



12 February 2024

To All Councillors

Notice is hereby given, in accordance with the provisions of the Local Government Act 1993, that the next Ordinary Meeting of Council will be held in the Council Chambers, on Wednesday, 21 February 2024 at 6.30pm, for the purposes of transacting the undermentioned business.

AGENDA:

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(2) OPENING PRAYER	
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‡ - Denotes that Report is for notation only.



Principles for Local Government

Exercise of functions generally

The following general principles apply to the exercise of functions by Councils:

- a) Councils should provide strong and effective representation, leadership, planning and decision-making.
- b) Councils should carry out functions in a way that provides the best possible value for residents and ratepayers.
- c) Councils should plan strategically, using the integrated planning and reporting framework, for the provision of effective and efficient services and regulation to meet the diverse needs of the local community.
- d) Councils should apply the integrated planning and reporting framework in carrying out their functions so as to achieve desired outcomes and continuous improvements.
- e) Councils should work co-operatively with other Councils and the State government to achieve desired outcomes for the local community.
- f) Councils should manage lands and other assets so that current and future local community needs can be met in an affordable way.
- g) Councils should work with others to secure appropriate services for local community needs.
- h) Councils should act fairly, ethically and without bias in the interests of the local community.
- i) Councils should be responsible employers and provide a consultative and supportive working environment for staff.

Council's Values

- Integrity
- Accountability
- Respect
- Excellence
- Teamwork

Our Community's Vision

Cessnock will be a cohesive and welcoming community living in an attractive and sustainable rural environment with a diversity of business and employment opportunities supported by accessible infrastructure and services which effectively meet community need.

Cessnock – thriving, attractive and welcoming.

Our Community's Desired Outcomes

- A connected, safe and creative community.
- A sustainable and prosperous economy.
- A sustainable and healthy environment.
- Accessible infrastructure, facilities and services.
- Civic Leadership and effective governance.



Council Code of Conduct

Council adopted its current Code of Conduct on 1 November 2022. This Code provides details of statutory requirements and gives guidance in respect of the way in which pecuniary and conflict of interest issues must be disclosed. Councillors took an oath or affirmation at the commencement of their term of office under section 233A of the *Local Government Act 1993* (NSW) and are therefore obligated under Council's Code of Conduct to disclose and appropriately manage their conflicts of interest.

Generally, the Code outlines the following issues:

1. Councillors are under an obligation at law to disclose any interest they may have in any matter before the Council as soon as practicable and to refrain from being involved in any consideration or to vote on any such matter where required and out outlined in the Code of Conduct.
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 disclosure.
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 disclosures of interest shall be recorded in the minutes of the meeting.
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.



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DISCLOSURES OF INTEREST

DISCLOSURES OF INTEREST NO. DI11/2023

SUBJECT: DISCLOSURES OF INTEREST

Nil

PETITIONS

Nil

ADDRESS BY INVITED SPEAKERS

The following person has been invited to address the meeting of Council:

Speakers	Company	For / Against	Report	Page No.	Duration
Robert Bedford	Apex Australia	Against	W147/2023 - Renaming of Apex Park Cessnock	4	3 mins

WORKS AND INFRASTRUCTURE NO. WI47/2023

SUBJECT: RENAMING OF APEX PARK CESSNOCK

MOTION **Moved:** Councillor Sander **Seconded:** Councillor Hill
646

RESOLVED

1. **That Council does not support the proposal to rename Apex Park to Cessnock Rotary Park**

2. **That Council in consultation with Cessnock Rotary Club identifies locations that maybe suitable to establish a new Cessnock Rotary Park in the city.**

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Olsen	
Councillor Jurd	
Councillor Suvaal	
Total (13)	Total (0)

CARRIED UNANIMOUSLY

**CONSIDERATION AND ADOPTION OF ALL REPORTS BY ENGLOBO
OR INDIVIDUALLY WITH NOMINATED EXCEPTIONS**

Nil

**NOTICE OF INTENTION TO DEAL WITH MATTERS IN
CONFIDENTIAL SESSION**

NOTICE OF INTENTION NO. NI8/2023

**SUBJECT: NOTICE OF INTENTION TO DEAL WITH MATTERS IN
CONFIDENTIAL SESSION -**

**REPORT GMU13/2023 - CODE OF CONDUCT: CONSIDERATION OF
FINAL INVESTIGATION REPORT AND RECOMMENDATION OF
FORMAL CENSURE - COUNCILLOR OLSEN**

MOTION **Moved:** Councillor Hill **Seconded:** Councillor Sander
647
RESOLVED

1. That Council considers in Confidential Session the following matters in accordance with Sections 10A (2) (i) of the *Local Government Act 1993*:
 - Report GMU13/2023 – Code of Conduct: Consideration of Final Investigation Report and Recommendation of Formal Censure – Councillor Olsen as the report contains alleged contraventions of any code of conduct requirements applicable under section 440.
2. That Council requests the Mayor in accordance with Clause 14.21 of Councils Code of Meeting Practice to report on these matters to the meeting in Open Session following completion of the Confidential Session.

FOR	AGAINST
Councillor Jackson	Councillor Moores
Councillor Dunn	Councillor Paynter
Councillor Burke	Councillor Watton
Councillor Grine	Councillor Olsen
Councillor Sander	Councillor Jurd
Councillor Hill	
Councillor Hawkins	
Councillor Suvaal	
Total (8)	Total (5)

CARRIED

MAYORAL MINUTES

MAYORAL MINUTES NO. MM9/2023

SUBJECT: NSW REGIONAL DEVELOPMENT ROAD MAP AND TRUST FUND -
COUNCIL ENDORSE SUBMISSION

MOTION **Moved:** Councillor Suvaal
648

RESOLVED

1. That Council note that the Resources for Regions Grant Funding has been discontinued.
2. That Council note the NSW Government is undertaking a comprehensive review of the approach by which it invests funding into Regional NSW, via the Regional Development and Road Map process and Trust Fund.
3. That Council make a submission regarding the terms and grant criteria to be established for the Regional Development and Road Map process and Trust Fund.
4. That Council provide a copy of the submission to Councillors prior to the supply of submission to NSW Government.

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Olsen	
Councillor Jurd	
Councillor Suvaal	
Total (13)	Total (0)

CARRIED UNANIMOUSLY

MAYORAL MINUTES NO. MM10/2023

SUBJECT: RURAL FIRES AMENDMENT (RED FLEET) BILL 2023 - SUBMISSION TO PUBLIC ACCOUNTS COMMITTEE

MOTION **Moved:** Councillor Suvaal
649

RESOLVED

That Council endorses a submission being made to the Public Accounts Committee regarding the Rural Fires Amendment (Red Fleet) Bill 2023, that notes:

- 1. Council has no control over the acquisition, deployment or disposal of Rural Fire Service assets;**
- 2. That Rural Fire Service assets are accounted for differently to NSW Fire and Rescue and the State Emergency Service whose assets are vested in the State Government; and**
- 3. Council endorses legislative change to have Rural Fire Services mobile assets vest in the State Government instead of Council.**

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Olsen	
Councillor Jurd	
Councillor Suvaal	
Total (13)	Total (0)

CARRIED UNANIMOUSLY

MAYORAL MINUTES NO. MM11/2023

**SUBJECT: MINUTES OF THE GENERAL MANAGERS EMPLOYMENT
ARRANGEMENTS COMMITTEE OF CESSNOCK CITY COUNCIL
HELD 22 NOVEMBER 2023**

MOTION **Moved:** Councillor Suvaal

That the Minutes of the Organisation and General Managers Performance Review Committee of 22 November 2023 be adopted as a resolution of the Ordinary Council.

AMENDMENT **Moved:** Councillor Olsen **Seconded:** Councillor Jurd

That the report be deferred until February 2024 Council Meeting.

FOR	AGAINST
Councillor Watton	Councillor Jackson
Councillor Olsen	Councillor Moores
Councillor Jurd	Councillor Dunn
	Councillor Burke
	Councillor Grine
	Councillor Sander
	Councillor Hill
	Councillor Hawkins
	Councillor Paynter
	Councillor Suvaal
Total (3)	Total (10)

The Amendment was PUT and LOST.

The Motion was then PUT and CARRIED.

MOTION **Moved:** Councillor Suvaal

650

RESOLVED

That the Minutes of the Organisation and General Managers Performance Review Committee of 22 November 2023 be adopted as a resolution of the Ordinary Council.

FOR	AGAINST
Councillor Jackson	Councillor Olsen
Councillor Moores	Councillor Jurd
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Suvaal	
Total (11)	Total (2)

CARRIED

MOTIONS OF URGENCY

MOTIONS OF URGENCY NO. MOU11/2023

SUBJECT: MOTIONS OF URGENCY

Nil

GENERAL MANAGER'S UNIT

GENERAL MANAGER'S UNIT NO. GMU10/2023

SUBJECT: MINUTES OF THE AUDIT AND RISK COMMITTEE MEETING HELD 8 NOVEMBER 2023

MOTION **Moved:** Councillor Hill **Seconded:** Councillor Burke
651
RESOLVED

That the Minutes of the Audit and Risk Committee Meeting held 8 November 2023 be adopted as a resolution of the Ordinary Council.

Councillor Grine left the meeting, the time being 7.13pm

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Olsen	
Councillor Jurd	
Councillor Suvaal	
Total (12)	Total (0)

CARRIED UNANIMOUSLY

GENERAL MANAGER'S UNIT NO. GMU11/2023

SUBJECT: MINUTES OF THE EXTRAORDINARY AUDIT & RISK COMMITTEE MEETING HELD ON 23 NOVEMBER 2023

MOTION **Moved:** Councillor Dunn **Seconded:** Councillor Burke
652

RESOLVED

1. **That the Minutes of the Extraordinary Audit and Risk Committee Meeting held 23 November 2023 be adopted as a resolution of the Ordinary Council.**

2. **That Council notes that the final audit report was not endorsed by the committee as the audit office had not completed its audit and was not in a position to provide a finalised audit opinion.**

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Olsen	
Councillor Jurd	
Councillor Suvaal	
Total (12)	Total (0)

CARRIED UNANIMOUSLY

GENERAL MANAGER'S UNIT NO. GMU12/2023

SUBJECT: AUDIT AND RISK COMMITTEE ANNUAL REPORT 2022-23

MOTION **Moved:** Councillor Hill **Seconded:** Councillor Sander
653
RESOLVED

That Council receives and notes the Audit and Risk Committee's Annual Report for the period from 1 July 2022 to 30 June 2023.

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Olsen	
Councillor Jurd	
Councillor Suvaal	
Total (12)	Total (0)

CARRIED UNANIMOUSLY

Councillor Grine returned to the meeting, the time being 7.15pm

PLANNING AND ENVIRONMENT

PLANNING AND ENVIRONMENT NO. PE42/2023

**SUBJECT: **UPDATED STRATEGIC PLANNING POLICIES - CLIMATE CHANGE,
CONTAMINATED LAND AND HERITAGE****

MOTION **Moved:** Councillor Hill **Seconded:** Councillor Burke
654

RESOLVED

1. That Council places the revised Climate Change, Contaminated Land and Heritage Policies on public exhibition for a period of 28 calendar days;
2. That Council adopts the revised Climate Change, Contaminated Land and Heritage Policies the day after the public exhibition period concludes, if no unresolved submissions are received.
3. That Council rescinds the 2020 Climate Change, Contaminated Land and Heritage Policies from the date the revised 2023 Climate Change, Contaminated Land and Heritage Policies are adopted.

