



TAMWORTH REGIONAL COUNCIL

Notice is hereby given, in accordance with the provisions of the Local Government Act 1993 that a **Meeting of Tamworth Regional Council** will be held in the **Council Chambers, 4th Floor Ray Walsh House, 437 Peel Street, Tamworth**, commencing at **6:30pm**.

ORDINARY COUNCIL AGENDA

23 NOVEMBER 2021

**PAUL BENNETT
GENERAL MANAGER**

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Council

Meeting Date: 2nd and 4th Tuesday of the month commencing at 6:30pm.

Matters determined by Ordinary meetings will include all those non-delegable functions identified in Section 377 of the Local Government Act as follows:

- *“the appointment of a general manager*
- *the making of a rate*
- *a determination under section 549 as to the levying of a rate*
- *the making of a charge*
- *the fixing of a fee*
- *the borrowing of money*
- *the voting of money for expenditure on its works, services or operations*
- *the compulsory acquisition, purchase, sale, exchange or surrender of any land or other property (but not including the sale of items of plant or equipment)*
- *the acceptance of tenders which are required under this Act to be invited by the council*
- *the adoption of an operational plan under section 405*
- *the adoption of a financial statement included in an annual financial report*
- *a decision to classify or reclassify public land under Division 1 of Part 2 of Chapter 6*
- *the fixing of an amount or rate for the carrying out by the council of work on private land*
- *the decision to carry out work on private land for an amount that is less than the amount or rate fixed by the council for the carrying out of any such work*
- *the review of a determination made by the council, and not by a delegate of the council, of an application for approval or an application that may be reviewed under section 82A of the [Environmental Planning and Assessment Act 1979](#)*
- *the power of the council to authorise the use of reasonable force for the purpose of gaining entry to premises under section 194*
- *a decision under section 356 to contribute money or otherwise grant financial assistance to persons*
- *the making of an application, or the giving of a notice, to the Governor or Minister*
- *this power of delegation*
- *any function under this or any other Act that is expressly required to be exercised by resolution of the council.”*

Other matters and functions determined by Ordinary Council Meetings will include:

- *Notices of Motion*
- *Notices of Motion of Rescission*
- *Council Elections, Polls, Constitutional Referendums and Public Hearings/Inquiries*
- *Ministerial Committees and Inquiries*
- *Mayor and Councillors Annual Fees*
- *Payment of Expenses and Provision of Facilities to Mayor and Councillors*
- *Local Government Remuneration Tribunal*
- *Local Government Boundaries*
- *NSW Ombudsman*
- *Administrative Decisions Tribunal*
- *Delegation of Functions by the Minister*
- *Delegation of Functions to General Manager and Principal Committees*
- *Organisation Structure*
- *Code of Conduct*
- *Code of Meeting Practice*
- *Honesty and Disclosure of Interests*
- *Access to Information*
- *Protection of Privacy*
- *Enforcement Functions (statutory breaches/prosecutions/recovery of rates)*
- *Dispute Resolution*
- *Council Land and Property Development*
- *Annual Financial Reports, Auditors Reports, Annual Reports and Statement of the Environment Reports*
- *Performance of the General Manager*
- *Equal Employment Opportunity*
- *Powers of Entry*
- *Liability and Insurance*
- *Membership of Organisations*

Membership: All Councillors
Quorum: Five members
Chairperson: The Mayor
Deputy Chairperson: The Deputy Mayor

Community Consultation Policy

The first 30 minutes of Open Council Meetings is available for members of the Public to address the Council Meeting or submit questions either verbally or in writing, on matters INCLUDED in the Business Paper for the Meeting.

Members of the public will be permitted a maximum of three minutes to address the Council Meeting. An extension of time may be granted if deemed necessary.

Members of the public seeking to represent or speak on behalf of a third party must satisfy the Council or Committee Meeting that he or she has the authority to represent or speak on behalf of the third party.

Members of the public wishing to address Council Meetings are requested to contact Council either by telephone, in person or online prior to 4:30pm the day prior to the Meeting to address the Council Meeting. Persons not registered to speak will not be able to address Council at the Meeting.

Council will only permit three speakers in support and three speakers in opposition to a recommendation contained in the Business Paper. If there are more than three speakers, Council's Governance division will contact all registered speakers to determine who will address Council. In relation to a Development Application, the applicant will be reserved a position to speak.

Members of the public will not be permitted to raise matters or provide information which involves:

- personnel matters concerning particular individuals (other than Councillors);
- personal hardship of any resident or ratepayer;
- information that would, if disclosed confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business;
- Commercial information of a confidential nature that would, if disclosed:
 - prejudice the commercial position of the person who supplied it, or
 - confer a commercial advantage on a competitor of the Council; or
 - reveal a trade secret;
- information that would, if disclosed prejudice the maintenance of law;
- matters affecting the security of the Council, Councillors, Council staff or Council property;
- advice concerning litigation or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege;
- information concerning the nature and location of a place or an item of Aboriginal significance on community land;
- alleged contraventions of any Code of Conduct requirements applicable under Section 440; or
- on balance, be contrary to the public interest.

Members of the public will not be permitted to use Community Consultation to abuse, vilify, insult, threaten, intimidate or harass Councillors, Council staff or other members of the public. Conduct of this nature will be deemed to be an act of disorder and the person engaging in such behaviour will be ruled out of the order and may be expelled.

Disclosure of Political Donations or Gifts

If you have made a relevant planning application to Council which is listed for determination on the Council Business Paper you must disclose any political donation or gift made to any councillor or employee of the Council within the period commencing two years before the application is made and ending when the application is determined (Section 147(4) Environmental Planning and Assessment Act 1979).

If you have made a relevant public submission to Council in relation to a relevant planning application which is listed for determination on the Council Business Paper you must disclose any political donation or gifts made to any councillor or employee of the Council by you as the person making the submission or any associate within the period commencing two years before the submission is made and ending when the application is determined (Section 147(5) Environmental Planning and Assessment Act 1979).

AGENDA

- 1 **APOLOGIES AND LEAVE OF ABSENCE**
- 2 **COMMUNITY CONSULTATION**
- 3 **MINUTES OF PREVIOUS MEETING SUBMITTED FOR APPROVAL**

RECOMMENDATION

That the Minutes of the Ordinary Meeting held on Tuesday, 9 November 2021, copies of which were circulated be taken as read and confirmed as a correct record of the proceedings of the Meeting.

4 **DISCLOSURE OF INTEREST**

Pecuniary Interest

Non Pecuniary Conflict of Interest

Political Donations

5 **MAYORAL MINUTE**

Nil

6 **NOTICE OF MOTION**

Nil

OPEN COUNCIL REPORTS

7 **ENVIRONMENT AND PLANNING**

7.1 **AMENDMENT TO THE TAMWORTH REGIONAL LOCAL ENVIRONMENTAL PLAN 2010 - STRATHEDEN PLANNING PROPOSAL 2021**

DIRECTORATE: **LIVEABLE COMMUNITIES**

AUTHOR: **Genevieve Harrison, Manager Integrated Planning**

1 ANNEXURES ATTACHED

1 CONFIDENTIAL ENCLOSURES ENCLOSED

RECOMMENDATION

That in relation to the report “Amendment to the Tamworth Regional Local Environmental Plan 2010 - Stratheden Planning Proposal 2021”, Council:

- (i) forward the planning proposal to the Department of Planning, Industry and Environment (DPIE) requesting a Gateway Determination in accordance with Sections 3.33 and 3.34 of the Environmental Planning and Assessment Act 1979;*
 - (ii) request that the Minister for Planning, Industry and Environment exercise his plan making powers to delegate to Council the authority to make the plan*
-

pursuant to Section 3.36 of the Environmental Planning and Assessment Act 1979; and

- (iii) upon receipt of a Gateway Determination (and completion of adequate studies and further supporting information relating to the subject land) publicly exhibit the planning proposal in accordance with the terms of the Gateway Determination.***

SUMMARY

The purpose of this report is to seek a resolution of Council to amend the *Tamworth Regional Local Environmental Plan 2010 (TRLEP 2010)*, in relation to the lands identified as Stratheden, Tamworth, to achieve a land use planning outcome which aligns with Blueprint 100 and the future growth of the Tamworth region.

Site Details

The land which is the subject of this planning proposal is occupied mainly by the Stratheden horse breeding facility, described throughout this report as “Stratheden”. The subject land is identified as Lots 1, 2 and Part Lot 3 in DP 997767, Part Lot 708 DP 1252037, Lot 12 DP 245544, Part Lot 4 DP 212658, Lot 3 DP 209387, Lot 341 DP 622077 and Lot 5 DP 209387. The land is currently zoned RU4 Primary Production Small Lots and is used as a horse stud, horse agistment and for animal feed production.

