. Draft consolidated package expected to be received by 15 November. Procurement negotiation process expected to commence following receipt of final consolidated design package.   |
|   |          |   |             |             |           | UHYS Grant  | \$150,000   | 1/01/2025                        |             |                    |        |        |        |   |  |
|   |          |   |             |             |           | Bengalla & Mt Arthur VPA Funding  | \$852,870   |                                  |             |                    |        |        |        |   |  |
|   |          |   |             |             |           | Council Contribution  | \$250,000   |                                  |             |                    |        |        |        |   |  |
| MSC Depot Construction  | D & C    | 3910.5939.504   | \$8,000,000 | \$4,513,714 | \$70,086  | Resources for Regions Round 9   | \$4,800,000 | 29/08/2025                       |             |                    | Jul-21 | Dec-25 | Jul-21 |   | MSC Construction<br>\$4.8M Resources for Regions Round 9 funding has been announced. Concept design provided to staff for feedback. Final concept and costs reported to the July 2023 Ordinary Council meeting. Council went out for a Design consultant to take the project to Design and Construct Tender. The call for tender closed on 20 November 2023. Tenders were assessed and reported to the December 2023 Ordinary Council meeting. Council resolved to award the Principal Design Consultant (PDC) contract to CCG Architects and a start-up meeting was held on 5 February 2024. Civil Engineer, Structural Engineer, Ecologists, Building Services Consultant have undertaken site inspections. A detailed site survey was undertaken. CCG reviewed the previous concept drawings prepared by Collins and Turner Architects and provided a functional brief. The recommendations for amendments to the concept were workshopped with staff and consultation with works staff undertaken. The comments were provided to the architects so that they can finalise the Concept and prepare cost estimating based on the amended Concept.<br><br>The amended Concept and associated estimates of cost has been reported to the July 2024 Ordinary Meeting of Council. The Council approved the detailed Concept Plan in principle, accepted dividing the project into two stages and approved the preparation of the Development Application (DA). Also, Council delegated the authority to General Manager for the submission of the development application. An additional report was submitted by Planning and Environmental section to the July 2024 Ordinary Council Meeting seeking approval from Department of Planning, Housing and Infrastructure, if required. DA to be submitted by December. |
|   |          |   |             |             |           |   |             |                                  |             |                    |        |        |        |   |  |
| Reactivation of Campbells Corner Retail for Muswellbrook      | D & C    | 3910.5966.504   | \$974,686   | \$867,521   | \$35,980  | Resources for Regions Round 9   | \$974,686   | 29/08/2025                       |             | Request for tender | Jan-23 | Jul-25 | Jan-23 |   | Reactivation of Campbells Corner<br>The concept design, along with the proposed finishes, of the Council chambers is being reported to the November 2024 Council meeting. The detailed design is expected to be completed by January 2025 with the construction tender to follow afterward. Tenders to be called February 2025.  |
| Parks   |          |   |             |             |           |   |             |                                  |             |                    |        |        |        |   |  |
| Karoola Park - Resilience Works                               | D & C    | 3624.2859.504   | \$973,974   | \$443,014   | \$12,640  | NSW Office of Sport Essential Community Sports Assets Program                         | \$973,974   | Variation underway 30/06/2025    |             |                    | Sep-23 | Jun-25 |        |   | Karoola Park - Resilience Works<br>A comprehensive masterplan has been prepared and reported to the July council meeting. Currently, the masterplan is on public exhibition. Reporting to November 2024 Council Meeting.   |
| Karoola Park - Community Assets Program (CAP) Drainage & Path |          | 3590.4445.504   | \$1,151,047 | \$1,151,047 | \$21,225  | Community Assets Program - Regional   | \$1,600,000 | Variation underway               |             |                    |        |        |        |   | Karoola Park - Community Assets Program Drainage & Path  |

|   |       |               |             |           |           |  |  |                                    |           |            |        |        |        |  |  |  |  |
|---|-------|---------------|-------------|-----------|-----------|--|--|------------------------------------|-----------|------------|--------|--------|--------|--|--|--|--|
| Karoola Park - Playgrounds  | D & C | 3710.7855.504 | \$418,328   | \$418,328 | \$452     | NSW  |  | 30/05/2025                         |           |            |        |        |        |  |  |  | Karoola Park - Playground<br>Currently in the tendering stage, with plan to report at the December Council Meeting. Design and Construction works to commence from mid-January onwards.  |
| Simpson Park  | I     | 3710.7847.504 | \$150,000   | \$150,000 | \$0       | VPA  |  | 30/06/2025                         |           |            |        |        |        |  |  |  | Simpson Park - Softfall replacement<br>Preparing to commence procurement in Jan 2025.  |
| Simpson Park  |       | 3710.7848.504 | \$253,871   | \$253,871 |           |  |  |                                    |           |            |        |        |        |  |  |  | Simpson Park toilet facility to go to tender first quarter of 2025.  |
| Purchase of vehicles  | I     | 3900.5660.504 | \$342,558   | \$607,993 | \$260,963 | General Revenue  |  | 30/06/2025                         |           |            | Jul-24 | Jun-25 | Jul-24 |  |  |  | Purchase of vehicles<br>Light fleet programme prepared. Difficulty sourcing vehicles as per requirements and long delays in delivery of vehicles. Hail damaged from severe storm has disrupted procurement plan. Light fleet vehicles have been ordered. NSW Gov Scheme to purchase vehicles, expanding who we can buy from.   |
| Transportation Vehicles   | I     | 3980.5850.504 |             | \$360,000 | \$157,267 | General Revenue  |  | 30/06/2025                         |           |            |        |        |        |  |  |  | Transportation Vehicles<br>Programme to be confirmed.  |
| Recreation Capital Works  |       |               |             |           |           |  |  |                                    |           |            |        |        |        |  |  |  |  |
| Below programmes recurrent for 2024. Details to be determined. Cemetery Programme \$100k, Large Capital Grants \$90k, and Small Capital Grants \$25k. |       |               |             |           |           |  |  |                                    |           |            |        |        |        |  |  |  |  |
| Cemetery General Programme  | C     | 3722.5297.504 | \$90,000    | \$232,453 |           | General Revenue  |  | 30/06/2025                         |           | N/A        |        |        |        |  |  |  | Cemetery General Programme<br>Stage 1 and 2 of concrete paths have been completed. Quotes received for next stage.   |
| General Recreation Programme  | C     | 3710.5293.504 | \$100,000   | \$100,000 | \$78,056  | Grant Funding  |  | 30/06/2025                         |           | N/A        |        |        |        |  |  |  | General Recreation Programme<br>Programme to be confirmed at November Council meeting.   |
| Highbrook Park - Capital, Asset Acquisitions / Sales  |       | 3710.5221.504 |             | \$17,081  |           | General Revenue  |  | 30/06/2025                         |           | N/A        |        |        |        |  |  |  | Highbrook Park<br>Allocation for minor capital improvements.   |
| Landscaping and Tree Management Programme   | C     | 3710.5311.504 | \$90,000    | \$100,000 | \$16,900  | General Revenue  |  | 30/06/2025                         |           | N/A        | Jul-24 | Jun-25 | Jul-24 |  |  |  | Landscaping and Tree Management Programme<br>Street tree applications have been received and planting as programmed..  |
| Lighting for Weeraman Fields  | C     | 3710.7836.504 | \$350,000   | \$354,991 | \$298,237 | Female Friendly Community Sport Facilities & Lighting upgrades - NSW Sport | \$492,760                              | 31/10/2024                         | \$492,760 | Contracted | Jul-24 | Oct-24 | Aug-24 |  |  |  | Lighting for Weeraman Fields<br>Conduits and solar complete. Lighting installation underway. Completion planned early November 2024. Lighting and solar installed. commissioning week of 18th November 2024.   |
| Lighting for Highbrook Park   | C     | 3710.7837.504 | \$350,000   | \$381,093 | \$374,192 | Female Friendly Community Sport Facilities & Lighting upgrades - NSW Sport | \$447,040                              | 31/10/2024                         | \$447,040 | Contracted | Jul-24 | Oct-24 | Jul-24 |  |  |  | Lighting for Highbrook Park<br>Lights, poles, and solar installed. conduits and control board currently being installed. Completion planned early November 2024. Highbrook Lighting and Solar is complete, just awaiting final documentation.  |
| Major Large Capital Grants Programme (Dollar for Dollar Grant Programme)  | C     | 3710.5494.504 | \$90,000    | \$75,000  | \$0       | Malabar VPA Funding  | \$75,000                               |                                    |           |            | Nov-24 |        |        |  |  |  | Major Large Capital Grants Programme (Dollar for Dollar Grant Programme)<br>Applications for 2024-2025 round to be advertised December 24 - Jan 25.  |
| Playground Upgrades   |       | 3710.5251.504 |             | \$6,270   | \$0       | General Revenue  |  | 30/06/2025                         |           | N/A        |        |        |        |  |  |  | Playground Upgrades<br>Minor works to follow playground inspections. Some minor upgrades completed and further equipment ordered.  |
| ROADS AND DRAINAGE & TECHNICAL SERVICES   |       |               |             |           |           |  |  |                                    |           |            |        |        |        |  |  |  |  |
| Baerami Creek Causeway  | D & C | 3500.4498.504 | \$650,000   | \$672,039 | \$0       | NSW Government Grant   | \$689,654                              | Variation requested                |           |            |        |        |        |  |  |  | Baerami Creek Causeway<br>Tenders were called. Received two submissions, well above budget. Preparing a new tender for design and construction contract. Plan to readvertise for tender. Requested extension of funding.   |
| Bridges Renewal Program   | I     | 3530.4131.504 | \$290,000   | \$342,496 | \$0       | General Revenue<br>\$250,000 - 24/25<br>\$92,496 -CO Reserve               |  | 30/06/2025                         |           |            | Jul-24 | Jun-25 |        |  |  |  | Bridges Renewal Program<br>Design of abutment protection renewal - Widden Bridge, Bylong Valley way, Muscle Creek Bridge Bell St and Peberdy's bridge  |
| Bylong Valley Way Road Safety Project   | I     | TBA           | \$4,602,549 | TBA       | \$0       | NSW Road Safety Program<br>Transport for NSW                               | \$3,930,000<br>(\$4,602,549 available) | 30/04/2026                         |           |            | Jul-25 | Mar-26 |        |  |  |  | Bylong Valley Way Road Safety Project<br>Verbally advised success of grant funding, waiting on paperwork. Design then construct  |
| Carpark Renewal Program   | C     | 3580.4234.504 | \$85,000    | \$100,000 | \$0       | General Revenue  |  | 30/06/2025                         |           |            | Nov-24 | Jun-25 |        |  |  |  | Carpark Renewal Program<br>Karoola Park - Pavement renewal and drainage improvements.  |
| CPTIGS - Bus Shelter Programme  | D & C | 3500.2781.504 | \$321,964   | \$198,916 | \$109,257 | Stronger Country Communities R5  | \$267,767                              | 2/02/2026                          |           |            |        |        |        |  |  |  | CPTIGS - Bus Shelter Programme<br>An In-kind source of funding for the upgrade of the Bus Stop in Tindale St has been provided through development in the street. Tenders were received by Council and reported to 27 April 2023 Council meeting where Council determined to not accept any Tender. A Councilor workshop was held in September 2023 to provide information regarding the bus shelter concept. This matter was reported to the October 2023 meeting of Council where Council endorsed to seek quotations for the design and supply of shelters. Quotations have been received and a contractor has been engaged to manufacture the shelters.<br>Note: CPTIGS is the Country Passenger Transport Infrastructure Grants Scheme.<br>At manufacturing stage, met with manufacturer w/c 30 September 2024, Quotes for boardings pads required. |
|   |       |               |             |           |           | CPTIGS 19/21   | \$41,930                               | Variation Submitted for 30/04/2025 |           |            | Oct-24 | Mar-25 |        |  |  |  |  |
|   |       |               |             |           |           | CPTIGS 21/23   | \$12,267                               | Variation Submitted for 30/04/2025 |           |            |        |        |        |  |  |  |  |
| Drainage Devices Programme  | C     | 3540.4065.504 |             | \$500,000 | \$24,499  | General Revenue  |  | 30/06/2025                         |           |            | Sep-24 | Jun-25 |        |  |  |  | Drainage Device Programme<br>Program to be developed.  |
| Flood Warning Systems   |       | 3590.4444.504 |             | \$147,856 | \$100,602 | NSW Department of Planning Industry and Environment                        | \$150,000                              |                                    |           |            | Sep-24 |        | Aug-24 |  |  |  | Flood Warning Systems<br>Installation and commissioning of the flood warning system completed. A community information session to be held regarding the operation of the siren system. <b>Completed</b>  |
| Footpath & Cycleway Renewals  | C     | 3500.4072.504 | \$185,625   | \$200,000 | \$181,135 |  |  |                                    |           |            | Jul-24 | Sep-24 | Aug-24 |  |  |  | Footpath & Cycleway Renewals<br>A prioritised program was endorsed by Council at the August 2024 Meeting. In accordance with the program, sections of footpath have been renewed in Hill Street and Mill Street. Currently renewal work happening along Millland Street. <b>Completed.</b>   |

|                                       |   |                |             |             |           |   |             |            |             |                       |        |        |        |                |   |
|---------------------------------------|---|----------------|-------------|-------------|-----------|---|-------------|------------|-------------|-----------------------|--------|--------|--------|----------------|---|
| Heavy Patching Programme              | C | 3500.4035.504  | \$637,500   | \$750,000   | \$254,955 | General Revenue                         |             | 30/06/2025 |             |                       | Sep-24 | Jun-25 |        |                | Heavy Patching Programme<br>A prioritised program was reported endorsed by Council at the July 2024 Ordinary Council Meeting.   |
| Kerb & Gutter Replacement             | C | 3560.4065.504  | \$454,750   | \$535,000   | \$181,196 | General Revenue                         |             | 30/06/2025 |             |                       | Sep-24 | Jun-25 |        |                | Kerb & Gutter Replacement<br>A prioritised program was reported and endorsed by Council at the July 2024 Ordinary Council Meeting.  |
| Large Plant Items                     | D | 3985.5870.504  | \$2,207,245 | \$1,923,878 | \$668,070 | General Revenue                         |             | 30/06/2025 |             |                       | Jul-23 | Jun-24 | Jul-23 | Multiple year. | Large Plant Items<br>The plant replacement programme priorities were endorsed by Council at the November 2023 Ordinary Council Meeting, where the Programme for 22/23 and 23/24 have been consolidated. Staff have had difficulties working on the specifications especially for the tree maintenance vehicle, required to seek tenders for these items of plant. Specifications for the remaining plant items are being written. The following items have been purchased. 1. Tractor and attachments \$337,050, 2. 2 x Zero Turn Mowers \$82,254, 3. Line Marking machine \$39,612. Report provided to Manex for the purchase of Truck can and Chassi to replace Parks - Water Cart.   |
| Hunter Beach to CBD Pathway           |   | 3500.7864.504  |             | \$600,000   | \$0       | Dartbrook & AGL VPA Funding             | \$600,000   |            |             |                       | Sep-24 | Jun-25 |        |                | Hunter Beach to CBD Pathway<br>Design and construction (Wilkins Street to Hunter Beach)   |
| Merton Street Drainage, Denman        | C | 3540.4596.504  | \$1,326,952 | \$1,326,952 | \$672,932 | Resources for Regions 9                 | \$1,412,582 | 29/08/2025 | \$1,412,582 | Contracted            | Apr-24 | Oct-24 | May-24 |                | Merton Street drainage, Denman<br>Resources for Regions Round 9 funding announced \$1,412,582. The design was endorsed by Council at the October 2022 meeting. The estimated cost to construct based on this design is \$2,589,582. Council has been advised of successful funding under the Disaster Recovery Fund R1. Council recently signed the deed of agreement provided by the funding body. This has allowed tendering to proceed. Tenders have been received and reported to the March Ordinary meeting of Council. The contractor KCE has been engaged to undertake the contracted works and contracts exchanged. Construction has commenced at the site. Stormwater drainage and water main relocation works has been completed. Contractor KCE continuing with earth work. 70% of the work has been completed.  |
| Palace / Merton Street Upgrade Denman | C | 3540.4599.5043 | \$360,870   | \$360,870   | \$360,870 | Disaster Ready Fund Rd 1                | \$1,179,631 | 29/08/2025 | \$1,179,631 | Assessment Period     | Apr-24 | Oct-24 | May-24 |                | Palace Street Upgrade, Denman<br>Resources for Regions Round 9 funding announced \$1,412,582. The design was endorsed by Council at the October 2022 meeting. The estimated cost to construct based on this design is \$2,589,582. Council has been advised of successful funding under the Disaster Recovery Fund R1. Council recently signed the deed of agreement provided by the funding body. This has allowed tendering to proceed. Tenders have been received and reported to the March Ordinary meeting of Council. The contractor KCE has been engaged to undertake the contracted works and contracts exchanged. Construction has commenced at the site. Stormwater drainage and water main relocation works has been completed. Contractor KCE continuing with earth work. 70% of the work has been completed.<br>Tender opened September 3 & closed September 25. Received 9 tender submissions currently in the tender assessment period with plans to report to the 22 October Extraordinary Council Meeting. |
| Muscle Creek Emergency Stabilisation  | I | 3920.5973.504  |             | \$250,000   |           | Dartbrook VPA Funding                   | \$250,000   |            |             |                       |        |        |        |                | Muscle Creek Emergency Stabilisation<br>Awaiting recommendations of Catchment Management Plan.  |
| New Footpath and Cycleway Programme   | C | 3500.4073.504  | \$123,250   | \$145,000   | \$0       | General Revenue                         |             | 30/06/2025 |             |                       | Jan-25 | Jun-25 |        |                | New Footpath and Cycleway Programme<br>A prioritised program was reported endorsed by Council at the July 2024 Ordinary Council Meeting.  |
| Rainbow Creek Bridge                  | C | 3530.4610.504  | \$616,113   | \$374,687   | \$1,427   | Transport NSW<br>Fixing Country Bridges | \$666,113   | 31/05/2025 |             |                       | Jan-25 | Jun-25 |        |                | Rainbow Creek Bridge<br>Fully executed variation deed has been received for the amount of \$616,113. Preparing tender documents for box culvert on Sandy Creek Road.  |
| Regional Road Renewal Programme       | C | 3502.4135.504  | 69,000      | \$69,000    | 0         | Transport NSW                           | 69,000      |            |             |                       | Oct-24 | Jun-25 |        |                | Regional Road Renewal Programme<br>Works as per the submitted programme.  |
| Road Resealing Program                | C | 3500.4030.504  | \$1,000,000 | \$1,000,000 | \$89,818  | General Revenue                         |             | 30/06/2025 |             |                       | Oct-24 | Mar-25 | Sep-23 |                | Road Resealing Program<br>A prioritised programme was endorsed at the July 2024 meeting of Council as part of the Capital Works Programme. Resealing works commenced October 2024.  |
| Roads to Recovery Programme           | I | 3500.2068.504  | \$577,898   | \$1,155,796 | \$16,159  | Roads to Recovery                       | \$751,270   | 31/12/2025 |             |                       | Sep-24 | Dec-24 |        |                | Roads to Recovery Programme<br>This funding is nominated for proposal to Council to be allocated to project to rehabilitate Palace St, Merino to McCauley St Denman. Design work has been completed. Plan to start in Sep 2024  |
| Rural Roads Regravelling Programme    | C | 3500.4055.504  | \$283,815   | \$250,000   | \$19,579  | General Revenue                         |             | 30/06/2025 |             |                       | Jul-24 | Jun-25 |        |                | Rural Roads Regravelling<br>Rolling programme.  |
| Rural Roads Renewal Programme         | C | 3502.4125.504  | \$650,153   | \$764,886   | \$244,383 | General Revenue                         |             | 30/06/2025 |             |                       | Aug-24 | Dec-24 | Aug-24 |                | Rural Roads Renewal Programme<br>Shoulder widen and pavement strengthen for Martindale Road 7.3km.  |
| Urban Road Renewal Programme          | C | 3500.4050.504  | \$700,000   | \$755,132   | \$290,497 | General Revenue                         |             | 30/06/2025 |             |                       | Nov-24 | Jun-25 |        |                | Urban Road Renewal<br>Carl Street upgrade works to be reported to November 2024 Ordinary Council meeting.   |
| Wybong Road - Betterment              | I |                |             | \$1,633,500 |           |   |             |            |             | Pending EPAR approval |        |        |        |                | Wybong Road Betterment<br>Council was successful in receiving funding for the 'betterment' component to widen and improve Wybong Road in three nominated sections at the western end. Which have been damaged in the recent natural disaster events. Additional funding for an amount of \$200,000 to complete the project is currently being sought through the EPAR application submitted in August 2023. Council is continuing to follow up with TNSW on the approval of this EPAR funding.  |
| Stormwater Drainage                   |   | 3540.4612.504  |             | \$150,000   | \$0       | General Revenue                         |             | 30/06/2025 |             |                       |        |        |        |                | Stormwater Drainage<br>New assets with programme to be confirmed.   |
| FUTURE FUND                           |   |                |             |             |           |   |             |            |             |                       |        |        |        |                |   |



|  |          |               |              |              |           |   |                    |   |              |                    |        |        |        |                |  |   |
|--|----------|---------------|--------------|--------------|-----------|---|--------------------|---|--------------|--------------------|--------|--------|--------|----------------|--|---|
| Blue Flame Restaurant Works              |          | 3690.5711.504 | \$250,000    | \$208,059    | \$206,935 | Future Fund Reserve                         |                    |   |              |                    |        |        |        |                |  | Blue Flame Restaurant Works<br>Blue Flame Restaurant fit-out works completed. Final kitchen equipment fit-off and final sign-off received. Occupation certificate issued 3 October. Blue Flame are currently setting up the restaurant to commence operating.   |
| Marketplace Asset Renewal (incl. Lift)   | D & C    | 3690.5540.504 | \$331,194    | \$221,539    | \$58,234  | Future Fund Reserve                         |                    |   |              | Jun-24             |        |        |        |                |  | Muswellbrook Marketplace Asset Renewal<br>Heavy goods lift specification drafted ready for tender issue. Council is undertaking an independent review of transportation services at the Marketplace.  |
| Renewal of Existing Assets               | D & C    | 3690.5421.504 | \$331,938    | \$235,814    | \$16,506  | Future Fund Reserve                         |                    |   |              | Jul-24             | Jul-24 |        |        |                |  | Renewal of Existing Assets<br>Combination of commercial building renewal projects and capital works for new tenancies.  |
| WASTE OPERATIONS                         |          |               |              |              |           |   |                    |   |              |                    |        |        |        |                |  |   |
| Waste & Recycling Centre Leachate Dam    | D & C    | 3653.4530.504 | \$475,795    | \$475,795    | \$0       | Water Reserve                               | \$450,000          |   |              |                    | Jul-23 | Dec-26 | Jul-23 |                |  | Waste & Recycling Centre Leachate Dam<br>Design and Construction Cost Estimates complete (~\$500,000). Biodiversity Assessment completed. Geotechnical report for project area received, which has triggered a dam design revision due to lack of winnable clay on site. Currently preparing development application (DA) lodgement.  |
| SEWER FUND                               |          |               |              |              |           |   |                    |   |              |                    |        |        |        |                |  |   |
| Access and Security Improvements         | D&C      | 6340.4475.504 | \$150,000    | \$150,000    | \$14,600  | Sewer Fund                                  |                    | 30/06/2025                                |              |                    | Nov-24 | Jun-25 |        |                |  | Access and Security Improvements<br>Security fencing and automation of gates for Recycled Water Treatment Works (RWTW) at Muswellbrook and upgrade of key system. Request for Quote specifications being drafted.   |
| Mains Renewal and Replacement            | I, D & C | 6310.4340.504 | \$260,000    | \$200,000    | \$7,209   | Sewer Fund                                  |                    | 30/06/2025                                |              |                    | Mar-25 | Jun-25 |        |                |  | Mains Renewal and Replacement<br>Retining of Foley Street sewer Main. Pipes and valves replacement - Sewer Pumping Station 2.   |
| Solar Array                              | D & C    | 6310.4493.504 | \$644,773    | \$699,622    | \$566,558 |   | Section 64 Funding |   |              | Contracted         | Mar-24 | Feb-25 | Apr-24 |                |  | Solar Array<br>Commencement meeting held 26/02/2024 with stakeholders. The ground investigations started on site with effect from 14 March 2024, followed by design and procurement of equipment. Civil works commenced August 2024.  |
| Sewer Operational Contingency            | LD&C     | 6340.4494.504 | \$150,000    | \$50,000     | \$14,316  | Sewer Fund                                  |                    | 30/06/2025                                |              |                    | Jul-23 | Jun-24 | Jul-23 | Jul-24         |  | Sewer Operational Contingency<br>Replaced failed, obsolete contractor at Muswellbrook Sewer Pumping Station (MSPS) 4. Replacement of Mount Arthur reuse pump at RWTW. Replacement of filter media at RWTW.  |
| System Plant Asset Renewals              | I, D & C | 6340.4488.504 | \$650,000    | \$528,017    | \$30,286  | Sewer Fund                                  |                    | 30/06/2025                                |              |                    | Jul-23 | Jun-24 | Jul-23 | Aug-24         |  | System Plant Asset Renewals<br>MSPS No. 5 & 7 mechanical and electrical upgrade in progress.  |
| Transportation System Improvements       | I, D & C | 6340.4485.504 | \$300,000    | \$595,964    | \$140,042 | Sewer Fund                                  |                    | 30/06/2025                                |              |                    | Feb-24 | Jun-25 |        |                |  | Transportation System Improvements<br>Telemetry upgrade for pumping stations:<br>MSPS 2<br>MSPS 3<br>MSPS 4<br>MSPS 5<br>MSPS 6<br>MSPS 7<br>MSPS 9<br>MSPS 10<br>MSPS 11<br>MSPS 12<br>MSPS 12<br>MSPS 13  |
| Upgrade Sewer Pumping Station-1          | I, D & C | 6310.4364.504 | \$2,000,000  | \$1,987,094  |           |   | Section 64 Funding |   |              | Assessment Period  | Jun-24 | Nov-25 | Jun-24 | Multiple year. |  | Upgrade Muswellbrook Sewer Pumping Station 1<br>MSPS 1 will be upgraded through design and construct contract. A main pumping station which is taking the max load of Muswellbrook and pumping direct to sewer treatment plant. Council called design and construct tenders May 2024 and are currently being assessed to report to the November 2024 Ordinary Council meeting. Planned completion of project is November 2025. Tenderer being asked to confirm pricing. |
| Sewer Plant and Equipment                | I        | 6340.4380.504 |              | \$180,000    |           | Sewer Fund                                  |                    | 30/06/2025                                |              |                    |        |        |        |                |  | Sewer and Plant Equipment<br>Investigations underway for purchase of Vacuum Truck Plant Equipment.  |
| WATER FUND                               |          |               |              |              |           |   |                    |   |              |                    |        |        |        |                |  |   |
| Asbestos Removal, Earthwork and Security | C        | 5310.4586.504 |              | \$150,000    | \$11,994  | Water Fund                                  |                    | 30/06/2025                                |              |                    | Feb-25 | Jun-25 |        |                |  | Asbestos Removal, Earth Work and Security<br>Scott Street- Security Access progressing.<br>Water main earth works and asbestos pipe removals planned for the following water mains:<br>Scott Street<br>Ford Street<br>Flanders Ave  |
| GLE Pipeline                             | D&C      | 5310.0492.504 | \$28,473,519 | \$18,362,625 | \$10,270  | Restart NSW - Growing Local Economies       | \$18.9M            | Oct 2024 - Variation Discussions Underway | \$20,500,000 | Request for tender | Jun-19 | Jun-26 | Feb-20 | TBC            |  | GLE Pipeline<br>Project in pre tender Stage and Council is expected to go out for tenders following November 2024 Ordinary Council meeting and tender evaluation and report to Council is planned February 2025. The design stage is planned to start in April 25 with parallel activities for upgrading the water treatment plant at Derman. Pre-tender formalities are completed. Sec 60 regulatory approval granted.   |
|  |          |               |              |              |           | Safe & Secure (committed but not allocated) | \$1.6M             |   |              |                    |        |        |        |                |  |   |
|  |          |               |              |              |           |   |                    |   |              |                    |        |        |        |                |  |   |
| Mains Renewal And Replacement            | I, D & C | 5320.4340.504 | \$650,000    | \$890,285    | \$177,391 | Water Fund                                  |                    | 30/06/2025                                |              |                    | Feb-25 | Jun-25 |        |                |  | Mains Renewal and Replacement<br>Planned water main replacements:<br>Roger Street<br>Scott Street<br>Ford Street<br>Flanders Ave<br>Pre-tender estimates being prepared. Evaluating RFQ   |
| Replacement of Water Meters              | C        | 5320.4376.504 | \$65,000     | \$65,000     | \$24,798  | Water Fund                                  |                    | 30/06/2025                                |              |                    | Jul-24 | Jun-25 |        |                |  | Replacement of Water Meters<br>Ongoing ageing water meter replacement programme.  |

|  |          |               |           |           |           |            |            |  |  |        |        |        |  |
|--|----------|---------------|-----------|-----------|-----------|------------|------------|--|--|--------|--------|--------|--|
| System Plant Asset Renewals            | I, D & C | 5340.4400.504 | \$730,474 | \$881,398 | \$186,551 | Water Fund | 30/06/2025 |  |  | Feb-25 | Jun-25 |        | System Plant Asset Renewals<br>Planned replacement:<br>Backwash Pump Muswellbrook Water Treatment Plant (MWTP)<br>Sand filter blower (MWTP)<br>OT/IT Separation- Water Assets<br>Telemetry MWTP<br>Telemetry Derran Water Treatment Plant (DWTP)   |
| Upgrade Fluoride Dosing System         | I, D & C | 5310.4577.504 | \$294,732 | \$150,598 | \$37,290  | NSW Health |            |  |  | Apr-24 | Jun-24 | Apr-24 | Jun-24<br>Upgrade Fluoride Dosing System<br>The fluoride upgrade project installation completed end June 2024. The old fluoride dosing plant was dismantled and removed, the floor and walls were repainted and a new air conditioner was installed. Electrical cabling works have been completed. Installed galvanized platform over confined space sump in the fluoride room. Installed 2000 L fluoride liquid trade waste tank. Commissioning planned October 2024. |
| Vehicle - Equipment Replacement        | C        | 5330.4378.504 | \$65,000  | \$165,000 | \$32,354  | Water Fund | 30/06/2025 |  |  | Oct-24 | Jun-25 |        | Vehicle - Equipment Replacement<br>Programme to be prepared.   |
| Water Operations Contingency Project   | I        | 5340.4406.504 | \$100,000 | \$50,000  | \$40,157  | Water Fund | 30/06/2025 |  |  | Mar-25 | Jun-25 |        | Water Operations Contingency Project<br>Proposed pump replacements.  |
| Water Stop Valve Replacement Programme | I, D & C | 5320.4379.504 | \$200,000 | \$200,000 | \$11,150  | Water Fund | 30/06/2025 |  |  | Mar-25 | Jun-25 |        | Water Stop Valve Replacement Programme<br>Programme to be confirmed.   |



## 10.3. Corporate Services

### 10.3.1. 2024 End of Year Closure

**Responsible Officer:** Derek Finnigan - General Manager

**Author:** Administration Team Leader

**Community Strategic Plan:** 6 - Community Leadership

Collaborative and responsive leadership that meets the expectations and anticipates the needs of the community

**Delivery Program Goal:** 6.2.1 - Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves.

**Operational Plan Action:** Not applicable

**Attachments:** Nil

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#### PURPOSE

To submit for Council's consideration the dates for closure of the Administration Centre over the Christmas/New Year period.

#### OFFICER'S RECOMMENDATION

Council:

APPROVES the closure of Council's Administration Centre, Depots, and Water & Wastewater facilities as follows:

- Friday 6 December 2024 – Staff End of Year Function;
- 12 Noon Tuesday, 24 December 2024 to 7.00am Thursday, 2 January 2025 – Christmas/New Year closure period;
- Waste Operations as detailed in the report; and
- Muswellbrook and Denman Aquatic Centres, Muswellbrook Library and Muswellbrook Regional Arts Centre as detailed in the report.

**Moved:** \_\_\_\_\_ **Seconded:** \_\_\_\_\_

#### PREVIOUS RESOLUTIONS

Not applicable.

#### REPORT

##### 2024 Staff End of Year Function

Each year, Council holds an End of Year Function to express its gratitude to staff for the work they have undertaken throughout the year. This year, the Staff End of Year Function is scheduled be held on Friday 6 December 2024.



Traditionally, staff who have attended the end of year function have received a \$30 gift card. This did not occur in 2022, and in 2023 Council provided a \$50 We Live Here Card to all staff, and would like to do the same this year. Funding for the Christmas Party and Staff Reward may be funded from an existing 2024-25 budget allocation.

#### 2024-25 Christmas/New Year Office Closure

It has been a practice in the past that some of the Muswellbrook Shire Council offices close during the Christmas and New Year period.

The offices to be closed for part or all of the period between 12 Noon Tuesday, 24 December 2024 and Thursday, 2 January 2025 include the Muswellbrook Administration Centre, Muswellbrook and Denman Libraries, Muswellbrook Visitor Information Centre, and the Muswellbrook Regional Arts Centre.

The total period of closure would be two or three (3) working days plus three (3) public holidays, with the recommended dates and times of closure being from 12 Noon Tuesday 24 December 2024 to 7:00am Thursday 2 January 2025.

The public holidays included in the closure are:

Christmas Day                      Wednesday, 25 December 2024

Boxing Day                        Thursday, 26 December 2024

New Year's Day                  Wednesday, 1 January 2025

The proposed closure between Christmas and New Year has been selected as the quietest business time of the year, with only minimal enquires and the provision of very limited service to the public across all areas of Council services.

Staff will be required to take leave during this period, which will reduce Council's leave liability.

#### Waste & Recycling Facility

Waste Operations sites will be closed on all Public Holidays, and will otherwise operate as provided in the table below:

| <b>Day</b> | <b>Date</b> | <b>Holiday</b>            | <b>Kerbside Collections</b>       | <b>Muswellbrook Waste and Recycling Facility</b> | <b>Denman Transfer Station</b> |
|------------|-------------|---------------------------|-----------------------------------|--|--------------------------------|
| Fri        | 6 Dec       | Council end of Year Event | Normal Friday Collection - Zone 5 | Closed   | Closed                         |
| Wed        | 25 Dec      | Christmas Day             | No Collections                    | Closed   | Closed                         |
| Thu        | 26 Dec      | Boxing Day                | Wednesday's bins - Zone 3         | Closed   | Closed                         |
| Fri        | 27 Dec      |                           | Thursday's bins Zone 4            | Open   | Open                           |
| Sat        | 28 Dec      |                           | Friday's bins Zone 5              | Open   | Open                           |
| Wed        | 1 Jan       | New Years Day             | No Collection                     | Closed   | Closed                         |





| Day | Date   | Holiday                  | Kerbside Collections              | Muswellbrook Waste and Recycling Facility | Denman Transfer Station |
|-----|--------|--------------------------|-----------------------------------|---|-------------------------|
| Thu | 2 Jan  |                          | Wednesday's Bins - Zone 3         | Open                                      | Closed                  |
| Fri | 3 Jan  |                          | Thursday's bins - Zone 4          | Open                                      | Open                    |
| Sat | 4 Jan  |                          | Friday's bins - Zone 5            | Open                                      | Open                    |
| Mon | 27 Jan | Australia Day (observed) | Normal Monday Collection - Zone 1 | Closed                                    | Closed                  |

### Community Facilities

Operate as scheduled below:

#### **Muswellbrook Aquatic & Fitness Centre**

Closed from 12noon Tuesday, 24 December

Reopen 9am - 4pm (Public Holiday Hours) Thursday, 26 December

Closed from 12 noon Tuesday, 31 December

Reopen 6am Thursday, 2 January 2025

#### **Denman Pool**

Closed from 12noon Tuesday, 24 December

Reopen 11am - 4pm (Public Holiday Hours) Thursday, 26 December

Closed from 12 noon Tuesday, 31 December

Reopen 11am Thursday, 2 January 2025

#### **Muswellbrook Regional Arts Centre**

Closed from 4pm Saturday 21 December

Reopen 10am Saturday 11 January 2025

#### **Muswellbrook Shire Libraries**

Closed from 1pm Saturday 21st December

Reopen 10am Thursday 2nd January 2025

### \$50 We Live Here Gift Card for all Staff Members

In previous years, a We Live Here Gift Card has been provided to all Muswellbrook Shire Council employees who attend the staff end of year function. Whilst the provision of the We Live Here Gift Cards was suspended in 2022, a \$50 We Live Here Gift Card was provided to all Muswellbrook Shire Council staff in appreciation of their efforts throughout 2023, and we would like to provide the same for 2024. It is requested that the We Live Here Gift Card is given to all staff members, as it is acknowledged that, due to family and other commitments, it is not possible for all staff to attend the end of year staff appreciation function and should not be disadvantaged because of this.

The cost of the \$50 We Live Here Gift Cards will be approximately \$9,000. Sufficient funding



is available in the Staff Appreciation Budget to enable the funding of the gift cards.

Staff Significant Anniversaries

At the annual end of year staff appreciation event, significant staff anniversaries are celebrated. Staff whose twenty year or thirty-year service anniversaries have fallen within the current calendar year have traditionally been awarded a \$1,000 service reward payment.

|             | <b>20-year service</b> | <b>30-year service</b> |
|-------------|------------------------|------------------------|
| <b>2024</b> | 2                      | 1                      |

Should Council approve the payment of a \$1,000 amount to each of the identified staff members, this will result in \$3,000 being funded from Ledger Number 0840.0435.500.



### 10.3.2. Election to Council Committees and Delegate Positions

**Responsible Officer:** Derek Finnigan - General Manager

**Author:** Governance Officer

**Community Strategic Plan:** 6 - Community Leadership

Collaborative and responsive leadership that meets the expectations and anticipates the needs of the community

**Delivery Program Goal:** 6.2.1 - Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves.

**Operational Plan Action:** 6.2.5.6 - Provide governance support services for the elected Council and executive.

**Attachments:** Nil

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#### PURPOSE

Appointment of Councillors is required for the following:

1. Statutory Committees and Consultative Committees.
2. Council Delegates to external organisations.

#### OFFICER'S RECOMMENDATION

1. The Committee Structure be endorsed.
2. Elections by show of hands be held for Councillor positions on the committees.
3. The Chair and Deputy Chair be elected for the committees.
4. The appointment of Councillors to Committees and Delegate positions be approved to September, 2028.

**Moved:** \_\_\_\_\_ **Seconded:** \_\_\_\_\_

#### EXECUTIVE SUMMARY

This report provides details on the proposed Committee structure for Council, Advisory, Consultative and External Committees.

#### PREVIOUS RESOLUTIONS

Not applicable.

#### BACKGROUND

Council has a number of Committees that require Councillor representation and delegation.

#### CONSULTATION

Mayor

**REPORT**

Committees are elected for the term of Council.

**COMMUNITY REPRESENTATIVES**

Council can resolve to re-appoint the community representatives currently serving on Council Committees to their respective Committees or call for nominations.

**APPOINTMENT TO COMMITTEES****Council Committees**

| <b>Committee 1</b>               | <b>Community &amp; Economy Committee</b>                        |
|----------------------------------|---|
| <b>No. of Cr Representatives</b> | <b>Usual Meeting Date/Time</b>                                  |
|                                  | 2 <sup>nd</sup> Tuesday of every Odd Month commencing at 5.30pm |
| <b>Elected:</b>                  | Chair   |
|                                  | Deputy Chair  |
|                                  |   |
|                                  |   |
|                                  |   |
|                                  |   |
|                                  |   |

| <b>Committee 2</b>               | <b>Finance &amp; Governance Committee</b>                  |
|----------------------------------|--|
| <b>No. of Cr Representatives</b> | <b>Usual Meeting Date/Time</b>                             |
|                                  | 2 <sup>nd</sup> Thursday of the month commencing at 4.00pm |
| <b>Elected:</b>                  | Chair  |
|                                  | Deputy Chair   |
|                                  |  |
|                                  |  |
|                                  |  |
|                                  |  |
|                                  |  |





| <b>Committee 3</b>               | <b>Future Fund Committee</b>   |
|----------------------------------|--------------------------------|
| <b>No. of Cr Representatives</b> | <b>Usual Meeting Date/Time</b> |
|                                  | Quarterly                      |
| <b>Elected:</b>                  | Chair                          |
|                                  | Deputy Chair                   |
|                                  |                                |
|                                  |                                |
|                                  |                                |
|                                  |                                |
|                                  |                                |

| <b>Committee 4</b>               | <b>Infrastructure &amp; Property Committee</b>                   |
|----------------------------------|--|
| <b>No. of Cr Representatives</b> | <b>Usual Meeting Date/Time</b>                                   |
|                                  | 2 <sup>nd</sup> Tuesday of every Even Month commencing at 5.30pm |
| <b>Elected:</b>                  | Chair  |
|                                  | Deputy Chair   |
|                                  |  |
|                                  |  |
|                                  |  |
|                                  |  |
|                                  |  |

| <b>Committee 5</b>               | <b>State Significant Development Committee</b> |
|----------------------------------|--|
| <b>No. of Cr Representatives</b> | <b>Usual Meeting Date/Time</b>                 |



|                 |   |
|-----------------|---|
|                 | 2 <sup>nd</sup> Tuesday of the Month commencing at 4.00pm |
| <b>Elected:</b> | Chair   |
|                 | Deputy Chair  |
|                 |   |
|                 |   |
|                 |   |
|                 |   |
|                 |   |
|                 |   |

**Advisory Committees**

|                                  |  |
|----------------------------------|--|
| <b>Committee 6</b>               | <b>Muswellbrook Sport &amp; Recreation Committee</b> |
| <b>No. of Cr Representatives</b> | <b>Usual Meeting Date/Time</b>                       |
|                                  |  |
| <b>Elected:</b>                  | Chair  |
|                                  | Deputy Chair   |
|                                  |  |

|                                  |  |
|----------------------------------|--|
| <b>Committee 7</b>               | <b>Denman Sport &amp; Recreation Committee</b> |
| <b>No. of Cr Representatives</b> | <b>Usual Meeting Date/Time</b>                 |
|                                  |  |
| <b>Elected:</b>                  | Chair  |
|                                  | Deputy Chair                                   |
|                                  |  |

|                                  |                                      |
|----------------------------------|--------------------------------------|
| <b>Committee 8</b>               | <b>Muswellbrook Bypass Committee</b> |
| <b>No. of Cr Representatives</b> | <b>Usual Meeting Date/Time</b>       |



|                 |              |
|-----------------|--------------|
|                 |              |
| <b>Elected:</b> | Chair        |
|                 | Deputy Chair |
|                 |              |

**Reference Group**

|                                  |                                      |
|----------------------------------|--------------------------------------|
| <b>Committee 9</b>               | <b>Aboriginal Cultural Inclusion</b> |
| <b>No. of Cr Representatives</b> | <b>Usual Meeting Date/Time</b>       |
|                                  |                                      |
| <b>Elected:</b>                  | Chair                                |
|                                  | Deputy Chair                         |
|                                  |                                      |

**Statutory Committees****Committee 10      Local Emergency Management Committee**

|                                  |                                |
|----------------------------------|--------------------------------|
| <b>No. of Cr Representatives</b> | <b>Usual Meeting Date/Time</b> |
| 1                                | Quarterly at 9.00am            |
| <b>Elected:</b>                  |                                |

**Committee 11      Muswellbrook Shire Bush Fire Management Committee**

|                                  |                                |
|----------------------------------|--------------------------------|
| <b>No. of Cr Representatives</b> | <b>Usual Meeting Date/Time</b> |
| 1                                | Quarterly on Wednesdays        |
| <b>Elected:</b>                  |                                |

**Committee 12      Rural Fire Service - Service Level Agreement Liaison Committee**



| No. of Cr Representatives | Usual Meeting Date/Time              |
|---------------------------|--------------------------------------|
| 1                         | Quarterly on Tuesday/Wednesday @ 2pm |
| Elected:                  |                                      |

**Committee 13      SES Service Level Agreement Liaison Committee**

| No. of Cr Representatives | Usual Meeting Date/Time |
|---------------------------|-------------------------|
| 1                         |                         |
| Elected:                  |                         |

**Committee 14      Muswellbrook Shire Local Traffic Committee**

| No. of Cr Representatives | Usual Meeting Date/Time                             |
|---------------------------|---|
| 2                         | 3rd Tuesday of each month @ 1pm held electronically |
| Elected:                  | Representative                                      |
|                           | Alt Delegate  |

**COMMUNITY CONSULTATIVE COMMITTEES****Committee 15      AGL Macquarie Dialogue Group**

| No. of Cr Representatives | Usual Meeting Date/Time                                    |
|---------------------------|--|
| 1                         | Quarterly (currently Wednesday afternoon 3:00pm to 5:00pm) |
| Elected:                  | Representative   |
|                           | Alt Delegate   |



**Committee 16      Bengalla Coal Consultative Committee**

| <b>No. of Cr<br/>Representatives</b> | <b>Usual Meeting Date/Time</b>                             |
|--------------------------------------|--|
| 1                                    | Quarterly (currently Wednesday afternoon 3:00pm to 5:00pm) |
| <b>Elected:</b>                      | Representative   |
|                                      | Alt Delegate   |

**Committee 17      Dartbrook Coal Consultative Committee**

| <b>No. of Cr<br/>Representatives</b> | <b>Usual Meeting Date/Time</b>                            |
|--------------------------------------|---|
| 1                                    | Quarterly (currently Wednesday morning 9:00am to 11:00am) |
| <b>Elected:</b>                      | Representative  |
|                                      | Alt Delegate  |

**Committee 18      Liddell Coal Consultative Committee**

| <b>No. of Cr<br/>Representatives</b> | <b>Usual Meeting Date/Time</b>                              |
|--------------------------------------|---|
| 1                                    | Bi-annually (currently Wednesday morning 9:00am to 11:00am) |
| <b>Elected:</b>                      | Representative  |

**Committee 19      Mangoola Consultative Committee**

| <b>No. of Cr<br/>Representatives</b> | <b>Usual Meeting Date/Time</b>                   |
|--------------------------------------|--|
| 1                                    | Quarterly (currently Wednesday 1:00pm to 3:00pm) |
| <b>Elected:</b>                      | Representative                                   |
|                                      | Alt Rep  |

**Committee 20      Mt Arthur Coal Consultative Committee**

| <b>No. of Cr<br/>Representatives</b> | <b>Usual Meeting Date/Time</b>                            |
|--------------------------------------|---|
| 1                                    | Quarterly (currently Wednesday morning 9:00am to 11:00am) |
| <b>Elected:</b>                      | Representative  |
|                                      | Alt Rep   |

**Committee 21      MACH Energy Mt Pleasant Mine Consultative Committee**

| <b>No. of Cr<br/>Representatives</b> | <b>Usual Meeting Date/Time</b>              |
|--------------------------------------|---|
| 1                                    | Quarterly (currently Thur 10:00 to 12 noon) |
| <b>Elected:</b>                      | Representative                              |
|                                      | Alt Rep                                     |

|                     |   |
|---------------------|---|
| <b>Committee 22</b> | <b>Muswellbrook Coal Consultative Committee</b> |
|---------------------|---|

| <b>No. of Cr<br/>Representatives</b> | <b>Usual Meeting Date/Time</b>                  |
|--------------------------------------|---|
| 1                                    | Biannually (currently Tue 12:00 noon to 2:00pm) |
| <b>Elected:</b>                      | Representative                                  |
|                                      | Alt Rep   |

**Committee 23****Maxwell Coal Consultative Committee**

| <b>No. of Cr Representatives</b> | <b>Usual Meeting Date/Time</b>                               |
|----------------------------------|--|
| 1                                | Quarterly (currently Thursday morning 10:00am to 12:00 noon) |
| <b>Elected:</b>                  | Representative   |
|                                  | Alt Rep  |

**Community Funding Investment Committees****Bengalla Community Funding Investment Committee**

| <b>No. of Cr Representatives</b> | <b>Usual Meeting Date/Time</b> |
|----------------------------------|--------------------------------|
|                                  |                                |
| <b>Elected:</b>                  | Mayor                          |

**Dartbrook Community Funding Investment Committee**

| <b>No. of Cr Representatives</b> | <b>Usual Meeting Date/Time</b> |
|----------------------------------|--------------------------------|
|                                  |                                |
| <b>Elected:</b>                  | Mayor                          |

**MACH Energy Mt Pleasant Mine Community Funding Investment Committee**

| <b>No. of Cr Representatives</b> | <b>Usual Meeting Date/Time</b> |
|----------------------------------|--------------------------------|
|                                  |                                |
| <b>Elected:</b>                  | Mayor                          |

**Mangoola Community Funding Investment Committee**

| <b>No. of Cr<br/>Representatives</b> | <b>Usual Meeting Date/Time</b> |
|--------------------------------------|--------------------------------|
|                                      |                                |
| <b>Elected:</b>                      | Mayor                          |

**Malabar Community Funding Investment Committee**

| <b>No. of Cr<br/>Representatives</b> | <b>Usual Meeting Date/Time</b> |
|--------------------------------------|--------------------------------|
|                                      |                                |
| <b>Elected:</b>                      | Mayor                          |

**Mt Arthur Community Funding Investment Committee**

| <b>No. of Cr<br/>Representatives</b> | <b>Usual Meeting Date/Time</b> |
|--------------------------------------|--------------------------------|
|                                      |                                |
| <b>Elected:</b>                      | Mayor                          |

**Ridgelands Community Funding Investment Committee**

| <b>No. of Cr<br/>Representatives</b> | <b>Usual Meeting Date/Time</b> |
|--------------------------------------|--------------------------------|
|                                      |                                |
| <b>Elected:</b>                      | Mayor                          |



**External Committees****Arts Upper Hunter**

| <b>No. of Cr<br/>Representatives</b> | <b>Usual Meeting Date/Time</b>   |
|--------------------------------------|--|
| 1                                    | 1st Tuesday of March, June, September and December at 5.30pm (subject to discussion at their December Board Meeting) |
| <b>Elected:</b>                      |  |

**Local Health Advisory Committee**

| <b>No. of Cr<br/>Representatives</b> | <b>Usual Meeting Date/Time</b> |
|--------------------------------------|--------------------------------|
| 1                                    |                                |
| <b>Elected:</b>                      |                                |

**Upper Hunter County Council (Weeds Authority)**

| <b>No. of Cr<br/>Representatives</b> | <b>Usual Meeting Date/Time</b>                           |
|--------------------------------------|--|
| 2                                    | 3rd Thursday of February, May, August and November @ 4pm |
| <b>Elected:</b>                      |  |
|                                      |  |

**Joint Regional Planning Panel**

| <b>No. of Cr Representatives</b> | <b>Usual Meeting Date/Time</b>                              |
|----------------------------------|---|
| 1                                | No set time or frequency, but always in normal office hours |
| <b>Elected:</b>                  |   |
|                                  |   |
| Community Representative         | To be elected   |

**Hunter Joint Organisation**

| <b>No. of Cr Representatives</b> | <b>Usual Meeting Date/Time</b> |
|----------------------------------|--------------------------------|
| 1                                | Quarterly @ 10am in Thornton   |
| <b>Elected:</b>                  | Mayor                          |

**Transcare Hunter Ltd Board Representation**

| <b>No. of Cr Representatives</b> | <b>Usual Meeting Date/Time</b> |
|----------------------------------|--------------------------------|
| 1                                |                                |
| <b>Elected:</b>                  |                                |

**SOCIAL IMPLICATIONS**

Not applicable.

**FINANCIAL CONSIDERATIONS**

Not applicable.

**POLICY IMPLICATIONS**

Not applicable.

**STATUTORY / LEGISLATIVE IMPLICATIONS**

Not applicable.



**RISK MANAGEMENT IMPLICATIONS**

Not applicable.

**COMMUNITY CONSULTATION / COMMUNICATIONS**

Not applicable.



### 10.3.3. Register of Pecuniary Interest

**Responsible Officer:** Derek Finnigan - General Manager

**Author:** Governance Officer

**Community Strategic Plan:** 6 - Community Leadership

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

**Delivery Program Goal:** 6.2.1 - Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves.

**Operational Plan Action:** 6.2.5.5 - Co-ordinate Council's statutory reporting obligations.

**Attachments:** Nil

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#### PURPOSE

To consider a report which tables the register of pecuniary interests, which is required to be prepared annually under Section 449 of the Local Government Act.

#### OFFICER'S RECOMMENDATION

The tabling of the Register of Pecuniary Interests for the period 30/06/2023 to 30/6/2024 be NOTED.

**Moved:** \_\_\_\_\_ **Seconded:** \_\_\_\_\_

#### EXECUTIVE SUMMARY

Councillors, the General Manager, and Senior Staff holding those positions at 30 June, are required to lodge a completed Ordinary Return by the subsequent 30 September, in accordance with Section 449 of the Local Government Act. The returns received will be tabled at the meeting.

#### PREVIOUS RESOLUTION:

Not applicable

#### BACKGROUND

Councillors, the General Manager and Senior Staff holding those positions at 30 June, are required to lodge a completed Ordinary Return by the subsequent 30 September, in accordance with Section 449 of the Local Government Act. The form of the Return to be completed is specified at Part 1, Schedule 3 of the Act.

#### CONSULTATION

Not applicable.

#### REPORT

Under Section 450A, the General Manager must keep a Register of Returns containing the





completed and lodged Returns of Councillors and designated persons. The Returns must be available for inspection by members of the public.

The General Manager must arrange for the tabling of Returns lodged under Section 449 no later than at the first meeting held after the last day of the period of lodgement. All required Returns have been completed and lodged for financial year ended 30 June, 2024.

This is an important public record and is relied upon in complaints concerning any pecuniary interest breaches and issues relating to probity.

The Register is now complete for the year and will be tabled at the meeting.

### **SOCIAL IMPLICATIONS**

Not applicable.

### **FINANCIAL CONSIDERATIONS**

Not applicable.

### **POLICY IMPLICATIONS**

Not applicable.

### **STATUTORY / LEGISLATIVE IMPLICATIONS**

Section 450A of the Local Government Act requires the General Manager to maintain a Register of Returns containing the completed and lodged Returns of Councillors and designated persons.

### **OPERATIONAL PLAN IMPLICATIONS**

Not applicable.

### **RISK MANAGEMENT IMPLICATIONS**

Not applicable.

### **COMMUNITY CONSULTATION / COMMUNICATIONS**

Not applicable.

**10.3.4. 2023/2024 Annual Report**

**Responsible Officer:** Derek Finnigan - General Manager

**Author:** Corporate Planning & Reporting Officer

**Community Strategic Plan:** 6 - Community Leadership

Collaborative and responsive leadership that meets the expectations and anticipates the needs of the community

**Delivery Program Goal:** 6.1.3 - Enhance Council's communication with the community to build awareness and understanding of Council's activities and community needs.

**Operational Plan Action:** 6.1.3.2 - Report on Council's Integrated Planning & Reporting (IP&R) requirements.

**Attachments:** Nil

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**PURPOSE**

To request Council's endorsement of the 2023/2024 Annual Report.

**OFFICER'S RECOMMENDATION**

Council:

1. ENDORSES the 2023/2024 Annual Report, including the audited Financial Statements; and
2. Delegates to the General Manager authority to publish the 2023/2024 Annual Report on Council's website and to forward a link to the Report to the NSW Office of Local Government, Minister for Local Government, and the Minister for Disability Services.

**Moved:** \_\_\_\_\_ **Seconded:** \_\_\_\_\_

**EXECUTIVE SUMMARY**

The Annual Report is a requirement under the *Local Government Act 1993* and the Integrated Planning and Reporting Framework. The Annual Report is a public document, providing an overview of the work of Council over the 2023/2024 financial year.

**PREVIOUS RESOLUTION**

Not applicable

**BACKGROUND**

Under section 428 of the *Local Government Act 1993*, Council is required to report against the Principal Activities from the preceding financial year's Operational Plan. The Annual Report is required to be submitted to the Minister for Local Government within 5 months of the end of the financial year (by 30 November). It must include a copy of the audited financial statements and be published on Council's website.



## CONSULTATION

General Manager

Manex

## REPORT

The Annual Report is a requirement under the *Local Government Act 1993* and the Integrated Planning and Reporting Framework. The Annual Report is a public document, providing an overview of the work of Council. It is one of the key points of accountability between Council and its community.

The 2023/2024 Annual Report is designed to be easy to read, informative, and of interest to the community. The Annual Report is required to focus on delivery of the Operational Plan and Delivery Program and to help the community understand how Council performs both as a service provider and community leader.

Copies of the Annual Report will be provided under separate cover.

A copy of the 2023/2024 Annual Report must be posted on Council's website with a link to the Report provided to the NSW Office of Local Government, Minister for Local Government, and the Minister for Disability Services.

## SOCIAL IMPLICATIONS

The Annual Report meets Council's legislative requirements under the *Local Government Act 1993* and is an opportunity to provide information about Council to the community.

## FINANCIAL CONSIDERATIONS

The Annual Report includes the audited financial report for the 2023/2024 financial year.

## POLICY IMPLICATIONS

The Annual Report complies with the Integrated Planning Framework and associated policies.

## STATUTORY / LEGISLATIVE IMPLICATIONS

The Annual Report complies with statutory requirements under the *Local Government Act 1993* and the *Local Government (General) Regulation 2021*.

## RISK MANAGEMENT IMPLICATIONS

The Annual Report has been prepared in a timely manner to ensure it is approved by Council and lodged on time as required by legislation. This will eliminate the risk to Council's reputation for failure to comply with the statutory obligations in section 428 of the *Local Government Act 1993*.

## COMMUNITY CONSULTATION / COMMUNICATIONS

A copy of the Annual Report will be provided on Council's website, a copy will also be left at the Muswellbrook information centre and both of Muswellbrook Shire Council's libraries.