Councillor Jackson left the meeting, the time being 7.21pm

Councillor Jackson returned to the meeting, the time being 7.25pm

FOR	AGAINST
Councillor Moores	Councillor Paynter
Councillor Dunn	Councillor Watton
Councillor Burke	Councillor Olsen
Councillor Grine	Councillor Jurd
Councillor Sander	Councillor Jackson
Councillor Hill	
Councillor Hawkins	
Councillor Suvaal	
Total (8)	Total (5)

CARRIED

PLANNING AND ENVIRONMENT NO. PE43/2023

**SUBJECT: CESSNOCK DEVELOPMENT CONTROL PLAN 2010
"INTRODUCTION AND LEGISLATIVE CONTEXT" AND
"DEVELOPMENT BASED PROVISIONS-CENTRES" - POST
EXHIBITION**

MOTION **Moved:** Councillor Hill **Seconded:** Councillor Sander
655
RESOLVED

1. That Council adopt the "Introduction and Legislative Context" and "Centres" Chapters of the Cessnock Development Control Plan 2010.
2. That Council repeal the Chapters "Part A Introduction", "E16 Cessnock Commercial Precinct" and "E19 Branxton Town Centre".
3. That Council notify in writing the persons who made a submission of Council's decision.

Councillor Hawkins left the meeting, the time being 7.33pm

Councillor Hawkins returned to the meeting, the time being 7.34pm

FOR	AGAINST
Councillor Jackson	Councillor Moores
Councillor Dunn	Councillor Paynter
Councillor Burke	Councillor Watton
Councillor Grine	Councillor Olsen
Councillor Sander	Councillor Jurd
Councillor Hill	
Councillor Hawkins	
Councillor Suvaal	
Total (8)	Total (5)

CARRIED

PLANNING AND ENVIRONMENT NO. PE44/2023

SUBJECT: DEVELOPMENT APPLICATION PERFORMANCE MONITORING REPORT - SEPTEMBER QUARTER 2023

MOTION **Moved:** Councillor Hill **Seconded:** Councillor Burke
656

RESOLVED

That Council receives and notes the Development Performance Monitoring Report for September quarter 2023/2024.

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Olsen	
Councillor Jurd	
Councillor Suvaal	
Total (13)	Total (0)

CARRIED UNANIMOUSLY

CORPORATE AND COMMUNITY

CORPORATE AND COMMUNITY NO. CC80/2023

SUBJECT: COUNCIL RECESS PERIOD - DELEGATION TO MAYOR AND GENERAL MANAGER

MOTION **Moved:** Councillor Burke **Seconded:** Councillor Sander
657

RESOLVED

1. That Council be in recess from 14 December 2023 to 31 January 2024.
2. That Council pursuant to Section 377 of the *Local Government Act 1993*, delegate authority to the Mayor and the General Manager jointly to exercise any function of Council during the recess period.
3. That a list of matters considered, if any, under such delegated authority be submitted for Council's information to the February 2024 meeting.

FOR	AGAINST
Councillor Jackson	Councillor Olsen
Councillor Moores	Councillor Jurd
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Suvaal	
Total (11)	Total (2)

CARRIED

CORPORATE AND COMMUNITY NO. CC81/2023

SUBJECT: ANNUAL CODE OF CONDUCT COMPLAINTS REPORT

MOTION **Moved:** Councillor Hill **Seconded:** Councillor Sander
658
RESOLVED

That Council notes the Annual Code of Conduct Complaints Report for the period 1 September 2022 to 31 August 2023.

FOR	AGAINST
Councillor Jackson	Councillor Olsen
Councillor Moores	Councillor Jurd
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Suvaal	
Total (11)	Total (2)

CARRIED

CORPORATE AND COMMUNITY NO. CC82/2023

SUBJECT: MINUTES OF THE STRATEGIC PROPERTY & COMMUNITY FACILITIES COMMITTEE MEETING HELD ON 29 NOVEMBER 2023

MOTION **Moved:** Councillor Hill **Seconded:** Councillor Sander
659

RESOLVED

That the Minutes of the Strategic Property & Community Facilities Committee meeting held on 29 November 2023 be adopted as a resolution of the Ordinary Council.

FOR	AGAINST
Councillor Jackson	Councillor Olsen
Councillor Moores	Councillor Jurd
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Suvaal	
Total (11)	Total (2)

CARRIED

CORPORATE AND COMMUNITY NO. CC83/2023

SUBJECT: ANNUAL UNREASONABLE CUSTOMER CONDUCT REPORT

MOTION **Moved:** Councillor Hill **Seconded:** Councillor Burke
660
RESOLVED

That Council notes the Annual Unreasonable Customer Conduct report for the period 1 October 2022 to 30 September 2023.

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Olsen	
Councillor Jurd	
Councillor Suvaal	
Total (13)	Total (0)

CARRIED UNANIMOUSLY

CORPORATE AND COMMUNITY NO. CC84/2023

SUBJECT: INVESTMENT REPORT - NOVEMBER 2023

MOTION **Moved:** Councillor Hill **Seconded:** Councillor Burke
661
RESOLVED

That Council receives the Investment Report for November 2023 and notes that:

- Investments are held in accordance with Council’s Investment Policy, which is in accordance with the Ministerial Investment Order.
- Council’s month end cash and investments balance was \$91,309,937.

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Olsen	
Councillor Jurd	
Councillor Suvaal	
Total (13)	Total (0)

CARRIED UNANIMOUSLY

CORPORATE AND COMMUNITY NO. CC85/2023

SUBJECT: RESOLUTIONS TRACKING REPORT

MOTION **Moved:** Councillor Burke **Seconded:** Councillor Grine
662
RESOLVED

That Council receives the report and notes the information in the Resolutions Tracking Report.

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Olsen	
Councillor Jurd	
Councillor Suvaal	
Total (13)	Total (0)

CARRIED UNANIMOUSLY

WORKS AND INFRASTRUCTURE

WORKS AND INFRASTRUCTURE NO. WI44/2023

SUBJECT: TENDER T2024-11 CESSNOCK REGIONAL SKATEPARK

MOTION **Moved:** Councillor Hawkins **Seconded:** Councillor Dunn
663
RESOLVED

That Council accepts the tender (T2024-11) from Trinity Skateparks Pty Ltd for the lump sum of \$2,021,037 (including GST) for the Cessnock Regional Skatepark.

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Olsen	
Councillor Jurd	
Councillor Suvaal	
Total (13)	Total (0)

CARRIED UNANIMOUSLY

WORKS AND INFRASTRUCTURE NO. WI45/2023

SUBJECT: TENDER T2024-10 - DESIGN AND CONSTRUCT WATAGAN CREEK ROAD BRIDGE #3, LAGUNA

MOTION **Moved:** Councillor Hawkins **Seconded:** Councillor Burke
664

RESOLVED

That Council Accept the tender from Fortec Australia Pty Ltd in the amount of \$1,013,851.30 (including GST).

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Olsen	
Councillor Jurd	
Councillor Suvaal	
Total (13)	Total (0)

CARRIED UNANIMOUSLY

WORKS AND INFRASTRUCTURE NO. WI46/2023

SUBJECT: QUOTATION: Q2023-209 LANDSLIDE & REMEDIATION WORKS PACKAGE 2

MOTION **Moved:** Councillor Hawkins **Seconded:** Councillor Dunn
665

RESOLVED

That Council accepts the quotation (Q2023-209) from Alliance Construction Group Pty Ltd for the lump sum of \$1,836,771 (including GST) for the Landslide Remedial Works – Package 2 – Minor Civil Works, subject to the formal confirmation of grant funding by Transport for NSW on behalf of the NSW Reconstruction Authority.

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Olsen	
Councillor Jurd	
Councillor Suvaal	
Total (13)	Total (0)

CARRIED UNANIMOUSLY

WORKS AND INFRASTRUCTURE NO. WI48/2023

SUBJECT: KURRI KURRI NOSTALGIA FESTIVAL - MARCH 2024

MOTION **Moved:** Councillor Hill **Seconded:** Councillor Grine
666
RESOLVED

That Council endorse the in-kind support valued at \$11,424, for the following services: waste management, park management and amenity management Kurri Kurri Nostalgia Festival on 22, 23 and 24 March 2024.

Councillor Jurd left the meeting, the time being 8.03pm

Councillor Jurd returned to the meeting, the time being 8.05pm

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Olsen	
Councillor Jurd	
Councillor Suvaal	
Total (13)	Total (0)

CARRIED UNANIMOUSLY

WORKS AND INFRASTRUCTURE NO. WI49/2023

SUBJECT: MINUTES OF THE LOCAL TRAFFIC COMMITTEE MEETING HELD 20 NOVEMBER 2023

MOTION **Moved:** Councillor Hawkins **Seconded:** Councillor Hill
667

RESOLVED

That the Minutes of the Cessnock Local Traffic Committee Meeting of 20 November 2023 be adopted as a resolution of the Ordinary Council.

- **TC52/2023 - That Council authorises the temporary regulation of traffic on Paynes Crossing Road, Wollombi for the Wollombi Public Holiday Markets events in accordance with the Various Roads Wollombi _ Wollombi Markets Traffic Control Plan.**
- **TC53/2023 - That Council authorises the temporary regulation of traffic for the Red Hot Summer Tour on Broke Road, McDonalds Road and Wine Country Drive, Pokolbin in accordance with Various Roads Pokolbin _ Red Hot Summer Tour Traffic Guidance Schemes with the following conditions:**
 - **Install temporary NO STOPPING zone on McDonalds Road Pokolbin, north of Broke Road for a minimum of 500m to prohibit parking both sides.**
 - **Relocate 40km/h temporary speed limit signage on McDonalds Road, north of Broke Road to correspond with the NO STOPPING zone and install repeater 40km/h signage at appropriate intervals.**
- **TC54/2023 - That Council authorises installation of intersection controls, signage and line marking on Old Buttai Road, Buttai, in accordance with the Old Buttai Road Buttai _ Signage & Line Marking Diagram with the following amendments:**
 - **Replace W2-9 (R/L) on approach to the unnamed road with W2-211-13-1n (R) 15km/h & W2-211-13n(L) 15km/h both to be amended to show side road intersection at top of curve, and duplicate both sides of the road.**
 - **Install W3-2 Give Way Ahead (Symbolic) on eastern leg of Old Buttai Road approximately 150m from intersecting road.**
- **TC55/2023 - That Council resolves that, in accordance with the Cessnock Local Traffic Committee Terms of Reference, the 2024 meeting dates for the Cessnock Local Traffic Committee are:**
 - **19 February 2024**
 - **18 March 2024**
 - **15 April 2024**
 - **20 May 2024**
 - **17 June 2024**
 - **15 July 2024**
 - **19 August 2024**
 - **16 September 2024**
 - **21 October 2024**
 - **18 November 2024**
 - **16 December 2024**

FOR**AGAINST**

Councillor Jackson
Councillor Moores
Councillor Dunn
Councillor Burke
Councillor Grine
Councillor Sander
Councillor Hill
Councillor Hawkins
Councillor Paynter
Councillor Watton
Councillor Olsen
Councillor Jurd
Councillor Suvaal
Total (13)

Total (0)

CARRIED UNANIMOUSLY

COUNCILLOR REPORTS

Nil

8.06PM

Confidential reports (closed session)

MOTION **Moved:** Councillor Burke **Seconded:** Councillor Sander
668
RESOLVED

That the meeting move into closed session in order to consider confidential items.

