



28 April 2022

To All Councillors

Notice is hereby given, in accordance with the provisions of the Local Government Act 1993, that an Extraordinary Meeting of Council will be held in the Council Chambers on Wednesday, 4 May 2022 at 6.30pm, for the purposes of transacting the undermentioned business.

AGENDA:

PAGE NO.

(1) OPENING PRAYER

(2) ACKNOWLEDGEMENT OF TRADITIONAL LAND OWNERS

(3) RECEIPT OF APOLOGIES

Apologies received from:
Councillor Dunn

Leave of absence has been granted to:
Councillor Olsen - 19 April 2022 to 6 May 2022 Inclusive
Councillor Jackson - 17 February 2022 to 17 May 2022 Inclusive

(4) DISCLOSURES OF INTEREST

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(5) MAYORAL MINUTES

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Committee Meeting Held on 27 April 2022..... 5

(6) CORPORATE AND COMMUNITY

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on Public Exhibition 7

**(7) REPORT OF THE CONFIDENTIAL SESSION OF THE EXTRAORDINARY
COUNCIL MEETING ON 04 MAY 2022**



Our Vision

Is for a safe, healthy environment where residents can enjoy a high quality of life. Our Cessnock City of the future will offer quality lifestyle and security, local services and shopping, local jobs, an unspoiled environment, safety, convenience, comfort and confidence in the future.

Council's Charter

- * To provide directly or on behalf of other levels of government after due consultation, adequate, equitable and appropriate services and facilities for the community and to ensure that those services and facilities are managed efficiently and effectively.
- * To exercise community leadership.
- * To exercise its functions with due regard for the cultural and linguistic diversity of its community.
- * To properly manage, develop, protect, restore, enhance and conserve the environment of the area for which it is responsible.
- * To have regard to the long term and cumulative effects of its decisions.
- * To bear in mind that it is the custodian and trustee of public assets and to effectively account for and manage the assets for which it is responsible.
- * To facilitate the involvement of Councillors, members of the public, users of facilities and services and Council staff in the development, improvement and co-ordination of Local Government.
- * To raise funds for local purposes by the fair imposition of rates, charges and fees, by income earned from investments and, when appropriate, by borrowings and grants
- * To keep the local community and State Government (and through it, the wider community) informed about its activities.
- * To ensure that, in the exercise of its regulatory functions, its acts consistently and without bias, particularly where an activity of the Council is affected.
- * To be a responsible employer.

Council's Values & Management Principles

One Stop customer service	Responsibility for quality of services
Responsibility and accountability	Flatter management structures and eliminate duplication
Continually seek improvement	Recognise the dynamics of change
Planning on management activities	Adopt new approaches
Improve communication mechanisms	Protect and enhance the environment
The leadership role of Council	Fairness, equity, trust and integrity in all dealings

Council's Corporate Goals

1. To promote and provide quality services and facilities which focus on the needs of the community.
2. To protect, enhance and promote our natural, developed and cultural environment.
3. To actively foster the creation of employment and sustainable development opportunities acceptable to community and environmental standards.
4. To be a professionally managed and customer focused organisation which provides leadership through partnerships with the community.
5. To identify needs, share information and provide opportunities for active participation and community consultation.



Council adopted Model Code of Conduct

Council adopted the Model Code of conduct on 16 September 2020. This Code provides details of statutory requirements and gives guidance in respect of the way in which pecuniary and conflict of interest issues should be approached.

Generally, the policies refer to the following issues:

1. Councillors are under an obligation at law to disclose any interest they may have in any matter before the Council and to refrain from being involved in any consideration or to vote on any such matter
2. Councillors must disclose any interest in any matter noted in the business paper prior to or at the opening of the meeting
3. The nature of the interest shall be included in the notification
4. Councillors shall immediately and during the meeting disclose any interest in respect of any matter arising during the meeting which is not referred to in the business paper
5. All declarations of interest shall be recorded by the General Manager
6. All disclosures of interest shall as far as is practicable be given in writing
7. Any member having a pecuniary or non-pecuniary significant conflict of interest shall leave the meeting and remain absent while the subject of the interest is being considered by Council.
8. The meeting shall not discuss any matter in which a councillor has a pecuniary or non-pecuniary significant conflict of interest while the councillor is present at the meeting.

