



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, Lands Building, Nemingha Room, 25-27 Fitzroy Street, Tamworth**, commencing at **6:30pm**.

ORDINARY COUNCIL AGENDA

26 NOVEMBER 2024

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, 12 November 2024, 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

- 6.1 **NOTICE OF MOTION – CR BRENDON NORTH AND CR CHARLES IMPEY - CADETSHIPS, INTERNSHIPS AND TRAINEESHIPS FOR FUTURE STAFF SHORTAGES**

MOTION

That Council:

- (i) *Investigate with strategically targeted approaches, to incentivised Cadetships, Internships and/or Traineeships to attract and recruit new employees and retain existing employees in areas of drastic role shortage.*
- (ii) *Investigate a Virtual Assistant team to help fill the shortfall in planning staff to progress development approvals in our Council area; and*
- (iii) *Request a report to update Councillors on what actions Council is undertaking in this space.*

Notice is given that I intend to move the motion at the meeting of the Council to be held on 26 November 2024, seeking support from fellow councillors to establish a variety of financially supported training programs for long term staff recruitment and also short-term staffing solutions to rapidly progress development in the area.

SUPPORTING INFORMATION

One of our largest chokepoints in progressing development in the region is having adequate staff numbers to assess development. We need to develop long term solutions to find staff that will stay around for the longer term. We will financially contribute towards a portion of training costs and some living costs from the training entry with recipients signing for employment for a given length of time to stay on once training is complete.

We envisage an assessment of applicants that gives stronger weighting to students from this region, then others, to receive grants towards training on the proviso of committing to employment with Tamworth Regional Council for a set period after graduating. This will lead to medium term solutions to fill our development needs.

We will also solve short term planning backlogs by creating a Virtual Assistant team. These employees will be undertaking the behind the scenes preparations. This can be reduced, once adequate local staffing numbers are reached.

Cr Brendon North & Cr Charles Impey

21 November 2024

6.2 NOTICE OF MOTION – CR MARK RODDA - QUESTIONS WITH NOTICE

MOTION

That the Questions with Notice be received and noted.

Notice is given that I have submitted the following Questions with Notice at the Meeting of the Council to be held on 26 November 2024.

SUPPORTING INFORMATION

Rate Defaults Since introduction of Special Rate Variation and SR Law Letters

1. How many residents have defaulted on their rate since notices were issued following the introduction of the Special Rate Variation on 1 July 2024?
2. How many residents have requested assistance for payment of rates and how much has been waived?
3. How many SR Law letters have been issued to residents, noting that many residents pay their rates accounts by instalments?

Cr Mark Rodda

21 November 2024

GENERAL MANAGERS RESPONSE

- The information in red represents the debt recovery action undertaken in 2024-2025.
- The information in blue represents the debt recovery action undertaken in 2022-2023.

1. Council issued 2,234 overdue letters on 18-09-2024 compared to 2,535 back in December 2022. This was a reduction of 301 notices.

Following the implementation of new debt recovery guidelines there has been a more soft approach to debt recovery which has seen the reduction in numbers. It is important to note that despite the softer approach having an impact on potential reduction in number of letters issued there has been a consistent increase in property assessments for quite some time now. Some additional information to consider is the constant increase in property numbers (on average 300+ per annum) and income levied.

Council issued 2,234 soft letters of demand issued on 18-09-2024 due 02-10-2024. All rates and/or water overdue balances equal to or greater than \$1,000.

Council issued 2,535 soft letters of demand posted on 15-12-2022 due 06-01-2023.

Again important to note that we do not issue letter until the amount is greater than \$1,000.

2. Under the provisions of the NSW Local Government Act, 1993, council is unable to waive rates and charges and only under strict circumstances rates and charges can be written off. Our records show that 337 ratepayers have communicated with Council or the debt recovery firm in relation to assistance with rates and charges since the soft letter of demand issued on 18-09-2024. This is an increase of 135 requests compared to the previous referral file.

TRC = 104 arrangement to pay entered into the P&R system since 18-09-2024.

SR Law records:

337 ratepayers request assistance (information as at 10-10-2024)

- 279 Payment arrangement entered
- 49 Payment promised in the next weeks or awaiting payment to be processed on your system
- 8 Hardship applications in process
- 1 Debtor deceased

1,094 matters were closed

- 937 = payment received in full
 - 41 = various issues (old matters still in place, debtor disputing debt or holding action)
 - 116 = matters are below the \$1,000 threshold
-

1,072 notices issued with a second Demand Letter. These notices were progressively issued from 10-10-2024 due fourteen days later (24-10-2024)

TRC = 202 arrangement to pay entered into the P&R system between December 2022 & June 2023.

SR Law – Unfortunately the above statistics were not available.

3.

	2024/2025 Rating Year (A)	2022/2023 Rating Year (B)	Variance (A – B)
Notices Issued – July	29,712	28,972	740
Soft Letter of Demand	2,234	2,535	-301
Second Letter of Demand	1,072	1,982	-910
Statement of Claim (SOC)	355	333	22

It is interesting to note the number of rates notices issued increasing by 740. There were small referral files done between the 2022/2023 and 2024/2025 referral files but nothing like the above in relation to numbers.

6.3 NOTICE OF MOTION – CR STEPHEN MEARS - REVIEW OF SPECIAL RATES VARIATION

1 ANNEXURES ATTACHED

MOTION

That the Council review the proposed Special Rates Variation (SRV), specifically considering the following:

(i) The proposed 15% increase to General Rates for the 2025 financial year:

- (a) The consequences to the Council's fiscal position should the proposed 15% increase be deferred or forfeited in the 2025 financial year;*
- (b) The fiscal impact on the Council if the 15% rate increase is extended over a period of 3 years or 5 years, rather than implemented in a single year; and*
- (c) The impact on average rates of TRC ratepayers from the increase in Valuer General land valuations which will apply to 1 July 2025.*

Notice is given that I intend to move the above Motion at the Meeting of the Council to be held on 26 November 2024.

SUPPORTING INFORMATION

Background:

Residents have already faced an 18.5% increase in the base rate, in addition to increases in water and waste charges. Given the current financial pressures on our community, it is essential that we explore alternatives to the proposed 15% rate increase for the 2025 financial year.

Further, the Independent Pricing and Regulatory Tribunal (IPART) is currently reviewing water charges, which may lead to additional increases in water and waste charges in the same financial year. Additionally, rising property values are expected to place further upward pressure on Council rates.

To better assess the impact of the proposed 15% rate increase, it would be beneficial for the Finance Directorate to model both 3-year and 5-year projections of the Special Rates Variation. This would provide a clearer understanding of the financial burden on residents if the rate increase is applied all at once versus being spread over a longer period.

Implications/Considerations:

This motion seeks to strike a balance between the financial needs of the Council and the increasing pressures on residents due to multiple, concurrent increases in charges. By modelling different options, Council will be better positioned to make an informed decision that considers both the financial constraints faced by residents and the need to maintain Council operations.

Additionally, consideration should be given to the oversight in the Morrison Law data, particularly regarding the impact of the numerous mortgage rate increases post the 2021/2022 financial year. According to Table 14 in the "Trends in Cost of Living" report, housing as a percentage of household expenditure was recorded at 16%. However, this figure would likely have been significantly higher had the post-2021/2022 interest rate hikes been reflected in the table.

The Special Rate Variation was a major issue for Tamworth Region residents during the recent local government election.

I trust the Council will give this matter the careful consideration it deserves and look forward to discussing it further at the upcoming meeting.

Cr Stephen Mears

21 November 2024

GENERAL MANAGERS RESPONSE

- (i)(a) The loss of income to Council would be \$63,021,812 over the ten year period.
- (i)(b) Please refer to the summary sheet within the **ATTACHED** spreadsheet, refer **ANNEXURE 1**, for the impact over the ten year period:
- Option B – increase over two years (7.50%) – loss of income \$14,030,590
 - Option C – increase over three years (5.00%) – loss of income \$30,790,070
 - Option D – increase over five years (3.00%) – loss of income \$52,928,747

- (i)(c) This is too difficult to determine the movement in the market. Thus making any estimate an unreliable indicator upon which to base a decision. The new land valuation will be provided to Council in November 2025 and used for rating from 1st July 2026. It is also important to remember that an increase in land values does not increase the total notional income that can be raised.
-

6.4 NOTICE OF MOTION – CR MARC SUTHERLAND - BASKETBALL/NETBALL COURTS, MANILLA

MOTION

That in relation to the Notice of Motion “Basketball/Netball Courts, Manilla”, Council:

- (i) acknowledge the adopted Chaffey Park Manilla Masterplan, the lack of funding to implement the Masterplan and the current priority listing of basketball/netball courts as being a “long-term action”;*
- (ii) acknowledge the advice and desire of the Tamworth Regional Youth Council to bring forward the relative priority listing of basketball/netball courts in Manilla, on the basis of community need;*
- (iii) determine that the development of basketball/netball courts in Chaffey Park Manilla is a priority within Council projects;*
- (iv) actively pursues all viable external funding sources, including State and Federal grants, community partnerships, and sponsorship opportunities, to support the delivery of this project; and*
- (v) provide regular updates to the Council, the Tamworth Regional Youth Council and the community on the progress of the project.*

Notice is given that I intend to move the above Motion at the Meeting of the Council to be held on 26 November 2024.

SUPPORTING INFORMATION

The push for the creation of public basketball courts in Manilla has been driven by TRC Youth Mayor Rory Davis and the Tamworth Youth Council, who have been investigating and advocating for over 12 months to see this project be moved forward.

This Notice of Motion (NoM) aims to prioritize an existing project that has already been identified in the adopted Chaffey Park Masterplan as part of the park’s development.

Their efforts align with the Tamworth Regional Youth Strategy and Action Plan 2024–2028, which underscores the importance of accessible sports and recreational facilities for young people’s physical and social well-being.

Currently, youth in Manilla lack public basketball courts and must travel to Tamworth for practice and competition, limiting consistent access to exercise and skill-building opportunities. The proposed Notice of Motion seeks to prioritise this project within council initiatives and actively pursue external funding to ensure the courts are built.

This will support youth engagement, promote health, and foster community connection, in line with the Youth Strategy's objectives and the commitment of the Youth Council to meet local youth needs.

Cr Marc Sutherland

20 November 2024

6.5 NOTICE OF MOTION – CR RYAN BROOKE - OPPOSITION TO HILLS OF GOLD WIND FARM

MOTION

That Council write to Minister Plibersek and the Department of Climate Change, Energy, the Environment and Water in regard to the Hills of Gold Wind Farm EPBC assessment to express our long standing and on-going opposition to the project.

Notice is given that I intend to move the above Motion at the Meeting of the Council to be held on 26 November 2024.

SUPPORTING INFORMATION

The Hills of Gold Preservation Inc has recently been in contact with Federal Environment Minister Tanya Plibersek and the Department of Climate Change, Energy, the Environment and Water in regards to the Hills of Gold Wind Farm. The proposed project is currently undergoing assessment under the Environment Protection and Biodiversity Conservation Act, and the Preservation Inc is calling on Minister Plibersek to intervene due to their concerns of potential environmental and biodiversity impacts the project would have during construction.

I believe that due to our continued opposition to the project because of concerns about access roads and easement land degradation located within our local government boundaries, we should also resolve to write to the Minister and appropriate federal department to express these concerns and ensure this is considered during the EPBC assessment.

Cr Ryan Brooke

19 November 2024

OPEN COUNCIL REPORTS

7 ENVIRONMENT AND PLANNING

7.1 TAMWORTH REGIONAL COUNCIL ON-SITE SEWAGE MANAGEMENT SYSTEMS (OSSM) OPERATIONAL STRATEGY

DIRECTORATE: LIVEABLE COMMUNITIES

AUTHOR: Rachel Mann, Senior Environmental Health Officer

1 ANNEXURES ATTACHED

RECOMMENDATION

That in relation to the report “Tamworth Regional Council On-Site Sewage Management Systems (OSSM) Operational Strategy”, Council:

- (i) approve the draft “Tamworth Regional Council On-Site Sewage Management Systems (OSSM) Operational Strategy” for public exhibition for an extended period of 56 days noting the Christmas period; and*
- (ii) receive a subsequent report to a future Ordinary meeting of Council on the outcomes of the public exhibition prior to adoption of the final plan.*

SUMMARY

The *Local Government Act 1993* requires that local government lawfully approves and regulates the operational performance of On-Site Sewage Management Systems (OSSM) within New South Wales. The purpose of this Strategy is to ensure that the potential environmental and public health risks associated with the operation of OSSM systems are sustainably managed across the Tamworth Regional Council Local Government Area.

COMMENTARY

The *Local Government Act (LGAct)* requires that the operation of all On-Site Sewage Management (OSSM) systems within New South Wales be lawfully approved by local government. The operational performance of all OSSM systems in NSW is also required to be regulated by local government in accordance with the requirements of the Act.

At its meeting held on 27 August 2024 Council adopted its On-Site Wastewater Management Plan (OWMP). This plan details all requirements relating to the installation of new OSSM systems. The purpose of the revised OSSM Operational Strategy is to ensure that the operational regulation of all OSSM systems across the region align with the intent of the OWMP, ensuring consistency between installation and regulatory requirements.

The Tamworth Regional Council Local Government Area (LGA) has more than 4,000 known (registered) OSSM systems which have an approval to operate. The approval to operate fee is levied alongside the annual rates notice each year, ensuring all registered systems hold a current approval as required by legislation. It is anticipated that there are upward of 4,000 systems across the LGA.