FOR	AGAINST
Councillor Jackson	Councillor Olsen
Councillor Moores	Councillor Jurd
Councillor Dunn	
Councillor Burke	
Councillor Grine	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Suvaal	
Total (11)	Total (2)

CARRIED

Councillor Olsen left the meeting, the time being 8.09pm

Councillor Grine left the meeting, the time being 8.09pm

Councillor Olsen returned to the meeting, the time being 8.12pm

Councillor Olsen left the meeting, the time being 8.15pm

8.20PM

Open Session

MOTION **Moved:** Councillor Hill **Seconded:** Councillor Sander
669
RESOLVED

The meeting moved back into open session and the Mayor reported on the outcome.

FOR	AGAINST
Councillor Jackson	
Councillor Moores	
Councillor Dunn	
Councillor Burke	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Paynter	
Councillor Watton	
Councillor Jurd	
Councillor Suvaal	
Total (11)	Total (0)

CARRIED UNANIMOUSLY

GENERAL MANAGER'S UNIT NO. GMU13/2023

SUBJECT: CODE OF CONDUCT: CONSIDERATION OF FINAL INVESTIGATION REPORT AND RECOMMENDATION OF FORMAL CENSURE - COUNCILLOR OLSEN

This matter is considered to be confidential under the report contains alleged contraventions of any code of conduct requirements applicable under section 440

MOTION **Moved:** Councillor Hill **Seconded:** Councillor Sander
670
RESOLVED

1. That the investigation report into the Code of conduct matter concerning Councillor Olsen provided by separate confidential enclosure be received and noted.
2. That the oral submission from Councillor Olsen addressing the investigators recommendation be received and noted.
3. That Council adopt the recommendation made by investigator in the investigation report.
4. That Councillor Olsen be formally censured in accordance with clause 440G of the Local Government Act for breaching clauses 3.1(a), (b), (c), and (g) of the Cessnock City Council Code of Conduct and that the matter be referred to the Office of Local Government for further action under the misconduct provisions of the Local Government Act.

FOR	AGAINST
Councillor Jackson	Councillor Paynter
Councillor Moores	Councillor Watton
Councillor Dunn	Councillor Jurd
Councillor Burke	
Councillor Sander	
Councillor Hill	
Councillor Hawkins	
Councillor Suvaal	
Total (8)	Total (3)

CARRIED

The Meeting Was Declared Closed at 8.20pm

Councillor Grine returned to the meeting, the time being 8.20pm

Councillor Olsen returned to the meeting, the time being 8.20pm

CONFIRMED AND SIGNED at the meeting held on 21 FEBRUARY 2024

.....CHAIRPERSON

.....GENERAL MANAGER

Disclosures Of Interest

Report No. DI1/2024

Corporate and Community Services



SUBJECT: *DISCLOSURES OF INTEREST*

RESPONSIBLE OFFICER: *Chief Finance Officer - 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.

Notice of Intention to Deal With Matters in Confidential Session

Report No. NI1/2024

Corporate and Community Services



SUBJECT: *NOTICE OF INTENTION TO DEAL WITH MATTERS IN CONFIDENTIAL SESSION -*

REPORT GMU1/2024 - CODE OF CONDUCT: CONSIDERATION OF FINAL INVESTIGATION REPORT AND RECOMMENDATION OF FORMAL CENSURE - COUNCILLOR JURD.

REPORT GMU2/2024 - CODE OF CONDUCT: CONSIDERATION OF FINAL INVESTIGATION REPORT AND RECOMMENDATION OF FORMAL CENSURE - COUNCILLOR OLSEN.

RESPONSIBLE OFFICER: *Chief Finance Officer - Matthew Plumridge*

RECOMMENDATION

1. That Council considers in Confidential Session the following matters in accordance with Sections 10A (2) (i) of the *Local Government Act 1993*:

Report GMU12024 – Code of Conduct: Consideration of Final Investigation Report and Recommendation of Formal Censure – Councillor Jurd.

Report GMU2/2024 – Code of Conduct: Consideration of Final Investigation Report and Recommendation of Formal Censure – Councillor Olsen.

As the report contains alleged contraventions of any code of conduct requirements applicable under section 440.
2. That Council requests the Mayor in accordance with Clause 14.21 of Councils Code of Meeting Practice to report on these matters to the meeting in Open Session following completion of the Confidential Session.

SUMMARY

It is necessary for the Council to adopt a resolution to formalise its intention to deal with certain matters in Confidential Session. The reports are incorporated in the “Confidential” business paper which has been circulated to Councillors.

The Local Government Act, 1993 requires the General Manager to identify those matters listed on the business paper which may be categorised as confidential in terms of Section 10A of the Local Government Act, 1993.

ENCLOSURES

There are no enclosures for this report.

Mayoral Minute

Report No. MM1/2024

General Manager's Unit



MAYORAL MINUTE No. MM1/2024

SUBJECT: COST SHIFTING TO LOCAL COUNCILS

RECOMMENDATION

- 1. That Council receive and notes the findings of the LGNSW Cost Shifting report for the 2021/2022 financial year;**
- 2. That Council provide a copy of the cost shifting report on Council's website so that our communities can access it; and**
- 3. That Council write to the NSW Premier, NSW Treasurer, NSW Minister for Local Government and State Member for Cessnock, requesting that they urgently address these costs through a combination of regulatory reform, budgetary provision and appropriate funding.**

REPORT/PROPOSAL

The pressure on councils to continue to provide services of appropriate standard to our communities is now extraordinary.

The unrelenting growth of cost shifting to councils, coupled with rate pegging, is increasingly eroding any possibility of financially sustainable local government and risking the capacity of councils to deliver tailored, grassroots services to their communities and properly deliver and maintain vital local infrastructure.

Alarmingly, the latest research commissioned by Local Government NSW (LGNSW) shows that the increase in cost shifting has been accelerated by various NSW Government policies.

As shown in the latest cost shifting report produced by independent consultants Morrison Low on behalf of LGNSW for the 2021/2022 financial year (www.lgnsw.org.au/costshifting), an amount of \$1.36 billion of expense has been passed on to councils to fund. This is an increase of \$540 million since the last report from the 2017/2018 financial year and represents lost services, lost opportunity and lost amenity for all our residents and businesses.

On average, this represents an additional cost of \$460.67 for every ratepayer across the state.

With councils having to fund this ongoing subsidy for the State Government each and every year it means our communities get less or go without. They go without better roads, they go without better parks, they go without important community services that only councils provide, and they and their ratepayers are effectively paying hidden taxes to other levels of government.

Councillor's, our communities deserve better and this must stop. Prior to the most recent state election the then Minns Opposition wrote to LGNSW acknowledging that cost shifting had undermined the financial sustainability of the local government sector.

Mayoral Minute

Report No. MM1/2024

General Manager's Unit



Now in 2024, it is important to councils and communities that the NSW Government urgently seek to address cost shifting through a combination of regulatory reform, budgetary provision and appropriate funding.

ENCLOSURES

- [1](#) ➡ Annual Cost Shifting Report _ LGNSW
- [2](#) ➡ Annual Cost Shifting Report Highlights _ LGNSW

Mayoral Minute

Report No. MM2/2024

General Manager's Unit



MAYORAL MINUTE No. MM2/2024

SUBJECT: MINUTES OF THE COMMUNITY ENGAGEMENT AWARDS AND GRANTS COMMITTEE 21 NOVEMBER 2023

RECOMMENDATION

That the minutes of the meeting of the Council Initiated Awards Committee held on 21 November 2023 be received and noted.

MINUTES OF THE COMMITTEE TO CONSIDER COUNCIL INITIATED AWARDS MEETING OF CESSNOCK CITY COUNCIL HELD IN THE MAYOR'S OFFICE ON 21 NOVEMBER 2023 COMMENCING AT 10.00 AM

PRESENT: The Mayor, Councillor J Suvaal
Councillors Sander, Moores, Grine and Burke (zoom)

IN ATTENDANCE: T Cocking – Executive Assistant to Mayor (minute taker)

APOLOGIES: Councillors Jurd and Jackson

DISCLOSURES OF INTEREST:

Nil

LISTED MATTERS:

AUSTRALIA DAY AWARDS 2024

Consideration of 2024 Australia Day Awards Nominations.

Moved: Councillor Moores

Seconded: Councillor Grine

RECOMMENDED that the Committee of Council resolve that the following recipients be awarded for the 2024 Australia Day Awards.

Mayoral Minute

Report No. MM3/2024

General Manager's Unit



MAYORAL MINUTE No. MM3/2024

SUBJECT: MINUTES OF THE ORGANISATIONAL AND GENERAL MANAGER'S REVIEW COMMITTEE MEETING OF 8 FEBRUARY 2024

RECOMMENDATION

That the Minutes of the Organisational and General Manager's Performance Review Committee of 8 February 2024 be adopted as a resolution of the Ordinary Council.

REPORT/PROPOSAL

MINUTES OF THE ORGANISATIONAL AND GENERAL MANAGER'S PERFORMANCE REVIEW COMMITTEE MEETING OF CESSNOCK CITY COUNCIL HELD ON 8 FEBRUARY 2024, COMMENCING AT 9.33AM

PRESENT: The Mayor, Councillor Jay Suvaal
Councillor Dunn (via zoom)
Councillor Grine (via zoom)

IN ATTENDANCE: Councillor Sander
Ken Liddell – General Manager (entered 10.22am)
Michelle Honeyman – People and Culture Manager
Christian Morris - LGNSW
Tracey Cocking (minute taker)

APOLOGIES: Councillor Burke
Councillor Paynter
Councillor Hawkins
Councillor Hill

ABSENT: Councillor Olsen

Moved: Mayor Suvaal

Seconded: Councillor Grine

Mayoral Minute

Report No. MM3/2024

General Manager's Unit



LISTED MATTERS

Reviewed and set key performance indicators for the Performance Review of the General Manager for the period of employment being February 2024 to August 2024. Review to occur 5 August 2024.

RESOLUTIONS

1. That the committee endorses the Mayor to finalise all documentation in relation to the General Managers Performance Agreement in consultation with the General Manager

Moved: Councillor Dunn **Seconded:** Councillor Grine

2. That the next meeting of the Organisational and General Manager's Performance Review Committee be scheduled for 5 August 2024.

Moved: Councillor Dunn **Seconded:** Councillor Grine

GENERAL BUSINESS

Nil

Meeting Closed at 10.51AM

ENCLOSURES

There are no enclosures for this report

Motions of Urgency

Report No. MOU1/2024

Corporate and Community Services



SUBJECT: *MOTIONS OF URGENCY*

RESPONSIBLE OFFICER: *Chief Finance Officer - Matthew Plumridge*

RECOMMENDATION

That Councillors now indicate if there are any matters of urgency which they believe should be conducted at this meeting of Council.

SUMMARY

Under Clause 10.5 of Council's Code of Meeting Practice, business may be transacted at a meeting of Council even though due notice of the business has not been given to the Councillors. This can only happen if a motion is passed to have the business transacted at the meeting, the Mayor rules that the business is of great urgency and the business notified in the agenda for the meeting has been disposed of.

Only the mover of such a motion can speak to the motion before it is put.

ENCLOSURES

There are no enclosures for this report.

Planning and Environment

Report No. PE1/2024

Planning and Environment



SUBJECT: *174 - 178 LANG STREET, KURRI KURRI - DRAFT PLANNING AGREEMENT*

RESPONSIBLE OFFICER: *Strategic Planning Manager - Martin Johnson*

SUMMARY

The purpose of this report is to seek Council's endorsement to place the Draft Planning Agreement (Draft PA) (Enclosure 1) on public exhibition for a minimum period of 28 days. Council endorsed the terms of the PA Letter of Offer on 15 November 2023 under Report PE40/2023.