A map showing the subject land is **ATTACHED**, refer to **ANNEXURE 1**.

Stratheden is specifically referenced in Blueprint 100 as a major site of residential accommodation for the growing population of Tamworth and the wider region. As such, it is important to implement appropriate land use planning controls that facilitate the effective use of the land by promoting housing diversity, high quality urban design and green spaces to meet the demands of future residents.

The intent of the amendment is to facilitate housing diversity and cater for the future growth of Tamworth by applying residential zones and minimum lot sizes that reflect the extent of future water and sewerage infrastructure. As a key future residential release area for Tamworth, it is vital that the pre-requisite planning of the precinct be undertaken now to ensure that it is available to be brought to market in alignment with the Region’s growth projections and Blueprint 100 targets.

Extensive planning has been undertaken over the last three years for the Stratheden locality. This includes studies over parts of the land produced by the landowner, master planning involving Council charrettes with all key parties and infrastructure planning for the area. However, further information and studies that are required prior to public exhibition and agency consultation include:

- A study/review of Aboriginal cultural heritage across the entire site undertaken by a qualified person in conjunction with Tamworth Local Aboriginal Land Council;
- A preliminary contaminated land investigation for the entire site, which includes sufficient soil test information to identify if there are any potential issues on this site with past use of agricultural chemicals, farm rubbish tips, lead paint or asbestos from building materials. Any report will need to allow Council to determine that the site is suitable for its proposed residential use and, if contaminated, that rehabilitation is plausible and can be undertaken prior to future development.
- An ecology assessment for the entire site that identifies any remnant ecological values and opportunities for habitat restoration in non-development areas.

The amendments proposed to the *TRLEP 2010*, via the planning proposal, are described as follows:

- Rezone the subject land from RU4 Primary Production Small Lots to part R1 General Residential and part R2 Low Density Residential.
- The R1 zone will be applied to land that can be serviced with reticulated water and sewerage etc. and is suitable for residential settlement at a density of approximately ten (10) dwellings per hectare. The R2 zone will be applied to small parts of the site that cannot be serviced with reticulated sewerage and are suitable for settlement at a density of approximately two (2) dwellings per hectare.
- The creek corridor, district park and local park, as nominated in the master plan for the site, will be incorporated within the R1 or R2 zones and identified in a future DCP for the locality.
- A minimum lot size of 450m² will be applied to the land zoned R1 General Residential. A minimum lot size of 4,000m² will be applied to the land zoned R2 Low Density Residential zone.
- In order to achieve residential settlement at a density of approximately ten (10) dwellings per hectare an overlay will be applied to that part of the site zoned R1. An overlay of two (2) dwellings per hectare will be applied over that part of the site zoned R2, linked to a special provision. In order to match the long-term development density with water and sewerage infrastructure, a maximum dwelling capacity overlay will also be applied to all of the subject land and linked to a special provision. The wording of these clauses is not included in this planning proposal and will be determined by NSW Parliamentary Counsel.
- No floor space ratio (FSR) or height limits will be imposed on the locality. This is consistent with these zones in other locations.

The planning proposal aims to increase housing choice, and align minimum lot size and residential density controls and support the delivery of appropriate infrastructure.

The planning proposal is consistent with the objectives of the *New England North West Regional Plan 2036*, Blueprint 100 Part 1 and Part 2, which is the *Tamworth Regional Local Strategic Planning Statement 2020 (LSPS)*.

COMMENTARY

Background

This planning proposal relates to a land parcel known as Stratheden situated on the northern outskirts of Tamworth at the corner of Manilla Road and Browns Lane. The land is privately owned and the current owner supports the conversion of the land from rural to residential land use.

The Stratheden locality was identified as having potential for future residential development during the Blueprint 100 strategic planning process in 2019. A planning charrette which focused on Stratheden was hosted by Council in November 2019. Since then, the locality has been the subject of a range of studies culminating in this planning proposal.

The planning proposal has strategic alignment with both Tamworth Regional Council's principal land use planning strategies and the *New England North West Regional Plan 2036*.

The subject site is identified as a key future residential release area in *New England North West Regional Plan 2036*, Blueprint 100 Part 1 and Blueprint 100 Part 2 which is the *Tamworth Regional Local Strategic Planning Statement (LSPS) 2020*. Modifying the current zoning and minimum lot size has the potential to supply high-quality residential land within close proximity of the Tamworth CBD. This is important when considering alternative options

may have challenges in relation to urban sprawl and the capital cost associated with the provision of infrastructure.

Planning Proposal

The objective of the planning proposal is to amend the following parts of *TRLEP 2010* to realise the full potential of the subject lands.

Development Standard	Description of Amendment						
<p><i>Zoning</i></p>	<p>Under the <i>Tamworth Regional Local Environmental Plan 2010</i>, the precinct is currently zoned RU4 Primary Production Small Lots.</p> <p>The planning proposal aims to rezone the subject land from RU4 Primary Production Small Lots to part R1 General Residential and part R2 Low Density Residential.</p> <p>The total land area associated with each zone will be as per the table below:</p> <table border="1" data-bbox="448 904 1018 1142"> <thead> <tr> <th data-bbox="448 904 734 1005">Zone</th> <th data-bbox="734 904 1018 1005">Proposed (approx)</th> </tr> </thead> <tbody> <tr> <td data-bbox="448 1005 734 1072">R1</td> <td data-bbox="734 1005 1018 1072">83 ha</td> </tr> <tr> <td data-bbox="448 1072 734 1142">R2</td> <td data-bbox="734 1072 1018 1142">22 ha</td> </tr> </tbody> </table> <p>The R1 zone is the dominant residential zone for Stratheden and will facilitate a mixture of housing choices. The R1 zone is located on the eastern portion of the site that can be serviced with reticulated water and sewerage.</p> <p>The R2 zone is proposed to be located along the western edge of the subject land which is unable to be connected to reticulated sewerage without at least one pump station. It is a zone that will buffer the higher density residential area from the remaining farmland further to the west.</p> <p>The map indicating the changes to the zoning is ENCLOSED, refer CONFIDENTIAL ENCLOSURE 1.</p>	Zone	Proposed (approx)	R1	83 ha	R2	22 ha
Zone	Proposed (approx)						
R1	83 ha						
R2	22 ha						
<p><i>Lot Size</i></p>	<p>The planning proposal seeks to amend the Lot Size requirements for the R1 and R2 zone to permit residential development as per the table below:</p> <table border="1" data-bbox="448 1706 1018 1910"> <thead> <tr> <th data-bbox="448 1706 734 1776">Zone</th> <th data-bbox="734 1706 1018 1776">Proposed MLS</th> </tr> </thead> <tbody> <tr> <td data-bbox="448 1776 734 1845">R1</td> <td data-bbox="734 1776 1018 1845">450m²</td> </tr> <tr> <td data-bbox="448 1845 734 1910">R2</td> <td data-bbox="734 1845 1018 1910">4,000m²</td> </tr> </tbody> </table> <p>The intent of the 450m² minimum lot size is to provide flexibility</p>	Zone	Proposed MLS	R1	450m ²	R2	4,000m ²
Zone	Proposed MLS						
R1	450m ²						
R2	4,000m ²						

	<p>for developers whilst ensuring housing diversity targets are achieved via the implementation of a minimum density requirement. This will ensure a variety of lot sizes and housing types are developed to cater for the growing needs of the community.</p> <p>The intent of the 4,000m² minimum lot size is to provide enough land for private onsite wastewater systems. Larger lots will also provide a buffer to the remaining RU4 land located to the west.</p>
<i>Dwelling Density</i>	<p>The planning proposal seeks to include a new provision requiring a minimum net dwelling density to be implemented across the site. A target of ten (10) dwellings per hectare has been proposed for the R1 zoned land. Based on a net residential density which excludes open space, easements and drainage corridors, this equates to a yield of approximately 850 dwellings across the R1 zone on the subject site. A target of two (2) dwellings per hectare has been proposed for the R2 zoned land. This equates to a yield of approximately of 45 dwellings across the R2 zone on the subject site.</p> <p>Dwelling density targets are important to provide certainty for appropriate infrastructure delivery and effective utilisation of available high-quality residential land at the initial subdivision phase. The proposed density could be achieved by a range of lot sizes from 800m² down to 450m². A dwelling density target aims to promote the development of a mixture of housing typologies while ensuring dwelling yield is aligned with infrastructure provisioning.</p> <p>The density target will be enforced by a new clause and a dwelling density map in the <i>TRLEP 2010</i>.</p>
<i>Dwelling Capacity</i>	<p>The planning proposal seeks to include a new provision restricting the maximum number of dwellings based on the capacity of downstream infrastructure.</p> <p>It is estimated that there will be a maximum of 850 dwellings in the R1 zone. This assumes that some of the R1 zoned lots will be used for dual occupancy or secondary dwellings (two dwellings) and some will be used for residential flat buildings or multi dwelling housing (assume three dwellings).</p> <p>It is estimated that there will be a maximum of 45 dwellings in the R2 zone as residential options are limited. This assumes that most of R2 zoned lots will be used for a single dwelling.</p> <p>The intent is to provide a mixture of housing and choices while ensuring dwelling capacity is controlled in a manner which aligns with infrastructure availability. Dwelling capacity will be enforced by a new clause and a dwelling capacity map in the <i>TRLEP 2010</i>.</p>

A number of studies were undertaken in early 2019 relating to the majority of the subject lands including a flora and fauna assessment, cultural heritage assessment, contaminated land investigation, traffic modelling, flood investigation and servicing strategy (water, sewer and stormwater drainage). Subsequently, several additional properties have been purchased by the proponent and added to the subject land parcel. The Stratheden holding is now larger and therefore, supplementary investigation is required to cover the additional area. More detail is also required on some issues such as contaminated land. It is recommended that this additional work be undertaken as a condition of the Gateway approval so that the information is publicly available during the public exhibition process.