### 10.3.5. Small Sites Electricity Contracting Options

**Attachments:** Nil

**Responsible Officer:** Derek Finnigan - General Manager

**Author:** Procurement Co-Ordinator

**Community Strategic Plan:** 6 - Community Leadership

Collaborative and responsive leadership that meets the expectations and anticipates the needs of the community

**Delivery Program:** 6.2.1 - Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves.

**Operational Plan:** 6.2.1.5 - Seek continuous improvement opportunities to achieve better value for money in Council's day-to-day procurement operations.

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#### PURPOSE

To report to Council the steps undertaken to secure best value for money in the process of entering into a contract for supply of electricity to small sites from 01 January 2025.

#### OFFICER'S RECOMMENDATION

Council:

1. RESOLVES to procure 100% renewable energy for small sites from 01 January 2025 in alignment with Council's Net Zero Strategy;
2. AUTHORISES the General Manager to accept or decline the offers for a small site electricity contract obtained via the NSW Government Scheme 3062 and the prescribed agency, Procurement Australia; and
3. AUTHORISES the General Manager to negotiate, agree, and to enter into a Contract for the supply of electricity to Small Sites on Council's behalf.

**Moved:** \_\_\_\_\_ **Seconded:** \_\_\_\_\_

#### BACKGROUND

The network operator classifies sites as 'Large Site' or 'Small Site' based on the consumption of the site. Supply contracts are subsequently split into large and small site contracts to facilitate the different requirements of the sites. Supply to large sites and street lighting makes up approximately 80% of Council's electricity consumption, with supply to small sites making up the remaining 20%. Annual expenditure on electricity supplied to Council's small sites is approximately \$340,000, and Council's current electricity contract for small sites was facilitated by Local Government Procurement (EL0122) and expires 31 December 2024.





Council's current electricity contract for small sites was established by Local Government Procurement, but as the tender required Councils to commit to accepting the tender outcome prior to receiving any responses or pricing, it was not deemed beneficial for future contracts.

### **Purpose of the Contract**

To ensure legislative compliance with tendering requirements, whilst obtaining best value for money for small sites electricity and facilitating alignment with the Net Zero Strategy.

### **CONSULTATION**

Sustainability Officer

Director Planning and Environment

Chief Financial Officer

### **REPORT**

Council currently has three options for utilising one of the following contracts:

1. Utilise the NSW Government's contract for supply of electricity (3062) – expiry 30 June 2032; or
2. Request spot pricing from Procurement Australia to onboard onto the established electricity contract – expiry 30 June 2025; or
3. Council run tender process – as Council's electricity consumption for small sites is considered to be comparatively insignificant, tendering for an electricity contract by itself is not anticipated to deliver a commercially beneficial outcome. In addition, any tenders for electricity generally utilise electricity consultants, due to the complexity of the market, which would incur additional costs.

Whilst it is anticipated that the aggregated volume under the NSW Government Scheme is going to be providing better value for money, this report requests delegation of the final decision to the General Manager. Whilst the Shell electricity rates (subject to annual adjustment agreed by the NSW Government) are available for review now, offers in the electricity market generally have a short validity period; the requested delegation would enable a comparable bid to be obtained from Procurement Australia.

In addition, the report requests Council to resolve to procure 100% renewable energy for its small sites. Due to Council's recent participation in the 'Powering Tomorrow: Regional Councils NSW Power Purchasing Agreement' joint tender process facilitated by the Hunter Joint Organisation, Council's large sites will be supplied with 100% renewable energy by the retailer Iberdrola Pty Ltd from 01 January 2025. Ensuring small sites are also supplied with 100% renewable energy under the new electricity contract will allow Council to be seen as leading the community in its journey towards achieving Net Zero.

### **OPTIONS**

As an alternative to the Officer's recommendation, Council may resolve to onboard onto the NSW Government contract for supply of electricity (3062) without further review of rates available from the Procurement Australia contract.

### **CONCLUSION**

Taking operational requirements and value for money objectives into consideration, it is recommended Council accept the Officer's Recommendation.



### **SOCIAL IMPLICATIONS**

By procuring 100% renewable electricity, Council will be seen as leading the community in its journey towards achieving Net Zero.

### **FINANCIAL IMPLICATIONS**

Council's current contract for small sites contemplates a discount of the market price and is hence rather volatile. Entering into an electricity contract with set rates for supply would provide improved budget certainty.

### **POLICY IMPLICATIONS**

Procurement Policy MSC01E

Net Zero Strategy

### **STATUTORY IMPLICATIONS**

Local Government Act 1993.

Local Government (General) Regulation 2005.

### **LEGAL IMPLICATIONS**

Nil known.

### **OPERATIONAL PLAN IMPLICATIONS**

The recommended resolution contributes to achieving operational plan action '3.4.3.3 Council progresses towards the implementation of Council's Net Zero Roadmap'.

### **RISK MANAGEMENT IMPLICATIONS**

Entering into an electricity contract with set rates for small sites will provide budget certainty and mitigate risk for legislative non-compliance due to the electricity spend being directly related to electricity consumption, which may vary depending on weather conditions.

### **WASTE MANAGEMENT IMPLICATIONS**

Nil.

### **COMMUNITY CONSULTATION/MEDIA IMPLICATIONS**

Media information will be provided following the entering into a contract for the supply of power to Council's small sites.

**10.3.6. Presentation of the 2023/24 Audited Financial Statements**

**Responsible Officer:** Derek Finnigan - General Manager

**Author:** Financial Controller

**Community Strategic Plan:** 6 - Community Leadership

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

**Delivery Program Goal:** 6.2.1 - Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves.

**Operational Plan Action:** 6.2.5.4 - Co-ordinate Council's statutory reporting obligations.

**Attachments:** 1. Muswellbrook Shire Council Annual Financial Statements - 2024 [10.3.6.1 - 119 pages]

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**PURPOSE**

To submit for Council's information the 2023/2024 Audited Financial Statements.

**OFFICER'S RECOMMENDATION**

The information contained in this report be noted.

**Moved:** \_\_\_\_\_ **Seconded:** \_\_\_\_\_

**EXECUTIVE SUMMARY**

The audited Annual Financial Statements were submitted to the NSW Office of Local Government by the deadline of 31 October 2024.

For the 2023/2024 financial year, Council met or exceeded the performance measures set by the NSW Office of Local Government. Whilst the net operating result before capital grants and contributions of \$17.9M was pleasing, this was due to the timing of operating grants and contributions received but not expended in the same financial year. Positive results from the revaluation of investment properties and increased investment income also contributed to the surplus result.

Prudent financial management is critical in ensuring ongoing financial sustainability in the face of increasing budgetary pressures. Council will continue to focus on ensuring long-term financial stability.

**PREVIOUS RESOLUTIONS**

Not applicable.

**BACKGROUND**

Under Section 413 of the NSW Local Government Act, Councils are required to prepare Annual Financial Statements, refer them for audit and submit the audited financial statements to the Office of Local Government by 31 October.



## REPORT

The audit of Muswellbrook Shire Council's 2023/24 Annual Financial Statements was again conducted directly by the NSW Audit Office and the process was completed successfully (an "Unmodified Audit Opinion") and on time.

For the 2023/2024 financial year, Council met or exceeded the performance measures set by the NSW Office of Local Government. The net operating result before capital grants and contributions of \$17.9M was positive, but this was largely due to the timing of operating grants and contributions received but not expended in the same financial year. Investment income also contributed to the surplus result due to higher interest earnings, as did the revaluation of investment properties.

As budget pressures grow, responsible financial management is key to ensuring continued sustainability, and this remains a key focus for Council.



# Muswellbrook Shire Council

## ANNUAL FINANCIAL STATEMENTS

for the year ended 30 June 2024

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*To do what is best for our community through leadership,  
excellent service and encouragement of sustainable  
development.*



# Muswellbrook Shire Council

## GENERAL PURPOSE FINANCIAL STATEMENTS for the year ended 30 June 2024

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*To do what is best for our community through leadership,  
excellent service and encouragement of sustainable  
development.*



## Muswellbrook Shire Council

### General Purpose Financial Statements

for the year ended 30 June 2024

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#### Overview

Muswellbrook Shire Council is constituted under the Local Government Act 1993 (NSW) and has its principal place of business at:

Muswellbrook Shire Council Administration Centre  
Campbell's Corner 60-82 Bridge St, Muswellbrook NSW 2333

Council's guiding principles are detailed in Chapter 3 of the LGA and includes:

- principles applying to the exercise of functions generally by council,
- principles to be applied when making decisions,
- principles of community participation,
- principles of sound financial management, and
- principles for strategic planning relating to the development of an integrated planning and reporting framework.

A description of the nature of Council's operations and its principal activities are provided in Note B1-2.

Through the use of the internet, we have ensured that our reporting is timely, complete and available at minimum cost. All press releases, financial statements and other information are publicly available on our website: [www.muswellbrook.nsw.gov.au](http://www.muswellbrook.nsw.gov.au).

## Muswellbrook Shire Council

### General Purpose Financial Statements

for the year ended 30 June 2024

### Statement by Councillors and Management

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

The attached general purpose financial statements have been prepared in accordance with:

- the *Local Government Act 1993* and the regulations made thereunder,
- the Australian Accounting Standards and other pronouncements of the Australian Accounting Standards Board
- the Local Government Code of Accounting Practice and Financial Reporting.

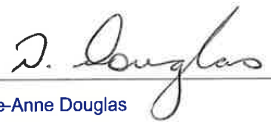
To the best of our knowledge and belief, these statements:


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


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

Signed in accordance with a resolution of Council made on 23 July 2024.

  
\_\_\_\_\_  
Jeff Drayton  
Mayor  
30 October 2024

  
\_\_\_\_\_  
De-Anne Douglas  
Deputy Mayor  
30 October 2024

  
\_\_\_\_\_  
Derek Finnigan  
General Manager  
30 October 2024

  
\_\_\_\_\_  
Josh Hogan  
Responsible Accounting Officer  
30 October 2024



## Muswellbrook Shire Council

## Income Statement

for the year ended 30 June 2024

| Original<br>unaudited<br>budget<br>2024<br>\$ '000 |  | Notes | Actual<br>2024<br>\$ '000 | Actual<br>2023<br>\$ '000 |
|--|--|-------|---------------------------|---------------------------|
|  | <b>Income from continuing operations</b>   |       |                           |                           |
| 34,162   | Rates and annual charges   | B2-1  | <b>32,983</b>             | 29,336                    |
| 12,261   | User charges and fees  | B2-2  | <b>17,793</b>             | 15,010                    |
| 1,087  | Other revenues   | B2-3  | <b>1,561</b>              | 1,195                     |
| 6,584  | Grants and contributions provided for operating purposes   | B2-4  | <b>11,616</b>             | 10,846                    |
| 18,056   | Grants and contributions provided for capital purposes   | B2-4  | <b>23,495</b>             | 19,395                    |
| 1,028  | Interest and investment income   | B2-5  | <b>4,524</b>              | 2,463                     |
| 6,400  | Other income   | B2-6  | <b>9,007</b>              | 6,977                     |
| —  | Net gain from the disposal of assets   | B4-1  | <b>115</b>                | —                         |
| <b>79,578</b>                                      | <b>Total income from continuing operations</b>   |       | <b>101,094</b>            | 85,222                    |
|  | <b>Expenses from continuing operations</b>   |       |                           |                           |
| 19,410   | Employee benefits and on-costs   | B3-1  | <b>19,264</b>             | 17,886                    |
| 19,466   | Materials and services *   | B3-2  | <b>19,960</b>             | 22,278                    |
| 2,576  | Borrowing costs  | B3-3  | <b>2,549</b>              | 1,960                     |
| 15,580   | Depreciation, amortisation and impairment of non-financial assets                                      | B3-4  | <b>15,505</b>             | 14,951                    |
| 2,322  | Other expenses *   | B3-5  | <b>2,422</b>              | 2,756                     |
| —  | Net loss from the disposal of assets   | B4-1  | <b>—</b>                  | 101                       |
| <b>59,354</b>                                      | <b>Total expenses from continuing operations</b>   |       | <b>59,700</b>             | 59,932                    |
| <b>20,224</b>                                      | <b>Operating result from continuing operations</b>   |       | <b>41,394</b>             | 25,290                    |
| <b>20,224</b>                                      | <b>Net operating result for the year attributable to Council</b>                                       |       | <b>41,394</b>             | 25,290                    |
| <b>2,191</b>                                       | <b>Net operating result for the year before grants and contributions provided for capital purposes</b> |       | <b>17,899</b>             | 5,895                     |

The above Income Statement should be read in conjunction with the accompanying notes.

**Muswellbrook Shire Council****Statement of Comprehensive Income**

for the year ended 30 June 2024

|  | Notes | 2024<br>\$ '000 | 2023<br>\$ '000 |
|--|-------|-----------------|-----------------|
| <b>Net operating result for the year – from Income Statement</b>                       |       | <b>41,394</b>   | <b>25,290</b>   |
| <b>Other comprehensive income:</b>   |       |                 |                 |
| Amounts which will not be reclassified subsequently to the operating result            |       |                 |                 |
| Gain (loss) on revaluation of infrastructure, property, plant and equipment            | C1-7  | <b>55,331</b>   | 78,454          |
| Other movements  |       | <b>(253)</b>    | (266)           |
| <b>Total items which will not be reclassified subsequently to the operating result</b> |       | <b>55,078</b>   | 78,188          |
| <b>Total other comprehensive income for the year</b>                                   |       | <b>55,078</b>   | <b>78,188</b>   |
| <b>Total comprehensive income for the year attributable to Council</b>                 |       | <b>96,472</b>   | <b>103,478</b>  |

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

## Muswellbrook Shire Council

## Statement of Financial Position

as at 30 June 2024

|  | Notes | 2024<br>\$ '000  | 2023<br>\$ '000  |
|--|-------|------------------|------------------|
| <b>ASSETS</b>  |       |                  |                  |
| <b>Current assets</b>                                |       |                  |                  |
| Cash and cash equivalents                            | C1-1  | 10,871           | 7,856            |
| Investments  | C1-2  | 30,000           | 32,500           |
| Receivables  | C1-4  | 8,378            | 6,960            |
| Inventories  | C1-5  | 337              | 281              |
| Current assets classified as held for sale           | C1-6  | 1,114            | 1,114            |
| Other  | C1-9  | 250              | 196              |
| <b>Total current assets</b>                          |       | <b>50,950</b>    | <b>48,907</b>    |
| <b>Non-current assets</b>                            |       |                  |                  |
| Investments  | C1-2  | 52,677           | 33,772           |
| Infrastructure, property, plant and equipment (IPPE) | C1-7  | 946,163          | 877,029          |
| Investment property                                  | C1-8  | 69,650           | 66,807           |
| <b>Total non-current assets</b>                      |       | <b>1,068,490</b> | <b>977,608</b>   |
| <b>Total assets</b>                                  |       | <b>1,119,440</b> | <b>1,026,515</b> |
| <b>LIABILITIES</b>                                   |       |                  |                  |
| <b>Current liabilities</b>                           |       |                  |                  |
| Payables   | C3-1  | 9,304            | 8,869            |
| Contract liabilities                                 | C3-2  | 12,214           | 12,844           |
| Borrowings   | C3-3  | 4,645            | 6,588            |
| Employee benefit provisions                          | C3-4  | 3,896            | 3,005            |
| Provisions   | C3-5  | 1,000            | 1,000            |
| <b>Total current liabilities</b>                     |       | <b>31,059</b>    | <b>32,306</b>    |
| <b>Non-current liabilities</b>                       |       |                  |                  |
| Borrowings   | C3-3  | 47,852           | 50,720           |
| Employee benefit provisions                          | C3-4  | 371              | 323              |
| Provisions   | C3-5  | 10,290           | 9,770            |
| <b>Total non-current liabilities</b>                 |       | <b>58,513</b>    | <b>60,813</b>    |
| <b>Total liabilities</b>                             |       | <b>89,572</b>    | <b>93,119</b>    |
| <b>Net assets</b>                                    |       | <b>1,029,868</b> | <b>933,396</b>   |
| <b>EQUITY</b>  |       |                  |                  |
| Accumulated surplus                                  | C4-1  | 482,413          | 441,019          |
| IPPE revaluation reserve                             | C4-1  | 547,455          | 492,377          |
| <b>Council equity interest</b>                       |       | <b>1,029,868</b> | <b>933,396</b>   |
| <b>Total equity</b>                                  |       | <b>1,029,868</b> | <b>933,396</b>   |

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

## Muswellbrook Shire Council

Statement of Changes in Equity  
for the year ended 30 June 2024

|   | Notes | 2024                           |                                     |                         | 2023                           |                                     |                         |
|---|-------|--------------------------------|-------------------------------------|-------------------------|--------------------------------|-------------------------------------|-------------------------|
|   |       | Accumulated surplus<br>\$ '000 | IPPE revaluation reserve<br>\$ '000 | Total equity<br>\$ '000 | Accumulated surplus<br>\$ '000 | IPPE revaluation reserve<br>\$ '000 | Total equity<br>\$ '000 |
| Opening balance at 1 July   |       | 441,019                        | 492,377                             | 933,396                 | 415,729                        | 414,189                             | 829,918                 |
| <b>Net operating result for the year</b>                                    |       | 41,394                         | –                                   | 41,394                  | 25,290                         | –                                   | 25,290                  |
| <b>Other comprehensive income</b>   |       |                                |                                     |                         |                                |                                     |                         |
| Gain (loss) on revaluation of infrastructure, property, plant and equipment | C1-7  | –                              | 55,331                              | 55,331                  | –                              | 78,454                              | 78,454                  |
| Other reserves movements  |       | –                              | (253)                               | (253)                   | –                              | (266)                               | (266)                   |
| <b>Other comprehensive income</b>   |       | –                              | 55,078                              | 55,078                  | –                              | 78,188                              | 78,188                  |
| <b>Total comprehensive income</b>   |       | 41,394                         | 55,078                              | 96,472                  | 25,290                         | 78,188                              | 103,478                 |
| <b>Closing balance at 30 June</b>   |       | 482,413                        | 547,455                             | 1,029,868               | 441,019                        | 492,377                             | 933,396                 |

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.



## Muswellbrook Shire Council

## Statement of Cash Flows

for the year ended 30 June 2024

| Original<br>unaudited<br>budget<br>2024<br>\$ '000 |   | Notes | Actual<br>2024<br>\$ '000 | Actual<br>2023<br>\$ '000 |
|--|---|-------|---------------------------|---------------------------|
| <b>Cash flows from operating activities</b>        |   |       |                           |                           |
| <i>Receipts:</i>                                   |   |       |                           |                           |
| 35,000   | Rates and annual charges                            |       | 32,928                    | 29,555                    |
| 18,690   | User charges and fees                               |       | 18,268                    | 14,450                    |
| 1,028  | Interest received                                   |       | 4,046                     | 1,707                     |
| 33,042   | Grants and contributions                            |       | 24,791                    | 35,808                    |
| –  | Bonds, deposits and retentions received             |       | 279                       | 1,026                     |
| 1,666  | Other   |       | 9,384                     | 7,830                     |
| <i>Payments:</i>                                   |   |       |                           |                           |
| (17,030)   | Payments to employees                               |       | (18,174)                  | (15,975)                  |
| (18,511)   | Payments for materials and services                 |       | (23,963)                  | (23,701)                  |
| (2,576)  | Borrowing costs                                     |       | (2,209)                   | (1,960)                   |
| –  | Bonds, deposits and retentions refunded             |       | (532)                     | –                         |
| (7,055)  | Other   |       | (2,150)                   | (2,088)                   |
| 44,254   | <b>Net cash flows from operating activities</b>     | G1-1  | 42,668                    | 46,652                    |
| <b>Cash flows from investing activities</b>        |   |       |                           |                           |
| <i>Receipts:</i>                                   |   |       |                           |                           |
| 10,000   | Sale of investments                                 |       | 3                         | –                         |
| –  | Redemption of term deposits                         |       | 9,250                     | –                         |
| –  | Sale of real estate assets                          |       | –                         | 267                       |
| –  | Proceeds from sale of IPPE                          |       | 117                       | 494                       |
| <i>Payments:</i>                                   |   |       |                           |                           |
| (10,000)   | Purchase of investments                             |       | (25,655)                  | (4,507)                   |
| –  | Acquisition of term deposits                        |       | –                         | (7,500)                   |
| –  | Purchase of investment property                     |       | (240)                     | (1,345)                   |
| (39,360)   | Payments for IPPE                                   |       | (18,317)                  | (28,968)                  |
| (39,360)   | <b>Net cash flows from investing activities</b>     |       | (34,842)                  | (41,559)                  |
| <b>Cash flows from financing activities</b>        |   |       |                           |                           |
| <i>Payments:</i>                                   |   |       |                           |                           |
| (5,370)  | Repayment of borrowings                             |       | (4,811)                   | (6,060)                   |
| (5,370)  | <b>Net cash flows from financing activities</b>     |       | (4,811)                   | (6,060)                   |
| (476)  | <b>Net change in cash and cash equivalents</b>      |       | 3,015                     | (967)                     |
| 7,714  | Cash and cash equivalents at beginning of year      |       | 7,856                     | 8,823                     |
| 7,238  | <b>Cash and cash equivalents at end of year</b>     | C1-1  | 10,871                    | 7,856                     |
| 65,000   | plus: Investments on hand at end of year            | C1-2  | 82,677                    | 66,272                    |
| 72,238   | <b>Total cash, cash equivalents and investments</b> |       | 93,548                    | 74,128                    |

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

## Muswellbrook Shire Council

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## Muswellbrook Shire Council

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## A About Council and these financial statements

### A1-1 Basis of preparation

These financial statements were authorised for issue by Council on 23 July 2024. Council has the power to amend and reissue these financial statements. In cases where critical information is received from public submissions or where the Office of Local Government directs Council to amend the Financial Statements.

The material accounting policy information related to these consolidated financial statements are set out below. Accounting policies have been consistently applied to all the years presented, unless otherwise stated.

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Australian Accounting Interpretations, the *Local Government Act 1993 (Act)* and *Local Government (General) Regulation 2021 (Regulation)*, and the Local Government Code of Accounting Practice and Financial Reporting. Council is a not-for-profit entity. The financial statements are presented in Australian dollars and are rounded to the nearest thousand dollars.

#### Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities and certain classes of infrastructure, property, plant and equipment and investment property.

#### Significant accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Council's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Council and that are believed to be reasonable under the circumstances.

#### Critical accounting estimates and assumptions

Council makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- (i) estimated fair values of investment properties – refer Note C1-8
- (ii) estimated fair values of infrastructure, property, plant and equipment – refer Note C1-7
- (iii) estimated tip remediation provisions – refer Note C3-5
- (iv) employee benefit provisions – refer Note C3-4

#### Significant judgements in applying the Council's accounting policies

- i. Impairment of receivables – refer Note C1-4.
- ii. Determination of whether performance obligations are sufficiently specific and whether the contract is within the scope of AASB 15 *Revenue from Contracts with Customers* and / or AASB 1058 *Income of Not-for-Profit Entities* – refer to Notes B2-2 – B2-4.

#### Monies and other assets received by Council

##### The Consolidated Fund

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

The Consolidated Fund has been included in the Financial Statements of NSW Council.

Cash and other assets of the following entities have been included as part of the Consolidated Fund:

- General Purpose Operations
- Water Supplies
- Sewerage Services

## A1-1 Basis of preparation (continued)

### The Trust Fund

In accordance with the provisions of Section 411 of the *Local Government Act 1993*, a separate and distinct Trust Fund is maintained to account for all money and property received by Council in trust which must be applied only for the purposes of, or in accordance with, the trusts relating to those monies. Trust monies and property subject to Council's control have been included in these reports.

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

### Volunteer services

Council's dependence on volunteer services received is not material.

### New accounting standards and interpretations issued but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2024 reporting period. Council has not applied any pronouncements before its operative date in the annual reporting period beginning 1 July 2023.

As at the date of authorisation of these financial statements Council does not consider that any of these new (and still to be applied) standards and interpretations are likely to have a material impact on the Council's future financial statements, financial position, financial performance or cash flows.

### New accounting standards adopted during the year

The following new standard is effective for the first time at 30 June 2024:

- **AASB 2021-2 Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates**
- **Equivalent standard for JO's is AASB 2021-6 Disclosure of Accounting Policies: Tier 2 and Other Australian Accounting Standards**

The most significant change introduced by this standard is to remove the requirement to disclose significant accounting policies and instead require disclosure of material accounting policy information.

*"Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements."*

In applying the new requirements, Council has after taking into account the various specific facts and circumstances applied professional judgement to ensure it discloses only material accounting policies as opposed to significant accounting policies throughout these financial statements.

### Reclassification of Comparatives

Some notes throughout the financial statements for the 2023 comparative financial year have been reclassified to better reflect the nature of the transactions.



## B Financial Performance

### B1 Functions or activities

#### B1-1 Functions or activities – income, expenses and assets

Income, expenses and assets have been directly attributed to the following functions or activities. Details of those functions or activities are provided in Note B1-2.

|                                       | Income          |                 | Expenses        |                 | Operating result |                 | Grants and contributions |                 | Carrying amount of assets |                  |
|---------------------------------------|-----------------|-----------------|-----------------|-----------------|------------------|-----------------|--------------------------|-----------------|---------------------------|------------------|
|                                       | 2024<br>\$ '000 | 2023<br>\$ '000 | 2024<br>\$ '000 | 2023<br>\$ '000 | 2024<br>\$ '000  | 2023<br>\$ '000 | 2024<br>\$ '000          | 2023<br>\$ '000 | 2024<br>\$ '000           | 2023<br>\$ '000  |
| <b>Functions or activities</b>        |                 |                 |                 |                 |                  |                 |                          |                 |                           |                  |
| Economic Prosperity                   | 8,775           | 6,970           | 5,068           | 4,659           | 3,707            | 2,311           | 2,492                    | 749             | 73,151                    | 70,256           |
| Social Equity and Inclusion           | 662             | 1,017           | 1,976           | 1,916           | (1,314)          | (899)           | 89                       | 340             | 42,346                    | 38,758           |
| Environmental Sustainability          | 1,282           | 966             | 1,848           | 1,696           | (566)            | (730)           | 624                      | 133             | 591                       | 601              |
| Cultural Vitality                     | 1,970           | 1,680           | 4,985           | 5,079           | (3,015)          | (3,399)         | 1,613                    | 2,228           | 89,518                    | 83,989           |
| Community Infrastructure              | 56,626          | 45,885          | 36,970          | 38,082          | 19,656           | 7,803           | 24,548                   | 20,508          | 816,091                   | 753,244          |
| Community Leadership                  | 31,779          | 28,704          | 8,853           | 8,500           | 22,926           | 20,204          | 5,745                    | 6,283           | 97,743                    | 79,667           |
| <b>Total functions and activities</b> | <b>101,094</b>  | <b>85,222</b>   | <b>59,700</b>   | <b>59,932</b>   | <b>41,394</b>    | <b>25,290</b>   | <b>35,111</b>            | <b>30,241</b>   | <b>1,119,440</b>          | <b>1,026,515</b> |

## B1-2 Components of functions or activities

---

Details relating to the Council's functions or activities as reported in B1-1 are as follows:

### Economic Prosperity

**Plan for Local Economic Prosperity** 1. Support Job growth. 2. Diversify the economy, facilitate the development of intensive agriculture and other growth industries, make the Shire a more attractive place to invest and do business. 3. Facilitate greater access to higher education and participation in the knowledge and creativity economy. 4. Develop Muswellbrook as a Regional Centre.

### Social Equity and Inclusion

**Access to a wide range of community and government agencies appropriate for their age and needs.** 5. Continue to improve the affordability, liveability and amenity of the Shire's. 6. Stabilise the tenancy turnover in the Shire's social housing. 7. Build social inclusion and improve the delivery of social services. 8. Retention and expansion of quality and affordable child care services. 9. Facilitate opportunities to expand senior's living. 10. Further the process of reconciliation in the Shire.

### Environmental Sustainability

**Environmental Sustainability to focus on the regeneration of mined land and urban riparian areas, increase our use of renewable energy and to monitor and manage our use of natural resources.** 11. Higher quality final landforms with shallower voids and more emphasis on progressive rehabilitation with local workforce participation. 12. Enhance native vegetation connectivity across the Upper Hunter. 13. Our local rivers and creeks are enhanced, utilised and valued. 14. Support initiatives which reduce the community's impact on the environment. 15. Support Federal and State initiatives to reduce the human impact on climate change.

### Cultural Vitality

**Increase the local variety, availability and access to the arts and cultural experiences.** 16. Conserve the heritage and history of the Shire. 17. Facilitate options to improve cultural activities in the Shire. 18. Facilitate cultural activities and events which engage the community and visitors and which create a 'sense of place' and identity.

### Community Infrastructure

**Expand on the infrastructure required for Muswellbrook to realise Regional Centre status, improve community facilities and improve accessibility to community facilities.** 19. Our community's infrastructure is planned well, is safe and reliable and provides required levels of service. Utility services are operated as distinct business units within Council. 20. A safe, secure and reliable water supply and sewerage services are provided to all residents that will ensure public health. 21. The road, footpath and cycleway networks are integrated and allow for the safe movement of residents around the Shire.

### Community Leadership

**To improve the community's participation in decision making and implement business improvement initiatives to improve service delivery.** 22. Collaborative and responsive community leadership that meets the expectations and anticipates the needs of the community. 23. Genuine and well informed community participation in decision making. 24. A Council that is well managed, efficient and properly resourced and that is responsive to its communities and stakeholders. 25. A sustainable Council that is best practice employer providing safe, happy and productive workplace.

## B2 Sources of income

### B2-1 Rates and annual charges

|   | 2024<br>\$ '000 | 2023<br>\$ '000 |
|---|-----------------|-----------------|
| <b>Ordinary rates</b>   |                 |                 |
| Residential   | 6,170           | 5,301           |
| Farmland  | 1,522           | 1,439           |
| Mining  | 12,111          | 11,186          |
| Business  | 1,728           | 1,744           |
| Less: pensioner rebates (mandatory)                                 | (156)           | (157)           |
| Less: pensioner rebates (Council policy)                            | (28)            | (30)            |
| <b>Rates levied to ratepayers</b>                                   | <b>21,347</b>   | <b>19,483</b>   |
| Pensioner rate subsidies received                                   | 86              | 86              |
| <b>Total ordinary rates</b>   | <b>21,433</b>   | <b>19,569</b>   |
| <b>Annual charges (pursuant to s496, 496A, 496B, 501 &amp; 611)</b> |                 |                 |
| Domestic waste management services                                  | 3,072           | 2,757           |
| Stormwater management services                                      | 159             | 159             |
| Water supply services   | 2,242           | 1,970           |
| Sewerage services   | 5,983           | 4,806           |
| Waste management services (non-domestic)                            | 197             | 177             |
| Less: pensioner rebates (mandatory)                                 | (228)           | (228)           |
| <b>Annual charges levied</b>  | <b>11,425</b>   | <b>9,641</b>    |
| Pensioner annual charges subsidies received:                        |                 |                 |
| – Water   | 40              | 41              |
| – Sewerage  | 41              | 41              |
| – Domestic waste management   | 44              | 44              |
| <b>Total annual charges</b>   | <b>11,550</b>   | <b>9,767</b>    |
| <b>Total rates and annual charges <sup>1</sup></b>                  | <b>32,983</b>   | <b>29,336</b>   |

Council has used the 2022 year valuations provided by the NSW Valuer General in calculating its rates.

#### Material accounting policy information

Rates and annual charges are recognised as revenue at the beginning of the rating period to which they relate. Prepaid rates are recognised as a financial liability until the beginning of the rating period.

Pensioner rebates relate to reductions in rates and certain annual charges for eligible pensioners' place of residence in the local government council area.

Pensioner rate subsidies are received from the NSW Government to provide a contribution towards the pensioner rebates and are recognised within the underlying revenue item based on their substance.

(1) The breakdown of Rates and Annual Charges for 2023, has been reclassified within the note, to represent the nature of the transactions more clearly.

## B2-2 User charges and fees

|  | 2024<br>\$ '000 | 2023<br>\$ '000 |
|--|-----------------|-----------------|
| <b>Specific user charges (per s502 - specific 'actual use' charges)</b>      |                 |                 |
| Water supply services  | 4,698           | 3,059           |
| Sewerage services  | 1,010           | 810             |
| <b>Total specific user charges</b>   | <b>5,708</b>    | <b>3,869</b>    |
| <b>Other user charges and fees</b>   |                 |                 |
| <b>(i) Fees and charges – statutory and regulatory functions (per s608)</b>  |                 |                 |
| Building regulation  | 126             | 118             |
| Inspection services  | 27              | 31              |
| Private works – section 67   | 7               | 39              |
| Regulatory/ statutory fees   | 53              | 66              |
| Section 10.7 certificates (EP&A Act)   | 63              | 113             |
| Section 603 certificates   | 46              | 53              |
| Town planning  | 38              | 39              |
| DECCW levy recovered   | 1,179           | 1,320           |
| Development/building control   | 357             | 383             |
| Water and sewer related sales  | 696             | 725             |
| <b>Total fees and charges – statutory/regulatory</b>                         | <b>2,592</b>    | <b>2,887</b>    |
| <b>(ii) Fees and charges – other (incl. general user charges (per s608))</b> |                 |                 |
| Cemeteries   | 50              | 101             |
| Community centres  | 22              | 27              |
| Leaseback fees – Council vehicles  | 13              | 13              |
| Leisure centre   | 34              | 38              |
| Library and art gallery  | 77              | 72              |
| Park rents   | 56              | 34              |
| Restoration charges  | –               | 1               |
| Transport for NSW works (state roads not controlled by Council)              | 5,363           | 5,084           |
| Swimming centres   | 627             | 411             |
| Waste disposal tipping fees  | 2,991           | 2,252           |
| Gym centre   | 164             | 96              |
| Road vehicle permits   | 68              | 123             |
| Other  | 28              | 2               |
| <b>Total fees and charges – other</b>  | <b>9,493</b>    | <b>8,254</b>    |
| <b>Total other user charges and fees</b>                                     | <b>12,085</b>   | <b>11,141</b>   |
| <b>Total user charges and fees</b>   | <b>17,793</b>   | <b>15,010</b>   |
| <b>Total user charges and fees</b>   | <b>17,793</b>   | <b>15,010</b>   |

### Material accounting policy information

Revenue arising from user charges and fees is recognised when or as the performance obligation is completed and the customer receives the benefit of the goods / services being provided.

The performance obligation relates to the specific services which are provided to the customers and generally the payment terms are within 30 days of the provision of the service or in some cases such as caravan parks, the customer is required to pay on arrival or a deposit in advance. There is no material obligation for Council in relation to refunds or returns.

Where an upfront fee is charged such as joining fees for the leisure centre the fee is recognised on a straight-line basis over the expected life of the membership.

Licences granted by Council are all either short-term or low value and all revenue from licences is recognised at the time that the licence is granted rather than over the term of the licence.

**B2-3 Other revenues**

|   | 2024<br>\$ '000 | 2023<br>\$ '000 |
|---|-----------------|-----------------|
| Rental Income - Other Council Properties                | 775             | 846             |
| Fines   | 18              | 56              |
| Legal fees recovery – rates and charges (extra charges) | 127             | –               |
| Legal fees recovery – other                             | 450             | 108             |
| Insurance rebates                                       | 49              | 121             |
| Insurance claims recoveries                             | 16              | 4               |
| Other   | 126             | 60              |
| <b>Total other revenue</b>                              | <b>1,561</b>    | <b>1,195</b>    |
| <b>Total other revenue</b>                              | <b>1,561</b>    | <b>1,195</b>    |

**Material accounting policy information for other revenue**

Where the revenue is earned for the provision of specified goods / services under an enforceable contract, revenue is recognised when or as the obligations are satisfied.

Statutory fees and fines are recognised as revenue when the service has been provided, the payment is received or when the penalty has been applied, whichever occurs first.

Other revenue is recorded when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.



## B2-4 Grants and contributions

|   | Operating<br>2024<br>\$ '000 | Operating<br>2023<br>\$ '000 | Capital<br>2024<br>\$ '000 | Capital<br>2023<br>\$ '000 |
|---|------------------------------|------------------------------|----------------------------|----------------------------|
| <b>General purpose grants and non-developer contributions (untied)</b>                  |                              |                              |                            |                            |
| <b>General purpose (untied)</b>   |                              |                              |                            |                            |
| <b>Current year allocation</b>  |                              |                              |                            |                            |
| Financial assistance – general component  | 210                          | 731                          | –                          | –                          |
| Financial assistance – local roads component  | 35                           | 368                          | –                          | –                          |
| <b>Payment in advance - future year allocation</b>                                      |                              |                              |                            |                            |
| Financial assistance – general component  | 3,065                        | 3,366                        | –                          | –                          |
| Financial assistance – local roads component  | 1,006                        | 1,140                        | –                          | –                          |
| <b>Amount recognised as income during current year</b>                                  | <b>4,316</b>                 | <b>5,605</b>                 | <b>–</b>                   | <b>–</b>                   |
| <b>Special purpose grants and non-developer contributions (tied)</b>                    |                              |                              |                            |                            |
| <b>Cash contributions</b>   |                              |                              |                            |                            |
| Water supplies  | –                            | 6                            | 98                         | 438                        |
| Bushfire and emergency services   | 222                          | 199                          | 851                        | –                          |
| Community care  | 85                           | 349                          | –                          | –                          |
| Economic development  | 516                          | 481                          | 54                         | 146                        |
| Employment and training programs  | 38                           | 34                           | –                          | –                          |
| Environmental programs  | 95                           | 157                          | 4                          | 136                        |
| Library   | 49                           | 87                           | 45                         | 49                         |
| Recreation and culture  | 363                          | 96                           | 3,726                      | 5,417                      |
| Storm/flood damage  | –                            | –                            | –                          | 1,000                      |
| Planning  | 174                          | 7                            | –                          | –                          |
| Waste management  | 49                           | 37                           | –                          | 8                          |
| Transport (roads to recovery)   | –                            | –                            | 578                        | 198                        |
| Transport (other roads and bridges funding)   | 115                          | 1,493                        | 1,054                      | 4,620                      |
| Drainage  | –                            | –                            | 875                        | 33                         |
| Transport for NSW contributions (regional roads, block grant)                           | 1,850                        | 340                          | 576                        | 613                        |
| Other contributions   | –                            | 2                            | –                          | 5                          |
| <b>Total special purpose grants and non-developer contributions – cash <sup>1</sup></b> | <b>3,556</b>                 | <b>3,288</b>                 | <b>7,861</b>               | <b>12,663</b>              |
| <b>Non-cash contributions</b>   |                              |                              |                            |                            |
| Bushfire services   | –                            | –                            | –                          | 954                        |
| Roads and bridges   | –                            | –                            | 8,105                      | 1,909                      |
| Sewerage (excl. section 64 contributions)   | –                            | –                            | 1,778                      | 228                        |
| Water supplies (excl. section 64 contributions)   | –                            | –                            | 1,113                      | 155                        |
| Other   | –                            | –                            | –                          | 158                        |
| <b>Total other contributions – non-cash</b>   | <b>–</b>                     | <b>–</b>                     | <b>10,996</b>              | <b>3,404</b>               |
| <b>Total special purpose grants and non-developer contributions (tied)</b>              | <b>3,556</b>                 | <b>3,288</b>                 | <b>18,857</b>              | <b>16,067</b>              |
| <b>Total grants and non-developer contributions</b>                                     | <b>7,872</b>                 | <b>8,893</b>                 | <b>18,857</b>              | <b>16,067</b>              |
| <b>Comprising:</b>  |                              |                              |                            |                            |
| – Commonwealth funding  | 4,361                        | 5,635                        | 1,525                      | 487                        |
| – State funding   | 3,300                        | 2,912                        | 6,333                      | 12,682                     |
| – Other funding   | 211                          | 346                          | 10,999                     | 2,898                      |
|   | <b>7,872</b>                 | <b>8,893</b>                 | <b>18,857</b>              | <b>16,067</b>              |

(1) Recreation & Culture and Transport, under 2023 Capital, has been reclassified to more accurately reflect the nature of the underlying transactions within this note.

continued on next page ...

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**B2-4 Grants and contributions (continued)****Developer contributions**

|  | Notes | Operating<br>2024<br>\$ '000 | Operating<br>2023<br>\$ '000 | Capital<br>2024<br>\$ '000 | Capital<br>2023<br>\$ '000 |
|--|-------|------------------------------|------------------------------|----------------------------|----------------------------|
| <b>Developer contributions:</b>                            |       |                              |                              |                            |                            |
| <b>(s7.4 &amp; s7.11 - EP&amp;A Act, s64 of the LGA):</b>  | G4    |                              |                              |                            |                            |
| <b>Cash contributions</b>                                  |       |                              |                              |                            |                            |
| S 7.4 – contributions using planning agreements            |       | 3,734                        | 1,227                        | 2,862                      | 1,542                      |
| S 7.11 – contributions towards amenities/services          |       | 10                           | 726                          | 239                        | 202                        |
| S 7.12 – fixed development consent levies                  |       | –                            | –                            | 102                        | 71                         |
| S 64 – water supply contributions                          |       | –                            | –                            | 689                        | 781                        |
| S 64 – sewerage service contributions                      |       | –                            | –                            | 626                        | 652                        |
| S 64 – stormwater contributions                            |       | –                            | –                            | 113                        | 76                         |
| Other developer contributions                              |       | –                            | –                            | 7                          | 3                          |
| Developer provided infrastructure roads/drainage           |       | –                            | –                            | –                          | 1                          |
| <b>Total developer contributions – cash</b>                |       | <b>3,744</b>                 | <b>1,953</b>                 | <b>4,638</b>               | <b>3,328</b>               |
| <b>Total developer contributions</b>                       |       | <b>3,744</b>                 | <b>1,953</b>                 | <b>4,638</b>               | <b>3,328</b>               |
| <b>Total contributions</b>                                 |       | <b>3,744</b>                 | <b>1,953</b>                 | <b>4,638</b>               | <b>3,328</b>               |
| <b>Total grants and contributions</b>                      |       | <b>11,616</b>                | <b>10,846</b>                | <b>23,495</b>              | <b>19,395</b>              |
| Grants and contributions recognised over time (1)          |       | 458                          | 2,040                        | 7,785                      | 11,937                     |
| Grants and contributions recognised at a point in time (2) |       | 11,158                       | 8,806                        | 15,710                     | 7,458                      |
| <b>Total grants and contributions</b>                      |       | <b>11,616</b>                | <b>10,846</b>                | <b>23,495</b>              | <b>19,395</b>              |

continued on next page ...

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## B2-4 Grants and contributions (continued)

### Unspent grants and contributions

Certain grants and contributions are obtained by Council on the condition they be spent in a specified manner or in a future period but which are not yet spent in accordance with those conditions are as follows:

|   | Operating<br>2024<br>\$ '000 | Operating<br>2023<br>\$ '000 | Capital<br>2024<br>\$ '000 | Capital<br>2023<br>\$ '000 |
|---|------------------------------|------------------------------|----------------------------|----------------------------|
| <b>Unspent grants and contributions</b>   |                              |                              |                            |                            |
| Unspent funds at 1 July   | 1,183                        | 626                          | 14,111                     | 3,750                      |
| <b>Add:</b> Funds recognised as revenue in the reporting year but not yet spent in accordance with the conditions         | 6,317                        | 569                          | 41                         | 1,000                      |
| <b>Add:</b> Funds received and not recognised as revenue in the current year  | 62                           | 328                          | 2,414                      | 11,984                     |
| <b>Less:</b> Funds recognised as revenue in previous years that have been spent during the reporting year                 | (394)                        | –                            | (8)                        | –                          |
| <b>Less:</b> Funds received in prior year but revenue recognised and funds spent in current year                          | (425)                        | (340)                        | (2,681)                    | (2,623)                    |
| <b>Unspent funds at 30 June</b>   | <b>6,743</b>                 | <b>1,183</b>                 | <b>13,877</b>              | <b>14,111</b>              |
| Unspent funds at 1 July   | 17,422                       | 19,593                       | –                          | –                          |
| <b>Add:</b> contributions recognised as revenue in the reporting year but not yet spent in accordance with the conditions | 6,591                        | 2,411                        | –                          | –                          |
| <b>Less:</b> contributions recognised as revenue in previous years that have been spent during the reporting year         | (112)                        | (4,582)                      | –                          | –                          |
| <b>Unspent contributions at 30 June <sup>1</sup></b>  | <b>23,901</b>                | <b>17,422</b>                | <b>–</b>                   | <b>–</b>                   |

(1) Reclassification of 2023 Operating & Capital for Unspent Grants & Contributions has been made to better clarify the alignment of transactions.

### Material accounting policy information

#### Grants and contributions – enforceable agreement with sufficiently specific performance obligations

Grant and contribution revenue from an agreement which is enforceable and contains sufficiently specific performance obligations is recognised as or when control of each performance obligations is transferred.

The performance obligations vary according to the agreement but include e.g. fees for development applications, user fees and charges and Transport for NSW revenue. Payment terms vary depending on the terms of the grant, cash is received upfront for some grants and on the achievement of certain payment milestones for others.

Performance obligations may be satisfied either at a point in time or over time and this is reflected in the revenue recognition pattern. Point in time recognition occurs when the beneficiary obtains control of the goods / services at a single time (e.g. completion of the project when a report / outcome is provided), whereas over time recognition is where the control of the services is ongoing throughout the project (e.g. provision of community health services through the year).

Where control is transferred over time, generally the input methods being either costs or time incurred are deemed to be the most appropriate methods to reflect the transfer of benefit.

#### Capital grants

Capital grants received by Council under an enforceable contract for the acquisition or construction of infrastructure, property, plant and equipment to identified specifications which will be under Council's control on completion are recognised as revenue as and when the obligation to construct or purchase is completed.

For construction projects, this is generally as the construction progresses in accordance with costs incurred since this is deemed to be the most appropriate measure of the completeness of the construction project.

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## B2-4 Grants and contributions (continued)

For acquisitions of assets, the revenue is recognised when the asset is acquired and controlled by the Council.

### Developer contributions

Council has obligations to provide facilities from contribution revenues levied on developers under the provisions of sections 7.4, 7.11 and 7.12 of the *Environmental Planning and Assessment Act 1979* (EP&A Act).

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

Developer contributions may only be expended for the purposes for which the contributions were required, but Council may apply contributions according to the priorities established in work schedules for the contribution plan.

### Other grants and contributions

Assets, including cash, received from other grants and contributions are recognised at fair value when the asset is received. Council considers whether there are any related liability or equity items associated with the asset which are recognised in accordance with the relevant accounting standard.

Once the assets and liabilities have been recognised then income is recognised for any remaining asset value at the time that the asset is received.

## B2-5 Interest and investment income

|  | 2024<br>\$ '000 | 2023<br>\$ '000 |
|--|-----------------|-----------------|
| <b>Interest on financial assets measured at amortised cost</b>   |                 |                 |
| – Overdue rates and annual charges (incl. special purpose rates) | 227             | 125             |
| – Cash and investments   | 4,297           | 2,326           |
| – Other  | –               | 12              |
| <b>Total interest and investment income</b>                      | <b>4,524</b>    | <b>2,463</b>    |

**B2-6 Other income**

|  |       | <b>2024</b>    | <b>2023</b>    |
|--|-------|----------------|----------------|
|  | Notes | <b>\$ '000</b> | <b>\$ '000</b> |
| <b>Fair value increment on investment properties</b>                               |       |                |                |
| Fair value increment on investment properties                                      |       | <b>2,603</b>   | 222            |
| <b>Total fair value increment on investment properties</b>                         | C1-8  | <b>2,603</b>   | <b>222</b>     |
| <b>Rental income</b>   |       |                |                |
| <b>Investment properties</b>   |       |                |                |
| Lease income (excluding variable lease payments not dependent on an index or rate) |       | <b>6,404</b>   | 6,123          |
| <b>Total Investment properties</b>   |       | <b>6,404</b>   | <b>6,123</b>   |
| <b>Total rental income</b>   | C2-1  | <b>6,404</b>   | <b>6,123</b>   |
| <b>Other</b>   |       |                |                |
| Recognition of Asset   |       | —              | 632            |
| <b>Total other</b>   |       | <b>—</b>       | <b>632</b>     |
| <b>Total other income</b>  |       | <b>9,007</b>   | <b>6,977</b>   |



**B3 Costs of providing services****B3-1 Employee benefits and on-costs**

|  | <b>2024</b>    | <b>2023</b>    |
|--|----------------|----------------|
|  | <b>\$ '000</b> | <b>\$ '000</b> |
| Salaries and wages <sup>1</sup>                | <b>16,143</b>  | 15,553         |
| Travel expenses                                | <b>350</b>     | 369            |
| Employee leave entitlements (ELE)              | <b>2,218</b>   | 1,551          |
| Superannuation                                 | <b>1,678</b>   | 1,492          |
| Workers' compensation insurance                | <b>371</b>     | 468            |
| Fringe benefit tax (FBT)                       | <b>124</b>     | 90             |
| Payroll tax                                    | <b>51</b>      | 44             |
| Training costs (other than salaries and wages) | <b>173</b>     | 131            |
| Other  | <b>51</b>      | 68             |
| <b>Total employee costs</b>                    | <b>21,159</b>  | <b>19,766</b>  |
| Less: capitalised costs                        | <b>(1,895)</b> | (1,880)        |
| <b>Total employee costs expensed</b>           | <b>19,264</b>  | <b>17,886</b>  |

**Material accounting policy information**

Council participates in a defined benefit plan under the Local Government Superannuation Scheme, however, sufficient information to account for the plan as a defined benefit is not available and therefore Council accounts for its obligations to defined benefit plans on the same basis as its obligations to defined contribution plans, i.e. as an expense when it becomes payable – refer to Note E3-1 for more information.

(1) \$1.9m disclosed in 2023, under Employee Benefits & Oncosts has been reclassified from Note B3-2 Materials & Services to more accurately reflect the nature of the underlying transactions.

**B3-2 Materials and services \***

|   | Notes | 2024<br>\$ '000 | 2023<br>\$ '000 |
|---|-------|-----------------|-----------------|
| Consultancy costs                                   |       | 45              | 29              |
| Raw materials and consumables <sup>1</sup>          |       | 13,239          | 15,667          |
| Audit Fees  | F2-1  | 238             | 193             |
| <b>Previously other expenses:</b>                   |       |                 |                 |
| Councillor and Mayoral fees and associated expenses | F1-2  | 268             | 206             |
| Advertising   |       | 32              | 31              |
| Bank charges  |       | 65              | 66              |
| Electricity and heating                             |       | 1,962           | 2,025           |
| Insurance   |       | 1,135           | 1,029           |
| Postage   |       | 52              | 49              |
| Printing and stationery                             |       | 12              | 16              |
| Street lighting                                     |       | 437             | 438             |
| Telephone and communications                        |       | 96              | 85              |
| Valuation fees                                      |       | 69              | 64              |
| <b>Legal expenses:</b>                              |       |                 |                 |
| – Legal expenses: other                             |       | 938             | 1,004           |
| Operating lease rentals: minimum lease payments     |       | 41              | 56              |
| Waste collection                                    |       | 1,331           | 1,320           |
| <b>Total materials and services</b>                 |       | <b>19,960</b>   | <b>22,278</b>   |
| <b>Total materials and services</b>                 |       | <b>19,960</b>   | <b>22,278</b>   |

(1) \$1.9m disclosed in 2023, under Materials & Services has been reclassified from note B3-1 Employee Benefits & Oncosts to more accurately reflect the nature of the underlying transactions.

## B3-3 Borrowing costs

|   |       | 2024<br>\$ '000 | 2023<br>\$ '000 |
|---|-------|-----------------|-----------------|
|   | Notes |                 |                 |
| <b>(i) Interest bearing liability costs</b>                               |       |                 |                 |
| Interest on loans   |       | 2,282           | 1,817           |
| <b>Total interest bearing liability costs</b>                             |       | <b>2,282</b>    | <b>1,817</b>    |
| <b>Total interest bearing liability costs expensed</b>                    |       | <b>2,282</b>    | <b>1,817</b>    |
| <b>(ii) Other borrowing costs</b>   |       |                 |                 |
| Discount adjustments relating to movements in provisions (other than ELE) |       |                 |                 |
| – Remediation liabilities   | C3-5  | 267             | 143             |
| <b>Total other borrowing costs</b>  |       | <b>267</b>      | <b>143</b>      |
| <b>Total borrowing costs expensed</b>                                     |       | <b>2,549</b>    | <b>1,960</b>    |

**B3-4 Depreciation, amortisation and impairment of non-financial assets**

|   | Notes      | 2024<br>\$ '000 | 2023<br>\$ '000 |
|---|------------|-----------------|-----------------|
| <b>Depreciation and amortisation</b>  |            |                 |                 |
| Plant and equipment   |            | 1,276           | 1,366           |
| Office equipment  |            | 165             | 162             |
| Furniture and fittings  |            | 97              | 95              |
| Land improvements (depreciable)   |            | 287             | 97              |
| <b>Infrastructure:</b>  | C1-7       |                 |                 |
| – Buildings – specialised   |            | 2,206           | 1,884           |
| – Other structures  |            | 618             | 498             |
| – Roads   |            | 4,581           | 4,625           |
| – Bridges   |            | 428             | 479             |
| – Footpaths   |            | 451             | 423             |
| – Stormwater drainage   |            | 884             | 850             |
| – Water supply network  |            | 2,036           | 1,985           |
| – Sewerage network  |            | 2,227           | 2,191           |
| <b>Other assets:</b>  |            |                 |                 |
| – Other   |            | 54              | 60              |
| <b>Reinstatement, rehabilitation and restoration assets:</b>                    |            |                 |                 |
| – Tip assets  | C3-5, C1-7 | 195             | 236             |
| <b>Total gross depreciation and amortisation costs</b>                          |            | <b>15,505</b>   | <b>14,951</b>   |
| <b>Total depreciation and amortisation costs</b>                                |            | <b>15,505</b>   | <b>14,951</b>   |
| <b>Total depreciation, amortisation and impairment for non-financial assets</b> |            | <b>15,505</b>   | <b>14,951</b>   |

**Material accounting policy information****Depreciation and amortisation**

Depreciation and amortisation are calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives.

**Impairment of non-financial assets**

Council assets held at fair value that are not held primarily for their ability to generate net cash flow, and that are deemed to be specialised, are no longer required to be tested for impairment under AASB 136. This is because these assets are assessed on an annual basis to ensure that the carrying amount is not materially different from fair value and therefore an impairment loss would be captured during this assessment.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

Impairment losses for revalued assets are firstly offset against the amount in the revaluation surplus for the class of asset, with only the excess to be recognised in the Income Statement.

**B3-5 Other expenses \***

|  |       | <b>2024</b>    | <b>2023</b>    |
|--|-------|----------------|----------------|
|  | Notes | <b>\$ '000</b> | <b>\$ '000</b> |
| <b>Impairment of receivables</b>   |       |                |                |
| User charges and fees  |       | <b>66</b>      | 150            |
| Other  |       | <b>(136)</b>   | 294            |
| <b>Total impairment of receivables</b>                                       | C1-4  | <b>(70)</b>    | <b>444</b>     |
| <b>Other</b>   |       |                |                |
| Contributions/levies to other levels of government                           |       |                |                |
| – Emergency services levy (includes FRNSW, SES, and RFS levies)              |       | <b>75</b>      | 44             |
| – NSW fire brigade levy  |       | <b>64</b>      | 55             |
| – NSW rural fire service levy  |       | <b>572</b>     | 571            |
| – Upper Hunter Weeds Authority   |       | <b>108</b>     | 104            |
| – Waste levy   |       | <b>1,555</b>   | 1,434          |
| Donations, contributions and assistance to other organisations (Section 356) |       | <b>118</b>     | 104            |
| <b>Total other</b>   |       | <b>2,492</b>   | <b>2,312</b>   |
| <b>Total other expenses</b>  |       | <b>2,422</b>   | <b>2,756</b>   |



**B4 Gains or losses****B4-1 Gain or loss from the disposal, replacement and de-recognition of assets**

|   | Notes | 2024<br>\$ '000 | 2023<br>\$ '000 |
|---|-------|-----------------|-----------------|
| <b>Gain (or loss) on disposal of plant and equipment</b>              | C1-7  |                 |                 |
| Proceeds from disposal – plant and equipment                          |       | 117             | 252             |
| Less: carrying amount of plant and equipment assets sold/written off  |       | (5)             | (72)            |
| <b>Gain (or loss) on disposal</b>                                     |       | <b>112</b>      | <b>180</b>      |
| <b>Gain (or loss) on disposal of infrastructure</b>                   | C1-7  |                 |                 |
| Proceeds from disposal – infrastructure                               |       | –               | 242             |
| Less: carrying amount of infrastructure assets sold/written off       |       | –               | (634)           |
| <b>Gain (or loss) on disposal</b>                                     |       | <b>–</b>        | <b>(392)</b>    |
| <b>Gain (or loss) on disposal of real estate assets held for sale</b> | C1-5  |                 |                 |
| Proceeds from disposal – real estate assets                           |       | –               | 267             |
| Less: carrying amount of real estate assets sold/written off          |       | –               | (155)           |
| <b>Gain (or loss) on disposal</b>                                     |       | <b>–</b>        | <b>112</b>      |
| <b>Gain (or loss) on disposal of investments</b>                      | C1-2  |                 |                 |
| Proceeds from disposal/redemptions/maturities – investments           |       | 3               | –               |
| <b>Gain (or loss) on disposal</b>                                     |       | <b>3</b>        | <b>–</b>        |
| <b>Other Assets</b>   |       |                 |                 |
| Less: carrying amount of Other Assets sold/written off                |       | –               | (1)             |
| <b>Gain (or loss) on disposal</b>                                     |       | <b>–</b>        | <b>(1)</b>      |
| <b>Net gain (or loss) from disposal of assets</b>                     |       | <b>115</b>      | <b>(101)</b>    |

## B5 Performance against budget

### B5-1 Material budget variations

Council's original budget was adopted by the Council on 27 June 2023 and is not required to be audited. The original projections on which the budget was based have been affected by a number of factors. These include state and federal government decisions, including new grant programs, changing economic activity, environmental factors, and by decisions made by Council.