Many of the OSSM systems across our LGA are located in close proximity to sensitive environments, such as rivers, creeks and groundwater aquifers. Some rural villages within the region that use OSSM systems for wastewater disposal are not serviced with treated drinking water, with residents often utilising bore water for domestic use and drinking water. It is essential that the potential threats to public and environmental health in these areas are managed through proper management and regulation of OSSM systems. The main purpose

of this Strategy is to ensure that all potential environmental and public health risks associated with the operation of OSSM systems are sustainably and effectively managed across the Tamworth LGA.

Council engaged engineering and environmental consultants, Decentralised Water Australia (DWA) to review Council's 2014 OSSM Strategy and conduct an assessment of our previous OSSM compliance inspection program. The consultants conducted an allotment based spatial risk assessment which involved the development of a 3-level risk classification framework for all allotments across the LGA. It was developed by integrating land capability factors (how well the land can assimilate wastewater in-situ), allotment size and the proximity to environmental hazards to generate a risk classification.

To maintain consistency with Council's On-Site Wastewater Management Plan (OWMP), adopted by Council in 27 August 2024, this risk based methodology was then used to develop the compliance inspection risk classifications for all existing OSSM systems within the LGA.

The methodology is presented below in a simple flow chart:



The spatial risk assessment component included the land capability assessment, receiving environment and sensitivity and land area variables. This was then incorporated with the effluent quality (OSSM system type) and land application method for existing properties to develop the OSSM system risk classification.

Each variable in the above flow chart is assigned a value, and the final calculated score is then used to determine an inspection classification of either low, medium or high. Table 1 of the Strategy details the scoring methodology for each factor and how they are calculated to achieve a result. From there, the frequency of ongoing routine compliance inspections is determined at an interval which is appropriate to each system's risk category.

High risk systems have the potential for significant environmental risk in the event of failure and have potential to cause negative impacts on neighbouring properties, nearby water bodies, or environmentally sensitive areas. Council will aim to inspect high risk systems for compliance with their Approval to Operate once every three years.

Medium risk systems are those with potential for failure but with a reduced risk factor of negative consequences on environmental and public health. Council will aim to inspect medium risk systems for compliance with their Approval to Operate once every seven years.

Systems which present a low environmental and public health risk should they fail to operate correctly are considered to be low risk. Council will aim to inspect low risk systems for compliance with their Approval to Operate once every ten years.

The major difference between this Strategy and the 2014 Strategy is the removal of any operational based criteria from the risk assessment process. Previously, Council's Environmental Health Officers would consider if the operational performance standards detailed in the Approval to Operate for a specific system were being met when risk assessing the system, and whether the system operators could demonstrate an understanding of how

the system should be operated. These criteria are considered subjective in the absence of quantitative information, in turn causing the risk classification for a property to be subject to inconsistency over time. This potentially resulted in a flawed inspection program where systems were under or over inspected, reducing efficiencies and ultimately not achieving the objectives of the Strategy.

Under the draft revised Strategy, new property owners will no longer be subject to a 12-month high risk assessment period as they under the 2014 Strategy. Systems with new owners, or newly installed systems will be classified according to the new methodology, eliminating any operational criteria bias from the categorisation process.

By removing these operational based criteria from the risk assessment process, it ensures that systems are classified based on measurable and scientifically quantitative data that can be applied objectively and consistently. It is envisaged that this approach will provide a consistent classification methodology based on the risk to human health and the environment without influence from on-going system operational aspects. Any breaches of operational non-compliance with the legislation or a system's Approval to Operate that are identified during compliance inspections will be dealt with separately as per Section 2 of the draft Strategy.

A copy of the draft Tamworth Regional Council On-Site Sewage Management Systems (OSSM) Operational Strategy is **ATTACHED**, refer **ANNEXURE 1**.

(a) Policy Implications

This Strategy will supersede the On-Site Sewage Management Strategy adopted by Tamworth Regional Council in 2014.

(b) Financial Implications

Nil

(c) Legal Implications

The Strategy aligns with the intent of the Tamworth Regional Council On-Site Wastewater Management Plan (OWMP). The risk assessment process in this Strategy reflects the methodology used in the OWMP to classify allotments. The Strategy provides greater transparency on the risk assessment categorisation process and subsequent inspection frequencies for individual allotments.

(d) Community Consultation

The Strategy will be placed on public exhibition for a period of 28 days, with a focus on property owners who are serviced by existing on-site sewage management systems.

(e) Delivery Program Objective/Strategy

Focus Area 4 – Resilient and Diverse Communities

R5 Be a safer and more resilient community

7.2 HILLS OF GOLD WIND FARM - OPTIONS FOR LEGAL PROCEEDINGS

DIRECTORATE: LIVEABLE COMMUNITIES
AUTHOR: Sam Lobsey, Manager - Development
Gina Vereker, Director Liveable Communities

1 ANNEXURES ATTACHED

1 CONFIDENTIAL ENCLOSURES ENCLOSED

RECOMMENDATION

That in relation to the report “Hills of Gold Wind Farm - Options for Legal Proceedings”, Council:

- (i) receive and note the legal advice contained within the confidential enclosure to this report; and*
- (ii) agree to joining as a party to and assist the Hills of Gold Preservation Incorporated with the current Class 1 Merits Appeal lodged in the NSW Land and Environment Court.*

SUMMARY

Legal advice was sought on a potential review challenge by Tamworth Regional Council to the Hills of Gold Wind Farm Development Application (SSD-9679), which was granted approval by the Independent Planning Commission on 9 September 2024. Details of the decision and conditions of consent can be found on the Independent Planning Commission Website: [Independent Planning Commission - Hills of Gold Wind Farm \(nsw.gov.au\)](https://www.independentplanningcommission.nsw.gov.au/).

The requested legal advice has been received and is **ENCLOSED**, refer to **CONFIDENTIAL ENCLOSURE 1**. The purpose of this report is to seek a Council resolution to receive and note the legal advice received and to determine to join as a party to the current Class 1 merits appeal lodged by the Hills of Gold Preservation Incorporated in the NSW Land and Environment Court against the approved Hills of Gold Wind Farm - State Significant Development (SSD-9679).

COMMENTARY

Tamworth Regional Council’s submission (letter of objection) to the Independent Planning Commission dated 15 July 2024 is **ATTACHED**, refer to **ANNEXURE 1**. The submission reinforces Council’s maintained position that it does not support the Hills of Gold Wind Farm development as outlined in six comprehensive written submissions to both the Department of Planning, Housing and Infrastructure and Independent Planning Commission during the course of the Development Application assessment period.

Following the approval determination by the Independent Planning Commission on 9 September 2024, Council sought legal advice on its options moving forward regarding a judicial review challenge. A summary of the legal advice sought by Council is found below:

1. Advise on whether the imposition of conditions B31-33 could provide grounds for setting aside the Consent in judicial review proceedings, either because:
 - a. they are conditions which are not authorised by the *Environmental Planning and Assessment Act 1979*;
 - b. they are uncertain, or
 - c. they demonstrate a deferral of matters which should have been considered and resolved before consent was granted.

2. Advise on whether there are any other grounds for setting aside the Consent in judicial review proceedings.
3. Advise on the prospects of success of such proceedings.
4. Advise on whether there is sufficient time to prepare for and commence such proceedings in light of the three-month time period for judicial review and the time already elapsed since the grant of consent; and
5. Advise on the likely costs and risks of such proceedings, including the risk of having to pay other parties' costs if unsuccessful.

The advice received is contained within **CONFIDENTIAL ENCLOSURE 1** and following review by Council officers it is recommended that Council not pursue judicial review proceedings but instead consider the option of being heard in a separate Class 1 merits appeal that has been lodged by the Hills of Gold Preservation Incorporated (HOGPI) with proceedings already underway.

Tamworth Regional Council (Council) has the right to be heard in this Class appeal as an approval authority under s 8.12, or, alternatively, it could apply to be joined as a full party.

Legal advice received also recommends that if Council determines to be heard in the existing Class 1 merits appeal, or to be joined as a party, it should notify the parties to that appeal of its intentions to do so as soon as possible, ideally before the next directions hearing of the matter on 26 November 2024.

Noting that this report will be presented to the Council at its Ordinary Council Meeting on the night of the 26 November 2024, Council officers' have instructed Council's lawyers to commence proceedings in accordance with the recommendations of this report (and the legal advice received) to ensure Council has the best opportunity going forward in the existing Class 1 proceedings. It is relevant to note that Council is not bound by this instruction, (i.e., the commencement of proceedings), to continue with its participation in the Class 1 appeal. Should Council resolve not to proceed in accordance with the recommendations in this report, then Council's lawyers will be instructed to advise the Court of Council's decision to not contest the development consent.

(a) Policy Implications

Nil

(b) Financial Implications

See advice contained within the **CONFIDENTIAL ENCLOSURE 1**.

(c) Legal Implications

See advice contained within the **CONFIDENTIAL ENCLOSURE 1**.

(d) Community Consultation

The community has not been consulted specifically with regards to the recommendations of this report. However, Council has consulted extensively with both directly and indirectly impacted communities affected by the Hills of Gold Wind Farm development over a number of years. Council has made its position of objection clear through six extensive written submissions to the Department of Planning, Housing and Infrastructure and Independent Planning Commission.

(e) Delivery Program Objective/Strategy

Focus Area 9 – Open and Collaborative Leadership

8 INFRASTRUCTURE AND SERVICES

8.1 OXLEY DOG TRAINING CLUB REQUEST FOR A GIFTED ZERO TURN MOWER

DIRECTORATE: REGIONAL SERVICES
AUTHOR: Paul Kelly, Manager - Sports and Recreation
Richard Willis, Sport and Recreation Development Officer

RECOMMENDATION

That in relation to the report “Oxley Dog Training Club Request for a Gifted Zero Turn Mower”, Council allocate the Oxley Dog Training Club with a suitable zero turn mower on the basis that Oxley Dog Training Club will be responsible for the garaging, security, and all ongoing maintenance and running costs whilst this item of Tamworth Regional Council plant is allocated to this community group.

SUMMARY

Tamworth Regional Council has received a request from the Oxley Dog Training Club (the Club), requesting Council provide a zero-turn mower for maintenance of the Oxley Dog Training Complex at Swan Street, North Tamworth, which is currently under a licence agreement with the Club. By gifting a zero-turn mower, Council will assist the Club to maintain the Oxley Dog Training Complex to a high standard for all the community to enjoy.

COMMENTARY

The Club commenced a new licence of the complex on 1 July 2024. The Club is supported by a committed group of volunteers who undertake all maintenance of the site and permit and encourage it to be used as an active recreation facility for their members.

Recently, the Club has written to Council to seek the allocation of a community mower so that they can improve the maintenance of their grounds.

The request is for a zero-turn mower with a large cutting width of around 1.5m. Council uses similar machines, with a number coming up for renewal each year. The approximate written down value of a such a mower is \$6,000 exclusive of GST.

Given the proactive and co-operative attitude shown by the Club to date in managing a unique Council asset that has gained state significance within the sport of dog training, it would be a positive gesture to assist the Club volunteers with their request. Therefore, it is recommended that Council support this request with the gifting of a suitable second-hand mower when one becomes available.

If supported, the Club would then assume responsibility for garaging, security, and normal maintenance/running costs whilst the mower is allocated to them. All of the annual maintenance of the machine would be transferred to the Club and the requirements for safe operation and maintenance remain with the Club.

(a) Policy Implications

Nil

(b) Financial Implications

Council's Plant Reserve will be impacted by approximately \$6,000, however, this is not expected to adversely affect the plant replacement program.

(c) Legal Implications

Nil

(d) Community Consultation

Nil

(e) Delivery Program Objective/Strategy

Focus Area 2 – A liveable built environment

8.2 IPART REVIEW OF PRICES CHARGED FOR BULK RAW WATER BY WATERNSW AND THE WATER ADMINISTRATION MINISTERIAL CORPORATION FOR THE PERIOD 1 JULY 2025 TO 30 JUNE 2030 – FILE NO

DIRECTORATE: WATER AND WASTE
AUTHOR: Bruce Logan, Director - Water and Waste

4 ANNEXURES ATTACHED

RECOMMENDATION

That in relation to the report “IPART Review of Prices Charged for Bulk Raw Water by WaterNSW and the Water Administration Ministerial Corporation”, Council:

- (i) provides a submission to IPART on the proposed prices and associated issues as detailed in the report; and*
- (ii) write to the NSW Minister for Water expressing Council’s concerns about the impact of the proposed increases on farming enterprises in the Peel and the cost of water for the Tamworth Moonbi Kootingal Community.*

SUMMARY

The Independent Pricing and Regulatory Tribunal (IPART) has released an Issues Paper concerning the review of prices for Water NSW and the Water Administration Ministerial Corporation for the five-year period 2025-26 to 2029-30. The timeline for this review is as follows:

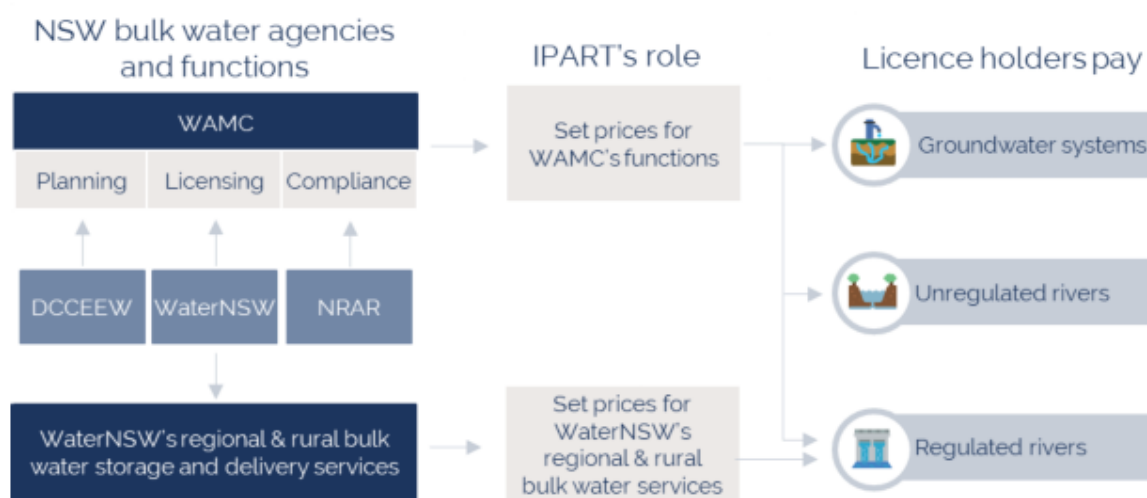
Milestone	Date
Release IPART Issues Paper	1 November 2024
Online Public Hearing	14 November 2024
Public Submissions on the Issues Paper Close	9 December 2024
Release Draft Determination and Draft Report	March 2025
Public Submission on the Draft Determination	TBC
Release Final Determination and Final Report	June 2025

The purpose of this report is to seek direction from Council whether or not Council would like to prepare a submission on the matters raised in the Issues Paper.