RECOMMENDATION

- 1. That Council publicly notify the Draft Planning Agreement for a minimum period of 28 days.**
- 2. That Council publicly notify the Road Closure for a minimum of 28 days.**
- 3. That Council delegate authority to the General Manager to execute the Planning Agreement unless unresolved written objections are received during the notification period.**
- 4. That Council delegate authority to the General Manager to proceed with the road closure unless unresolved written objections are received during the notification period.**

BACKGROUND

On 21 February 2023, the land owner lodged a Development Application DA/8/2023/64 (DA) for the redevelopment of the existing Kingsway Plaza in Kurri Kurri. The relevant Consent Authority for the DA is the Hunter and Central Coast Regional Planning Panel.

Council officers have been negotiating with the land owner in order to enter into a Draft PA in respect of the DA and on 15 November 2023, Council supported and endorsed Report PE40/2023. The Report sought Council endorsement of a PA Letter of Offer dated 29 September 2023 (Enclosure 2) to enter into a Draft PA on the land known as 174 – 178 Lang Street, Kurri Kurri.

The main commitments contained in the PA Letter of Offer are essentially that the land owner builds a new public laneway totaling 647 m² and Council transfers the existing public laneway to the land owner totaling 459 m². The land owner will upgrade the balance of the existing laneway to accommodate the new public laneway to Council standards.

The application for the closure of the current public laneway has been received and is being assessed by Council.

REPORT/PROPOSAL

The Draft PA terms are in accordance with the PA Letter of Offer dated 29 September 2023. The terms of the Draft PA are summarised as follows:

- The Land Owner proposes to construct and dedicate a new public laneway (647m²) within Lot 136 at the developer's cost, as set out in yellow and orange in the map below and subject to Council approval.
- The Land Owner proposes to upgrade the existing public laneway to Victoria Street in accordance with plans approved by Council at the developer's cost, as set out in light grey in the map below.
- The Land Owner proposes to acquire part of the existing public laneway from Council for no consideration and apply to Council to close this section of road, as set out in pink in the map below.
- The Land Owner proposes to pay Council's reasonable legal fees in relation to Council's costs associated with the road closure.
- On completion of the new public laneway, the Land Owner will transfer and dedicate the new laneway to Council as shown on map 2 below.
- The closure of the existing public laneway will not take effect until the completion and dedication of the new public laneway occurs.
- The Land Owner will consolidate the existing public laneway with their current land once transferred to the Land Owner at no cost to Council.
- The Land Owner proposes to carry out public domain works on Barton Street in accordance with plans approved by Council, aligning with Council's Kurri Kurri Commercial Centre Masterplan.
- The Land Owner acknowledges that s7.12 Development Contributions will be levied on any future development approval relating to the land.
- The Council proceeds with the closure of the Laneway.



It is recommended that Council publicly notify the Draft PA for a minimum period of 28 days in accordance with the *Environmental Planning and Assessment Act 1979*. In addition, it is recommended that Council delegate authority to the General Manager to execute the Planning Agreement unless unresolved written objections are received during the exhibition period.

OPTIONS

1. Council adopt the recommendations of this report to publicly notify the Draft PA and the Public Road closure for a minimum of 28 days. **This is the recommended option.**
2. Negotiate further amendments to the terms of the Draft PA. This option is not recommended.
3. Not adopt the recommendation and take no further action. This will likely result in Development Application 8/2023/64 not being approved.

CONSULTATION

Internal consultation has occurred with Development Services and Local Infrastructure Contributions Steering Group Committee. Previous consultation has taken place with Works and Infrastructure and Property.

STRATEGIC LINKS

a. Delivery Program

The draft PA will contribute toward desired outcomes of the Community Strategic Plan and Delivery Programs aligning with the following objectives of the Cessnock 2036 Community Strategic Plan:

- 1.1 Promoting social connections and wellbeing;
- 1.2 Strengthening community culture;
- 2.1 Diversifying and growing our economy
- 2.2 Achieving more sustainable employment opportunities;
- 4.2 Improving the road network;
- 5.2 Encouraging more community participation in decision making; and
- 5.3 Ensuring Council is accountable and responsive to the community

b. Other Plans

The Draft PA will assist Council realise some of the objectives of the Kurri Kurri Commercial Centre Masterplan.

IMPLICATIONS

a. Policy and Procedural Implications

Council and the land owner have ensured that Council's Planning Agreement Policy and NSW Department of Planning, Industry and Environment (now Department of Planning, Housing and Infrastructure) Practice Note published in February 2021 have been followed.

b. Financial Implications

There will be no financial implications to Council as the developer has undertaken to complete all works and cover all Council's costs associated with the preparation of the Draft PA and the commitments contained therein.

Planning and Environment

Report No. PE1/2024

Planning and Environment



c. Legislative Implications

The Draft PA will be prepared with regard to the *Environmental Planning and Assessment Act 1979* and the *Environmental Planning and Assessment Regulations 2000*.

d. Risk Implications

If the works proposed under the Draft PA, such as the roadway opening, closing and dedication are not supported, it may prevent the site from being developed in accordance with the adopted Kurri Kurri Commercial Centre Masterplan.

e. Environmental Implications

The works outlined in the Draft PA will have minimal environmental impact.

f. Other Implications

Should the Draft PA not be finalised, it may prevent the subject site being developed for the supermarket proposed under Development Application 8/2023/64/1. The proposed development will provide an additional supermarket in the locality, improvements to the existing site which is in disrepair, connectivity to Lang Street, and employment opportunities, all of which will benefit the community.

CONCLUSION

The PA Letter of Offer was assessed and negotiated by Council staff and subsequently endorsed by Council on 15 November 2023 under Report PE40/2023. The Draft PA reflects the terms of the endorsed Letter of Offer. The Draft PA is a crucial element of the DA, which is expected to result in community benefits, including employment opportunities, road network improvements and public domain upgrades. The proposed land swap and upgrade of the existing public laneway, referred to in the Draft PA, will be carried out at the developer's expense and will improve the amenity of the laneway.

It is recommended that Council publicly notify the Draft PA for a minimum period of 28 days in accordance with the *Environmental Planning and Assessment Act 1979*. In addition, it is recommended that Council delegate authority to the General Manager to execute the PA and the contingent Public Road closure unless unresolved written objections are received during the exhibition period.

ENCLOSURES

- [1](#) Draft Planning Agreement 178 Lang St, Kurri Kurri
- [2](#) Letter of Offer 178 Lang Street, Kurri Kurri

Corporate and Community

Report No. CC1/2024

Corporate and Community Services



SUBJECT: *LAND ACQUISITION - SOUTH CESSNOCK BUND WALL*

RESPONSIBLE OFFICER: *Chief Finance Officer - Matthew Plumridge*

SUMMARY

This report seeks Council authorisation to purchase Crown-owned land and/or property rights required for the South Cessnock Bund Wall Flood Mitigation Scheme. Required land will be acquired in accordance with the *Land Acquisition (Just Terms Compensation) Act 1991 (Just Terms Act)*.

RECOMMENDATION

That Council authorise the following actions to purchase Crown land required for the South Cessnock Flood Mitigation Scheme Bund Wall project:

- **Application to the Minister and the Governor for approval to acquire (part) lot 3 DP 1145540 by compulsory process under section 186(1) of the *Local Government Act 1993*;**
- **Compulsory acquisition of (part) lot 3 DP 1145540 for flood mitigation purposes in accordance with requirements of the *Land Acquisition (Just Terms Compensation) Act 1991*;**
- **On transfer of ownership to Council, the land is classified as operational land.**

BACKGROUND

At the 20 May 2020 Council meeting, Council adopted the South Cessnock Flood Mitigation Scheme (The Project). The Project seeks to address adverse flooding impacts in South Cessnock brought on by mine subsidence in the 1980s and involves construction of an earth bund wall, channel diversion and widening downstream from the junction of the Kearsley and Oliver Street Channels. The scope of these capital works initially required acquisition of land and/or easements from three separate landowners:

- State of New South Wales - lot 1 DP 1134371 (Crown land);
- Austar Coal Mine Pty Ltd - lots 34, 35 & 36 DP 755215 (Austar land); and
- White Energy Company Limited – lot 1 DP 1145540 (WEC land).

REPORT/PROPOSAL

It was identified early in the Project that construction on Crown land would be involved. A large proportion of Lot 1 DP 1134371 is directly impacted by the scheme works. Compulsory acquisition commenced in 2022 and ownership transferred to Council on 27 October 2023.

Corporate and Community

Report No. CC1/2024

Corporate and Community Services



It was initially thought the bund wall could be designed so that it did not encroach onto Lot 3 DP 1145540, a large parcel of Crown-owned land located at the southern limit of the bund wall. However, examination of numerous alternative options showed this could not be achieved without making major and unacceptable changes to the overall bund wall design and positioning. Consequently, there is a need for further acquisition of Crown land (0.946ha) to address the bund wall tail encroachment and minor inundation in a 1 in 100 (year) AEP flood that occurs when flood waters build up behind the bund wall.

Council is an authority of the State (Acquiring Authority) under the Just Terms Act, however councils are empowered to acquire land by s.377(1)(h) of the *Local Government Act 1993*. This power cannot be delegated and a resolution of Council is required authorising the General Manager to effect the transaction.

OPTIONS

No alternative options are considered economically viable to reduce the flood risk in South Cessnock. If the subject land parcels and/or easements are not approved for acquisition, there will be no legal property and rights in place to construct critical infrastructure and the Project cannot proceed.

CONSULTATION

A public consultation process was undertaken in July 2020. A Community Newsletter was issued providing preliminary plans for the South Cessnock Flood Mitigation Scheme and followed with a Public Information Meeting attended by representatives from:

- State Emergency Services;
- Subsidence Advisory NSW;
- Department of Planning, Industry and Environment;
- Hunter Water Corporation; and
- Cessnock Floodplain Management Committee.

Compulsory acquisition of Crown land involves public notification and Ministerial approval. Council's contribution to funding was publicly exhibited in the 2017-21 Delivery Program.

STRATEGIC LINKS

a. Delivery Program

The acquisitions are linked to the Delivery Program 2017-21 and specifically aligned with Sustainable & Healthy Environment Objective 3.1.9 - 'Commence implementation of the priority recommendations from flood studies and risk management plans for major catchments in the local government area.'

The Project is included in the current year Operational Plan Capital Works Program - Flood Management Program: Project ID PMF-2022-006.



b. Other Plans

- Black Creek (Cessnock City) Floodplain Risk Management Study and Plan, Cardno 2016.
- Detailed Hydraulic Modelling and Flood Mitigation Options Analysis for South Cessnock, Royal Haskoning 2016.
- South Cessnock Mine Subsidence Flood Investigation, Royal Haskoning 2019.
- South Cessnock – Flood Mitigation Options and Cost Benefit Assessment, Royal Haskoning 2020.