The New England North West Regional Plan 2036

The *New England North West Regional Plan 2036* (Regional Plan) prepared by the Department of Planning, Industry and Environment (DPIE) to guide land use planning priorities and decisions toward 2036, recognises the Tamworth Region as a strong economic centre with access to international opportunities. The Regional Plan provides an overarching framework to guide land use plans, development proposals and infrastructure decisions.

This Regional Plan specifically identifies Stratheden as a future residential investigation area. To ensure positive planning outcomes are achieved in accordance with the Regional Plan, the planning proposal aims to provide housing choice, an attractive lifestyle through sound urban design principles, active open spaces and passive green corridors.

It is considered that delivering greater housing choice will support the expected changes in household composition and, in conjunction with high quality employment, health and education, will contribute to population growth within the Tamworth region.

Blueprint 100

The basis for land use planning has been established by the Blueprint 100 process which includes Council's adopted LSPS. Stratheden is specifically referenced in Blueprint 100 as a significant site of residential accommodation for the growing population of Tamworth and the wider region. The priority themes of Blueprint 100 have been considered as part of the planning proposal process and the precinct aligns with Blueprint 100 in the following manner:

- Providing a more diverse range of housing choices for varying demographics;
- Increasing affordability by promoting a mixture of lot sizes and housing types;
- Supporting residential expansion in Stratheden;
- Promoting a compact urban growth area to ensure easy access to essential facilities, efficient delivery of infrastructure and protection of environmental lands.

The planning proposal is consistent with the objectives of Blueprint 100 Part 1 and Blueprint 100 Part 2 – *Tamworth Regional Local Strategic Planning Statement 2020 (LSPS)*. The Stratheden site is clearly identified as a preferred growth area within the LSPS. It is also consistent with LSPS Planning Priority 1 - Facilitate Smart Residential Growth and Housing Choices.

Development Control Plan

This subject land does not currently have a site-specific Development Control Plan (DCP). Once the planning proposal has been endorsed for public exhibition Council will work with the landowner to prepare a draft DCP building on the studies and structure planning that has already been undertaken. This will include the location of parks, drainage corridors and open space, environmental restoration areas, proposed future roads and water and sewer

easements. The draft DCP will be reported to Council at a later date. It is not anticipated that the draft DCP will be exhibited with the Planning Proposal.

Planning Proposal Process

In order to amend the *TRLEP 2010*, Council is required to submit the planning proposal to the DPIE for a Gateway Determination. Upon the issue of a Gateway Determination any additional studies required by the Determination will be undertaken prior to the planning proposal being placed on public exhibition in 2022.

(a) Policy Implications

Nil – the planning proposal is a direct outcome of the policy position of Council developed via the Blueprint 100 process.

(b) Financial Implications

The cost of processing the planning proposal will be paid by the landowner. The landowner will also be responsible for the cost of all additional site studies.

(c) Legal Implications

Amendments to the *Tamworth Regional Local Environmental Plan 2010* will alter the planning provisions for the subject lands and allow residential subdivision and development. This has no adverse legal implications for Council.

(d) Community Consultation

Community and agency consultation requirements will be specified by the Department of Planning, Industry and Environment's Gateway Determination. A 28 day public exhibition period is anticipated.

(e) Delivery Program Objective/Strategy

A Prosperous Region – P11 Support and facilitate economic development and employment opportunities.

A Region for the Future- F1 Sound Asset and land planning to facilitate future community needs.

7.2 TAMWORTH REGIONAL HERITAGE WORKING GROUP MEETING - 10 NOVEMBER 2021

DIRECTORATE: LIVEABLE COMMUNITIES
AUTHOR: Sam Lobsey, Manager - Development

1 ANNEXURES ATTACHED

RECOMMENDATION

That in relation to the report "Tamworth Regional Heritage Working Group Meeting - 10 November 2021", Council:

- (i) receive and note the Minutes of the Tamworth Regional Heritage Working Group meeting held 10 November 2021; and*
 - (ii) endorse the recommendation of the Tamworth Regional Heritage Working Group to engage a suitably qualified Heritage Landscape Architect to prepare a Heritage Masterplan for Anzac Park.*
-

SUMMARY

The purpose of this report is to present the minutes of the Tamworth Regional Heritage Working Group (TRHWG) meeting held on 10 November 2021, and provide Council with an overview of the meeting outcomes.

COMMENTARY

The following is a summary of the main items discussed at the TRHWG meeting held on 10 November 2021, as reported in the **ATTACHED** minutes, refer **ANNEXURE 1**.

Anzac Park

It was agreed that a Heritage Masterplan should be prepared for Anzac Park due to its heritage status and to guide future maintenance and enhancements. The Masterplan would include a maintenance schedule and also list the types of materials and species to be used in order to maintain the Park's heritage status and ensure future upgrades respect its history.

West Tamworth Railway Station/Station Masters House

It was noted that further discussions have taken place with Arts North West in regard to potential different models for the Artist in Residence proposal, should Transport for NSW proceed with the re-purposing.

Heritage Assistance Fund 2021/22

In accordance with Council's resolution of 12 October 2021 the Bendemeer Hotel is to receive a further \$3,000.00 due to another successful grant recipient deciding they are not in a position to accept the funding offered.

(a) Policy Implications

Nil

(b) Financial Implications

Grant opportunities will be explored to fund the Anzac Park Heritage Masterplan. In the absence of grants funds will be sought from existing operational budgets.

(c) Legal Implications

Nil

(d) Community Consultation

Nil

(e) Delivery Program Objective/Strategy

A Spirit of Community – C21 Preserve and celebrate the character, heritage and culture of our city, towns and villages.

7.3 WINDMILL HILL ESTATE SUBDIVISION (MOD2022-0030) - PROPOSED ROAD DEDICATION OF PART LOT 83, DP 1258718

DIRECTORATE: LIVEABLE COMMUNITIES
AUTHOR: Sam Lobsey, Manager - Development

1 ANNEXURES ATTACHED

RECOMMENDATION

That in relation to the report “Windmill Hill Estate Subdivision (MOD2022-0030) - Proposed Road Dedication of Part Lot 83, DP 1258718”, Council:

- (i) notes and endorses the proposed subdivision plan which includes the dedication of Council land (Lot 83, DP 1258718) for a future public road and construction of that road by the developer as part of the subdivision; and*
- (ii) authorises Council’s delegate to endorse the plan as part of any future release of a subdivision certificate.*

SUMMARY

Council is in receipt of a Modification Application (MOD2022-0030) to Development Consent (DA0238/2015) for the Windmill Hill Estate subdivision located at Browns Lane, Moore Creek. The components of the modification application include: an amendment to the total number of residential lots throughout the estate; a reduction in the total number of stages within the development; amendments to lot sizes to facilitate medium density housing and a modification to road formations within the estate.

The purpose of this report is to seek Council’s endorsement for the construction by the developer of a road which forms part of the modified subdivision on a portion of Council owned land (Lot 83, DP 12588718) and the subsequent dedication of that road as public road as an outcome of the Modification Application.

COMMENTARY

Modification Application (MOD2022-0030) relates to the Windmill Hill Estate subdivision located at Browns Lane, Moore Creek (Lot 140, DP 1223292). A component of the modification application seeks to construct and dedicate a new public road on Council owned land (Lot 83 DP 1258718). The new road location is circled in red on the proposed subdivision plan which is **ATTACHED** in **ANNEXURE 1**. The subject Council land is classified as Operational and the land area for the proposed new road, which is identified as Road 8 (Sangria Retreat) on the attached plan is approximately 2974m² encompassing the road reserve.