While these General Purpose Financial Statements include the original budget adopted by Council, the Act requires Council to review its financial budget on a quarterly basis, so it is able to manage the variation between actuals and budget that invariably occur during the year.

**Material variations of more than 10%** between original budget and actual results or where the variance is considered material by nature are explained below.

**Variation Key:** **F** = Favourable budget variation, **U** = Unfavourable budget variation.

| \$ '000  | 2024<br>Budget | 2024<br>Actual | 2024<br>----- Variance ----- |               |
|--|----------------|----------------|------------------------------|---------------|
| <b>Revenues</b>  |                |                |                              |               |
| <b>Rates and annual charges</b>  | <b>34,162</b>  | <b>32,983</b>  | <b>(1,179)</b>               | <b>(3)% U</b> |
| <b>User charges and fees</b>   | <b>12,261</b>  | <b>17,793</b>  | <b>5,532</b>                 | <b>45% F</b>  |
| A favourable variance was realised due to the additional Transport for NSW works; higher income from waste disposal tipping fees, water supply services and sewerage services all contributed to a larger income than originally budgeted. |                |                |                              |               |
| <b>Other revenues</b>  | <b>1,087</b>   | <b>1,561</b>   | <b>474</b>                   | <b>44% F</b>  |
| Higher legal fees recovered has resulted in a positive variance against budget. This is due to an outstanding settlement.  |                |                |                              |               |
| <b>Operating grants and contributions</b>  | <b>6,584</b>   | <b>11,616</b>  | <b>5,032</b>                 | <b>76% F</b>  |
| Favourable variance involved additional revenues received for the Financial Assistance Grant with 85% received in advance for the 2025 financial year. In addition, not all monies for voluntary planning agreement were budgeted.         |                |                |                              |               |
| <b>Capital grants and contributions</b>  | <b>18,056</b>  | <b>23,495</b>  | <b>5,439</b>                 | <b>30% F</b>  |
| Favourable variance due to non-cash contributions for subdivisions not budgeted.   |                |                |                              |               |
| <b>Interest and investment revenue</b>   | <b>1,028</b>   | <b>4,524</b>   | <b>3,496</b>                 | <b>340% F</b> |
| Interest rates have successively increased during the reporting period. Council also had a larger investment portfolio balance due to additional operational grant funding and the timing of capital works expenditure.                    |                |                |                              |               |
| <b>Net gains from disposal of assets</b>   | <b>–</b>       | <b>115</b>     | <b>115</b>                   | <b>∞ F</b>    |
| <b>Other income</b>  | <b>6,400</b>   | <b>9,007</b>   | <b>2,607</b>                 | <b>41% F</b>  |
| New valuations for investment properties have increased due to favourable market conditions in real estate.  |                |                |                              |               |

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**B5-1 Material budget variations (continued)**

| \$ '000  | 2024<br>Budget | 2024<br>Actual | 2024<br>----- Variance ----- |       |   |
|--|----------------|----------------|------------------------------|-------|---|
| <b>Expenses</b>  |                |                |                              |       |   |
| Employee benefits and on-costs   | 19,410         | 19,264         | 146                          | 1%    | F |
| Materials and services   | 19,466         | 19,960         | (494)                        | (3)%  | U |
| Borrowing costs  | 2,576          | 2,549          | 27                           | 1%    | F |
| Depreciation, amortisation and impairment of non-financial assets                              | 15,580         | 15,505         | 75                           | 0%    | F |
| Other expenses   | 2,322          | 2,422          | (100)                        | (4)%  | U |
| Net losses from disposal of assets   | –              | –              | –                            | ∞     | F |
| <b>Statement of cash flows</b>   |                |                |                              |       |   |
| Cash flows from operating activities   | 44,254         | 42,668         | (1,586)                      | (4)%  | U |
| Cash flows from investing activities   | (39,360)       | (34,842)       | 4,518                        | (11)% | F |
| Favourable variance due to a decrease in payments for investing activities compared to budget. |                |                |                              |       |   |
| Cash flows from financing activities   | (5,370)        | (4,811)        | 559                          | (10)% | F |

## C Financial position

### C1 Assets we manage

#### C1-1 Cash and cash equivalents

|   | 2024<br>\$ '000 | 2023<br>\$ '000 |
|---|-----------------|-----------------|
| <b>Cash assets</b>  |                 |                 |
| Cash on hand and at bank  | 149             | 118             |
| Cash equivalent assets  |                 |                 |
| – Deposits at call  | 10,722          | 7,738           |
| <b>Total cash and cash equivalents</b>                              | <b>10,871</b>   | <b>7,856</b>    |
| <b>Reconciliation of cash and cash equivalents</b>                  |                 |                 |
| Total cash and cash equivalents per Statement of Financial Position | 10,871          | 7,856           |
| <b>Balance as per the Statement of Cash Flows</b>                   | <b>10,871</b>   | <b>7,856</b>    |

#### C1-2 Financial investments

|  | 2024<br>Current<br>\$ '000 | 2024<br>Non-current<br>\$ '000 | 2023<br>Current<br>\$ '000 | 2023<br>Non-current<br>\$ '000 |
|--|----------------------------|--------------------------------|----------------------------|--------------------------------|
| <b>Debt securities at amortised cost</b>                   |                            |                                |                            |                                |
| Long term deposits   | 17,250                     | 7,000                          | 27,500                     | 6,000                          |
| NCD's, FRN's (with maturities > 3 months)                  | 12,750                     | 45,677                         | 5,000                      | 27,772                         |
| <b>Total</b>   | <b>30,000</b>              | <b>52,677</b>                  | <b>32,500</b>              | <b>33,772</b>                  |
| <b>Total financial investments</b>                         | <b>30,000</b>              | <b>52,677</b>                  | <b>32,500</b>              | <b>33,772</b>                  |
| <b>Total cash assets, cash equivalents and investments</b> | <b>40,871</b>              | <b>52,677</b>                  | <b>40,356</b>              | <b>33,772</b>                  |

#### Material accounting policy information

Financial instruments are recognised initially on the date that the Council becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

#### Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### Classification

On initial recognition, Council classifies its financial assets into the following categories – those measured at:

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income – equity instrument (FVOCI-equity)

Financial assets are not reclassified subsequent to their initial recognition.

#### Amortised cost

Council's financial assets measured at amortised cost comprise trade and other receivables, term deposits and cash and cash equivalents in the Statement of Financial Position. Term deposits with an initial term of more than 3 months are classified as investments rather than cash and cash equivalents.

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## C1-2 Financial investments (continued)

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Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, impairment and gains or loss on de-recognition are recognised in profit or loss.



## C1-3 Restricted and allocated cash, cash equivalents and investments

|  | 2024<br>\$ '000 | 2023<br>\$ '000 |
|--|-----------------|-----------------|
| (a) Externally restricted cash, cash equivalents and investments                         |                 |                 |
| <b>Total cash, cash equivalents and investments</b>                                      | <b>93,548</b>   | <b>74,128</b>   |
| Less: Externally restricted cash, cash equivalents and investments                       | <b>(50,791)</b> | <b>(38,791)</b> |
| <b>Cash, cash equivalents and investments not subject to external restrictions</b>       | <b>42,757</b>   | <b>35,337</b>   |
| <b>External restrictions</b>   |                 |                 |
| <b>External restrictions – included in liabilities</b>                                   |                 |                 |
| External restrictions included in cash, cash equivalents and investments above comprise: |                 |                 |
| Specific purpose unexpended loans – general  | –               | 30              |
| <b>External restrictions – included in liabilities</b>                                   | <b>–</b>        | <b>30</b>       |
| <b>External restrictions – other</b>   |                 |                 |
| External restrictions included in cash, cash equivalents and investments above comprise: |                 |                 |
| Developer contributions – general  | 9,604           | 4,745           |
| Developer contributions – water fund   | 9,892           | 8,725           |
| Developer contributions – sewer fund   | 5,068           | 4,252           |
| Specific purpose unexpended grants (recognised as revenue) – general fund                | 15,507          | 13,500          |
| Water fund   | 6,254           | 4,517           |
| Sewer fund   | 3,283           | 1,950           |
| Domestic waste management  | 1,138           | 1,027           |
| Bengalla Coal Community Fund   | 45              | 45              |
| <b>External restrictions – other</b>   | <b>50,791</b>   | <b>38,761</b>   |
| <b>Total external restrictions</b>   | <b>50,791</b>   | <b>38,791</b>   |

Cash, cash equivalents and investments subject to external restrictions are those which are only available for specific use by Council due to a restriction placed by legislation or third-party contractual agreement.

|  | 2024<br>\$ '000 | 2023<br>\$ '000 |
|--|-----------------|-----------------|
| (b) Internal allocations   |                 |                 |
| <b>Cash, cash equivalents and investments not subject to external restrictions</b> | <b>42,757</b>   | <b>35,337</b>   |

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**C1-3 Restricted and allocated cash, cash equivalents and investments (continued)**

|  | <b>2024</b>    | 2023          |
|--|----------------|---------------|
|  | <b>\$ '000</b> | \$ '000       |
| <b>Internal allocations</b>  |                |               |
| At 30 June, Council has internally allocated funds to the following: |                |               |
| Plant and vehicle replacement  | 2,773          | 2,187         |
| Infrastructure (Road Assets) replacement                             | 2,227          | 1,900         |
| Employees leave entitlement  | 1,252          | 654           |
| Deposits, retentions and bonds                                       | 5,224          | 5,473         |
| Risk Management  | 78             | 78            |
| Legal Matters  | 1,250          | 1,050         |
| Stormwater management  | 1,348          | 1,189         |
| Financial Assistance Grant   | 4,072          | 4,506         |
| Waste management centre  | 6,777          | 6,058         |
| Drainage   | 143            | 143           |
| Future Fund  | 1,876          | 1,565         |
| Election   | 50             | —             |
| Natural Disasters  | 806            | 882           |
| Other  | 1,229          | 737           |
| Mine Affected Roads  | 1,371          | 1,371         |
| Carryover Works  | 3,055          | 2,149         |
| Net Zero   | 631            | 363           |
| SRV Reserve  | 4,516          | 3,020         |
| Road Reserve   | 912            | 912           |
| Economic Development   | 392            | 965           |
| Insurances   | 100            | 40            |
| Financial Sustainability Reserve                                     | 2,000          | —             |
| ICT Reserve  | 200            | —             |
| Mine Affected Roads Study  | 70             | 70            |
| <b>Total internal allocations</b>                                    | <b>42,352</b>  | <b>35,312</b> |

Cash, cash equivalents and investments not subject to external restrictions may be internally allocated by resolution or policy of the elected Council.

## C1-4 Receivables

|   | 2024<br>Current<br>\$ '000 | 2024<br>Non-current<br>\$ '000 | 2023<br>Current<br>\$ '000 | 2023<br>Non-current<br>\$ '000 |
|---|----------------------------|--------------------------------|----------------------------|--------------------------------|
| Rates and annual charges                            | 2,397                      | –                              | 2,281                      | –                              |
| User charges and fees                               | 1,852                      | –                              | 1,264                      | –                              |
| Accrued revenues                                    |                            |                                |                            |                                |
| – Interest on investments                           | 1,377                      | –                              | 899                        | –                              |
| Government grants and subsidies                     | 198                        | –                              | 934                        | –                              |
| Net GST receivable                                  | 331                        | –                              | 373                        | –                              |
| Waste depot charges                                 | 758                        | –                              | 500                        | –                              |
| Commercial Properties – Rental                      | 683                        | –                              | 587                        | –                              |
| TfNSW   | 418                        | –                              | 479                        | –                              |
| Other debtors                                       | 687                        | –                              | 94                         | –                              |
| <b>Total</b>  | <b>8,701</b>               | <b>–</b>                       | <b>7,411</b>               | <b>–</b>                       |
| <b>Less: provision for impairment</b>               |                            |                                |                            |                                |
| User charges and fees                               | (232)                      | –                              | (202)                      | –                              |
| Other debtors                                       | (91)                       | –                              | (249)                      | –                              |
| <b>Total provision for impairment – receivables</b> | <b>(323)</b>               | <b>–</b>                       | <b>(451)</b>               | <b>–</b>                       |
| <b>Total net receivables</b>                        | <b>8,378</b>               | <b>–</b>                       | <b>6,960</b>               | <b>–</b>                       |

|  | 2024<br>\$ '000 | 2023<br>\$ '000 |
|--|-----------------|-----------------|
| <b>Movement in provision for impairment of receivables</b> |                 |                 |
| Balance at the beginning of the year                       | 451             | 363             |
| + new provisions recognised during the year                | –               | 88              |
| – amounts already provided for and written off this year   | (128)           | –               |
| <b>Balance at the end of the year</b>                      | <b>323</b>      | <b>451</b>      |

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## C1-4 Receivables (continued)

### Material accounting policy information

Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Receivables are generally due for settlement within 30 days.

#### Impairment

Impairment of financial assets measured at amortised cost is recognised on an expected credit loss (ECL) basis.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition, and when estimating ECL, the Council considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on Council's historical experience and informed credit assessment, and including forward-looking information.

When considering the ECL for rates debtors, Council takes into account that unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold. For non-rates debtors, Council uses the presumption that an asset which is more than 90 days past due has seen a significant increase in credit risk.

The Council uses the presentation that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Council in full, without recourse by the Council to actions such as realising security (if any is held) or
- the financial assets (for non-rates debtors) are more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the entity in accordance with the contract, and the cash flows expected to be received. This is applied using a probability weighted approach.

On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Council uses the simplified approach for trade receivables where the expected lifetime credit losses are recognised on day 1.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Council writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, whichever occurs first.

Where the Council renegotiates the terms of receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

Rates and annual charges outstanding are secured against the property.

## C1-5 Inventories

|                                  | 2024<br>Current<br>\$ '000 | 2024<br>Non-current<br>\$ '000 | 2023<br>Current<br>\$ '000 | 2023<br>Non-current<br>\$ '000 |
|----------------------------------|----------------------------|--------------------------------|----------------------------|--------------------------------|
| <b>(i) Inventories at cost</b>   |                            |                                |                            |                                |
| Stores and materials             | 337                        | –                              | 281                        | –                              |
| <b>Total inventories at cost</b> | <b>337</b>                 | <b>–</b>                       | <b>281</b>                 | <b>–</b>                       |
| <b>Total inventories</b>         | <b>337</b>                 | <b>–</b>                       | <b>281</b>                 | <b>–</b>                       |

**Material accounting policy information****Raw materials and stores, work in progress and finished goods**

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs.



**C1-6 Non-current assets classified as held for sale**

|   | 2024<br>Current<br>\$ '000 | 2024<br>Non-current<br>\$ '000 | 2023<br>Current<br>\$ '000 | 2023<br>Non-current<br>\$ '000 |
|---|----------------------------|--------------------------------|----------------------------|--------------------------------|
| <b>Non-current assets held for sale</b>                     |                            |                                |                            |                                |
| Land  | 1,114                      | —                              | 1,114                      | —                              |
| <b>Total non-current assets held for sale</b>               | <b>1,114</b>               | <b>—</b>                       | <b>1,114</b>               | <b>—</b>                       |
| <b>Total non-current assets classified as held for sale</b> | <b>1,114</b>               | <b>—</b>                       | <b>1,114</b>               | <b>—</b>                       |

## C1-7 Infrastructure, property, plant and equipment

| By aggregated asset class  | At 1 July 2023        |   |                     | Asset movements during the reporting period |                      |                             |                      |               |                                   |  | At 30 June 2024       |   |                     |
|--|-----------------------|---|---------------------|---|----------------------|-----------------------------|----------------------|---------------|-----------------------------------|--|-----------------------|---|---------------------|
|  | Gross carrying amount | Accumulated depreciation and impairment | Net carrying amount | Additions renewals <sup>1</sup>             | Additions new assets | Carrying value of disposals | Depreciation expense | WIP transfers | Tfrs from/(to) IPPE Asset classes | Revaluation increments/ (decrements) to equity (ARR) | Gross carrying amount | Accumulated depreciation and impairment | Net carrying amount |
|  | \$ '000               | \$ '000                                 | \$ '000             | \$ '000                                     | \$ '000              | \$ '000                     | \$ '000              | \$ '000       | \$ '000                           | \$ '000  | \$ '000               | \$ '000                                 | \$ '000             |
| Capital work in progress   | 11,441                | –                                       | 11,441              | 760   | 3,112                | –                           | –                    | (8,325)       | –                                 | –  | 6,988                 | –                                       | 6,988               |
| Plant and equipment  | 20,246                | (13,467)                                | 6,779               | 1,248                                       | 72                   | (5)                         | (1,276)              | –             | –                                 | –  | 21,074                | (14,230)                                | 6,844               |
| Office equipment   | 3,904                 | (3,322)                                 | 582                 | 153   | 9                    | –                           | (165)                | –             | –                                 | –  | 4,065                 | (3,487)                                 | 578                 |
| Furniture and fittings   | 1,270                 | (882)                                   | 388                 | –   | 3                    | –                           | (97)                 | –             | –                                 | –  | 1,273                 | (979)                                   | 294                 |
| <b>Land:</b>   |                       |   |                     |   |                      |                             |                      |               |                                   |  |                       |   |                     |
| – Operational land   | 14,909                | –                                       | 14,909              | –   | –                    | –                           | –                    | –             | –                                 | –  | 14,909                | –                                       | 14,909              |
| – Community land   | 16,161                | –                                       | 16,161              | –   | –                    | –                           | –                    | –             | 79                                | –  | 16,240                | –                                       | 16,240              |
| Land improvements – depreciable  | 10,174                | (1,308)                                 | 8,866               | 49  | 7                    | –                           | (287)                | 1,108         | (79)                              | 383  | 11,637                | (1,595)                                 | 10,042              |
| <b>Infrastructure:</b>   |                       |   |                     |   |                      |                             |                      |               |                                   |  |                       |   |                     |
| – Buildings – non-specialised  | 97                    | –                                       | 97                  | –   | –                    | –                           | –                    | –             | (97)                              | –  | –                     | –                                       | –                   |
| – Buildings – specialised  | 115,465               | (36,107)                                | 79,358              | 542   | 2,445                | –                           | (2,206)              | 5,246         | 97                                | 7,893  | 131,702               | (38,313)                                | 93,389              |
| – Other structures   | 22,455                | (5,069)                                 | 17,386              | 78  | 275                  | –                           | (618)                | –             | –                                 | 677  | 23,476                | (5,685)                                 | 17,791              |
| – Roads  | 476,048               | (89,614)                                | 386,434             | 5,142                                       | 6,286                | –                           | (4,581)              | 752           | –                                 | 29,943   | 518,175               | (94,194)                                | 423,981             |
| – Bridges  | 80,073                | (10,205)                                | 69,868              | 12  | –                    | –                           | (428)                | 1,219         | –                                 | 5,105  | 86,409                | (10,633)                                | 75,776              |
| – Footpaths  | 26,804                | (9,346)                                 | 17,458              | 180   | 725                  | –                           | (451)                | –             | –                                 | 855  | 28,565                | (9,797)                                 | 18,768              |
| – Stormwater drainage  | 96,010                | (27,039)                                | 68,971              | 8   | 2,837                | –                           | (884)                | –             | –                                 | 3,062  | 101,918               | (27,922)                                | 73,996              |
| – Water supply network   | 109,253               | (47,509)                                | 61,744              | 1,065                                       | 1,213                | –                           | (2,036)              | –             | –                                 | 5,561  | 117,093               | (49,545)                                | 67,548              |
| – Sewerage network   | 135,853               | (34,827)                                | 101,026             | 1,121                                       | 1,778                | –                           | (2,227)              | –             | –                                 | 6,890  | 145,642               | (37,055)                                | 108,587             |
| <b>Other assets:</b>   |                       |   |                     |   |                      |                             |                      |               |                                   |  |                       |   |                     |
| – Heritage collections   | 5,529                 | –                                       | 5,529               | –   | 70                   | –                           | –                    | –             | –                                 | –  | 5,600                 | –                                       | 5,600               |
| – Other  | 1,553                 | (1,435)                                 | 118                 | –   | 87                   | –                           | (54)                 | –             | –                                 | –  | 1,640                 | (1,489)                                 | 151                 |
| <b>Reinstatement, rehabilitation and restoration assets (refer Note 15):</b> |                       |   |                     |   |                      |                             |                      |               |                                   |  |                       |   |                     |
| – Tip assets   | 12,568                | (2,654)                                 | 9,914               | –   | –                    | –                           | (195)                | –             | –                                 | (5,038)  | 10,727                | (6,046)                                 | 4,681               |
| <b>Total infrastructure, property, plant and equipment</b>                   | <b>1,159,813</b>      | <b>(282,784)</b>                        | <b>877,029</b>      | <b>10,358</b>                               | <b>18,919</b>        | <b>(5)</b>                  | <b>(15,505)</b>      | <b>–</b>      | <b>–</b>                          | <b>55,331</b>  | <b>1,247,133</b>      | <b>(300,970)</b>                        | <b>946,163</b>      |

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

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## C1-7 Infrastructure, property, plant and equipment (continued)

|  | At 1 July 2022        |   |                     | Asset movements during the reporting period |                      |                             |                      |               |                       |   |   | At 30 June 2023       |   |                     |
|--|-----------------------|---|---------------------|---|----------------------|-----------------------------|----------------------|---------------|-----------------------|---|---|-----------------------|---|---------------------|
|  | Gross carrying amount | Accumulated depreciation and impairment | Net carrying amount | Additions renewals <sup>1</sup>             | Additions new assets | Carrying value of disposals | Depreciation expense | WIP transfers | Disposal Depreciation | Tfrs from/(to) IPPE classes & investment properties | Revaluation increments/(decrements) to equity (ARR) | Gross carrying amount | Accumulated depreciation and impairment | Net carrying amount |
| By aggregated asset class  | \$ '000               | \$ '000                                 | \$ '000             | \$ '000                                     | \$ '000              | \$ '000                     | \$ '000              | \$ '000       | \$ '000               | \$ '000   | \$ '000   | \$ '000               | \$ '000                                 | \$ '000             |
| Capital work in progress   | 27,222                | —                                       | 27,222              | 828   | 5,562                | —                           | —                    | (22,169)      | —                     | —   | —   | 11,441                | —                                       | 11,441              |
| Plant and equipment  | 19,073                | (12,636)                                | 6,437               | 508   | 1,276                | (618)                       | (1,366)              | —             | 546                   | —   | —   | 20,246                | (13,467)                                | 6,779               |
| Office equipment   | 3,749                 | (3,160)                                 | 589                 | —   | 156                  | —                           | (162)                | —             | —                     | —   | —   | 3,904                 | (3,322)                                 | 582                 |
| Furniture and fittings   | 1,240                 | (788)                                   | 452                 | —   | 28                   | —                           | (95)                 | —             | —                     | —   | —   | 1,270                 | (882)                                   | 388                 |
| <b>Land:</b>   |                       |   |                     |   |                      |                             |                      |               |                       |   |   |                       |   |                     |
| – Operational land   | 10,241                | —                                       | 10,241              | —   | —                    | —                           | —                    | —             | —                     | —   | 4,667   | 14,909                | —                                       | 14,909              |
| – Community land   | 13,541                | —                                       | 13,541              | —   | 632                  | (450)                       | —                    | —             | —                     | (1,922)   | 4,360   | 16,161                | —                                       | 16,161              |
| Land improvements – depreciable  | 4,606                 | (1,211)                                 | 3,395               | 49  | 3,277                | —                           | (97)                 | —             | —                     | 1,922   | 320   | 10,174                | (1,308)                                 | 8,866               |
| <b>Infrastructure:</b>   |                       |   |                     |   |                      |                             |                      |               |                       |   |   |                       |   |                     |
| – Buildings – non-specialised  | 97                    | —                                       | 97                  | —   | —                    | —                           | —                    | —             | —                     | —   | —   | 97                    | —                                       | 97                  |
| – Buildings – specialised  | 84,681                | (31,167)                                | 53,514              | 554   | 993                  | —                           | (1,884)              | 16,333        | —                     | 6,480   | 3,363   | 115,465               | (36,107)                                | 79,358              |
| – Other structures   | 19,441                | (4,615)                                 | 14,826              | 51  | 1,719                | —                           | (498)                | —             | —                     | —   | 1,280   | 22,455                | (5,069)                                 | 17,386              |
| – Roads  | 438,701               | (86,896)                                | 351,805             | 3,595                                       | 4,496                | (700)                       | (4,625)              | 3,972         | 310                   | —   | 27,581  | 476,048               | (89,614)                                | 386,434             |
| – Bridges  | 72,289                | (8,891)                                 | 63,398              | 210   | 372                  | (255)                       | (479)                | 1,864         | 68                    | —   | 4,691   | 80,073                | (10,205)                                | 69,868              |
| – Footpaths  | 23,214                | (8,237)                                 | 14,977              | 147   | 1,042                | (61)                        | (423)                | —             | 7                     | —   | 1,770   | 26,804                | (9,346)                                 | 17,458              |
| – Stormwater drainage  | 87,541                | (26,190)                                | 61,351              | 965   | 1,244                | (6)                         | (850)                | —             | 3                     | —   | 6,266   | 96,010                | (27,039)                                | 68,971              |
| – Water supply network   | 99,541                | (45,522)                                | 54,019              | 1,678                                       | 359                  | —                           | (1,985)              | —             | —                     | —   | 7,674   | 109,253               | (47,509)                                | 61,744              |
| – Sewerage network   | 125,021               | (32,641)                                | 92,380              | 971   | 227                  | —                           | (2,191)              | —             | —                     | —   | 9,638   | 135,853               | (34,827)                                | 101,026             |
| <b>Other assets:</b>   |                       |   |                     |   |                      |                             |                      |               |                       |   |   |                       |   |                     |
| – Heritage collections   | 5,457                 | —                                       | 5,457               | —   | 72                   | —                           | —                    | —             | —                     | —   | —   | 5,529                 | —                                       | 5,529               |
| – Other  | 1,503                 | (1,391)                                 | 112                 | —   | 68                   | (17)                        | (60)                 | —             | 16                    | —   | —   | 1,553                 | (1,435)                                 | 118                 |
| <b>Reinstatement, rehabilitation and restoration assets (refer Note 15):</b> |                       |   |                     |   |                      |                             |                      |               |                       |   |   |                       |   |                     |
| – Tip assets   | 5,334                 | (2,028)                                 | 3,306               | —   | —                    | —                           | (236)                | —             | —                     | —   | 6,844   | 12,568                | (2,654)                                 | 9,914               |
| <b>Total infrastructure, property, plant and equipment</b>                   | <b>1,042,492</b>      | <b>(265,373)</b>                        | <b>777,119</b>      | <b>9,556</b>                                | <b>21,523</b>        | <b>(2,107)</b>              | <b>(14,951)</b>      | <b>—</b>      | <b>950</b>            | <b>6,480</b>  | <b>78,454</b>                                       | <b>1,159,813</b>      | <b>(282,784)</b>                        | <b>877,029</b>      |

(1) Renewals are defined as the replacement of existing assets (as opposed to the acquisition of new assets).

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## C1-7 Infrastructure, property, plant and equipment (continued)

### Material accounting policy information

#### Initial recognition of infrastructure, property, plant and equipment (IPPE)

IPPE is measured initially at cost. Cost includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable cost of bringing the asset to working condition for its intended use (inclusive of import duties and taxes).

When infrastructure, property, plant and equipment is acquired by Council at significantly below fair value, the assets are initially recognised at their fair value at acquisition date.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to Council and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Income Statement during the financial period in which they are incurred.

#### Useful lives of IPPE

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

| IPPE Asset Classes                       | Useful lives    |
|--|-----------------|
| Plant, equipment, furniture and fittings | 5-20 years      |
| Land improvements                        | 25-50 years     |
| Infrastructure:                          |                 |
| – Buildings and other structures         | 20 to 100 years |
| – Roads, bridges and footpaths           | 20 to 100 years |
| – Bulk earthworks                        | infinite        |
| – Stormwater drainage                    | 50 to 100 years |
| – Water supply network                   | 15 to 100 years |
| – Sewerage network                       | 15 to 100 years |
| – Open space / recreational assets       | 20 to 30 years  |
| – Other infrastructure                   | 20 to 50 years  |
| Other assets                             | 10 years        |
| Tip and quarry assets                    | 50-60 years     |

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

#### Revaluation model

Infrastructure, property, plant and equipment are held at fair value. Comprehensive valuations are performed at least every five years, however the carrying amount of assets is assessed by Council at each reporting date to confirm that it is not materially different from current fair value.

Water and sewerage network assets are indexed at each reporting period in accordance with the Rates Reference Manual issued by Department of Planning, Industry and Environment – Water.

Increases in the carrying amounts arising on revaluation are credited to the IPPE revaluation reserve. To the extent that the increase reverses a decrease previously recognising profit or loss relating to that asset class, the increase is first recognised as

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## C1-7 Infrastructure, property, plant and equipment (continued)

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profit or loss. Decreases that reverse previous increases of assets in the same class are first charged against IPPE revaluation reserve to the extent of the remaining reserve attributable to the class; all other decreases are charged to the Income Statement.

### **Crown reserves**

Crown reserves under Council's care and control are recognised as assets of the Council. While ownership of the reserves remains with the Crown, Council retains operational control of the reserves and is responsible for their maintenance and use in accordance with the specific purposes to which the reserves are dedicated.

Where the Crown reserves are under a lease arrangement they are accounted for under AASB 16 Leases, refer to C2-1.

Improvements on Crown reserves are also recorded as assets, while maintenance costs incurred by Council and revenues relating to the reserves are recognised within Council's Income Statement.



## C1-8 Investment properties

|   | 2024<br>\$ '000 | 2023<br>\$ '000 |
|---|-----------------|-----------------|
| <b>Owned investment property</b>          |                 |                 |
| Investment property on hand at fair value | 69,650          | 66,807          |
| <b>Total owned investment property</b>    | <b>69,650</b>   | <b>66,807</b>   |

### Owned investment property

#### Reconciliation of annual movement:

|   |               |               |
|---|---------------|---------------|
| Opening balance at 1 July                   | 66,807        | 71,720        |
| Acquisitions                                | –             | 997           |
| Capitalised subsequent expenditure          | –             | 348           |
| Net gain/(loss) from fair value adjustments | 2,603         | 222           |
| Other movements                             | 240           | –             |
| Transfer from/(to) infrastructure (CI-8)    | –             | (6,480)       |
| <b>Closing balance at 30 June</b>           | <b>69,650</b> | <b>66,807</b> |

#### Material accounting policy information

Investment property, principally comprising freehold office buildings, is held for long-term rental yields and is not occupied by the Council.

## C1-9 Other

### Other assets

|                           | 2024<br>Current<br>\$ '000 | 2024<br>Non-current<br>\$ '000 | 2023<br>Current<br>\$ '000 | 2023<br>Non-current<br>\$ '000 |
|---------------------------|----------------------------|--------------------------------|----------------------------|--------------------------------|
| Prepayments               | 250                        | –                              | 196                        | –                              |
| <b>Total other assets</b> | <b>250</b>                 | <b>–</b>                       | <b>196</b>                 | <b>–</b>                       |

## C2 Leasing activities

### C2-1 Council as a lessor

#### (a) Operating leases

|  | 2024<br>\$ '000 | 2023<br>\$ '000 |
|--|-----------------|-----------------|
|--|-----------------|-----------------|

##### (i) Assets held as investment property

Council holds a range of commercial properties for generating income.

The amounts recognised in the Income Statement relating to operating leases where Council is a lessor are shown below

|  |              |              |
|--|--------------|--------------|
| Lease income (excluding variable lease payments not dependent on an index or rate)   | 6,399        | 6,123        |
| Lease income relating to variable lease payments not dependent on an index or a rate | 5            | —            |
| <b>Total income relating to operating leases for investment property assets</b>      | <b>6,404</b> | <b>6,123</b> |

##### Operating lease expenses

##### Investment properties

|  |              |              |
|--|--------------|--------------|
| Direct operating expenses that generated rental income | 1,258        | 1,210        |
| <b>Total expenses relating to operating leases</b>     | <b>1,258</b> | <b>1,210</b> |

##### (ii) Assets held as property, plant and equipment

Council provides operating leases on Council buildings for the purpose of providing service to the community for educational and essential services the table below relates to operating leases on assets disclosed in C1-7.

|  |            |            |
|--|------------|------------|
| Lease income (excluding variable lease payments not dependent on an index or rate)   | 443        | 198        |
| Lease income relating to variable lease payments not dependent on an index or a rate | 332        | 324        |
| <b>Total income relating to operating leases for Council assets</b>                  | <b>775</b> | <b>522</b> |

##### Other leased assets expenses

|   |            |            |
|---|------------|------------|
| Other   | 198        | 189        |
| <b>Total expenses relating to other leases assets</b> | <b>198</b> | <b>189</b> |

##### (iii) Maturity analysis of undiscounted lease payments to be received after reporting date for all operating leases:

Maturity analysis of future lease income receivable showing the undiscounted lease payments to be received after reporting date for operating leases:

|   |               |               |
|---|---------------|---------------|
| < 1 year  | 6,791         | 7,262         |
| 1–2 years   | 6,939         | 6,791         |
| 2–3 years   | 7,105         | 6,937         |
| 3–4 years   | 7,261         | 7,105         |
| 4–5 years   | 7,410         | 7,261         |
| > 5 years   | 7,576         | 7,410         |
| <b>Total undiscounted lease payments to be received</b> | <b>43,082</b> | <b>42,766</b> |

#### (b) Finance leases

Council has sub-leased some properties which are on Crown land to community organisations and has classified these as finance leases since the sub-lease is for the remaining life of the Council's lease to the Crown.

|   |           |           |
|---|-----------|-----------|
| Finance income on the net investment in the lease | 20        | 20        |
| <b>Total Income relating to finance leases</b>    | <b>20</b> | <b>20</b> |

continued on next page ...

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**C2-1 Council as a lessor (continued)**

|   | <b>2024</b>      | <b>2023</b>    |
|---|------------------|----------------|
|   | <b>\$ '000</b>   | <b>\$ '000</b> |
| <b>Maturity analysis of undiscounted lease payments to be received after reporting date for finance leases:</b> |                  |                |
| < 1 year  | <b>22</b>        | 21             |
| 1–2 years   | <b>22</b>        | 22             |
| 2–3 years   | <b>22</b>        | 22             |
| 3–4 years   | <b>23</b>        | 22             |
| 4–5 years   | <b>23</b>        | 23             |
| > 5 years   | <b>24</b>        | 23             |
| <b>Total lease payments receivable</b>  | <b>136</b>       | <b>133</b>     |
| <br>Discounted unguaranteed residual value  | <br><b>(136)</b> | <br>(133)      |

## C3 Liabilities of Council

### C3-1 Payables

|   | 2024<br>Current<br>\$ '000 | 2024<br>Non-current<br>\$ '000 | 2023<br>Current<br>\$ '000 | 2023<br>Non-current<br>\$ '000 |
|---|----------------------------|--------------------------------|----------------------------|--------------------------------|
| Goods and services <sup>1</sup>           | 2,077                      | —                              | 2,374                      | —                              |
| Accrued expenses:                         |                            |                                |                            |                                |
| – Borrowings                              | 340                        | —                              | —                          | —                              |
| – Salaries and wages                      | 237                        | —                              | —                          | —                              |
| – Other expenditure accruals <sup>2</sup> | 475                        | —                              | 160                        | —                              |
| Security bonds, deposits and retentions   | 5,215                      | —                              | 5,468                      | —                              |
| Prepaid rates                             | 624                        | —                              | 563                        | —                              |
| Other                                     | 1                          | —                              | 11                         | —                              |
| Prepaid Water Charges                     | 177                        | —                              | 184                        | —                              |
| Prepaid Debtors                           | 158                        | —                              | 109                        | —                              |
| <b>Total payables</b>                     | <b>9,304</b>               | <b>—</b>                       | <b>8,869</b>               | <b>—</b>                       |

(1) Goods & Services in 2023 were separated for operating & capital expenditure, the amounts have been combined.

(2) Other accruals in 2023 were incorporated under Goods & Services.

#### Current payables not anticipated to be settled within the next twelve months

|   | 2024<br>\$ '000 | 2023<br>\$ '000 |
|---|-----------------|-----------------|
| The following liabilities, even though classified as current, are not expected to be settled in the next 12 months. |                 |                 |
| Payables – security bonds, deposits and retentions  | 2,607           | 3,094           |
| <b>Total payables</b>   | <b>2,607</b>    | <b>3,094</b>    |

## C3-2 Contract Liabilities

|  |       | 2024<br>Current<br>\$ '000 | 2024<br>Non-current<br>\$ '000 | 2023<br>Current<br>\$ '000 | 2023<br>Non-current<br>\$ '000 |
|--|-------|----------------------------|--------------------------------|----------------------------|--------------------------------|
|  | Notes |                            |                                |                            |                                |
| <b>Grants and contributions received in advance:</b>                                   |       |                            |                                |                            |                                |
| Unexpended capital grants (to construct Council controlled assets)                     | (i)   | 11,962                     | –                              | 12,325                     | –                              |
| Unexpended operating grants (received prior to performance obligation being satisfied) | (ii)  | 252                        | –                              | 519                        | –                              |
| <b>Total grants received in advance</b>  |       | <b>12,214</b>              | <b>–</b>                       | <b>12,844</b>              | <b>–</b>                       |
| <b>Total contract liabilities</b>  |       | <b>12,214</b>              | <b>–</b>                       | <b>12,844</b>              | <b>–</b>                       |

**Notes**

(i) Council has received funding to construct assets including sporting facilities, bridges, library and other infrastructure. The funds received are under an enforceable contract which require Council to construct an identified asset which will be under Council's control on completion. The revenue is recognised as Council constructs the asset and the contract liability reflects the funding received which cannot yet be recognised as revenue. The revenue is expected to be recognised in the next 12 months.

(ii) The contract liability relates to grants received prior to the revenue recognition criteria in AASB 15 being satisfied since the performance obligations are ongoing.

**Revenue recognised that was included in the contract liability balance at the beginning of the period**

|  | 2024<br>\$ '000 | 2023<br>\$ '000 |
|--|-----------------|-----------------|
| <b>Grants and contributions received in advance:</b>   |                 |                 |
| Capital grants (to construct Council controlled assets)  | 2,681           | 2,547           |
| Operating grants (received prior to performance obligation being satisfied)  | 425             | 340             |
| <b>Total revenue recognised that was included in the contract liability balance at the beginning of the period</b> | <b>3,106</b>    | <b>2,887</b>    |



## C3-3 Borrowings

|                              | 2024<br>Current<br>\$ '000 | 2024<br>Non-current<br>\$ '000 | 2023<br>Current<br>\$ '000 | 2023<br>Non-current<br>\$ '000 |
|------------------------------|----------------------------|--------------------------------|----------------------------|--------------------------------|
| Loans – secured <sup>1</sup> | 4,645                      | 47,852                         | 6,588                      | 50,720                         |
| <b>Total borrowings</b>      | <b>4,645</b>               | <b>47,852</b>                  | <b>6,588</b>               | <b>50,720</b>                  |

(1) Loans are secured over the general rating income of Council.

Disclosures on liability interest rate risk exposures, fair value disclosures and security can be found in Note E1.1

## (a) Changes in liabilities arising from financing activities

|  | 2023                          | Non-cash movements    |                         |                                  |  |                                       | 2024                          |
|--|-------------------------------|-----------------------|-------------------------|----------------------------------|--|---------------------------------------|-------------------------------|
|  | Opening<br>Balance<br>\$ '000 | Cash flows<br>\$ '000 | Acquisitions<br>\$ '000 | Fair value<br>changes<br>\$ '000 | Acquisition<br>due to change<br>in accounting<br>policy<br>\$ '000 | Other non-cash<br>movement<br>\$ '000 | Closing<br>balance<br>\$ '000 |
| Loans – secured                                    | 57,308                        | (4,811)               | –                       | –                                | –  | –                                     | 52,497                        |
| <b>Total liabilities from financing activities</b> | <b>57,308</b>                 | <b>(4,811)</b>        | <b>–</b>                | <b>–</b>                         | <b>–</b>   | <b>–</b>                              | <b>52,497</b>                 |

|  | 2022                          | Non-cash movements    |                         |                                  |  |                                       | 2023                       |
|--|-------------------------------|-----------------------|-------------------------|----------------------------------|--|---------------------------------------|----------------------------|
|  | Opening<br>Balance<br>\$ '000 | Cash flows<br>\$ '000 | Acquisitions<br>\$ '000 | Fair value<br>changes<br>\$ '000 | Acquisition<br>due to change<br>in accounting<br>policy<br>\$ '000 | Other non-cash<br>movement<br>\$ '000 | Closing balance<br>\$ '000 |
| Loans – secured                                    | 63,368                        | (6,060)               | –                       | –                                | –  | –                                     | 57,308                     |
| <b>Total liabilities from financing activities</b> | <b>63,368</b>                 | <b>(6,060)</b>        | <b>–</b>                | <b>–</b>                         | <b>–</b>   | <b>–</b>                              | <b>57,308</b>              |

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## C3-3 Borrowings (continued)

## (b) Financing arrangements

|  | 2024<br>\$ '000 | 2023<br>\$ '000 |
|--|-----------------|-----------------|
| <b>Total facilities</b>  |                 |                 |
| Total financing facilities available to Council at the reporting date are:   |                 |                 |
| Bank overdraft facilities <sup>1</sup>                                       | 750             | 750             |
| Credit cards/purchase cards  | 62              | 62              |
| <b>Total financing arrangements</b>  | <b>812</b>      | <b>812</b>      |
| <b>Drawn facilities</b>  |                 |                 |
| Financing facilities drawn down at the reporting date are:                   |                 |                 |
| <b>Undrawn facilities</b>  |                 |                 |
| Undrawn financing facilities available to Council at the reporting date are: |                 |                 |
| – Bank overdraft facilities  | 750             | 750             |
| – Credit cards/purchase cards  | 62              | 62              |
| <b>Total undrawn financing arrangements</b>                                  | <b>812</b>      | <b>812</b>      |

## Additional financing arrangements information

## Breaches and defaults

During the current and prior year, there were no defaults or breaches on any of the loans.

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

**C3-4 Employee benefit provisions**

|  | <b>2024<br/>Current<br/>\$ '000</b> | <b>2024<br/>Non-current<br/>\$ '000</b> | <b>2023<br/>Current<br/>\$ '000</b> | <b>2023<br/>Non-current<br/>\$ '000</b> |
|--|-------------------------------------|---|-------------------------------------|---|
| Annual leave                             | 1,643                               | –                                       | 1,370                               | –                                       |
| Long service leave                       | 2,160                               | 371                                     | 1,578                               | 323                                     |
| Other leave                              | 93                                  | –                                       | 57                                  | –                                       |
| <b>Total employee benefit provisions</b> | <b>3,896</b>                        | <b>371</b>                              | <b>3,005</b>                        | <b>323</b>                              |

**Current employee benefit provisions not anticipated to be settled within the next twelve months**

|  | <b>2024<br/>\$ '000</b> | <b>2023<br/>\$ '000</b> |
|--|-------------------------|-------------------------|
| The following provisions, even though classified as current, are not expected to be settled in the next 12 months. |                         |                         |
| Provisions – employees benefits  | <b>379</b>              | 2,276                   |
|  | <b>379</b>              | <b>2,276</b>            |

**Material accounting policy information****Other long-term employee benefit obligations**

The liability for long-service leave and annual leave that is not expected to be wholly settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

### C3-5 Provisions

|  | 2024<br>Current<br>\$ '000 | 2024<br>Non-Current<br>\$ '000 | 2023<br>Current<br>\$ '000 | 2023<br>Non-Current<br>\$ '000 |
|--|----------------------------|--------------------------------|----------------------------|--------------------------------|
| <b>Other provisions</b>                          |                            |                                |                            |                                |
| Legal Provisions                                 | 1,000                      | –                              | 1,000                      | –                              |
| <b>Sub-total – other provisions</b>              | <b>1,000</b>               | <b>–</b>                       | <b>1,000</b>               | <b>–</b>                       |
| <b>Asset remediation/restoration:</b>            |                            |                                |                            |                                |
| Asset remediation/restoration (future works)     | –                          | 10,290                         | –                          | 9,770                          |
| <b>Sub-total – asset remediation/restoration</b> | <b>–</b>                   | <b>10,290</b>                  | <b>–</b>                   | <b>9,770</b>                   |
| <b>Total provisions</b>                          | <b>1,000</b>               | <b>10,290</b>                  | <b>1,000</b>               | <b>9,770</b>                   |

### Description of and movements in provisions

|  | Other provisions                |                  |                  |
|--|---------------------------------|------------------|------------------|
|  | Asset<br>remediation<br>\$ '000 | Legal<br>\$ '000 | Total<br>\$ '000 |
| <b>2024</b>                                  |                                 |                  |                  |
| At beginning of year                         | 9,770                           | 1,000            | 10,770           |
| Unwinding of discount for remediation        | 520                             | –                | 520              |
| <b>Total other provisions at end of year</b> | <b>10,290</b>                   | <b>1,000</b>     | <b>11,290</b>    |
| <b>2023</b>                                  |                                 |                  |                  |
| At beginning of year                         | 9,360                           | 1,000            | 10,360           |
| Unwinding of discount for remediation        | 410                             | –                | 410              |
| <b>Total other provisions at end of year</b> | <b>9,770</b>                    | <b>1,000</b>     | <b>10,770</b>    |

### Nature and purpose of provisions

#### Asset remediation

Council has a legal/public obligation to make, restore, rehabilitate and reinstate the council tip and quarry.

#### Material accounting policy information

Provisions are recognised when Council has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as a borrowing cost.

#### Asset remediation – tips and quarries

Close-down and restoration costs include the dismantling and demolition of infrastructure, and the removal of residual materials and remediation of disturbed areas. Estimated close-down and restoration costs are provided for in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the development or during the operation phase, based on the net present value of estimated future costs. Provisions for close-down and restoration costs do not include any additional obligations which are expected to arise from future disturbance. The cost estimates are calculated annually during the life of the operation to reflect known developments, e.g. updated cost estimates and revisions to the estimated lives of operations, and are subject to formal review at regular intervals.

The ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors, including changes to the relevant legal requirements, the emergence of new restoration techniques, or experience at other locations. The expected timing of expenditure can also change, for example in response to changes in quarry reserves or production rates. As a result, there could be significant adjustments to the provision for close down and restoration and environmental clean-up, which would affect future financial results.

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## C3-5 Provisions (continued)

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Other movements in the provisions for close-down and restoration costs, including those resulting from new disturbance, updated cost estimates, changes to the estimated lives of operations, and revisions to discount rates, are capitalised within infrastructure, property, plant and equipment. These costs are then depreciated over the lives of the assets to which they relate.

### **Legal**

Legal provisions represent an estimate of potential expenses related to previous litigation.

## C4 Reserves

### C4-1 Nature and purpose of reserves

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#### **IPPE Revaluation reserve**

The infrastructure, property, plant and equipment (IPPE) revaluation reserve is used to record increments and decrements in the revaluation of infrastructure, property, plant and equipment.



## D Council structure

### D1 Results by fund

General fund refers to all Council activities other than water and sewer. All amounts disclosed in this note are gross i.e. inclusive of internal charges and recoveries made between the funds. Assets and liabilities shown in the water and sewer columns are restricted for use for these activities.

#### D1-1 Income Statement by fund

|  | <b>General<br/>2024<br/>\$ '000</b> | <b>Water<br/>2024<br/>\$ '000</b> | <b>Sewer<br/>2024<br/>\$ '000</b> |
|--|-------------------------------------|-----------------------------------|-----------------------------------|
| <b>Income from continuing operations</b>   |                                     |                                   |                                   |
| Rates and annual charges   | 24,866                              | 2,193                             | 5,924                             |
| User charges and fees  | 10,681                              | 5,746                             | 1,366                             |
| Interest and investment revenue  | 3,357                               | 773                               | 394                               |
| Other revenues   | 1,561                               | —                                 | —                                 |
| Grants and contributions provided for operating purposes   | 11,614                              | —                                 | 2                                 |
| Grants and contributions provided for capital purposes   | 19,191                              | 1,900                             | 2,404                             |
| Net gains from disposal of assets  | 106                                 | 9                                 | —                                 |
| Other income   | 9,007                               | —                                 | —                                 |
| <b>Total income from continuing operations</b>   | <b>80,383</b>                       | <b>10,621</b>                     | <b>10,090</b>                     |
| <b>Expenses from continuing operations</b>   |                                     |                                   |                                   |
| Employee benefits and on-costs   | 17,395                              | 993                               | 876                               |
| Materials and services   | 14,560                              | 3,167                             | 2,233                             |
| Borrowing costs  | 1,899                               | 14                                | 636                               |
| Depreciation, amortisation and impairment of non-financial assets                                      | 11,120                              | 2,100                             | 2,285                             |
| Other expenses   | 1,340                               | 387                               | 695                               |
| <b>Total expenses from continuing operations</b>   | <b>46,314</b>                       | <b>6,661</b>                      | <b>6,725</b>                      |
| <b>Operating result from continuing operations</b>   | <b>34,069</b>                       | <b>3,960</b>                      | <b>3,365</b>                      |
| <b>Net operating result for the year</b>   | <b>34,069</b>                       | <b>3,960</b>                      | <b>3,365</b>                      |
| <b>Net operating result attributable to each council fund</b>  | <b>34,069</b>                       | <b>3,960</b>                      | <b>3,365</b>                      |
| <b>Net operating result for the year before grants and contributions provided for capital purposes</b> | <b>14,878</b>                       | <b>2,060</b>                      | <b>961</b>                        |

**D1-2 Statement of Financial Position by fund**

|  | <b>General<br/>2024<br/>\$ '000</b> | <b>Water<br/>2024<br/>\$ '000</b> | <b>Sewer<br/>2024<br/>\$ '000</b> |
|--|-------------------------------------|-----------------------------------|-----------------------------------|
| <b>ASSETS</b>                                  |                                     |                                   |                                   |
| <b>Current assets</b>                          |                                     |                                   |                                   |
| Cash and cash equivalents                      | 10,871                              | —                                 | —                                 |
| Investments                                    | 19,297                              | 7,054                             | 3,649                             |
| Receivables                                    | 5,449                               | 2,080                             | 849                               |
| Inventories                                    | 202                                 | 135                               | —                                 |
| Other  | 250                                 | —                                 | —                                 |
| Non-current assets classified as held for sale | 1,114                               | —                                 | —                                 |
| <b>Total current assets</b>                    | <b>37,183</b>                       | <b>9,269</b>                      | <b>4,498</b>                      |
| <b>Non-current assets</b>                      |                                     |                                   |                                   |
| Investments                                    | 38,883                              | 9,092                             | 4,702                             |
| Receivables                                    | —                                   | 848                               | —                                 |
| Infrastructure, property, plant and equipment  | 764,300                             | 70,327                            | 111,536                           |
| Investment property                            | 69,650                              | —                                 | —                                 |
| <b>Total non-current assets</b>                | <b>872,833</b>                      | <b>80,267</b>                     | <b>116,238</b>                    |
| <b>Total assets</b>                            | <b>910,016</b>                      | <b>89,536</b>                     | <b>120,736</b>                    |
| <b>LIABILITIES</b>                             |                                     |                                   |                                   |
| <b>Current liabilities</b>                     |                                     |                                   |                                   |
| Payables                                       | 9,127                               | 177                               | —                                 |
| Contract liabilities                           | 12,214                              | —                                 | —                                 |
| Borrowings                                     | 3,828                               | —                                 | 817                               |
| Employee benefit provision                     | 3,790                               | 105                               | 1                                 |
| Provisions                                     | 1,000                               | —                                 | —                                 |
| <b>Total current liabilities</b>               | <b>29,959</b>                       | <b>282</b>                        | <b>818</b>                        |
| <b>Non-current liabilities</b>                 |                                     |                                   |                                   |
| Borrowings                                     | 36,131                              | —                                 | 12,569                            |
| Employee benefit provision                     | 363                                 | 8                                 | —                                 |
| Provisions                                     | 10,290                              | —                                 | —                                 |
| <b>Total non-current liabilities</b>           | <b>46,784</b>                       | <b>8</b>                          | <b>12,569</b>                     |
| <b>Total liabilities</b>                       | <b>76,743</b>                       | <b>290</b>                        | <b>13,387</b>                     |
| <b>Net assets</b>                              | <b>833,273</b>                      | <b>89,246</b>                     | <b>107,349</b>                    |
| <b>EQUITY</b>                                  |                                     |                                   |                                   |
| Accumulated surplus                            | 378,289                             | 44,695                            | 59,429                            |
| Revaluation reserves                           | 454,984                             | 44,551                            | 47,920                            |
| <b>Council equity interest</b>                 | <b>833,273</b>                      | <b>89,246</b>                     | <b>107,349</b>                    |
| <b>Total equity</b>                            | <b>833,273</b>                      | <b>89,246</b>                     | <b>107,349</b>                    |

### D1-3 Details of internal loans

(in accordance with s410(3) of the *Local Government Act 1993*)

| Details of individual internal loans | Council ID / Ref |
|--------------------------------------|------------------|
| Borrower (by purpose)                | General Fund     |
| Lender (by purpose)                  | Water Fund       |
| Date of Minister's approval          | 09/08/2010       |
| Date raised                          | 30/06/2010       |
| Term years                           | 25 Years         |
| Dates of maturity                    | 30/06/2035       |
| Rate of interest (%)                 | 6%               |
| Amount originally raised (\$'000)    | 1,750            |

## D2 Interests in other entities

### D2-1 Interests in joint arrangements

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#### **Summarised financial information for joint ventures**

##### **Summarised financial information for individually immaterial joint ventures**

Council is a member of the Upper Hunter Weeds Authority Council, a body corporate established under the Local Government Act 1993 (NSW) to the control of Noxious Weeds. Council is one of three constituent members and does not control the County Council. Accordingly, the County Council has not been consolidated in the financial statements.

Council is of the opinion that it does not control the above county council/s and accordingly these entities have not been consolidated or otherwise included within these financial statements.

## E Risks and accounting uncertainties

### E1-1 Risks relating to financial instruments held

Council's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Council.

Council's objective is to maximise its return on cash and investments whilst maintaining an adequate level of liquidity and preserving capital. The finance team manages the cash and Investments portfolio with the assistance of independent advisors. Council has an investment policy which complies with the s 625 of the Act and the Ministerial Investment Order. The policy is regularly reviewed by Council and a monthly investment report is provided to Council setting out the make-up performance of the portfolio as required by local government regulations.

Council does not engage in transactions expressed in foreign currencies and is therefore not subject to foreign currency risk.

Financial risk management is carried out by the finance team under policies approved by the Councillors.

|                                     | Carrying value<br>2024<br>\$ '000 | Carrying value<br>2023<br>\$ '000 | Fair value<br>2024<br>\$ '000 | Fair value<br>2023<br>\$ '000 |
|-------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|-------------------------------|
| <b>Financial assets</b>             |                                   |                                   |                               |                               |
| <b>Measured at amortised cost</b>   |                                   |                                   |                               |                               |
| Cash and cash equivalents           | 10,871                            | 7,856                             | 10,871                        | 7,856                         |
| Receivables                         | 8,378                             | 6,578                             | 8,378                         | 6,675                         |
| Investments                         |                                   |                                   |                               |                               |
| – Debt securities at amortised cost | 82,677                            | 66,272                            | 82,677                        | 66,817                        |
| <b>Total financial assets</b>       | <b>101,926</b>                    | <b>80,706</b>                     | <b>101,926</b>                | <b>81,348</b>                 |
| <b>Financial liabilities</b>        |                                   |                                   |                               |                               |
| Payables                            | 9,304                             | 8,013                             | 9,304                         | 7,987                         |
| Loans/advances                      | 52,497                            | 57,308                            | 52,497                        | 57,308                        |
| <b>Total financial liabilities</b>  | <b>61,801</b>                     | <b>65,321</b>                     | <b>61,801</b>                 | <b>65,295</b>                 |

Fair value is determined as follows:

- **Cash and cash equivalents, receivables, payables** – are estimated to be the carrying value that approximates market value.
- **Borrowings and held-to-maturity investments** – are based upon estimated future cash flows discounted by the current mkt interest rates applicable to assets and liabilities with similar risk profiles, unless quoted market prices are available.
- Financial assets classified (i) 'at fair value through profit and loss' or (ii) 'available-for-sale' – are based upon quoted market prices (in active markets for identical investments) at the reporting date or independent valuation.

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

Council's finance area manages the cash and Investments portfolio with the assistance of independent advisors.

Council has an investment policy which complies with the Local Government Act 1993 and Minister's investment order 625. This policy is regularly reviewed by Council and it's staff and an investment report is tabled before Council on a monthly basis setting out the portfolio breakup and its performance as required by Local Government regulations.

The risks associated with the instruments held are:

- **Price risk** – the risk that the capital value of Investments may fluctuate due to changes in market prices, whether there changes are caused by factors specific to individual financial instruments or their issuers or are caused by factors affecting similar instruments traded in a market.
- **Interest rate risk** – the risk that movements in interest rates could affect returns and income.
- **Liquidity risk** – the risk that Council will not be able to pay its debts as and when they fall due.

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## E1-1 Risks relating to financial instruments held (continued)

- **Credit risk** – the risk that the investment counterparty will not complete their obligations particular to a financial instrument, resulting in a financial loss to Council – be it of a capital or income nature.

Council manages these risks (amongst other measures) by diversifying its portfolio and only purchasing investments with high credit ratings or capital guarantees.

Council also seeks advice from independent advisers before placing any funds in cash equivalents and investments.