IMPLICATIONS

a. Policy and Procedural Implications

- Property Management Policy 2018.
- Flood Prone Land Policy 2005 - Whilst the flooding issues experienced in South Cessnock are primarily related to subsidence, management of flood prone land is primarily the responsibility of councils. Council has undertaken investigations, prepared Flood Studies and a Risk Management Plan in accordance with the NSW Floodplain Management Manual.

b. Financial Implications

Financial implications of the acquisitions cannot be quantified at this time. The Just Terms Act stipulates that as an Acquiring Authority, councils are authorised to acquire land under the *Local Government Act 1993*. However, obtaining Ministerial approval to acquire Crown land involves making application to acquire land by compulsory process under s19 of the *Just Terms Act*. The application must confirm Valuations NSW (formerly Valuer General Department) has been engaged to value the Crown land and the date of the Council resolution, both of which are subject to adoption of the recommendations of this report. Compensation payable to Crown Lands is not determined by Valuations NSW until the compulsory acquisition process is completed and published in the NSW Government Gazette.

c. Legislative Implications

Council's authority to acquire land in accordance with the *Just Terms Act* is subject to s.377(1)(h) of the *Local Government Act 1993* which provides compulsory acquisition or purchase of land cannot be delegated and a resolution of Council is required.

d. Risk Implications

Failure to acquire the required land and/or easements will negate or delay Council's efforts to secure legal access and rights to construct critical infrastructure, placing at risk previously arranged grant funding and extending the period of heightened flood risk for South Cessnock.

e. Environmental Implications

Nil

Corporate and Community

Report No. CC1/2024

Corporate and Community Services



f. Other Implications

Nil

CONCLUSION

Acquisition of the land will facilitate major works required to mitigate the impact of flooding on South Cessnock residential properties and private land on the eastern side of the former railway line.

ENCLOSURES

There are no enclosures for this report.

Corporate and Community

Report No. CC2/2024

Corporate and Community Services



SUBJECT: *ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023*

RESPONSIBLE OFFICER: *Chief Finance Officer - Matthew Plumridge*

SUMMARY

The purpose of this report is to present the audited financial statements for the year ended 30 June 2023 to Council and the public in accordance with Section 419 of the *Local Government Act 1993*.

RECOMMENDATION

1. That the Annual Financial Statements, incorporating the Auditor's Reports for the year ended 30 June 2023, be received and the information be noted.
2. That Council notes the Audit Office of NSW issued a qualified audit opinion with respect to the year ended 30 June 2023 due to Council not recognising Rural Fire Service fleet assets in the General Purpose Financial Statements, which aligns to the existing Policy Position and Council resolution relating to this matter.
3. That Council reaffirms its position in regards to not recognising RFS fleet assets; that RFS fleet assets are not controlled by Council; that rural firefighting equipment is vested in, under the control of and the property of the State and notes the significant sector wide campaign on this issue.
4. That Council reaffirms its complete support of and commitment to local RFS brigades and that Councils position in regards to asset recognition does not impact on that support or the volunteers within the LGA.

BACKGROUND

Section 413(1) of the *Local Government Act 1993* requires Council to prepare General Purpose Financial Reports for the financial year ending 30 June. Following audit, the Annual Financial Statements for 2022-23 are required to be presented to Council and the community.

REPORT

Following audit finalisation, the financial statements are now presented to the Council for information. Annual Financial Statements 2022-23 including Audit Reports are included as an enclosure and are available on Council's website.

The draft Financial Statements were presented to the Council on 20 September 2023 (Report No. CC60/2023) and Council formally referred the statements for audit. The Statement by Councillors and Management was signed in accordance with that resolution by the Mayor, the Deputy Mayor, the General Manager and the Responsible Accounting Officer.

Following audit, the Annual Financial Statements for 2022-23, the Engagement Closing Report and Report on the Conduct of the Audit are presented to the Council for information.



The Statements were lodged with the Office of Local Government on 20 December 2023 after an extension request to 30 November 2023 was requested by the external auditors.

As anticipated, the Audit Office of NSW has issued a qualified audit opinion with respect to the year ended 30 June 2023 due to Council not recognising Rural Fire Service assets in the General Purpose Financial Statements, which aligns to the existing Policy Position and Council resolution relating to this matter. The full Auditor's Report are contained within the financial statements.

Audit and Risk Committee

The Annual Financial Statements and Audit Reports were presented for final review to the Audit and Risk Committee at its meeting on 7 February 2024. Following review and discussion with management and the external auditors regarding the statements and changes since the draft version, the Committee has made the following recommendations:

That the Audit and Risk Committee receives and endorses the audited Annual Financial Statements for the year ended 30 June 2023 for presentation to Council and the public at the Ordinary Council Meeting of 21 February 2024.

Summary of changes since draft Statements

Since the draft financial statements were provided to Council on 21 September 2023 there have been a number of changes made resulting in a movement of the Net Operating Result from -\$25.683m to -\$29.785m including the following:

Item	Note	Note Description	Change	Initiated By	Impact Net Result \$'000
Net Operating Result (excluding capital grants and contributions) in draft statements					-\$25,683
1	B3-2	Materials and Services State of Changes in Equity	Airport Legal Settlement – Moved from Prior Period to Current Year	Council/ Auditors	-\$6,155
2	B3-3	Borrowing Costs	Reversal of Interest Recognition of Unaccounted Loan for the Hangar.	Council/ Auditors	\$2,457
3	B3-4 C3-5	Depreciation Provisions	Depreciation – increased estimate of remediation of current waste site.	Council/ Auditors	-\$589
4	B3-5 C3-5	Other expenses Provisions	Adjust provision for former landfill sites remediation estimates noting previous sites considered contingent liabilities have been considered as contingent in current year.	Auditors	\$179
5	B3-2 B3-4	Materials and Services Depreciation	Rounding off	Council	\$6
Net Operating Result (excluding capital grants and contributions) in final statements					-\$29,785

Corporate and Community

Report No. CC2/2024

Corporate and Community Services



The draft statements noted Prior Period Errors relating to the Waste Provision Orphan sites and the Airport Settlement. In working through these with the audit team it was determined, as based on the above entries, that these are not prior period errors and are to be accounted for in the current financial year.

As per previous Statements, Council continues the practice of recognising Rural Fire Service land and buildings which are owned by Council but not recognising Rural Fire Service plant and equipment within Council's financial accounts. As reported and accepted by Council in report CC58/2002 on 20 July 2022, this is as in Council's opinion the criteria for recognition of the RFS assets per the AASB Accounting Standards is not met. Council's opinion remains that it does not have control of Rural Fire Service plant and equipment, a position that is wide spread across the local government sector.

Financial Report Requirements

The financial statements set out the financial performance, financial position and cash flows of Council at each year ending 30 June. The financial statements are supported by detailed notes to the financial statements.

Council is required under Section 413(1) of the *Local Government Act 1993* to prepare financial reports each year and refer them for audit. The financial reports must include a general purpose financial report, any other matter prescribed by the regulations and a statement in the approved form by the Council as to its opinion on the general purpose financial reports. These financial reports are also required to be lodged with the Office of Local Government by 31 October 2023, though in the current audit an extension was requested by the external auditors to 30 November 2023 and subsequent lodgement on 20 December 2023.

The Statement by Councillors and Management was authorised by a resolution of Council on 21 September 2023 and was signed in accordance with that resolution by the Mayor, a Councillor, the General Manager and the Responsible Accounting Officer.

Financial Report Summary

The Income Statement shows a Net Operating Surplus of \$26.4m compared to a surplus of \$50.4m in 2021-22. The Net Operating Result before Capital Grants and Contributions shows a deficit of \$29.8m compared to a surplus of \$0.6m in 2021-22. The Auditor's Report on the Conduct of the Audit provides commentary on the factors contributing to the financial result.

Cash and Investments (Restricted Assets)

Cash and investments closed strong at 30 June 2023 totalling \$73.1m, a small decrease of \$800k from \$73.9m at 30 June 2022. Details around the level of investments held and reasons for fluctuations are provided within monthly investment report provided to Council.

Restrictions on cash and investments are divided into externally restricted assets where the funds are restricted in their use by externally imposed requirements, and internally restricted assets where the funds are restricted in their use by resolution or policy of Council. Full disclosure of the restricted assets held and balances are shown in Note C1-3 of the financial statements.



Statement of Financial Position (Balance Sheet)

Current assets recorded at \$92.5m at 30 June 2023, decreasing from \$92.8m in 2021-22.

Infrastructure, property, plant and equipment increased to \$1,277.1m in 2022-23 from \$1,149.3m as a result of investment into Council's infrastructure and the indexation of assets, refer Note C1-8.

Liabilities also increased on prior year to \$75.7m from \$55.2m predominantly as a result of an increase to the provision for landfill remediation.

Net total assets have increased during the year to \$1,294.0m from \$1,187.0m.

Full disclosure of the Statement of Financial Position is shown in Notes C1 to D1 of the financial statements.

TCorp Performance Measures

Performance Measure	2022-23	2021-22	Benchmark	2022-23 Result
Operating Performance Ratio	-18.55%	3.42%	>0.00%	X
Own Source Operating Revenue Ratio	51.27%	55.60%	>60.00%	X
Unrestricted Current Ratio	2.98x	3.74x	>1.50x	✓
Debt Service Cover Ratio	-0.21x	10.93x	>2.00x	X
Rates and Annual Charges Outstanding Percentage	6.11%	6.86%	<10.00%	✓
Cash Expense Cover Ratio	10.49 mths	10.23 mths	>3.00 mths	✓

There are three ratios not meeting the Office of Local Government benchmarks. Own Source Operating Ratio is primarily due to the 100% prepayment of the Financial Assistance Grant and other natural disaster grants that Council continues to receive for previous flood events.

The Operating Performance Ratio is below the benchmark due to the deficit after capital income. Capital income levels remain high in terms of dedicated assets, capital grants and developer contributions. Other one off items including the legal settlement and additional provisions for the rehabilitation of old waste sites is further dragging this below the benchmark.

The Debt Service Cover ratio is below benchmark due to the quantum of the deficit after capital income. Noting that most of the amounts driving this result are not cash related with the Cash Expense Cover Ratio providing a truer indication of Council's ability to meet its debt requirements.

Corporate and Community

Report No. CC2/2024

Corporate and Community Services



Public Notice

A summary of Council's financial statements has been published on Council's website giving notice that the financial statements and auditor reports will be presented to the Ordinary Council Meeting to be held 21 February 2024. This is in accordance with Office of Local Government Circular 20-12/17 April 2020 / A696830 which removes the requirement to publish in newspapers. The financial statements will be made available for public inspection on Council's website and at Council's offices. Written submissions on the financial statements may be lodged up until 5.00pm 29 February 2024.

Council has developed a document called "[Making Sense of the Financial Statements](#)" that has been attached to the end of the published financial statements. This provides the public a summary of matters which have impacted the financial results and commentary/information in response to some of the audit findings in the audit opinion.

CONSULTATION

Executive Leadership Team
Senior Finance Staff
Asset Management Staff
Audit and Risk Committee
The Audit Office of NSW

IMPLICATIONS

Policy / Procedural / Financial / Legislative / Risk Implications

Council's General Purpose Financial Reports have been prepared in accordance with Section 413 of the *Local Government Act 1993*.

This report supports meeting Council's statutory obligations in accordance with provisions of *Local Government Act 1993* for the presentation of the financial statements and auditors reports to Council (Section 419), the public notice of the presentation (Section 418) and time for preparation and submission of audited financial statements (Section 416).

The Annual Financial Statements for the year ended 30 June 2023 including auditor reports were lodged with the Office of Local Government on 20 December 2024.

OPTIONS

N/A

CONCLUSION

Following audit, Council's Annual Financial Statements for 2022-23 are required to be lodged with the Office of Local Government and presented to Council and the community.

ENCLOSURES

- 1⇒ Financial Statements for the year ended 30 June 2023, incorporating "Understanding the Financial Statements" document

Corporate and Community

Report No. CC3/2024

Corporate and Community Services



SUBJECT: *COUNCIL RECESS PERIOD - DECISIONS MADE UNDER DELEGATED AUTHORITY*

RESPONSIBLE OFFICER: *Director Corporate & Community Services - Robert Maginnity*

SUMMARY

This report provides notification to Council of matters considered under delegated authority pursuant to Section 377 of the *Local Government Act 1993* (the Act), by the Mayor and the General Manager jointly exercising the function of Council during the recess period.