The purpose of the proposed new road (Road 8) is to serve as:

- a rear access route for loading activities for the new Windmill Hill commercial centre; and
- an access road to proposed Lot 601 (Stage 23).

Importantly, the new road will also enable a new access point to the adjacent Council owned Lot (Lot 83 DP12588718) from which there is no access currently available from either Browns Lane or Moore Creek Road.

The proposed formation of the new road will be within a 20 metre wide road reserve, and the road will be required to be designed and constructed in accordance with the Tamworth

Regional Council Engineering Design Minimum Standards for Subdivisions and Developments.

The proposed road formation aligns with the Tamworth Regional Blueprint 100 document, specifically Section 2.5, *A Strong Windmill Hill Neighbourhood Centre* and Action 2.5.1 which supports the development of the proposed Windmill Hill Neighbourhood Centre by:

- promoting a rich mix of uses aimed at supporting the local residential community;
- promoting an appropriately higher residential density immediately surrounding the centre, so that residents can live within walking distance from the proposed facilities. Additionally, access ways for walking from surrounding areas should be promoted; and
- ensuring the movement structure, including active and public transport accessibility around and through the centre, supports the centre's commercial viability.

The proposed road layout for the new commercial centre is designed to reduce conflicts between pedestrian, local vehicular traffic and loading vehicle movements and serve as a rear access route for loading activities.

Vehicle access to Council's land (Lot 83 DP 1258718) is currently not available on Browns Lane or Moore Creek Road and therefore it is considered appropriate that the subject land be dedicated as a public road as it will benefit the community by creating a direct pedestrian and vehicle linkage between the subject land and the new commercial centre.

Manager Development Engineering Comments

Advice received from the Manager confirms there is no objection from either Development Engineering or Regional Services, (the eventual asset owner), to the new road asset being dedicated to Council provided it is constructed in accordance with Council's Engineering Design Minimum Standards for Subdivisions and Developments. In this respect, relevant conditions are included in the proposed modified consent.

Sports and Recreation Division Comments

Advice received from Council's Sports and Recreation Division confirms the Division supports the road being dedicated on Council land that is earmarked for future recreation and open space land. The Division considers that the road will actually provide a service to this parkland area and will create a good link between the parkland and the commercial area.

(a) Policy Implications

Nil

(b) Financial Implications

All costs associated with the design, construction and dedication of the proposed new road will be borne by the developer.

(c) Legal Implications

In accordance with the Local Government Act, where a proposal, (in this case a proposed development) proposes or requires the *acquisition* of Council land for any purpose, then the acquisition needs to be put to Council for resolution, including discussion of whether the acquisition is appropriate and what conditions there might be for that acquisition.

However, in this instance, the developer is not proposing to *acquire* Council land. Rather the developer proposes to construct a road on Council land (at his cost), and then dedicate the road to Council as a public road. While the new road will provide access via that public road, to the developer's property, the road will also provide access (at no cost to Council) to Council owned land which is currently vacant but is set aside for future community recreational and open space facilities to serve the growing Windmill Hill community. On this basis, from a legal perspective, there is no acquisition of Council land, rather a public road that will be necessary at some time in the future to provide access to land that is earmarked for community recreational and open space facilities, will be constructed in conjunction with the modified subdivision proposal at the developer's cost.

(d) Community Consultation

The subject Modification Application (MOD2022-0030) was placed on public notification from 18 October 2021 to 1 November 2021. No submissions were received.

(e) Delivery Program Objective/Strategy

A Region for the Future – F11 Sound asset management planning.

8 INFRASTRUCTURE AND SERVICES

Nil

9 GOVERNANCE, STRATEGY AND FINANCE

9.1 PLACE MANAGEMENT AND SECTION 355 COMMITTEE ACTIVITIES

DIRECTORATE: LIVEABLE COMMUNITIES
AUTHOR: Kay Burnes, Senior Place Manager

1 ANNEXURES ATTACHED

Recommendation

That in relation to the report "Place Management and Section 355 Committee Activities", Council:

(i) receive and note the Minutes of the following Committees:

<i>Barraba Showground Management Committee</i>	<i>19 February 2020</i>
<i>Barraba Showground Management Committee - AGM</i>	<i>28 September 2021</i>
<i>Dungowan Hall Committee</i>	<i>10 February 2020</i>
<i>Dungowan Hall Committee</i>	<i>15 March 2021</i>
<i>Nundle Common Trust</i>	<i>11 October 2021</i>
<i>Nundle Go For Gold Festival Committee AGM</i>	<i>28 July 2021</i>
<i>Nundle Go For Gold Festival Committee</i>	<i>28 July 2021</i>
<i>Somerton War Memorial Hall and Recreation Ground Committee</i>	<i>11 December 2019</i>
<i>Tamworth Regional Film and Sound Archives Committee</i>	<i>19 October 2021</i>

- Victoria Park Coordination Committee* 15 April 2021
Victoria Park Coordination Committee – AGM 17 June 2021
Victoria Park Coordination Committee 17 June 2021
Victoria Park Coordination Committee 21 October 2021;
- (ii) *adopt the recommendation of the Barraba Showground Management Committee’s Annual General Meeting held 28 September 2021 to appoint the following executive members and members:*
- Chairperson* **Campbell Tonkin**
Deputy Chairperson **Sinclair Hughson**
Secretary **Don Roberts**
Treasurer **Albert Graves**
Delegates:
Barraba Pastoral, Agricultural and Horticultural Association
David Penna, Timothy Crowley,
Barraba Jockey Club **Sinclair Hughson, Timothy Bucknell,**
Trainers **Greg Smith**
Barraba Pony Club **Jarrold Hannaford;**
Members: Leon Cummins, Chris Forbes, Patrick Sherwood, Des Brittain, Tania Alderton
- (iii) *adopt the recommendation of the Nundle Common Trust – Application for Enrolment – Mr Fred Whitten and Mrs Kristie Whitten and direct that both names be entered on the Commoners’ Roll for Nundle Common;*
- (iv) *adopt the recommendation of the Nundle Go For Gold Festival Committee’s Annual General Meeting held 28 July 2021 to appoint the following executive members and members:*
- Chairperson* **Megan Carberry**
Deputy Chairperson **Roger Sydenham**
Secretary **Vacant**
Treasurer **Vacant**
Members: Carol Lesley, Robert Schofield, Margaret Schofield, Peter Schofield, Anu Bhardwaj, Mark Eather, Teresa Eather, Megan Trousdale, Pip Joy
- (v) *adopt the recommendation of the Victoria Park Coordination Committee’s Annual General Meeting held 17 June 2021 to appoint the following as executive:*
- Chairperson* **Martin O’Rourke;**
Secretary **Mark Smith.**
- (vi) *accept the recommendation of the Place Manager North 10 November 2021, to accept the resignation of Helen Andrews as a member of the Barraba Australia Day Panel and appoint the following person as a member of the Barraba Australia Day Advisory Panel:*
-

Member

Helen Rixon

SUMMARY

The purpose of this report is to:

- present the Minutes of the Section 355 Committee meetings and consider the items for adoption, as recommended by the Committees;
- note the key outcomes, achievements and requests from the Minutes received; and
- inform Council of the notable outcomes of Place Management activities in the community.

COMMENTARY

Tamworth Regional Council's Section 355 Committees each have delegated functions which may include the management of a facility, the coordination of an event or an advisory function to submit recommendations and advice to Council in regard to a specific community facility.

Council has received thirteen sets of Minutes requiring items for adoption from Section 355 Committees in the calendar year to date. The Meeting Minutes are **ATTACHED**, refer **ANNEXURE 1**, for Council's information.

It should be noted that not all Section 355 Committees have returned to meetings at this point in time due to health and safety concerns held by volunteers in relation to the current COVID-19 climate and the more recent health orders. Therefore, the list of meeting minutes is not exhaustive of all committees.

Council will also note that there is a wide range in both the dates and numbers of meetings held by individual committees. This is due primarily to the impacts of the COVID-19 pandemic on the at-risk volunteer membership, as well as the differing levels of familiarity with Council's Section 355 Manual, including the requirement for timely submission of meeting minutes by committees. In this respect it was considered appropriate to await receipt of a reasonable number of meeting minutes prior to collating these to justify presentation of this report.

Notable committee outcomes, achievements and items noted in the Minutes are:

Nundle Common Trust

Tamworth Regional Council is the Trustee of the Nundle Common for the purposes of the *Commons Management Act 1989*. The Nundle Common Trust held a Trust Meeting on 11 October 2021, see meeting Minutes **ATTACHED**, refer **ANNEXURE 1**.