### (a) Market risk – interest rate and price risk

|  | 2024<br>\$ '000 | 2023<br>\$ '000 |
|--|-----------------|-----------------|
| The impact on result for the year and equity of a reasonably possible movement in the price of investments held and interest rates is shown below. The reasonably possible movements were determined based on historical movements and economic conditions in place at the reporting date. |                 |                 |
| Impact of a 1% movement in interest rates  |                 |                 |
| – Equity / Income Statement  | 935             | 741             |
| Impact of a 10% movement in price of investments   |                 |                 |
| – Equity / Income Statement  | 9,355           | 7,413           |

### (b) Credit risk

#### Credit risk profile

#### Receivables – rates and annual charges

Council's major receivables comprise (i) rates and annual charges and (ii) user charges and fees.

The major risk associated with these receivables is credit risk - the risk that debts due and payable to Council may not be repaid in full.

Council manages this risk by monitoring outstanding debt and employing stringent debt recovery procedures. It also encourages ratepayers to pay their rates by the due date through incentives.

Credit risk on rates and annual charges is minimised by the ability of Council to secure a charge over the land relating to the debts – that is, the land can be sold to recover the debt. Council is also able to charge interest on overdue rates and annual charges at higher than market rates which further encourages the payment of debt.

|                       | Not yet<br>overdue<br>\$ '000 | overdue rates and annual charges<br>< 5 years<br>\$ '000 | ≥ 5 years<br>\$ '000 | Total<br>\$ '000 |
|-----------------------|-------------------------------|--|----------------------|------------------|
| <b>2024</b>           |                               |  |                      |                  |
| Gross carrying amount | –                             | 2,133  | 264                  | 2,397            |
| <b>2023</b>           |                               |  |                      |                  |
| Gross carrying amount | –                             | 2,058  | 223                  | 2,281            |

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## E1-1 Risks relating to financial instruments held (continued)

### Receivables - non-rates and annual charges and contract assets

Council applies the simplified approach for non-rates and annual charges debtors and contract assets to provide for expected credit losses, which permits the use of the lifetime expected loss provision at inception. To measure the expected credit losses, non-rates and annual charges debtors and contract assets have been grouped based on shared credit risk characteristics and the days past due.

The loss allowance provision is determined as follows. The expected credit losses incorporate forward-looking information.

|                        | Not yet<br>overdue<br>\$ '000 | 0 - 30 days<br>\$ '000 | Overdue debts           |                         |                      | Total<br>\$ '000 |
|------------------------|-------------------------------|------------------------|-------------------------|-------------------------|----------------------|------------------|
|                        |                               |                        | 31 - 60 days<br>\$ '000 | 61 - 90 days<br>\$ '000 | > 91 days<br>\$ '000 |                  |
| <b>2024</b>            |                               |                        |                         |                         |                      |                  |
| Gross carrying amount  | 4,855                         | 582                    | 86                      | 154                     | 627                  | 6,304            |
| ECL provision          | —                             | —                      | 2                       | 10                      | 311                  | 323              |
| Expected loss rate (%) | 0.00%                         | 0.00%                  | 1.80%                   | 6.30%                   | 49.60%               | 5.11%            |
| <b>2023</b>            |                               |                        |                         |                         |                      |                  |
| Gross carrying amount  | 2,952                         | 497                    | 92                      | 290                     | 1,299                | 5,130            |
| ECL provision          | —                             | —                      | 1                       | 17                      | 640                  | 658              |
| Expected loss rate (%) | 0.00%                         | 0.00%                  | 1.30%                   | 5.80%                   | 49.30%               | 12.83%           |

### (c) Liquidity risk

Payables and borrowings are both subject to liquidity risk – the risk that insufficient funds may be on hand to meet payment obligations as and when they fall due.

Council manages this risk by monitoring its cash flow requirements and liquidity levels and maintaining an adequate cash buffer.

Payment terms can (in extenuating circumstances) also be extended and overdraft facilities utilised as required.

Borrowings are also subject to interest rate risk – the risk that movements in interest rates could adversely affect funding costs and debt servicing requirements. Council manages this risk through diversification of borrowing types, maturities and interest rate structures. The finance team regularly reviews interest rate movements to determine if it would be advantageous to refinance or renegotiate part or all of the loan portfolio.

The timing of cash flows presented in the table below to settle financial liabilities reflects the earliest contractual settlement dates. The timing of expected outflows is not expected to be materially different from contracted cashflows.

The amounts disclosed in the table are the undiscounted contracted cash flows and therefore the balances in the table may not equal the balances in the statement of financial position due to the effect of discounting.

|                                    | Weighted<br>average<br>interest<br>rate<br>% | Subject<br>to no<br>maturity<br>\$ '000 | ≤ 1 Year<br>\$ '000 | payable in:               |                      | Total cash<br>outflows<br>\$ '000 | Actual<br>carrying<br>values<br>\$ '000 |
|------------------------------------|--|---|---------------------|---------------------------|----------------------|-----------------------------------|---|
|                                    |  |   |                     | 1 - 5<br>Years<br>\$ '000 | > 5 Years<br>\$ '000 |                                   |   |
| <b>2024</b>                        |  |   |                     |                           |                      |                                   |   |
| Payables                           | 0.00%  | 5,215                                   | 4,089               | —                         | —                    | 9,304                             | 9,304                                   |
| Loans and advances – fixed         | 3.91%  | —                                       | 4,645               | 22,299                    | 25,553               | 52,497                            | 52,497                                  |
| <b>Total financial liabilities</b> |  | <b>5,215</b>                            | <b>8,734</b>        | <b>22,299</b>             | <b>25,553</b>        | <b>61,801</b>                     | <b>61,801</b>                           |
| <b>2023</b>                        |  |   |                     |                           |                      |                                   |   |
| Payables                           | 0.00%  | 5,468                                   | —                   | —                         | —                    | 5,468                             | 8,869                                   |
| Loans and advances – fixed         | 3.08%  | —                                       | 4,797               | 19,175                    | 33,336               | 57,308                            | 57,308                                  |
| <b>Total financial liabilities</b> |  | <b>5,468</b>                            | <b>4,797</b>        | <b>19,175</b>             | <b>33,336</b>        | <b>62,776</b>                     | <b>66,177</b>                           |

## E2-1 Fair value measurement

The Council measures the following asset and liability classes at fair value on a recurring basis:

- Infrastructure, Property, Plant and Equipment
- Investment Property

The fair value of assets and liabilities must be estimated in accordance with various accounting standards for either recognition and measurement requirements or for disclosure purposes.

AASB 13 Fair value measurement requires all assets and liabilities measured at fair value to be assigned to a 'level' in the fair value hierarchy as follows;

**Level 1:** Unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.

**Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

**Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

| Fair value measurement hierarchy                           |       |  |               |  |                |                |                |
|--|-------|--|---------------|--|----------------|----------------|----------------|
| \$ '000  | Notes | Level 2 Significant<br>observable inputs |               | Level 3 Significant<br>unobservable inputs |                | Total          |                |
|  |       | 2024                                     | 2023          | 2024                                       | 2023           | 2024           | 2023           |
| <b>Investment property</b>                                 | C1-8  |  |               |  |                |                |                |
| Investment Properties                                      |       | 69,650                                   | 66,807        | —  | —              | 69,650         | 66,807         |
| <b>Total investment property</b>                           |       | <b>69,650</b>                            | <b>66,807</b> | <b>—</b>                                   | <b>—</b>       | <b>69,650</b>  | <b>66,807</b>  |
| <b>Infrastructure, property, plant and equipment</b>       | C1-7  |  |               |  |                |                |                |
| Operational Land   |       | 14,909                                   | 14,909        | —  | —              | 14,909         | 14,909         |
| Community Land   |       | —  | —             | 16,240                                     | 16,161         | 16,240         | 16,161         |
| Depreciable Land Improvements                              |       | —  | —             | 10,042                                     | 8,866          | 10,042         | 8,866          |
| Buildings – Non-Specialised                                |       | —  | —             | —  | 97             | —              | 97             |
| Buildings – Specialised                                    |       | —  | —             | 93,389                                     | 79,358         | 93,389         | 79,358         |
| Other Structures   |       | —  | —             | 17,791                                     | 17,386         | 17,791         | 17,386         |
| Roads  |       | —  | —             | 423,981                                    | 386,434        | 423,981        | 386,434        |
| Bridges  |       | —  | —             | 75,776                                     | 69,868         | 75,776         | 69,868         |
| Footpaths  |       | —  | —             | 18,768                                     | 17,458         | 18,768         | 17,458         |
| Stormwater Drainage  |       | —  | —             | 73,996                                     | 68,971         | 73,996         | 68,971         |
| Water Supply Network                                       |       | —  | —             | 67,548                                     | 61,744         | 67,548         | 61,744         |
| Sewerage Network   |       | —  | —             | 108,587                                    | 101,026        | 108,587        | 101,026        |
| Heritage Collections                                       |       | —  | —             | 5,600                                      | 5,529          | 5,600          | 5,529          |
| Other  |       | —  | —             | 151  | 118            | 151            | 118            |
| Tip Asset  |       | —  | —             | 4,681                                      | 9,914          | 4,681          | 9,914          |
| <b>Total infrastructure, property, plant and equipment</b> |       | <b>14,909</b>                            | <b>14,909</b> | <b>916,550</b>                             | <b>850,679</b> | <b>931,459</b> | <b>865,588</b> |

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## E2-1 Fair value measurement (continued)

### Valuation techniques

Where Council is unable to derive fair valuations using quoted market prices of identical assets (ie. level 1 inputs) Council instead utilises a spread of both observable inputs (level 2 inputs) and unobservable inputs (level 3 inputs).

The fair valuation techniques Council has employed while utilising level 2 and level 3 inputs are as follows:

#### Investment property

The key unobservable input is the estimated lease returns in which the valuations are based.

The fair value is determined by an independent local real estate agent with the appropriate level of experience and a solid understanding of the market for local properties of this type. There has been no change to the valuation process during the reporting period.

### Infrastructure, property, plant and equipment (IPPE)

#### Plant and Equipment, Office Equipment and Furniture and Fittings.

Plant and Equipment, Office Equipment and Furniture and Fittings are valued at cost and this is disclosed as the fair value in the Notes. The carrying amount of these assets is assumed to approximate fair value due to the nature of the items.

The key unobservable inputs into the valuation are the remaining useful life and any residual value. Council reviews the value of these assets by taking into account the pattern of consumption, estimated remaining useful life and any residual value. There has been no change to the valuation process during the reporting period.

#### Operational Land

This asset class comprises all of Council's land classified as Operational Land under the NSW Local Government Act 1993. The key unobservable input to the valuation is the price per square metre. The last valuation was undertaken at 30 June 2023 and was performed by Asset Val.

Generally, fair value is the most advantageous price reasonably obtainable by the seller and the most advantageous price reasonably obtained by the buyer. This is not necessarily the market selling price of the asset, rather, it is regarded as the maximum value that Council would rationally pay to acquire the asset if it did not hold it, taking into account quoted market price in an active and liquid market, the current market price of the same or similar asset, the cost of replacing the asset, if management intend to replace the asset, the remaining useful life and condition of the asset; and cash flows from the future use and disposal. There has been no change to the valuation process during the reporting period.

#### Community Land

Valuations of all Council's Community Land and Council managed land were based on the Unimproved Capital Value as provided by the Valuer-General. As these rates were not considered to be observable market evidence they have been classified as Level 3. There has been no change to the valuation process during the reporting period.

#### Depreciable Land Improvements.

This asset class comprises land improvements such as spectator mounds, swales, berms, gardens, mulched areas, streetscaping and landscaping. These assets may be located on parks, reserves and also within road reserves. 'Land Improvements' were valued in-house using the current replacement cost approach by experienced Council Engineers and Asset Management Staff.

The cost approach has been utilised whereby the replacement cost was estimated for each asset by taking into account a range of factors. Inputs such as estimates of pattern of consumption, residual value, asset condition and useful life required extensive professional judgement and impacted significantly on the final determination of fair value. As such, these assets were all classified as having been valued using Level 3 valuation inputs. There has been no change to the valuation process during the reporting period.

#### Buildings - Non specialised and Specialised.

Buildings were valued by Asset Val in June 2023 using the cost approach. The approach estimated the replacement cost for each building by componentising the buildings into significant parts with different useful lives and taking into account a range of factors. While all buildings were physically inspected, inputs such as estimates of residual value and pattern of consumption required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using Level 3 valuation inputs.

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## E2-1 Fair value measurement (continued)

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There has been no change to the valuation process during the reporting period.

### Other Structures.

This asset class comprises infrastructure such as dog leash free areas, ancillary waste facilities, fences, carparks and skateparks.

The cost approach has been utilised whereby the replacement cost was estimated for each asset by taking into account a range of factors. Inputs such as estimates of pattern of consumption, residual value, asset condition and useful life required extensive professional judgement and impacted significantly on the final determination of fair value. As such, these assets were all classified as having been valued using Level 3 valuation inputs. There has been no change to the valuation process during the reporting period.

### Roads, Bridges and Footpaths

This asset class comprises infrastructure including the Road Carriageway, Footpaths, Guardrails, Kerb and Gutter, Retaining walls, Bridges and Traffic facilities. The road carriageway is defined as the trafficable portion of a road, between but not including the kerb and gutter. The 'Cost Approach' using Level 3 inputs was used to value the road carriageway and other infrastructure within this class. APV performed the valuation as at 30 June 2020.

### Drainage Infrastructure

Assets within this class comprise pits, pipes, open channels, headwalls and various types of water quality devices. The 'Cost Approach' estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. The Level of componentisation adopted by Council is in accordance with Office of Local Government Circular 09-09 and the Institute of Public Works Engineers Australia's International Infrastructure Management Manual (IIMM). Inputs such as estimates of the pattern of consumption, residual value, asset condition and useful life required extensive professional judgement and impact significantly on the final determination of fair value.

APV performed the valuation as at 30 June 2020.

### Water Supply and Sewerage Network

Assets within these classes include the mains, pump stations, access pits, reservoirs and treatment plants which enable the treatment and reticulation of potable water and the collection and treatment of waste water. Mains are valued in accordance with the NSW Reference Rates Manual issued by the NSW Office of Water, which is based on extensive data collected in relation to expected replacement cost of water and sewer mains. All other items are valued in accordance with their replacement cost. Valuations are undertaken externally. Inputs such as estimates of the pattern of consumption, residual value, asset condition and useful life required extensive professional judgement and impact significantly on the final determination of fair value.

### Heritage Assets

Assets within this class comprise of Council's Art Collection. The collection is independently valued with the most recent valuation being completed in 2022.



## E2-1 Fair value measurement (continued)

### Fair value measurements using significant unobservable inputs (level 3)

#### b. Significant unobservable valuation inputs used (for level 3 asset classes) and their relationship to fair value.

|  | Fair value<br>(30/6/24)<br>2024<br>\$ '000 | Valuation technique/s | Unobservable inputs   |
|--|--|-----------------------|---|
| <b>Infrastructure, property, plant and equipment</b> |  |                       |   |
| Community Land                                       | 16,240                                     | Market Approach       | Land Value, Land area.  |
| Depreciable land improvements                        | 10,042                                     | Cost Approach         | Current Replacement Cost.<br>Asset Condition.<br>Remaining Useful Life. |
| Buildings non-specialised                            | —  | Cost Approach         | Current Replacement Cost.<br>Remaining Useful Life.<br>Asset Condition. |
| Building specialised                                 | 93,389                                     | Cost Approach         | Current Replacement Cost.<br>Remaining Useful Life.<br>Asset Condition. |
| Other structures                                     | 17,791                                     | Cost Approach         | Current Replacement Cost.<br>Remaining Useful Life.<br>Asset Condition. |
| Roads  | 423,981                                    | Cost Approach         | Current Replacement Cost, Remaining Useful Life, Asset Condition.       |
| Bridges  | 75,776                                     | Cost Approach         | Current Replacement Cost, Remaining Useful Life, Asset Condition.       |
| Footpaths  | 18,768                                     | Cost Approach         | Current Replacement Cost, Remaining Useful Life, Asset Condition.       |
| Stormwater drainage                                  | 73,996                                     | Cost Approach         | Current Replacement Cost, Remaining Useful Life, Asset Condition.       |
| Water supply network                                 | 67,548                                     | Cost Approach         | Current Replacement Cost, Remaining Useful Life, Asset Condition.       |
| Sewerage network                                     | 108,587                                    | Cost Approach         | Current Replacement Cost, Remaining Useful Life, Asset Condition.       |
| Other minor classes                                  | 5,751                                      | Cost Approach         | Current Replacement Cost, Remaining Useful Life, Asset Condition.       |
| Tip Asset  | 4,681                                      | Cost Approach         | Current Replacement Cost, Remaining Useful Life, Asset Condition.       |

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## E2-1 Fair value measurement (continued)

A reconciliation of the movements in recurring fair value measurements allocated to Level 3 of the hierarchy is provided below:

|   | Operational Land |         | Community Land |         | Depreciable land improvements |         | Buildings non-specialised |         |
|---|------------------|---------|----------------|---------|-------------------------------|---------|---------------------------|---------|
|   | 2024             | 2023    | 2024           | 2023    | 2024                          | 2023    | 2024                      | 2023    |
|   | \$ '000          | \$ '000 | \$ '000        | \$ '000 | \$ '000                       | \$ '000 | \$ '000                   | \$ '000 |
| Opening balance                         | –                | –       | 16,161         | 13,541  | 8,866                         | 3,395   | 97                        | 97      |
| Total gains or losses for the period    |                  |         |                |         |                               |         |                           |         |
| Other movements                         |                  |         |                |         |                               |         |                           |         |
| Transfers from/(to) another asset class | –                | –       | 79             | (1,922) | (79)                          | 1,922   | (97)                      | –       |
| Purchases (GBV)                         | –                | –       | –              | 632     | 56                            | 3,326   | –                         | –       |
| Disposals (WDV)                         | –                | –       | –              | (450)   | –                             | –       | –                         | –       |
| Depreciation and impairment             | –                | –       | –              | –       | (287)                         | (97)    | –                         | –       |
| Revaluation Increments                  | –                | –       | –              | 4,360   | 383                           | 320     | –                         | –       |
| Work in progress transfers              | –                | –       | –              | –       | 1,108                         | –       | –                         | –       |
| Closing balance                         | –                | –       | 16,240         | 16,161  | 10,047                        | 8,866   | –                         | 97      |

|   | Building specialised |         | Other structures |         | Roads   |         | Bridges |         |
|---|----------------------|---------|------------------|---------|---------|---------|---------|---------|
|   | 2024                 | 2023    | 2024             | 2023    | 2024    | 2023    | 2024    | 2023    |
|   | \$ '000              | \$ '000 | \$ '000          | \$ '000 | \$ '000 | \$ '000 | \$ '000 | \$ '000 |
| Opening balance                         | 79,358               | 53,514  | 17,386           | 14,826  | 386,434 | 351,805 | 69,868  | 63,398  |
| Total gains or losses for the period    |                      |         |                  |         |         |         |         |         |
| Other movements                         |                      |         |                  |         |         |         |         |         |
| Transfers from/(to) another asset class | 97                   | 6,480   | –                | –       | –       | –       | –       | –       |
| Purchases (GBV)                         | 2,987                | 1,552   | 353              | 1,778   | 11,428  | 8,091   | 12      | 581     |
| Disposals (WDV)                         | –                    | –       | –                | –       | –       | (390)   | –       | (187)   |
| Depreciation and impairment             | (2,206)              | (1,884) | (618)            | (498)   | (4,581) | (4,625) | (428)   | (479)   |
| Revaluation Increments                  | 7,893                | 3,363   | 677              | 1,280   | 29,943  | 27,581  | 5,105   | 4,691   |
| Work in progress transfers              | 5,246                | 16,333  | –                | –       | 752     | 3,972   | 1,219   | 1,864   |
| Closing balance                         | 93,375               | 79,358  | 17,798           | 17,386  | 423,976 | 386,434 | 75,776  | 69,868  |

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## E2-1 Fair value measurement (continued)

|   | Footpaths     |         | Stormwater drainage |         | Water supply network |         | Sewerage network |         |
|---|---------------|---------|---------------------|---------|----------------------|---------|------------------|---------|
|   | 2024          | 2023    | 2024                | 2023    | 2024                 | 2023    | 2024             | 2023    |
|   | \$ '000       | \$ '000 | \$ '000             | \$ '000 | \$ '000              | \$ '000 | \$ '000          | \$ '000 |
| <b>Opening balance</b>                      | <b>17,458</b> | 14,977  | <b>68,971</b>       | 61,351  | <b>61,744</b>        | 54,019  | <b>101,026</b>   | 92,380  |
| <b>Total gains or losses for the period</b> |               |         |                     |         |                      |         |                  |         |
| <b>Other movements</b>                      |               |         |                     |         |                      |         |                  |         |
| Purchases (GBV)                             | 905           | 1,188   | 2,845               | 2,207   | 2,278                | 2,036   | 2,899            | 1,199   |
| Disposals (WDV)                             | —             | (54)    | —                   | (3)     | —                    | —       | —                | —       |
| Depreciation and impairment                 | (451)         | (423)   | (884)               | (850)   | (2,036)              | (1,985) | (2,227)          | (2,191) |
| Revaluation Increments                      | 855           | —       | 3,062               | 6,266   | 5,561                | 7,674   | 6,890            | 9,638   |
| Work in progress transfers                  | —             | 1,770   | —                   | —       | —                    | —       | —                | —       |
| <b>Closing balance</b>                      | <b>18,767</b> | 17,458  | <b>73,994</b>       | 68,971  | <b>67,547</b>        | 61,744  | <b>108,588</b>   | 101,026 |

|   | Other minor classes |         | Tip asset    |         | Total          |          |
|---|---------------------|---------|--------------|---------|----------------|----------|
|   | 2024                | 2023    | 2024         | 2023    | 2024           | 2023     |
|   | \$ '000             | \$ '000 | \$ '000      | \$ '000 | \$ '000        | \$ '000  |
| <b>Opening balance</b>                  | <b>5,647</b>        | 5,569   | <b>9,914</b> | 3,306   | <b>842,930</b> | 732,178  |
| Transfers from/(to) another asset class | —                   | —       | —            | —       | —              | 6,480    |
| Purchases (GBV)                         | 158                 | 139     | —            | —       | 23,921         | 22,729   |
| Disposals (WDV)                         | —                   | (1)     | —            | —       | —              | (1,085)  |
| Depreciation and impairment             | (54)                | (60)    | (195)        | (236)   | (13,967)       | (13,328) |
| Revaluation Increments                  | —                   | —       | (5,038)      | 6,844   | 55,331         | 72,017   |
| Work in progress transfers              | —                   | —       | —            | —       | 8,325          | 23,939   |
| <b>Closing balance</b>                  | <b>5,751</b>        | 5,647   | <b>4,681</b> | 9,914   | <b>916,540</b> | 842,930  |

## Highest and best use

All of Council's non-financial assets are considered as being utilised for their highest and best use.

## E3-1 Contingencies

The following assets and liabilities do not qualify for recognition in the Statement of Financial Position, but their knowledge and disclosure is considered relevant to the users of Council's financial report.

### LIABILITIES NOT RECOGNISED

#### 1. Guarantees

##### (i) Defined benefit superannuation contribution plans

Council is party to an Industry Defined Benefit Plan under the Local Government Superannuation Scheme, named The Local Government Superannuation Scheme – Pool B (the Scheme) which is a defined benefit plan that has been deemed to be a 'multi-employer fund' for purposes of AASB 119 *Employee Benefits* for the following reasons:

- Assets are not segregated within the sub-group according to the employees of each sponsoring employer.
- The contribution rates have been the same for all sponsoring employers. That is, contribution rates have not varied for each sponsoring employer according to the experience relating to the employees of that sponsoring employer.
- Benefits for employees of all sponsoring employers are determined according to the same formula and without regard to the sponsoring employer.
- The same actuarial assumptions are currently used in respect of the employees of each sponsoring employer.

Given the factors above, each sponsoring employer is exposed to the actuarial risks associated with current and former employees of other sponsoring employers, and hence shares in the associated gains and losses (to the extent that they are not borne by members).

##### *Description of the funding arrangements.*

Pooled Employers are required to pay future service employer contributions and past service employer contributions to the Fund.

The future service employer contributions were determined using the new entrant rate method under which a contribution rate sufficient to fund the total benefits over the working life-time of a typical new entrant is calculated. The current future service employer contribution rates are:

|            |   |
|------------|---|
| Division B | 1.9 times member contributions for non-180 Point Members;<br>Nil for 180 Point Members* |
| Division C | 2.5% salaries   |
| Division D | 1.64 times member contributions   |

\* For 180 Point Members, Employers are required to contribute 8.5% of salaries for the year ending 30 June 2024 (increasing to 9.0% in line with the increase in the Superannuation Guarantee) to these members' accumulation accounts, which are paid in addition to members' defined benefits.

The past service contribution for each Pooled Employer is a share of the total past service contributions of \$20.0 million per annum for 1 January 2022 to 31 December 2024, apportioned according to each employer's share of the accrued liabilities as at 30 June 2023. These past service contributions are used to maintain the adequacy of the funding position for the accrued liabilities.

The adequacy of contributions is assessed at each triennial actuarial investigation and monitored annually between triennials.

##### *Description of the extent to which Council can be liable to the plan for other Council's obligations under the terms and conditions of the multi-employer plan*

As stated above, each sponsoring employer (Council) is exposed to the actuarial risks associated with current and former employees of other sponsoring employers and hence shares in the associated gains and losses.

However, there is no relief under the Fund's trust deed for employers to walk away from their defined benefit obligations. Under limited circumstances, an employer may withdraw from the plan when there are no active members, on full payment of outstanding additional contributions. There is no provision for allocation of any surplus which may be present at the date of withdrawal of the Council.

There are no specific provisions under the Fund's trust deed dealing with deficits or surplus on wind-up.

There is no provision for allocation of any surplus which may be present at the date of withdrawal of an employer.

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### E3-1 Contingencies (continued)

The amount of Council employer contributions to the defined benefit section of the Local Government Superannuation Scheme and recognised as an expense for the year ending 30 June 2024 was \$87,575.29. The last valuation of the Scheme was performed by fund actuary, Richard Boyfield, FIAA as at 30 June 2024.

Council's expected contribution to the plan for the next annual reporting period is \$53,668.24.

The estimated employer reserves financial position for the Pooled Employers at 30 June 2024 is:

| Employer reserves only * | \$millions | Asset Coverage |
|--------------------------|------------|----------------|
| Assets                   | 2,237.5    |                |
| Past Service Liabilities | 2,141.9    | 104.5%         |
| Vested Benefits          | 2,159.8    | 103.6%         |

\* excluding member accounts and reserves in both assets and liabilities.

Council's share of that deficiency cannot be accurately calculated as the Scheme is a mutual arrangement where assets and liabilities are pooled together for all member councils. For this reason, no liability for the deficiency has been recognised in Council's accounts. Council has a possible obligation that may arise should the Scheme require immediate payment to correct the deficiency.

The key economic long term assumptions used to calculate the present value of accrued benefits are:

|                    |  |
|--------------------|--|
| Investment return  | 6.0% per annum                                 |
| Salary inflation * | 3.5% per annum                                 |
| Increase in CPI    | 3.5% for FY 23/24<br>2.5% per annum thereafter |

\* Plus promotional increases

The contribution requirements may vary from the current rates if the overall sub-group experience is not in line with the actuarial assumptions in determining the funding program; however, any adjustment to the funding program would be the same for all sponsoring employers in the Pooled Employers group.

Please note that the estimated employer reserves financial position above is a preliminary calculation, and once all the relevant information has been received by the Funds Actuary, the final end of year review, which will be a triennial actuarial investigation will be completed by December 2024.

#### (ii) Statewide Limited

Council is a member of Statewide Mutual, a mutual pool scheme providing liability insurance to local government.

Membership includes the potential to share in either the net assets or liabilities of the fund depending on its past performance. Council's share of the net assets or liabilities reflects Council's contributions to the pool and the result of insurance claims within each of the fund years.

The future realisation and finalisation of claims incurred but not reported to 30 June this year may result in future liabilities or benefits as a result of past events that Council will be required to fund or share in respectively.

*An indication of the level of participation of the entity in the plan compared with other participating entities.*

An employer's past service contribution per annum 0.23% as a percentage of the total past service contributions for all Pooled Employers (of \$40m for each year from 1 July 2019 to 31 December 2021 and \$20m for each year from 1 January 2022 to 31 December 2024) provides an indication of the level of participation of that employer compared with other employers in the Pooled Employer sub-group.

#### (iii) StateCover Limited

Council is a member of StateCover Mutual Limited and holds a partly paid share in the entity.

StateCover is a company providing workers compensation insurance cover to the NSW local government industry and specifically Council.

Council has a contingent liability to contribute further equity in the event of the erosion of the company's capital base as a result of the company's past performance and/or claims experience or as a result of any increased prudential requirements from APRA.

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## E3-1 Contingencies (continued)

These future equity contributions would be required to maintain the company's minimum level of net assets in accordance with its licence requirements.

### (iv) Other guarantees

Council has provided no other guarantees other than those listed above.

## 2. Other liabilities

### (i) Third party claims

The Council is involved from time to time in various claims incidental to the ordinary course of business including claims for damages relating to its services.

Council believes that it is appropriately covered for all claims through its insurance coverage and does not expect any material liabilities to eventuate.

### (ii) Potential land acquisitions due to planning restrictions imposed by Council

Council has classified a number of privately owned land parcels as local open space or bushland.

As a result, where notified in writing by the various owners, Council will be required to purchase these land parcels.

At reporting date, reliable estimates as to the value of any potential liability (and subsequent land asset) from such potential acquisitions has not been possible.

### (iii) Legal Contingencies

Council has no other legal contingencies other than those already provided for.

### (iv) Fines and Penalties

Council received a show cause letter by the NSW Environmental Protection Authority (EPA) in October 2024, in response to a self-reported ferric sulphate leak incident at the Muswellbrook Water Treatment plant in March 2024. Council is unclear whether the EPA will impose a penalty for this incident and what the possible financial liability maybe incurred. This investigation is still ongoing.

## ASSETS NOT RECOGNISED

### (i) Land under roads

As permitted under AASB 1051, Council has elected not to bring to account land under roads that it owned or controlled up to and including 30 June 2008.

### (ii) Infringement notices/fines

Fines and penalty income, the result of Council issuing infringement notices is followed up and collected by the Infringement Processing Bureau.

Council's revenue recognition policy for such income is to account for it as revenue on receipt.

Accordingly, at year end, there is a potential asset due to Council representing issued but unpaid infringement notices.

Due to the limited information available on the status, value and duration of outstanding notices, Council is unable to determine the value of outstanding income.

## Related Assets and Liabilities Not Recognised

Council has obligations to undertake road work on Thomas Mitchell Drive through the Thomas Mitchell Drive Contribution Study Update 2021 developed in-line with the planning and approval conditions related to five (5) mines associated with the direct use of the road;

- Mount Arthur Coal (BHP) (MP09-0062)
- Bengalla (New Hope) (SSD 5170)
- Mangoola (Glencore) (MP06 – 0014)
- Mount Pleasant (MACH Energy) (DA 92-97)
- Maxwell Underground (Malabar Coal) (SSD 95260)

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### E3-1 Contingencies (continued)

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The road works refer to periodic capital works required to achieve the nominated design life. It does not include routine maintenance such as cleaning or vegetation management. Typical roadwork activities include the following regime:

- Pavement resealed every eight years or so.

- Possible pavement rehabilitation between 20 to 25 years. Rehabilitation would include pavement work to achieve the required design life and possible improvement to safety barriers, pavement drainage or other road infrastructure necessary to satisfy standards or safety requirements of the time. Council will be undertaking the remaining works to be upgraded.

Therefore, two reseals to be planned for the years (or nearest to) 2023 and 2031) then one rehabilitation. Following this, the pavement would either be reconstructed, or maintenance continued beyond the 30-year design life. The design life is consistent with the current planned horizon of mining operations and work beyond 30 years is therefore not considered as part of this study.

The contributions plan proposes, each mine fund the road works as they arise. This ensures:

- Funding is used for the maintenance of the road
- Work is correctly funded, rather than attempting to estimate future works in 2021 dollars
- New developments or expanded operations can be included in the contributions model
- Ceased operations would not be required to fund activity and obligations redistribution between remaining mines

The costs of these works was estimated at \$11.7M in 2021 dollars, however the contribution plan requires that once the works are undertaken, the mines deemed to be the contributors to the need for the works are required to make monetary contribution toward the works. In total, these mines are required to pay 40.6% for the actual road maintenance costs. This total percentage is broken down to individual mine contributions based on Equivalent Standard Axels /km. In summary as the works are completed the effected coal mines will be invoiced for their contributions as determined by the Thomas Mitchell Drive Contribution Plan based upon the costs of the work.

F People and relationships

F1 Related party disclosures

F1-1 Key management personnel (KMP)

Key management personnel (KMP) of the council are those persons having the authority and responsibility for planning, directing and controlling the activities of the council, directly or indirectly.

The aggregate amount of KMP compensation included in the Income Statement is:

|                          | 2024<br>\$ '000 | 2023<br>\$ '000 |
|--------------------------|-----------------|-----------------|
| <b>Compensation:</b>     |                 |                 |
| Short-term benefits      | 1,236           | 1,206           |
| Post-employment benefits | 170             | 161             |
| Other long-term benefits | 32              | 264             |
| <b>Total</b>             | <b>1,438</b>    | <b>1,631</b>    |

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## F1-1 Key management personnel (KMP) (continued)

### Other transactions with KMP and their related parties

Council has determined that transactions at arm's length between KMP and Council as part of KMP using Council services (e.g. access to library or Council swimming pool) will not be disclosed.

| Nature of the transaction  | Transactions<br>during the year<br>\$ '000 | Outstanding<br>balances<br>including<br>commitments<br>\$ '000 | Terms and conditions | Impairment<br>provision on<br>outstanding<br>balances<br>\$ '000 | Impairment<br>expense<br>\$ '000 |
|--|--|--|----------------------|--|----------------------------------|
| <b>2024</b>  |  |  |                      |  |                                  |
| Upper Hunter Weeds Authority – Contribution <sup>1</sup>             | 108  | –  | Annually             | –  | –                                |
| Contribution from Upper Hunter Weeds Authority                       | 16   | –  | Annually             | –  | –                                |
| Local Government Training Institute – Training Services <sup>2</sup> | –  | –  | 7 days               | –  | –                                |
| FYFE Survey <sup>3</sup>   | 148  | –  | 30 days              | –  | –                                |
| <b>2023</b>  |  |  |                      |  |                                  |
| Upper Hunter Weeds Authority – Contribution <sup>1</sup>             | 103  | –  | Annually             | –  | –                                |
| Contribution from Upper Hunter Weeds Authority                       | 16   | 5  | Annually             | –  | –                                |
| Local Government Training Institute – Training Services <sup>2</sup> | 19   | –  | 7 days               | –  | –                                |
| FYFE Survey <sup>3</sup>   | 38   | 4  | 30 days              | –  | –                                |

(1) Council is a member. The activities are not controlled by any one council.

(2) Entity of Arrow Collaborative Services. The activities are not controlled by any one council.

(3) Council uses these surveying services.

**F1-2 Councillor and Mayoral fees and associated expenses**

|  | <b>2024</b>    | 2023    |
|--|----------------|---------|
|  | <b>\$ '000</b> | \$ '000 |

The aggregate amount of Councillor and Mayoral fees and associated expenses included in materials and services expenses in the Income Statement are:

|   |            |     |
|---|------------|-----|
| Mayoral fee                                   | <b>38</b>  | 28  |
| Councillors' fees                             | <b>212</b> | 152 |
| Other Councillors' expenses (including Mayor) | <b>18</b>  | 26  |
| <b>Total</b>                                  | <b>268</b> | 206 |



## F2 Other relationships

### F2-1 Audit fees

|  | 2024<br>\$ '000 | 2023<br>\$ '000 |
|--|-----------------|-----------------|
|--|-----------------|-----------------|

During the year, the following fees were incurred for services provided by the auditor of Council, related practices and non-related audit firms

#### Auditors of the Council - NSW Auditor-General:

##### (i) Audit and other assurance services

Audit and review of financial statements

|  |     |     |
|--|-----|-----|
|  | 230 | 181 |
|--|-----|-----|

#### Remuneration for audit and other assurance services

|  |     |     |
|--|-----|-----|
|  | 230 | 181 |
|--|-----|-----|

#### Total Auditor-General remuneration

#### Non NSW Auditor-General audit firms

##### (i) Audit and other assurance services

– Other audit and assurance services: Internal Auditor

|  |   |    |
|--|---|----|
|  | 8 | 12 |
|--|---|----|

#### Remuneration for audit and other assurance services

|  |   |    |
|--|---|----|
|  | 8 | 12 |
|--|---|----|

#### Total remuneration of non NSW Auditor-General audit firms

|  |     |     |
|--|-----|-----|
|  | 238 | 193 |
|--|-----|-----|

#### Total audit fees

## G Other matters

### G1-1 Statement of Cash Flows information

#### (a) Reconciliation of Operating Result

|  | 2024<br>\$ '000 | 2023<br>\$ '000 |
|--|-----------------|-----------------|
| <b>Net operating result from Income Statement</b>  | <b>41,394</b>   | 25,290          |
| <b>Add / (less) non-cash items:</b>  |                 |                 |
| Depreciation and amortisation  | 15,505          | 14,951          |
| (Gain) / loss on disposal of assets  | (115)           | 101             |
| Non-cash capital grants and contributions  | (10,996)        | (3,404)         |
| Reversal of prior year IPP&E revaluation decrements / impairment previously costed direct to the P&L | (253)           | (266)           |
| Losses/(gains) recognised on fair value re-measurements through the P&L:                             |                 |                 |
| – Investment property  | (2,603)         | (222)           |
| <b>Movements in operating assets and liabilities and other cash items:</b>                           |                 |                 |
| (Increase) / decrease of receivables   | (1,290)         | (400)           |
| Increase / (decrease) in provision for impairment of receivables                                     | (128)           | 88              |
| (Increase) / decrease of inventories   | (56)            | 125             |
| (Increase) / decrease of other current assets  | (54)            | 118             |
| Increase / (decrease) in payables  | (297)           | 332             |
| Increase / (decrease) in accrued interest payable  | 340             | –               |
| Increase / (decrease) in other accrued expenses payable  | 552             | –               |
| Increase / (decrease) in other liabilities   | (160)           | 1,030           |
| Increase / (decrease) in contract liabilities  | (630)           | 8,468           |
| Increase / (decrease) in employee benefit provision  | 939             | 31              |
| Increase / (decrease) in other provisions  | 520             | 410             |
| <b>Net cash flows from operating activities</b>  | <b>42,668</b>   | <b>46,652</b>   |

#### (b) Non-cash investing and financing activities

|  |               |              |
|--|---------------|--------------|
| Developer contributions 'in kind'                        | 10,996        | 3,404        |
| <b>Total non-cash investing and financing activities</b> | <b>10,996</b> | <b>3,404</b> |

## G2-1 Commitments

### Capital commitments (exclusive of GST)

|  | 2024<br>\$ '000 | 2023<br>\$ '000 |
|--|-----------------|-----------------|
| Capital expenditure committed for at the reporting date but not recognised in the financial statements as liabilities: |                 |                 |
| <b>Property, plant and equipment</b>   |                 |                 |
| Buildings  | 241             | 8,301           |
| Plant and equipment  | –               | 1,607           |
| Road Infrastructure  | –               | 5,370           |
| Land   | –               | 19              |
| Sewerage Infrastructure  | –               | 1,999           |
| Land Improvements  | –               | 6,271           |
| Water Infrastructure   | 107             | 1,588           |
| Other  | –               | 276             |
| Stormwater Drainage  | 841             | 615             |
| Other Structures   | 1,024           | 4,144           |
| <b>Total commitments</b>   | <b>2,213</b>    | <b>30,190</b>   |
| Within the next year   | 2,213           | 30,190          |
| <b>Total payable</b>   | <b>2,213</b>    | <b>30,190</b>   |
| Future grants and contributions  | 1,539           | 9,902           |
| Section 7.11 and 64 funds/reserves   | 567             | –               |
| Unexpended grants  | –               | 8,337           |
| Externally restricted reserves   | 107             | 6,210           |
| Internally restricted reserves   | –               | 4,130           |
| Unexpended loans   | –               | 30              |
| New loans (to be raised)   | –               | 1,581           |
| <b>Total sources of funding</b>  | <b>2,213</b>    | <b>30,190</b>   |

### Details of capital commitments

Projects that have not been completed in the 2023/24 financial year but have capital commitments.

### G3-1 Events occurring after the reporting date

---

The Muswellbrook LGA has experienced several earthquakes from August 2024. Council has engaged structural engineers to assess damage to Council's assets. This will assist Council in assessing the financial impact of the earthquakes. At this stage, Council does not believe there will be a significant financial impact on the 2024-2025 financial statements.

Subsequent to the reporting date, Muswellbrook Shire Council has been invited to Show Cause by the NSW Environmental Protection Authority (EPA) on 3 October 2024, for a self-reported ferric sulphate leak Incident at the Muswellbrook Water Treatment plant, that occurred on 28 March 2024.

## G4 Statement of developer contributions

### G4-1 Summary of developer contributions

|  | Opening<br>balance at<br>1 July 2023<br>\$ '000 | Contributions received during the year |                          |                              | Interest and<br>investment<br>income earned<br>\$ '000 | Amounts<br>expended<br>\$ '000 | Internal<br>borrowings<br>\$ '000 | Held as<br>restricted<br>asset at 30 June 2024<br>\$ '000 | Cumulative<br>balance of internal<br>borrowings<br>(to)/from<br>\$ '000 |
|--|---|--|--------------------------|------------------------------|--|--------------------------------|-----------------------------------|---|---|
|  |   | Cash<br>\$ '000                        | Non-cash Land<br>\$ '000 | Non-cash<br>Other<br>\$ '000 |  |                                |                                   |   |   |
| Drainage   | 256   | 113                                    | -                        | -                            | 19   | -                              | -                                 | 388   | -   |
| Roads  | 541   | 21                                     | -                        | -                            | 29   | -                              | -                                 | 591   | -   |
| Parking  | 2   | -                                      | -                        | -                            | -  | -                              | -                                 | 2   | -   |
| Open space                                       | 274   | 7                                      | -                        | -                            | 14   | -                              | -                                 | 295   | -   |
| Community facilities                             | 16  | -                                      | -                        | -                            | 1  | -                              | -                                 | 17  | -   |
| Tourism  | 39  | -                                      | -                        | -                            | 2  | -                              | -                                 | 41  | -   |
| Bushfire   | 145   | 10                                     | -                        | -                            | 8  | -                              | -                                 | 163   | -   |
| Social Infrastructure                            | 247   | 218                                    | -                        | -                            | 24   | -                              | -                                 | 489   | -   |
| <b>S7.11 contributions – under a plan</b>        | <b>1,520</b>                                    | <b>369</b>                             | <b>-</b>                 | <b>-</b>                     | <b>97</b>  | <b>-</b>                       | <b>-</b>                          | <b>1,986</b>  | <b>-</b>  |
| <b>S7.12 levies – under a plan</b>               | <b>253</b>                                      | <b>102</b>                             | <b>-</b>                 | <b>-</b>                     | <b>18</b>  | <b>-</b>                       | <b>-</b>                          | <b>373</b>  | <b>-</b>  |
| <b>Total S7.11 and S7.12 revenue under plans</b> | <b>1,773</b>                                    | <b>471</b>                             | <b>-</b>                 | <b>-</b>                     | <b>115</b>   | <b>-</b>                       | <b>-</b>                          | <b>2,359</b>  | <b>-</b>  |
| S7.4 planning agreements                         | 2,972   | 6,596                                  | -                        | -                            | -  | (2,323)                        | -                                 | 7,245   | -   |
| S.64 contributions                               | 12,977  | 1,315                                  | -                        | -                            | 726  | (58)                           | -                                 | 14,960  | -   |
| <b>Total contributions</b>                       | <b>17,722</b>                                   | <b>8,382</b>                           | <b>-</b>                 | <b>-</b>                     | <b>841</b>   | <b>(2,381)</b>                 | <b>-</b>                          | <b>24,564</b>   | <b>-</b>  |

Under the *Environmental Planning and Assessment Act 1979*, Council has significant obligations to provide Section 7.11 (contributions towards provision or improvement of amenities or services) infrastructure in new release areas. It is possible that the funds contributed may be less than the cost of this infrastructure, requiring Council to borrow or use general revenue to fund the difference.



## G4-2 Developer contributions by plan

|                          | Opening<br>balance at<br>1 July 2023<br>\$ '000 | Contributions received during the year |                          | Non-cash<br>Other<br>\$ '000 | Interest and<br>investment<br>income earned<br>\$ '000 | Amounts<br>expended<br>\$ '000 | Internal<br>borrowings<br>\$ '000 | Held as<br>restricted<br>asset at 30 June 2024<br>\$ '000 | Cumulative<br>balance of internal<br>borrowings<br>(to)/from<br>\$ '000 |
|--------------------------|---|--|--------------------------|------------------------------|--|--------------------------------|-----------------------------------|---|---|
|                          |   | Cash<br>\$ '000                        | Non-cash Land<br>\$ '000 |                              |  |                                |                                   |   |   |
| <b>CONTRIBUTION PLAN</b> |   |  |                          |                              |  |                                |                                   |   |   |
| Drainage                 | 256   | 113                                    | -                        | -                            | 19   | -                              | -                                 | 388   | -   |
| Roads                    | 541   | 21                                     | -                        | -                            | 29   | -                              | -                                 | 591   | -   |
| Parking                  | 2   | -                                      | -                        | -                            | -  | -                              | -                                 | 2   | -   |
| Open space               | 274   | 7                                      | -                        | -                            | 14   | -                              | -                                 | 295   | -   |
| Community facilities     | 16  | -                                      | -                        | -                            | 1  | -                              | -                                 | 17  | -   |
| Tourism                  | 39  | -                                      | -                        | -                            | 2  | -                              | -                                 | 41  | -   |
| Bushfire                 | 145   | 10                                     | -                        | -                            | 8  | -                              | -                                 | 163   | -   |
| Social Infrastructure    | 247   | 218                                    | -                        | -                            | 24   | -                              | -                                 | 489   | -   |
| <b>Total</b>             | <b>1,520</b>                                    | <b>369</b>                             | <b>-</b>                 | <b>-</b>                     | <b>97</b>  | <b>-</b>                       | <b>-</b>                          | <b>1,986</b>  | <b>-</b>  |

## S7.12 Levies – under a plan

|                          |            |            |          |          |           |          |          |            |          |
|--------------------------|------------|------------|----------|----------|-----------|----------|----------|------------|----------|
| <b>CONTRIBUTION PLAN</b> |            |            |          |          |           |          |          |            |          |
| S94A Levies              | 253        | 102        | -        | -        | 18        | -        | -        | 373        | -        |
| <b>Total</b>             | <b>253</b> | <b>102</b> | <b>-</b> | <b>-</b> | <b>18</b> | <b>-</b> | <b>-</b> | <b>373</b> | <b>-</b> |

## G4-3 Contributions not under plans

|                                      |          |          |          |          |          |          |          |          |          |
|--------------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| <b>VOLUNTARY PLANNING AGREEMENTS</b> |          |          |          |          |          |          |          |          |          |
| Environment                          | -        | -        | -        | -        | -        | -        | -        | -        | -        |
| <b>Total</b>                         | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>-</b> |

## G4-4 S7.4 planning agreements

|                      | Opening<br>balance at<br>1 July 2023<br>\$ '000 | Contributions received during the year |                          | Non-cash<br>Other<br>\$ '000 | Interest and<br>investment<br>income earned<br>\$ '000 | Amounts<br>expended<br>\$ '000 | Internal<br>borrowings<br>\$ '000 | Held as<br>restricted<br>asset at 30 June 2024<br>\$ '000 | Cumulative<br>balance of internal<br>borrowings<br>(to)/from<br>\$ '000 |
|----------------------|---|--|--------------------------|------------------------------|--|--------------------------------|-----------------------------------|---|---|
|                      |   | Cash<br>\$ '000                        | Non-cash Land<br>\$ '000 |                              |  |                                |                                   |   |   |
| <b>VPAs</b>          |   |  |                          |                              |  |                                |                                   |   |   |
| Roads                | 120   | 1,014                                  | -                        | -                            | -  | (1,134)                        | -                                 | -   | -   |
| Community facilities | 2,146   | 4,634                                  | -                        | -                            | -  | (994)                          | -                                 | 5,786   | -   |
| Tonnage              | 180   | 77                                     | -                        | -                            | -  | -                              | -                                 | 257   | -   |
| Recreation           | 365   | 677                                    | -                        | -                            | -  | -                              | -                                 | 1,042   | -   |
| Environment          | 161   | 194                                    | -                        | -                            | -  | (195)                          | -                                 | 160   | -   |
| <b>Total</b>         | <b>2,972</b>                                    | <b>6,596</b>                           | <b>-</b>                 | <b>-</b>                     | <b>-</b>   | <b>(2,323)</b>                 | <b>-</b>                          | <b>7,245</b>  | <b>-</b>  |

## G4-5 S64 contributions

|                          |               |              |          |          |            |             |          |               |          |
|--------------------------|---------------|--------------|----------|----------|------------|-------------|----------|---------------|----------|
| <b>S64 contributions</b> |               |              |          |          |            |             |          |               |          |
| Water                    | 8,725         | 689          | -        | -        | 478        | -           | -        | 9,892         | -        |
| Sewer                    | 4,252         | 626          | -        | -        | 248        | (58)        | -        | 5,068         | -        |
| <b>Total</b>             | <b>12,977</b> | <b>1,315</b> | <b>-</b> | <b>-</b> | <b>726</b> | <b>(58)</b> | <b>-</b> | <b>14,960</b> | <b>-</b> |

## G5 Statement of performance measures

### G5-1 Statement of performance measures – consolidated results

| \$ '000   | Amounts<br>2024 | Indicator<br>2024 | Indicators<br>2023      2022 |        | Benchmark |
|---|-----------------|-------------------|------------------------------|--------|-----------|
| <b>1. Operating performance ratio</b>   |                 |                   |                              |        |           |
| Total continuing operating revenue excluding capital grants and contributions less operating expenses <sup>1, 2</sup> | 15,111          | 20.18%            | 9.48%                        | 8.34%  | > 0.00%   |
| Total continuing operating revenue excluding capital grants and contributions <sup>1</sup>                            | 74,881          |                   |                              |        |           |
| <b>2. Own source operating revenue ratio</b>  |                 |                   |                              |        |           |
| Total continuing operating revenue excluding all grants and contributions <sup>1</sup>                                | 63,265          | 64.31%            | 64.42%                       | 63.53% | > 60.00%  |
| Total continuing operating revenue <sup>1</sup>   | 98,376          |                   |                              |        |           |
| <b>3. Unrestricted current ratio</b>  |                 |                   |                              |        |           |
| Current assets less all external restrictions   | 47,751          | 1.77x             | 1.66x                        | 1.98x  | > 1.50x   |
| Current liabilities less specific purpose liabilities   | 26,973          |                   |                              |        |           |
| <b>4. Debt service cover ratio</b>  |                 |                   |                              |        |           |
| Operating result before capital excluding interest and depreciation/impairment/amortisation <sup>1</sup>              | 33,165          | 4.51x             | 2.88x                        | 3.20x  | > 2.00x   |
| Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)                                | 7,360           |                   |                              |        |           |
| <b>5. Rates and annual charges outstanding percentage</b>   |                 |                   |                              |        |           |
| Rates and annual charges outstanding  | 2,397           | 6.73%             | 7.15%                        | 7.70%  | < 10.00%  |
| Rates and annual charges collectable  | 35,618          |                   |                              |        |           |
| <b>6. Cash expense cover ratio</b>  |                 |                   |                              |        |           |
| Current year's cash and cash equivalents plus all term deposits   | 35,121          | 8.13              | 9.97                         | 9.65   | > 3.00    |
| Monthly payments from cash flow of operating and financing activities   | 4,320           | months            | months                       | months | months    |

(1) Excludes fair value increments on investment properties, reversal of revaluation decrements, reversal of impairment losses on receivables, net gain on sale of assets and net share of interests in joint ventures and associates using the equity method and includes pensioner rate subsidies

(2) Excludes impairment/revaluation decrements of IPPE, fair value decrements on investment properties, net loss on disposal of assets and net loss on share of interests in joint ventures and associates using the equity method

## G5-2 Statement of performance measures by fund

| \$ '000  | General Indicators <sup>3</sup> |        | Water Indicators |         | Sewer Indicators |        | Benchmark |
|--|---------------------------------|--------|------------------|---------|------------------|--------|-----------|
|  | 2024                            | 2023   | 2024             | 2023    | 2024             | 2023   |           |
| 1. Operating performance ratio   |                                 |        |                  |         |                  |        |           |
| Total continuing operating revenue excluding capital grants and contributions less operating expenses <sup>1,2</sup> | 20.68%                          | 11.65% | 23.62%           | (2.38)% | 12.50%           | 3.13%  | > 0.00%   |
| Total continuing operating revenue excluding capital grants and contributions <sup>1</sup>                           |                                 |        |                  |         |                  |        |           |
| 2. Own source operating revenue ratio  |                                 |        |                  |         |                  |        |           |
| Total continuing operating revenue excluding capital grants and contributions <sup>1</sup>                           | 60.34%                          | 60.25% | 82.11%           | 81.72%  | 76.15%           | 86.92% | > 60.00%  |
| Total continuing operating revenue <sup>1</sup>  |                                 |        |                  |         |                  |        |           |
| 3. Unrestricted current ratio  |                                 |        |                  |         |                  |        |           |
| Current assets less all external restrictions  | 1.77x                           | 1.66x  | 32.87x           | 10.40x  | 5.50x            | 3.73x  | > 1.50x   |
| Current liabilities less specific purpose liabilities  |                                 |        |                  |         |                  |        |           |
| 4. Debt service cover ratio  |                                 |        |                  |         |                  |        |           |
| Operating result before capital excluding interest and depreciation/impairment/amortisation <sup>1</sup>             | 3.74x                           | 2.47x  | 298.14x          | 52.16x  | 6.10x            | 4.68x  | > 2.00x   |
| Principal repayments (Statement of Cash Flows) plus borrowing costs (Income Statement)                               |                                 |        |                  |         |                  |        |           |
| 5. Rates and annual charges outstanding percentage   |                                 |        |                  |         |                  |        |           |
| Rates and annual charges outstanding   | 5.89%                           | 6.52%  | 6.16%            | 5.82%   | 10.69%           | 10.93% | < 10.00%  |
| Rates and annual charges collectable   |                                 |        |                  |         |                  |        |           |
| 6. Cash expense cover ratio  |                                 |        |                  |         |                  |        |           |
| Current year's cash and cash equivalents plus all term deposits  | 8.13                            | 9.97   | ∞                | ∞       | ∞                | ∞      | > 3.00    |
| Monthly payments from cash flow of operating and financing activities  | months                          | months |                  |         |                  |        | months    |

(1) - (2) Refer to Notes at Note G5-1 above.

(3) General fund refers to all of Council's activities except for its water and sewer activities which are listed separately.