COMMENTARY

Council pays charges to two State Government entities for access to bulk water, both surface and groundwater – Water NSW and the Water Administration Ministerial Corporation (WAMC). As both entities are monopoly providers, the charges levied are subject to review by the Independent Pricing and Regulatory Tribunal.

The graphic below shows the relationship between WAMC and Water NSW and IPART role.



a. DCCEEW is the NSW Department of Climate Change, Energy, the Environment and Water.
 b. NRAR is the NSW Natural Resources Access Regulator.

Water NSW supplies Council with bulk water from regulated rivers and streams which for Council include the Namoi Valley (part Manilla and all Barraba supply) and the Peel Valley (Chaffey Dam supply for Tamworth).

The Department of Climate Change, Energy, the Environment and Water (DCCEEW) and the Natural Resources Access Regulator (NRAR) and Water NSW provide services on behalf of WAMC. DCCEEW retains responsibility for setting water management policies and undertaking water planning in NSW. Water NSW is responsible for undertaking WAMC's licensing functions, providing metering services and account management services to water management customers in NSW. NRAR is the independent water regulator.

Previous pricing reviews were undertaken every four years. Following the review, IPART releases the maximum prices that can be charged by the entities for the supply of the services over the next period.

IPART has recently released an Issues Paper associated with its review of rural bulk water services for Water NSW and WAMC for the period 1 July 2025 to 30 June 2030 – see document **ATTACHED**, refer **ANNEXURE 1**. IPART is calling for submissions on the Issues Papers with the deadline for submissions being 9 December 2024. The Issues Paper released by IPART includes a number of matters it is seeking comment on, as well as the proposed charges for both entities for the next five-year period.

The final prices determined by IPART may be different to those detailed in the Issues Paper. A draft determination will be released by IPART in March 2025. Previously, stakeholders have been invited to provide submissions on the draft determination, before IPART makes its final determination, however on this occasion, that opportunity does not appear in the timeline provide by IPART.

The Issues Paper contains matters specific to Water NSW and WAMC. These issues are dealt with separately below.

Water Administration Ministerial Corporation (WAMC)

Key points to note include:

- if IPART accepts the charges proposed by WAMC and the NSW Government does not intervene, then the increase in charges payable by Council to the WAMC across all of supplies is shown below;

2024-2025	\$131,600
2029-2030	\$258,310

This is an increase of 96.3%. Councillors should note this does not include inflation.

Details of the increase are shown in the document **ATTACHED**, refer **ANNEXURE 2**;

- the WAMC has proposed the NSW Government pay a larger subsidy to avoid price shocks and the proposed prices include this increased subsidy;
- IPART has previously supported full users pays – that is the users pays the full cost of the service being provided by the WAMC less the contribution paid for by the State Government. The table below shows that most water sources are not paying full users pays and will not be paying the full cost by the end of the 2029-2030 financial year under the pricing proposal submitted by WAMC. This indicates, assuming IPART continue to support full cost recovery from users, bulk water charges payable to WAMC by Council, will continue to rise in the future; and

Table 3.1 Level of cost recovery in each water source in year 1 and year 5 of WAMC pricing proposal for water management charges

	Regulated rivers		Unregulated rivers		Groundwater	
	2025-26	2029-30	2025-26	2029-30	2025-26	2029-30
Border	53%	79%	30%	44%	51%	85%
Gwydir	51%	75%	30%	44%	51%	85%
Namoi	44%	66%	30%	44%	51%	85%
Peel	36%	59%	30%	44%	51%	85%
Lachlan	38%	57%	36%	56%	51%	85%
Macquarie	44%	66%	36%	56%	51%	85%
Far West			41%	62%	51%	85%
Murray	45%	66%	22%	35%	51%	85%
Murrumbidgee	51%	75%	30%	48%	43%	72%
North Coast	13%	22%	35%	57%	30%	47%
Hunter	40%	65%	32%	50%	30%	47%
South Coast	19%	31%	64%	98%	30%	47%

Source: WAMC proposal, IPART analysis.

- WAMC has proposed changes to non-urban metering charges. All Council's licensed access points, in regulated, unregulated and groundwater water sources have been upgraded, at Council's cost to include meters which comply with NSW Government

requirements. Despite Council paying for the installation and/or upgrade of the meters, Council will be charged an annual charge per license and/or meter for ongoing administration of the metering system. WAMC proposed increases in these annual charges range from 34.7% to 2.5%. Staff have sought further details about how much Council paid in charges for all its meters in 24-25 and what the proposed increases will have on Council's payment, in future years, but this information has not been provided to date.

Water NSW

Key points to note include:

- If IPART accepts the charges proposed by Water NSW, and the NSW Government does not intervene, then the increase in charges payable by Council to Water NSW across all of supplies is shown below;

2024-2025	\$1,343,320
2029-2030	\$6,080,384

This is an increase of 353%. Councillors should note this does not include inflation. Details of the increase are shown in the document **ATTACHED**, refer **ANNEXURE 2**;

- Water NSW has proposed adopting a revenue cap form of price control. Water NSW receives about 50% of its revenue from fixed charges (annual entitlement charges) compared to variable charges (based on consumption). Because of this Water NSW believes it is at risk of not receiving sufficient revenue over the determination period because water sales are less than forecast.

To address this Water NSW has proposed moving from the existing price cap, where the price paid for water does not change regardless of the amount of water consumed, to a revenue cap where the amount of revenue received does not change regardless of the amount of water consumed.

Under the revenue cap both the fixed cost of water and the price paid for water consumed may change by a maximum of 5% depending on the revenue generated in a particular year;

- Water NSW also proposes to introduce a side constraint mechanism as well as the revenue cap. The side constraint mechanism is linked to the revenue cap form of price control and limits how much revenue can be recovered from customers relative to the revenue recovered in the preceding year. In practice, it prevents any rebalancing of revenue recovery and large price shocks for customers, during the regulatory period.

Further details of the proposed revenue cap are in the document **ATTACHED**, refer **ANNEXURE 3**. The new proposed arrangement is complex and difficult to understand. As a result, staff have requested further information about the revenue cap and the associated side constraint, however this information has not been made available at the time of preparing this report;

- Water NSW is not proposing to change the split up between fixed and variable charges in the Peel (80 fixed, 20 variable) and Namoi (40 fixed, 60 variable); and
- Water NSW has also included in its pricing proposal 3 alternative pricing proposals for rural valleys.

Alternative 1 Extend asset lives and reduce user shares.

- a price ceiling of 15% per annum (plus inflation);
- ICT asset lives extended from 7 to 10 years;
- reducing the user share for the environmental and planning and dam safety cost share categories from 80% to 50%; and
- results in a residual funding shortfall of \$80 Million over 5 years.

Whilst there is not much detail on this alternative, applying an increase of 15% per year to Water NSW charges only, then the increase in charges payable by Council to Water NSW across all supplies is shown below:

2024-2025	\$1,343,320
2029-2030	\$2,701,896

This is an increase of 101%. Councillors should note this does not include inflation.

Alternative 2 Extend Asset lives and remove major policy projects.

- as per Alternative 1 plus;
- remove fish passages and cold-water pollution projects; and
- results in a residual funding shortfall of \$53.5 Million over 5 years

Alternative 3 Regional Pricing

As per alternative 1 but includes pricing of rural bulk water services transitioning from valley based to regional based pricing.

Under this alternative each valley would pay a legacy charge for the capital expenditure it has incurred up to 30 June 2025. This legacy charge would continue until the existing assets are fully depreciated. From 1 July 2025, charging for capital expenditure and operating expenditure would shift to a regional basis – that is, valleys would receive regionally-based charges rather than valley-based charges. Two regions are suggested: a Northern region comprising seven valleys (Border, Gwydir, Namoi, Peel, Hunter, Macquarie and North Coast) and a Southern region comprising five valleys (Lachlan, Murray-Lower Darling, Murrumbidgee and South Coast).

IPART has sort feedback on specific matters as detailed below. A staff comment is included on those where it is considered Council could provide feedback.

1. How will WAMC's Proposed prices impact customer?

For Tamworth Regional Council the proposed increase in payments to the WAMC based on average water extraction would see Council payments to WAMC increase by 96.3% (not including inflation) from 1 July 2024 to 30 June 2030.

2. What factors should we consider so that prices we set for WAMC are appropriate for different customer types? How well has WAMC considered these factors in the development of its proposal?

See other comments

3. Do the proposed 2.5% and 15% caps on prices strike the right balance between cost recovery and impacts on customers?

See other comments

4. What do you think about WAMC's engagement process? Do you think WAMC has engaged effectively with customers and stakeholders?

Compared to the engagement process undertaken by Water NSW the engagement process undertaken by WAMC has been totally inadequate. There is no doubt that WAMC has not engaged sufficiently with its customers in relation to this pricing proposal.

5. Did WAMC's consultation process target the right stakeholders, and was an appropriate level of content provided to stakeholders so they could meaningfully engage with it?

See comment above.

6. Did WAMC consult sufficiently with Aboriginal peoples and communities? What first nations priorities should be considered in IPART's determination?

Council is not aware of any engagement targeting Aboriginal people and communities. No comment in relation to priorities.

7. Are WAMC's customer outcomes and metrics appropriately ambitious yet achievable? Do they incorporate what stakeholders said was important to them?

Unlike WaterNSW which specifically asked its customers what was important, Council is not aware of WAMC doing something similar.

8. Does WAMC's proposal represent a reasonable and efficient balance of costs and service levels, and does it align with customers willingness to pay?

Whilst the increase in costs is significant at 101% over 5 years the actual amounts paid are not large and therefore will have little impact on the Council's customers. However, the increase in cost has to be considered against what improvement in service levels can Council expect to see from the increase payments. This is far from clear. As an example, Council has, for many years, campaigned to improve Tamworth's water security. It is the responsibility of the State Government through the DCCEEW to work with Council to identify and implement options to improve the water security of Tamworth. To date there has been little progress on this incredibly important issue. If Council commences paying more to WAMC will this additional support materialise.

9. How would the proposed metering charges affect you?

No information about the costs Council presently pays and what these costs would be under the pricing proposal is available.

10. How would the proposed consent transaction charges affect you?

Council makes very few transactions so it is expected this change would have little impact on Council.

11. What are your views on WAMC's proposal to largely maintain the current cost share ratios? The exception is regional planning and management strategies, where WAMC has proposed reducing the customer share from 60% to 50%.

See earlier comments about water security but any reduction in costs is welcomed.

12. Is there any new information about WAMC's activities we should take into account when setting cost shares? For example, are there changes to:

- who is causing the need to undertake an activity;
- who is benefiting from an activity; and
- The scope of an activity?

No further comments are provided.

13. How will Water NSW's proposed prices impact customers?

If IPART accepts the charges proposed by WaterNSW then the increase in charges payable by Council to Water NSW across all of supplies is shown below;

<i>2024-2025</i>	<i>\$1,343,320</i>
<i>2029-2030</i>	<i>\$6,080,384</i>

This is an increase of 353% (not including inflation). Preliminary analysis by Council indicates these price increases would require Council to increase charges payable by its customers for reticulated drinking water by 10% in 25-26 and a further 10% in 2030-2031.

Clearly these increases in bulk raw water costs are untenable.

There is a real risk that a pure economic approach to the setting of bulk water charges will see the cost of bulk water rise to a point where it is not possible to make a return on farming enterprises that need access to reliable water supplies. Were this to happen then Water NSW costs would not reduce, but the number of customers to pay for these costs would reduce, resulting in still higher and higher charges for the customers left behind. In the case of the Peel Valley, Council can see a future where the City of Tamworth is the only customer left and Council and the people of Tamworth will pay all of Water NSW and WAMC's costs associated with the delivery of raw water in the Peel.

Council believes a different approach is required to ensure long term viability of irrigated farming in the State.