The *Commons Management Act 1989* (the Act) provides that a person can only exercise the rights of a commoner in respect of a common if the person's name is entered on the commoner's roll for that common. The Act also provides that any person who is qualified to be enrolled as a commoner is entitled to have their name entered on the commoner's roll.

Council has received applications from Mr Fred Whitten and Mrs Kristie Whitten to be enrolled as a Commoner with respect to the Nundle Common. The applications have been exhibited at the Nundle Common and on the Nundle Public Notice Board for a minimum period of seven days as required by the Act. No objections have been received by Council. The applicants are Nundle landholders and qualify to have their names entered on the Commoner's Roll of the Nundle Common. The applicants were interviewed by members of the Nundle Common Board

and instructed on the roles and responsibilities in accordance with the Nundle Common Management Plan.

Regional Australia Day Celebrations

Preparations are underway for the 2022 Australia Day Awards and celebrations in the regional communities. The communities of Barraba and Manilla have called for award nominations, requested the attendance of an Australia Day Ambassador and will be delivering a community event to present the awards on Australia Day. The Bendemeer and Kootingal communities will come together to celebrate the day with social activities. Unfortunately, the Nundle Australia Day Advisory Panel have met and following lengthy discussion regarding the lack of award nominations in previous years and decreased local community support to deliver an event, resolved not to deliver a 2022 Nundle Australia Day Awards Event and Celebration.

Helen Andrews formally submitted her resignation from the Barraba Australia Day Panel and an Expression of Interest was called to fill the vacancy on the panel. A total of one Expression of Interest was received by the closing date 10 November 2021.

The person is a reputable representative of the Barraba and broader district communities and has been recommended for appointment to the panel by the Place Manager North. The appointment to the panel will be for a term of three years.

The recommended Barraba Australia Day Advisory Panel member is Helen Rixon.

Tennis Court Upgrade Celebrations were held at both Piallamore and Somerton on Saturday 13 November 2021 to celebrate with the local community the success of these projects under the Stronger Country Communities Program.

Nundle Go For Gold Festival Committee - Council is working with the committee to fill the vacant positions of Secretary and Treasurer.

(a) Policy Implications

It is a policy decision of Council to maintain Section 355 Committees and practices having regard to Council's community governance structure and Section 355 of the *Local Government Act 1993*.

(b) Financial Implications

Section 355 Committee and Place Management activities and budgets are maintained under the Liveable Communities Directorate budget.

(c) Legal Implications

Section 355 of the *Local Government Act 1993*, enables the Council to appoint a Committee to exercise a function on its behalf by way of a Committee of Council. This is used in conjunction with Section 377 of the *Local Government Act 1993*, to formally delegate a function to the appointed Committee.

(d) Community Consultation

The application with respect to enrolment on the Nundle Common Roll has been exhibited on the Nundle Public Notice Board for a minimum period of seven days, as required by the Act. No objections have been received by Council.

(e) Delivery Program Objective/Strategy

A Region of Progressive Leadership – L13 Provide inclusive opportunities for the community to get actively involved in decision-making.

9.2 ANNUAL OPERATIONAL PLAN 2021/2022 BUDGET VARIATION REPORT - OCTOBER 2021 – FILE NO

DIRECTORATE: OFFICE OF THE GENERAL MANAGER

AUTHOR: Sherrill Young, Acting Chief Financial Officer

Reference: Item 9.5 to Ordinary Council 29 June 2021 - Minute No 180/21

1 ANNEXURES ATTACHED

RECOMMENDATION

That in relation to the report “Annual Operational Plan 2021/2022 Budget Variation Report – October 2021”, Council note and approve the variations to the existing budget as listed in the attached Annexure.

SUMMARY

This report seeks Council approval for budget variations identified during the month of October 2021 for which there has been no previous specific report or approval.

COMMENTARY

Council adopted the original budget included in the Annual Operational Plan for 2021/2022 at the Ordinary Meeting of Council held 29 June 2021. Any changes to the budget must be approved by Council at a later Ordinary Meeting. The budget forms the basis for future forecasts and the legal authority for staff to commit expenditures. Constant monitoring and updating of the budget is important for sound financial management.

Readers of this report are reminded that its contents should not be viewed in isolation. Quarterly Budget Review Statements will provide Council with a full review of revised budget forecasts and actual year to date results. The September quarterly review is being presented at tonight’s meeting and incorporates the adjustments listed in the annexure.

Budget adjustments processed in October include adjustments for operations at the gallery, museums and aviation operations many of which are attributable to Covid19. Increased expenditure was also incurred providing rapid Antigen testing for relevant staff and providing assistance by way of suitable sites for Covid vaccination clinics across the region.

Other items of note include an additional \$333,086 of Financial Assistance Grant over and above the \$10,893,837 forecast and the State Government has contributed an additional \$360,543 to cover the planned increased costs for the Emergency Services Levy. One of the larger budget modifications processed was for the deferral of the Duri Dungowan Road upgrade to next financial year. The deferral is necessary due to current higher priority workloads. Flexibility within the funding agreement means that the availability of grant funds will not be impacted by this deferral.

Variations identified October 2021

Description	Budget Variation	Operating Income	Operating Expenses	Capital Income	Capital Expenses
Economic & Destination Development	333,689	(147,200)	480,889	0	0
Business Systems & Solutions	(52,764)	0	(52,764)	0	0
Dir Mgmt Growth & Prosperity – TGGP	(90,678)	0	(20,480)	0	(70,198)
Airport & Aviation Dev	(1,325)	0	(1,325)	0	0
Pilot Training Facility	90,230	478,763	(388,533)	0	0
AELEC Precinct	(36,829)	0	(36,829)	0	0
Financial Services	3,619	(45,000)	48,619	0	0
People & Culture	364,294	0	364,294	0	0
Legal	(41,105)	0	(67,268)	0	26,163
Office of the GM	10,090	0	10,090	0	0
Strategy & Performance	11,900	0	11,900	0	0
General Purpose Income	(370,742)	(370,742)	0	0	0
Cultural Services	3,100	(109,442)	102,822	0	9,720
Compliance	42,067	(24,742)	66,809	0	0
Dir Mgmt Planning & Compliance	(8,414)	0	(8,969)	0	555
Development Engineering	(73,855)	(75,480)	1,625	0	0
Integrated Planning	(71,182)	0	0	(71,182)	0
Plant, Fleet & Buildings	(23,029)	7,605	(30,634)	0	0
Sport & Recreation Svces	86,550	0	(4,950)	(400,000)	491,500
Infrastructure & Projects	(1,096,034)	0	(360,909)	2,183,422	(2,918,547)
Waste Management	1,264,903	996,611	268,292	0	0
Water & Wastewater	(383,354)	(250,443)	49,763	0	(182,674)
TOTAL	(38,869)	459,930	432,442	1,712,240	(2,643,481)

Material differences between budget and actual income or expenditure

Nothing material to report in this period.

(a) Policy Implications

Nil

(b) Financial Implications

The variations included in the report have the following impact on forecast results for 2021/2022 by fund of:

Fund	Operating Income	Operating Expenses	Capital Income	Capital Expenses
General	710,373	382,679	1,712,240	(2,460,807)
Water	(72,443)	49,763	0	(104,197)
Sewer	(178,000)	0	0	(78,477)
Total	459,930	432,442	1,712,240	(2,643,481)

(c) Legal Implications

This report is in compliance with the following sections of the *Local Government (General) Regulation 2021*:

- 211 Authorisation of expenditure; and
- 202 Responsible Accounting Officer to maintain system for budgetary control.

(d) Community Consultation

Nil

(e) Delivery Program Objective/Strategy

A Region of Progressive Leadership – L21 Transparency and accountability of government.

9.3 AUDIT, RISK AND IMPROVEMENT COMMITTEE

DIRECTORATE: OFFICE OF THE GENERAL MANAGER

AUTHOR: Karen Litchfield, Internal Auditor

1 ENCLOSURES ENCLOSED

RECOMMENDATION

That in relation to the report “Audit, Risk and Improvement Committee”, Council receive and note the Minutes of the meeting held on 19 October 2021.

SUMMARY

The purpose of this report is to present to Council the Minutes of the Audit, Risk and Improvement Committee meeting held Tuesday 19 October 2021.

COMMENTARY

The quarterly meeting of the Audit, Risk and Improvement Committee was held on Tuesday 19 October 2021. The Minutes of the meeting are **ENCLOSED**, refer **ENCLOSURE 1**.

(a) Policy Implications

Nil

(b) Financial Implications

Costs associated with the Internal Audit function are included in the 2021/2022 Annual Operational Plan.