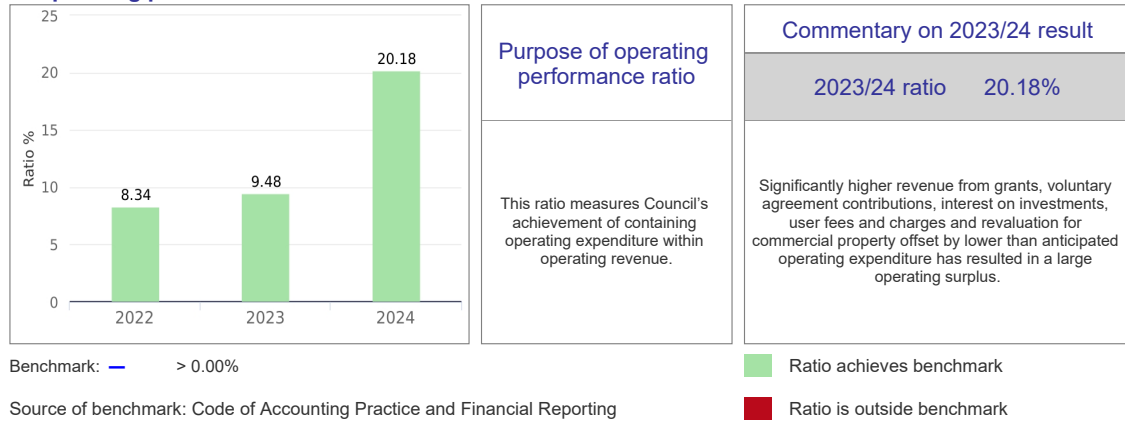
**End of the audited financial statements**



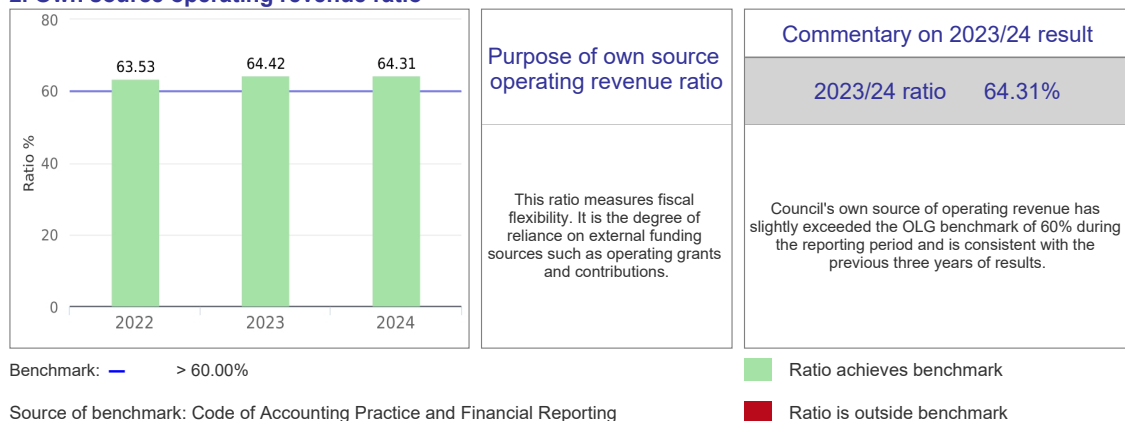
## H Additional Council disclosures (unaudited)

### H1-1 Statement of performance measures – consolidated results (graphs)

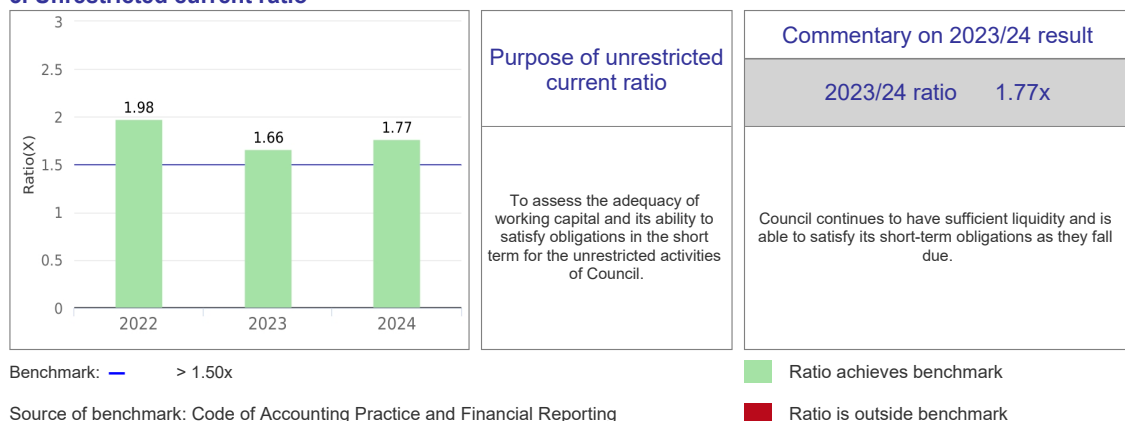
#### 1. Operating performance ratio



#### 2. Own source operating revenue ratio



#### 3. Unrestricted current ratio

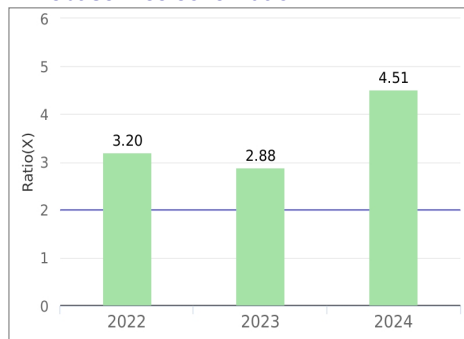


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## H1-1 Statement of performance measures – consolidated results (graphs) (continued)

### 4. Debt service cover ratio



#### Purpose of debt service cover ratio

This ratio measures the availability of operating cash to service debt including interest, principal and lease payments

#### Commentary on 2023/24 result

2023/24 ratio 4.51x

Council's debt service cover ratio has increased compared to the previous three years due to its higher operating cash reserves.

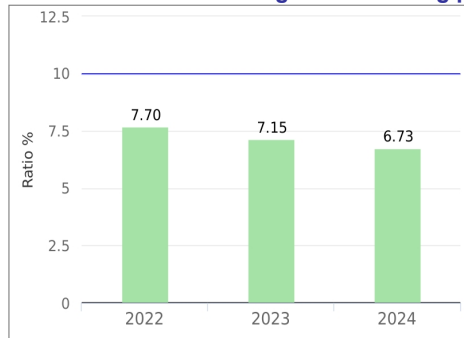
Benchmark: — > 2.00x

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

### 5. Rates and annual charges outstanding percentage



#### Purpose of rates and annual charges outstanding percentage

To assess the impact of uncollected rates and annual charges on Council's liquidity and the adequacy of recovery efforts.

#### Commentary on 2023/24 result

2023/24 ratio 6.73%

Uncollected rates and annual charges have been improving over the past three years as a result of an active debt collection effort.

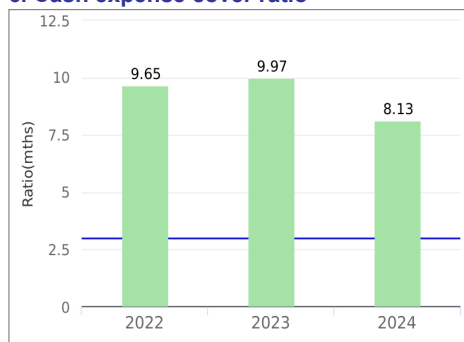
Benchmark: — < 10.00%

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

### 6. Cash expense cover ratio



#### Purpose of cash expense cover ratio

This liquidity ratio indicates the number of months a Council can continue paying for its immediate expenses without additional cash inflow.

#### Commentary on 2023/24 result

2023/24 ratio 8.13 months

Council has approximately eight months of cash to meet its immediate expenditure without additional cash inflow.

Benchmark: — > 3.00months

Source of benchmark: Code of Accounting Practice and Financial Reporting

Ratio achieves benchmark

Ratio is outside benchmark

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## INDEPENDENT AUDITOR'S REPORT

### Report on the general purpose financial statements

#### Muswellbrook Shire Council

To the Councillors of the Muswellbrook Shire Council

### Opinion

I have audited the accompanying financial statements of the Muswellbrook Shire Council (the Council), which comprise the Statement by Councillors and Management, the Income Statement and Statement of Comprehensive Income for the year ended 30 June 2024, the Statement of Financial Position as at 30 June 2024, the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

In my opinion:

- the Council's accounting records have been kept in accordance with the requirements of the *Local Government Act 1993*, Chapter 13, Part 3, Division 2 (the Division)
- the financial statements:
  - have been prepared, in all material respects, in accordance with the requirements of this Division
  - are consistent with the Council's accounting records
  - present fairly, in all material respects, the financial position of the Council as at 30 June 2024, and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards
- all information relevant to the conduct of the audit has been obtained
- no material deficiencies in the accounting records or financial statements have come to light during the audit.

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

### Basis for Opinion

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

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

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

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

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

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

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

### **Other Information**

The Council's annual report for the year ended 30 June 2024 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the special purpose financial statements and Special Schedules (the Schedules).

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

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

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

I have nothing to report in this regard.

### **The Councillors' Responsibilities for the Financial Statements**

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

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to:

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

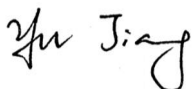
Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate,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

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A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). The description forms part of my auditor's report.

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- on the Original Budget information included in the Income Statement, Statement of Cash Flows, and Note B5-1 'Material budget variations'
- on the Special Schedules. A separate opinion has been provided on Special Schedule - Permissible income for general rates
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Reiky Jiang  
Delegate of the Auditor-General for New South Wales

31 October 2024  
SYDNEY

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Mr Jeffrey Drayton  
Mayor  
Muswellbrook Shire Council  
PO Box 122  
MUSWELLBROOK NSW 2333

Contact: Reiky Jiang  
Phone no: 02 9275 7281  
Our ref: R008-2124742775-8265

31 October 2024

Dear Mayor

**Report on the Conduct of the Audit  
for the year ended 30 June 2024  
Muswellbrook Shire Council**

I have audited the general purpose financial statements (GPFS) of the Muswellbrook Shire Council (the Council) for the year ended 30 June 2024 as required by section 415 of the *Local Government Act 1993* (the Act).

I expressed an unmodified opinion on the Council's GPFS.

This Report on the Conduct of the Audit (the Report) for the Council for the year ended 30 June 2024 is issued in accordance with section 417 of the Act. This Report should be read in conjunction with my audit opinion on the GPFS issued under section 417(2) of the Act.

**INCOME STATEMENT**

**Operating result**

|  | <b>2024</b> | <b>2023</b> | <b>Variance</b> |
|--|-------------|-------------|-----------------|
|  | <b>\$m</b>  | <b>\$m</b>  | <b>%</b>        |
| Rates and annual charges revenue                             | 33.0        | 29.3        | ↑ 12.6          |
| Grants and contributions revenue                             | 35.1        | 30.2        | ↑ 16.2          |
| Operating result from continuing operations                  | 41.4        | 25.3        | ↑ 63.6          |
| Net operating result before capital grants and contributions | 17.9        | 5.9         | ↑ 203           |



Rates and annual charges revenue (\$33.0 million) increased by \$3.7 million (12.6 per cent) in 2023–24 due to:

- rate peg increase of 3.7 per cent during 2023-24
- increased residential ratepayers due to the newly subdivided Eastbrook Links and Ironbark Ridge Estates
- Valuer-General's valuation led to an increase in mining rates for underground mine
- increased in sewerage services of \$1.1 million compared to prior year.

Grants and contributions revenue (\$35.1 million) increased by \$4.9 million (16.2 per cent) in 2023–24 due to:

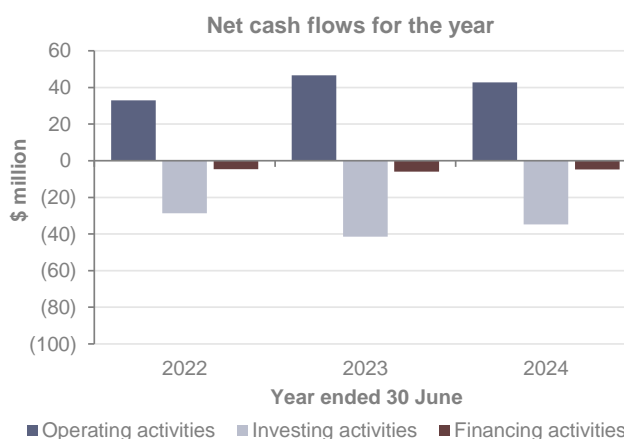
- increase of \$7.6 million in non-cash contributions recognised during the year
- increase of \$3.1 million in developer contributions
- the above are offset by decrease in grants for Transport (other roads and bridges funding) of \$4.9 million and recreation and culture of \$1.4 million.

Council's operating result from continuing operations (\$41.4 million including depreciation, amortisation and impairment expense of \$15.5 million) was \$16.1 million higher than the 2022–23 result. This is because the expenses remained relatively stable whereas total income increased by \$15.9 million.

The net operating result before capital grants and contributions (\$17.9 million) was \$12.0 million higher than the 2022–23 result. This was primarily due to the increase in total income excluding grants and contributions provided for capital purpose of \$11.8 million while the total expenses remained stable.

## STATEMENT OF CASH FLOWS

- Council's cash and cash equivalents was \$10.9 million at 30 June 2024 (\$7.9 million as at 30 June 2023), a net increase of \$3.0 million from prior year.
- Net cash inflows from operating activities decreased by \$4.0 million, mainly due to a reduction in grants and contributions received of \$11.0 million, partially offset by the increase in receipts from rates and annual charges (\$3.4 million) and user charges and fees (\$3.8 million).
- Net cash outflows from investing activities decreased by \$6.7 million, due to the increase in purchase of investment of \$21.1 million, partially offset by the decrease in payment for Infrastructure, Property, Plant and Equipment of \$10.7 million.
- Net cash outflows from financing activities decreased by \$1.2 million due to lower repayment of borrowings during 2023-24.



## FINANCIAL POSITION

### Cash and investments

| Cash and investments   | 2024        | 2023        | Commentary   |
|--|-------------|-------------|--|
|  | \$m         | \$m         |  |
| <b>Total cash, cash equivalents and investments</b>              | <b>93.5</b> | <b>74.1</b> | <ul style="list-style-type: none"> <li>Externally restricted balances comprise mainly of specific purpose unexpended grants - general fund, developer contributions, water and sewer funds.</li> </ul>                               |
| Restricted and allocated cash, cash equivalents and investments: |             |             | The increase in externally restricted fund is mainly due to the increase in developer contributions of \$6.8 million, water and sewer funds of \$3.1 million, and specific purpose unexpended grant - general fund of \$2.0 million. |
| • External restrictions  | 50.8        | 38.8        |  |
| • Internal allocations   | 42.4        | 35.3        | <ul style="list-style-type: none"> <li>Internal allocations are determined by council policies or decisions, which are subject to change.</li> </ul>   |
|  |             |             | Significant internal allocations include waste management centre of \$6.8 million, deposits, retentions and bonds of \$5.2 million, SRV Reserve of \$4.5 million and financial assistance grant of \$4.1 million.                    |

### Debt

At 30 June 2024, Council had:

- \$52.5 million in secured loans (\$57.3 million in 2022-23)
- \$750,000 in approved overdraft facility with \$nil drawn down
- \$62,000 in credit card facility with \$nil used.

## PERFORMANCE

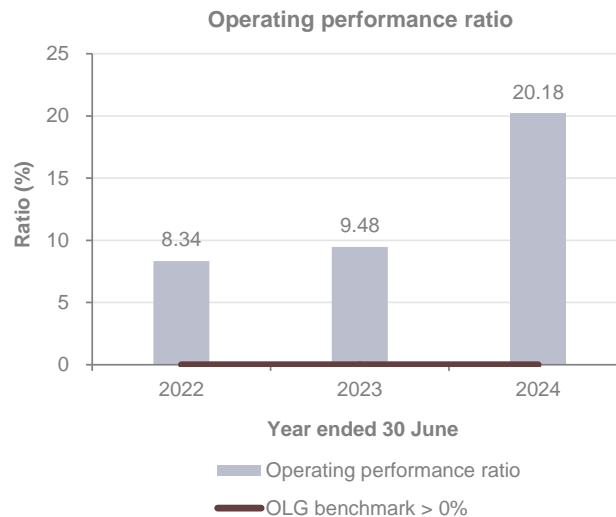
### Performance measures

The following section provides an overview of the Council's performance against the performance measures and performance benchmarks set by the Office of Local Government (OLG) within the Department of Planning, Housing and Infrastructure.

### Operating performance ratio

Council exceeded the benchmark for the current reporting period.

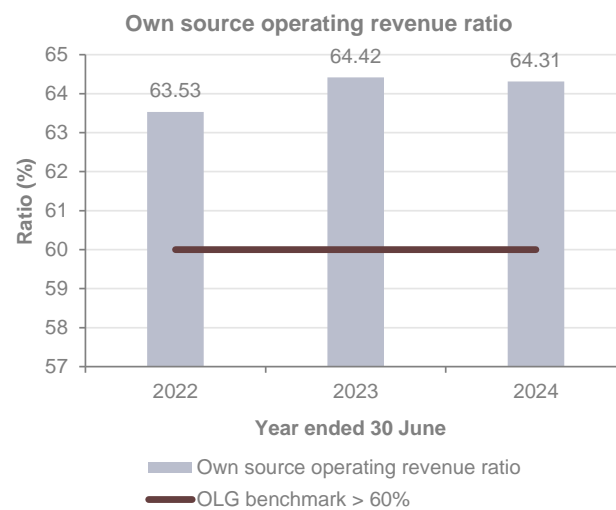
The 'operating performance ratio' measures how well council contained operating expenditure within operating revenue (excluding capital grants and contributions, fair value adjustments, and reversal of revaluation decrements). The benchmark set by OLG is greater than zero per cent.



### Own source operating revenue ratio

Council met the benchmark for the current reporting period.

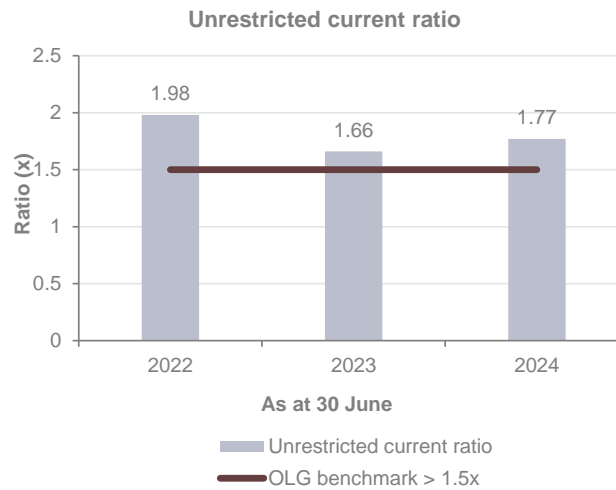
The 'own source operating revenue ratio' measures council's fiscal flexibility and the degree to which it relies on external funding sources such as operating grants and contributions. The benchmark set by OLG is greater than 60 per cent.



### Unrestricted current ratio

Council met the benchmark for the current reporting period.

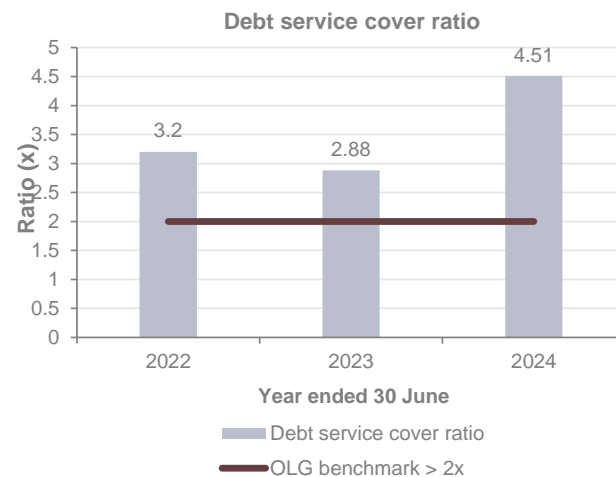
The 'unrestricted current ratio' is specific to local government and represents council's ability to meet its short-term obligations as they fall due. The benchmark set by OLG is greater than 1.5 times.



### Debt service cover ratio

Council met the benchmark for the current reporting period.

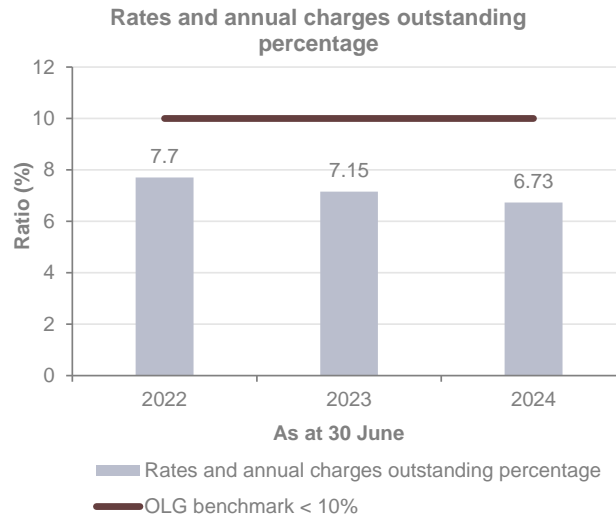
The 'debt service cover ratio' measures the operating cash to service debt including interest, principal and lease payments. The benchmark set by OLG is greater than two times.



### Rates and annual charges outstanding percentage

Council met the benchmark for the current reporting period.

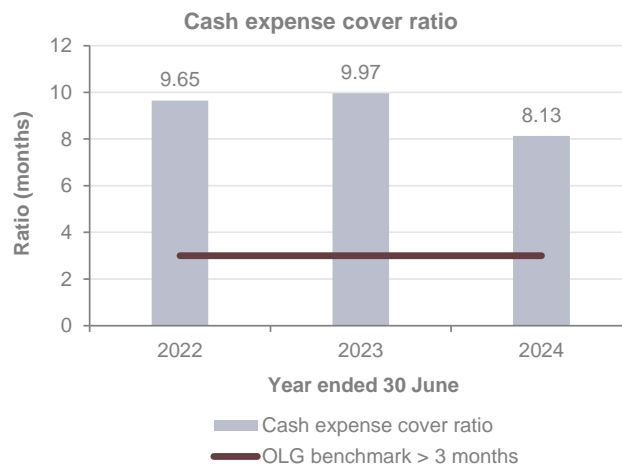
The 'rates and annual charges outstanding percentage' assesses the impact of uncollected rates and annual charges on council's liquidity and the adequacy of debt recovery efforts. The benchmark set by OLG is less than 10 per cent for regional and rural councils.



### Cash expense cover ratio

Council exceeded the benchmark for the current reporting period.

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



### Infrastructure, property, plant and equipment renewals

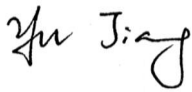
Council renewed \$10.4 million of infrastructure, property, plant and equipment during the 2023-24 financial year. This was mainly spent on roads and water and sewer assets. A further \$18.9 million was spent on new assets including work-in-progress, roads, buildings and other infrastructures.

## OTHER MATTERS

### Legislative compliance

My audit procedures did not identify any instances of material non-compliance with the financial reporting requirements in Chapter 13, Part 3, Division 2 of the LG Act and the associated regulation or a material deficiency in the Council's accounting records or financial statements. The Council's:

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



Reiky Jiang  
Director, Financial Audit

Delegate of the Auditor-General for New South Wales



# Muswellbrook Shire Council

## SPECIAL PURPOSE FINANCIAL STATEMENTS for the year ended 30 June 2024

---

*To do what is best for our community through leadership,  
excellent service and encouragement of sustainable  
development.*



## Muswellbrook Shire Council

### Special Purpose Financial Statements

for the year ended 30 June 2024

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| <b>Statement by Councillors and Management</b>                    | <b>3</b>  |
| <b>Special Purpose Financial Statements:</b>                      |           |
| Income Statement of water supply business activity                | 4         |
| Income Statement of sewerage business activity                    | 5         |
| Income Statement of Commercial Buildings                          | 6         |
| Statement of Financial Position of water supply business activity | 7         |
| Statement of Financial Position of sewerage business activity     | 8         |
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| <b>Note – Material accounting policy information</b>              | <b>10</b> |
| <b>Auditor's Report on Special Purpose Financial Statements</b>   | <b>13</b> |

#### Background

- i. These Special Purpose Financial Statements have been prepared for the use by both Council and the Office of Local Government in fulfilling their requirements under National Competition Policy.
- ii. The principle of competitive neutrality is based on the concept of a 'level playing field' between persons/entities competing in a market place, particularly between private and public sector competitors.

Essentially, the principle is that government businesses, whether Commonwealth, state or local, should operate without net competitive advantages over other businesses as a result of their public ownership.

- iii. For Council, the principle of competitive neutrality and public reporting applies only to declared business activities.

These include **(a)** those activities classified by the Australian Bureau of Statistics as business activities being water supply, sewerage services, abattoirs, gas production and reticulation, and **(b)** those activities with a turnover of more than \$2 million that Council has formally declared as a business activity (defined as Category 1 activities).

- iv. In preparing these financial statements for Council's self-classified Category 1 businesses and ABS-defined activities, councils must **(a)** adopt a corporatisation model and **(b)** apply full cost attribution including tax-equivalent regime payments and debt guarantee fees (where the business benefits from Council's borrowing position by comparison with commercial rates).

## Muswellbrook Shire Council

### Special Purpose Financial Statements

for the year ended 30 June 2024

### Statement by Councillors and Management

#### Statement by Councillors and Management made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

The attached special purpose financial statements have been prepared in accordance with:

- NSW Government Policy Statement, *Application of National Competition Policy to Local Government*
- Division of Local Government Guidelines, *Pricing and Costing for Council Businesses: A Guide to Competitive Neutrality*
- The Local Government Code of Accounting Practice and Financial Reporting
- Sections 3 and 4 of the NSW Department of Climate Change, Energy, the Environment and Water's (DCCEEW) *Regulatory and assurance framework for local water utilities, July 2022*

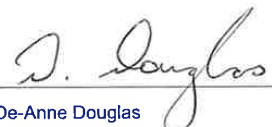
To the best of our knowledge and belief, these statements:

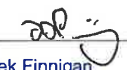
- present fairly the operating result and financial position for each of Council's declared business activities for the year,
- accord with Council's accounting and other records; and
- present overhead reallocation charges to the water and sewerage businesses as fair and reasonable.


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

Signed in accordance with a resolution of Council made on 23 July 2024.

  
Jeff Drayton  
Mayor  
30 October 2024

  
De-Anne Douglas  
Deputy Mayor  
30 October 2024

  
Derek Finnigan  
General Manager  
30 October 2024

  
Josh Hogan  
Responsible Accounting Officer  
30 October 2024

**Muswellbrook Shire Council****Income Statement of water supply business activity**  
for the year ended 30 June 2024

|  | 2024<br>\$ '000 | 2023<br>\$ '000 |
|--|-----------------|-----------------|
| <b>Income from continuing operations</b>                                   |                 |                 |
| Access charges   | 2,193           | 1,896           |
| User charges   | 5,746           | 3,514           |
| Interest and investment income   | 773             | 576             |
| Grants and contributions provided for operating purposes                   | –               | 47              |
| Net gain from the disposal of assets                                       | 9               | –               |
| Other income   | –               | 367             |
| <b>Total income from continuing operations</b>                             | <b>8,721</b>    | <b>6,400</b>    |
| <b>Expenses from continuing operations</b>                                 |                 |                 |
| Employee benefits and on-costs   | 993             | 1,301           |
| Borrowing costs  | 14              | 37              |
| Materials and services   | 3,167           | 2,697           |
| Depreciation, amortisation and impairment                                  | 2,100           | 2,045           |
| Other expenses   | 387             | 472             |
| <b>Total expenses from continuing operations</b>                           | <b>6,661</b>    | <b>6,552</b>    |
| <b>Surplus (deficit) from continuing operations before capital amounts</b> | <b>2,060</b>    | <b>(152)</b>    |
| Grants and contributions provided for capital purposes                     | 1,900           | 1,374           |
| <b>Surplus (deficit) from continuing operations after capital amounts</b>  | <b>3,960</b>    | <b>1,222</b>    |
| <b>Surplus (deficit) from all operations before tax</b>                    | <b>3,960</b>    | <b>1,222</b>    |
| Less: corporate taxation equivalent (25%) [based on result before capital] | (515)           | –               |
| <b>Surplus (deficit) after tax</b>   | <b>3,445</b>    | <b>1,222</b>    |
| <b>Plus accumulated surplus</b>  | <b>40,879</b>   | <b>39,657</b>   |
| <b>Less: other adjustments</b>   | <b>(144)</b>    | <b>–</b>        |
| <b>Plus adjustments for amounts unpaid:</b>                                |                 |                 |
| – Corporate taxation equivalent  | 515             | –               |
| <b>Closing accumulated surplus</b>   | <b>44,695</b>   | <b>40,879</b>   |
| <b>Return on capital %</b>   | <b>2.9%</b>     | <b>(0.2)%</b>   |
| <b>Subsidy from Council</b>  | <b>950</b>      | <b>2,700</b>    |
| <b>Calculation of dividend payable:</b>                                    |                 |                 |
| Surplus (deficit) after tax  | 3,445           | 1,222           |
| Less: capital grants and contributions (excluding developer contributions) | (97)            | (1,374)         |
| <b>Surplus for dividend calculation purposes</b>                           | <b>3,348</b>    | <b>–</b>        |
| <b>Potential dividend calculated from surplus</b>                          | <b>1,674</b>    | <b>–</b>        |

**Muswellbrook Shire Council****Income Statement of sewerage business activity**

for the year ended 30 June 2024

|  | 2024<br>\$ '000 | 2023<br>\$ '000 |
|--|-----------------|-----------------|
| <b>Income from continuing operations</b>                                   |                 |                 |
| Access charges   | 5,924           | 4,731           |
| User charges   | 1,366           | 732             |
| Liquid trade waste charges   | –               | 78              |
| Interest and investment income   | 394             | 182             |
| Grants and contributions provided for operating purposes                   | 2               | 41              |
| Other income   | –               | 398             |
| <b>Total income from continuing operations</b>                             | <b>7,686</b>    | <b>6,162</b>    |
| <b>Expenses from continuing operations</b>                                 |                 |                 |
| Employee benefits and on-costs   | 876             | 743             |
| Borrowing costs  | 636             | 664             |
| Materials and services   | 2,233           | 1,595           |
| Depreciation, amortisation and impairment                                  | 2,285           | 2,252           |
| Other expenses   | 695             | 715             |
| <b>Total expenses from continuing operations</b>                           | <b>6,725</b>    | <b>5,969</b>    |
| <b>Surplus (deficit) from continuing operations before capital amounts</b> | <b>961</b>      | <b>193</b>      |
| Grants and contributions provided for capital purposes                     | 2,404           | 880             |
| <b>Surplus (deficit) from continuing operations after capital amounts</b>  | <b>3,365</b>    | <b>1,073</b>    |
| <b>Surplus (deficit) from all operations before tax</b>                    | <b>3,365</b>    | <b>1,073</b>    |
| Less: corporate taxation equivalent (25%) [based on result before capital] | (240)           | (48)            |
| <b>Surplus (deficit) after tax</b>   | <b>3,125</b>    | <b>1,025</b>    |
| <b>Plus accumulated surplus</b>  | <b>56,081</b>   | <b>55,008</b>   |
| <b>Less: other adjustments</b>   | <b>(17)</b>     | <b>–</b>        |
| <b>Plus adjustments for amounts unpaid:</b>                                |                 |                 |
| – Corporate taxation equivalent  | 240             | 48              |
| <b>Closing accumulated surplus</b>   | <b>59,429</b>   | <b>56,081</b>   |
| <b>Return on capital %</b>   | <b>1.4%</b>     | <b>0.8%</b>     |
| <b>Subsidy from Council</b>  | <b>3,199</b>    | <b>3,322</b>    |
| <b>Calculation of dividend payable:</b>                                    |                 |                 |
| Surplus (deficit) after tax  | 3,125           | 1,025           |
| Less: capital grants and contributions (excluding developer contributions) | –               | (881)           |
| <b>Surplus for dividend calculation purposes</b>                           | <b>3,125</b>    | <b>144</b>      |
| <b>Potential dividend calculated from surplus</b>                          | <b>1,562</b>    | <b>72</b>       |

**Muswellbrook Shire Council****Income Statement of Commercial Buildings**

for the year ended 30 June 2024

|  | <b>2024 <sup>1</sup><br/>Category 1<br/>\$ '000</b> | <b>2023<br/>Category 1<br/>\$ '000</b> |
|--|---|--|
| <b>Income from continuing operations</b>                                   |   |  |
| Interest and investment income   | –   | 8                                      |
| Other income   | –   | 6,783                                  |
| <b>Total income from continuing operations</b>                             | <b>–</b>  | <b>6,791</b>                           |
| <b>Expenses from continuing operations</b>                                 |   |  |
| Employee benefits and on-costs   | –   | 251                                    |
| Borrowing costs  | –   | 988                                    |
| Materials and services   | –   | 1,245                                  |
| Depreciation, amortisation and impairment                                  | –   | 614                                    |
| Other expenses   | –   | 978                                    |
| <b>Total expenses from continuing operations</b>                           | <b>–</b>  | <b>4,076</b>                           |
| <b>Surplus (deficit) from continuing operations before capital amounts</b> | <b>–</b>  | <b>2,715</b>                           |
| <b>Surplus (deficit) from continuing operations after capital amounts</b>  | <b>–</b>  | <b>2,715</b>                           |
| <b>Surplus (deficit) from all operations before tax</b>                    | <b>–</b>  | <b>2,715</b>                           |
| Less: corporate taxation equivalent (25%) [based on result before capital] | –   | (679)                                  |
| <b>Surplus (deficit) after tax</b>   | <b>–</b>  | <b>2,036</b>                           |
| <b>Plus accumulated surplus</b>  | <b>–</b>  | <b>50,157</b>                          |
| <b>Plus adjustments for amounts unpaid:</b>                                |   |  |
| – Corporate taxation equivalent  | –   | 679                                    |
| <b>Add:</b>  |   |  |
| – Subsidy paid/contribution to operations                                  | –   | (754)                                  |
| <b>Closing accumulated surplus</b>   | <b>–</b>  | <b>52,118</b>                          |
| <b>Return on capital %</b>   | <b>0.0%</b>   | <b>15.0%</b>                           |

(1) A Council resolution was passed in May 2024 to remove Commercial Buildings from the Special Purpose Financial Statements from 2023-24.



**Muswellbrook Shire Council****Statement of Financial Position of water supply business activity**

as at 30 June 2024

|   | <b>2024</b>    | <b>2023</b>    |
|---|----------------|----------------|
|   | <b>\$ '000</b> | <b>\$ '000</b> |
| <b>ASSETS</b>                                 |                |                |
| <b>Current assets</b>                         |                |                |
| Investments                                   | <b>7,054</b>   | 6,494          |
| Receivables                                   | <b>2,080</b>   | 1,991          |
| Inventories                                   | <b>135</b>     | 1              |
| <b>Total current assets</b>                   | <b>9,269</b>   | <b>8,486</b>   |
| <b>Non-current assets</b>                     |                |                |
| Investments                                   | <b>9,092</b>   | 6,748          |
| Receivables                                   | <b>848</b>     | 994            |
| Infrastructure, property, plant and equipment | <b>70,327</b>  | 64,313         |
| <b>Total non-current assets</b>               | <b>80,267</b>  | <b>72,055</b>  |
| <b>Total assets</b>                           | <b>89,536</b>  | <b>80,541</b>  |
| <b>LIABILITIES</b>                            |                |                |
| <b>Current liabilities</b>                    |                |                |
| Payables                                      | <b>177</b>     | 306            |
| Borrowings                                    | <b>–</b>       | 277            |
| Employee benefit provisions                   | <b>105</b>     | 233            |
| <b>Total current liabilities</b>              | <b>282</b>     | <b>816</b>     |
| <b>Non-current liabilities</b>                |                |                |
| Employee benefit provisions                   | <b>8</b>       | –              |
| <b>Total non-current liabilities</b>          | <b>8</b>       | <b>–</b>       |
| <b>Total liabilities</b>                      | <b>290</b>     | <b>816</b>     |
| <b>Net assets</b>                             | <b>89,246</b>  | <b>79,725</b>  |
| <b>EQUITY</b>                                 |                |                |
| Accumulated surplus                           | <b>44,695</b>  | 40,735         |
| Revaluation reserves                          | <b>44,551</b>  | 38,990         |
| <b>Total equity</b>                           | <b>89,246</b>  | <b>79,725</b>  |

**Muswellbrook Shire Council****Statement of Financial Position of sewerage business activity**

as at 30 June 2024

|   | 2024<br>\$ '000 | 2023<br>\$ '000 |
|---|-----------------|-----------------|
| <b>ASSETS</b>                                 |                 |                 |
| <b>Current assets</b>                         |                 |                 |
| Investments                                   | 3,649           | 3,041           |
| Receivables                                   | 849             | 1,545           |
| <b>Total current assets</b>                   | <b>4,498</b>    | <b>4,586</b>    |
| <b>Non-current assets</b>                     |                 |                 |
| Investments                                   | 4,702           | 3,161           |
| Infrastructure, property, plant and equipment | 111,536         | 103,963         |
| <b>Total non-current assets</b>               | <b>116,238</b>  | <b>107,124</b>  |
| <b>Total assets</b>                           | <b>120,736</b>  | <b>111,710</b>  |
| <b>LIABILITIES</b>                            |                 |                 |
| <b>Current liabilities</b>                    |                 |                 |
| Payables                                      | –               | 365             |
| Borrowings                                    | 817             | 778             |
| Employee benefit provisions                   | 1               | 88              |
| <b>Total current liabilities</b>              | <b>818</b>      | <b>1,231</b>    |
| <b>Non-current liabilities</b>                |                 |                 |
| Borrowings                                    | 12,569          | 13,387          |
| <b>Total non-current liabilities</b>          | <b>12,569</b>   | <b>13,387</b>   |
| <b>Total liabilities</b>                      | <b>13,387</b>   | <b>14,618</b>   |
| <b>Net assets</b>                             | <b>107,349</b>  | <b>97,092</b>   |
| <b>EQUITY</b>                                 |                 |                 |
| Accumulated surplus                           | 59,429          | 56,065          |
| Revaluation reserves                          | 47,920          | 41,027          |
| <b>Total equity</b>                           | <b>107,349</b>  | <b>97,092</b>   |

**Muswellbrook Shire Council****Statement of Financial Position of Commercial Buildings**

as at 30 June 2024

|  | <b>2024 <sup>1</sup><br/>Category 1<br/>\$ '000</b> | <b>2023<br/>Category 1<br/>\$ '000</b> |
|--|---|--|
| <b>ASSETS</b>                                  |   |  |
| <b>Current assets</b>                          |   |  |
| Investments                                    | –   | 767                                    |
| Receivables                                    | –   | 587                                    |
| Non-current assets classified as held for sale | –   | 1,114                                  |
| <b>Total current assets</b>                    | <b>–</b>  | <b>2,468</b>                           |
| <b>Non-current assets</b>                      |   |  |
| Investments                                    | –   | 798                                    |
| Infrastructure, property, plant and equipment  | –   | 24,606                                 |
| Investment property                            | –   | 66,807                                 |
| <b>Total non-current assets</b>                | <b>–</b>  | <b>92,211</b>                          |
| <b>Total assets</b>                            | <b>–</b>  | <b>94,679</b>                          |
| <b>LIABILITIES</b>                             |   |  |
| <b>Current liabilities</b>                     |   |  |
| Payables                                       | –   | 114                                    |
| Borrowings                                     | –   | 3,232                                  |
| <b>Total current liabilities</b>               | <b>–</b>  | <b>3,346</b>                           |
| <b>Non-current liabilities</b>                 |   |  |
| Borrowings                                     | –   | 35,149                                 |
| <b>Total non-current liabilities</b>           | <b>–</b>  | <b>35,149</b>                          |
| <b>Total liabilities</b>                       | <b>–</b>  | <b>38,495</b>                          |
| <b>Net assets</b>                              | <b>–</b>  | <b>56,184</b>                          |
| <b>EQUITY</b>                                  |   |  |
| Accumulated surplus                            | –   | 56,184                                 |
| <b>Total equity</b>                            | <b>–</b>  | <b>56,184</b>                          |

(1) A Council resolution was passed in May 2024 to remove Commercial Buildings from the Special Purpose Financial Statements from 2023-24.

## Note – Material accounting policy information

A statement summarising the supplemental accounting policies adopted in the preparation of the special purpose financial statements (SPFS) for National Competition Policy (NCP) reporting purposes follows.

These financial statements are SPFS prepared for use by Council and the Office of Local Government. For the purposes of these statements, the Council is a non-reporting not-for-profit entity.

The figures presented in these special purpose financial statements have been prepared in accordance with the recognition and measurement criteria of relevant Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and Australian Accounting Interpretations.

The disclosures in these special purpose financial statements have been prepared in accordance with the *Local Government Act 1993* (Act), the *Local Government (General) Regulation 2021* (Regulation) and the Local Government Code of Accounting Practice and Financial Reporting.

The statements are prepared on an accruals basis. They are based on historic costs and do not take into account changing money values or, except where specifically stated, fair value of non-current assets. Certain taxes and other costs, appropriately described, have been imputed for the purposes of the National Competition Policy.

The Statement of Financial Position includes notional assets/liabilities receivable from/payable to Council's general fund. These balances reflect a notional intra-entity funding arrangement with the declared business activities.

### National Competition Policy

Council has adopted the principle of 'competitive neutrality' in its business activities as part of the National Competition Policy which is being applied throughout Australia at all levels of government. The framework for its application is set out in the June 1996 NSW Government Policy statement titled 'Application of National Competition Policy to Local Government'. *The Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality* issued by the Office of Local Government in July 1997 has also been adopted.

The pricing and costing guidelines outline the process for identifying and allocating costs to activities and provide a standard for disclosure requirements. These disclosures are reflected in Council's pricing and/or financial reporting systems and include taxation equivalents, Council subsidies, and returns on investments (rate of return and dividends paid).

### Declared business activities

In accordance with Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality, Council has declared that the following are to be considered as business activities:

#### Category 1

(where gross operating turnover is over \$2 million)

##### a. Water Supplies

Provision of portable water for the communities of Muswellbrook, Denman and Sandy Hollow.

##### b. Sewerage Services

Provision of sewerage treatment of the communities of Muswellbrook and Denman.

### Taxation equivalent charges

Council is liable to pay various taxes and financial duties. Where this is the case, they are disclosed as a cost of operations just like all other costs. However, where Council does not pay some taxes, which are generally paid by private sector businesses, such as income tax, these equivalent tax payments have been applied to all Council-nominated business activities and are reflected in special purpose financial statements. For the purposes of disclosing comparative information relevant to the private sector equivalent, the following taxation equivalents have been applied to all Council-nominated business activities (this does not include Council's non-business activities):

#### Notional rate applied (%)

Corporate income tax rate – **25%** (LY 25%)

Land tax – the first \$1,075,000 of combined land values attracts **0%**. For the combined land values in excess of \$1,075,000 up to \$6,571,000 the rate is **\$100 + 1.6%**. For the remaining combined land value that exceeds \$6,571,000 a premium marginal rate of **2.0%** applies.

Payroll tax – **5.45%** on the value of taxable salaries and wages in excess of \$1,200,000.

continued on next page ...

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## Note – Material accounting policy information (continued)

In accordance with DCCEEW's regulatory and assurance framework, a payment for the amount calculated as the annual tax equivalent charges (excluding income tax) must be paid from water supply and sewerage business activities.

The payment of taxation equivalent charges, referred to in the regulatory and assurance framework as a 'dividend for taxation equivalent', may be applied for any purpose allowed under the Act.

Achievement of substantial compliance to DCCEEW's regulatory and assurance framework is not a prerequisite for the payment of the tax equivalent charges; however the payment must not exceed \$3 per assessment.

### Income tax

An income tax equivalent has been applied on the profits of the business activities.

Whilst income tax is not a specific cost for the purpose of pricing a good or service, it needs to be taken into account in terms of assessing the rate of return required on capital invested.

Accordingly, the return on capital invested is set at a pre-tax level - gain/(loss) from ordinary activities before capital amounts, as would be applied by a private sector competitor. That is, it should include a provision equivalent to the corporate income tax rate, currently 25%.

Income tax is only applied where a gain/ (loss) from ordinary activities before capital amounts has been achieved.

Since the taxation equivalent is notional – that is, it is payable to Council as the 'owner' of business operations - it represents an internal payment and has no effect on the operations of the Council. Accordingly, there is no need for disclosure of internal charges in the SPFS.

The rate applied of 25% is the equivalent company tax rate prevalent at reporting date. No adjustments have been made for variations that have occurred during the year.

### Local government rates and charges

A calculation of the equivalent rates and charges for all Category 1 businesses has been applied to all assets owned, or exclusively used by the business activity.

### Loan and debt guarantee fees

The debt guarantee fee is designed to ensure that Council business activities face 'true' commercial borrowing costs in line with private sector competitors. In order to calculate a debt guarantee fee, Council has determined what the differential borrowing rate would have been between the commercial rate and Council's borrowing rate for its business activities.

#### (i) Subsidies

Government policy requires that subsidies provided to customers, and the funding of those subsidies, must be explicitly disclosed. Subsidies occur where Council provides services on a less than cost recovery basis. This option is exercised on a range of services in order for Council to meet its community service obligations. The overall effect of subsidies is contained within the Income Statements of business activities.

#### (ii) Return on investments (rate of return)

The NCP policy statement requires that councils with Category 1 businesses 'would be expected to generate a return on capital funds employed that is comparable to rates of return for private businesses operating in a similar field'.

Funds are subsequently available for meeting commitments or financing future investment strategies. The rate of return is disclosed for each of Council's business activities on the Income Statement.

The rate of return is calculated as follows:

#### Operating result before capital income + interest expense

#### Written down value of I,PP&E as at 30 June

As a minimum, business activities should generate a return equal to the Commonwealth 10 year bond rate which is 4.37% at 30 June 2024.

## Note – Material accounting policy information (continued)

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### (iii) Dividends

Council is not required to pay dividends to either itself as owner of a range of businesses, or to any external entities.

A local government water supply and sewerage business is permitted to pay annual dividends from their water supply or sewerage business surpluses. Each dividend must be calculated and approved in accordance with DCCEEW's regulatory and assurance framework and must not exceed 50% of the relevant surplus in any one year, or the number of water supply or sewerage assessments at 30 June 2024 multiplied by \$30 (less the payment for tax equivalent charges, not exceeding \$3 per assessment).

In accordance with DCCEEW's regulatory and assurance framework, statement of compliance and statement of dividend payment, dividend payment form and unqualified independent financial audit report are submitted to DCCEEW.



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## INDEPENDENT AUDITOR'S REPORT

### Report on the special purpose financial statements

#### Muswellbrook Shire Council

To the Councillors of the Muswellbrook Shire Council

### Opinion

I have audited the accompanying special purpose financial statements (the financial statements) of the Muswellbrook Shire Council's (the Council) Declared Business Activities, which comprise the Statement by Councillors and Management, the Income Statement of each Declared Business Activity for the year ended 30 June 2024, the Statement of Financial Position of each Declared Business Activity as at 30 June 2024 and the Material accounting policy information note.

The Declared Business Activities of the Council are:

- water supply
- sewerage.

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Council's declared Business Activities as at 30 June 2024, and their financial performance for the year then ended, in accordance with the Australian Accounting Standards described in the Material accounting policy information note and the Local Government Code of Accounting Practice and Financial Reporting 2023–24 (LG Code).

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

### Basis for Opinion

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

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

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

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

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

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

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

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### Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the Material accounting policy information note to the financial statements which describes the basis of accounting. The financial statements have been prepared for the purpose of fulfilling the Council's financial reporting responsibilities under the LG Code. As a result, the financial statements may not be suitable for another purpose.

### Other Information

The Council's annual report for the year ended 30 June 2024 includes other information in addition to the financial statements and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements and Special Schedules (the Schedules).

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

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

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

I have nothing to report in this regard.

### The Councillors' Responsibilities for the Financial Statements

The Councillors are responsible for the preparation and fair presentation of the financial statements and for determining that the accounting policies, described in the Material accounting policy information note to the financial statements, are appropriate to meet the requirements in the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

### Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to:

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

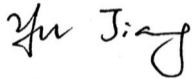
Reasonable assurance is a high level of assurance, but does not guarantee an audit conducted in accordance with Australian Auditing Standards will always detect material misstatements. Misstatements can arise from fraud or error. Misstatements are considered material if, individually or in aggregate,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

A description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf). The description forms part of my auditor's report.

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The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information which may have been hyperlinked to/from the financial statements.



Reiky Jiang  
Delegate of the Auditor-General for New South Wales

31 October 2024  
SYDNEY

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# Muswellbrook Shire Council

## SPECIAL SCHEDULES for the year ended 30 June 2024

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*To do what is best for our community through leadership,  
excellent service and encouragement of sustainable  
development.*



## Muswellbrook Shire Council

### Special Schedules

for the year ended 30 June 2024

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## Muswellbrook Shire Council

## Permissible income for general rates

|   | Notes           | Calculation<br>2023/24<br>\$ '000 | Calculation<br>2024/25<br>\$ '000 |
|---|-----------------|-----------------------------------|-----------------------------------|
| <b>Notional general income calculation <sup>1</sup></b> |                 |                                   |                                   |
| Last year notional general income yield                 | a               | 20,575                            | 22,233                            |
| Plus or minus adjustments <sup>2</sup>                  | b               | 694                               | 58                                |
| <b>Notional general income</b>                          | c = a + b       | <b>21,269</b>                     | <b>22,291</b>                     |
| <b>Permissible income calculation</b>                   |                 |                                   |                                   |
| Percentage increase                                     | d               | 3.70%                             | 4.50%                             |
| Plus percentage increase amount <sup>3</sup>            | f = d x (c + e) | 787                               | 1,003                             |
| <b>Sub-total</b>  | g = (c + e + f) | <b>22,056</b>                     | <b>23,294</b>                     |
| Plus (or minus) last year's carry forward total         | h               | 183                               | 6                                 |
| <b>Sub-total</b>  | j = (h + i)     | <b>183</b>                        | <b>6</b>                          |
| <b>Total permissible income</b>                         | k = g + j       | <b>22,239</b>                     | <b>23,300</b>                     |
| Less notional general income yield                      | l               | 22,233                            | 23,291                            |
| <b>Catch-up or (excess) result</b>                      | m = k - l       | <b>6</b>                          | <b>9</b>                          |
| <b>Carry forward to next year <sup>6</sup></b>          | p = m + n + o   | <b>6</b>                          | <b>9</b>                          |

**Notes**

- (1) The notional general income will not reconcile with rate income in the financial statements in the corresponding year. The statements are reported on an accrual accounting basis which include amounts that relate to prior years' rates income.
- (2) Adjustments account for changes in the number of assessments and any increase or decrease in land value occurring during the year. The adjustments are called 'supplementary valuations' as defined in the *Valuation of Land Act 1916 (NSW)*.
- (3) The 'percentage increase' is inclusive of the rate-peg percentage, and/or special variation and/or Crown land adjustment (where applicable).
- (6) Carry-forward amounts which are in excess (an amount that exceeds the permissible income) require Ministerial approval by order published in the *NSW Government Gazette* in accordance with section 512 of the Act. The OLG will extract these amounts from Council's Permissible income for general rates Statement in the financial data return (FDR) to administer this process.



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Muswellbrook Shire Council | Permissible income for general rates | for the year ended 30 June 2024



## INDEPENDENT AUDITOR'S REPORT

### Special Schedule – Permissible income for general rates

#### Muswellbrook Shire Council

To the Councillors of the Muswellbrook Shire Council

### Opinion

I have audited the accompanying Special Schedule – Permissible income for general rates (the Schedule) of the Muswellbrook Shire Council (the Council) for the year ending 30 June 2025.

In my opinion, the Schedule is prepared, in all material respects in accordance with the requirements of the Local Government Code of Accounting Practice and Financial Reporting 2023–24 (LG Code) and is in accordance with the books and records of the Council.

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

### Basis for Opinion

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

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

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

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

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

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

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

### Emphasis of Matter - Basis of Accounting

Without modifying my opinion, I draw attention to the special purpose framework used to prepare the Schedule. The Schedule has been prepared for the purpose of fulfilling the Council's reporting obligations under the LG Code. As a result, the Schedule may not be suitable for another purpose.

## Other Information

The Council's annual report for the year ended 30 June 2024 includes other information in addition to the Schedule and my Independent Auditor's Report thereon. The Councillors are responsible for the other information. At the date of this Independent Auditor's Report, the other information I have received comprise the general purpose financial statements, special purpose financial statements and Special Schedule 'Report on infrastructure assets as at 30 June 2024'.

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

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

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

I have nothing to report in this regard.

## The Councillors' Responsibilities for the Schedule

The Councillors are responsible for the preparation of the Schedule in accordance with the LG Code. The Councillors' responsibility also includes such internal control as the Councillors determine is necessary to enable the preparation of the Schedule that is free from material misstatement, whether due to fraud or error.

In preparing the Schedule, the Councillors are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

## Auditor's Responsibilities for the Audit of the Schedule

My objectives are to:

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

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

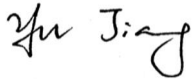
A description of my responsibilities for the audit of the Schedule is located at the Auditing and Assurance Standards Board website at: [www.auasb.gov.au/auditors\\_responsibilities/ar8.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar8.pdf). The description forms part of my auditor's report.

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Muswellbrook Shire Council | Permissible income for general rates | for the year ended 30 June 2024

The scope of my audit does not include, nor provide assurance:

- that the Council carried out its activities effectively, efficiently and economically
- about the security and controls over the electronic publication of the audited Schedule on any website where it may be presented
- about any other information which may have been hyperlinked to/from the Schedule.



Reiky Jiang  
Delegate of the Auditor-General for New South Wales

31 October 2024  
SYDNEY

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## Muswellbrook Shire Council

## Report on infrastructure assets as at 30 June 2024

| Asset Class               | Asset Category   | Estimated cost to bring assets to satisfactory standard | Estimated cost to bring to the agreed level of service set by Council | 2023/24 Required maintenance <sup>a</sup> | 2023/24 Actual maintenance | Net carrying amount | Gross replacement cost (GRC) | Assets in condition as a percentage of gross replacement cost |              |              |              |              |
|---------------------------|------------------|---|---|---|----------------------------|---------------------|------------------------------|---|--------------|--------------|--------------|--------------|
|                           |                  | \$ '000   | \$ '000   | \$ '000                                   | \$ '000                    | \$ '000             | \$ '000                      | 1   | 2            | 3            | 4            | 5            |
| Buildings                 | Other            | 13,432  | 26,863  | 1,862                                     | 564                        | 93,389              | 135,392                      | 46.0%   | 21.0%        | 14.0%        | 13.0%        | 6.0%         |
|                           | <b>Sub-total</b> | <b>13,432</b>   | <b>26,863</b>   | <b>1,862</b>                              | <b>564</b>                 | <b>93,389</b>       | <b>135,392</b>               | <b>46.0%</b>  | <b>21.0%</b> | <b>14.0%</b> | <b>13.0%</b> | <b>6.0%</b>  |
| Other structures          | Other structures | 357   | 713   | 400                                       | 255                        | 17,791              | 35,270                       | 34.0%   | 47.0%        | 16.0%        | 3.0%         | 0.0%         |
|                           | <b>Sub-total</b> | <b>357</b>  | <b>713</b>  | <b>400</b>                                | <b>255</b>                 | <b>17,791</b>       | <b>35,270</b>                | <b>34.0%</b>  | <b>47.0%</b> | <b>16.0%</b> | <b>3.0%</b>  | <b>0.0%</b>  |
| Roads                     | Other            | 47,280  | 94,559  | 3,039                                     | 2,484                      | 518,525             | 446,551                      | 33.0%   | 25.0%        | 32.0%        | 6.0%         | 4.0%         |
|                           | <b>Sub-total</b> | <b>47,280</b>   | <b>94,559</b>   | <b>3,039</b>                              | <b>2,484</b>               | <b>518,525</b>      | <b>446,551</b>               | <b>33.0%</b>  | <b>25.0%</b> | <b>32.0%</b> | <b>6.0%</b>  | <b>4.0%</b>  |
| Water supply network      | Other            | 14,980  | 7,490   | 1,321                                     | 2,026                      | 67,548              | 117,773                      | 16.0%   | 38.0%        | 33.0%        | 12.0%        | 1.0%         |
|                           | <b>Sub-total</b> | <b>14,980</b>   | <b>7,490</b>  | <b>1,321</b>                              | <b>2,026</b>               | <b>67,548</b>       | <b>117,773</b>               | <b>16.0%</b>  | <b>38.0%</b> | <b>33.0%</b> | <b>12.0%</b> | <b>1.0%</b>  |
| Sewerage network          | Other            | 9,996   | 4,998   | 1,198                                     | 1,651                      | 108,587             | 145,756                      | 54.0%   | 24.0%        | 15.0%        | 4.0%         | 3.0%         |
|                           | <b>Sub-total</b> | <b>9,996</b>  | <b>4,998</b>  | <b>1,198</b>                              | <b>1,651</b>               | <b>108,587</b>      | <b>145,756</b>               | <b>54.0%</b>  | <b>24.0%</b> | <b>15.0%</b> | <b>4.0%</b>  | <b>3.0%</b>  |
| Stormwater drainage       | Other            | 27,880  | 55,760  | 129                                       | 48                         | 73,996              | 102,889                      | 9.0%  | 16.0%        | 21.0%        | 22.0%        | 32.0%        |
|                           | <b>Sub-total</b> | <b>27,880</b>   | <b>55,760</b>   | <b>129</b>                                | <b>48</b>                  | <b>73,996</b>       | <b>102,889</b>               | <b>9.0%</b>   | <b>16.0%</b> | <b>21.0%</b> | <b>22.0%</b> | <b>32.0%</b> |
| <b>Total – all assets</b> |                  | <b>113,925</b>  | <b>190,383</b>  | <b>7,949</b>                              | <b>7,028</b>               | <b>879,836</b>      | <b>983,631</b>               | <b>33.4%</b>  | <b>25.7%</b> | <b>25.4%</b> | <b>9.0%</b>  | <b>6.5%</b>  |

(a) Required maintenance is the amount identified in Council's asset management plans.

## Infrastructure asset condition assessment 'key'

| # | Condition           | Integrated planning and reporting (IP&R) description |
|---|---------------------|--|
| 1 | Excellent/very good | No work required (normal maintenance)                |
| 2 | Good                | Only minor maintenance work required                 |
| 3 | Satisfactory        | Maintenance work required                            |
| 4 | Poor                | Renewal required                                     |
| 5 | Very poor           | Urgent renewal/upgrading required                    |

## Muswellbrook Shire Council

## Report on infrastructure assets as at 30 June 2024

## Infrastructure asset performance indicators (consolidated) \*

| \$ '000  | Amounts<br>2024 | Indicator<br>2024 | Indicators<br>2023 | Indicators<br>2022 | Benchmark |
|--|-----------------|-------------------|--------------------|--------------------|-----------|
| Buildings and infrastructure renewals ratio                              |                 |                   |                    |                    |           |
| Asset renewals <sup>1</sup>  | 8,148           | 60.67%            | 63.17%             | 68.33%             | > 100.00% |
| Depreciation, amortisation and impairment                                | 13,431          |                   |                    |                    |           |
| Infrastructure backlog ratio   |                 |                   |                    |                    |           |
| Estimated cost to bring assets to a satisfactory standard                | 113,925         | 12.85%            | 2.42%              | 2.13%              | < 2.00%   |
| Net carrying amount of infrastructure assets                             | 886,824         |                   |                    |                    |           |
| Asset maintenance ratio  |                 |                   |                    |                    |           |
| Actual asset maintenance   | 7,028           | 88.41%            | 61.06%             | 53.41%             | > 100.00% |
| Required asset maintenance   | 7,949           |                   |                    |                    |           |
| Cost to bring assets to agreed service level                             |                 |                   |                    |                    |           |
| Estimated cost to bring assets to an agreed service level set by Council | 190,383         | 19.36%            | 6.73%              | 5.75%              |           |
| Gross replacement cost   | 983,631         |                   |                    |                    |           |

(\*) All asset performance indicators are calculated using classes identified in the previous table.