14. What factors should we consider so that prices we set for WaterNSW are appropriate for different customer types? How well has WaterNSW considered these factors in the development of its proposal?

Capacity to pay. The proposed increases do not take into account the capacity of customers to pay the increases suggested. Council believes capacity to pay is an incredibly important issue in the Peel Valley and the Namoi Valley, yet the Water NSW proposals are silent on this.

That said Council is aware of Water NSW has proposed 3 alternative pricing proposals to reduce the cost increases included in the initial proposal.

*Inequity across valleys. If IPART agrees with the pricing proposal the cost of water in valleys across the state will vary significantly. If we take the City of Tamworth as an example the attached graph (see document **ATTACHED, refer ANNEXURE 4**) shows how much water will cost the City in 2029-2030, based on average consumption, due to accessing water from the Peel, compared to how much this same water would cost if Tamworth was located in other valleys across the state. Determination after determination has allowed the gap between the cost of water in one valley versus others to increase.*

Costs associated with providing bulk raw water in the Peel Valley are directly a result of decisions made by previous state governments, yet the irrigators in the Peel and the residents of the City of Tamworth are left to foot the bill.

15. What do you think about Water NSW's engagement process? Do you think WaterNSW has engaged effectively with customers and stakeholder?

Water NSW is to be congratulated on its endeavours to engage with its customers about the pricing proposal. The numbers are unpalatable and still WaterNSW staff made themselves available to explain the reasons for the pricing proposal.

16. Did Water NSW's consultation process target the right stakeholders, and was an appropriate level of content provided to stakeholders so they could meaningfully engage with it?

The issue of pricing for bulk raw water is difficult and some of the concepts introduced by WaterNSW (e.g. revenue caps, and side constraints) are complex and difficult to understand. WaterNSW did however make available staff to explain the proposals in more detail as required.

17. Did WaterNSW consult sufficiently with Aboriginal peoples and communities? What First Nations priorities should be considered in IPART's determination?

No comment

18. Are the WaterNSW customer outcomes and metrics appropriately ambitious yet achievable? Do they incorporate what stakeholders said was important to them?

Water NSW did consult with stakeholders on what was important to them and has appeared to include that feedback in the pricing proposal.

19. Does Water NSW's proposal represent a reasonable and efficient balance of costs and service levels, and does it align with customers' willingness to pay?

See earlier comments.

20. Would you prefer prices to remain stable over the determination period or do you support WNSW's proposal for a revenue cap where prices adjust by up to 5% per year in response to changes in water sales?

Tamworth Regional Council has to deal with volatility in revenue due to changes in water sales – in fact the NSW Government in its Best Practise Guidelines for Water and Wastewater indicates that Council revenue should be made up of 25% from fixed charges and 75% from variable.

To improve Council waster security Council is spending its own money encouraging residents and businesses to minimise water consumption at all times. Whilst just how the revenue cap arrangements will work is not clear Council is concerned that Council will end up paying more when it reduces its water consumption.

21. If you are a Licensed Environmental Water holder or Lachlan Valley customer, how will the proposed changed to price structures affect you?

Not applicable.

22. What are your views on Water NSW's proposal to maintain the current cost share ratios? What do you think of the alternative options WaterNSW provided that could increase the Government share for some activities?

Tamworth Regional Council has to deal with volatility in revenue due to changes in water sales – in fact the NSW Government in its Best Practise Guidelines for Water and Wastewater indicates that Council's revenue from water sales should be made up of 25% from fixed charges and 75 form variables. Ye her ewe have a wholly owned corporation of the same NSW Government proposing 80% fixed in some valleys and as high as 100% fixed for some services.

Where is the equity in these approaches? If Councils are required to deal with volatility, why aren't others.

23. Is there any new information about Water NSW's activities we should take into account when setting cost shares? For example, are there changes to:
- who is causing the need to undertake an activity;
 - who is benefiting from an activity; and
 - the scope of an activity?

Nothing further to add here.

The deadline for submissions on the Issues Paper is 9 December 2024.

(a) Policy Implications

Nil

(b) Financial Implications

The increase in costs to Council, should the pricing proposals submitted by Water NSW and WAMC to IPART be adopted, are very large.

Preliminary analysis suggests that, everything else being equal, if the proposals were adopted in full, it would require Council to increase charges for water by 10% in 2025-2026 and a further 10% in 2030-2031, to generate sufficient income to pay the increased costs.

IPART will not release its final determination on bulk water pricing until June 2025 which will be well after Council has adopted its draft budget for the 25-26 financial year and subsequent years. How Council deals with the prospect of these very large increases will require careful consideration.

(c) Legal Implications

Nil

(d) Community Consultation

Nil

(e) Delivery Program Objective/Strategy

Focus Area 1 – Our Water Security

9 GOVERNANCE, STRATEGY AND FINANCE

9.1 2023/2024 TAMWORTH REGIONAL COUNCIL ANNUAL REPORT

DIRECTORATE: OFFICE OF THE GENERAL MANAGER
AUTHOR: Karen Litchfield, Acting Executive Manager Strategy & Performance

1 ANNEXURES ATTACHED

RECOMMENDATION

That in relation to the report “2023/2024 Tamworth Regional Council Annual Report”, Council endorse the 2023/2024 Annual Report.

SUMMARY

Section 428 of the Local Government Act 1993, requires Council to prepare an Annual Report in accordance with the Integrated Planning and Reporting Guidelines, within five months of the end of the financial year. The report must include the audited financial statements, outline achievements in implementing Council’s Delivery Program and the effectiveness of activities undertaken.

COMMENTARY

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.

The Tamworth Regional Council 2023/2024 Annual Report has been prepared under Section 428 (3) of the *Local Government Act 1993*, and in accordance with the guidelines provided under Section 406.

The report is presented in three sections:

- Section 1: Outline of achievements in implementing the 2023-2025 Our Delivery Program for the 2023/2024 financial year;
- Section 2: Statutory Information which includes legislated requirements reporting under the NSW Local Government Act (1993); and
- Section 3: Audited 2023/24 Financial Statements.

The 2023/2024 Annual Report is **ATTACHED** refer **ANNEXURE 1**.

The 2023/2024 Annual Report will be uploaded to Council’s website after its Ordinary Meeting held 26 November 2024, and the Office of Local Government will be electronically notified providing the URL link; including the audited 2023/2024 Financial Statements.

(a) Policy Implications

Nil

(b) Financial Implications

Nil

(c) Legal Implications

Council's 2021/2022 Annual Report meets the requirements of the reporting provisions under the *Local Government Act 1993* and *Local Government (General) Regulation 2021*.

(d) Community Consultation

Community consultation or public exhibition is not required for Annual Reporting.

(e) Delivery Program Objective/Strategy

Focus Area 9 – Open and Collaborative Leadership

9.2 TAMWORTH REGIONAL COUNCIL CONSOLIDATED FINANCIAL REPORTS FOR PERIOD ENDED 30 JUNE 2024 – FILE NO

DIRECTORATE: OFFICE OF THE GENERAL MANAGER

AUTHOR: Stuart Brandon, Statutory Accountant

Reference: Item 9.4 Ordinary Council Meeting 10 September 2024 - Minute No 249/24

1 ANNEXURES ATTACHED

RECOMMENDATION

That in relation to the report “Tamworth Regional Council Consolidated Financial Reports for Period Ended 30 June 2024”, Council:

- (i) receive and note the reports as presented; and*
- (ii) adopt the proposed allocation of unrestricted cash results to Reserves.*

SUMMARY

The purpose of this report is to present to Council and the public, the Audited Financial Reports and Auditor's Report for Tamworth Regional Council for the period ended 30 June 2024, **ATTACHED**, refer **ANNEXURE 1**. The figures contained in this report represent the operations and financial position of Council on a consolidated basis being the General, Water and Sewerage Funds combined with Central Northern Libraries.

Council's 2023/2024 consolidated financial reports did not receive a qualified opinion in contrast to qualified reports received the previous two years where Council's reports were qualified for not recognising the Rural Fire Service (RFS) red fleet assets. Council has again not recognised the RFS assets in its financial reports based on its assessment that Council does not control these assets and to incorporate them into the balance sheet of Council would be in contravention of the Australian Accounting Standards. The Audit Office NSW opinion is that these assets are controlled by Council and therefore should be recognised in Council's financial reports, however they concluded that non-recognition is immaterial (i.e. low dollar value) and for this reason the financial statements were unqualified.

COMMENTARY

The Financial Reports for Tamworth Regional Council for the period ended 30 June 2024, have now been audited and lodged with the Office of Local Government. The Auditor

General has supplied unqualified Financial Audit Reports in relation to Council's Consolidated Fund, as well as for Council's Water, Sewerage, Waste, Airport and Pilot Training Facility Business Operations.

As indicated in the summary above, Council had received a qualified opinion on the General-Purpose Financial Statements in the previous two years due to the non-recognition of rural fire-fighting (RFS) equipment as a Tamworth Regional Council Asset. This year whilst the Auditor General believes that the RFS red fleet is controlled by Council, the aggregate dollar value of these assets is immaterial to the statements as a whole, and for this reason did not provide a qualified opinion on the financial statements. The issue with what balance sheet RFS assets should reside in has been a contentious one for many years; hopefully the stance taken by this Council and others will at some stage in the near future force the issue to be examined in detail and resolved.

Notification of the completion and availability of the financial reports has been placed on Council's website in accordance with Division 15, Section 413k of the *Local Government (General) Regulation 2021*. In accordance with Section 420 of the Act, submissions in relation to the Financial Reports have been invited from the public. Any submissions received will be referred to the Auditor General and reported to Council in due course.

Consolidated Financial Results

Income Statement	Report Year 2023/2024 (\$'000)	Prior Year 2022/2023 (\$'000)
Total Income from Continuing Operations	219,743	226,337
Total Expenses from Continuing Operations	186,828	187,193
Net Operating Result from Continuing Operations	32,915	39,144
Net Operating Result before capital grants and contributions	(2,786)	(8,188)

The decrease in the net operating result from 2022/2023 is due to a number of areas. Increases in rates, annual charges and user fees and interest income were offset by reductions in grants and contributions revenue, higher depreciation charges and higher employee benefit costs. Overall, the net result for the year improved.

Balance Sheet	Report Year 2023/2024 (\$'000)	Prior Year 2022/2023 (\$'000)
Total current assets (a)	229,337	215,391
Total current liabilities (b)	59,125	60,355
Net current assets (c = a – b)	170,212	155,036
Total non-current assets (d)	2,559,097	2,388,939

Total non-current liabilities (e)	87,921	90,636
Total equity (f = c + d – e)	2,641,388	2,453,339

Balance sheet items worthy of mention and/or explanation are a \$170 million increase in IPP&E following capitalisations and the indexation of a large proportion of asset classes to reflect current construction costs were significant contributors to the increase in IPP&E. Increases resulting from indexation were particularly impacted by inflation on the Producer Price Index.

Consolidated Performance Measurements	Report Year 2023/2024 (\$'000)	Prior Year 2022/2023 (\$'000)
Operating Performance Ratio	(0.90)%	0.99%
Unrestricted Current Ratio	2.05:1	2.12:1
Debt Service Cover Ratio	3.36:1	3.33:1
Own Source Operating Revenue Ratio	70.81%	62.41%
Rates, Annual Charges, Interest and Extra Charges Outstanding (%)	8.59%	7.00%
Building and Infrastructure Renewals Ratio (%)	74.59%	101.68%
Asset Maintenance Ratio	91.10%	92.06%

Consolidated Performance Measures

The following comments are made in relation to Industry Standard Performance Measurements that are relevant to Tamworth Regional Council.

Operating Performance Ratio: (0.90)%

This ratio shows the operating result as a percentage of operating revenue to give the degree of the surplus or deficit achieved. The result should be a surplus (positive) to show there is capacity to maintain existing levels of services and asset renewals and to fund new capital works. Council has recorded a ratio slightly below zero in 2023/24. The decrease from the previous year is due to decreases in operational income particularly in relation to operational grants. Income relating to capital grants and contributions is excluded in this ratio calculation.

Unrestricted Current Ratio: 2.05:1

This shows the degree to which current assets that have no external restrictions exceed unrestricted current liabilities as an indication of the ability to meet short term obligations. The ratio is well above the minimum benchmark of 1.5:1.

Debt Service Cover Ratio: 3.36:1

This shows the degree to which the operating cash result exceeded the commitment to loan principal and interest repayments, with a ratio above the minimum benchmark of 2.0 considered satisfactory.

Own Source Operating Revenue Ratio: 70.81%

This is a comparison of revenues other than grants and contributions to total revenues, to show the level of reliance on external funding sources. The deemed minimum benchmark is 60% and Council exceeds this.

Rates, Annual Charges, Interest and Extra Charges Outstanding: 8.59%

The outstanding % is a comparison of the closing unpaid debtor balances for the year to the total collectible (opening arrears plus revenue raised) for the year. The result shows a decline on the prior year; however, the result is below the benchmark for rural and regional councils of 10%.

Building and Infrastructure Renewals ratio: 74.59%

This ratio shows expenditure on the renewal of building and infrastructure assets as a percentage of the annual depreciation for those assets, to indicate the degree to which asset condition is being maintained.

Asset maintenance ratio: 91.10%

This shows the actual expenditure on the maintenance of assets as a percentage of the estimated amount required to ensure assets reach their estimated useful lives per asset management plans.

Cash Balances and Allocations

The full details of cash reserves are provided in Note C1 -3 of the financial reports.