(c) Legal Implications

Nil

(d) Community Consultation

Nil

(e) Delivery Program Objective/Strategy

A Region of Progressive Leadership – L21 Transparency and accountability of government.

9.4 COUNCIL INVESTMENTS OCTOBER 2021

DIRECTORATE: OFFICE OF THE GENERAL MANAGER
AUTHOR: Sherrill Young, Acting Chief Financial Officer

1 ANNEXURES ATTACHED

RECOMMENDATION

That in relation to the report “Council Investments October 2021”, Council receive and note the report.

SUMMARY

The purpose of this report is to provide an overview of Council Investments for the month of October 2021, and highlight the continued impact of low interest rates on Council’s Budget

COMMENTARY

Despite inflation picking up, the Reserve Bank has kept interest rates on hold. The Reserve feels that underlying inflation is still low at 2.1 percent, even with higher petrol prices construction costs. Wage growth is expected to only pick up gradually. The Reserve Bank has indicated it will not increase the cash rate until inflation is sustainably between 2 to 3 per cent target range. Council has seen a small increase in rates on offer for recent term deposits, which whilst not significant is better than none.

In accordance with Section 212 of the Local Government (General) Regulation 2021, the details of all money invested by Council as at 31 October 2021, is **ATTACHED**, refer **ANNEXURE 1**.

The following table provides a summary of the types of investments held and the institution they are held with:

The amount invested at 31 October 2021, has increased by \$4,236,026.07 compared to funds held at 30 September 2021.

Council’s investments are mostly comprised of restricted funds that have been received for specific purposes or funds held for future renewal works. The following table provides an indicative summary of investments held by each fund. The figures provided are based on Opening Balances from the last completed and audited financial year. The figures provide a guide on the proportion of total cash that is restricted in use.

Fund	Restriction	Amount	%
General	Unrestricted	6,182,608	3.25%
General	Internally Restricted	56,721,086	29.84%
General	Externally Restricted	21,122,736	11.11%
	General Fund Total	84,026,430	44.20%
Water	Unrestricted	2,007,640	1.06%
Water	Internally Restricted	21,873,921	11.51%
Water	Externally Restricted	20,439,287	10.75%
	Water Fund Total	44,320,848	23.32%
Sewer	Unrestricted	2,215,411	1.17%
Sewer	Internally Restricted	43,325,011	22.80%
Sewer	Externally Restricted	16,166,826	8.51%
	Sewer Fund Total	61,707,248	32.48%
	Total Investments	190,054,526	

Moneys received for each fund can only be used within that fund. An explanation for each category of restriction is described below:

Unrestricted

These are funds required to meet short term cash flow requirements and contingencies to maintain solvency.

Internally Restricted

Funds set aside for future commitments mostly relate to asset renewals, remediation works, or leave provisions. For General Fund, this includes self-funding activities such as the Airport, Waste Management and Fleet operations.

Externally Restricted

Funds provided for specific purposes such as developer contributions, grants and loans.

The use of restricted funds is largely controlled by 10-20 year Asset Management Plans which are included in the Resourcing Strategy of Council's Community Strategic Plan.

(a) Policy Implications

All of Council's investments are held in accordance with the Tamworth Regional Council Investment Policy.

(b) Financial Implications

Interest rates on borrowings remain low but conversely returns on investment are negligible.

(c) Legal Implications

All of Council's investments are held in accordance with the Tamworth Regional Council Investment Policy, which accords with the requirements of:

- Local Government Act 1993 – Section 625;
- Local Government Act 1993 – Order (of Minister) dated 16 November 2000;
- The Trustee Amendment (Discretionary Investments) Act 1997 – Sections 14A (2), 14C (1) and 2;
- Local Government (General) Regulation 2021 – Clauses 212 and 215; and
- Local Government Code of Accounting Practice & Financial Reporting – Update No 15 dated June 2007.

(d) Community Consultation

Nil

(e) Delivery Program Objective/Strategy

A Region of Progressive Leadership – L21 Transparency and accountability of government.

9.5 2021-2022 FACILITY IMPROVEMENT FUND PROGRAM

DIRECTORATE: LIVEABLE COMMUNITIES
AUTHOR: Kay Burnes, Senior Place Manager

1 ANNEXURES ATTACHED

1 CONFIDENTIAL ENCLOSURES ENCLOSED

Recommendation

That in relation to the report “2021-2022 Facility Improvement Fund Program”, Council:

(i) approve the following funding allocation to the total of \$29,297.00:

Dungowan Recreation Ground Committee

Improvements to the brick amenities block \$10,000.00

Limbri Public Hall and Recreation Reserve Local Committee

One unisex and disabled access flushing toilet at Limbri Hall \$10,000.00

Piallmore Recreation Reserve Committee

Improvements to court side building \$3,809.00

Tamworth Regional Film and Sound Archive Committee

Work Space Ventilation Upgrade \$650.00

Woolbrook Hall and Park Committee

Upgrade of oven and sink in hall kitchen; \$4,838.00

(ii) not approve the funding submission from the Weabonga Hall and Recreation Reserve S355 Committee for the erection of a small storage shed on the grounds of the existing Weabonga Hall and roll the funding submission over to the second round of the 2021-2022 Facility Improvement Fund Program

(iii) endorse the unallocated balance of \$40,554.00 to an additional round of the 2021-2022 Facility Improvement Fund Program.

SUMMARY

The purpose of this report is to seek Council's determination of funding allocations to the Section 355 Management Committees under the 2021-2022 Facility Improvement Fund Program

COMMENTARY

Council has supported its Section 355 Committees for a number of years with the annual Village Improvement Fund Program, now known as the Facility Improvement Fund Program.

This program is an opportunity for Section 355 Committees to improve community facilities under their control by applying for matching funding and/or in-kind contributions from Council for each capital project. The project guidelines are **ATTACHED**, refer to **ANNEXURE 1**.

Council has again allocated \$50,000.00 to the fund in the 2021-2022 financial year together with the roll-over of the balance of 2020-2021 funds totalling \$19,851.00 approved by Council at its Ordinary Meeting held 11 May 2021. The available balance of funds totals \$69,851.00.

A total of six (6) applications were received in the 2021-2022 round totalling \$31,083.00. Five applications were supported by the Project Assessment Team with one (1) application (Weabonga Hall and Recreation Reserve Committee) requesting \$1,786.00 not supported at this point in time as further investigation is required into potential future development of the Weabonga Hall grounds and recreation reserve. It is proposed that this application be rolled over to the next available round of the 2021-2022 Facility Improvement Fund Program for due consideration. A copy of the applications received is **ENCLOSED**, refer to **CONFIDENTIAL ENCLOSURE 1**.

Due to the COVID-19 climate and limited opportunity to hire facilities many committees were not in a "dollar for dollar" financial position to apply for funding during this funding period. A common response from Committees when they were approached was that due to the uncertain times, they preferred not to commit Section 355 Committee funds towards projects at this time.

Noting the difficulties created by the COVID-19 restrictions, changing health restrictions and subject to Council's approval of the supported projects, it is recommended that the unallocated funds totalling \$40,554.00, be made available in a second round of the 2021-2022 Facility Improvement Fund Program to be launched in early 2022. Council staff will work with Section 355 Committees to align eligible projects listed in individual Committee Strategic Plans.

(a) Policy Implications

No formal policy has been adopted for the management and operation of the Facility Improvement Fund Program. Funding is provided in each year's Annual Operational Plan and Budget, with Council determining the distribution of funds following submissions from Section 355 Committees.

(b) Financial Implications

Funding allocated in the Annual Operational Plan for the 2021-2022 Facility Improvement Fund Program is \$69,851.00.

(c) Legal Implications

Nil

(d) Community Consultation

All eligible Section 355 Committees were invited to make submissions and were offered assistance in the preparation of their applications.

(e) Delivery Program Objective/Strategy

A Spirit of Community – C21 Preserve and celebrate the character, heritage and culture of our city, towns and villages

9.6 INTEGRATED PLANNING AND REPORTING: 2020/21 ANNUAL REPORT, 2017-2021 END OF TERM REPORT, AND BI-ANNUAL PROGRESS REPORT JANUARY – JUNE 2021 – FILE NO

DIRECTORATE: OFFICE OF THE GENERAL MANAGER

AUTHOR: Anna Russell, Manager Strategy and Performance

4 ANNEXURES ATTACHED

RECOMMENDATION

That in relation to the report “Integrated Planning and Reporting: 2020/21 Annual Report, 2017-2021 End of Term Report, and Bi-annual Progress Report January – June 2021”, Council receive and note the reports and make each available to the community.

SUMMARY

In accordance with Sections 404, 406 and 428 of the *Local Government Act 1993* local councils are required to produce a number of reports for the community. The reporting requirements are detailed in the Integrated Planning and Reporting Guidelines 2013.