(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.

## Muswellbrook Shire Council

## Report on infrastructure assets as at 30 June 2024

## Infrastructure asset performance indicators (by fund)

| \$ '000  | General fund |        | Water fund |         | Sewer fund |        | Benchmark |
|--|--------------|--------|------------|---------|------------|--------|-----------|
|  | 2024         | 2023   | 2024       | 2023    | 2024       | 2023   |           |
| Buildings and infrastructure renewals ratio                              |              |        |            |         |            |        |           |
| Asset renewals <sup>1</sup>  | 65.03%       | 63.04% | 52.31%     | 84.53%  | 50.34%     | 44.32% | > 100.00% |
| Depreciation, amortisation and impairment                                |              |        |            |         |            |        |           |
| Infrastructure backlog ratio   |              |        |            |         |            |        |           |
| Estimated cost to bring assets to a satisfactory standard                | 12.52%       | 2.01%  | 22.18%     | 4.86%   | 9.21%      | 3.55%  | < 2.00%   |
| Net carrying amount of infrastructure assets                             |              |        |            |         |            |        |           |
| Asset maintenance ratio  |              |        |            |         |            |        |           |
| Actual asset maintenance   | 61.71%       | 48.74% | 153.37%    | 154.04% | 137.81%    | 62.89% | > 100.00% |
| Required asset maintenance   |              |        |            |         |            |        |           |
| Cost to bring assets to agreed service level                             |              |        |            |         |            |        |           |
| Estimated cost to bring assets to an agreed service level set by Council | 24.70%       | 5.81%  | 6.36%      | 12.97%  | 3.43%      | 7.24%  |           |
| Gross replacement cost   |              |        |            |         |            |        |           |

(1) Asset renewals represent the replacement and/or refurbishment of existing assets to an equivalent capacity/performance as opposed to the acquisition of new assets (or the refurbishment of old assets) that increases capacity/performance.



**10.3.7. September 2024 Quarterly Budget Review**

|                                 |  |
|---------------------------------|--|
| <b>Attachments:</b>             | 1. Sep 24 QB R-attachment v 2 [ <b>10.3.7.1</b> - 19 pages]  |
| <b>Responsible Officer:</b>     | Derek Finnigan - General Manager   |
| <b>Author:</b>                  | Financial Controller   |
| <b>Community Plan Issue:</b>    | 6 - <i>Community Leadership</i>  |
| <b>Community Plan Goal:</b>     | Collaborative and responsive leadership that meets the expectations and anticipates the needs of the community.  |
| <b>Community Plan Strategy:</b> | 6.2.1 - Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves.<br><br>6.2.1.1 - Provide transparent reporting to the community about Council's finances. |

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**PURPOSE**

Under Clause 203 of the *Local Government (General) Regulation 2005*, Council is required to revise the estimates at the end of the September, December, and March quarters.

The aim of these reviews is to:

- include new and/or expanded projects and programs as adopted by Council in the budget, along with their related funding source; and
- to adjust original estimates in line with actual receipts and expenditures to date.

When completing Budget Reviews, staff aim to ensure that the net impact of all the proposed changes maintain or improve the adopted budget.

**OFFICER'S RECOMMENDATION**

Council endorses the proposed changes in the September 2024 Quarterly Budget Review.

**Moved:** \_\_\_\_\_ **Seconded:** \_\_\_\_\_

**CONSULTATION**

All Directors and Managers with budget responsibility, as well as the MANEX team.

**RESPONSIBLE ACCOUNTING OFFICER'S STATEMENT**

The following statement is made in accordance with Clause 203(2) of the *Local Government (General) Regulation 2005*.

It is my opinion that the September Budget Review Statement for Muswellbrook Shire Council for the quarter ended 30 September 2024 indicates that Council's projected financial position will be satisfactory at year end, having regard to the projected estimates of income and expenditure (including identified savings) and the original budgeted income and expenditure.

Josh Hogan



Responsible Accounting Officer, Muswellbrook Shire Council  
18 November 2024

## REPORT

### Financial Performance Overview

The Muswellbrook Shire Council consolidated net result for the September 2024 Quarterly Budget Review shows an operating result of \$1.82M. There is a surplus of \$19.7k from the September operating budget review. Offsets have been identified for any unfavourable variances.

### General Fund

General Fund September Quarterly Budget Review (QBR) shows a surplus of \$19.7k against the original budget, mainly from a revision in rates.

### Revenue

September QBR revenue projections of \$57.57M show a favourable variance of \$1.39M against the original budgets. A sizeable portion of this increase is due to \$0.43M in rates and charges principally from adjustment arising due to Valuer General's land valuation for mining; \$0.65M in internal revenue due to VPAs transfer; and \$0.26M in operating grants

### Expenses

Conversely, the September QBR General Fund expense projections of \$57.55M show an unfavourable variance of \$1.39M against the original budgets. This is primarily due to increased Materials & Contracts expenditure of \$1.37M. This includes \$0.3M to Denman Children's Centre funded by a VPA transfer, \$0.12M for DPHI early adopter, \$0.10M for GL restructure and \$0.10M for Community Strategic Plan consultant costs.

### Water and Sewer Fund

The Water and Sewer Funds show no net change in the September budget review from the original budget estimates. All changes have been absorbed in the existing budget.

### Future Fund

The Future Fund shows no net change in the September budget review from the original budget estimates. All changes have been absorbed in the existing budget. The changes include a reduction in user fees and charges (\$0.08M) offset by savings in materials and other costs.

**Capital** – There is a net decrease in projected capital expenditure of \$13.17M; composed of \$16.44M reduction for new assets and \$3.26M increase in renewals.

### New Assets

All capital projects were reviewed as part of the September budget review. Capital projects amounting to \$17.25M budgeted for 2024-25 were removed. These reductions were represented in the following funds, and details will be presented in the attachment to this report, along with the addition of two projects amounting to \$0.80M.

Projects removed

1. GLE Pipeline - \$17.00M - Water Fund
2. Muswellbrook Youth Centre & Indoor Sports Centre \$0.25M - General Fund.

Projects added – General Fund

1. Kamilaroi, Cassidy, Thompson Shared Path \$101k; and
2. Dry Creek Causeway Replacement \$705k.



## **Renewals**

The asset renewal includes expenditure on

1. Karoola Park - Community Assets \$1.56M
2. Palace Street-Upgrade Roads and Drainage Denman \$1.51M
3. Denman Recreation Area \$0.33M
4. Rainbow Creek Bridge \$0.29M

Also, there is a reduction in renewal expenditure below.

1. Roads to Recovery program \$0.40M

## Budget Review for the Quarter Ended 30 September 2024



### Income & Expenses - Consolidated

| All figures are in \$000's                             | Original Budgets 2024-25 | Carryovers     | Revised Budget 2023-24 | Recommended changes for Council Resolution | Projected Year end Results | Actual YTD *    |
|--|--------------------------|----------------|------------------------|--|----------------------------|-----------------|
| <b>Revenue</b>   |                          |                |                        |  |                            |                 |
| Rates and Charges                                      | (35,994)                 | -              | (35,994)               | (430)                                      | (36,423)                   | (35,950)        |
| User Charges and Fees                                  | (21,294)                 | -              | (21,294)               | 75   | (21,219)                   | (6,696)         |
| Interest and Investments Revenues                      | (3,510)                  | -              | (3,510)                | -  | (3,510)                    | (1,415)         |
| Other Revenues   | (2,545)                  | -              | (2,545)                | (38)                                       | (2,583)                    | (712)           |
| Operating Grants and Contributions                     | (8,029)                  | (1,437)        | (9,466)                | (267)                                      | (9,733)                    | (2,356)         |
| Internal Revenue**                                     | (2,365)                  | (3,415)        | (5,780)                | (650)                                      | (6,430)                    | (3,312)         |
| <b>Total Income from continuing operations</b>         | <b>(73,736)</b>          | <b>(4,852)</b> | <b>(78,589)</b>        | <b>(1,310)</b>                             | <b>(79,899)</b>            | <b>(50,442)</b> |
| <b>Expenses</b>  |                          |                |                        |  |                            |                 |
| Wages and Salaries                                     | 18,002                   | -              | 18,002                 | 167  | 18,170                     | 6,186           |
| Materials and Contracts                                | 21,482                   | 4,784          | 26,266                 | 1,346                                      | 27,611                     | 6,843           |
| Borrowing Costs  | 2,674                    | -              | 2,674                  | -  | 2,674                      | 711             |
| Depreciation   | 16,252                   | -              | 16,252                 | -  | 16,252                     | 5,119           |
| Overheads  | 5,919                    | -              | 5,919                  | -  | 5,919                      | 1,591           |
| Other Costs  | 7,582                    | 69             | 7,651                  | (223)                                      | 7,428                      | 2,650           |
| <b>Total Expenses from continuing operations</b>       | <b>71,911</b>            | <b>4,852</b>   | <b>76,763</b>          | <b>1,290</b>                               | <b>78,053</b>              | <b>23,100</b>   |
| <b>Net Operating Result from continuing operations</b> | <b>(1,825)</b>           | <b>-</b>       | <b>(1,825)</b>         | <b>(20)</b>                                | <b>(1,845)</b>             | <b>(27,342)</b> |

### Reconciliation to Cash Budget

|   |               |          |               |              |               |
|---|---------------|----------|---------------|--------------|---------------|
| <b>Net Operating Result, excluding depreciation</b> | <b>18,078</b> | <b>-</b> | <b>18,078</b> | <b>19.74</b> | <b>18,097</b> |
|---|---------------|----------|---------------|--------------|---------------|

#### Minus Budget Items not Included in Income Statement:

|  |               |               |               |                 |               |
|--|---------------|---------------|---------------|-----------------|---------------|
| <i>Capital Expenditure and Purchases</i>             | 48,232        | 19,098        | 67,330        | (13,177)        | 54,154        |
| <i>Contribution from General Fund to Future Fund</i> | 775           | -             | 775           | -               | 775           |
| <i>Loan Principal Repayments</i>                     | 3,934         | -             | 3,934         | -               | 3,934         |
| <b>Sub-Total</b>                                     | <b>52,941</b> | <b>19,098</b> | <b>72,040</b> | <b>(13,177)</b> | <b>58,863</b> |

#### Plus:

|   |        |       |        |          |        |
|---|--------|-------|--------|----------|--------|
| <i>Grants and Contributions - Capital</i> | 27,895 | 8,618 | 36,513 | (14,555) | 21,958 |
|---|--------|-------|--------|----------|--------|

|                               |                |                 |                 |                |                 |
|-------------------------------|----------------|-----------------|-----------------|----------------|-----------------|
| <b>Cash Surplus/(Deficit)</b> | <b>(6,969)</b> | <b>(10,481)</b> | <b>(17,450)</b> | <b>(1,358)</b> | <b>(18,808)</b> |
|-------------------------------|----------------|-----------------|-----------------|----------------|-----------------|

#### Funded by:

|   |              |               |               |              |               |
|---|--------------|---------------|---------------|--------------|---------------|
| <b>Borrowings</b>                               |              | 532           | 532           | -            | 532           |
| <b>Transfers from Reserves</b>                  | 6,193        | 9,949         | 16,143        | 1,378        | 17,520        |
| <b>General Fund Contribution to Future Fund</b> | 775          | -             | 775           | -            | 775           |
| <b>Sub-Total</b>                                | <b>6,968</b> | <b>10,481</b> | <b>17,449</b> | <b>1,378</b> | <b>18,827</b> |

|                              |               |               |               |                 |               |
|------------------------------|---------------|---------------|---------------|-----------------|---------------|
| <b>Total Capital Funding</b> | <b>52,941</b> | <b>19,098</b> | <b>72,039</b> | <b>(13,157)</b> | <b>58,882</b> |
|------------------------------|---------------|---------------|---------------|-----------------|---------------|

|                               |          |          |          |              |              |
|-------------------------------|----------|----------|----------|--------------|--------------|
| <b>Cash Surplus/(Deficit)</b> | <b>-</b> | <b>-</b> | <b>-</b> | <b>19.74</b> | <b>19.74</b> |
|-------------------------------|----------|----------|----------|--------------|--------------|

**Provisional and contingent items identified but not yet Included in the figures above.**

Capital project variations

Legal liabilities (up to \$1M)

**Notes:**

\* Year to Date at 15 November 2024

\*\* Internal Revenue includes internal recoveries and transfers from reserves

**Capital Budget Review Additions ( in 000's)**



|                                   |  |                          | Funding From    |                |                        |
|-----------------------------------|--|--------------------------|-----------------|----------------|------------------------|
|                                   | Program  |                          | Sep QBR changes | Reserves       | Grants & Contributions |
| Planning, Community and Corporate | Adventure Playground                             | Expenditure - New Assets | 3               | (3)            |                        |
| Planning, Community and Corporate | Muswellbrook Youth Centre & Indoor Sports Centre | Expenditure - New Assets | (250)           |                | 250                    |
| Roads and Drainage                | Kamilaroi, Cassidy, Thompson Shared Path         | Expenditure - New Assets | 101             |                | (101)                  |
| Roads and Drainage                | Dry Creek Causeway Replacement                   | Expenditure - New Assets | 705             |                | (705)                  |
| Water                             | GLE Pipeline                                     | Expenditure - New Assets | (17,000)        |                | 17,000                 |
| Planning, Community and Corporate | Cemetery General programme                       | Expenditure - Renewals   | (100)           | 100            |                        |
| Planning, Community and Corporate | Recreation Capital Works                         | Expenditure - Renewals   | 97              | (97)           |                        |
| Planning, Community and Corporate | Karoola Park - Community Assets                  | Expenditure - Renewals   | 1,569           |                | (1,569)                |
| Roads and Drainage                | Heavy Patching Programme                         | Expenditure - Renewals   | (33)            | 33             |                        |
| Roads and Drainage                | Roads to Recovery program                        | Expenditure - Renewals   | (405)           |                | 405                    |
| Roads and Drainage                | Rainbow Creek Bridge                             | Expenditure - Renewals   | 291             | 100            | (391)                  |
| Roads and Drainage                | Palace Street-Upgrade Roads and Drainage Denman  | Expenditure - Renewals   | 1,511           | (1,511)        |                        |
| Planning, Community and Corporate | Denman Rec Area                                  | Expenditure - Renewals   | 333             |                | (333)                  |
|                                   |  |                          |                 |                |                        |
|                                   |  |                          |                 |                |                        |
| <b>Total</b>                      |  |                          | <b>(13,177)</b> | <b>(1,378)</b> | <b>14,555</b>          |



## 2024/25 Budget - Capital Estimates

( in 000's)



| \$000s  | 2024-25<br>Budget<br>Estimates | 2024-25<br>Carry-Overs | 2024/25<br>Budget Total<br>(Incl C/O) | Sept 2024<br>QBR<br>Changes | Sep 2024<br>QBR |
|---|--------------------------------|------------------------|---------------------------------------|-----------------------------|-----------------|
| Cash Result - Operating                       | (18,078)                       | -                      | (18,078)                              | -                           | (18,078)        |
| Contribution to Future Fund from General Fund | (775)                          | -                      | (775)                                 |                             | (775)           |
| Contributions                                 | (2,889)                        | (2,486)                | (5,375)                               | 250                         | (5,125)         |
| Grants  | (25,006)                       | (6,132)                | (31,138)                              | 14,305                      | (16,833)        |
| Loans   | -                              | (532)                  | (532)                                 |                             | (532)           |
| Reserves - Transfer from                      | (8,946)                        | (9,829)                | (18,776)                              | (1,478)                     | (20,253)        |
| <b>Capital Funding Total</b>                  | <b>(55,694)</b>                | <b>(18,978)</b>        | <b>(74,673)</b>                       | <b>13,077</b>               | <b>(61,596)</b> |
| <b>Expenditure</b>                            |                                |                        |                                       |                             |                 |
| Expenditure - New Assets                      | 34,108                         | 8,032                  | 42,140                                | (16,441)                    | 25,699          |
| Expenditure - Renewals                        | 14,124                         | 11,066                 | 25,190                                | 3,265                       | 28,455          |
| Investment purchases                          | -                              |                        | -                                     |                             | -               |
| Contribution to Future Fund from General Fund | 775                            |                        | 775                                   |                             | 775             |
| Loan Principal Repayments                     | 3,934                          |                        | 3,934                                 |                             | 3,934           |
| Reserves - Transfer to                        | 2,753                          | (120)                  | 2,633                                 | 100                         | 2,733           |
| <b>Expenditure Total</b>                      | <b>55,694</b>                  | <b>18,978</b>          | <b>74,673</b>                         | <b>(13,077)</b>             | <b>61,596</b>   |
| <b>Surplus/(Deficit)</b>                      | <b>-</b>                       | <b>(0)</b>             | <b>(0)</b>                            | <b>-</b>                    | <b>(0)</b>      |

**Budget 2024/25 - Reserve Estimates** ( in 000's)



|                             |                       |                                |                                 | 2024/2025<br>Original Budget |                | Carryovers       |                | Sep 2024 Review |                  |                                      |
|-----------------------------|-----------------------|--------------------------------|---------------------------------|------------------------------|----------------|------------------|----------------|-----------------|------------------|--------------------------------------|
|                             |                       |                                | Balance as<br>at 1 July<br>2024 | Transfer<br>From             | Transfer<br>To | Transfer<br>From | Transfer<br>To | Transfer<br>to  | Transfer<br>From | Projected<br>Balance<br>30 June 2025 |
|                             | Externally Restricted |                                |                                 |                              |                |                  |                |                 |                  |                                      |
| Externally Restricted       | General Fund          | Domestic Waste                 | 1,138                           | -                            | -              | -                | -              | -               | -                | 1,138                                |
| Externally Restricted       | General Fund          | Unexpended Grants (G)          | 15,507                          | -                            | -              | -                | -              | -               | -                | 15,507                               |
| Externally Restricted       | General Fund          | VPAs                           | 7,291                           | -2169                        | 3695           | -2059            | -              | -               | -                | 6,758                                |
| Externally Restricted       | General Fund          | Developer Contributions        | 2,358                           | -                            | -              |                  | -              | -               | -                | 2,358                                |
| Externally Restricted       | Sewer Fund            | Sewer                          | 3,283                           | -                            | 168            | -284             | -              | -               | -                | 3,167                                |
| Externally Restricted       | Sewer Fund            | Developer Contributions        | 5,068                           | -                            | -              | -787             | -              | -               | -                | 4,281                                |
| Externally Restricted       | Water Fund            | Water                          | 6,254                           | -                            | 779            | -937             | -              | -               | -                | 6,096                                |
| Externally Restricted       | Water Fund            | Developer Contributions        | 9,892                           | -                            | -              |                  | -              | -               | -                | 9,892                                |
| Externally Restricted Total |                       |                                | 50,791                          | - 2,169                      | 4,642          | -4,067           | -              | -               | 0                | 49,197                               |
|                             |                       |                                |                                 |                              |                |                  |                |                 |                  |                                      |
|                             | Internally Restricted |                                |                                 |                              |                |                  |                |                 |                  |                                      |
| Internally Restricted       | Future Fund           | Future Fund                    | 1876                            | 0                            | 0              | 0                | 0              | 0               | 0                | 1876                                 |
| Internally Restricted       | General Fund          | Financial Assistance Grant     | 4072                            |                              |                |                  | 0              | 0               |                  | 4072                                 |
| Internally Restricted       | General Fund          | Mine Affected Roads            | 2353                            |                              |                |                  | 0              | 0               |                  | 2353                                 |
| Internally Restricted       | General Fund          | Stormwater                     | 1348                            | -150                         |                |                  | 0              | 0               |                  | 1198                                 |
| Internally Restricted       | General Fund          | Plant Replacement              | 2773                            |                              |                | -634             | 0              | 0               |                  | 2139                                 |
| Internally Restricted       | General Fund          | Asset Replacement              | 2314                            |                              |                | -72              | 0              | 0               |                  | 2242                                 |
| Internally Restricted       | General Fund          | Employee Leave Entitlements    | 1252                            |                              |                |                  | 0              | 0               |                  | 1252                                 |
| Internally Restricted       | General Fund          | Deposits, Retentions and Bonds | 5224                            |                              |                |                  | 0              | 0               |                  | 5224                                 |
| Internally Restricted       | General Fund          | Other                          | 197                             |                              |                | 0                | 0              | 0               |                  | 197                                  |
| Internally Restricted       | General Fund          | Drainage                       | 143                             |                              |                |                  | 0              | 0               |                  | 143                                  |
| Internally Restricted       | General Fund          | Waste Management               | 6777                            | -450                         | 500            | -134             |                |                 |                  | 6693                                 |
| Internally Restricted       | General Fund          | Carryover Works                | 3055                            |                              |                | -3055            |                |                 |                  | 0                                    |

|                                    |              |                          |               |                |              |                |          |          |              |               |
|------------------------------------|--------------|--------------------------|---------------|----------------|--------------|----------------|----------|----------|--------------|---------------|
| Internally Restricted              | General Fund | SRV                      | 4516          | -4015          | 1525         |                |          |          | -900         | 1126          |
| Internally Restricted              | General Fund | Risk Management          | 78            |                |              |                |          |          |              | 78            |
| Internally Restricted              | General Fund | Other Legal              | 1050          |                |              |                |          |          |              | 1050          |
| Internally Restricted              | General Fund | Economic Development     | 392           |                |              | -35            |          |          |              | 357           |
| Internally Restricted              | General Fund | Insurances               | 100           |                |              |                | 0        | 0        |              | 100           |
| Internally Restricted              | General Fund | Natural Disaster - Flood | 806           |                |              | -227           | 0        | 0        |              | 579           |
| Internally Restricted              | General Fund | Renewable Energy         | 631           |                | 500          |                | 0        | 0        |              | 1131          |
| Internally Restricted              | General Fund | Projects                 | 945           |                |              | -92            | 0        | 0        |              | 853           |
| Internally Restricted              | General Fund | Election Reserve         | 50            |                |              |                | 0        | 0        |              | 50            |
| Internally Restricted              | General Fund | Financial Sustainability | 2000          |                |              |                | 0        | 0        |              | 2000          |
| Internally Restricted              | General Fund | ICT Reserve              | 200           |                |              |                | 0        | 0        |              | 200           |
| Internally Restricted              | General Fund | Legal Reserve            | 200           | -200           |              |                | 0        | 0        |              | 0             |
| Internally Restricted              | General Fund | General Fund Reserve     | 0             |                | 805          |                | 0        | 0        |              | 805           |
| <b>Internally Restricted Total</b> |              |                          | <b>42,352</b> | <b>(4,815)</b> | <b>3,330</b> | <b>(4,249)</b> | <b>-</b> | <b>-</b> | <b>(900)</b> | <b>35,718</b> |
| Unrestricted                       | General Fund | General Fund             | 405           | -              | -            | -              | -        | -        | -            | 405           |
| <b>Total</b>                       |              |                          | <b>93,548</b> | <b>(6,984)</b> | <b>7,972</b> | <b>(8,316)</b> | <b>-</b> | <b>-</b> | <b>(900)</b> | <b>85,320</b> |

**Contract, Consultancy and Legal  
Disclosures**



| Contractor                                    | Contract detail & purpose  | Contract value   | Commencement date | Duration of contract  | Budgeted (Y/N) |
|---|--|--|-------------------|---|----------------|
| Principal Asset Services Pty Ltd              | Provision of Commercial Cleaning Services for Various Muswellbrook Shire Council Commercial Properties | \$389,706.00<br>Excl. GST per annum  | 1/07/2024         | Three (3) years   | Y              |
| Montana Smith (Sole Trader)                   | Management of Sam Adams College  | \$107,500.00<br>Excl. GST per annum  | 1/07/2024         | Three (3) years with extension up to two (2) additional years   | Y              |
| Loop Organics Pty Ltd                         | Processing of FOGO   | Schedule of rates contract to which the value depends on the level of contamination of FOGO received.        | 1/07/2024         | 2 years + Provision of three (3) x 12 months extension of the contract, subject to Council's progress in establishing FOGO processing infrastructure and satisfactory performance | Y              |
| Hunter Wide Civil Pty Ltd                     | Re-construction of Footpath Bridge St, Muswellbrook  | \$1,075,836.00<br>(Excl. GST)  | 3/07/2024         | Until final Certificate issued  | Y              |
| Mullane Trenchless Pipeline Solutions Pty Ltd | Relining Works Crinoline St, Denman  | \$239,965.00<br>(Excl. GST)  | 31/07/2024        | Until final Certificate issued  | Y              |
| RDO Equipment Pty Ltd                         | Supply and Delivery of 4WD Tractor and Attachments   | \$337,050.00<br>(Excl. GST)  | 12/08/2024        | Until delivery  | Y              |
| Barnson Pty Ltd                               | Olympic Park Grandstand and Amenity Detailed Design  | \$535,600.00<br>(Excl. GST)  | 15/08/2024        | Until final Certificate issued  | Y              |
| KCE Pty Ltd                                   | Replacement of Road Causeway on Dry Creek Raod, Wybong   | \$557,100.00<br>(Excl. GST)  | 15/08/2024        | Until final Certificate issued  | Y              |
| KCE Pty Ltd                                   | Denman Recreation Reserve Works Bell Street, Denman  | \$1,316,800.00<br>(Excl. GST)  | 15/08/2024        | Until final Certificate issued  | Y              |
| Loop Organics Pty Ltd                         | Processing or Re-Use of Lime Residue   | Schedule of rates with minimum expenditure of \$388,000.00 (Excl. GST) throughout the initial contract term. | 19/08/2024        | 3 years + Provision for two (2) x 12 month extensions of the contract, subject to satisfactory performance  | Y              |
| Westbury Constructions Py Ltd                 | Construction of the Denman Children's Centre Extension   | \$1,512,940.00<br>(Excl. GST)  | 20/09/2024        | Until final Certificate issued  | Y              |

|                                  |  |  |           |   |   |
|----------------------------------|--|--|-----------|---|---|
| 1800 Mr Excavate Pty Ltd         | Provision of Wet and Dry Hire of Plant, Vehicles and Equipment | Schedule of rates contract to which the value depends on the extent of works proposed. | 1/07/2024 | Three (3) years + Provision for one (1) x 12 month extension of the contract, subject to satisfactory performance | Y |
| Andrews Air Conditioning Pty Ltd | Trade Services Panel Contract                                  | Schedule of rates contract to which the value depends on the extent of works proposed. | 1/09/2024 | Two (2) years + Provision for one (1) x 12 month extension of the contract, subject to satisfactory performance   | Y |

**Notes**

1. Minimum reporting level is 1% of estimated income from continuing operations or \$50,000 whichever is the lesser.
2. Contracts to be listed are those entered into during the quarter and have yet to be fully performed, excluding contractors that are on Council's Preferred supplier list'.
3. Contracts for employment are not required to be included.
4. Where a contract for services etc was not included in the budget, an explanation is to be given (or reference made to an explanation in another Budget Review Statement).

**PART B - Consultancy and Legal expenses**

**Consultancy and Legal expenses**

| Expense       | Expenditure YTD | Budgeted (Y/N) |
|---------------|-----------------|----------------|
| Consultancies | \$47,932        | Y              |
| Legal Fees    | \$52,379        | Y              |

**Definition of consultant:**

*A consultant is a person or organisation engaged under contract on a temporary basis to provide recommendations or high level specialist or professional advice to assist decision- making by management. Generally it is the advisory nature of the work that differentiates a consultant from other contractors.*

**NOTE:**

Where any expenses for  
Consultancy or Legal fees  
(including Code of Conduct  
expenses) have not been budgeted  
for, an explanation is to be given.  
Report on external expenses only  
(not internal expenses).

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*This document forms part of Muswellbrook Shire Council's Quarterly Budget Review Statement for the quarter ended 31/12/22 and should be read in conjunction with other documents in the QBRS.*



## Cash and Investments



Council's cash and investment balance as at 30 September 2024 was \$ 103,335,115.64

### Cash & Investment Budget Review Statement

Budget review for the quarter ended 30 September 2024

|                                       |            |
|---------------------------------------|------------|
| Details                               | \$         |
| Cash at Bank (as per bank statements) | 100,000.00 |
|                                       |            |

|   |               |
|---|---------------|
| less: Unpresented Bank File Transactions          | -4,776,457.30 |
| Add : Unpresented Authority cashbook transactions | 38,241.12     |

|   |               |
|---|---------------|
|   |               |
| General Fund Cash as per General Ledger | -4,638,216.18 |

## Overview by Fund



### General Fund

(\$000's)

| Row Labels                         | 2023/24 YTD Actuals | 2024/25 Total Budget | 2024/25 Carryovers | 2024/25 Original + Carryovers | Sep Changes    | September QBR Budgets |
|------------------------------------|---------------------|----------------------|--------------------|-------------------------------|----------------|-----------------------|
| <b>Revenue</b>                     | <b>(54,427)</b>     | <b>(51,326)</b>      | <b>(4,852)</b>     | <b>(56,178)</b>               | <b>(1,394)</b> | <b>(57,573)</b>       |
| Rates and Charges                  | (25,130)            | (26,686)             | -                  | (26,686)                      | (430)          | (27,116)              |
| User Charges and Fees              | (11,258)            | (8,598)              | -                  | (8,598)                       | (8)            | (8,606)               |
| Operating Grants and Contributions | (7,398)             | (8,160)              | (1,437)            | (9,597)                       | (267)          | (9,864)               |
| Interest and Investments Revenues  | (3,245)             | (2,563)              | -                  | (2,563)                       | -              | (2,563)               |
| Internal Revenue                   | (4,790)             | (2,777)              | (3,415)            | (6,193)                       | (650)          | (6,843)               |
| Other Revenues                     | (2,606)             | (2,541)              | -                  | (2,541)                       | (40)           | (2,582)               |
| <b>Expenses</b>                    | <b>47,117</b>       | <b>51,326</b>        | <b>4,852</b>       | <b>56,178</b>                 | <b>1,375</b>   | <b>57,553</b>         |
| Wages and Salaries                 | 13,630              | 15,320               | -                  | 15,320                        | 167            | 15,487                |
| Materials and Contracts            | 16,358              | 16,187               | 4,784              | 20,971                        | 1,373          | 22,344                |
| Borrowing Costs                    | 465                 | 762                  | -                  | 762                           | -              | 762                   |
| Depreciation                       | 9,502               | 11,485               | -                  | 11,485                        | -              | 11,485                |
| Other Costs                        | 4,839               | 5,271                | 69                 | 5,340                         | (166)          | 5,174                 |
| Overheads                          | 2,322               | 2,301                | -                  | 2,301                         | -              | 2,301                 |
| <b>Grand Total</b>                 | <b>(7,311)</b>      | <b>-</b>             | <b>-</b>           | <b>-</b>                      | <b>(20)</b>    | <b>(20)</b>           |

## Overview by Fund



### Water Fund

(\$000's)

| Row Labels                         | 2023/24 YTD Actuals | 2024/25 Total Budget | 2024/25 Carryovers | 2024/25 Original + Carryovers | Sep Changes | September QBR Budgets |
|------------------------------------|---------------------|----------------------|--------------------|-------------------------------|-------------|-----------------------|
| <b>Revenue</b>                     | <b>(7,741)</b>      | <b>(8,082)</b>       | -                  | <b>(8,082)</b>                | -           | <b>(8,082)</b>        |
| Rates and Charges                  | (2,242)             | (2,379)              | -                  | (2,379)                       | -           | (2,379)               |
| User Charges and Fees              | (5,164)             | (5,440)              | -                  | (5,440)                       | -           | (5,440)               |
| Operating Grants and Contributions | (40)                | (38)                 | -                  | (38)                          | -           | (38)                  |
| Interest and Investments Revenues  | (295)               | (637)                | -                  | (637)                         | -           | (637)                 |
| Internal Revenue                   | -                   | 413                  | -                  | 413                           | -           | 413                   |
| <b>Expenses</b>                    | <b>7,027</b>        | <b>7,851</b>         | -                  | <b>7,851</b>                  | -           | <b>7,851</b>          |
| Wages and Salaries                 | 1,107               | 1,460                | -                  | 1,460                         | -           | 1,460                 |
| Materials and Contracts            | 2,213               | 2,459                | -                  | 2,459                         | -           | 2,459                 |
| Borrowing Costs                    | 14                  | -                    | -                  | -                             | -           | -                     |
| Depreciation                       | 2,100               | 2,183                | -                  | 2,183                         | -           | 2,183                 |
| Other Costs                        | 435                 | 542                  | -                  | 542                           | -           | 542                   |
| Overheads                          | 1,158               | 1,208                | -                  | 1,208                         | -           | 1,208                 |
| <b>Grand Total</b>                 | <b>(714)</b>        | <b>(232)</b>         | -                  | <b>(232)</b>                  | -           | <b>(232)</b>          |

## Overview by Fund



### Sewer Fund

(\$000's)

| Row Labels                         | 2023/24 YTD Actuals | 2024/25 Total Budget | 2024/25 Carryovers | 2024/25 Original + Carryovers | Sep Changes | September QBR Budgets |
|------------------------------------|---------------------|----------------------|--------------------|-------------------------------|-------------|-----------------------|
| <b>Revenue</b>                     | <b>(7,482)</b>      | <b>(7,534)</b>       | -                  | <b>(7,534)</b>                | -           | <b>(7,534)</b>        |
| Rates and Charges                  | (6,823)             | (6,929)              | -                  | (6,929)                       | -           | (6,929)               |
| User Charges and Fees              | (471)               | (465)                | -                  | (465)                         | -           | (465)                 |
| Operating Grants and Contributions | (43)                | 170                  | -                  | 170                           | -           | 170                   |
| Interest and Investments Revenues  | (146)               | (310)                | -                  | (310)                         | -           | (310)                 |
| <b>Expenses</b>                    | <b>6,773</b>        | <b>7,524</b>         | -                  | <b>7,524</b>                  | -           | <b>7,524</b>          |
| Wages and Salaries                 | 857                 | 956                  | -                  | 956                           | -           | 956                   |
| Materials and Contracts            | 1,420               | 1,597                | -                  | 1,597                         | -           | 1,597                 |
| Borrowing Costs                    | 636                 | 587                  | -                  | 587                           | -           | 587                   |
| Depreciation                       | 2,285               | 2,395                | -                  | 2,395                         | -           | 2,395                 |
| Other Costs                        | 623                 | 818                  | -                  | 818                           | -           | 818                   |
| Overheads                          | 953                 | 1,172                | -                  | 1,172                         | -           | 1,172                 |
| <b>Grand Total</b>                 | <b>(709)</b>        | <b>(10)</b>          | -                  | <b>(10)</b>                   | -           | <b>(10)</b>           |

## Overview by Fund



### Future Fund

(\$000's)

| Row Labels              | 2023/24 YTD Actuals | 2024/25 Total Budget | 2024/25 Carryovers | 2024/25 Original + Carryovers | Sep Changes | September QBR Budgets |
|-------------------------|---------------------|----------------------|--------------------|-------------------------------|-------------|-----------------------|
| <b>Revenue</b>          | <b>(7,133)</b>      | <b>(6,794)</b>       | -                  | <b>(6,794)</b>                | <b>85</b>   | <b>(6,709)</b>        |
| User Charges and Fees   | (7,003)             | (6,790)              | -                  | (6,790)                       | 83          | (6,708)               |
| Internal Revenue        | (130)               | -                    | -                  | -                             | -           | -                     |
| Other Revenues          | (1)                 | (4)                  | -                  | (4)                           | 2           | (2)                   |
| <b>Expenses</b>         | <b>5,380</b>        | <b>5,210</b>         | -                  | <b>5,210</b>                  | <b>(85)</b> | <b>5,126</b>          |
| Wages and Salaries      | 286                 | 267                  | -                  | 267                           | -           | 267                   |
| Materials and Contracts | 1,302               | 1,239                | -                  | 1,239                         | (28)        | 1,212                 |
| Borrowing Costs         | 1,434               | 1,325                | -                  | 1,325                         | -           | 1,325                 |
| Depreciation            | 973                 | 190                  | -                  | 190                           | -           | 190                   |
| Other Costs             | 1,029               | 951                  | -                  | 951                           | (57)        | 894                   |
| Overheads               | 357                 | 1,238                | -                  | 1,238                         | -           | 1,238                 |
| <b>Grand Total</b>      | <b>(1,753)</b>      | <b>(1,584)</b>       | -                  | <b>(1,584)</b>                | -           | <b>(1,584)</b>        |

Sep 2024 Quarterly Budget Review  
Summary of Changes



|                   |                          |
|-------------------|--------------------------|
| <b>Department</b> | Community Infrastructure |
|-------------------|--------------------------|

| BusinessUnit              | AccountType | Program                     | Comment                         | Sep 24 QBR changes |
|---------------------------|-------------|-----------------------------|---------------------------------|--------------------|
| Technical Services        | Expenses    | Asset Management            | Trf from Asset Management Wages | 65,000             |
| Waste Management Facility | Expenses    | Misc Immaterial Items       |                                 | 500                |
|                           |             | Muswellbrook Waste Facility | Oncosts transfer                | 27,295             |
| <b>Grand Total</b>        |             |                             |                                 | <b>92,795</b>      |

|                   |                    |
|-------------------|--------------------|
| <b>Department</b> | Corporate Services |
|-------------------|--------------------|

| BusinessUnit         | AccountType | Program                              | Comment  | Sep 24 QBR changes |
|----------------------|-------------|--------------------------------------|--|--------------------|
| Financial Services   | Revenue     | General Fund Rates                   | Rates Adjustment   | (437,059)          |
|                      |             | Misc Immaterial Items                |  | 7,357              |
|                      |             | Transfer from VPA Reserve            | \$300K Mangoola VPA to Denman Childrens Centre & \$150K to Art Centre Storage & Preservation of Collection | (450,000)          |
|                      |             | Transfer to Renewable Energy Reserve |  | (35,000)           |
|                      |             | Transfer from FA Grants              |  | (165,000)          |
|                      | Expenses    | Administration Costs                 | FBT oncosts transfer   | 125,000            |
|                      |             | Misc Immaterial Items                |  | (6,405)            |
|                      |             | Other Costs                          | GL restructure project and Finance resourcing  | 105,000            |
| Governance           | Expenses    | Elections                            |  | 30,000             |
|                      |             | Integrated Planning                  | CSP consultant costs   | 100,000            |
|                      |             | Records                              | CSP consultant costs   | (30,000)           |
| Information Services | Expenses    | GL Restructure                       |  | 68,960             |
| <b>Grand Total</b>   |             |                                      |  | <b>(687,147)</b>   |



Sep 2024 Quarterly Budget Review  
Summary of Changes



|            |                       |
|------------|-----------------------|
| Department | Economy and Community |
|------------|-----------------------|

| BusinessUnit                                     | AccountType | Program   | Comment                               | Sep 24 QBR changes |
|--|-------------|---|---------------------------------------|--------------------|
| Aquatic Centres                                  | Expenses    | Misc Immaterial Items                           |                                       | -                  |
| Community Services                               | Expenses    | Community Workers                               | Transfer to Arts Centre Wages         | (31,500)           |
| Community Vitality                               | Expenses    | Civic Functions and Donations                   | Transfer to Sponsorship Budget        | (10,000)           |
|  |             |   | Transfer VPA to Community Grants      | (148,958)          |
|  |             | Denman Wine, Food and Film                      |                                       | 65,502             |
|  |             | Economic Development and Innovation             | VPA funds of \$155K added             | 155,458            |
|  |             | Events  |                                       | (85,000)           |
|  |             | Misc Immaterial Items                           |                                       | 7,998              |
|  |             | Screen Audience Development                     |                                       | 15,000             |
| Cultural   | Revenue     | Misc Immaterial Items                           |                                       | (12,206)           |
|  | Expenses    | Art Centre Storage & Preservation of Collection | Moved from VPAs                       | 150,000            |
|  |             | Arts Programme                                  |                                       | 31,500             |
|  |             | Misc Immaterial Items                           |                                       | 12,206             |
| Economic Development and Innovation Upper Hunter | Revenue     | The Welcome Experience Pilot                    | Grant funded                          | (60,052)           |
|  | Expenses    | Economic Development Initiatives                | Move to Economic Development projects | (63,704)           |
|  |             | Media and Communications                        |                                       | 10,000             |
|  |             | The Welcome Experience Pilot                    | Grant funded                          | 60,052             |
|  |             | Upper Hunter Economic Development Corporation   | Move from Job Creation                | 63,704             |
| Libraries  | Revenue     | Misc Immaterial Items                           |                                       | (2,317)            |
|  | Expenses    | Misc Immaterial Items                           |                                       | 2,317              |
| Grand Total                                      |             |   |                                       | 160,000            |

Sep 2024 Quarterly Budget Review  
Summary of Changes



|            |                          |
|------------|--------------------------|
| Department | Environment and Planning |
|------------|--------------------------|

| BusinessUnit           | AccountType | Program                             | Comment  | Sep 24 QBR changes |
|------------------------|-------------|-------------------------------------|--|--------------------|
| Environmental Planning | Expenses    | DPHI Early Adopter                  | DPHI grant and 10k from consultants              | 127,333            |
|                        |             | Misc Immaterial Items               |  | 500                |
|                        |             | Strategic Planning Renewable Energy |  | 35,000             |
|                        | Revenue     | Town Planning Administration        | Trf to DPHI Grant                                | (10,000)           |
|                        |             | DPHI Early Adopter                  | DPHI Grant                                       | (117,333)          |
|                        |             | Misc Immaterial Items               |  | (500)              |
|                        |             | Strategic Planning Renewable Energy | Funds for Sustainable Vehicle Transition Strateg | (35,000)           |
| Regulatory Services    | Expenses    | Misc Immaterial Items               |  | 3,952              |
|                        | Revenue     | Fines and Fees                      |  | (10,000)           |
|                        |             | Misc Immaterial Items               |  | 6,048              |
| Sustainability         | Expenses    | Misc Immaterial Items               |  | -                  |
|                        |             | Restoring Muscle Creek              | Grant funded                                     | 53,906             |
|                        |             | Sustainability Unit                 | Sustainable Vehicle Transition Strategy          | 35,000             |
|                        | Revenue     | Restoring Muscle Creek              |  | (53,906)           |
| Grand Total            |             |                                     |  | 35,000             |

|            |                         |
|------------|-------------------------|
| Department | General Managers Office |
|------------|-------------------------|

| BusinessUnit       | AccountType | Program                       | Comment                            | Sep 24 QBR changes |
|--------------------|-------------|-------------------------------|------------------------------------|--------------------|
| Executive Services | Expenses    | Administration Costs          | Temp Contract and Oncosts transfer | 22,044             |
|                    |             | Corporate Services Management | Transf to Contractors              | (22,044)           |
|                    |             | Members Expenses              | As per Council Report              | 15,311             |
|                    |             | Misc Immaterial Items         |                                    | 11,449             |
| Grand Total        |             |                               |                                    | 26,760             |

Sep 2024 Quarterly Budget Review  
Summary of Changes



Department Property and Place

| BusinessUnit                   | AccountType | Program                       | Comment   | Sep 24 QBR changes |
|--------------------------------|-------------|-------------------------------|---|--------------------|
| Emergency Services             | Revenue     | Misc Immaterial Items         |   | (636)              |
|                                | Expenses    | Misc Immaterial Items         |   | 7,684              |
| Property and Building Services | Revenue     | 116 Bridge Street             |   | 33,371             |
|                                |             | Blue Flame Restaurant         |   | (12,000)           |
|                                |             | Misc Immaterial Items         |   | (7,028)            |
|                                |             | Staff Housing                 |   | (18,200)           |
|                                |             | Sundry Income                 |   | (25,000)           |
|                                | Expenses    | Building Condition Review     | Earthquake works _ Natural Disaster Declaration         | 25,000             |
|                                |             |                               | Council resolution 28 May 2024 \$300K from Mangoola VPA | 300,000            |
|                                |             | Denman Children's Centre      |   | 16,000             |
|                                |             | Denman Golf Course            |   | (12,143)           |
|                                |             | Misc Immaterial Items         |   | 16,170             |
| Roads and Drainage - Works     | Expenses    | Misc Immaterial Items         |   | 5,545              |
|                                |             |                               | Oncosts transfer  | 24,091             |
|                                |             | Roads Miscellaneous           |   | -                  |
|                                |             | Rural Roads                   |   | -                  |
|                                |             | Special Variation Maintenance |   |                    |
| Grand Total                    |             |                               |   | 352,854            |

Sep 2024 Quarterly Budget Review  
Summary of Changes



| Department | Future Fund |
|------------|-------------|
|------------|-------------|

| BusinessUnit        | AccountType | Program               | Comment              | Sep 24 QBR changes |
|---------------------|-------------|-----------------------|----------------------|--------------------|
| Commercial Division | Revenue     | Misc Immaterial Items |                      | (8,309)            |
|                     | Expenses    | Market Place          | Savings in Costs     | (44,632)           |
|                     |             | Misc Immaterial Items |                      | (9,729)            |
|                     |             | Seven Hills           | Savings in materials | (40,823)           |
|                     |             | Throsby ACT           |                      | 10,000             |
| Education Division  | Revenue     | Sam Adams College     |                      | (25,000)           |
|                     |             | Town Education Campus |                      | 118,100            |
|                     | Expenses    | Misc Immaterial Items |                      | (2,705)            |
|                     |             | Sam Adams College     |                      | 29,398             |
|                     |             | Town Education Campus |                      | (26,300)           |
| Grand Total         |             |                       |                      |                    |

**10.3.8. Monthly Financial Report - October 2024**

**Responsible Officer:** Derek Finnigan - General Manager

**Author:** Finance Business Partner

**Community Strategic Plan:** 6 - Community Leadership

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

**Delivery Program Goal:** 6.2.1 - Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves.

**Operational Plan Action:** 6.2.1.1 - Provide transparent reporting to the community about Council's finances.

**Attachments:** 1. Monthly Council Report October 2024 [10.3.8.1 - 10 pages]

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**PURPOSE**

To provide an overview of the monthly financial performance of Council's General, Water, Sewer, and Future Funds, and to identify and explain any material variances against Council's approved budget for the month ending 31 October 2024.

**OFFICER'S RECOMMENDATION**

Council notes the Financial Reports for the month ending 31 October 2024.

**Moved:** \_\_\_\_\_ **Seconded:** \_\_\_\_\_

**REPORT**

Please refer to the attachment for the October 2024 details of:

- Monthly & Year To Date operating performance by Fund;
- Capital Project Spend; and
- Outstanding Debtor Balances.

**Overview**

The audit of the financial statements for 2023/24 has been completed and statements have been lodged with the office of Local Government.

The rates and charges are budgeted and levied in the month of July for the whole year. Presently, revenue is having negative variance against budget, which is expected to be received later in the year. Expenses are overall 28% of the YTD budgets.



**Material Exceptions:**

**General Fund**

**Revenue:**

- Rates and Charges are budgeted and recognised in July.
- Total revenue is \$34.87m against the October budget of \$36.51m, resulting in negative variance of \$1.64m.
- User Charges and Fees show an unfavourable variance due to timing with the Transport for NSW works program, which is expected to be received later in the year.
- Under operating grants, the remaining 15% of Financial Assistance Grant is expected to be received later in the year.

**Expenses:**

- Insurance under other costs is allocated and paid in July.
- Overall costs are 28% against YTD budgets, having favourable variance of \$3.49m, with major contribution from materials (principally, Roads & Drainage, Property & Building and Waste Management – totalling \$2.05m).

**Water Fund**

- Water User Charges and Fees revenue show an unfavourable variance after the first water billing cycle. The deficit is expected to be covered in following billing cycles in the summer months.
- Expenses show a favourable variance of \$0.21m.

**Sewer Fund**

- Overall, Sewer Costs show a favourable variance against budget of \$0.78m.
- Revenue is short by \$0.50m. This is expected to be covered by non-residential sewer charges throughout the remainder of the year.

**Future Fund**

**Revenue:**

- Commercial leased property income is having shortfall against YTD budgets.

**Expenses:**

- Overall expenses show a favourable variance of \$0.15m.

**Capital Projects**

- YTD Capital Spend is \$5.45m, which equates to 8% of the total Capital Budget, including carryovers.



# Muswellbrook Shire Council

Financial Report - October 2024



| Council Consolidated               |                     |                     |                      |                       |                           |                         |                       |   |
|------------------------------------|---------------------|---------------------|----------------------|-----------------------|---------------------------|-------------------------|-----------------------|---|
| Account Group                      | YTD Actuals         | YTD Budget          | YTD Var              | YTD % Spend vs Budget | Full-Year Original Budget | September Review Budget | YTD as % of FY Budget | Variance Commentary (By material exception)   |
|                                    | YTD                 |                     |                      |                       | Full Year                 |                         |                       |   |
| <b>Revenue</b>                     |                     |                     |                      |                       |                           |                         |                       |   |
| Rates and Charges                  | \$35,949,164        | \$35,993,634        | (\$44,470)           | 0%                    | \$35,993,634              | \$35,993,634            | 100%                  |   |
| User Charges and Fees              | \$5,692,663         | \$7,095,270         | (\$1,402,607)        | -20%                  | \$21,294,328              | \$21,294,328            | 27%                   | * Rates and charges budgets are allocated and levied in July. Revenue is short against budget, due to transport for NSW works program and FAG grant expected to be received at end of the year. |
| Interest and Investments Revenues  | \$1,231,405         | \$1,169,488         | \$61,917             | 5%                    | \$3,509,869               | \$3,509,869             | 35.08%                |   |
| Other Revenues                     | \$637,828           | \$848,027           | (\$210,199)          | -25%                  | \$2,545,098               | \$2,545,098             | 25%                   |   |
| Operating Grants and Contributions | \$2,355,878         | \$3,154,004         | (\$798,126)          | -25%                  | \$9,465,797               | \$9,465,797             | 25%                   | See individual funds for commentary specific to that fund   |
| Internal Revenue                   | \$1,591,107         | \$1,925,949         | (\$334,842)          | -17%                  | \$5,780,160               | \$5,780,160             | 28%                   |   |
| <b>Total Revenue</b>               | <b>\$47,458,045</b> | <b>\$50,186,372</b> | <b>(\$2,728,327)</b> | <b>-5%</b>            | <b>\$78,588,886</b>       | <b>\$78,588,886</b>     | <b>60%</b>            |   |
| <b>Expenses</b>                    |                     |                     |                      |                       |                           |                         |                       |   |
| Wages and Salaries                 | \$5,566,863         | \$5,998,301         | \$431,438            | 7%                    | \$18,002,105              | \$18,002,105            | 31%                   |   |
| Materials and Contracts            | \$6,366,642         | \$8,751,761         | \$2,385,119          | 27%                   | \$26,265,790              | \$26,265,790            | 24%                   | Overall costs are at 28% against YTD budgets. Insurance cost is allocated and expended in July.   |
| Other Costs                        | \$2,436,246         | \$3,385,701         | \$949,455            | 28%                   | \$7,650,613               | \$7,650,613             | 32%                   |   |
| Borrowing Costs                    | \$690,829           | \$891,069           | \$200,240            | 22%                   | \$2,674,278               | \$2,674,278             | 26%                   |   |
| Overheads                          | \$1,591,108         | \$1,972,060         | \$380,952            | 19%                   | \$5,918,547               | \$5,918,547             | 27%                   | See individual funds for commentary specific to that fund   |
| Depreciation                       | \$5,118,696         | \$5,415,212         | \$296,516            | 5%                    | \$16,252,138              | \$16,252,138            | 31%                   |   |
| <b>Total Expenses</b>              | <b>\$21,770,384</b> | <b>\$26,414,105</b> | <b>\$4,643,721</b>   | <b>18%</b>            | <b>\$76,763,471</b>       | <b>\$76,763,471</b>     | <b>28%</b>            |   |
| <b>Result</b>                      | <b>\$25,687,661</b> | <b>\$23,772,267</b> | <b>\$1,915,394</b>   |                       | <b>\$1,825,415</b>        | <b>\$1,825,415</b>      |                       |   |

# Muswellbrook Shire Council

Financial Report - October 2024



| General Fund                       |                     |                     |                      |                       |                           |                         |                       |  |
|------------------------------------|---------------------|---------------------|----------------------|-----------------------|---------------------------|-------------------------|-----------------------|--|
| Account Group                      | YTD Actuals         | YTD Budget          | YTD Var              | YTD % Spend vs Budget | Full-Year Original Budget | September Review Budget | YTD as % of FY Budget | Variance Commentary<br>(By material exception)   |
|                                    | YTD                 |                     |                      |                       | Full Year                 |                         |                       |  |
| <b>Revenue</b>                     |                     |                     |                      |                       |                           |                         |                       |  |
| Rates and Charges                  | \$27,194,176        | \$26,686,004        | \$508,172            | 2%                    | \$26,686,004              | \$26,686,004            | 102%                  |  |
| User Charges and Fees              | \$2,173,440         | \$2,865,012         | (\$691,572)          | -24%                  | \$8,598,475               | \$8,598,475             | 25.28%                | *Rates and charges budgets are allocated and levied in July.   |
| Interest and Investments Revenues  | \$921,646           | \$853,891           | \$67,755             | 8%                    | \$2,562,699               | \$2,562,699             | 36%                   |  |
| Other Revenues                     | \$637,828           | \$846,813           | (\$208,985)          | -25%                  | \$2,541,456               | \$2,541,456             | 25%                   | *Overall revenue is short of YTD budgets by 3%. Under user charges and fees, deficit is due to budget for transport NSW works program, which is expected to be received later. |
| Operating Grants and Contributions | \$2,354,128         | \$3,197,757         | (\$843,629)          | -26%                  | \$9,597,109               | \$9,597,109             | 25%                   |  |
| Internal Revenue                   | \$1,591,107         | \$2,063,420         | (\$472,313)          | -23%                  | \$6,192,736               | \$6,192,736             | 26%                   |  |
| <b>Total Revenue</b>               | <b>\$34,872,325</b> | <b>\$36,512,897</b> | <b>(\$1,640,572)</b> | <b>-4%</b>            | <b>\$56,178,479</b>       | <b>\$56,178,479</b>     | <b>62%</b>            |  |
| <b>Expenses</b>                    |                     |                     |                      |                       |                           |                         |                       |  |
| Wages and Salaries                 | \$4,770,153         | \$5,104,574         | \$334,421            | 7%                    | \$15,319,851              | \$15,319,851            | 31.14%                |  |
| Materials and Contracts            | \$4,933,614         | \$6,987,514         | \$2,053,900          | 29%                   | \$20,970,931              | \$20,970,931            | 24%                   |  |
| Other Costs                        | \$1,720,523         | \$2,347,412         | \$626,889            | 27%                   | \$5,339,911               | \$5,339,911             | 32.22%                | Overall costs are 28% against YTD budgets. Insurance cost under other costs is allocated and expended in July.   |
| Borrowing Costs                    | \$53,680            | \$253,987           | \$200,307            | 79%                   | \$762,266                 | \$762,266               | 7%                    |  |
| Overheads                          | \$743,703           | \$766,692           | \$22,989             | 3%                    | \$2,300,997               | \$2,300,997             | 32%                   |  |
| Depreciation                       | \$3,574,811         | \$3,826,643         | \$251,832            | 7%                    | \$11,484,523              | \$11,484,523            | 31%                   |  |
| <b>Total Expenses</b>              | <b>\$15,796,484</b> | <b>\$19,286,823</b> | <b>\$3,490,339</b>   | <b>18%</b>            | <b>\$56,178,479</b>       | <b>\$56,178,479</b>     | <b>28%</b>            |  |
| <b>Result</b>                      | <b>\$19,075,841</b> | <b>\$17,226,073</b> | <b>\$1,849,768</b>   |                       | <b>\$0</b>                | <b>\$0</b>              |                       |  |

# Muswellbrook Shire Council

Financial Report - October 2024



| Water Fund                         |                    |                    |                    |                       |                           |                         |                       |   |
|------------------------------------|--------------------|--------------------|--------------------|-----------------------|---------------------------|-------------------------|-----------------------|---|
| Account Group                      | YTD Actuals        | YTD Budget         | YTD Var            | YTD % Spend vs Budget | Full-Year Original Budget | September Review Budget | YTD as % of FY Budget | Variance Commentary<br>(By material exception)  |
|                                    | YTD                |                    |                    |                       | Full Year                 |                         |                       |   |
| <b>Revenue</b>                     |                    |                    |                    |                       |                           |                         |                       |   |
| Rates and Charges                  | \$2,378,467        | \$2,379,111        | (\$644)            | 0%                    | \$2,379,111               | \$2,379,111             | 100%                  |   |
| User Charges and Fees              | \$1,283,405        | \$1,812,640        | (\$529,235)        | -29%                  | \$5,440,096               | \$5,440,096             | 24%                   | *Rates and charges budgets are allocated and levied in July.  |
| Interest and Investments Revenues  | \$200,893          | \$212,399          | (\$11,506)         | -5%                   | \$637,451                 | \$637,451               | 32%                   |   |
| Other Revenues                     | \$0                | \$0                | \$0                | 0%                    | \$0                       | \$0                     | 0%                    | *Water User Charges and Fees revenue show an unfavourable variance. The first water account has been raised in Sep 24. The user charges are expected to be in line with budget in later billing cycles. |
| Operating Grants and Contributions | \$1,750            | \$12,754           | (\$11,004)         | -86%                  | \$38,277                  | \$38,277                | 5%                    |   |
| Internal Revenue                   | \$0                | (\$137,470)        | \$137,470          | -100%                 | (\$412,576)               | (\$412,576)             | 0%                    |   |
| <b>Total Revenue</b>               | <b>\$3,864,515</b> | <b>\$4,279,433</b> | <b>(\$414,918)</b> | <b>-10%</b>           | <b>\$8,082,359</b>        | <b>\$8,082,359</b>      | <b>48%</b>            |   |
| <b>Expenses</b>                    |                    |                    |                    |                       |                           |                         |                       |   |
| Wages and Salaries                 | \$475,728          | \$486,518          | \$10,790           | 2%                    | \$1,460,138               | \$1,460,138             | 33%                   |   |
| Materials and Contracts            | \$788,427          | \$819,174          | \$30,747           | 4%                    | \$2,458,506               | \$2,458,506             | 32%                   |   |
| Other Costs                        | \$71,167           | \$220,056          | \$148,889          | 68%                   | \$541,556                 | \$541,556               | 13%                   | * Overall, costs show a favourable variance sitting at 31% against YTD budgets.   |
| Borrowing Costs                    | \$0                | \$0                | \$0                | 0%                    | \$0                       | \$0                     | 0%                    |   |
| Overheads                          | \$402,549          | \$402,389          | (\$160)            | 0%                    | \$1,207,649               | \$1,207,649             | 33%                   |   |
| Depreciation                       | \$704,095          | \$727,365          | \$23,270           | 3%                    | \$2,182,969               | \$2,182,969             | 32%                   |   |
| <b>Total Expenses</b>              | <b>\$2,441,966</b> | <b>\$2,655,502</b> | <b>\$213,536</b>   | <b>8%</b>             | <b>\$7,850,818</b>        | <b>\$7,850,818</b>      | <b>31%</b>            |   |
| <b>Result</b>                      | <b>\$1,422,549</b> | <b>\$1,623,931</b> | <b>(\$201,382)</b> |                       | <b>\$231,541</b>          | <b>\$231,541</b>        |                       |   |