The following tables provide a summary of the cash reserves per fund that make up the total closing balance for cash and investments of \$206,161,000.

General Fund '000	Opening Balance	Net Movements	Closing Balance
Unexpended Loans	403	1,390	1,793
Developer Contributions	12,190	2,657	14,847
Unexpended Grants	12,610	3,765	16,375
Waste Management	22,493	2,885	25,378
Deposits, Retentions & Bonds	2,983	72	3,055
Internal Restrictions	28,746	(6,325)	22,421
Unrestricted	821	672	1,493
Total General Fund Cash Reserves			85,362

Water Fund '000	Opening Balance	Net Movements	Closing Balance
Unexpended Loans	1,970	(1,970)	0
Developer Contributions	18,276	(2,711)	15,565
Unexpended Grants	145	(131)	14
Water Reserves	17,082	521	17,603
Total Water Fund Cash Reserves			33,182

Sewer Fund '000	Opening Balance	Net Movements	Closing Balance
Unexpended Loans	1,649	(123)	1,526
Developer Contributions	15,316	1,453	16,769
Unexpended Grants	798	(21)	777
Sewer Reserves	60,678	7,867	68,545
Total Sewer Fund Cash Reserves			87,617

(a) Policy Implications

Nil

(b) Financial Implications

Nil

(c) Legal Implications

Nil

(d) Community Consultation

Council's website was updated on 31 October 2024, to advise the community that the financial reports were being presented at this Meeting and were available on Council's website, and that submissions could be made within seven days of the Meeting.

(e) Delivery Program Objective/Strategy

Focus Area 9 – Open and Collaborative Leadership

9.3 COUNCIL INVESTMENTS OCTOBER 2024

DIRECTORATE: OFFICE OF THE GENERAL MANAGER
AUTHOR: Sherrill Young, Manager - Financial Services
Robyn Barnes, Accountant

1 ANNEXURES ATTACHED

RECOMMENDATION

That in relation to the report “Council Investments October 2024”, Council receive and note the report.

SUMMARY

In accordance with *Local Government (General) Regulation 2021*, Clause 212, the purpose of this report is to provide Council with a register of investments held as at 31 October 2024, and provide Responsible Accounting Officer certification that investments comply with the *Local Government Act 1993*, *Local Government (General) Regulation 2021* and Council’s Investment Policy. The register and accompanying certification can be found **ATTACHED**, refer **ANNEXURE 1**.

COMMENTARY

The register **ATTACHED**, refer **ANNEXURE 1** shows Council’s cash and investment holdings as at 31 October 2024.

The Reserve Bank (RBA) met earlier this month and their media release on 5 November 2024 indicates that they do not see inflation dropping to its desired target until 2026. Whilst there has been falls in inflation due to higher interest rates, the RBA is looking for a sustainable decline. Discretionary spending by households has fallen, however spending by temporary residents such as tourists and students has remained resilient. The positive side is that the financial reports for Council for the financial year ending 30 June 2024 show interest investment income was up \$2.8M when compared with the previous financial year.

During the month, Council’s portfolio performed above the industry average, returning 5.04% against the three-month Bank Bill Swap rate (3mBBSW) of 4.42%.

(a) Policy Implications

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

(b) Financial Implications

Nil

(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

- *Local Government Code of Accounting Practice & Financial Reporting – Update No 15 dated June 2007.*

(d) Community Consultation

Nil

(e) Delivery Program Objective/Strategy

Focus Area 9 – Open and Collaborative Leadership

9.4 REVIEW OF COMMUNITY MEMBERS ON COUNCIL COMMITTEES AND WORKING GROUPS

DIRECTORATE: LIVEABLE COMMUNITIES

AUTHOR: Gina Vereker, Director Liveable Communities

RECOMMENDATION

That in relation to the report “Review of Community Members on Council Committees and Working Groups”, Council:

- (i) undertake a broad reaching Expression of Interest (EOI) process to refresh community membership of the following Community Committees and Working Groups;*
- (ii) advise current community members of Community Committees and Working Groups of the need to submit a new EOI should they wish to be reappointed to a committee or working group;*
- (iii) advise community members appointed within the past six months that they are not required to submit a new EOI should they wish to continue their membership; and*
- (iv) thank the outgoing Community Members for their service to Council and the Tamworth Region.*

SUMMARY

The purpose of this report is to advise Council of the Community Committees and Working Groups that include community members and recommend that Council invite interested residents from across the Tamworth Region to submit an Expression of Interest (EOI) to participate in a committee or working group. It is also recommended that current committee and working group community members be advised that they would be welcome to submit an EOI should they wish to be reappointed, however, in the case of members appointed within the past six months, that there is no need to reapply should they wish to continue their membership.

COMMENTARY

Council's Committees and Working Groups with community membership are detailed in the table below:

Community Committee / Working Group	Purpose	No. of Community Members
Tamworth Regional Floodplain Management Committee	<ul style="list-style-type: none"> To assist the Director Regional Services and to formalise part of the community liaison between Council and ratepayers with respect to the implementation of the Floodplain Management Plan. 	2 Tamworth Community Representatives, Barraba Community Representative, Manilla Community Representative, Nundle Community Representative, Woolomin Community Representative and Bendemeer Community Representative.
Disability Access Working Group (DAWG)	<ul style="list-style-type: none"> to guide, monitor and evaluate development and implementation of the Disability Inclusion Action Plan; provide strategic advice to Council on access issues to ensure a future Tamworth will offer an enhanced quality of life and prosperity for people with disability in alignment with Council's Blueprint 100 vision. 	Up to ten
Tamworth Regional Council Heritage Working Group	<ul style="list-style-type: none"> to provide advice, support and direction to Council on key heritage conservation issues and programs; to improve approaches toward the conservation of heritage items within the region and provide better recognition of community actions towards heritage conservation. 	Three <i>Note - one community member was appointed within the last six months.</i>
Tamworth Region Arts Advisory Committee (TRAAC)	<ul style="list-style-type: none"> to provide strategic advice to Council in relation to 'Arts' matters within the region and make recommendations regarding priority areas for development and or support; to recognise and encourage diversity across the Tamworth Regional Council 	Six

	area.	
Tamworth Region Inclusive Culture Advisory Committee (TRICAC)	<ul style="list-style-type: none"> • to provide strategic advice to Council in relation to diversity and other specific cultural matters within the region and make recommendations regarding priority areas for development and or support; • to recognise and encourage diversity across the Tamworth Regional Council area. 	Eight
Tamworth City Centre Working Group (TCCWG)	<ul style="list-style-type: none"> • to contribute to transforming BluePrint 100 into reality with particular reference to actions relevant to the Tamworth CBD; • to support Council with ideas, advice and opinion on how best to develop and sustain a City Centre that is 'THE place to be' for retail and commercial business, visitors, and locals. 	Three
Tamworth Regional Community Safety Working Group (CSWG)	<p>To:</p> <ul style="list-style-type: none"> (i) provide advice to Council on key strategic priorities and issues in relation to community safety; (ii) share information that increases understanding of the issues and drivers across the Tamworth Region that influence community safety and perceptions of community safety, including crime, vandalism and anti-social behaviour; (iii) share knowledge and experience of successful programs and initiatives that may positively influence community safety and the perception of community safety; (iv) assist in the assessment and review of community safety plans; (v) promote shared community ownership of community safety issues; (vi) investigate programs and partnerships that will positively influence community safety across the region, and reduce the social and financial cost of crime, vandalism and anti-social behaviour; and (vii) provide advice on community engagement in relation to community safety strategies. 	Four

<p>Tamworth Regional Youth Council</p>	<ul style="list-style-type: none"> to enable youth leaders across the region to develop skills and knowledge to enable them to achieve their potential and desired future within the community. to provide a platform for young people to gain traction with their ideas and aspirations and in doing so, provide its representatives with the skills and support to make a lasting positive change. 	<p><i>Note - EOIs for new Youth Councillors are currently being advertised for the next term.</i></p>
<p>Urban Street Tree Advisory Group</p>	<ul style="list-style-type: none"> to provide technical expertise and comment in relation to the development of the different documents of the Urban Street Tree Management Plan. 	<p>5</p>
<p>Australia Day Working Group</p>	<ul style="list-style-type: none"> The Australia Day Working Group's charter is to represent the Tamworth Regional Council in an official capacity, overseeing the selection process for the Australia Day Awards and contributing to the region's celebration of Australia Day. 	<p>Independent Voting Member – Chair and Independent Voting Member x 5-10</p>

(a) Policy Implications

Nil

(b) Financial Implications

Staff time and financial cost of publicising and managing the Expression of Interest process will be covered within operational budgets.

(c) Legal Implications

Nil

(d) Community Consultation

The invitation to members of the community to lodge an Expression of Interest (EOI) to participate in one of Council's Committees or Working Groups will be well communicated to the general public. Noting that the first available Council meeting to appoint new members to all committees and working groups is in February 2025, it is recommended that EOIs be invited and received until Thursday, 30 January 2025.

(e) Delivery Program Objective/Strategy

Focus Area 9 – Open and Collaborative Leadership

9.5 2024/2025 QUARTERLY BUDGET REVIEW STATEMENTS TO 30 SEPTEMBER 2024

DIRECTORATE: OFFICE OF THE GENERAL MANAGER
AUTHOR: Sherrill Young, Manager - Financial Services
Michael Gould, Management Accountant

Reference: Item 9.4 to Ordinary Council 25 June 2024 - Minute No 148/24
Item 9.4 to Ordinary Council 22 October 2024 - Minute No 276/24

4 ANNEXURES ATTACHED

RECOMMENDATION

That in relation to the report “2024/2025 Quarterly Budget Review Statements to 30 September 2024”, Council:

- (i) receive and note the report and related statements;*
- (ii) approve the revotes carried forward to 2024/2025 as per ATTACHED refer ANNEXURE 2; and*
- (iii) receive and note the incomplete works carried forward to 2024/2025 as per ATTACHED refer ANNEXURE 3.*

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 2024, in accordance with Clause 203 of the *Local Government (General) Regulation 2021*.

ATTACHED refer **ANNEXURE 2** and **3** together detail the carry over amounts (Revotes plus Incomplete Works) shown in the tables below.

A financial summary has also been provided for the Tamworth Global Gateway Park **ATTACHED**, refer **ANNEXURE 4** for the year ending 30 June 2024.

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 2024/2025 financial year, and comparisons to actual transactions year to date. The most significant contributor to variations from the original budget adopted in June 2024 are the carry overs which are detailed in **ANNEXURE 2** and **3**. The budget tables contained in the body of this report separate the carry overs from the September quarter adjustments whilst the attached statements combine the two and report them under the column heading *Budget Adjustments Processed for Quarter*.

Carry overs are made up of revotes and incomplete works. An incomplete works is primarily work that was started in the previous financial year(s) and more than 50% finished or the works were tied to external funding (grants/developer contributions/loans). A revote on the other hand is primarily work that was started in the previous financial year(s) but the work was less than 50% complete and funded by Council internal reserves or council current cash. The term carryover refers to the budget process of combining incomplete works and revotes into one title for inclusion in the following years budget, in this case 2024/2025.

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. In reading those tables, please note the following:

- 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 convert the Operating Results which are accrual based to cash results. The accrual based Operating Results can contain non-cash income and expenditure. They also exclude non-operating cash-based transactions like financing and investment activities. The Cash Results will clarify the cash flow movements to and from their relevant funds. Cash Adjustments are arrived at by reversing 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; and
- capital Expenses include the acquisition, upgrade or renewal of assets.

Note information between tables and annexures may differ due to elimination of internal transactions.

General Fund

- **Summary of Budget Forecast and Cash Movements Table**

The first section of the following table shows the forecasted Operating Result and the total Cash Result. The second part of the table shows how the total Cash Result is funded.

Description	Original Budget	Carry Overs	September Adjustments	Projected Result
Operating Income	125,827,952	1,741,724	2,777,013	130,346,689
Less: Operating Expenses	127,024,309	4,157,549	9,195,196	140,377,054
Operating Result before Capital: Surplus/(Deficit)	(1,196,357)	(2,415,825)	(6,418,183)	(10,030,365)
Plus: Capital Income	38,192,849	1,981,263	(22,172,201)	18,001,911
Operating Result Surplus/(Deficit)	36,996,492	(434,562)	(28,590,384)	7,971,546
The adjustments below are required to determine the Total Cash Result				
Plus: Depreciation/Leave Accruals	32,904,554	0	0	32,904,554

Description	Original Budget	Carry Overs	September Adjustments	Projected Result
Plus: Loans raised to fund Capital Expenditure	15,490,000	0	(2,333,333)	13,156,667
Plus: Proposed Land Sales Income/(Expenses)	4,919,177	(9,239)	0	4,909,938
Less: Leave Paid on Termination	800,000	0	0	800,000
Less: Loan Principal Repayments	7,499,238	0	0	7,499,238
Less: Capital Expenses	86,673,257	17,885,269	(18,370,051)	86,188,475
Total Cash Result: Increase/(Decrease)	(4,662,272)	(18,329,070)	(12,553,666)	(35,545,008)
The rows below show how the Total Cash Result is funded.				
Current Cash Increase/(Decrease)	291,764	(66,823)	(5,205,827)	(4,980,886)
Unexpended Grants Increase/(Decrease)	(1,997,543)	(4,999,859)	(8,603,707)	(15,601,109)
Reserves: Increase/(Decrease)	(4,933,956)	(11,397,046)	1,009,518	(15,321,484)
Developer Contributions: Increase/(Decrease)	1,974,415	(73,933)	246,350	2,146,832
Unexpended Loans: Increase/(Decrease)	3,048	(1,791,409)	0	(1,788,361)
Total Cash Result Funding: Increase/(Decrease)	(4,662,272)	(18,329,070)	(12,553,666)	(35,545,008)

- Key Financial Results

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 current cash balance of \$8M as at 30 June

2025 exceeds the current cash minimum balance. At first glance, this indicates that there may be capacity to transfer funds to internal reserves. However, the current minimum balance is a historical figure, originally based on 10% of cash operating expenditure. Council's operating expenditure has increased over the years. Funds were also required to be transferred from internal reserves to unrestricted cash, to ensure a positive unrestricted cash balance for financial reporting purposes for the last two years. Therefore, a review of the required minimum cash balance is planned for this financial year.