The Annual Report must be presented to Council within 5 months of the end of the financial year, and outlines council’s recent achievements in implementing its Delivery Program. In the year of an ordinary election the Annual Report is accompanied by the End of Term Report, where the achievements in implementing the Community Strategic Plan are outlined.

The Progress Report documents progress with respect to the principal activities detailed in the Delivery Program, and must be presented to Council at least every six months.

COMMENTARY

2020/21 Annual Report

The 2020/2021 Annual Report for Tamworth Regional Council has been prepared under Section 428 (3) of the Local Government Act 1993, and in accordance with the guideline provided under Section 406. The report is presented in two volumes. *Volume 1* includes the following sub-sections:

- an outline of achievements in implementing the 2017-2021 Delivery Program for the 2020/21 financial year;
- the 2017-2021 State of the Environment Summary Report, required to accompany the Annual Report in the year of an ordinary election; and

- statutory information as prescribed within the provisions of the Local Government Act 1993 and Regulation 2021.

Volume 2 contains the audited Financial Statements for 2020/2021.

The Annual Report is one of the key accountability mechanisms between Council and the community, and is presented in a way that is appropriate for the community.

Copies of Annual Report Volumes 1 and 2 are **ATTACHED**, refer **ANNEXURE 1 and ANNEXURE 2**, and will also be posted on Council's website and provided to the Minister for Local Government as required.

2017-2021 End of Term Report

In the year an ordinary local government election is held the Annual Report must be accompanied by the End of Term Report, where the achievements in implementing the Community Strategic Plan are outlined.

A copy of the 2017-2021 End of Term Report is **ATTACHED**, refer **ANNEXURE 3**, and will also be posted on Council's website.

Bi-annual Progress Report January – June 2021

At the start of every financial year council prepares the Annual Operational Plan, where the activities planned for the year ahead, along with the annual budget, are detailed.

These activities align with the Delivery Program, prepared in the year following the last ordinary local government election.

Council is required, in accordance with Section 404(5) of the *Local Government Act 1993*, to report back to the community progress in achieving the activities described in the current Operational Plan. Tamworth Regional Council provides these progress reports bi-annually.

A copy of the Bi-annual Progress Report January – June 2021 is **ATTACHED**, refer **ANNEXURE 4**, and will also be posted on Council's website.

(a) Policy Implications

Nil

(b) Financial Implications

Nil

(c) Legal Implications

Council's 2020/2021 Annual Report, the 2017-2021 End of Term Report, and the Bi-annual Progress Report January – June 2021 meet the requirements of the reporting provisions of the Local Government Act 1993 and Local Government Regulation 2021.

(d) Community Consultation

An electronic copy of the reports will be placed on Council's website. Copies will be available at council offices and libraries. Electronic copies will be forwarded to the Office of Local Government and Minister as required.

(e) Delivery Program Objective/Strategy

A Region of Progressive Leadership – L21 Transparency and accountability of government.

9.7 2021/2022 QUARTERLY BUDGET REVIEW STATEMENTS TO 30 SEPTEMBER 2021

DIRECTORATE: OFFICE OF THE GENERAL MANAGER
AUTHOR: Sherrill Young, Acting Chief Financial Officer
Michael Gould, Management Accountant

Reference: Item 9.5 to Ordinary Council 29 June 2021 - Minute No 180/21
2 ANNEXURES ATTACHED

RECOMMENDATION

That in relation to the report “2021/2022 Quarterly Budget Review Statements to 30 September 2021”, Council receive and note the report and related statements.

SUMMARY

The purpose of this report is to present to Council the Quarterly Budget Review Statements for Tamworth Regional Council for the period ended 30 September 2021, in accordance with Clause 203 of the Local Government (General) Regulation 2005.

A financial summary has also been provided for the Tamworth Global Gateway Park **ANNEXURE 2** in accordance with the financial reporting requirements documented in Section 4.2.2 of the Business Case Study.

COMMENTARY

The Quarterly Budget Review Statements **ATTACHED**, refer **ANNEXURE 1**, provide a summary of budget movements since the adopted original budget, along with revised budget forecasts for the 2021/2022 financial year, and comparisons to actual transactions year to date. Each statement includes a review of the main budget variances for the quarter.

Budget variances that require Council approval have been submitted to Council either by a specific Council report or through the monthly Budget Variance report.

The following tables provide a summary and commentary of the budget variations for the quarter and the projected year end results for the General, Water and Sewer funds.

Details of operating expenses and income are shown in the attached statements.

Capital Income includes grants and contributions received specifically for new capital works *and are excluded* from the operating results provided in the following tables.

Cash Adjustments include the reversal of non-cash accruals contained in operating expenses such as depreciation and leave entitlements and the addition of non-operating cash receipts and payments such as those associated with loans, deferred debtors and property sales.

Capital Expenses include the acquisition, upgrade or renewal of assets.

General Fund

Summary of budget variations year to date:

Budget Results	Original Budget	Carry Overs	September Qtr. Review	Projected Result
Operating Income	(100,757,062)	(2,099,826)	954,530	(101,902,358)
Operating Expenses	104,978,009	4,334,978	1,552,911	110,865,898
Operating Result before Capital: (Surplus)/Deficit	4,220,947	2,235,152	2,507,441	8,963,540
Capital Income	(28,910,485)	(28,544,750)	(2,792,759)	(60,247,994)
Operating Result after Capital: (Surplus)/Deficit	(24,689,538)	(26,309,598)	(285,318)	(51,284,454)
Non Cash Adjustments: Depreciation/Leave Accruals	(27,969,959)	0	7,174	(27,962,785)
Non-Operating Cash Adj.				
Loans raised to fund Capital Expenditure	(5,007,540)	(792,460)	0	(5,800,000)
Proposed Land Sales	(3,166,404)	35,000	(839,075)	(3,970,479)
Leave Paid on Termination	550,000	0	0	550,000
Loan Principal Repayments	6,038,768	0	(70,198)	5,968,570
Cash Result before Capital Expenditure: (Surplus)/Deficit	(54,244,673)	(27,067,058)	(1,187,417)	(82,499,148)
Capital Expenses	65,174,704	35,547,736	6,985,630	107,708,070
Cash Result after Capital Expenditure: (Surplus)/Deficit	10,930,031	8,480,678	5,798,213	25,208,922
Unrestricted Cash: (Surplus)/Deficit:	(149,980)	0	(347,166)	(497,146)
Reserves: (Surplus)/Deficit	12,472,814	(1,952,547)	3,507,196	14,027,463
Developer Cont: Surplus/Deficit	(1,390,803)	1,094,198	(68,330)	(364,935)
Loans: Surplus/Deficit	0	3,569,317	(162,880)	3,406,437
Prior Year Grants: Surplus/Deficit	(2,000)	5,769,710	2,869,393	8,637,103
Total Cash Funding: (Surplus)/Deficit	10,930,031	8,480,678	5,798,213	25,208,922

Key Financial Results

	Opening Balance 1/7/21	Projected Result	Projected Balance 30/6/22	Minimum Balance
Unrestricted Cash	6,182,608	497,146	6,679,754	6,000,000

Unrestricted cash is a measure of Council's solvency showing the level of funds available to meet any contingency. The optimum balance is based on estimated cash flow requirements for operating and capital works. At the end of the first quarter the projected balance exceeds the minimum balance.

Recurrent Result	Operating Cash Result (surplus)/deficit	Depreciation and Leave Accruals	Net Recurrent Result (surplus)/deficit	Loan principal repayments
General Activities	(16,523,069)	22,849,799	6,326,730	4,030,490
Fleet Operations	(5,179,869)	2,965,083	(2,214,786)	0
Airport Operations	225,146	971,405	1,196,551	173,643
Waste Services	(1,458,465)	1,176,498	(281,967)	0
Pilot Training Facility	1,104,430	0	1,104,430	10,666,667

The Recurrent Result is a measure of Council's financial sustainability. It shows the capacity of recurrent operating revenues to meet commitments for recurrent operations, loan repayments and existing asset renewals (as measured by annual depreciation).

The table breaks the General Fund down into the main activities that are expected to be self-funding, providing a clear picture of the general activities that must be funded by general purpose revenues.

There is no depreciation or leave accruals for the Pilot Training Facility as the facility for now does not have any full time employees assigned to it whilst depreciation is zero as the facility is classified as an investment property. Instead of being depreciated, investment properties are valued each financial year and the value adjusted accordingly to meet accounting standard requirements.