# Muswellbrook Shire Council

Financial Report - October 2024



| Sewer Fund                         |                    |                    |                    |                       |                           |                         |                       |  |
|------------------------------------|--------------------|--------------------|--------------------|-----------------------|---------------------------|-------------------------|-----------------------|--|
| Account Group                      | YTD Actuals        | YTD Budget         | YTD Var            | YTD % Spend vs Budget | Full-Year Original Budget | September Review Budget | YTD as % of FY Budget | Variance Commentary<br>(By material exception)   |
|                                    | YTD                |                    |                    |                       | Full Year                 |                         |                       |  |
| <b>Revenue</b>                     |                    |                    |                    |                       |                           |                         |                       |  |
| Rates and Charges                  | \$6,376,521        | \$6,928,519        | (\$551,998)        | -8%                   | \$6,928,519               | \$6,928,519             | 92%                   | *Rates and charges budgets are allocated and levied in July.However non residential sewer charges are expected to be received throughout the year. |
| User Charges and Fees              | \$143,518          | \$155,104          | (\$11,586)         | -7%                   | \$465,498                 | \$465,498               | 31%                   |  |
| Interest and Investments Revenues  | \$108,866          | \$103,198          | \$5,668            | 5%                    | \$309,719                 | \$309,719               | 35%                   |  |
| Other Revenues                     | \$0                | \$0                | \$0                | 0%                    | \$0                       | \$0                     | 0%                    |  |
| Operating Grants and Contributions | \$0                | (\$56,507)         | \$56,507           | -100%                 | (\$169,589)               | (\$169,589)             | 0%                    |  |
| Internal Revenue                   | \$0                | \$0                | \$0                | 0%                    | \$0                       | \$0                     | 0%                    |  |
| <b>Total Revenue</b>               | <b>\$6,628,905</b> | <b>\$7,130,314</b> | <b>(\$501,409)</b> | <b>-7%</b>            | <b>\$7,534,147</b>        | <b>\$7,534,147</b>      | <b>88%</b>            |  |
| <b>Expenses</b>                    |                    |                    |                    |                       |                           |                         |                       |  |
| Wages and Salaries                 | \$276,745          | \$318,380          | \$41,635           | 13%                   | \$955,523                 | \$955,523               | 29%                   | * Overall, costs show a favourable variance sitting at 24% against YTD budgets.  |
| Materials and Contracts            | \$280,256          | \$532,095          | \$251,839          | 47%                   | \$1,596,924               | \$1,596,924             | 18%                   |  |
| Other Costs                        | \$225,699          | \$336,575          | \$110,876          | 33%                   | \$817,889                 | \$817,889               | 28%                   |  |
| Borrowing Costs                    | \$197,323          | \$195,619          | (\$1,704)          | -1%                   | \$587,093                 | \$587,093               | 34%                   |  |
| Overheads                          | \$32,155           | \$390,442          | \$358,287          | 92%                   | \$1,171,795               | \$1,171,795             | 3%                    |  |
| Depreciation                       | \$776,458          | \$797,896          | \$21,438           | 3%                    | \$2,394,646               | \$2,394,646             | 32%                   |  |
| <b>Total Expenses</b>              | <b>\$1,788,636</b> | <b>\$2,571,007</b> | <b>\$782,371</b>   | <b>30%</b>            | <b>\$7,523,870</b>        | <b>\$7,523,870</b>      | <b>24%</b>            |  |
| <b>Result</b>                      | <b>\$4,840,269</b> | <b>\$4,559,307</b> | <b>\$280,962</b>   |                       | <b>\$10,277</b>           | <b>\$10,277</b>         |                       |  |

# Muswellbrook Shire Council

Financial Report - October 2024



| Future Fund                        |                    |                    |                    |                       |                           |                         |                       |  |
|------------------------------------|--------------------|--------------------|--------------------|-----------------------|---------------------------|-------------------------|-----------------------|--|
| Account Group                      | YTD Actuals        | YTD Budget         | YTD Var            | YTD % Spend vs Budget | Full-Year Original Budget | September Review Budget | YTD as % of FY Budget | Variance Commentary<br>(By material exception)   |
|                                    | YTD                |                    |                    |                       | Full Year                 |                         |                       |  |
| <b>Revenue</b>                     |                    |                    |                    |                       |                           |                         |                       |  |
| Rates and Charges                  | \$0                | \$0                | \$0                | 0%                    | \$0                       | \$0                     | 0%                    |  |
| User Charges and Fees              | \$2,092,300        | \$2,262,514        | (\$170,214)        | -8%                   | \$6,790,259               | \$6,790,259             | 31%                   |  |
| Interest and Investments Revenues  | \$0                | \$0                | \$0                | 0%                    | \$0                       | \$0                     | 0%                    | * The revenue is having a deficit from lease rentals and usage charges expected to be recovered later. |
| Other Revenues                     | \$0                | \$1,214            | (\$1,214)          | -100%                 | \$3,642                   | \$3,642                 | 0%                    |  |
| Operating Grants and Contributions | \$0                | \$0                | \$0                | 0%                    | \$0                       | \$0                     | 0%                    |  |
| Internal Revenue                   | \$0                | \$0                | \$0                | 0%                    | \$0                       | \$0                     | 0%                    |  |
| <b>Total Revenue</b>               | <b>\$2,092,300</b> | <b>\$2,263,728</b> | <b>(\$171,428)</b> | <b>-8%</b>            | <b>\$6,793,901</b>        | <b>\$6,793,901</b>      | <b>31%</b>            |  |
| <b>Expenses</b>                    |                    |                    |                    |                       |                           |                         |                       |  |
| Wages and Salaries                 | \$44,237           | \$88,829           | \$44,592           | 50%                   | \$266,593                 | \$266,593               | 17%                   |  |
| Materials and Contracts            | \$364,345          | \$412,978          | \$48,633           | 12%                   | \$1,239,429               | \$1,239,429             | 29%                   |  |
| Other Costs                        | \$418,857          | \$481,658          | \$62,801           | 13%                   | \$951,257                 | \$951,257               | 44%                   | * Overall, costs show a favourable variance sitting at 33% against YTD budgets.                        |
| Borrowing Costs                    | \$439,826          | \$441,463          | \$1,637            | 0%                    | \$1,324,919               | \$1,324,919             | 33%                   |  |
| Overheads                          | \$412,701          | \$412,537          | (\$164)            | 0%                    | \$1,238,106               | \$1,238,106             | 33%                   |  |
| Depreciation                       | \$63,332           | \$63,308           | (\$24)             | 0%                    | \$190,000                 | \$190,000               | 33%                   |  |
| <b>Total Expenses</b>              | <b>\$1,743,298</b> | <b>\$1,900,773</b> | <b>\$157,475</b>   | <b>8%</b>             | <b>\$5,210,304</b>        | <b>\$5,210,304</b>      | <b>33%</b>            |  |
| <b>Result</b>                      | <b>\$349,002</b>   | <b>\$362,955</b>   | <b>(\$13,953)</b>  |                       | <b>\$1,583,597</b>        | <b>\$1,583,597</b>      |                       |  |

**Muswellbrook Shire Council**  
**Financial Report - October 2025**  
**Capital Costs (Incl. Loan Repayments & excl. Revenue)**



|  | YTD Actuals      | Carry Overs      | Total Budget      | YTD % Spend | Over Budget    | Comments |
|--|------------------|------------------|-------------------|-------------|----------------|----------|
| <b>General Fund Projects</b>                               |                  |                  |                   |             |                |          |
| <b>Planning, Community and Corporate Services Projects</b> |                  |                  |                   |             |                |          |
| Adventure Playground - Wollombi Road                       | 23,994           | 21,200           | 21,200            | 113%        | (2,794)        |          |
| Aquatic Centres Programme                                  | 96,436           | 89,953           | 409,953           | 24%         |                |          |
| Art Acquisitions   | 8,039            | -                | 70,000            | 11%         |                |          |
| Art Centre Offsite Storage                                 | -                | -                | 821,893           | 0%          |                |          |
| Buildings New and Replacement                              | 35,651           | 1,523,248        | 2,023,248         | 2%          |                |          |
| Bushfire Assets  | -                | -                | -                 | 0%          |                |          |
| Capital Works Contingency                                  | -                | -                | 130,000           | 0%          |                |          |
| CBD Stage 7 (Town Centre)                                  | -                | -                | -                 | 0%          |                |          |
| Civic Precinct (Town Square)                               | 171,919          | 1,705,062        | 3,085,362         | 6%          |                |          |
| Corporate Services General Programme                       | -                | -                | -                 | 0%          |                |          |
| COVID 19   | 70,701           | -                | 142,749           | 50%         |                |          |
| Denman Childrens Centre - Expansion (Contribution)         | -                | -                | -                 | 0%          |                |          |
| Denman Heritage Shed                                       | -                | -                | -                 | 0%          |                |          |
| Denman Netball Courts                                      | -                | -                | 280,173           | 0%          |                |          |
| Denman Tourist Park  | 614              | -                | 546,766           | 0%          |                |          |
| Future Fund Contribution                                   | -                | -                | 775,000           | 0%          |                |          |
| General Design Program                                     | -                | 45,513           | 95,513            | 0%          |                |          |
| Hunter Beach   | -                | 10,161           | 10,161            | 0%          |                |          |
| Information Technology Strategy                            | 7,148            | -                | 200,000           | 4%          |                |          |
| Karoola Park Citizens Walk Pathway                         | -                | 9,004            | 9,004             | 0%          |                |          |
| Karoola Park-Community Assets Program (CAP)                | 3,261            | -                | -                 | 0%          |                |          |
| Library Books General Capital Purchases (General)          | 6,781            | 18,403           | 108,403           | 6%          |                |          |
| Library Subsidy Projects                                   | 30,695           | 106,668          | 106,668           | 29%         |                |          |
| Local Priority Grant                                       | 14,791           | 61,943           | 72,943            | 20%         |                |          |
| Loan - Staff Housing                                       | 13,337           | -                | 40,013            | 33%         |                |          |
| Loan - 140 Bridge Street                                   | -                | -                | 5,414             | 0%          |                |          |
| Loan - 88 Bridge Street                                    | -                | -                | 54,210            | 0%          |                |          |
| Loan - Campbells Corner                                    | -                | -                | 225,180           | 0%          |                |          |
| Loan - Donald Home   | -                | -                | 229,044           | 0%          |                |          |
| Major Landcare Projects                                    | 28,806           | -                | 75,000            | 38%         |                |          |
| Muscle Creek Catchment Strategy                            | 340              | 82,081           | 82,081            | 0%          |                |          |
| Muscle Creek Emergency Stabilisation                       | -                | -                | 250,000           | 0%          |                |          |
| Purchase Paxton Street Denman                              | -                | -                | -                 | 0%          |                |          |
| Mbk and Dnm Indoor Sports Centre Upgrades                  | -                | -                | -                 | 0%          |                |          |
| MSC Depot  | -                | -                | -                 | 0%          |                |          |
| Olympic Park Project                                       | 90               | 459,362          | 5,064,705         | 0%          |                |          |
| Performance and Convention Centre                          | 5,507            | 502,747          | 3,102,747         | 0%          |                |          |
| Public Art Sculpture                                       | -                | -                | -                 | 0%          |                |          |
| Purchase of Land - Companion Animal Impounding Facilit     | 8,626            | -                | 150,000           | 6%          |                |          |
| Recreation Capital Works                                   | 686,405          | 891,888          | 1,266,888         | 54%         |                |          |
| Resources for Regions 9 - Denman Rec Area                  | -                | 1,832,546        | 1,832,546         | 0%          |                |          |
| Resources for Regions 9 - Depot                            | 31,019           | 313,714          | 4,513,714         | 1%          |                |          |
| Resources for Regoins 9 - Campbells Corner                 | 25,480           | 167,521          | 867,521           | 3%          |                |          |
| STEM Equipment Replacement                                 | -                | 140,324          | 250,324           | 0%          |                |          |
| Simpson Park   | -                | -                | 403,871           | 0%          |                |          |
| Waste Flip Screen  | -                | 102,960          | 102,960           | 0%          |                |          |
| Sport and Rereation Small Capital Grants Program           | -                | -                | -                 | 0%          |                |          |
| <b>Total Planning, Community and Corporate Services</b>    | <b>1,269,640</b> | <b>8,084,298</b> | <b>27,425,254</b> | <b>5%</b>   | <b>(2,794)</b> |          |



**Muswellbrook Shire Council**  
**Financial Report - October 2025**  
**Capital Costs (Incl. Loan Repayments & excl. Revenue)**



|  | YTD Actuals      | Carry Overs       | Total Budget      | YTD % Spend | Over Budget    | Comments |
|--|------------------|-------------------|-------------------|-------------|----------------|----------|
| <b>Roads and Drainage Projects</b>                   |                  |                   |                   |             |                |          |
| Bridge St Footpath                                   | 17,281           | -                 | 69,926            | 25%         |                |          |
| Bridges Renewal Programme                            | -                | 92,496            | 342,496           | 0%          |                |          |
| Carpark Renewal Programme                            | -                | -                 | 100,000           | 0%          |                |          |
| CPTIGS - Bus Shelter                                 | -                | 198,916           | 198,916           | 0%          |                |          |
| Drainage   | -                | -                 | -                 | 0%          |                |          |
| Drainage Devices Programme                           | 24,499           | -                 | 500,000           | 5%          |                |          |
| Flood Warning Systems                                | 94,629           | 147,856           | 147,856           | 64%         |                |          |
| FOGO - Design and EIS                                | -                | -                 | -                 | 0%          |                |          |
| Footpath and Cycleway Renewal Programme              | 181,135          | -                 | 200,000           | 91%         |                |          |
| Heavy Patching Programme                             | 254,955          | -                 | 750,000           | 34%         |                |          |
| Hunter Beach to CBD Pathway                          | -                | -                 | 600,000           | 0%          |                |          |
| Resilience Works Karoola Park                        | 12,640           | 443,014           | 443,014           | 3%          |                |          |
| Kerb and Gutter Replacement Programme                | 181,196          | -                 | 535,000           | 34%         |                |          |
| Kirk and Peberdy Bridges                             | -                | -                 | -                 | 0%          |                |          |
| Large Plant Items                                    | -                | 1,223,878         | 1,923,878         | 0%          |                |          |
| Leachate Dam   | -                | 25,795            | 475,795           | 0%          |                |          |
| LISF - Roads Infrastructure Backlog                  | -                | -                 | -                 | 0%          |                |          |
| ARGN 960 Natural Disaster Event - Baerami Creek Caus | -                | 672,039           | 672,039           | 0%          |                |          |
| New Footpath and Cycleway Programme                  | -                | -                 | 145,000           | 0%          |                |          |
| Purchase of Vehicles                                 | 100,070          | 207,993           | 607,993           | 16%         |                |          |
| Rainbow Creek Bridge                                 | -                | 274,687           | 374,687           | 0%          |                |          |
| Regional Road Renewal Programme                      | -                | -                 | 69,000            | 0%          |                |          |
| Resources for Regions - Round 5                      | -                | -                 | -                 | 0%          |                |          |
| Resources for Regions- Round 7                       | 248,570          | 828,733           | 828,733           | 30%         |                |          |
| Resources for Regions 9                              | 1,033,802        | 1,687,822         | 1,687,822         | 61%         |                |          |
| Road Resealing Programme                             | 89,818           | -                 | 1,000,000         | 9%          |                |          |
| Roads Capital Contingency                            | -                | -                 | 150,000           | 0%          |                |          |
| Roads to Recovery Program                            | 15,912           | 577,898           | 1,155,796         | 1%          |                |          |
| Rosebrook Bridge                                     | -                | -                 | -                 | 0%          |                |          |
| Rural Road Regravelling Programme                    | 19,576           | -                 | 250,000           | 8%          |                |          |
| Rural Road Renewal Programme                         | 198,330          | 264,886           | 764,886           | 26%         |                |          |
| Safety Device Renewal Programme                      | -                | -                 | -                 | 0%          |                |          |
| Stormwater Drainage (new)                            | -                | -                 | 150,000           | 0%          |                |          |
| Transport Vehicles                                   | 157,163          | 160,000           | 360,000           | 44%         |                |          |
| Urban Road Renewal Programme                         | 290,495          | 355,132           | 755,132           | 38%         |                |          |
| Victoria Street Rehab                                | -                | -                 | -                 | 0%          |                |          |
| Widden Creek Stabilisation Works                     | -                | 144,880           | 144,880           | 0%          |                |          |
| Widden Bridge/Traffic Singals/Kenilworth St          | -                | -                 | 90,250            | 0%          |                |          |
| Wilkinson Bridge                                     | 37,357           | -                 | 112,617           | 33%         |                |          |
| Yarraman Road Upgrade                                | 2,065            | 71,882            | 71,882            | 3%          |                |          |
| Footpath - Turtle St Denman                          | -                | -                 | -                 | 0%          |                |          |
| <b>Total Roads and Drainage</b>                      | <b>2,959,493</b> | <b>7,377,907</b>  | <b>15,677,598</b> | <b>19%</b>  | <b>-</b>       |          |
| <b>Total General Fund</b>                            | <b>4,229,133</b> | <b>15,462,205</b> | <b>43,102,852</b> | <b>10%</b>  | <b>(2,794)</b> |          |

**Muswellbrook Shire Council**  
**Financial Report - October 2025**  
**Capital Costs (Incl. Loan Repayments & excl. Revenue)**



|   | YTD Actuals    | Carry Overs      | Total Budget     | YTD % Spend | Over Budget | Comments |
|---|----------------|------------------|------------------|-------------|-------------|----------|
| <b>Future Fund Projects</b>                 |                |                  |                  |             |             |          |
| Donald Horne Building                       | (4,166)        | -                | -                | 0%          |             |          |
| Brook Street Plaza                          | 24,997         | -                | 74,993           | 33%         |             |          |
| Town Education Campus                       | 20,831         | -                | 49,995           | 42%         |             |          |
| Seven Hills                                 | -              | -                | 446,776          | 0%          |             |          |
| Marketplace                                 | -              | -                | -                | 0%          |             |          |
| Renewal of Existing Assets/New Acquisitions | 264,925        | 264,618          | 665,412          | 40%         |             |          |
| Throsby ACT                                 | 173,333        | -                | 520,000          | 33%         |             |          |
| Upgrade of Loxton House                     | -              | -                | -                | 0%          |             |          |
| <b>Total Future Fund</b>                    | <b>479,920</b> | <b>264,618</b>   | <b>1,757,176</b> | <b>27%</b>  | <b>-</b>    |          |
| <b>Sewer Fund</b>                           |                |                  |                  |             |             |          |
| Access & Security Improvements RWTW         | 13,500         | -                | 150,000          | 9%          |             |          |
| Mains Renewal and Replacement               | 7,206          | -                | 200,000          | 4%          |             |          |
| Operations Contingency Project              | 14,316         | -                | 50,000           | 29%         |             |          |
| Sewer Plant and Equipment                   | -              | 80,000           | 180,000          | 0%          |             |          |
| Solar Array                                 | -              | 699,622          | 699,622          | 0%          |             |          |
| System Plant Asset Renewals                 | 12,362         | 108,017          | 528,017          | 2%          |             |          |
| Transportation System Improvement           | 140,041        | 95,964           | 595,964          | 23%         |             |          |
| Loan - Sewer RWTW                           | 199,631        | -                | 712,698          | 28%         |             |          |
| Upgrade Sewer Pump Station 1                | -              | 87,094           | 1,987,094        | 0%          |             |          |
| CCTV Inspection on of Mains                 | -              | -                | -                | 0%          |             |          |
| Skellatar Main                              | -              | -                | 104,299          | 0%          |             |          |
| <b>Total Sewer Fund</b>                     | <b>386,774</b> | <b>1,070,697</b> | <b>5,207,694</b> | <b>7%</b>   | <b>-</b>    |          |

**Muswellbrook Shire Council**  
**Financial Report - October 2025**  
**Capital Costs (Incl. Loan Repayments & excl. Revenue)**



|   | YTD Actuals      | Carry Overs       | Total Budget      | YTD % Spend | Over Budget    | Comments |
|---|------------------|-------------------|-------------------|-------------|----------------|----------|
| <b>Water Fund</b>                             |                  |                   |                   |             |                |          |
| Asbestos, Earthworks, Security                | 11,993           | -                 | 150,000           | 8%          |                |          |
| Laboratory Equipment                          | 10,110           | -                 | 20,000            | 51%         |                |          |
| Mains Renewal and Replacement (inc Carryover) | 177,391          | 390,285           | 890,285           | 20%         |                |          |
| Office Upgrade                                | -                | -                 | -                 | 0%          |                |          |
| Operations Contingency Project                | -                | -                 | 50,000            | 0%          |                |          |
| Replacement of Water Meters Programme         | 18,086           | -                 | 65,000            | 28%         |                |          |
| GLE Pipeline                                  | 4,496            | 1,362,625         | 18,362,625        | 0%          |                |          |
| South Muswellbrook Reservoir                  | -                | -                 | -                 | 0%          |                |          |
| System Plant Asset Renewals                   | 104,073          | 331,398           | 881,398           | 12%         |                |          |
| Upgrade Fluoride Dosing System WTP            | -                | 150,598           | 150,598           | 0%          |                |          |
| Vehicle-Equipment Replacement                 | 32,354           | 65,000            | 165,000           | 20%         |                |          |
| Water Stop Valve Replacement                  | -                | -                 | 200,000           | 0%          |                |          |
| <b>Total Water Fund</b>                       | <b>358,503</b>   | <b>2,299,906</b>  | <b>20,934,906</b> | <b>2%</b>   | <b>-</b>       |          |
| <b>Consolidated Total</b>                     | <b>5,454,330</b> | <b>19,097,426</b> | <b>71,002,628</b> | <b>8%</b>   | <b>(2,794)</b> |          |

## Debtor Balances as at 31 October 2024

| Account                             | 120 days         | 90 days         | 60 days          | 30 days         | Current            | Balance            |
|-------------------------------------|------------------|-----------------|------------------|-----------------|--------------------|--------------------|
| Waste Depot Charges                 | \$82,234         | \$3,593         | \$59,647         | \$9,694         | \$226,014          | \$381,182          |
| Inspection Fees                     | \$21,855         | (\$477)         | \$0              | \$0             | \$0                | \$21,379           |
| Sam Adams College Rent              | \$0              | \$0             | \$0              | \$0             | \$3,060            | \$3,060            |
| Council Properties - Future Fund *  | \$9,523          | \$0             | \$56,276         | \$65,287        | (\$68,963)         | \$62,123           |
| Council Properties - Marketplace *  | \$153,536        | (\$163)         | \$11,819         | \$4,243         | (\$224,311)        | (\$54,876)         |
| Council Properties - Education Fund | \$93,314         | \$4,811         | \$0              | \$0             | (\$7,101)          | \$91,024           |
| Recreation                          | \$1,145          | \$51            | (\$396)          | \$0             | \$2,204            | \$3,004            |
| Sundries**                          | \$30,855         | \$39,531        | (\$6,759)        | \$6,051         | \$1,121,817        | \$1,191,495        |
| Water Tanker Sales                  | \$15,419         | \$3,279         | \$1,115          | \$1,055         | \$1,820            | \$22,688           |
| Trade Waste Charges                 | \$342            | \$0             | \$0              | \$0             | \$0                | \$342              |
| Muswellbrook Sewer                  | \$31,810         | \$8,473         | \$0              | \$0             | \$41,605           | \$81,888           |
| GST Tax Debtor                      | (\$103,667)      | \$0             | \$0              | \$0             | \$104,013          | \$346              |
| <b>TOTAL</b>                        | <b>\$336,366</b> | <b>\$59,099</b> | <b>\$121,703</b> | <b>\$86,330</b> | <b>\$1,200,158</b> | <b>\$1,803,655</b> |

\* Balances include rent deferrals due to COVID, and other commercial receivables currently with debt recovery/legal services.

**10.3.9. Report on Investments held as at 31 October 2024**

**Responsible Officer:** Derek Finnigan - General Manager

**Author:** Assistant Accountant

**Community Strategic Plan:** 6 - *Community Leadership*

24.1 - Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves.

**Delivery Program Goal:** 6.2.1 - Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves.

**Operational Plan Action:** 6.2.1.1 - Provide transparent reporting to the community about Council's finances.

**Attachments:**

1. Investment Portfolio as at 31 October 2024 [**10.3.9.1** - 3 pages]
2. Trading Limit Report as at 31 October 2024 [**10.3.9.2** - 8 pages]

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**PURPOSE**

To submit for Council's information the list of financial investments currently held by Council in accordance with the Regulation.

**OFFICER'S RECOMMENDATION**

Council NOTES Council's Investments as at 31 October 2024.

**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.

Funds invested under Section 625 of the *Local Government Act 1993*, as at 31 October 2024, are shown in the attachments.

**COMMENT:**

As at 31 October 2024, Council held \$102.690M in cash and investments, with a weighted running yield of 5.26%.

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 the Minister's Orders that have been subsequently amended. "Grandfathering" provisions still allow the holding of these investments. A detailed list of investments is attached.

|                           | Fixed Interest Security   | ISIN         | Face Value<br>Original | Bond<br>Factor | Face Value<br>Current | Capital<br>Price | Accrued<br>Interest<br>Price | Market Value         | %<br>Total<br>Value | Running<br>Yield | Weighted<br>Running<br>Yield |
|---------------------------|---|--------------|------------------------|----------------|-----------------------|------------------|------------------------------|----------------------|---------------------|------------------|------------------------------|
| <b>At Call Deposit</b>    |   |              |                        |                |                       |                  |                              |                      |                     |                  |                              |
|                           | Westpac Bus Prem At Call  |              | 6,189,723.63           | 1.00000000     | 6,189,723.63          | 100.000          | 0.000                        | <b>6,189,723.63</b>  | 5.93%               | 4.44%            |                              |
|                           | Westpac Muswellbrook Trading Acct At Call                                   |              | 100,000.00             | 1.00000000     | 100,000.00            | 100.000          | 0.000                        | <b>100,000.00</b>    | 0.10%               | 0.00%            |                              |
|                           |   |              | <b>6,289,723.63</b>    |                | <b>6,289,723.63</b>   |                  |                              | <b>6,289,723.63</b>  | 6.02%               |                  | 4.37%                        |
| <b>Fixed Rate Bond</b>    |   |              |                        |                |                       |                  |                              |                      |                     |                  |                              |
|                           | BOQ 4.7 27 Jan 2027 Fixed   | AU3CB0296168 | 4,000,000.00           | 1.00000000     | 4,000,000.00          | 99.429           | 1.226                        | <b>4,026,200.00</b>  | 3.86%               | 4.77%            |                              |
|                           | BOQ 5.3 30 Apr 2029 Fixed   | AU3CB0308955 | 2,000,000.00           | 1.00000000     | 2,000,000.00          | 100.673          | 0.015                        | <b>2,013,760.00</b>  | 1.93%               | 5.31%            |                              |
|                           | JUDO 6.4 26 Sep 2025 Fixed  | AU3CB0292480 | 500,000.00             | 1.00000000     | 500,000.00            | 99.939           | 0.619                        | <b>502,790.00</b>    | 0.48%               | 6.44%            |                              |
|                           | 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          | 0.416                        | <b>2,008,320.00</b>  | 1.92%               | 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          | 0.416                        | <b>1,506,240.00</b>  | 1.44%               | 1.10%            |                              |
|                           |   |              | <b>10,000,000.00</b>   |                | <b>10,000,000.00</b>  |                  |                              | <b>10,057,310.00</b> | 9.63%               |                  | 3.67%                        |
| <b>Floating Rate Note</b> |   |              |                        |                |                       |                  |                              |                      |                     |                  |                              |
|                           | AMP 1.27 13 Sep 2027 FRN  | AU3FN0091674 | 1,000,000.00           | 1.00000000     | 1,000,000.00          | 100.270          | 0.749                        | <b>1,010,190.00</b>  | 0.97%               | 5.68%            |                              |
|                           | Auswide 1.5 07 Nov 2025 FRN   | AU3FN0073037 | 1,000,000.00           | 1.00000000     | 1,000,000.00          | 100.408          | 1.372                        | <b>1,017,800.00</b>  | 0.97%               | 5.89%            |                              |
|                           | Auswide 1.5 17 Mar 2026 FRN   | AU3FN0076352 | 2,000,000.00           | 1.00000000     | 2,000,000.00          | 100.467          | 0.713                        | <b>2,023,600.00</b>  | 1.94%               | 5.92%            |                              |
|                           | Auswide 1.6 22 Mar 2027 FRN   | AU3FN0086104 | 1,500,000.00           | 1.00000000     | 1,500,000.00          | 100.697          | 0.628                        | <b>1,519,875.00</b>  | 1.46%               | 6.03%            |                              |
|                           | Auswide 1.33 13 Sep 2027 FRN  | AU3FN0091575 | 1,000,000.00           | 1.00000000     | 1,000,000.00          | 100.031          | 0.757                        | <b>1,007,880.00</b>  | 0.97%               | 5.74%            |                              |
|                           | BAL 1.55 22 Feb 2027 FRN  | AU3FN0075461 | 5,500,000.00           | 1.00000000     | 5,500,000.00          | 101.128          | 1.134                        | <b>5,624,410.00</b>  | 5.39%               | 5.88%            |                              |
|                           | BAL 1.7 21 Feb 2028 FRN   | AU3FN0085031 | 2,000,000.00           | 1.00000000     | 2,000,000.00          | 101.586          | 1.183                        | <b>2,055,380.00</b>  | 1.97%               | 6.03%            |                              |
|                           | CUA 1.65 09 Feb 2027 FRN  | AU3FN0074787 | 6,000,000.00           | 1.00000000     | 6,000,000.00          | 101.607          | 1.371                        | <b>6,178,680.00</b>  | 5.92%               | 5.98%            |                              |
|                           | CACU 1.7 21 Sep 2026 FRN  | AU3FN0081287 | 1,750,000.00           | 1.00000000     | 1,750,000.00          | 100.004          | 0.638                        | <b>1,761,235.00</b>  | 1.69%               | 6.13%            |                              |
|                           | MACQ 0.48 09 Dec 2025 FRN   | AU3FN0057709 | 3,000,000.00           | 1.00000000     | 3,000,000.00          | 100.069          | 0.696                        | <b>3,022,950.00</b>  | 2.90%               | 4.89%            |                              |
|                           | MYS 0.65 16 Jun 2025 FRN  | AU3FN0061024 | 3,000,000.00           | 1.00000000     | 3,000,000.00          | 99.925           | 0.625                        | <b>3,016,500.00</b>  | 2.89%               | 5.07%            |                              |
|                           | NPBS 1.12 04 Feb 2025 FRN   | AU3FN0052627 | 4,500,000.00           | 1.00000000     | 4,500,000.00          | 100.153          | 1.290                        | <b>4,564,935.00</b>  | 4.37%               | 5.48%            |                              |
|                           | NPBS 1.85 14 Feb 2029 FRN   | AU3FN0085023 | 2,000,000.00           | 1.00000000     | 2,000,000.00          | 102.628          | 1.326                        | <b>2,079,080.00</b>  | 1.99%               | 6.12%            |                              |
|                           | Qld Police 1.35 19 May 2025 FRN   | AU3FN0069175 | 750,000.00             | 1.00000000     | 750,000.00            | 100.306          | 1.143                        | <b>760,867.50</b>    | 0.73%               | 5.72%            |                              |
|                           | Qld Police 1.75 06 Dec 2025 FRN   | AU3FN0073979 | 2,000,000.00           | 1.00000000     | 2,000,000.00          | 100.981          | 0.927                        | <b>2,038,160.00</b>  | 1.95%               | 6.15%            |                              |
|                           | Qld Police 1.65 18 Sep 2026 FRN   | AU3FN0081295 | 3,000,000.00           | 1.00000000     | 3,000,000.00          | 101.344          | 0.715                        | <b>3,061,770.00</b>  | 2.93%               | 6.07%            |                              |
|                           | UBS Aust 0.87 30 Jul 2025 FRN   | AU3FN0055307 | 1,650,000.00           | 1.00000000     | 1,650,000.00          | 100.335          | 0.014                        | <b>1,655,758.50</b>  | 1.59%               | 5.18%            |                              |
|                           | UBS Aust 1.55 12 May 2028 FRN   | AU3FN0077970 | 4,000,000.00           | 1.00000000     | 4,000,000.00          | 102.483          | 1.298                        | <b>4,151,240.00</b>  | 3.98%               | 5.83%            |                              |
|                           |   |              | <b>45,650,000.00</b>   |                | <b>45,650,000.00</b>  |                  |                              | <b>46,550,311.00</b> | 44.58%              |                  | 5.76%                        |
| <b>Term Deposit</b>       |   |              |                        |                |                       |                  |                              |                      |                     |                  |                              |
|                           | AMP 5.75 21 Jan 2025 550DAY TD  |              | 1,250,000.00           | 1.00000000     | 1,250,000.00          | 100.000          | 1.591                        | <b>1,269,888.70</b>  | 1.22%               | 5.75%            |                              |
|                           | AMP 5.2 30 Apr 2025 292DAY TD   |              | 1,000,000.00           | 1.00000000     | 1,000,000.00          | 100.000          | 1.581                        | <b>1,015,813.70</b>  | 0.97%               | 5.20%            |                              |
|                           | AMP 5.35 16 Jun 2025 732DAY TD  |              | 4,000,000.00           | 1.00000000     | 4,000,000.00          | 100.000          | 1.993                        | <b>4,079,737.00</b>  | 3.91%               | 5.35%            |                              |
|                           | AMP 5.2 17 Jun 2025 308DAY TD   |              | 1,500,000.00           | 1.00000000     | 1,500,000.00          | 100.000          | 1.125                        | <b>1,516,882.19</b>  | 1.45%               | 5.20%            |                              |



| Fixed Interest Security          | ISIN | Face Value<br>Original | Bond<br>Factor | Face Value<br>Current | Capital<br>Price | Accrued<br>Interest<br>Price | Market Value          | %<br>Total<br>Value | Running<br>Yield | Weighted<br>Running<br>Yield |
|----------------------------------|------|------------------------|----------------|-----------------------|------------------|------------------------------|-----------------------|---------------------|------------------|------------------------------|
| AMP 5.25 01 Dec 2025 732DAY TD   |      | 1,000,000.00           | 1.00000000     | 1,000,000.00          | 100.000          | 4.833                        | <b>1,048,328.77</b>   | 1.00%               | 5.25%            |                              |
| BOQ 4.9 01 Oct 2025 761DAY TD    |      | 3,000,000.00           | 1.00000000     | 3,000,000.00          | 100.000          | 0.792                        | <b>3,023,761.65</b>   | 2.90%               | 4.90%            |                              |
| DFB 5.45 04 Dec 2025 730DAY TD   |      | 2,000,000.00           | 1.00000000     | 2,000,000.00          | 100.000          | 4.942                        | <b>2,098,846.58</b>   | 2.01%               | 5.45%            |                              |
| JUDO 4.85 27 Nov 2024 90DAY TD   |      | 1,000,000.00           | 1.00000000     | 1,000,000.00          | 100.000          | 0.837                        | <b>1,008,371.23</b>   | 0.97%               | 4.85%            |                              |
| JUDO 5.2 13 Dec 2024 183DAY TD   |      | 3,000,000.00           | 1.00000000     | 3,000,000.00          | 100.000          | 1.995                        | <b>3,059,835.63</b>   | 2.93%               | 5.20%            |                              |
| JUDO 5.7 06 Jan 2025 557DAY TD   |      | 2,000,000.00           | 1.00000000     | 2,000,000.00          | 100.000          | 7.652                        | <b>2,153,041.10</b>   | 2.06%               | 5.70%            |                              |
| JUDO 5 04 Mar 2025 203DAY TD     |      | 1,000,000.00           | 1.00000000     | 1,000,000.00          | 100.000          | 1.082                        | <b>1,010,821.92</b>   | 0.97%               | 5.00%            |                              |
| JUDO 5.7 11 Jul 2025 730DAY TD   |      | 1,000,000.00           | 1.00000000     | 1,000,000.00          | 100.000          | 1.733                        | <b>1,017,334.25</b>   | 0.97%               | 5.70%            |                              |
| RABO 4.75 25 Feb 2025 180DAY TD  |      | 1,500,000.00           | 1.00000000     | 1,500,000.00          | 100.000          | 0.820                        | <b>1,512,297.95</b>   | 1.45%               | 4.75%            |                              |
| RABO 5 30 Apr 2025 184DAY TD     |      | 1,000,000.00           | 1.00000000     | 1,000,000.00          | 100.000          | 0.041                        | <b>1,000,410.96</b>   | 0.96%               | 5.00%            |                              |
| RABO 5.05 15 May 2025 275DAY TD  |      | 1,500,000.00           | 1.00000000     | 1,500,000.00          | 100.000          | 1.093                        | <b>1,516,395.21</b>   | 1.45%               | 5.05%            |                              |
| RABO 5.04 29 Jul 2025 274DAY TD  |      | 1,000,000.00           | 1.00000000     | 1,000,000.00          | 100.000          | 0.041                        | <b>1,000,414.25</b>   | 0.96%               | 5.04%            |                              |
| RABO 5.33 30 Jul 2025 365DAY TD  |      | 2,000,000.00           | 1.00000000     | 2,000,000.00          | 100.000          | 1.358                        | <b>2,027,161.10</b>   | 1.94%               | 5.33%            |                              |
| RABO 5.31 30 Sep 2025 425DAY TD  |      | 3,000,000.00           | 1.00000000     | 3,000,000.00          | 100.000          | 1.324                        | <b>3,039,715.89</b>   | 2.91%               | 5.31%            |                              |
| RABO 5 28 Oct 2025 365DAY TD     |      | 1,000,000.00           | 1.00000000     | 1,000,000.00          | 100.000          | 0.041                        | <b>1,000,410.96</b>   | 0.96%               | 5.00%            |                              |
| RABO 5.25 05 Jul 2027 1096DAY TD |      | 2,000,000.00           | 1.00000000     | 2,000,000.00          | 100.000          | 1.712                        | <b>2,034,232.88</b>   | 1.95%               | 5.25%            |                              |
| RABO 5.2 31 Jul 2028 1462DAY TD  |      | 1,000,000.00           | 1.00000000     | 1,000,000.00          | 100.000          | 1.325                        | <b>1,013,249.32</b>   | 0.97%               | 5.20%            |                              |
| RABO 5.07 27 Oct 2028 1460DAY TD |      | 1,000,000.00           | 1.00000000     | 1,000,000.00          | 100.000          | 0.042                        | <b>1,000,416.71</b>   | 0.96%               | 5.07%            |                              |
| RABO 5.4 04 Jul 2029 1826DAY TD  |      | 2,000,000.00           | 1.00000000     | 2,000,000.00          | 100.000          | 1.761                        | <b>2,035,210.96</b>   | 1.95%               | 5.40%            |                              |
| RABO 5.25 30 Jul 2029 1826DAY TD |      | 1,000,000.00           | 1.00000000     | 1,000,000.00          | 100.000          | 1.338                        | <b>1,013,376.71</b>   | 0.97%               | 5.25%            |                              |
| SCC 5.37 13 Jun 2025 365DAY TD   |      | 1,000,000.00           | 1.00000000     | 1,000,000.00          | 100.000          | 2.060                        | <b>1,020,597.26</b>   | 0.98%               | 5.37%            |                              |
|                                  |      | 40,750,000.00          |                | 40,750,000.00         |                  |                              | <b>41,516,552.87</b>  | 39.76%              |                  | 5.24%                        |
| <b>Fixed Interest Total</b>      |      | 102,689,723.63         |                | 102,689,723.63        |                  |                              | <b>104,413,897.50</b> | 100.00%             |                  | 5.26%                        |

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Report Code: TBSBP100EXT-01.20  
Report Description: Portfolio Valuation As At Date  
Parameters:  
Term Deposit Interest Included  
Cash Excluded  
Settlement Date-Based Balances

## 1 Issuer Trading Limits

| Issuer  | Issuer Rating Group (Long Term) | Issuer Parent                      | Already Traded (with Issuer Group) Face Value Notional | Limit For Book or Entity | Trading Limit | Trading Limit Type  | Trading Limit Value | Trading Limit Used (%) | Trading Limit Available (%) | Trading Limit Available (Value) | Trading Limit Exceeded (%) | Trading Limit Exceeded (\$) |
|---|---------------------------------|------------------------------------|--|--------------------------|---------------|---------------------|---------------------|------------------------|-----------------------------|---------------------------------|----------------------------|-----------------------------|
| AMP Bank Ltd  | BBB+ to BBB-                    |                                    | 9,750,000.00   | Book                     | 10.00         | % of 102,689,723.63 | 10,268,972.36       | 95.00                  | 5.00                        | 518,972                         | 0.00                       | 0                           |
| ANZ Banking Group Ltd   | AA+ to AA-                      |                                    | 0.00   | Book                     | 30.00         | % of 102,689,723.63 | 30,806,917.09       | 0.00                   | 100.00                      | 30,806,917                      | 0.00                       | 0                           |
| Australian Unity Bank (BPSS20)                                      | BBB+ to BBB-                    |                                    | 0.00   | Book                     | 10.00         | % of 102,689,723.63 | 10,268,972.36       | 0.00                   | 100.00                      | 10,268,972                      | 0.00                       | 0                           |
| Auswide Bank Limited  | BBB+ to BBB-                    |                                    | 5,500,000.00   | Book                     | 10.00         | % of 102,689,723.63 | 10,268,972.36       | 54.00                  | 46.00                       | 4,768,972                       | 0.00                       | 0                           |
| Bank Australia Limited  | BBB+ to BBB-                    |                                    | 7,500,000.00   | Book                     | 10.00         | % of 102,689,723.63 | 10,268,972.36       | 73.00                  | 27.00                       | 2,768,972                       | 0.00                       | 0                           |
| Bank of Melbourne   | AA+ to AA-                      | Westpac Banking Corporation Ltd    | 6,289,723.63   | Book                     | 30.00         | % of 102,689,723.63 | 30,806,917.09       | 20.00                  | 80.00                       | 24,517,193                      | 0.00                       | 0                           |
| Bank of Queensland Ltd  | A+ to A-                        |                                    | 9,000,000.00   | Book                     | 10.00         | % of 102,689,723.63 | 10,268,972.36       | 88.00                  | 12.00                       | 1,268,972                       | 0.00                       | 0                           |
| BankSA  | AA+ to AA-                      | Westpac Banking Corporation Ltd    | 6,289,723.63   | Book                     | 30.00         | % of 102,689,723.63 | 30,806,917.09       | 20.00                  | 80.00                       | 24,517,193                      | 0.00                       | 0                           |
| BankVic   | BBB+ to BBB-                    |                                    | 0.00   | Book                     | 10.00         | % of 102,689,723.63 | 10,268,972.36       | 0.00                   | 100.00                      | 10,268,972                      | 0.00                       | 0                           |
| BankWest Ltd  | AA+ to AA-                      | Commonwealth Bank of Australia Ltd | 0.00   | Book                     | 30.00         | % of 102,689,723.63 | 30,806,917.09       | 0.00                   | 100.00                      | 30,806,917                      | 0.00                       | 0                           |
| Bendigo & Adelaide Bank Ltd   | A+ to A-                        |                                    | 0.00   | Book                     | 10.00         | % of 102,689,723.63 | 10,268,972.36       | 0.00                   | 100.00                      | 10,268,972                      | 0.00                       | 0                           |
| Beyond Bank Australia Ltd   | BBB+ to BBB-                    |                                    | 0.00   | Book                     | 10.00         | % of 102,689,723.63 | 10,268,972.36       | 0.00                   | 100.00                      | 10,268,972                      | 0.00                       | 0                           |
| Commonwealth Bank of Australia Ltd                                  | AA+ to AA-                      |                                    | 0.00   | Book                     | 30.00         | % of 102,689,723.63 | 30,806,917.09       | 0.00                   | 100.00                      | 30,806,917                      | 0.00                       | 0                           |
| Credit Suisse Sydney  | BBB+ to BBB-                    |                                    | 0.00   | Book                     | 20.00         | % of 102,689,723.63 | 20,537,944.73       | 0.00                   | 100.00                      | 20,537,945                      | 0.00                       | 0                           |
| Credit Union Australia Ltd t/as Great Southern Bank                 | BBB+ to BBB-                    |                                    | 6,000,000.00   | Book                     | 10.00         | % of 102,689,723.63 | 10,268,972.36       | 58.00                  | 42.00                       | 4,268,972                       | 0.00                       | 0                           |
| Defence Bank Ltd  | BBB+ to BBB-                    |                                    | 2,000,000.00   | Book                     | 10.00         | % of 102,689,723.63 | 10,268,972.36       | 20.00                  | 80.00                       | 8,268,972                       | 0.00                       | 0                           |
| Greater Bank - a division of Newcastle Greater Mutual Group Limited | BBB+ to BBB-                    | Newcastle Greater Mutual Group Ltd | 6,500,000.00   | Book                     | 10.00         | % of 102,689,723.63 | 10,268,972.36       | 63.00                  | 37.00                       | 3,768,972                       | 0.00                       | 0                           |
| Heritage and People's Choice Limited                                | BBB+ to BBB-                    |                                    | 0.00   | Book                     | 10.00         | % of 102,689,723.63 | 10,268,972.36       | 0.00                   | 100.00                      | 10,268,972                      | 0.00                       | 0                           |
| Illawarra Credit Union Ltd  | BBB+ to BBB-                    |                                    | 1,750,000.00   | Book                     | 10.00         | % of 102,689,723.63 | 10,268,972.36       | 17.00                  | 83.00                       | 8,518,972                       | 0.00                       | 0                           |
| ING Bank Australia Limited  | A+ to A-                        |                                    | 0.00   | Book                     | 10.00         | % of 102,689,723.63 | 10,268,972.36       | 0.00                   | 100.00                      | 10,268,972                      | 0.00                       | 0                           |
| Investec Bank Australia Limited                                     | A+ to A-                        |                                    | 0.00   | Book                     | 10.00         | % of 102,689,723.63 | 10,268,972.36       | 0.00                   | 100.00                      | 10,268,972                      | 0.00                       | 0                           |
| Judo Bank   | BBB+ to BBB-                    |                                    | 8,500,000.00   | Book                     | 10.00         | % of 102,689,723.63 | 10,268,972.36       | 83.00                  | 17.00                       | 1,768,972                       | 0.00                       | 0                           |
| Macquarie Bank Ltd  | A+ to A-                        |                                    | 3,000,000.00   | Book                     | 20.00         | % of 102,689,723.63 | 20,537,944.73       | 15.00                  | 85.00                       | 17,537,945                      | 0.00                       | 0                           |
| ME Bank - a division of Bank of Queensland Ltd                      | A+ to A-                        | Bank of Queensland Ltd             | 9,000,000.00   | Book                     | 10.00         | % of 102,689,723.63 | 10,268,972.36       | 88.00                  | 12.00                       | 1,268,972                       | 0.00                       | 0                           |
| Members Banking Group Limited t/as RACQ Bank                        | BBB+ to BBB-                    |                                    | 0.00   | Book                     | 10.00         | % of 102,689,723.63 | 10,268,972.36       | 0.00                   | 100.00                      | 10,268,972                      | 0.00                       | 0                           |
| MyState Bank Ltd  | BBB+ to BBB-                    |                                    | 3,000,000.00   | Book                     | 10.00         | % of 102,689,723.63 | 10,268,972.36       | 29.00                  | 71.00                       | 7,268,972                       | 0.00                       | 0                           |
| National Australia Bank Ltd   | AA+ to AA-                      |                                    | 0.00   | Book                     | 30.00         | % of 102,689,723.63 | 30,806,917.09       | 0.00                   | 100.00                      | 30,806,917                      | 0.00                       | 0                           |
| Newcastle Greater Mutual Group Ltd                                  | BBB+ to BBB-                    |                                    | 6,500,000.00   | Book                     | 10.00         | % of 102,689,723.63 | 10,268,972.36       | 63.00                  | 37.00                       | 3,768,972                       | 0.00                       | 0                           |
| Northern Territory Treasury Corporation                             | AA+ to AA-                      |                                    | 3,500,000.00   | Book                     | 30.00         | % of 102,689,723.63 | 30,806,917.09       | 11.00                  | 89.00                       | 27,306,917                      | 0.00                       | 0                           |
| NSW Treasury Corporation  | AA+ to AA-                      |                                    | 0.00   | Book                     | 100.00        | % of 102,689,723.63 | 102,689,723.63      | 0.00                   | 100.00                      | 102,689,724                     | 0.00                       | 0                           |

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## 1 Issuer Trading Limits

| Issuer  | Issuer Rating Group (Long Term) | Issuer Parent                   | Already Traded (with Issuer Group) Face Value Notional | Limit For Book or Entity | Trading Limit | Trading Limit Type  | Trading Limit Value | Trading Limit Used (%) | Trading Limit Available (%) | Trading Limit Available (Value) | Trading Limit Exceeded (%) | Trading Limit Exceeded (\$) |
|---|---------------------------------|---------------------------------|--|--------------------------|---------------|---------------------|---------------------|------------------------|-----------------------------|---------------------------------|----------------------------|-----------------------------|
| P&N Bank Ltd                                    | BBB+ to BBB-                    |                                 | 0.00   | Book                     | 10.00         | % of 102,689,723.63 | 10,268,972.36       | 0.00                   | 100.00                      | 10,268,972                      | 0.00                       | 0                           |
| QPCU LTD t/a QBANK                              | BBB+ to BBB-                    |                                 | 5,750,000.00   | Book                     | 10.00         | % of 102,689,723.63 | 10,268,972.36       | 56.00                  | 44.00                       | 4,518,972                       | 0.00                       | 0                           |
| Rabobank Australia Ltd                          | A+ to A-                        |                                 | 18,000,000.00  | Book                     | 20.00         | % of 102,689,723.63 | 20,537,944.73       | 88.00                  | 12.00                       | 2,537,945                       | 0.00                       | 0                           |
| Rabobank Nederland Australia Branch             | A+ to A-                        |                                 | 0.00   | Book                     | 20.00         | % of 102,689,723.63 | 20,537,944.73       | 0.00                   | 100.00                      | 20,537,945                      | 0.00                       | 0                           |
| Royal Bank of Scotland                          | A+ to A-                        |                                 | 0.00   | Book                     | 5.00          | % of 102,689,723.63 | 5,134,486.18        | 0.00                   | 100.00                      | 5,134,486                       | 0.00                       | 0                           |
| Rural Bank Ltd                                  | A+ to A-                        | Bendigo & Adelaide Bank Ltd     | 0.00   | Book                     | 10.00         | % of 102,689,723.63 | 10,268,972.36       | 0.00                   | 100.00                      | 10,268,972                      | 0.00                       | 0                           |
| Southern Cross CU                               | N/R                             |                                 | 1,000,000.00   | Book                     | 5.00          | % of 102,689,723.63 | 5,134,486.18        | 19.00                  | 81.00                       | 4,134,486                       | 0.00                       | 0                           |
| St George Bank Limited                          | AA+ to AA-                      | Westpac Banking Corporation Ltd | 6,289,723.63   | Book                     | 30.00         | % of 102,689,723.63 | 30,806,917.09       | 20.00                  | 80.00                       | 24,517,193                      | 0.00                       | 0                           |
| Suncorp Bank (Norfinia Ltd) - Subsidiary of ANZ | AA+ to AA-                      | ANZ Banking Group Ltd           | 0.00   | Book                     | 20.00         | % of 102,689,723.63 | 20,537,944.73       | 0.00                   | 100.00                      | 20,537,945                      | 0.00                       | 0                           |
| UBS Australia Ltd                               | AA+ to AA-                      |                                 | 5,650,000.00   | Book                     | 20.00         | % of 102,689,723.63 | 20,537,944.73       | 28.00                  | 72.00                       | 14,887,945                      | 0.00                       | 0                           |
| Westpac Banking Corporation Ltd                 | AA+ to AA-                      |                                 | 6,289,723.63   | Book                     | 30.00         | % of 102,689,723.63 | 30,806,917.09       | 20.00                  | 80.00                       | 24,517,193                      | 0.00                       | 0                           |
|   |                                 |                                 | 137,058,894.52   |                          |               |                     | 749,634,982.50      |                        |                             | 612,576,079                     |                            | 0                           |
|   |                                 |                                 | (Excluding Parent Group Duplicates)                    |                          |               |                     |                     |                        |                             |                                 |                            |                             |
|   |                                 |                                 | 102,689,723.63   |                          |               |                     |                     |                        |                             |                                 |                            |                             |

## 2 Security Rating Group Trading Limits

| Security Rating Group | Already Traded Face Value Notional | Limit For Book or Trading Entity | Trading Limit | Trading Limit Type  | Trading Limit Value | Trading Limit Used (%) | Trading Limit Available (%) | Trading Limit Available (Value) | Trading Limit Exceeded (%) | Trading Limit Exceeded (\$) |
|-----------------------|------------------------------------|----------------------------------|---------------|---------------------|---------------------|------------------------|-----------------------------|---------------------------------|----------------------------|-----------------------------|
| AAA                   | 0.00                               | Book                             | 100.00        | % of 102,689,723.63 | 102,689,723.63      | 0.00                   | 100.00                      | 102,689,724                     | 0.00                       | 0                           |
| AA+ to AA-            | 3,500,000.00                       | Book                             | 100.00        | % of 102,689,723.63 | 102,689,723.63      | 3.00                   | 97.00                       | 99,189,724                      | 0.00                       | 0                           |
| A+ to A-              | 20,000,000.00                      | Book                             | 70.00         | % of 102,689,723.63 | 71,882,806.54       | 28.00                  | 72.00                       | 51,882,807                      | 0.00                       | 0                           |
| A1+                   | 6,289,723.63                       | Book                             | 100.00        | % of 102,689,723.63 | 102,689,723.63      | 6.00                   | 94.00                       | 96,400,000                      | 0.00                       | 0                           |
| A1                    | 12,650,000.00                      | Book                             | 100.00        | % of 102,689,723.63 | 102,689,723.63      | 12.00                  | 88.00                       | 90,039,724                      | 0.00                       | 0                           |
| A2                    | 27,500,000.00                      | Book                             | 70.00         | % of 102,689,723.63 | 71,882,806.54       | 38.00                  | 62.00                       | 44,382,807                      | 0.00                       | 0                           |
| A3                    | 0.00                               | Book                             | 60.00         | % of 102,689,723.63 | 61,613,834.18       | 0.00                   | 100.00                      | 61,613,834                      | 0.00                       | 0                           |
| BBB+ to BBB-          | 31,750,000.00                      | Book                             | 60.00         | % of 102,689,723.63 | 61,613,834.18       | 52.00                  | 48.00                       | 29,863,834                      | 0.00                       | 0                           |
| N/R                   | 1,000,000.00                       | Book                             | 10.00         | % of 102,689,723.63 | 10,268,972.36       | 10.00                  | 90.00                       | 9,268,972                       | 0.00                       | 0                           |
|                       | 102,689,723.63                     |                                  |               |                     | 688,021,148.32      |                        |                             | 585,331,426                     |                            | 0                           |

### Notes

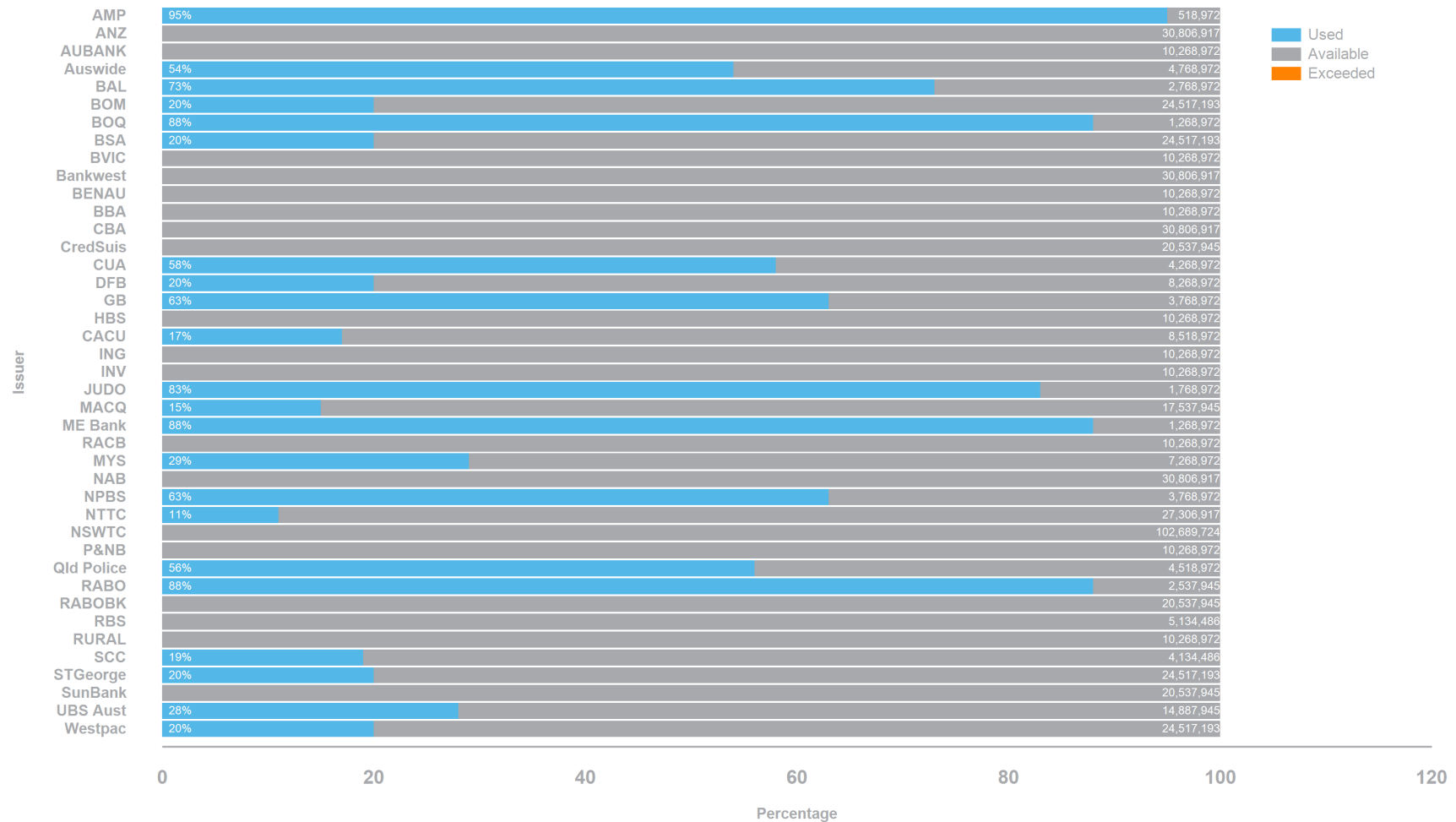
1. In instances where long securities have a term remaining which is less than 365 days, the issuer's short term rating is used instead of the security's (presumably long term) rating.