	Opening Balance 1/7/2024	Less: Projected Result	Projected Balance 30/6/2025	Minimum Balance
Current Cash	12,994,360	4,980,886	8,013,474	6,000,000

- Recurrent Results Table

	Operating Cash Result Surplus/(Deficit)	Less: Dep'n and Leave Accruals	Net Recurrent Result Surplus/(Deficit)	Loan Principal Repayments
General Activities	21,140,223	25,427,189	(4,286,966)	4,197,686
Fleet Operations	4,956,648	3,074,159	1,882,489	0
Airport Operations	1,682,961	2,235,683	(552,722)	198,789
Waste Services	4,523,171	2,165,438	2,357,733	0
International Flight Training Facility	(866,303)	2,085	(868,388)	410,789

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

When reviewing the Recurrent Results table above, it is pleasing to see the deficit decreasing in the financial position of the International Flight Training Tamworth (IFTT). With students returning to the facility, the deficit is reducing and revenue projections as at the September quarter are set to exceed the actual results of 2023/24 by at least \$400k per annum. This increased revenue and deficit reduction is set to improve even more as Council continues negotiation with a future additional tenant. It should be noted however, that there is still building refurbishment being undertaken, at Council’s cost, to ensure the facilities are suitable for prospective tenants.

Increased student numbers at the IFTT will have a positive impact on the airport operations with more aircraft using airport facilities.

Referring to the same table the General Fund forecast cash result has improved when compared to last financial year; this is in no small part due to increased rate revenue from the special variation (SV). The following table shows the increased rate revenue and the allocation of these funds in accordance with Council’s SV application.

Special Variation Update for 2024/25 as at September Quarter

	Projected per SV Application *	2024/25 Budget
Additional Rates Income 2024/25	\$5,812,743	\$5,871,847
To be expended on:		
Voluntary Pensioner Rebate	\$222,000	\$221,900
Roads Maintenance	\$4,000,000	\$4,000,000
Asset Funding Gap	\$1,590,743	\$1,649,947
Unallocated Funds	\$0	\$0

* Refer Table B2 IPART Tamworth Regional Council Special Variation Application 2024-25 Final Report May 2024

Despite improvements in cash resources from year 1 of the SV implementation, Council needs to exercise prudence as it makes decisions with financial repercussions; failure to do so will impact the ability to maintain and renew its large general fund asset base.

The audited operating performance ratio, that measures Council’s ability to contain General Fund’s operating expenditure within operating revenue, was for the financial year ending 30 June 2024 negative 7.72%. The September quarterly review **ANNEXURE 1** is forecasting an operating performance ratio of negative 8% for the current financial year. The Office of Local Government benchmark is for this ratio to be greater than zero. This negative ratio demonstrates Council is not well placed to renew its most major assets, as and when, intervention is required.

The original budget predicted an increase in current cash of \$291,764, the projected result is now a decrease in current cash of \$4,980,886. This is due to the repayment of \$4.5M to the plant reserve. The transfer of \$4.5M from the plant reserve to current cash on 30 June 2024, and subsequent repayment in the current financial year were authorised by Council at the

Meeting held on 22 October 2024, item 9.4, minute number 277/24. The transfer to current cash is reflected in the large opening balance of \$12.9M the repayment is reflected in the projected result figure of \$8.0M. After adjusting for the repayment of the \$4.5M, it is projected that current cash at 30 June 2024 will decrease by \$705,827.

Water Fund

- Summary of Budget Forecast and Cash Movements Table**

The first section of the following table shows the forecasted operating result and the total cash result. The second part of the table shows how the total cash result is funded.

Budget Results	Original Budget	Carry Overs	September Adjustments	Projected Result
Operating Income	24,585,237	0	56,018	24,641,255
Less: Operating Expenses	27,315,666	1,297,968	402,563	29,016,197
Operating Result before Capital: Surplus/(Deficit)	(2,730,429)	(1,297,968)	(346,545)	(4,374,942)
Plus: Capital Income	2,202,500	200,000	0	2,402,500
Operating Result: Surplus/(Deficit)	(527,929)	(1,097,968)	(346,545)	(1,972,442)
The adjustments below are required to determine the Total Cash Result				
Plus: Depreciation/Leave Accruals	7,465,439	0	0	7,465,439
Plus: Loans raised to fund Capital Expenditure	0	0	0	0
Plus: Proposed Land Sales Income/(Expenses)	0	0	0	0
Less: Leave Paid on Termination	0	0	0	0
Less: Loan Principal Repayments	1,802,805	0	0	1,802,805
Less: Capital Expenses	3,370,545	4,000,569	38,413	7,409,527
Total Cash Result: Increase/(Decrease)	1,764,160	(5,098,537)	(384,958)	(3,719,335)
The rows below show how the Total Cash Result is funded.				

Budget Results	Original Budget	Carry Overs	September Adjustments	Projected Result
Current Cash: Increase/(Decrease)	353,269	(4,020)	(182,289)	166,960
Unexpended Grants: Increase/(Decrease)	0	0	0	0
Reserves: Increase/(Decrease)	(1,278,545)	(4,867,403)	(202,669)	(6,348,617)
Developer Contributions: Increase/(Decrease)	2,689,436	(227,114)	0	2,462,322
Unexpended Loans: Increase/(Decrease)	0	0	0	0
Total Cash Result Funding: Increase/(Decrease)	1,764,160	(5,098,537)	(384,958)	(3,719,335)

- Key Financial Results

	Opening Balance 1/7/2024	Less: Projected Result	Projected Balance 30/6/2025	Minimum Balance
Current Cash	2,131,655	166,960	1,964,695	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 for 30/6/2025 at the end of the first quarter is satisfactory when compared to the minimum balance.

- Recurrent Results Table

	Operating Cash Result Surplus(Deficit)	Less Dep'n and Leave Accruals	Net Recurrent Result Surplus/Deficit	Loan principal repayments
Recurrent Result	5,501,995	7,465,439	(1,963,444)	1,802,805

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

The financial result for Council’s Water Fund for the year ending 30 June 2024 was greatly improved. The operating performance ratio at 30 June 2023 was negative 17.65% with a significant improvement to negative 4.52% as at 30 June 2024. A continued focus needs to be applied to improving the water fund result in order to ensure there are sufficient cash reserves, to meet water quality regulatory standards and asset renewal even during extended periods of drought.

It is likely going forward that there will be an increase in water usage and/or access charges to ensure the restoration of water reserves to pre drought levels. To offset any increases, it is anticipated that there will be a commensurate decrease in sewer charges resulting in a nil impact on the majority of ratepayers. Budget preparations for 2025/26 commence early January and financial modelling for water fund will be a key focus.

Sewer Fund

- Summary of Budget Forecast and Cash Movements Table**

The first section of the following table shows the forecasted operating result and the total cash result. The second part of the table shows how the total cash result is funded.

Budget Results	Original Budget	Carry Overs	September Adjustments	Projected Result
Operating Income	29,009,516	0	201,998	29,211,514
Less: Operating Expenses	19,156,072	262,308	116,965	19,535,345
Operating Result before Capital: Surplus/(Deficit)	9,853,444	(262,308)	85,033	9,676,169
Plus: Capital Income	1,003,000	0	0	1,003,000
Operating Result: (Surplus)/Deficit	10,856,444	(262,308)	85,033	10,679,169
The adjustments below are required to determine the Total Cash Result				
Plus: Depreciation/Leave Accruals	6,410,631	0	0	6,410,631
Plus: Loans raised to fund Capital Expenditure	(6,000,000)	0	0	(6,000,000)
Plus: Proposed Land	0	0	(10,000)	(10,000)

Budget Results	Original Budget	Carry Overs	September Adjustments	Projected Result
Sales Income/(Expenses)				
Less: Leave Paid on Termination	0	0	0	0
Less: Loan Principal Repayments	180,067	0	0	180,067
Less: Capital Expenses	8,403,530	6,727,776	0	15,131,306
Total Cash Result: Increase/(Decrease)	2,683,478	(6,990,084)	75,033	(4,231,573)
The rows below show how the Total Cash Result is funded.				
Current Cash: Increase/(Decrease)	307,711	0	77,118	384,829
Unexpended Grants: Increase/(Decrease)	0	(24,825)	0	(24,825)
Reserves: Increase/(Decrease)	3,671,370	(4,210,238)	(2,085)	(540,953)
Developer Contributions: Increase/(Decrease)	(1,220,603)	(2,119,721)	0	(3,340,324)
Unexpended Loans: Increase/(Decrease)	(75,000)	(635,300)	0	(710,300)
Total Cash Result Funding: Increase/(Decrease)	2,683,478	(6,990,084)	75,033	(4,231,573)

- Key Financial Results

	Opening Balance 1/7/2024	Plus Projected Result	Projected Balance 30/6/2025	Minimum Balance
Current Cash	2,187,583	384,829	2,572,412	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 30/6/2024 at the end of the first quarter exceeds the minimum balance.

- Recurrent Results

	Operating Cash Result Surplus/(Deficit)	Less Dep'n and Leave Accruals	Net Recurrent Result Surplus/(Deficit)	Loan principal repayments
Recurrent Result	16,492,467	6,410,631	10,081,836	3,380,067

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

Council's Sewer Fund continues to be well placed to meet its asset renewal requirements. A review of the sewer financial modelling will also be undertaken in 2024/2025 with a view to investigating opportunities for a decrease in sewer access and usage charges to offset charges in water access and usage charges.

(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 2024/2025 Budget. The variances recorded for the different funds will have implications for the Long-Term Financial Plan and the 2024/2025 budget.

(c) Legal Implications

Nil

(d) Community Consultation

Nil

(e) Delivery Program Objective/Strategy

Focus Area 9 – Open and Collaborative Leadership

9.6 ANNUAL OPERATIONAL PLAN 2024/2025 BUDGET VARIATION REPORT - OCTOBER 2024

DIRECTORATE: CORPORATE AND GOVERNANCE
AUTHOR: Laura Mills, Corporate Accountant

Reference: Item to Ordinary Council 25 June 2024 - Minute No 148/24

1 ANNEXURES ATTACHED

RECOMMENDATION

That in relation to the report “Annual Operational Plan 2024/2025 Budget Variation Report - October 2024”, Council note and approve the variations to the existing budget as listed in ATTACHED refer ANNEXURE 1 to the report.

SUMMARY

This report seeks Council approval for budget variations identified during October 2024, for which there has been no previous specific report or approval.

COMMENTARY

Council adopted the original budget included in the Annual Operational Plan for 2024/2025 at the Ordinary Meeting of Council held 25 June 2024. 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 provide additional revised information for budget forecasts and actual year-to-date results. The quarterly report for the July to September quarter will also be presented to Council on 26 November 2024.

During the month of October, a review of the budgeted S94 Developer Contributions for the 2024/2025 Financial Year resulted in an increase to the General Fund totalling \$370,000.

Progress is continuing with the Aquatic Education and Health Centre of Excellence, with a budget adjustment of \$700,000 allocating funds to continue with the preliminary works (TRAC and NICSH Stage 1 Prelims). This was approved by the Executive Leadership Team as a short-term loan from the Regional Development Reserve. The intention is to repay the Regional Development Reserve from Council’s contribution to the total project costs. The project cannot commence until a Capital Expenditure Review is finalised and approval obtained from the Office of Local Government for the project.

New projects included funds being allocated to the airport to conduct site survey and preliminary design works to enable a feasibility study to be undertaken in relation to General Aviation Hangars at the Airport. The Pilot Training Facility also requested funds to be allocated to two new projects, including \$50,000 for heating ventilation and air conditioning system works in the technical and administration centre which was required urgently due to increased occupancy of the facility, and a further \$50,000 for renovations to E Block in the accommodation facility at the Pilot Training Facility to allow for near future tenancy.

A restructure of the Waste and Resource Recovery division resulted in a decrease to the General Fund for the financial year to the value of \$301,093. The restructure was largely

required due to a lack of operators to run the various facilities in accordance with the adopted opening hours, and a heavy reliance on labour hire to fill gaps in the current structure.

Two leases previously budgeted for in the Water and Wastewater division, totalling \$85,180 in income, are now not expected to be occupied in the 2024/2025 Financial year, resulting in a reduction to the Sewer and Water fund respectively.