Disclosures Of Interest

Report No. ECDI2/2022

Corporate and Community Services



SUBJECT: *DISCLOSURES OF INTEREST*

RESPONSIBLE OFFICER: *Chief Finance and Administration Manager - Matthew Plumridge*

RECOMMENDATION

That Councillors now disclose any interests and reasons for declaring such interest in the matters under consideration by Council at this meeting.

SUMMARY

The provisions of Chapter 14 of the Local Government Act, 1993 regulate the way in which Councillors and nominated staff of council conduct themselves to ensure that there is no conflict between their private interests and their public trust.

The Act prescribes that where a member of Council (or a Committee of Council) has a direct or indirect financial (pecuniary) interest in a matter to be considered at a meeting of the Council (or Committee), that interest must be disclosed as soon as practicable after the start of the meeting and the reasons for declaring such interest.

As members are aware, the provisions of the Local Government Act restrict any member who has declared a pecuniary interest in any matter from participating in the discussions, voting on that matter, and require that member to vacate the Chamber.

Council's Code of Conduct provides that if members have a non-pecuniary conflict of interest, the nature of the conflict must be disclosed. The Code also provides for a number of ways in which a member may manage non pecuniary conflicts of interest.

ENCLOSURES

There are no enclosures for this report.

Mayoral Minute

Report No. MM8/2022

General Manager's Unit



MAYORAL MINUTE No. MM8/2022

SUBJECT: MINUTES OF THE ORGANISATION AND GENERAL MANAGER'S REVIEW COMMITTEE MEETING HELD ON 27 APRIL 2022

RECOMMENDATION

That the Minutes of the Organisation and General Manager's Review Committee of 27 April 2022 be adopted as a resolution of Council.

MINUTES OF THE ORGANISATIONAL AND GENERAL MANAGER'S REVIEW COMMITTEE MEETING OF CESSNOCK CITY COUNCIL HELD ON 27 APRIL 2022, COMMENCING AT 2.04PM

PRESENT: The Mayor, Councillor Jay Suvaal (Chair)
Councillors Dunn, Grine and Burke

IN ATTENDANCE: Councillors Jurd, Sander and Hill
Darrylen Allan – Acting Director Corporate & Community Services
(Human Resource Manager)
Cherie Lorenzen – Executive Assistant to Mayor (Minute taker)

APOLOGIES: Councillor's Olsen and Paynter

LISTED MATTERS

- a. That the Committee Consider the Expressions of Interest from Consultants to facilitate the General Manager Recruitment process.
- b. That the Committee discuss the recruitment process and required actions
- c. Discuss possible future meeting dates

Mayoral Minute

Report No. MM8/2022

General Manager's Unit



RESOLUTIONS

1. That the committee has considered and reviewed all Expression of Interest received from consultants and has appointed LGNSW to facilitate the General Manager's recruitment process.

Moved: Councillor Dunn

Seconded: Councillor Burke

2. That the committees notes the recruitment process and required actions as outlined.

Moved: Councillor Dunn

Seconded: Councillor Grine

3. The committee has agreed the following meeting date will be set by the Mayor, subject to consultant availability.

Moved: Councillor Dunn

Seconded: Councillor Burke

GENERAL BUSINESS

NIL

Meeting Closed at 2.32 pm.