### 3 Term Group Trading Limits

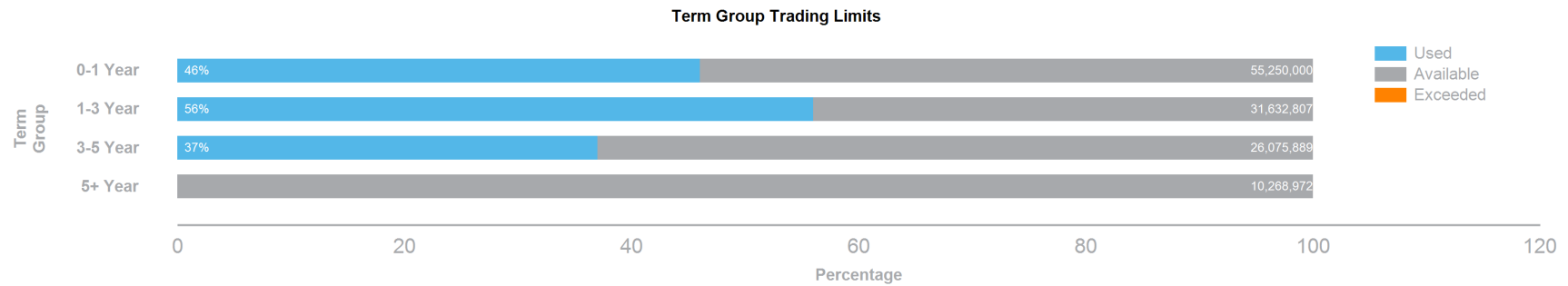
| Term Group | Already Traded<br>Face Value<br>Notional | Limit For<br>Book or<br>Trading<br>Entity | Trading Limit | Trading Limit<br>Type | Trading Limit<br>Value | Trading Limit<br>Used (%) | Trading Limit<br>Available (%) | Trading Limit<br>Available (Value) | Trading Limit<br>Exceeded (%) | Trading Limit<br>Exceeded (\$) |
|------------|--|---|---------------|-----------------------|------------------------|---------------------------|--------------------------------|------------------------------------|-------------------------------|--------------------------------|
| 0-1 Year   | 47,439,723.63                            | Book                                      | 100.00        | % of 102,689,723.63   | 102,689,723.63         | 46.00                     | 54.00                          | 55,250,000                         | 0.00                          | 0                              |
| 1-3 Year   | 40,250,000.00                            | Book                                      | 70.00         | % of 102,689,723.63   | 71,882,806.54          | 56.00                     | 44.00                          | 31,632,807                         | 0.00                          | 0                              |
| 3-5 Year   | 15,000,000.00                            | Book                                      | 40.00         | % of 102,689,723.63   | 41,075,889.45          | 37.00                     | 63.00                          | 26,075,889                         | 0.00                          | 0                              |
| 5+ Year    | 0.00                                     | Book                                      | 10.00         | % of 102,689,723.63   | 10,268,972.36          | 0.00                      | 100.00                         | 10,268,972                         | 0.00                          | 0                              |
|            | 102,689,723.63                           |   |               |                       | 225,917,391.99         |                           |                                | 123,227,668                        |                               | 0                              |



Issuer Trading Limits







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BRISBANE OFFICE: LEVEL 15 CENTRAL PLAZA 1, 345 QUEEN STREET, BRISBANE QLD, 4000 T 61 7 3123 5370

Report Code: TBSBP125EXT-00.16  
Report Description: Trading Limit Performance As At Date  
Parameters:  
As At/Scenario Date: 31 October 2024  
Balance Date: 5 November 2024 (but 31 Oct 2024 used instead)  
Trading Entity: Muswellbrook Shire Council  
Trading Book: Muswellbrook Shire Council  
Report Mode: BalOnly  
Using Face Value  
Trading Entity and Book Limits  
Effects of Parent/Child Issuers Not Ignored



## 10.4. Community and Economy

### 10.4.1. Arts Upper Hunter - Funding Deed

**Responsible Officer:** Shaelee Welchman - Director - Community & Economy

**Author:** Manager Community Services

**Community Strategic Plan:** 2 - Social Equity and Inclusion

An inclusive and interconnected community where everyone enjoys full participation

**Delivery Program Goal:** 4.3.3 - Support Arts Upper Hunter as the peak organisation of Artist endeavor.

**Operational Plan Action:** 4.3.3.1 - Work with Arts Upper Hunter to increase support provided to local artists through activities and networking opportunities.

**Attachments:** 1. Funding Deed ArtsUHPublicExhibition [10.4.1.1 - 15 pages]

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#### PURPOSE

Provide Council with an overview of the Arts Upper Hunter Funding Deed.

#### OFFICER'S RECOMMENDATION

Council:

1. APPROVES the attached *Arts Upper Hunter Funding Deed* to be placed on public exhibition for a period of 28 days; and
2. A further report be submitted to Council for consideration of submissions received during the exhibition period.

**Moved:** \_\_\_\_\_ **Seconded:** \_\_\_\_\_

#### EXECUTIVE SUMMARY

Muswellbrook Shire Council resolved in the 2022/2023 Operational Plan to develop a Funding Agreement with Arts Upper Hunter (Arts UH). Council Officers have been working with Arts UH to develop the Funding Agreement. The development of a Funding Agreement will formalise Council's agreement with Arts UH. The agreement needs to be placed on public exhibition for 28 days. The cost of the agreement is \$12,166.65 for the 2024/2025 year.

#### PREVIOUS RESOLUTIONS

Nil

#### BACKGROUND

Arts Upper Hunter (Arts UH) is a small not for profit organisation that was established in 2003. The organisation provides support and promotes arts and cultural activities in the communities of Muswellbrook, Singleton, Upper Hunter, and Dungog. The Arts UH Office is



based in Muswellbrook.

Historically, each Council area mentioned above has contributed funds annually to Arts UH to enhance the delivery of cultural activities and provide support in their respective communities. The request for funding was originally based on the population of each local government area and was indexed by CPI each following year.

## CONSULTATION

Arts UH, CEO and Board

Councils Legal Counsel

Chief Financial Officer

Director Economy & Community

## REPORT

Arts UH Constitution Membership allows for each LGA that contributes financially to the annual program a Council Delegate Membership. In the past, this has been either a staff or Councillor representative.

The allocation of funds within Muswellbrook Shire Council's operational budget has been made in good faith and, in return, Arts UH has provided an annual report on activities provided within the Muswellbrook Shire local government area.

Muswellbrook Shire Council benefits from the office location of Arts UH; it provides favourable access for local cultural professionals and groups, adds to the local economy, and provides a base for their employees to effectively cover the local government areas of Muswellbrook, Dungog, Singleton, and Upper Hunter.

The establishment of a formal agreement was identified in the Muswellbrook Shire Council 2022/23 Operational Plan. The engagement process has been lengthy, and has required various reiterations. The Funding Agreement is finalised and Arts UH have signed the Agreement.

Arts UH meets Council's Strategic Plan goal of cultural vitality and the facilitation of options to improve participation in cultural activities. As per Council's Awarding of Sponsorship, Grants & Contributions Policy. Council is required to give at least 28 days public notice of a proposal to pass a resolution to grant a sponsorship, grant, or contribution, in accordance with Section 356 of the Local Government Act.

Entering into a Funding Agreement with Arts UH meets Councils Awarding of Sponsorship, Grants & Contributions Policy requirements and formalises Councils contributions of funds to Arts UH.

Cultural activities create a sense of community belonging that contribute to improved social wellbeing and the quality of life of community members.

## FINANCIAL IMPLICATIONS

### **Ongoing Operational and Maintenance Costs Implications Associated with Capital Project**

#### ***1. Financial Implications – Operational***

Funds (\$12,166.65) are allocated in the 2024/2025 Operational Budget.

## POLICY IMPLICATIONS

Awarding of Sponsorships, Grants & Contributions Policy.





**STATUTORY / LEGISLATIVE IMPLICATIONS**

Nil.

**RISK MANAGEMENT IMPLICATIONS**

Nil.

**COMMUNITY CONSULTATION / COMMUNICATIONS**

Nil.

# Funding Deed

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**Muswellbrook Shire Council ABN 86 864 180 944**

**AND**

**Arts-Upper Hunter ABN 70 987 561 644**

## Funding Deed

|                        |  |
|------------------------|--|
| <b>Date</b>            |  |
| <b>Parties Details</b> | <p><b>MUSWELLBROOK SHIRE COUNCIL ABN 86 864 180 944</b> of Campbell's Corner, 60-82 Bridge Street, Muswellbrook, NSW 2333</p> <p>Telephone: (02) 6549 3700<br/>Email: records@muswellbrook.nsw.gov.au<br/>Attention: The General Manager</p> <p style="text-align: right;">("MSC")</p> <p><b>AND</b></p> <p><b>ARTS-UPPER HUNTER ABN 70 987 561 644</b> of 142 Bridge Street Muswellbrook NSW 2333</p> <p>Telephone: 0409 382 509<br/>Email: rado@artsupperhunter.com.au<br/>Attention: Executive Director</p> <p style="text-align: right;">("AUH")</p> <p>("Parties")</p>  |
| <b>Recitals</b>        | <p>A. AUH is a community organisation which supports and promotes opportunities for people and organisations involved in the creative industries across the local government areas of Dungog, Muswellbrook, Singleton and Upper Hunter.</p> <p>B. MSC has agreed to provide funding to AUH to support AUH in achieving its Objectives in accordance with the AUH Constitution.</p> <p>C. AUH has agreed to, among other things:</p> <ul style="list-style-type: none"><li>(a) accept the funding from MSC;</li><li>(b) allow a representative of MSC to be a member of The Board; and</li><li>(c) use best endeavours to achieve the Objectives in accordance with the AUH Constitution.</li></ul> <p>D. This Deed sets out the terms on which the funding will be provided.</p> |

### IT IS AGREED:

## 1 Definitions and interpretations

### 1.1 Definitions

In this document:

**AUH Constitution** means the Arts-Upper Hunter Constitution adopted 30 September 2021, a copy of which is annexed to this Deed as Annexure "A".

**Authorised Representative** means:

- (a) in respect of a Party which is a corporation:
  - (i) a company secretary or director or any officer of the corporation whose title or office includes the words “manager” or “director”; or
  - (ii) a person acting with the title or in the office of manager or director; and
- (b) in respect of each Party, a solicitor of that Party or a person nominated by Notice to the other Party as an authorised representative;
- (c) in respect of a Party which is a local council in NSW, that Party’s General Manager.

**Business Day** means a day other than Saturday, Sunday, a public holiday or bank holiday in New South Wales.

**Claim** means in relation to a person, any loss, cost or damage and includes, without limitation, a claim, demand, remedy, suit, injury, damage, loss, cost, liability, action, proceeding, right of action, chose in action, claim for compensation or reimbursement or liability incurred by or to be made or recovered by or against the person, howsoever arising and whether present or future, fixed or unascertained, actual or contingent, whether at Law, in equity, under statute or otherwise.

**Commencement Date** means the date of this Deed.

**Confidential Information** in relation to this Deed means Information relating to or in connection with the contents of this Deed and which, either orally or in writing:

- (a) is designated or indicated as being the proprietary or confidential information of the discloser, or a third party to whom the discloser owes an obligation of confidentiality; or
- (b) by its nature or the circumstances surrounding its disclosure, could reasonably be expected to be confidential to the discloser or a third party to whom the discloser owes an obligation of confidentiality, but does not include Information which is or becomes public knowledge other than by breach of this Deed or by unlawful means.

**Consideration** has the same meaning as in the GST Act.

**Funding Amount** means the amount of \$11 743.87 plus GST paid annually to AUH (2023 figure invoiced July 2023).

**CPI** means the Consumer Price Index (All Groups) for Sydney, published by the Australian Bureau of Statistics or any similar published index which replaces it.

**Current CPI** means the CPI for the quarter last published at 31 March each year.

**GST** has the same meaning as in the GST Act.

**GST Act** means *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

**Information:**

- (a) means information, correspondence, data, reports, interpretations, forecasts, processes, formulae, procedures, techniques, computer programs, records, analysis, compilation, business plans, studies, models, drawings, designs, inventions, discoveries and know-how, algorithms and structures, product information, research and development information, financial data and information, marketing materials and

strategies, customer information, and any other documents or material of whatever nature and embodied, contained, exhibited, displayed or conveyed in any form or manner (including in writing, or in machine readable form (whether visible or not) recorded or stored by or in any computer or information retrieval system, or recorded or stored by any electronic magnetic, electromagnetic or other means); and

- (b) includes information that is derived or produced partly or wholly from other Information, including any calculation, conclusion, summary or computer modelling;

**Insolvency Event** means the occurrence of any of the following events in relation to a Party:

- (a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the *Corporations Act 2001* (Cth));
- (b) it has a receiver, receiver and manager or similar person appointed to all or any part of its assets; or
- (c) it is in liquidation, in provisional liquidation, under administration or wound up or any action is commenced seeking the liquidation or provisional liquidation of the person and those proceedings are not dismissed or withdrawn within 14 days after the proceedings are commenced.

**Law** means:

- (a) any law applicable including legislation, ordinances, regulations, by-laws and other subordinate legislation;
- (b) any Approval, including any condition or requirement under it; and
- (c) any fees and charges payable in connection with the things referred to in clauses (a) and (b) of this definition.

**Notice** means a written notice, consent, approval, direction, order or other communication.

**Notice Address** means the address specified in the above "Parties Details" which describes that Party.

**Objectives** means the objectives of AUH identified in clause 6 of the AUH Constitution.

**Party** means a party to this Deed and **Parties** has a corresponding meaning.

**Personal Information** has the same meaning as in the *Privacy and Personal Information Protection Act 1998* (NSW).

**Related Body Corporate** has the same meaning as in the *Corporations Act 2001* (Cth).

**Taxable Supply** has the same meaning as in the GST Act.

**Tax Invoice** has the same meaning as in the GST Act.

**Terminating Date** means the date that is three (3) years after the Commencement Date.

**The Board** has the same meaning as in the AUH Constitution.

## 1.2 Interpretation

In this document:

- (a) words importing the singular include the plural and vice versa;

- (b) any gender includes every gender;
- (c) a reference to a person includes corporations, trusts, associations, firms, partnerships, joint ventures, Authorities, and other legal entities, and where necessary, includes successor bodies;
- (d) a reference to legislation or to a legislative provision includes all regulations, orders, proclamations, notices or other requirements under that legislation or legislative provision. It also includes any amendments, modification or re-enactments of that legislation or legislative provision and any legislation or legislative provision substituted for, and any statutory instrument issued under, that legislation or legislative provision;
- (e) a reference to a Party to a document includes the Party's executors, administrators, successors and permitted assigns and substitutes;
- (f) another grammatical form of a defined word or expression has a corresponding meaning;
- (g) unless the context requires otherwise, a reference to a thing (including a chose in action or other right) includes a part of that thing;
- (h) a reference to a clause or annexure is a reference to a clause or annexure in or to this Deed all of which are deemed part of this Deed;
- (i) the clause headings in this Deed are for reference purposes only and do not in any way influence or affect the meaning of this Deed;
- (j) where under or pursuant to this Deed or anything done under this Deed the day on or by which any act, matter or thing is to be done is not a Business Day such act, matter or thing must be done on the immediately preceding Business Day;
- (k) a reference to an agreement or document is to that agreement or document as amended, novated, supplemented or replaced from time to time, regardless of any change in the identity of the Parties; and
- (l) a reference to \$ or dollars is a reference to the lawful currency of the Commonwealth of Australia;
- (m) the words 'such as', 'including', 'particularly' and similar expressions are not used as nor are intended to be interpreted as words of limitation; and
- (n) a reference to "month" means calendar month.

## **2 Term**

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This Deed will commence on the Commencement Date and remain in force until the earlier of:

- (a) the Termination Date;
- (b) it is terminated by operation of Law;
- (c) it is terminated in accordance with clause 7; or
- (d) such other time as agreed between the Parties in writing.

## **3 Funding**

---

### **3.1. Funding Amount**



- (a) On 1 August of each calendar year, MSC will pay the Funding Amount to AUH as one annual lump sum payment for the following financial year of the Term.
- (b) On 1 August of each year, the Funding Amount paid will be the Funding Amount of the previous year increased by the Current CPI as at the date of payment.
- (c) In addition to the CPI increase every year, the Funding Amount will be reviewed on 1 August of each year during which the Australian Bureau of Statistics conducts an Australian Census, being not less than every 5 years. The Funding Amount will be reviewed in accordance with the following formulas:

$$\text{Muswellbrook Population \%} = \left( \frac{B-A}{A} \right) \times 100$$

Where:

A = The total number of people in the Muswellbrook local government area according to the previous Australian Census. For the avoidance of doubt, the 2021 Australian Census data will be used for the first review under this clause, being 16,357.

B = The total number of people in the Muswellbrook local government area according to the most recent Australian Census. For the avoidance of doubt, the 2026 Australian Census data will be used for the first review under this clause.

New Funding Amount = Funding Amount + (Funding Amount x Muswellbrook Population %)

Where:

Funding Amount = the Funding Amount immediately prior to the relevant review.

Muswellbrook Population % = the percentage calculated in accordance with the formula above.

- (d) The Parties agree that if the New Funding Amount under clause 3.1(c) will not be determined until after 1 August of the relevant year, then:
  - (i) MSC will pay the Funding Amount immediately prior to the relevant review date; and
  - (ii) within 30 days of the New Funding Amount being determined under clause 3.1(c), MSC will pay the difference (if any) between the previous Funding Amount and the New Funding Amount.
- (e) The Parties agree that MSC and AUH may enter into negotiations to increase or decrease the Funding Amount.

### **3.2. Provision of Funding**

- (a) MSC will provide the Funding Amount to AUH in accordance with and subject to the terms of this Deed; and
- (b) the Funding Amount will be paid by way of an annual lump sum instalment on 1 August each calendar year for the following financial year during the life of this Deed.

### **3.3. Use of Funding Amount**

AUH must only use the Funding Amount for the purposes of achieving the Objectives outlined in the AUH Constitution and in accordance with:

- (a) the requirements of this Deed;
- (b) the AUH Constitution;
- (c) all applicable Laws; and
- (d) all applicable professional ethics, principles and standards.

**3.4. No right to assets**

MSC has no rights with respect to the assets purchased by AUH with the Funding Amount.

**3.5. No other funding or support**

MSC has no obligation to provide AUH with:

- (a) any funding in addition to the Funding Amount; or
- (b) any other support or services of any kind.

## **4 AUH's Obligations**

---

**4.1. Obligations**

AUH must:

- (a) comply with all terms and conditions in this Deed;
- (b) only expend the Funding Amount for the purpose identified in clause 3.3;
- (c) comply with the reporting requirements set out in clause 4.3;
- (d) comply with all Laws, AUH policy, standards and procedures that are relevant to the use of the Funding Amount;
- (e) maintain sufficient capability and resources to meet all of its obligations under this Deed;
- (f) perform all of its obligations under this Deed in a cost effective manner consistent with any required levels of quality and performance; and
- (g) comply with all policies, guidelines and reasonable directions MSC provides.

**4.2. AUH Constitution**

- (a) AUH must provide MSC with written notification of any proposed changes to the AUH Constitution which may be relevant to this Deed prior to the changes being approved by an annual general meeting or other legal process.
- (b) Within 7 days of receipt of notification of any proposed changes to the AUH Constitution, MSC may object, on reasonable grounds, to the proposed changes.

**4.3. Reporting**

- (a) On or before 1 July of each year of the Term, AUH will provide MSC with a written report identifying the activities undertaken by AUH, in the Muswellbrook Shire local government area, during the preceding 12 months and the activities proposed to be

undertaken by AUH, in the Muswellbrook Shire local government area, for the subsequent 12 months, which accord with the AUH Constitution.

#### **4.4. Account and records**

AUH must keep and maintain

- (a) full and accurate accounting and financial transactions, including receipts and payments, relating to the Funding Amount;
- (b) financial statements prepared in accordance with Australian Accounting Standards; and
- (c) records that are able to substantiate AUH carrying out, or performance of, its obligations under this Deed.

#### **4.5. Access and audit rights**

Within 10 Business Days of receipt of such reports, AUH will provide MSC with a copy of any audited annual financial reports.

#### **4.6. Repayment of Funding Amount**

AUH must immediately (or within such time as may be otherwise agreed) repay to MSC any part of the Funding Amount spent on purposes not authorised by this Deed, unless otherwise agreed by the Parties in writing.

#### **4.7. AUH Board**

- (d) Every year during the term of this Deed:
  - (i) MSC will nominate a representative to be a member of The Board; and
  - (ii) AUH will allow the representative nominated by MSC to be a member of The Board.
- (e) Should MSC's representative on The Board vacate their seat, MSC will appoint another representative to be a member of The Board.

#### **4.8. Compliance with Law and policies**

- (a) AUH must comply with and ensure that all employees, volunteers and representatives comply with, all applicable Laws and all policies and procedures of AUH.

#### **4.9. Privacy**

- (a) AUH must not disclose to MSC any Personal Information without the written consent of the individual to whom the Personal Information relates or unless otherwise required or authorised by Law.
- (b) AUH must comply with, including when dealing with the Personal Information, all applicable Laws.

## **5 Representations and Warranties**

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#### **5.1. AUH representations and warranties**

- (a) AUH represents and warrants to MSC that:
  - (i) it is not breaching any Law by signing and performing its obligations this Deed;

- (ii) all information provided to MSC both before and after the date of this Deed is true, correct and complete in all material respects and is not misleading;
  - (iii) it is not the subject to any judicial decision against it in relation to employee entitlements (not including decisions under appeal) where it has not paid the claim;
  - (iv) no Insolvency Event has occurred and there are no reasonable grounds to suspect that an Insolvency Event will occur in respect to AUH; and
  - (v) AUH, its employees, representatives and agents have the necessary experience, skill, knowledge, expertise and competence to undertake the obligations under this Deed and are fit and proper people.
- (b) Unless expressly represented otherwise in writing prior to the date of payment of each annual Funding Amount, AUH warrants that the representations and warranties in this clause are deemed to be repeated on the date of payment of the Funding Amount.
  - (c) AUH acknowledges and agrees that MSC has entered into this Deed and performs this Deed in reliance on the representations and warranties in this clause.

## **6 Indemnity**

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The Parties indemnify, and keep indemnified, each other from and against any loss (including legal costs and expenses on a solicitor/own client basis) or liability arising directly or indirectly from any Claim by any person as a result of or in connection with:

- (a) the Funding Amount or the use of the Funding Amount;
- (b) a breach of this Deed; or
- (c) any negligent act or omission by such Party in connection with this Deed.

## **7 Termination**

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### **7.1. Termination for breach**

If AUH is in breach of any of its obligations under this Deed, or is otherwise not undertaking or is unable to carry out its Objectives under the AUH Constitution then MSC may immediately terminate this Deed if:

- (a) AUH fails to remedy any breach of this Deed within a reasonable period, being no less than 5 Business Days, after receiving notice from MSC directing it to do so;
- (b) AUH fails to prevent the recurrence of a breach of any obligation under this Deed which it has breached on 2 or more previous occasions, after receiving notice from MSC directing it to do so;
- (c) MSC is the victim of any fraud or dishonest conduct by AUH in connection with this Deed; or
- (d) an Insolvency Event occurs in respect of AUH.

### **7.2. Repayment of Funding Amount**

- (a) If this Deed is terminated in accordance with clauses 7.1(a), 7.1(b) or 7.1(d), AUH is not obliged to repay any Funding Amounts which were paid to AUH prior to termination.
- (b) If the Deed is terminated due to clause 7.1(c), then AUH must repay to MSC all Funding Amounts paid to AUH prior to termination.

### **7.3. Termination for Convenience**

This Deed may be terminated by either Party for any reason by providing no less than 6 months' notice in writing to the other Party.

## **8 Position of MSC**

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- (a) The Parties acknowledge that MSC is an authority with statutory rights and obligations pursuant to the terms of any relevant Law.
- (b) This Deed is not intended to operate to fetter, in any unlawful manner the:
  - (i) power of MSC to make any Law; or
  - (ii) exercise by MSC of any statutory power or discretion.
- (c) No provision of this Deed is intended to, or does, constitute any unlawful fetter on any discretion of MSC. If, contrary to the operation of this clause, any provision of this Deed is held by a court of competent jurisdiction to constitute an unlawful fetter on any discretion, the Parties agree:
  - (i) they will take all practical steps, including the execution of any further documents, to ensure the objective of this clause is substantially satisfied; and
  - (ii) in the event that clause 8(c)(i) cannot be achieved without giving rise to an unlawful fetter on a discretion, the relevant provision is to be severed and the remainder of this Deed has full force and effect.
- (d) Where the Law permits MSC to contract out of a provision of that Law or gives MSC power to exercise a discretion, and if MSC has in this Deed contracted out of a provision or exercised a discretion under this Deed, then to that extent this Deed is not to be taken to be inconsistent with the Law.

## **9 Assignment**

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- (a) AUH must not transfer, assign, novate or similarly deal with ("Dealing") its rights or obligations under this Deed.
- (b) Any change of ownership or control (as defined in section 50AA of the *Corporations Act 2001* (Cth)) of AUH shall be deemed to be an assignment of this Deed for the purposes of this clause.
- (c) Any purported Dealing in breach of this clause is of no effect.

## **10 Confidentiality**

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### **10.1. Confidentiality of this Deed**

The Parties agree that the terms of this Deed are not confidential and this Deed may be treated as a public document and exhibited without restriction by any Party.

## **10.2. Confidentiality**

The Parties agree, subject to clause 10.1, not to disclose any Confidential Information provided by the other party that is not publicly available except:

- (a) to any person in connection with an exercise of rights or a dealing with rights or obligations under this Deed;
- (b) to officers, employees, legal and other advisers and auditors of any party;
- (c) to any party to this Deed or any Related Body Corporate of any party to this Deed, provided the recipient agrees to act consistently with this clause;
- (d) in the case of MSC, to comply with its obligations as a statutory authority under all relevant Laws;
- (e) with the consent of the party who provided the Confidential Information; or
- (f) as allowed by any Law.

## **11 GST**

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### **11.1 Defined GST terms**

Defined terms used in this clause have the meaning ascribed to them in the GST Act.

### **11.2 GST to be added to amounts payable**

If GST is payable on a Taxable Supply made under, by reference to or in connection with this Deed, the Party providing the Consideration for that Taxable Supply must also pay the GST amount as additional Consideration. This clause does not apply to the extent that the Consideration for the Taxable Supply is expressly agreed to be GST inclusive, unless otherwise expressly stated, prices or other sums payable or Consideration to be provided under or in accordance with this Deed are exclusive of GST.

### **11.3 GST obligations to survive termination**

This clause will continue to apply after expiration or termination of this Deed.

## **12 Notices**

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### **12.1 Form of Notices**

Notices given under this Deed shall be:

- (a) in writing;
- (b) (except where transmitted by email) signed by the Party giving the Notice or its Authorised Representative; and
- (c) addressed to the Notice Address of the person to whom it is to be given.

### **12.2 Method and address for giving Notices**

Notices must be either:



- (a) delivered by hand;
- (b) posted by way of express post; or
- (c) transmitted by email,

to the Notice Address of the person receiving the Notice.

### **12.3 Time of receipt**

A Notice given to a person in accordance with this Deed is deemed to have been given and received if:

- (a) delivered, on the day of delivery if delivered before 5:00pm on a Business Day, otherwise on the next Business Day;
- (b) posted by pre-paid security mail or certified mail, on the second day after the day on which the Notice was accepted by the post office from the Party sending the Notice; or
- (c) transmitted by email, provided the sender receives no failure notice in respect of the email, on the day of transmission if the machine from which the email is sent records the time the email was sent as before 5.00pm on a Business Day, otherwise on the next Business Day.

## **13 General**

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### **13.1 Amendments**

Unless expressly stated otherwise, this Deed may not be modified, amended, added to or otherwise varied except by a document in writing signed by all Parties.

### **13.2 No Merger**

The rights and obligations of the Parties under this Deed do not merge on completion of any transaction contemplated by this Deed.

### **13.3 Entire Agreement**

This Deed constitutes the entire agreement of the Parties in relation to its subject matter and supersedes all prior agreements, understandings and negotiations between the Parties. No other covenants or provisions are implied or arise between the Parties by way of collateral or other agreement. No Party was induced to enter into this Deed by any promise, representation, warranty or undertaking given or made by the other Party (or any of its employees, contractors or agents). The existence of any such implication or collateral or other agreement is expressly negative.

### **13.4 Construction**

No rule of construction applies to the disadvantage of a Party because that Party was responsible for the preparation of or seeks to rely on this Deed or any part of it.

### **13.5 Governing Law and Jurisdiction**

- (a) The laws applicable in New South Wales govern this Deed.
- (b) Each Party irrevocably submits to the non-exclusive jurisdiction of the New South Wales Courts and Courts competent to hear appeals from those Courts.

### **13.6 Counterparts**

This Deed may be executed in any number of counterparts and all such counterparts taken together will constitute the same instrument. A Party can execute this Deed by signing any counterpart. Counterparts can be exchanged electronically by way of email.

### **13.7 Costs**

Each Party shall bear its own legal costs and disbursements in relation to the negotiation, preparation and execution of this Deed.

### **13.8 Representation and warranties**

The Parties represent and warrant that they have the power and authority to enter into this Deed and comply with their obligations under the Deed and that entry into this Deed will not result in the breach of any Law.

### **13.9 Severability**

This Deed will, so far as possible, be interpreted or construed so as not to be invalid, illegal or unenforceable in any respect but if any provision on its true interpretation or construction is held to be illegal, invalid or unenforceable:

- (a) that provision will, so far as possible, be read down to the extent that it may be necessary to ensure that it is not illegal, invalid or unenforceable and as may be reasonable in all the circumstances so as to give it a valid operation of a partial character; or
- (b) if the provision or part of it cannot effectively be read down, that provision or part of it will be deemed to be void and severable and the remaining provisions of this Deed will not in any way be affected or impaired and will continue notwithstanding that illegality, invalidity or unenforceability.

### **13.10 Relationship of the Parties**

Nothing in this Deed constitutes a joint venture, agency, partnership or other fiduciary relationship between the Parties.

**EXECUTED** as a Deed:

**EXECUTED** by **Muswellbrook Shire Council** )  
**ABN 86 864 180 944** by its authorised delegate )  
pursuant to Section 377 of the *Local* )  
*Government Act 1993 (NSW)*, in the presence  
of:

.....  
Signature of Witness

.....  
Authorised Delegate

.....  
Name of Witness (Print)

.....  
Name of Authorised Delegate

**EXECUTED** by **Arts-Upper Hunter ABN 70** )  
**987 561 644** in accordance with Section 127 of )  
the *Corporations Act 2001 (Cth)*: )

.....  
Signature of Director

.....  
Signature of Director/Secretary

.....  
Name of Director (Print)

.....  
Name of Director/Secretary (Print)

**ANNEXURE "A"**

**AUH Constitution**



### 10.4.2. Council Grant Funding and Community Engagement

**Responsible Officer:** Shaelee Welchman - Director - Community & Economy

**Author:** Grants and Community Engagement Advisor

**Community Strategic Plan:** 6 - Community Leadership

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

**Delivery Program Goal:** 6.2.1 - Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves.

**Operational Plan Action:** Not applicable

**Attachments:** Nil

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#### PURPOSE

To advise Council of recent grant applications submitted, grant funding recently announced or to be announced shortly, and of upcoming grant opportunities. In addition, to provide updates on Council's other grants and community engagement activities.

#### OFFICER'S RECOMMENDATION

Council notes the information contained in the report and endorses Council staff to consider options for:

1. Submitting an application to deliver Stage 2 of the Denman Tourist Park development, which is a key infrastructure project within the Shire under the Crown Reserves Improvement Fund. The grant application could cover the construction of amenities, showers, laundry, outdoor BBQ, gate entry to the tourist park and fencing, and picnic shelters;
2. Applying for funding under the Club Grants Category 3 Infrastructure Grants program, including upgrades and/or renewal of assets at the Muswellbrook Aquatic Centre, Muswellbrook Regional Arts Centre, or the Muswellbrook Emergency and Community Services Precinct;
3. Applying for funding under the Get NSW Active grant program, including the construction of shared paths near Muswellbrook South Public School and Muswellbrook Hospital Precinct/Muswellbrook High School;
4. Applying for funding under the Commonwealth Active Transport Fund for a shared path in Wollombi Road, linking the area, including Hunter Park and Hunter Park Family Centre, to the existing path in Skellatar Stock Route and Ironbark Road;
5. Applying for funding under the Create NSW Arts and Cultural Funding Program Cultural Access stream for a joint project with the Upper Hunter Conservatorium of Music and Arts Upper Hunter;



6. Council provides Denman Public School with a fee waiver of \$305 for the staging of their Presentation Event at Denman Memorial Hall on Tuesday, 17 December 2024; and
7. Council provides the Muswellbrook High School P&C Association with “We Live Here” cards to the value of \$75 to be used as prizes to support their Christmas Raffle.

**Moved:** \_\_\_\_\_ **Seconded:** \_\_\_\_\_

## EXECUTIVE SUMMARY

To advise Council of recent grant applications submitted, grant funding recently announced or to be announced shortly, and of upcoming grant opportunities. In addition, to provide updates on Council's other grants and community engagement activities.

Successful grant applications include:

- \$3,930,000 from Transport for NSW Round 2 of the NSW Towards Zero Safer Roads Program for the upgrade of a two kilometre section of Bylong Valley Way, near Kerrabee Homestead.
- \$15,000 in funding for the staging of Australia Day 2025.

Notably, Council submitted an application for funding under Round 1 of a fresh start for Local Government Apprentices, Trainees, and Cadets, administered by the Office of Local Government. Council applied for 13 positions across all categories.

## PREVIOUS RESOLUTIONS

Nil.

## BACKGROUND

Council has been successful in obtaining grants which have been decided via competitive applications, and continues to receive grant allocations from both State and Federal government and other sources for which Council nominates appropriate projects.

## CONSULTATION

Grant applications are aligned to projects identified by the Muswellbrook Shire 2022-2026 Delivery Program and are prepared in consultation with Council's senior managers and key staff in relevant sections. Councillors are regularly consulted regarding grant applications via Council and Committee meetings.

## REPORT

### Grant Applications Recently Announced

Council has been informed that applications for funding under the following programmes have been **successful**:

- Council has been notified of a successful funding allocation of \$3,930,000 from Transport for NSW for the upgrade of a two kilometre section of **Bylong Valley Way, near Kerrabee Homestead**, under Round 2 of the NSW Towards Zero Safer Roads Program. If Council exhausts this funding on the delivery of the project, a cost variation to request all or part of an additional \$672,549 funding may be submitted, although, there is no guarantee that this contingency funding will be provided.
- Council has been awarded \$15,000 in funding for the staging of **Australia Day 2025**. The funding includes \$10,000 to assist in ensuring that Australia Day events are inclusive (Base Grant) and an additional \$5,000 has been provided for the inclusion of significant Aboriginal and/or Torres Strait Islander elements (Additional Grant).





Council has been informed that applications for funding under the following grant programs have been **unsuccessful**:

- Council's application under the LGP Procurement Capability Grant Fund 2024 for the **implementation of a contract management system**. This grant would have enabled Council to accelerate its timeline of implementing contract management software, ensuring risk mitigation objectives are achieved earlier, cost avoidance is realised, and the community's funds are used most efficiently.
- Council's application for funding to hold an event during NSW Seniors Week, which will be held between 3-16 March 2025.

#### **Grant Applications Recently Submitted**

Council has recently submitted the following applications for grant funding:

- On 16 August, Council submitted an application for funding under the second stream of the Australian Government's \$500 million Housing Support Program, which had the theme Community Enabling Infrastructure Stream (CEI). Council's application requested \$8,601,800 for the **Denman to Sandy Hollow Water Pipeline Project**;
- In mid-September, Council submitted an application for almost \$5 million under Stream 1 (Precinct Development and Planning) of the Commonwealth Regional Precincts and Partnerships Program for a **Precinct and Place Strategy for the Hunter Integrated Energy Hub** around the Bayswater Power Station. The application was submitted in partnership with AGL;
- At the end of September, Council submitted an application under the Commonwealth Safer Local Roads and Infrastructure Program for the upgrade of 1.6 km of **Thomas Mitchell Drive**, south from the Denman Road intersection, and requested funding of \$3,000,512; Council will co-contribute \$750,129 of Roads to Recovery funding for a total project cost of \$3,750,641;
- On 10 October, Council submitted an application, under Round 2 of the Commonwealth Growing Regions fund, for \$8,744,000 for the delivery of the **Muswellbrook Regional Entertainment Centre** project. Round 2 funding is aimed at providing investment in community-focused infrastructure which creates and enhances amenity, liveability, and social cohesion throughout regional Australia;
- On 17 October, Council submitted an application with the Commonwealth Department of Education for \$1.6 million in funding over 4 years to establish and operate a **Regional University Study Hub in Muswellbrook**. The facility would serve current and future Upper Hunter students pursuing tertiary education and Vocational Education & Training studies, regardless of the education institution they are studying at and their chosen mode of study (whether online or on-campus). The Study Hub will:
  - be free to use for students, 5am – 12:00am, 7 days per week;
  - provide a range of study, collaboration; and socialisation spaces;
  - provide access to computers, printers, and video-conferencing facilities; and
  - offer administrative, pastoral, and learning support and other services.If the funding application is approved, the facility would be operational mid-2025.
- On 18 October, Muswellbrook Shire Council submitted an application for funding of \$19,990 under the Commonwealth **2025 Science Week** Grant Program for a week-long program of events to be staged 9–17 August 2025, under the theme Decoding the Universe - Science Week Muswellbrook Shire – 2025. Council's application also promotes that Science Week events will form part of a unique series of community



activities spanning July and August 2025, including celebrating NAIDOC Week (6–13 July) and then Book Week (16–23 August) with the theme "Book an Adventure".

- On 8 November, Council submitted an application for funding under Round 1 of a NSW Government program, entitled **a fresh start for Local Government Apprentices, Trainees and Cadets**, which is administered by the Office of Local Government. The Program funding addresses identified workforce shortages and skill gaps and will boost critical workforce numbers within the local government sector through the funding of wages and a proportion of on-costs. Council applied for 13 positions across all categories, this being the first of four rounds, and applications need to be submitted for Round 2 by 31 March 2025, Round 3 by 31 July 2025, and Round 4 by 31 July 2026.

### **Upcoming Grant and Funding Opportunities**

The following are current potential grant and other funding opportunities:

- The **Crown Reserves Improvement Fund** supports Crown land managers by providing funding for repairs, maintenance, and improvements on Crown reserves. The funding aims to benefit the community, boost the economy and contribute to the cultural, sporting, and recreational life of NSW. The 2024-25 funding round will offer around \$10 million in grants to the highest priority projects. This year's general project grant round is targeting highly utilised reserves, with projects that will have a significant community impact, and funding will also be offered for pest and weed control projects.

**Applications closed 22 November** for general projects (such as showgrounds on Crown land, caravan parks, state parks, local parks, and other Crown reserves), and the minimum grant amount is \$100,000 (including GST) and maximum amount is \$1,000,000 (including GST). Staff suggest Council submits an application to deliver Stage 2 of the Denman Tourist Park development, which is a key infrastructure project for Muswellbrook Shire. The grant application will cover the construction of amenities, showers, laundry, outdoor BBQ, gate entry to the tourist park and fencing, and picnic shelters.

Stage 1 of the development already delivered includes internal roads and toilets at the Denman Heritage Building. Stage 3 of the development would include car parking, a communal kitchen, pools, and other amenities. The proposal builds on the existing recreational facilities in the Denman Recreation Reserve, which includes golf, tennis, swimming, indoor sports stadium, football fields, cricket, RV dump point, and the Heritage Village. The development of the Denman Tourist Park will serve as a 'gateway tourism product' and will attract more visitors generally, but particularly the Recreation Vehicle (RV), well-being, and back-packer segments of the visitor economy.

- The objective of the **Clubgrants Category 3 Infrastructure Grants** program is to fund the costs of construction, alteration, renovation, completion, and fit-out of buildings and community infrastructure to deliver outcomes for disadvantaged NSW communities, including regional, remote, drought-affected areas, culturally and linguistically diverse communities, Aboriginal and Torres Strait Islander communities, and disaster-affected communities. Infrastructure Grants can be used towards the costs of construction, alteration, renovation, completion, and fit-out of buildings and community infrastructure in the following categories:
  - Arts and Culture - funding to support arts and culture infrastructure, such as museums, art galleries, or cultural centres - \$50,000 to \$200,000 available per project;
  - Community Infrastructure - funding to support community infrastructure, such as a multipurpose community hub or a service for an eligible community group - \$50,000 to \$250,000 available per project;
  - Disaster Readiness - funding to support disaster readiness infrastructure, such as



evacuation centres, capital equipment, or a multipurpose community facility - \$50,000 to \$200,000 available per project; and

- Sport and Recreation - funding to support sport and recreation infrastructure, such as sports centres, playgrounds, and swimming pools - \$50,000 to \$300,000 available per project.

Muswellbrook Shire Council can only submit one application each round, and is required to provide a matching co-contribution. **Applications closed on 25 November.** Council staff are considering options for this and future funding opportunities, including upgrades and/or renewal of assets at the Aquatic Centre, Regional Arts Centre, or the Muswellbrook Emergency and Community Services Precinct.

- The **Get NSW Active** program offers Councils funding to deliver projects that create safe, easy, and enjoyable walking and bike trips. Up to 100% of the project cost can be funded, **applications closed on 25 November.** The project(s) should be started by 1 July 2025 and must be completed by 30 June 2028, and the value must be (excluding GST):
  - Strategy/plan development project: between \$30,000 and \$100,000.
  - Design project: between \$50,000 and \$1,000,000.
  - Construction project: between \$100,000 and \$5,000,000.
  - Get Kids Active (construction project): between \$100,000 and \$800,000.

Council staff are discussing project(s) to be submitted under this program, and have identified projects near Muswellbrook South Public School and Muswellbrook Hospital Precinct/Muswellbrook High School, which were submitted last year under the program, and which didn't receive funding and could be re-submitted this year.

- This week, the new \$100 million **Commonwealth Active Transport Fund** has opened for applications. The aim of the program is to encourage an increase in active transport through the upgrade of existing and construction of new bicycle and walking pathways across Australia. The focus areas for the program are road safety, reducing transport emissions, and active and liveable communities. **Applications close 13 January 2025.** The Australian Government recognises that some LGAs, particularly those in regional areas, may be limited in their ability to provide a 50% co-contribution, and alternative funding co-contributions can be sought as part of the application. Council staff are discussing project(s) to be submitted under this program, including a shared path in Wollombi Road, linking the area, including Hunter Park and the Hunter Park Family Centre, to the existing path in Skellatar Stock Route and Ironbark Road.
- **The Create NSW Arts and Cultural Funding Program** has recently opened applications. This includes funding under the Cultural Access stream, which supports individuals and organisations that are led by and/or support specific communities to develop and deliver a diverse range of arts and cultural experiences for artists, arts workers, communities, and audiences. Funding of \$10,000 to \$100,000 is available, and applications close **2 December 2024.** Council staff are discussing project(s) to be submitted for funding, including a possible joint project with the Upper Hunter Conservatorium of Music and Arts Upper Hunter.
- Hunter Local Land Services **Strategic Weeds Grant Program** was established in 2022 to implement actions arising from the Hunter Regional Strategic Weed Management Plan, facilitate the distribution of funds targeted at weed management, and assist in community-based projects or landscape-level projects to mitigate the impacts of priority weeds and establish best practice weed management in the Hunter Local Land Services region. Multiple funding streams are managed under this program:



- Hunter Catchment Contributions and Hunter Catchments Contributions Strategic Fund: Hunter Local Land Services allocates a budget each year from Hunter Catchment Contributions to undertake works in weed management across the catchment of the Hunter River; and
- Widespread Weeds Fund: To deliver weed control programs that are guided by the Hunter Region Strategic Weed Management Plan and the Hunter Regional Weeds Committee. The fund targets the development and disbursement of documents associated with best practice weed management, such as educational resources, weed management strategies and inspection, or response planning documents. The fund is also aimed at progressing outcomes, objectives, and activities of the Hunter Regional Strategic Weed Management Plan.

The objective of the Hunter Local Land Services – Strategic Weeds Grant Program is to:

- Reduce the impact of weeds through the implementation of the NSW Invasive Species Plan and the NSW Biosecurity Strategy;
- Meeting actions of the Hunter Regional Strategic Weed Management Plan;
- Assist landholders to meet their General Biosecurity Duty, undertaking activities that highlight weed impacts and management options for landholders; and
- Undertake control programs to bring weed infestations within landholder capacity to manage, providing for reasonably practicable weed control.

Council staff are considering options for this funding opportunity. The **closing date for Round 4 is 2 December 2024.**

#### **Other grants to be announced shortly**

Council is expecting to be notified shortly about the outcome of the following applications:

- The outcome of Round 1 of a NSW Government program, titled **a fresh start for Local Government Apprentices, Trainees and Cadets** by 27 November which is a very tight time frame and, if successful, staff will then need to commence recruitment.

#### **Muswellbrook Shire Council Grants Portal**

The report for data from April to October 2024 for Council's grant finding portal at <https://muswellbrook.grantguru.com.au/> is listed in the table below. Registrations are people that have registered to the portal via the signup form and are still active.

| Indicator                                      | Oct | Sep | Aug | Jul | Jun | May | Apr |
|--|-----|-----|-----|-----|-----|-----|-----|
| Total cumulative registrations to the portal   | 105 | 105 | 105 | 105 | 103 | 105 | 105 |
| Grant alerts sent by email to registered users | 775 | 875 | 798 | 829 | 699 | 719 | 841 |

Community interaction with the grant finding portal is generally positive and the number of registered users continues to remain stable.

Council notes recent grant applications submitted, grant funding recently announced or to be announced shortly, upcoming grant opportunities and other grants activities, as well as community engagement initiatives.

Applications for funding submitted by Council address priority issues in the community.

**Community Grants and Sponsorship**

Council has received two requests for fee waivers outside the Council's timeframe of the last round of Community Grants/Sponsorship of Thursday, 29 February 2024 to Friday, 29 March 2024 and these events will be held before the next round of Community Grants and Sponsorship will be concluded.

| Organisation                   | Event                                      | Event date                                      | Request   |
|--------------------------------|--|---|---|
| Muswellbrook High School P & C | Christmas Raffle                           | Wednesday 11 December 2024                      | Support of any kind that could be used as prizes including "We Live Here" cards   |
| Blackroo Industries            | 2NM/Power FM Christmas Food and Toy Appeal | Sunday 15 December to Saturday 21 December 2024 | Fee waiver - \$2,310 excluding GST - Muswellbrook Indoor Sports Centre. The caretakers have agreed to facilitate the bookings without charge. |
| Denman Public School           | Presentation Day Ceremony                  | Tuesday 17 December 2024                        | Fee waiver - \$305 - Denman Memorial Hall   |

Council has also received several applications for funding for end of year presentation days and other activities from local schools and has already set aside funds in the budget to cover such requests.

**FINANCIAL CONSIDERATIONS**

The funding received under these grant programs will offset expenditure that would otherwise need to be committed by Council.

**POLICY IMPLICATIONS**

Council will need to maintain any assets for which funding is obtained according to Policy A40-1 - Asset Management Policy.

**STATUTORY / LEGISLATIVE IMPLICATIONS**

Council's grant applications align with the goals identified in the Muswellbrook Shire 2022/2032 Community Strategic Plan and with a range of Federal, State, and regional strategies and plans.

Where grant applications are successful, Council will be required to enter into a grant agreement with the funding body.

**RISK MANAGEMENT IMPLICATIONS**

Council is required to identify risks and associated risk management strategies for each project in preparing a grant application.

**COMMUNITY CONSULTATION / COMMUNICATIONS**

The grant funding announcements contained in this report are no longer under embargo.

**10.4.3. Hunter Regional Conservatorium - 2025 Scholarship Program**

**Responsible Officer:** Derek Finnigan - General Manager

**Author:** Director - Community & Economy

**Community Plan Issue:** 6 - *Community Leadership*

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

**Delivery Program Goal:** 6.2.1 - Maintain a strong focus on financial discipline to enable Council to properly respond to the needs of the communities it serves.

**Operational Plan Action:** 4.3.1.1 - Council works in partnership to deliver events which support the community and attract visitors to the Shire.

**Attachments:** Nil

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**PURPOSE**

To submit, for Council's consideration, a donation request to support the Hunter Regional Conservatorium 2025 Scholarship Program.

**OFFICER'S RECOMMENDATION**

1. Council supports the Hunter Regional Conservatorium 2025 Scholarship Program with a contribution of \$3,800 to support one recipient who is a resident of Muswellbrook with a 60 minute lesson allocated from GL 075.1880.568.
2. That the Hunter Regional Conservatorium provide details of the recipient to Council once the scholarship is awarded and report of the student's progress at the end of the scholarship period.

**Moved:** \_\_\_\_\_ **Seconded:** \_\_\_\_\_

**EXECUTIVE SUMMARY**

An annual request is received from the Hunter Regional Conservatorium for their Scholarship Program. Auditions have been completed, and this year's options are for one student as follows:

| Length     | Term (10wks) | Semester | Year   |
|------------|--------------|----------|--------|
| 30 minutes | \$450        | \$900    | \$1800 |
| 45 minutes | \$600        | \$1200   | \$2400 |
| 60 minutes | \$800        | \$1600   | \$3200 |

The recommendation is to support one student for a year at a cost of \$3200.





## PREVIOUS RESOLUTIONS

*Council resolved on 24 October 2023 item 10.4.5. that:*

- 1. Determination of this matter be delegated to the General Manager;*
- 2. Any sponsorship to be paid incrementally over the course of the 12 months;*
- 3. Seek assurance that the recipients are residents of the Muswellbrook LGA.*

## BACKGROUND

Council has received a request for a donation from the Hunter Regional Conservatorium for their 2025 Scholarship Program, which is aimed at giving free tuition to recipients. Council provided a donation in 2024 of \$2,800 for one student for a year.

## CONSULTATION

General Manager  
Mayor

## REPORT

The Hunter Regional Conservatorium has requested Council's assistance in providing a donation to the 2025 Scholarship Program. Auditions for the 2025 Scholarship Program were held in Term 4, 2024, and recipients have now been identified. The number of scholarship recipients is dependent on the amount of funding received.

The Scholarship provides free tuition to recipients with the costing of students' lessons and scholarship options as follows:

| Length     | Term (10wks) | Semester | Year   |
|------------|--------------|----------|--------|
| 30 minutes | \$450        | \$900    | \$1800 |
| 45 minutes | \$600        | \$1200   | \$2400 |
| 60 minutes | \$800        | \$1600   | \$3200 |

It is recommended that Council provides a full 60 minute year of tuition to a student through the Hunter Regional Conservatorium 2025 Scholarship Program. The student is to be a resident of Muswellbrook Shire, and the Conservatorium is requested to advise the Council of the recipient at the start of the scholarship and provide information on the student's progress at the end of the scholarship period.

## SOCIAL IMPLICATIONS

The 2025 Scholarship Program provides tuition for students who reside in the Hunter Valley, creating a form of social interaction, expression, and creativity which enhances the cultural life of the local community.

## FINANCIAL CONSIDERATIONS

An amount of \$3,800 be allocated from the Sponsorship, Contributions & Donations GL 075.1880.568.

## POLICY IMPLICATIONS

Not applicable.

## STATUTORY / LEGISLATIVE IMPLICATIONS

The Local Government Act permits donations and sponsorships of this type.





**RISK MANAGEMENT IMPLICATIONS**

No known risk management implications.

**COMMUNITY CONSULTATION / COMMUNICATIONS**

Council's investment will include the acknowledgement in the Hunter Regional Conservatorium newsletters, on their website, in social media, and event programs.



## 11. Minutes of Committee Meetings

Nil

## 12. Notices of Motion

Nil

## 13. Councillors Reports

## 14. Written Questions

Nil

## 15. Questions for Next Meeting

## 16. 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.

## 17. 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:

**Moved:** \_\_\_\_\_ **Seconded:** \_\_\_\_\_

### 17.1. Insurance Report

*This report is CONFIDENTIAL under the provisions of Section 10A(2)(f) of the Local Government Act 1993, as it relates to matters affecting the security of the council, councillors, council staff or council property.*

Council considers that discussion of the matter in an open meeting would be, on balance, contrary to the public interest.



**17.2. 2024-2025-0615 - Construction of a New Shared Path - Karoola Park Muswellbrook**

*This report is CONFIDENTIAL under the provisions of Section 10A(2)(d) of the Local Government Act 1993, as it relates to commercial information of a confidential nature that would, if disclosed: (i) prejudice the commercial position of the person who supplied it, or (ii) confer a commercial advantage on a competitor of the council, or (iii) reveal a trade secret.*

Council considers that discussion of the matter in an open meeting would be, on balance, contrary to the public interest.

**17.3. 2024-2025-0621 Drainage Condition Assessment**

*This report is CONFIDENTIAL under the provisions of Section 10A(2)(d) of the Local Government Act 1993, as it relates to commercial information of a confidential nature that would, if disclosed: (i) prejudice the commercial position of the person who supplied it, or (ii) confer a commercial advantage on a competitor of the council, or (iii) reveal a trade secret. {use-custom-field-confidential-do-not-delete}*

*Council considers that discussion of the matter in an open meeting would be, on balance, contrary to the public interest.*

**17.4. 2023-2024-0576 - Wet and Dry Hire and 2023-2024-0599 - Trade Services - Delegation for Negotiation with Additional Tenderers on Panel Contracts**

*This report is CONFIDENTIAL under the provisions of Section 10A(2)(d) of the Local Government Act 1993, as it relates to commercial information of a confidential nature that would, if disclosed: (i) prejudice the commercial position of the person who supplied it, or (ii) confer a commercial advantage on a competitor of the council, or (iii) reveal a trade secret.*

*Council considers that discussion of the matter in an open meeting would be, on balance, contrary to the public interest.*

**17.5. Application Under Undetected Water Leaks Policy**

*This report is CONFIDENTIAL under the provisions of Section 10A(2)(d) of the Local Government Act 1993, as it relates to commercial information of a confidential nature that would, if disclosed: (i) prejudice the commercial position of the person who supplied it, or (ii) confer a commercial advantage on a competitor of the council, or (iii) reveal a trade secret.*

*Council considers that discussion of the matter in an open meeting would be, on balance, contrary to the public interest.*



**17.6. Urban and Rural Resealing Programme 2024/2025**

*This report is CONFIDENTIAL under the provisions of Section 10A(2)(d) of the Local Government Act 1993, as it relates to commercial information of a confidential nature that would, if disclosed: (i) prejudice the commercial position of the person who supplied it, or (ii) confer a commercial advantage on a competitor of the council, or (iii) reveal a trade secret.*

*Council considers that discussion of the matter in an open meeting would be, on balance, contrary to the public interest.*

**17.7. Urban Pavement Renewal Programme 2024/2025**

*This report is CONFIDENTIAL under the provisions of Section 10A(2)(d) of the Local Government Act 1993, as it relates to commercial information of a confidential nature that would, if disclosed: (i) prejudice the commercial position of the person who supplied it, or (ii) confer a commercial advantage on a competitor of the council, or (iii) reveal a trade secret.*

*Council considers that discussion of the matter in an open meeting would be, on balance, contrary to the public interest.*

**18. Resumption of Open Council**

The meeting return to open Council.

**19. Closure**

**Date of Next Meeting: 17 December, 2024**