RECOMMENDATION

That Council notes that during the recess period of Council, the Mayor and General Manager under delegated authority exercised the following decisions of Council:

- **Tender T2024-11 Cessnock Regional Skatepark**

At the Ordinary Council meeting on 13 December 2023, Trinity Skateparks Pty Ltd (Trinity) was awarded the Tender. Trinity have advised that, due to scheduling conflicts, they have declined to proceed with the tender.

Decision: Award of Tender T2024-11 to Trinity Skateparks Pty Ltd be rescinded as the preferred tendered has declined to proceed with the tender; and that Tender T2024-11 be awarded to Convic Pty Ltd for the lump sum of \$2,183,721.58 (including GST) for the replacement of Cessnock Regional Skatepark.

BACKGROUND

This report provides information on matters determined under delegation during the recess period 14 December 2023 until 31 January 2024.

REPORT/PROPOSAL

Council at the meeting of 13 December 2023 resolved that Council be in recess from 14 December 2023 until 31 January 2024, that delegations be made to the Mayor and General Manager to jointly exercise any functions of Council during the recess period, and that a listing of matters considered be presented to Council at the February meeting.

At the conclusion of the recess period, one matter was considered under delegation and this report provides information in relation to that matter.

Corporate and Community

Report No. CC3/2024

Corporate and Community Services



Tender T2024-11 Cessnock Regional Skatepark

At the Ordinary Council meeting on 13 December 2023, Trinity Skateparks Pty Ltd (Trinity) was awarded the Tender. Trinity have advised that, due to scheduling conflicts, they have declined to proceed with the tender. Convic Pty Ltd also tendered for the project. A review of the evaluation matrix determined their suitability to proceed with the project.

Decision

The General Manager and Mayor determined that the award of Tender T2024-11 to Trinity Skateparks Pty Ltd be rescinded as the preferred tenderer has declined to proceed with the tender; and that Tender T2024-11 be awarded to Convic Pty Ltd for the lump sum of \$2,183,721.58 (including GST), for the replacement of Cessnock Regional Skatepark.

OPTIONS

N/A

CONSULTATION

General Manager
Director Corporate and Community Services
Chief Financial Officer
Procurement Coordinator
Governance Coordinator

STRATEGIC LINKS

a. Delivery Program

This report is linked to the Community Strategic Plan Cessnock 2027, specifically, the key objective of *Civic Leadership and Effective Governance*.

b. Other Plans

N/A

IMPLICATIONS

a. Policy and Procedural Implications

N/A

b. Financial Implications

The original tender awarded at the December Council meeting was for \$2,021,037, with the tender subsequently awarded representing a cost increase of approximately \$162,685.

Corporate and Community

Report No. CC3/2024

Corporate and Community Services



c. Legislative Implications

Section 377 of the *Local Government Act 1993* provides for delegations to the General Manager and Council endorsed delegations to the Mayor and General Manager to jointly exercise any functions of Council during the period of recess.

d. Risk Implications

N/A

e. Other Implications

N/A

CONCLUSION

To ensure effective and efficient processing of development applications and other functions of Council during the recess period, delegated authority was granted to the Mayor and the General Manager for the recess period. This report provides information for Council and the community on matters considered under this delegation during the recess period of Council.

ENCLOSURES

There are no enclosures for this report.

Corporate and Community

Report No. CC4/2024

Corporate and Community Services



SUBJECT: *DECEMBER 2023 REVIEW OF THE 2022-26 DELIVERY PROGRAM*

RESPONSIBLE OFFICER: *Chief Finance Officer - Matthew Plumridge*

SUMMARY

The purpose of this report is for Council to note the Quarterly update on the progress against Council's 2022-26 Delivery Program and the Operational Plan 2023-24.

RECOMMENDATION

1. That Council notes the progress in implementing the 2022-26 Delivery Program as at 31 December 2023.
2. That Council approves changes to the 2023-24 Operational Plan actions and targets as outlined in the report.

BACKGROUND

Section 404(5) of the *Local Government Act 1993* requires the General Manager to provide regular progress reports to Council with respect to progress against the principal activities detailed in its Delivery Program with reports to be provided at least every six months.

The Quarterly Budget Review Statement required under clause 203 of the *Local Government (General) Regulation 2021*, provides financial information in regards to estimates of income and expenditure and is separately reported to Council.

Council adopted the 2022-26 Delivery Program and Operational Plan 2023-24 in June 2023. The Delivery Program outlines the activities that Council will undertake to implement the strategies identified in the Community Strategic Plan and is the single point of reference for all principal activities undertaken by an elected Council during its term in office.

At the end of each quarter a report is prepared to assess Council's progress against 2022-26 Delivery Program actions and the Capital Works Program.

REPORT/PROPOSAL

The 2023-24 Operational Plan is a one-year plan and was developed to implement the adopted actions from the 2022-26 Delivery Program.

Corporate and Community

Report No. CC4/2024

Corporate and Community Services



Some of the highlights for the December quarter are provided below:

- Carols in the Park sponsored by Council, Newcastle Permanent and Rover Motors was held 1 December and included a 14-piece band playing a number of favourite Christmas carols. The evening was well attended. Performance Arts Culture Cessnock (PACC) also hosted JD's World of Magic and delighted audiences with an interactive display of magic, puppets and audience participation. In the lead up to Christmas, a number of children and young people activities were held at Cessnock and Kurri Kurri Libraries and Cessnock Youth Centre and Outreach Service.
- All works have been completed and the launch of the refurbished PACC was held 13 October 2023. 'Artefact' was PACC's inaugural exhibition and was attended by over 200 people. The collection celebrated the indelible artistic legacy of the late Uncle Les Elvin, and the work of four renowned artists, each with their own deep ties to the Wonnarua Nation and surrounding Country.
- Council completed an Investment Attraction Workshop with the Department of Regional NSW to identify opportunities to attract niche and valuable businesses to the Cessnock LGA that align with the Greater Cessnock Jobs Strategy. The Economic Development and Planning Teams have assisted multiple organisations with investment attraction inquiries.
- A new public amenity building has been constructed at Cliftleigh Meadows District Park.
- The Hydrawise irrigation systems upgrade has been completed with 22 controllers replaced and 7 smart meters installed. The meters have been reporting high and low water usage and can detect when a leak occurs. The valves will give a report on litres of water used and through what valve in real time. This will, over time save a lot of water and power and will also result in reduced maintenance.
- Bridge replacement at Kline Street, Weston has been completed.
- The accessibility hot air balloon, vehicle, trailer and associated equipment has been purchased and a launch event completed on 27 September 2023.

2022-26 Delivery Program

At the conclusion of the 2nd Quarter, 12 of 164 Actions from the 2023-24 Operational Plan were Completed with 146 currently In Progress. The 'In Progress' Actions will continue to be monitored and reported as part of the quarterly review process. There was 1 Action at Risk, 0 Not Progressing and 5 which are Not Due to Start at the time of reporting.

Table 1 shows the overall status of actions at 30 December 2023.

Table 1

	A connected, safe, and creative community	A sustainable and prosperous economy	A sustainable and healthy environment	Accessible infrastructure, services and facilities	Civic leadership and effective governance	Total
Not Due to Start	-	-	1	-	4	5
In Progress	40	17	42	15	32	146
Not Progressing	-	-	-	-	-	-
Complete	3	3	4	-	2	12
At Risk	-	1	-	-	-	1
	43	21	47	15	38	164

Corporate and Community

Report No. CC4/2024

Corporate and Community Services



Details of the projects have been included in **Enclosure 1**.

2023-24 Capital Works Program

At 30 December 2023, 43 of the 181 projects from the 2023-24 Capital Works Program were Completed, 34 were Not Progressing, 98 were On Track and 6 projects are Not Due to Start.

Table 2 shows a summary the overall status of projects at 30 December 2023.

Table 2

Program	Complete	On track	Deferred/Not Progressing	Not due to Start	Total
Community Buildings Construction (CBC/WDC)	1	-	1	-	2
Cemeteries Facilities Construction Program (CFC)	1	-	-	-	1
Recreation Buildings Construction Program (GBR)	1	-	-	-	1
Bridge Construction Program (CBS)	2	4	-	-	6
Branxton Town Centre Program (CTB)	1	1	-	-	2
Drainage Construction Program (CDR)	1	12	3	-	16
Recreation Facilities Construction (CFR)	5	7	4	-	16
Traffic Facilities Program (CFT)	-	5	2	-	7
Library Books (CL)	-	1	-	-	1
Pathway Construction (CPW)	6	5	5	-	16
Local Road Construction (CRL)	-	2	1	-	3
Safer Roads (CRR/CLS)	-	2	2	-	4
Kurri Kurri Town Centre (CTK)	-	2	1	-	3
Natural Disaster Rehabilitation (NDR)	-	3	-	-	3
Other Fixed Assets (OFA)	3	-	-	-	3
Plant and Fleet Acquisition (PFA)	-	1	1	-	2
Floodplain Management (PMF)	3	6	-	-	9
Cultural and Community Buildings (RBC)	7	3	2	-	12
Recreation Buildings Renewal (RBR)	3	2	1	-	6
Cessnock Civic Revitalisation (RCC)	-	1	-	-	1
Pools Facilities Renewal (RFP)	-	1	-	-	1
Recreation Facilities Renewal (RFR)	2	3	2	4	11
Recreation Pre-Construction Design (RPC)	-	1	-	-	1
Gravel Rehab & Resheeting Program (RRG)	-	1	-	-	1
Local Road Renewal (RRL)	4	25	3	1	33
Regional Road Renewal (RRR)	3	4	-	-	7
Works Depot Construction Program (WDC)	-	-	-	1	1
Waste Plant Management (WPM)	-	2	-	-	2
Waste Facilities Construction Program	-	3	4	-	7
Visitors information Centre (VIC)	-	1	-	-	1
Total	43	98	34	6	181

Detailed information on the Capital Works Program is included in **Enclosure 1**.

OPTIONS

N/A

CONSULTATION

The General Manager, Directors, Managers and Coordinators provided the information for this report and its enclosures.

Corporate and Community

Report No. CC4/2024

Corporate and Community Services



STRATEGIC LINKS

a. Delivery Program

This report is part of the organisation's governance framework – providing feedback on the progress against the key plans adopted by Council. This is in line with the community's desired outcome of: *"Civic Leadership and Effective Governance."*

b. Other Plans

N/A

IMPLICATIONS

a. Policy and Procedural Implications

N/A

b. Financial Implications

The quarterly budget review forecasts are reported separately to Council.

c. Legislative Implications

This report satisfies the requirements of Section 404 of the *Local Government Act 1993*.

d. Risk Implications

N/A

e. Other Implications

N/A

CONCLUSION

The review of the 2022-26 Delivery Program against the Operational Plan 2023-24, for the Quarter ended 30 September, is submitted for Council's consideration.

ENCLOSURES

[1](#) 2023-24 Operational Plan Review - Quarter 2

Corporate and Community

Report No. CC5/2024

Corporate and Community Services



SUBJECT: *QUARTERLY BUDGET REVIEW STATEMENT - DECEMBER 2023*

RESPONSIBLE OFFICER: *Chief Finance Officer - Matthew Plumridge*

SUMMARY

The purpose of this report is to present the Quarterly Business Report December 2023 containing the Quarterly Budget Review Statements (QBRS) for consideration and approval.