Financial Services Manager’s comment in relation to the financial position of the Council’s General Fund

The recurrent result table is an *indicator* of how Council is tracking with regard to ensuring it has sufficient funds for future asset renewal. The quality of Council’s asset databases continues to improve as Council moves its way through the revaluation cycles. The Australian Accounting Standards Board requires asset categories to be revalued every five years this means the reliability of the depreciation figure is continually improving. Depreciation expense is an important determinant/indicator of funding required to maintain Council’s extensive infrastructure.

As the Australian economy continues to move out of the economic downturn caused by the Covid19 pandemic the first quarter results for the airport are still severely impacted by the downturn in passenger numbers. Fortunately, when normal activity at the airport resumes there is sufficient income to facilitate day to day operations, the challenge will be restoring airport cash reserves to levels required for future renewal of airport infrastructure assets.

The Operating Result Ratio in the Key Performance Indicators in **ANNEXURE 1** has the Operating Ratio for General Fund showing as a negative percentage. The purpose of this ratio is to measure Council’s achievement of containing operating expenditure below operating revenue. Councils Annual Operational Plan shows that based on the original budget the Operating Ratio was -4.18% at the end of the first quarter this has now dropped to -9%. This deterioration of the operating ratio has been impacted predominantly by \$2.2 million of operational carry overs from the 2020/2021 financial year and \$997k loss of income from reduced Waste Biomass Solids. Whilst not ideal the lost income affects the waste reserve which is projected to show a \$282k recurrent surplus, in addition Council’s General Fund Unrestricted Cash levels are sound.

Water Fund

Summary of budget variations year to date:

Budget Results	Original Budget	Carry Overs	September Qtr. Review	Projected Result
Operating Income	(20,932,874)	0	(65,450)	(20,998,324)
Operating Expenses	21,381,389	397,254	70,542	21,849,185
Operating Result before Capital: (Surplus)/Deficit	448,515	397,254	5,092	850,861
Capital Income	(2,028,047)	(176,800)	0	(2,204,847)
Operating Result after Capital: (Surplus)/Deficit	(1,579,532)	220,454	5,092	(1,353,986)
Non Cash Adjustments: Depreciation/Leave Accruals	(5,711,630)	0	0	(5,711,630)
Non-Operating Cash Adj.				
Loans raised to fund Capital Expenditure	(6,500,000)	0	0	(6,500,000)

Proposed Land Sales	0	0	0	0
Leave Paid on Termination	0	0	0	0
Loan Principal Repayments	1,248,315	0	0	1,248,315
Cash Result before Capital Expenditure: (Surplus)/Deficit	(12,542,847)	220,454	5,092	(12,317,301)
Capital Expenses	23,789,000	6,958,602	141,092	30,888,694
Cash Result after Capital Expenditure: (Surplus)/Deficit	11,246,153	7,179,056	146,184	18,571,393
Unrestricted Cash: (Surplus)/Deficit:	(137,799)	0	(27,450)	(165,249)
Reserves: (Surplus)/Deficit	6,070,032	5,026,448	173,634	11,270,114
Developer Cont: Surplus/Deficit	5,313,920	2,152,608	0	7,466,528
Loans: Surplus/Deficit	0	0	0	0
Prior Year Grants: Surplus/Deficit	0	0	0	0
Total Cash Funding: (Surplus)/Deficit	11,246,153	7,179,056	146,184	18,571,393

Key Financial Results

	Opening balance 1/7/21	Projected result	Projected balance 30/6/22	Minimum balance
Unrestricted Cash	2,007,660	137,799	2,145,459	2,000,000

Unrestricted cash is a measure of Council's solvency showing the level of funds available to meet any contingency. The optimum balance is based on estimated cash flow requirements for operating and capital works. The projected balance at the end of the first quarter exceeds the optimum minimum balance.

	Operating cash result (surplus)/deficit	Depreciation and Leave Accruals	Net Recurrent Result (surplus)/deficit	Loan principal repayments
Recurrent Result	(5,285,718)	5,711,630	425,912	1,248,315

The Recurrent Result is a measure of Council's financial sustainability. It shows the capacity of recurrent operating revenues to meet commitments for recurrent operations, loan repayments and existing asset renewals. It relies on depreciation being a reasonable measure of asset renewal requirements. A deficit represents the amount of essential asset renewal

work that cannot be funded as a result of operating commitments exceeding revenue capacity.

Financial Services Manager’s comment in relation to the financial position of the Council’s Water Fund

Whilst the recurrent result is less than principal loan repayments, the Water Fund Operating Cash Result Surplus cash result means it is well placed to meet scheduled loan repayments for the current financial year. Current cash reserves also mean that the Water Fund is well placed to accommodate short-term fluctuations in income from water sales. The challenge lies in building reserves back up again after a drop in water sales over concurrent years without negatively impacting on the ability to replace essential infrastructure.

Ironically where water usage was restricted to drought conditions they are now down due to increased rainfall. A return to “normal” water usage levels should see improvements in the Water Fund operating performance; likewise, it will also result in the Water Fund operating ratio referred to in Key Performance Indicators in **ANNEXURE 1** return to positive territory. The fluctuations in the Water Fund performance which are linked to water availability clearly demonstrate the need to maintain sound cash reserves to deal with fluctuations in the operating result which are beyond Council’s control.

Sewer Fund

Summary of budget variations year to date:

Budget Results	Original Budget	Carry Overs	September Qtr. Review	Projected Result
Operating Income	(24,300,887)	0	(352,520)	(24,653,407)
Operating Expenses	17,541,654	464,616	69,643	18,075,913
Operating Result before Capital: (Surplus)/Deficit	(6,759,233)	464,616	(282,877)	(6,577,494)
Capital Income	(943,000)	0	0	(943,000)
Operating Result after Capital: (Surplus)/Deficit	(7,702,233)	464,616	(282,877)	(7,520,494)
Non Cash Adjustments: Depreciation/Leave Accruals	(5,946,991)	0	0	(5,946,991)
Non-Operating Cash Adj.				
Loans raised to fund Capital Expenditure	0	0	0	0
Proposed Land Sales	0	0	0	0
Leave Paid on Termination	0	0	0	0
Loan Principal Repayments	1,212,736	0	0	1,212,736
Cash Result before Capital Expenditure: (Surplus)/Deficit	(12,436,488)	464,616	(282,877)	(12,254,749)

Capital Expenses	18,184,500	3,068,622	331,523	21,584,645
Cash Result after Capital Expenditure: (Surplus)/Deficit	5,748,012	3,533,238	48,646	9,329,896
Unrestricted Cash: (Surplus)/Deficit:	(359,990)	0	(360,525)	(720,515)
Reserves: (Surplus)/Deficit	(1,983,718)	2,338,975	409,171	764,428
Developer Cont: Surplus/Deficit	7,513,502	1,192,238	0	8,705,740
Loans: Surplus/Deficit	578,218	0	0	578,218
Prior Year Grants: Surplus/Deficit	0	2,025	0	2,025
Total Cash Funding: (Surplus)/Deficit	5,748,012	3,533,238	48,646	9,329,896

Key Financial Results

	Opening Balance 1/7/21	Projected Result	Projected Balance 30/6/22	Minimum Balance
Unrestricted Cash	2,215,405	720,515	2,935,920	2,000,000

Unrestricted cash is a measure of Council's solvency showing the level of funds available to meet any contingency. The optimum balance is based on estimated cash flow requirements for operating and capital works. At the end of the first quarter the projected balance exceeds the minimum balance.

	Operating Cash Result (Surplus)/Deficit	Depreciation and Leave Accruals	Net Recurrent Result (surplus)/deficit	Loan principal repayments
Recurrent Result	(13,033,720)	5,946,991	(7,086,729)	2,812,736

The Recurrent Result is a measure of Council's financial sustainability. It shows the capacity of recurrent operating revenues to meet commitments for recurrent operations, loan repayments and existing asset renewals. It relies on depreciation being a reasonable measure of asset renewal requirements.

Financial Services Manager's comment in relation to the financial position of the Council's Sewer Fund

The surplus shows that the Sewer Fund is well placed to meet loan repayments and has the capacity to put away funds for necessary capital works which is essential giving the large sewer infrastructure network.

(a) Policy Implications

Nil

(b) Financial Implications

The body and **ATTACHED**, refer **ANNEXURE 1**, of this report provide details of the projected financial results for the 2021/2022 Budget. The variances recorded for the different funds will have implications for the Long Term Financial Plan, and this will be reviewed as part of the ongoing Integrated Planning and Reporting process.

(c) Legal Implications

Nil

(d) Community Consultation

Nil

(e) Delivery Program Objective/Strategy

A Region of Progressive Leadership – L21 Transparency and accountability of government.

10 COMMUNITY SERVICES

Nil

11 REPORTS TO BE CONSIDERED IN CLOSED COUNCIL

Nil