October 2024 Budget Variations

Description	Budget Variation	Operating Income	Operating Expenses	Capital Income	Capital Expenses
People & Culture	20,000	0	20,000	0	0
Directorate Management – Liveable Communities	3,500	0	3,500	0	0
Future Communities	-370,000	0	0	-370,000	0
Airport & Aviation	15,000	0	15,000	0	0
Pilot Training Facility	100,000	0	0	0	100,000
Plant, Fleet & Buildings	7,000	0	7,000	0	0
Operations	-150,000	0	0	0	-150,000
Project Costing	709,398	0	0	0	709,398
Waste Management	301,093	0	301,093	0	0
Water & Wastewater	-84,234	-36,575	-47,659	0	0
TOTAL	551,757	-36,575	298,934	-370,000	659,398

Black budget variation will *reduce* Council's forecast operating result and/or bank account

Green budget variation will *increase* Councils forecast operating result and/or bank account

(a) Policy Implications

Nil

(b) Financial Implications

The variations included in the report have the following impact on forecast results for 2024/2025 by fund of:

Fund	Operating Income	Operating Expenses	Capital Income	Capital Expenses
General	0	346,593	-370,000	659,398
Water	-47,890	11,256	0	0
Sewer	11,315	-58,915	0	0
Total	-36,575	298,934	-370,000	659,398

(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

Focus Area 9 – Open and Collaborative Leadership

9.7 DISCLOSURE OF INTEREST RETURNS 2023/2024

DIRECTORATE: OFFICE OF THE GENERAL MANAGER
AUTHOR: Lisa May, Coordinator Governance and Executive Services
 1 CONFIDENTIAL ENCLOSURES ENCLOSED

RECOMMENDATION

That in relation to the report “Disclosure of Interest Returns 2023/2024 2023/2024”, Council:

- (i) note and receive Councillor and designated persons Disclosure of Interest returns lodged prior to 30 September 2024; and*
- (ii) advise the Office of Local Government accordingly.*

SUMMARY

The purpose of this report is to satisfy the requirements of the Model Code of Conduct and Section 440AAB of the *Local Government Act 1993*, and receive and note Disclosure of Interest Returns from Councillors and designated persons completed and lodged.

COMMENTARY

Section 440AAB requires returns lodged with the General Manager under Section 440AAB to be tabled at a Meeting of the Council, as soon as practicable after the return is lodged, refer **CONFIDENTIAL ENCLOSURE 1**.

Councillors and designated persons have been complied in accordance with the Model Code of Conduct and Section 440AAB provision of the Act in relation to disclosure of interests.

The Register of Disclosure of Interest is available for perusal by any Councillor or member of the public and is located on Council's website.

(a) Policy Implications

Nil

(b) Financial Implications

Nil

(c) Legal Implications

Model Code of Conduct and Section 440AAB of the *Local Government Act 1993*.

(d) Community Consultation

Nil

(e) Delivery Program Objective/Strategy

Focus Area 9 – Open and Collaborative Leadership

9.8 AMENDMENT TO ORDINARY COUNCIL MEETING SCHEDULE

DIRECTORATE: OFFICE OF THE GENERAL MANAGER
AUTHOR: Karen Litchfield, Acting Executive Manager – Strategy & Performance

RECOMMENDATION

That in relation to the report “Amendment to Ordinary Council Meeting Schedule”, Council amend the Council Meeting schedule to add an Ordinary Meeting to be held on Tuesday, 17 December 2024.

SUMMARY

The purpose of this report is to seek Council approval for an additional Ordinary Meeting date on 17 December 2024, to ensure any business of Council can be undertaken before the Christmas break.

COMMENTARY

In order complete the business of Council before the Christmas shutdown, Council will require an additional Ordinary Meeting to be included in the Meeting Schedule for 2024.

The Meeting will be scheduled on 17 December 2024, at 6.30pm in the Council Chamber of the Nemingha Room of The Lands Building.

(a) Policy Implications

Tamworth Regional Council's Code of Meeting Practice 2.1.3, allows for changes to dates and times for Meetings:

Council may, by resolution, vary the time, date and place of Ordinary Meetings should

circumstances exist to warrant the change in time, date or location.

Council has the discretion to change or cancel Ordinary Council Meetings provided adequate notice is given to Councillors and the public.

(b) Financial Implications

Nil

(c) Legal Implications

Section 365 of the *Local Government Act 1993*, requires Council to meet at least 10 times each year, each time in a different month.

Section 367 (1) of the *Local Government Act 1993*, requires the General Manager to send to each councillor, at least three days before each Meeting of Council, a notice specifying the time and place at which and the date on which the Meeting is to be held and the business proposed to be transacted at the Meeting.

(d) Community Consultation

The change of the Meeting dates will be publicly advertised and changed on Council's Website via Public Notice.

(e) Delivery Program Objective/Strategy

Focus area 9 – Open and Collaborative Leadership

10 COMMUNITY SERVICES

10.1 TAMWORTH REGION GALLERY STRATEGY

DIRECTORATE: CREATIVE COMMUNITIES AND EXPERIENCES
AUTHOR: Bridget Guthrie, Director Art Gallery and Museums

1 ANNEXURES ATTACHED

RECOMMENDATION

That in relation to the report “Tamworth Region Gallery Strategy”, Council:

- (i) endorse the draft Tamworth Region Gallery Strategy for the purpose of public exhibition;*
- (ii) place the draft Strategy on public exhibition for a period of 28 days; and*
- (iii) determine that should no community feedback be received, the strategy be adopted.*

SUMMARY

This Tamworth Region Gallery Strategy for 2025 to 2028 to be utilised by Council to govern a highly professional and well-managed process for the operations and management of the Tamworth Regional Gallery over the next four years.

The Strategy outlines a framework for the implementation of the Gallery services and operations and is a requirement for the upcoming Create NSW funding application.

COMMENTARY

The Tamworth Region Gallery Strategy outlines a framework for the support and management of the Tamworth Regional Gallery.

For over 100 years, Tamworth Regional Gallery has provided access to the arts in a regional centre. The Gallery continues the philosophy of its founder John Salvana to provide ‘access to the arts in the country’ to foster, promote and enhance understanding and enjoyment of the visual arts through its collections, temporary exhibitions and public programs.

Tamworth Regional Gallery is a cultural and community service managed by Tamworth Regional Council which offers a distinctive connection to place and a curatorial agenda that creates meaningful art experiences for all. The Tamworth Regional Gallery collection exists for its audiences to comprehend the past, to navigate the present, and as a potent avenue for imagining the future.

Placing art, access and audiences at the very heart of who we are guides the Gallery’s artistic and public programs. Tamworth Regional Gallery contributes positively to cultural cohesion, social wellbeing, creativity, engaged citizenship, and the economic life in Tamworth and the surrounding region.

Tamworth Regional Gallery is professionally staffed and administered. It is well recognised for the development and implementation of its annual artistic program. It has attracted nationally significant exhibitions from major arts organisations, and has developed a sound reputation for its ability to successfully develop and tour nationally its textile and collection-based exhibitions. The Tamworth Region Gallery Strategy 2025 to 2028 is **ATTACHED**, refer **ANNEXURE 1**.

(a) Policy Implications

It is recommended that the draft Tamworth Region Gallery Strategy be placed on public exhibition for a period of 28 days.

(b) Financial Implications

The implementation of the Strategy can be predominately actioned through the existing Gallery budget allocations and staffing resources but is also reliant on a series of external grants.

Council plans to apply for multi-year funding through Create NSW for our Gallery programs and the Tamworth Region Gallery Strategy is a requirement of the grant submission to support this application.

(c) Legal Implications

Implementation of this Strategy will assist with Council's forward planning, Asset Management and Risk Management processes.

(d) Community Consultation

The strategy was developed via consultation with key stakeholders in 2024 and is supported by prior research and consultation contained in existing collection/community documentation, including the Gallery's Collection Significance Assessments and Asset Management Plan, existing Strategic Plan and the Tamworth Region Public Art Strategy 2024/2025-2028/29.

In particular, the community consultation workshops on culture held with assistance from Arts North West throughout the LGA to assist develop the Tamworth Region Cultural Creative Communities Plan 2024-2029 were a key source of information. These sessions were conducted in Manilla, Barraba, Nundle, Kootingal and Tamworth. A specific session was held with the Tamworth Region Arts Advisory Committee (TRAAC) members and at the Tamworth Craft Shed.

In addition, an online Gallery survey was also undertaken to ensure that the visitor's voice was heard and to receive feedback from our audiences. A total of 64 visitors completed the survey for the Gallery and provided valuable information and feedback that was site specific. 98% of visitors said they would recommend the Gallery to their friends. 22% of the survey responses were from people visiting the region and 78% lived locally. Highlights for visitors included the Archibald Prize tour, textile exhibitions and attending a Gallery public program or artist talk.

(e) Delivery Program Objective/Strategy

Focus area 3 – Prosperity and Innovation

Focus area 7 – Celebrate Our Cultures and Heritage

Focus area 8 – A Strong and Vibrant Identity.

10.2 CENTRAL NORTHERN REGIONAL LIBRARY (CNRL) - MINUTES - ANNUAL GENERAL MEETING AND ORDINARY MEETING - 6 NOVEMBER 2024

DIRECTORATE: LIVEABLE COMMUNITIES

AUTHOR: Kay Delahunt, Manager - Learning Communities

2 ANNEXURES ATTACHED

RECOMMENDATION

That in relation to the report “Central Northern Regional Library (CNRL) - Minutes - Annual General Meeting and Ordinary Meeting - 6 November 2024”, Council:

- (i) receive and note the minutes of the Annual General Meeting of the Central Northern Regional Library held on 6 November 2024;*
- (ii) receive and note the minutes of Ordinary Meeting of the Central Northern Regional Library held on 6 November 2024; and*
- (iii) approve the proposed Tamworth Regional Council contribution for 2025/2026.*

SUMMARY

The purpose of this report is to present to Council the minutes of the Central Northern Regional Library (CNRL) Annual General Meeting (AGM) and Ordinary Meeting held 6 November 2024. This report summarises the key issues from the Minutes.

COMMENTARY

The Central Northern Regional Library (CNRL) is a resource sharing arrangement formed under Section 12(1) of the *Library Act*. The Regional Library is made up of six council: Gwydir Shire Council, Liverpool Plains Shire Council, Narrabri Shire Council, Tamworth Regional Council, Uralla Shire Council and Walcha Council. Tamworth Regional Council is the Executive Council for CNRL.

AGM and Ordinary Meeting of 6 November 2024

The CNRL Annual General Meeting (AGM) and Ordinary Meeting were held on 6 November 2024. Minutes of the AGM are **ATTACHED**, refer **ANNEXURE 1**.

Cr Adam Luston from Walcha Council was elected as the CNRL Chair and Cr Lone Petrov from Uralla Shire Council was elected as Deputy Chair.

The Annual Financial Statements and CNRL Annual Report were presented and accepted at the meeting. The Annual Report showed that the library service performed strongly with consistent and/or increased usage. A 15% increase was recorded in the use of public access computers and total loans across the region reached 392,567 slightly up on the previous year.

Minutes of the Ordinary Meeting are **ATTACHED**, refer **ANNEXURE 2**.

In the Ordinary Meeting, the Manager’s report included information about:

- the ‘Find Legal Answers Service’;
- role of the NSW Public Libraries Association;
- the legal framework for public libraries; and
- the 75th anniversary of the regional library service (September 2025).

Quarterly reports for December 2023, March 2024, June 2024 and September 2024 were presented.

The draft CNRL budget for 2025/2026 was also presented at the Ordinary Meeting. The draft budget has been prepared on the basis of a member contribution of \$12.90 per capita. CNRL councils have until 15 January 2025, to consider the draft budget and respond to Tamworth Regional Council.

(a) Policy Implications

Nil

(b) Financial Implications

The 2025/2026 Tamworth Regional Council contributions at \$12.90 per capita are estimated to total \$841,673.

Current year contributions are \$13.10 per capita. The draft 2025-2026 budget represents a 20c per capita decrease in Council contributions.

Population growth places Tamworth Regional Council at 62.2% equity in the CNRL.

(c) Legal Implications

Nil

(d) Community Consultation

Nil

(e) Delivery Program Objective/Strategy

Focus Area 4 - Resilient and Diverse Communities

10.3 PROPOSED FEES FOR HIRE OF KOOTINGAL MULTIPURPOSE CENTRE - HALL AND LIBRARY MEETING ROOM

DIRECTORATE: LIVEABLE COMMUNITIES

AUTHOR: Kay Delahunt, Manager - Learning Communities

1 ANNEXURES ATTACHED

RECOMMENDATION

That in relation to the report “Proposed Fees for Hire of Kootingal Multipurpose Centre - Hall and Library Meeting Room”, Council adopts the proposed fee structure for the 2024/25 budget year in regards to Kootingal Memorial Hall and Kootingal Library Meeting Room.

SUMMARY

The new Kootingal Multipurpose Centre requires a fee structure to commence operation. This report seeks Council’s approval for the proposed fee structure for the 2024/25 budget year. The proposed fee structure has been placed on public exhibition for 28 days to allow for public submissions.

COMMENTARY

The new Kootingal Multipurpose Centre is nearing completion and requires a fee structure to commence operation.

This facility will provide spaces that will allow community learning and creativity to flourish. This infrastructure will assist the development of a creative ecosystem and enhance the growth of a learning culture in the Tamworth Region. To support the creative ecosystem, access to community and cultural facilities should be affordable, inclusive and encourage participation.

The fees presented in this report have taken affordability into account and are closely aligned to the fees currently charged at Manilla Town Hall. The fee structure has been designed with the intent of encouraging participation and allowing the community to enjoy the full benefit of this new and renovated facility. The advertised schedule of fees is determined under Category A of Council's Pricing Policies.