RECOMMENDATION

1. That Council receives the December 2023 Quarterly Budget Review Statement in accordance with Clause 203 of the Local Government (General) Regulation 2021.
2. That Council notes that the December 2023 Quarterly Budget Review Statement reflects a forecast operating surplus for the year of \$37.1m or (\$6.9m) deficit excluding capital income.
3. That Council notes that the December 2023 Quarterly Budget Review Statement reflects a forecast capital expenditure budget of \$75.4m.
4. That Council approves proposed changes to the 2023-24 operating and capital budgets as presented in the Quarterly Business Report December 2023.
5. That Council notes that the Quarterly Budget Review Statement forecasts four of the six key performance indicators will exceed Office of Local Government benchmarks.

BACKGROUND

Clause 203 of the *Local Government (General) Regulation 2021* requires the QBRS to be prepared and submitted to Council. A separate report to Council contains information in regard to Council's Delivery Program and reporting under Integrated Planning and Reporting requirements.

The Quarterly Business Report for December 2023 is presented to Council for consideration and contains all necessary Quarterly Budget Review Statements.

REPORT/PROPOSAL

The budget review process involved responsible cost centre managers reviewing income and expenditure patterns and, after consultation with finance staff, proposing any required changes. Changes may have been from unforeseen circumstances or elements beyond the control of Council, additional funding opportunities, or from Council resolutions.

Corporate and Community

Report No. CC5/2024

Corporate and Community Services



General Budget Commentary

The QBRS Q2 December 2023 is provided to the committee at **Enclosure 1** and is showing a projected operating surplus of \$37.1m for the year ending 30 June 2024, or a forecast net operating deficit of \$6.9m excluding capital grants and contributions income.

The QBRS also shows a revised capital works program forecasting changes that decrease the current program by \$5.8m, from \$81.3m to \$75.4m.

For details on all proposed budget changes please refer to the notes in the QBRS.

There is still further work to be completed in the forecasting of the capital works budget. Current year to date spending puts the final target closer to \$60m. The Infrastructure team continues to review their financial forecasting which, with additional finance assistance, should improve future projections of capital expenditure.

Key Performance Indicators

Council's QBRS forecasts that four out of six key performance indicators will exceed Office of Local Government benchmarks. Due to the revised net operating position forecasting a deficit, the Operating Performance Ratio is no longer meeting the benchmark to break even. Additionally increasing grant income, particularly for ongoing natural disaster works is placing the Own Source Operating Revenue below the benchmark. A listing of the key performance indicators (ratios) is included in the QBRS suite of reports.

Responsible Accounting Officer Statement

Section 203 (2) of the *Local Government (General) Regulation 2021* requires that the budget review statement include, or be accompanied by, a report from the Responsible Accounting Officer. This report is required to indicate whether the Responsible Accounting Officer believes that the statement indicates that the financial position of the Council is satisfactory, having regard to the original estimate of income and expenditure, and, if that position is unsatisfactory, recommendations for remedial action.

The following statement is made in accordance with Clause 203(2) of the *Local Government (General) Regulations 2021*:

It is my opinion that the Quarterly Budget Review Statement for Cessnock City Council for the quarter ended 31 December 2023 indicates that Council's projected financial position at 30 June 2024 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure. As noted previously the ongoing increase in capital works will continue to place a pressure on the bottom line particularly through loss on disposal of assets. This can be sustained in the short to medium period but will require adjustments to budgets in the future through additional income or a reduction in expenditure or services.

CONSULTATION

The following staff provided input in the preparation of this report and its enclosures:

- Directors
- Managers
- Senior finance staff
- Audit and Risk Committee

STRATEGIC LINKS

a. Delivery Program

This report is a crucial part of the organisation's governance framework – providing feedback on the progress against the budget adopted by Council. This is in line with the community's desired outcome of: *Civic Leadership and Effective Governance.*"

b. Other Plans

N/A

IMPLICATIONS

a. Policy and Procedural Implications

N/A

b. Financial Implications

The QBRS are presented in accordance with the adopted budget strategy. The detailed review of all operational and capital budgets is a continuous process. The objective is to improve Council's current and future financial position while continuing to deliver programs and infrastructure to community needs.

c. Legislative Implications

Clause 203 of the *Local Government (General) Regulation 2021* requires the Responsible Accounting Officer to prepare and submit to Council a QBRS that shows revised estimates of income and expenditure for the year within two months of the end of each quarter.

d. Risk Implications

The following are some of the risks that may impact achievement of the projected full year operating statement surplus:

- Losses on disposal of asset values as a result of assets being upgraded or renewed prior to the end of their effective lives;
- Unrealised losses associated with the managed fund held with TCorp;
- Changes in estimates for future remediation of landfill sites;
- Increased operational employee costs due to lower capitalisation of labour; and
- Any changes in the prepayment of the Financial Assistance Grant.

Corporate and Community

Report No. CC5/2024

Corporate and Community Services



e. Environmental Implications

N/A

f. Other Implications

N/A

CONCLUSION

The Quarterly Budget Review Statement for December 2023 is submitted for approval.

ENCLOSURES

[1](#) ⇨ December 2023 Quarterly Budget Review Statements

Corporate and Community

Report No. CC6/2024

Corporate and Community Services



SUBJECT: *AUSTRALIAN LOCAL GOVERNMENT ASSOCIATION 2024 NATIONAL GENERAL ASSEMBLY - REQUEST FOR ATTENDANCE AND MOTIONS*

RESPONSIBLE OFFICER: *Director Corporate & Community Services - Robert Maginnity*

SUMMARY

The Australian Local Government Association (ALGA) 2024 National General Assembly (NGA), is scheduled to be held at Canberra's National Convention Centre from Tuesday 2 July to Thursday 4 July 2024. The purpose of this report is to provide the opportunity for Councillors to make an application to attend as per Council policy, and to consider motions to be submitted to the Conference.

RECOMMENDATION

1. That Councillors wishing to attend the Australian Local Government Association 2024 National General Assembly make an application to attend the annual conference to the General Manager by 1 March 2024 so that Council can determine attendees at the meeting of 20 March 2024.
2. That Councillors consider possible motions for the conference and that they be provided to the General Manager by 1 March 2024 for consideration/endorsement by Council at the meeting of 20 March 2024.

BACKGROUND

Council needs to determine attendees and voting delegates to the Australian Local Government Association (ALGA) 2024 National General Assembly (NGA). Councillors wishing to attend need to make application to attend with applications to be determined at a later Council meeting.

REPORT/PROPOSAL

ALGA have provided information on the Conference to be held at Canberra's National Convention Centre from Tuesday 2 July to Thursday 4 July 2024, to shape the federal advocacy agenda that ALGA will undertake on behalf of Australian local governments. The theme of the 2024 NGA is – Building Community Trust.

Details about the conference are available at [Home - ALGA](#)

Request to Attend

In accordance with Council Policy, Councillors wishing to attend the conference are requested to make application to the General Manager by 1 March 2024 so that Council can determine the attendees and voting delegates at the March Council meeting.

Corporate and Community

Report No. CC6/2024

Corporate and Community Services



Once early bird registration opens, a number of places will be tentatively booked to take advantage of the discount available, with delegate details to be updated once Council determines attendees. Accommodation will also be tentatively booked. At this stage final registration fees have not been set, but based on prior years it is anticipated that approximate costs would be, standard registration \$1,600, early bird registration \$1,200 and Conference Dinner ticket (optional) \$300, plus accommodation costs.

The application to attend conference form is available at **Enclosure 1**.

Motions

ALGA has also sought to have motions for consideration at the Conference submitted by 29 March 2024. Councillors are requested to notify the General Manager of any suggested motions by 1 March 2024 so that Council could determine the motions to be referred to the Association at the meeting of 20 March 2024.

The Local Government NSW Board is seeking ways to ensure that the motions debated at the Conference centres on advancing section wide policy agenda. This means proposed motions should seek to be strategic, affect members state-wide and introduce new or emerging policy issues and actions.

An online portal is available for submission of motions. Those motions only will be included in the conference business paper where they:

1. are consistent with the objects of the Association;
2. relate to Local Government in NSW and/or across Australia;
3. concern or are likely to concern Local Government as a sector;
4. seek to advance Local Government policy agenda of the Association and/or improve governance of the Association;
5. have a lawful purpose (a motion does not have a lawful purpose if its implementation would require or encourage non-compliance with prevailing laws);
6. are clearly worded and unambiguous in nature; and
7. do not express preference for one or several members over one or several other members.

The 2024 NGA Motions Discussion Paper is available at **Enclosure 2**.

CONSULTATION

General Manager

STRATEGIC LINKS

a. Delivery Program

This report is linked to the Community's Desired Outcome Objective 5 "Civic Leadership and Effective Governance".

Corporate and Community

Report No. CC6/2024

Corporate and Community Services



IMPLICATIONS

a. Policy and Procedural Implications

Application for attendance at the Australian Local Government Association 2024 National General Assembly is in accordance with Council Policy.

b. Financial Implications

Funding is available for attendance in the Councillors conference budget vote. The approximate cost per delegate is estimated to be \$2,500-\$3,000. This includes accommodation, conference/workshop registration and meals.

c. Legislative Implications

N/A

d. Risk Implications

N/A

e. Other Implications

N/A

CONCLUSION

This report provides information on the upcoming ALGA 2024 NGA and provides Council with the opportunity to consider any motions to be submitted to the conference and for Councillors to apply to attend.

ENCLOSURES

- [1](#) Councillor Request to Attend Conference Form
- [2](#) 2024 NGA Motions - Discussion Paper

Corporate and Community

Report No. CC7/2024

Corporate and Community Services



SUBJECT: *INVESTMENT REPORT - DECEMBER 2023*

RESPONSIBLE OFFICER: *Chief Finance Officer - Matthew Plumridge*

SUMMARY

Section 625 of the *Local Government Act 1993* (the Act), Clause 212 of the *Local Government (General) Regulation 2021* (the Regulation) and Council's Investment Policy (the Policy) requires a monthly report to Council detailing all money invested.

RECOMMENDATION

That Council receives the Investment Report for December 2023 and notes that:

- **Investments are held in accordance with Council's Investment Policy, which is in accordance with the Ministerial Investment Order.**
- **Council's month end cash and investments balance was \$86,057,432.**

BACKGROUND

A monthly report to Council detailing money invested as per the Act, Regulation and Policy.

REPORT

Statement by the Responsible Accounting Officer

The Responsible Accounting Officer has certified that this report is produced in accordance with Clause 212 of the Regulation and that all investments have been made in accordance with the Act, Regulation and Policy.

General Investment Commentary

Council officers monitors and manages the cash and investment portfolio by taking into consideration credit ratings of financial institutions, interest rates offered for periods of investment, counterparty exposures and cash flow requirements.

Following assessment of projected cash flow requirements, surplus funds are invested in accordance with Council's Investment Policy. Investment returns of the portfolio to the end of December 2023 are exceeding the budgets. As older term deposits mature and new term deposits are invested, yields are increasing compared to the last few years as demonstrated on Table 1 below.