ENCLOSURES

- 1** CONFIDENTIAL _ General Manager's Recruitment EOI Analysis - *This matter is considered to be confidential under Section 10A(2) (di) of the Local Government Act, as it deals with commercial information of a confidential nature that would, if disclosed (i) prejudice the commercial position of the person who supplied it.*

Corporate and Community

Report No. CC33/2022

Corporate and Community Services



SUBJECT: *PLACEMENT OF INTEGRATED PLANNING AND REPORTING DOCUMENTS ON PUBLIC EXHIBITION*

RESPONSIBLE OFFICER: *Chief Finance and Administration Manager - Matthew Plumridge*

SUMMARY

The purpose of this report is to place the draft Community Strategic Plan *Cessnock2036*, 2022-26 Delivery Program and 2022-23 Operational Plan incorporating the budget and Long Term Financial Plan on public exhibition for a minimum of 28 days, as required under Section 405 of the *Local Government Act 1993*.

The draft documents, with reports on submissions received and recommended amendments following exhibition, will be reported back to Council for final consideration and adoption in June 2022.

RECOMMENDATION

That Council places the draft Community Strategic Plan *Cessnock2036*, 2022-26 Delivery Program and 2022-23 Operational Plan, Long Term Financial Plan and Statement of Fees and Charges on public exhibition for 28 days in accordance with Section 405 of the *Local Government Act 1993*.

BACKGROUND

The draft Community Strategic Plan *Cessnock 2036*, Delivery Program 2022-26 and Operational Plan 2022-23 incorporating the draft budget for 2022-23 has been prepared under the Integrated Planning and Reporting (IP&R) framework in accordance with the *Local Government Act 1993* (the Act). The Operational Plan is an annual slice of the medium-term Delivery Program.

The draft Delivery Program and Operational Plan provides information to the community about Council's ongoing activities and the key initiatives to implement the program with the Operational Plan for 2022-23 providing detailed projects. It also incorporates the 2022-23 draft budget, capital works program, revenue policy and statement of fees and charges.

REPORT/PROPOSAL

This report provides the draft Community Strategic Plan *Cessnock2036*, the Delivery Program for 2022-26 and the draft 2022-23 Operational Plan and attached enclosures for Council's consideration of placing the plans on public exhibition for 28 days, with the commentary below providing an overview of the draft documents and production methodology applied.

Corporate and Community

Report No. CC33/2022

Corporate and Community Services



Format

Enclosure one:

The first document is the draft Community Strategic Plan *Cessnock2036*. The Community Strategic Plan is required under section 402 the Act, covering a minimum timeframe of 10 years. This plan must be endorsed by Council by 30 June 2022.

The draft Community Strategic Plan *Cessnock2036* outlines the five themes for the period being:

1. A Connected and Safe Community
2. A sustainable and prosperous economy
3. A sustainable and healthy environment
4. Accessible infrastructure, service and facilities
5. Civic leadership and effective governance

Enclosure two:

This enclosure is the combined Delivery Program 2022-26 and Operational Plan 2022-23 including the capital works program, draft budget and revenue policy.

The Delivery Program is required under section 404 of Act, where a new Delivery Program is required to be established for a 4 year period commencing from 1 July following the election, ie 1 July 2022. The Program is required to be adopted by 30 June 2022.

The Operational Plan is required under section 405 of the Act which is to be adopted before the beginning of each financial year.

The Operational Plan outlines:

- Specific actions to be undertaken in support of the Delivery Program
- The responsible parties for each action
- A detailed budget for actions to be undertaken
- Statement of Revenue Policy

Enclosure three:

This enclosure is the Long Term Financial Plan (LTFP) component of the Resourcing Strategy. The LTFP is used to inform decision making during the preparation and finalisation of the Community Strategic Plan and the development of the Delivery Program.

The LTFP must include:

- Projected income and expenditure, balance sheet and cash flow statement
- Planning assumptions for the plan
- Sensitivity analysis highlighting factors/assumptions most likely to affect the plan
- Financial modelling for different scenarios
- Methods of monitoring financial performance

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The LTFP must be publicly exhibited for at least 28 days prior to adoption by Council before 30 June 2022.