The proposed fees and charges for the Kootingal Memorial Hall and Kootingal Library Meeting Room were presented to Council on 27 August 2024 and in accordance with Council's resolution were placed on public exhibition for 28 days from 28 August 2024.

Four submissions were received during the exhibition period and are **ATTACHED** refer, **ANNEXURE 1** with overall feedback being positive. A request to apply a discount to regular bookings (up to four hours) has been considered and applied.

The following charges are presented to Council for adoption.

Name	Fee (excl GST)	GST	Fee (incl GST)
Tamworth Regional Council Halls, Community Facilities and Meeting Rooms Kootingal Multifunction Centre Kootingal Memorial Hall			
Provision of access to hirer to enable set up (per day)	\$38.18	\$3.82	\$42.00
Hourly rate (up to 4 hours) for community not for profit organisations and community service providers	\$13.64	\$1.36	\$15.00
Hourly rate discount (up to 4 hours) applied for regular bookings by community not for profit organisations and community service providers – this discount does not apply to commercial users			10%
8.30am to 6.00pm	\$95.45	\$9.55	\$105.00
6.00pm to 2.00am	\$142.73	\$14.27	\$157.00
8.30am to 2.00am	\$239.09	\$23.91	\$263.00

Cleaning Fee - applies to all bookings (only if additional cleaning is required)	\$110.91	\$11.09	\$122.00
Booking cancellation fee	\$60.91	\$6.09	\$67.00
Lost swipe/key or key	\$49.09	\$4.91	\$54.00
Bond (where alcohol will be provided at the event)	\$525.00	\$0.00	\$525.00
Bond where alcohol will be provided at the event, through a liquor licence with accompanying security provided at the event	\$270.00	\$0.00	\$270.00
Service Charge after midnight (per hour)	\$60.00	\$6.00	\$66.00

Name	Fee (excl GST)	GST	Fee (incl GST)
Tamworth Regional Council Halls, Community Facilities and Meeting Rooms Kootingal Multifunction Centre Library Meeting Room			
Commercial use (per hour)	\$13.64	\$1.36	\$15.00
Library Use	No charge		
Use for presenting educational programs to the public free of charge	No charge		
Not for profit and community groups	No charge		

(a) Policy Implications

Nil

(b) Financial Implications

Category A of Council's Pricing Policies - *The price for this good/service is set to make a significant contribution towards the cost of providing the service. The remainder of the costs are met from general purpose income.*

(c) Legal Implications

Section 610F (3) of the *Local Government Act 1993*, requires that public notice must be given (in accordance with Section 705 of this Act.) for at least 28 days of the fee proposed for a new or changed service.

(d) Community Consultation

The proposed fees and charges were placed on exhibition for a 28-day period. Four submissions were received.

(e) Delivery Program Objective/Strategy

Focus Area 4 – Resilient and Diverse Communities

Focus Area 7 - Celebrate our Cultures and Heritage

Focus Area 8 - A Strong and Vibrant Identity

Focus Area 9 – Open and Collaborative Leadership

Tamworth Region Creative Communities Plan (adopted July 2024)
Goal 5 - Inclusion and Participation - Action 5.4 Continue to activate community halls as affordable arts and events venues.

11 REPORTS TO BE CONSIDERED IN CLOSED COUNCIL

RECOMMENDATION

That the confidential reports as listed be considered in a Meeting closed to the public in accordance with Section 10A(2) of the Local Government Act 1993.

PROPOSED LEASE OF COUNCIL OWNED PREMISES - 1/218 PEEL STREET TAMWORTH

DIRECTORATE: OFFICE OF THE GENERAL MANAGER

AUTHOR: Nicholas Hawkins, Commercial Property Officer

Reference: Item 12.1 to Ordinary Council 11 February 2020 - Minute No. 23/20
Item 12.3 to Ordinary Council 22 February 2022 - Minute No. 54/22

The Council will determine this matter in part of the meeting closed to the public pursuant to Section 10A(2) (c)&(d)i of the local Government Act 1993 on the grounds that the matter and information is information that would, if disclosed, confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business. and commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.

SUMMARY

The purpose of this report is to seek Council's authorisation to enter a new lease agreement for the Council owned premises at 1/218 Peel Street, Tamworth with the party identified in the body of this report.

PROPOSED LEASE OF COUNCIL OWNED LAND - PART LOT 5 DP 1225365

DIRECTORATE: OFFICE OF THE GENERAL MANAGER
AUTHOR: Nicholas Hawkins, Commercial Property Officer

Reference: Item 10.2 to Ordinary Council 24 May 2005 - Minute No. 127/05

The Council will determine this matter in part of the meeting closed to the public pursuant to Section 10A(2) (c)&(d)i of the local Government Act 1993 on the grounds that the matter and information is information that would, if disclosed, confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business. and commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.

SUMMARY

The purpose of this report is to seek Council's authorisation to enter a new lease agreement for Part Lot 5 DP 1225365 with the party identified in the body of this report.

PROPOSED LEASE OF COUNCIL OWNED LAND - LOT 1 DP 795397

DIRECTORATE: OFFICE OF THE GENERAL MANAGER
AUTHOR: Nicholas Hawkins, Commercial Property Officer

The Council will determine this matter in part of the meeting closed to the public pursuant to Section 10A(2) (c)&(d)i of the local Government Act 1993 on the grounds that the matter and information is information that would, if disclosed, confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business. and commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.

SUMMARY

The purpose of this report is to seek Council's authorisation to enter a new lease and sublease agreement for the Council owned land being Lot 1 DP 795397 with the party identified in the body of this report.

PROPOSED LEASE OF COUNCIL LAND - 8-10 MAUDE STREET, BARRABA

DIRECTORATE: OFFICE OF THE GENERAL MANAGER
AUTHOR: Nicholas Hawkins, Commercial Property Officer
Reference: Item 12.3 to Ordinary Council 28 November 2023 - Minute No 316/23

The Council will determine this matter in part of the meeting closed to the public pursuant to Section 10A(2) (c)&(d)i of the local Government Act 1993 on the grounds that the matter and information is information that would, if disclosed, confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business. and commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.

SUMMARY

The purpose of this report is to seek authorisation for the Mayor and General Manager to negotiate and enter into a lease agreement for Council owned land to the party identified in the body of this report.

E024-2025 - EXPRESSION OF INTEREST - PROPOSED LEASE OR AGISTMENT AGREEMENT OF PART LOT 7304 DP 1158146 FOREST ROAD, NORTH TAMWORTH

DIRECTORATE: OFFICE OF THE GENERAL MANAGER
AUTHOR: Nicholas Hawkins, Commercial Property Officer

The Council will determine this matter in part of the meeting closed to the public pursuant to Section 10A(2) (c)&(d)i of the local Government Act 1993 on the grounds that the matter and information is information that would, if disclosed, confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business. and commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.

SUMMARY

The purpose of this report is to note the outcome of Expression of Interest E024-2025 and seek Council's authorisation to enter into an agistment agreement for Part Lot 7304 DP 1158146 with the party identified in the body of this report.

TENDER T013-2025 NICSE OUTDOOR NETBALL COURTS RESURFACE

DIRECTORATE: REGIONAL SERVICES
AUTHOR: Paul Kelly, Manager - Sports and Recreation
Zac Wheatley, Senior Project Officer

The Council will determine this matter in part of the meeting closed to the public pursuant to Section 10A(2) (c)&(d)i of the local Government Act 1993 on the grounds that the matter and information is information that would, if disclosed, confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business and commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.

SUMMARY

The purpose of this report is to seek Council's approval to award tender T013-2025 for the resurfacing of 12 outdoor Plexipave netball courts at the Northern Inland Centre of Sporting Excellence (NICSE).

TENDER T007-2025 PANEL TENDER DRY HIRED PLANT

DIRECTORATE: REGIONAL SERVICES
AUTHOR: George Shearman, Manager - Plant Fleet and Building Services

The Council will determine this matter in part of the meeting closed to the public pursuant to Section 10A(2) (c) of the local Government Act 1993 on the grounds that the matter and information is information that would, if disclosed, confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business.

SUMMARY

Tamworth Regional Council (Council) invited tenders for the supply of dry hired plant for use on various Council maintenance and constructions works, along with other projects as required. The term dry, when relating to hired plant, means equipment supplied without an operator or labour involved. Pricing submissions for dry hire are based on a casual as needs basis and do not include fuel as this is an additional expenditure. The tendering period is for three years commencing on 1 January 2025.

This tender was publicly advertised and released via the Tenderlink online portal and Council's website from Tuesday 20 August 2024.

All suppliers accepted on Council's existing panel for dry hired plant were notified of this upcoming tender and subsequent tender briefing.

The tender briefing was held at 9:30am Wednesday 28 August 2024 in the Tamworth Lands Building 'Nemingha Room', Fitzroy Street. A copy of the tender document, the tender pricing request spreadsheet and the tender compliance request spreadsheet were tabled in hard copy for presentation at this briefing. The tender briefing provided all suppliers, along with Council staff, the opportunity to clarify any uncertainties within a transparent and open environment in order to create a robust and competitive marketplace.

All enquiries and requests for clarification after the tender briefing were only accepted and responded to through the Tenderlink online portal, with all registered suppliers receiving a copy of both the enquiry and response.

Tenders closed at a deadline of 11:00am Wednesday 11 September 2024. A total of 31 tender submissions were received through the Tenderlink online portal.

TENDER T028-2025 NON-ALCOHOLIC BEVERAGE SUPPLY RIGHTS TO AELEC, SPORTS DOME, TRECC AND TRC AQUATIC VENUES

DIRECTORATE: REGIONAL SERVICES
AUTHOR: Paul Kelly, Manager - Sports and Recreation
Peter Chapman, Northern Inland Centre of Sporting Excellence Coordinator

The Council will determine this matter in part of the meeting closed to the public pursuant to Section 10A(2) (c) of the local Government Act 1993 on the grounds that the matter and information is information that would, if disclosed, confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business.

SUMMARY

The purpose of this report is to seek Council's approval to award tender T028-2025 for the non-alcoholic supply rights to the Australian Equine and Livestock Events Centre (AELEC), Tamworth Sports Dome, Tamworth Regional Entertainment and Conference Centre (TRECC) and TRC aquatic venues.

TENDER REGPRO272425 PROVISION OF ROAD STABILISING

DIRECTORATE: REGIONAL SERVICES
AUTHOR: Murray Russell, Manager - Operations
1 CONFIDENTIAL ENCLOSURES ENCLOSED

The Council will determine this matter in part of the meeting closed to the public pursuant to Section 10A(2) (c)&(d)i of the local Government Act 1993 on the grounds that the matter and information is information that would, if disclosed, confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business. and commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.

SUMMARY

The purpose of this report is to seek Council's approval to accept tender REGPRO272425 for mixing and stabilising works to be undertaken as part of various road works. The tender was undertaken through Regional Procurement as a panel tender, meaning that Tamworth Regional Council (Council) will be able to utilise any of the companies that tendered during the term of the contract. The tender was undertaken in conjunction with nine other councils, being Bogan, Bourke, Brewarrina, Central Darling, Cobar, Coonamble, Gunnedah, Walgett and Warren Shire.

Council routinely utilises pavement stabilisation as part of its budgeted road works program. This process provides a cost-effective method of strengthening existing pavement materials in lieu of importing new materials. As this process is used frequently, the total annual expenditure makes it beneficial to enter into a period supply contract based on a schedule of rates. Council has successfully utilised this style of road pavement renewal on many sites in recent years.

The contract for these works has been based on a two-year term, with an additional one year option at the sole discretion of Council dependent on satisfactory supplier performance. It is

noted that the two-year term of Regional Procurement's contract with the suppliers commences on 1 January 2025.

The contract does not guarantee any sum of work to suppliers, and only provides for payment based on the tendered rates and the actual quantity of work undertaken.

Through Regional Procurement, Council undertook an open tender for these works in accordance with the Local Government (General) Regulation 2021.

REQUEST TO TRANSFER LEASE OF COUNCIL OWNED LAND - PART LOT 211 DP 1069964

DIRECTORATE: OFFICE OF THE GENERAL MANAGER
AUTHOR: Nicholas Hawkins, Commercial Property Officer
Reference: Item 7.2 to Ordinary Council 11 January 2018 - Minute No 5/18
Item 12.1 to Ordinary Council 27 August 2019 - Minute No 286/19
Item 12.3 to Ordinary Council 26 October 2021 - Minute No 316/21

The Council will determine this matter in part of the meeting closed to the public pursuant to Section 10A(2) (c)&(d)i of the local Government Act 1993 on the grounds that the matter and information is information that would, if disclosed, confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business. and commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.

SUMMARY

The purpose of this report is to advise Council of the request received to transfer the existing consecutive leases of Council owned land as identified in the body of this report.

E049-2025 - EXPRESSION OF INTEREST - MANAGING AGENT FOR RESIDENTIAL TENANCIES

DIRECTORATE: OFFICE OF THE GENERAL MANAGER
AUTHOR: Nicholas Hawkins, Commercial Property Officer
1 CONFIDENTIAL ENCLOSURES ENCLOSED

The Council will determine this matter in part of the meeting closed to the public pursuant to Section 10A(2) (c)&(d)i of the local Government Act 1993 on the grounds that the matter and information is information that would, if disclosed, confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business. and commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.

SUMMARY

The purpose of this report is to note the outcome of Expression of Interest E049-2025 and to seek Council's authorisation to enter managing agent agreements with the successful proponent in relation to Council's residential property holdings.