Enclosure four:

This enclosure is the draft Statement of Fees and Charges for 2022-23.

Proposed Fees and Charges are required to be exhibited for 28 days prior to adoption by Council.

Rates and Charges

Ordinary Rates

The rating proposals for ordinary rates, detailed in the Revenue Policy, have been increased in line with the State Government's rate peg which was set at a maximum of 0.7 percent. Council was required to make an adjustment to the proposed levy for 2022-23 to reflect a catch up under the Notional Yield Calculation, with an amount of \$17,000 to be added from the Notional Yield for 2022-23. This meant that the maximum rate increase for 2022-23 is set at 0.7332 percent.

Further to the resolution of Council in April 2022, an additional special rate variation of 1.8% has been included in the budget.

The existing rating methodology of a base rate and ad-valorem charge has been maintained.

Stormwater Management Levy

It is proposed to continue the Stormwater Management Levy in 2022-23. The proposed charge is \$25 per residential property, \$12.50 per residential strata property and \$25 per 350 square metres (or part thereof) up to a maximum charge of \$500 on business properties.

Hunter Catchment Contribution

Council will also collect, on behalf of the Hunter Local Land Services, a levy calculated on land value for applicable properties. The levy has not yet been determined, with the rate in the dollar expected to be confirmed by Local Land Services in May 2022.

Domestic Waste Management Charge

The proposed Domestic Waste Management Charge for 2022-23 is \$645 (\$627 in 2021-22), an increase of 2.87 percent. This charge provides for weekly domestic waste collection, and fortnightly recycling and green waste collection for residential properties within the area where the service is provided.

Fees and Charges

The draft Fees and Charge has undergone a thorough review and have been adjusted where necessary to ensure the fees reflect the recovery of the cost of the service (where applicable) and that fees for commercial operations reflect recovery of costs from users to reduce the subsidisation by general revenues.

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This has resulted in 35 new fees and some changes outside of the general 2 percent increase, and in particular in the Development Services Fees as a result of the new legislation changes.

2022-23 Budget

The draft 2022-23 budget currently shows a \$100,157 operating surplus before capital grants and contributions.

The draft budget presents a cash budget position which reflects a modest surplus. This surplus is in line with Council's traditional budgeting principles of achieving as a minimum a balanced budget. Current operations and future commitments, continue to exert pressure on Council's capacity to manage our financial position (particularly in the medium to long term). This cash surplus should be maintained as a buffer against unexpected deteriorations in the next financial year.

The budget includes an additional \$726,000 in additional rates income as a result of the special rate variation application made as per the Council resolution of April 2022. In the event that this application is unsuccessful with the Independent Pricing and Regulatory Tribunal (IPART) the budget will need to be adjusted likely through changes to additional planned expenditure in roads and parks maintenance that has been incorporated into the draft budget.

The budget includes an increase in employee costs associated with an increase in full time equivalent staff (FTE), as well as providing for the wage increase prescribed in the Local Government (State) Award 2020. An increase in resources within project management is required to assist in the delivery of Council's capital works program, grant funded projects, and renewal works. Resources will also be increased in planning and environment to allow for increased development activity in the LGA, as well as resources within the Cessnock Performing Arts Centre associated with the development of the Cultural HUB within the facility and an additional resource within Human Resources to assist in recruitment processes.

Capital Works Program

The draft 2022-23 Operational Plan includes a draft Capital Works Program of \$53.8m (including grant funding of \$34m).

In line with Council's Asset Management Strategy, Council is prioritising the budget to renewals over new works and the Capital Works Program as well as a focus on completing grant funded projects that has been impacted Capital Program timelines.

There is some risk to this prioritisation of capital. The receipt of grants need to be evaluated to determine whether they support Council's strategic objectives and benefit Council in the long term. This is particularly true where the grants require a co-contribution from Council.

Due to Council's funding constraints Council's commitment of funds is likely to be at the expense of other projects and might place certain elements of the delivery of the Delivery Program at risk.

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Proposed Loan Borrowings

The draft 2022-23 Operational Plan includes proposed borrowings of \$863,000 for the continuation of the drainage improvement program. Previous approved borrowings for the upgrade works at Cessnock Airport of \$2,112,097 are also likely to be drawn down in the 2022-23 Financial Year. Council has committed to these proposed borrowings when adopting past reports on the individual items.

Whilst Council's debt service ratio indicates there is capacity for further loan borrowings, the impact on Council's operational budget would need to be assessed to determine whether Council could accommodate the additional loan repayments that would arise.

Council utilises its LTFP to assess the impact of loan borrowings and current projections along with additional revenue and cost efficiencies from projects indicate Council can cater for these additional borrowings.

Public Exhibition

The draft 2022-23 Operational Plan is required to be publicly exhibited for a minimum of 28 days. It is proposed that the public exhibition be from 5 May to 2 June 2022. During the exhibition period, copies of the draft documents will be made available for viewing on Council's website. The exhibition will also be promoted via social media.

Following the exhibition period and the consideration of any submissions, it is anticipated that Council will consider the adoption of the Integrated Planning and Reporting documents on 15 June 2022.

Community Engagement

The community engagement approach is detailed below:

- Place documents on public exhibition from 5 May to 2 June 2022 to meet the 28 day advertising requirement.
- Hard copy documents will be placed at Council Libraries and the Council Administration Building.
- Actively promote awareness early within the public exhibition period to elicit early feedback where possible. To assist this process posts in Facebook will be boosted.
- As occurred last year contact will be made direct with various groups and associations in the LGA.
- Utilise the "Have your say" page on the Council website to obtain feedback.

The community is encouraged to review the draft documents and provide feedback within the exhibition period, which will be considered by Council prior to the adoption of the final plan.

OPTIONS

N/A

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CONSULTATION

Councillors have participated in various briefings on the Community Strategic Plan, Delivery Program, Operational Plan and Budget.

The Executive Leadership Team, Management Team, Senior Finance Staff, Senior Asset planning staff and Senior rates staff have provided input into the development of the draft documents.

STRATEGIC LINKS

a. Delivery Program

This draft document is a significant part of the organisation's governance framework – in line with the community's desired outcome of *Civic Leadership and Effective Governance*.

IMPLICATIONS

a. Policy and Procedural Implications

N/A

b. Financial Implications

Financial implications are as outlined in the documents.

c. Legislative Implications

Sections 402, 403, 404 and 405 of the *Local Government Act 1993* outlines Council requirements under the Integrated Planning and Reporting Framework.

d. Risk Implications

N/A

e. Environmental Implications

N/A

f. Other Implications

The Workforce Plan and Asset Management Plans will be provided at the June 2022 Council Meeting for Council's consideration and adoption.

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CONCLUSION

It is recommended that Council adopt the enclosures outlined for public exhibition.

ENCLOSURES

- 1 [↓](#) Community Strategic Plan Cessnock2036 - Provided Under Separate Cover
- 2 [↓](#) combined Delivery Program 2022-2026 and Operational Plan 2022-23 - Provided Under Separate Cover
- 3 [↓](#) Long Term Financial Plan - Provided Under Separate Cover
- 4 [↓](#) Statement of Fees and Charges for 2022-23 - Provided Under Separate Cover

Placeholder for Enclosure 1

Corporate and Community No.

Community Strategic Plan Cessnock2036 - Provided
Under Separate Cover

Placeholder for Enclosure 2

Corporate and Community No.

combined Delivery Program 2022-2026 and Operational
Plan 2022-23 - Provided Under Separate Cover

Placeholder for Enclosure 3

Corporate and Community No.

Long Term Financial Plan - Provided Under Separate
Cover

Placeholder for Enclosure 4

Corporate and Community No.

Statement of Fees and Charges for 2022-23 - Provided
Under Separate Cover