Corporate and Community

Report No. CC7/2024

Corporate and Community Services



Council has engaged Prudential Investment Services Corp for investment advice and the December 2023 Economic and Investment Portfolio Commentary, regarding interest rates notes:

- *It's now looking almost certain that rates have peaked in major central banks and they are moving towards rate cuts. This is all being driven by the ongoing fall in inflation, with US consumer price inflation falling again and a bigger than expected fall in producer price inflation.*
- *It's now looking almost certain that rates have peaked in major central banks and they are moving towards rate cuts. This is all being driven by the ongoing fall in inflation, with US consumer price inflation falling again and a bigger than expected fall in producer price inflation.*
- *Global (and domestic) shares and bonds performed strongly again in December due to inflation pressures continuing to ease in many countries and the growing prospect of cuts in the official cash rates both domestically and abroad. Australian shares were among the top performers globally for the month with the All Ords up 7.4% for the month, bringing its 12 month return to 13%. The US S&P 500 closed out 2024 with a return of 4.5% for December and over 26% for the year.*

Domestic issues noted within Prudential's report include:

- *September quarter GDP and other data released in December leave no doubt that the domestic household sector is getting hit hard by the RBA rate hikes. While annual GDP growth was stronger than expected at 2.1%yoy, this reflected upwards revisions to past quarters with September quarter GDP growth coming in well below expectations at 0.2%qoq.*
- *Consumer spending stalled in the September quarter and down 2% per person over the last year which highlights that the average Australian is cutting back discretionary spending.*
- *While labour income has been strong this is being swamped by increasing mortgage payments and higher tax payments. The share of gross household income devoted to mortgage payments and tax payments are now both at or around record highs.*
- *Consumer confidence rose slightly in December on the RBA rate pause but remains depressed and business confidence surveys fell, albeit business conditions are still okay but also falling. All things being equal this is consistent with soft growth.*

At its December meeting, the RBA kept the official cash rate unchanged at 4.35% noting that economic data received over the prior month had been broadly in line with expectations. Inflation had continued to decline but remained high and wages growth had reached 4% sooner than expected but is unlikely to rise much further.

In summarising Council's portfolio Prudential advises, *"Council's investment portfolio posted a marked-to-market return of 6.36%pa for the month versus the bank bill index benchmark return of 4.34%pa. Over the past 12 months, Council's portfolio has returned 3.87% versus the benchmark's 3.76%.*

In summarising Council's portfolio Prudential advises, *"Council's investment portfolio posted a marked-to-market return of 6.43%pa for the month versus the bank bill index benchmark return of 4.43%pa. Over the past 12 months, Council's portfolio has returned 4.27% versus the benchmark's 3.89%.*

Corporate and Community

Report No. CC7/2024

Corporate and Community Services



The NSW TCorpIM Medium Term Growth Fund (+2.46% actual) had another strong month reflecting the surge in global share markets and the upward trend in bond prices. Inflation appears to be easing in many major countries signalling the likely end of interest rate hikes in this cycle and possible cuts starting in mid-2024. The fund's return gave another good boost to the portfolio's overall performance.

Without marked-to-market influences, Council's investment portfolio yielded 5.15%pa for the month. This is based on the actual interest rates being received on existing investments and excludes the underlying changes to the market value of the TCorp growth fund.

During December, Council had a \$4m 10 month term deposit mature which had been paying 4.70%pa. There were no new deposits made during the month.

Council has a well-diversified portfolio invested predominantly among a range of term deposits from highly rated Australian banks. Council also has exposure to a wide range of asset classes, including international and domestic shares via the NSW TCorp Medium Term Growth Fund. It is expected that Council's portfolio will achieve above benchmark returns over the medium/long term with prudent investment selection."

Investment Portfolio Information

Table 1 Total cash and investments held by Council as at 31 December 2023

Invest No	Financial Institution Investment Held With	Invest Type	Interest Coupon Term	Maturity	Current Coupon Rate	Par Value \$'000
	Commonwealth Bank	CASH			4.00%	6,460
	Commonwealth Bank	At Call			4.35%	5,041
1243	AMP Bank	At Call			2.10%	511
1490	Westpac Bank	TD	729	25-Sep-24	4.91%	4,000
1493	Suncorp Bank	TD	532	18-Apr-24	4.61%	2,000
1495	Westpac Bank	TD	365	24-Jan-24	4.46%	5,000
1496	National Australia Bank	TD	363	29-Jan-24	4.62%	5,000
1497	Westpac Bank	TD	356	19-Mar-24	4.99%	3,000
1498	National Australia Bank	TD	370	15-May-24	4.74%	3,000
1499	National Australia Bank	TD	201	22-Jan-24	5.49%	5,000
1500	National Australia Bank	TD	232	22-Feb-24	5.51%	5,000
1501	National Australia Bank	TD	371	06-Aug-24	5.40%	5,000
1502	Commonwealth Bank	TD	364	06-Aug-24	5.55%	5,000
1503	Commonwealth Bank	TD	363	28-Aug-24	5.27%	4,000
1504	Suncorp Bank	TD	369	24-Sep-24	5.30%	4,000
1505	National Bank	TD	364	25-Sep-24	5.33%	5,000
1506	Suncorp Bank	TD	176	23-Apr-24	5.25%	5,000
1507	Suncorp Bank	TD	274	30-Jun-24	5.35%	5,000
1508	Commonwealth Bank	TD	365	29-Oct-24	5.39%	5,000
1463	Treasury Corporation	Growth Fund				4,046
TOTAL						86,058

Corporate and Community

Report No. CC7/2024

Corporate and Community Services



Table 2 Level of funds held and the percentage invested with financial institutions

Financial Institution	Credit Rating	Institution Maximum	Amount \$'000	% of Portfolio
Commonwealth Bank	AA-	40%	14,000	18.91%
Westpac Bank	AA-	40%	12,000	16.21%
National Australia Bank	AA-	40%	28,000	37.81%
Suncorp Bank	A+	40%	16,000	21.61%
Treasury Corporation	Unrated	10%	4,046	5.46%
TOTAL			74,046	100.00%

In accordance with the Policy, figures in Table 2 above exclude cash and at call balances in Council's main operating account held with the Commonwealth and AMP banks.

Investment in NSW Treasury Corporation (TCorp)

TCorpIM Funds are unit trusts. Distributions are made annually and are automatically reinvested into the fund to buy additional units. As this investment is held for medium to long-term capital appreciation, gains or losses will only be realised on redemption of the investment. However due to accounting requirements any unrealised gains or losses will be processed between investments and the operating statement.

The preliminary December 2023 unrealised return was a gain of \$97,764.64 or 2.48% (4.01% annualised). Rates of return fluctuate each month and possibly be negative from time to time with the medium-term investment horizon. The fund performance summary for December 2023 is not yet available at the time of this report. The fund performance summary as at 30 November 2023 is shown below. The TCorp benchmark is CPI + 2.00% p.a. (over rolling 5 years).

Table 3 NSW Treasury Corporation Performance Summary

	10 year (% pa)	7 year (% pa)	3 year (% pa)	1 year %	FYTD %	1 month %
IM Medium Term Growth Fund	3.95	3.57	1.74	3.75	1.47	2.34
Benchmark: CPI + 2.0% p.a. (over rolling 5 years)	4.65	4.91	6.68	6.88	2.78	0.55
Return above benchmark p.a.	(0.70)	(1.34)	(4.94)	(3.13)	(1.31)	1.79

Table 4 Investment types, risk, amount and percentage invested compared to total

Investment Type	Risk Assessment		Amount	% of
	Capital	Interest	\$'000	Portfolio
Term Deposits	Low	Low	70,000	81.34%
Cash/At Call Deposits	Low	Low	12,013	13.96%
Capital Growth Fund	Medium	Medium	4,046	4.70%
TOTAL			86,058	100.00%



Table 5 Comparison of interest rates, earnings and balances this year to last year

Performance Measures	This Year	Last Year
Investment Portfolio Average Interest Rate (year to date)	6.43%	2.07%
BBSW Average Interest Rate (year to date) *	4.31%	2.33%
Actual Investment Interest Earned (for the current month)	\$355,567	\$158,533
Actual Investment Interest Earned (year to date) ^	\$1,763,533	\$728,772
Revised Budget Investment Interest (year to date)	\$1,060,060	\$390,062
Original Budget Investment Interest (annual)	\$1,380,122	\$1,680,122
Revised Budget Investment Interest (annual)	\$1,750,122	\$1,680,122
TCorp unrealised movement (year to date)	4.01%	2.07%

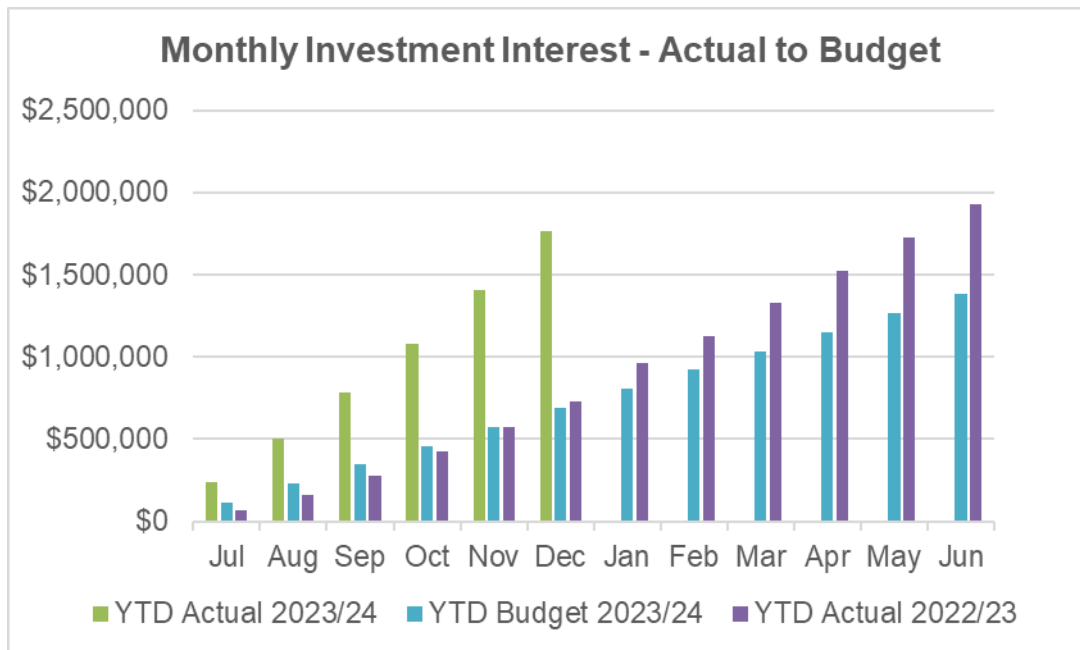
Investment and Cash Balances (Par Value) #	This Year	Last Year
Opening Balance as at 1 July	\$73,085,190	\$73,415,666
Closing Balance as at 31 December	\$86,057,433	\$76,925,501

* BBSW 90 day Bank Bill Reference Rate (performance measure as per Council’s Investment Policy)

^ Excludes TCorp unrealised returns

Excludes Section 355 Committee cash held

Graph 1 Actual interest earned compared to revised budget and actual interest last year



Corporate and Community

Report No. CC7/2024

Corporate and Community Services



Table 6 Internal and external restrictions over cash and investments held

Month End Totals \$'000	Dec 2023*	Nov 2023*	Oct 2023*	Sep 2023*	Aug 2023*	July 2023*
Developer contributions	35,355	30,299	29,924	29,824	28,432	28,432
Committed developer contributions	2,735	3,460	3,460	3,459	3,370	3,370
RMS contributions	0	182	182	182	182	182
Specific purpose unexpended grants	22,104	25,415	21,166	6,906	5,647	5,647
Domestic waste management	430	430	430	430	430	430
Stormwater management	909	1,038	1,052	1,103	1,504	926
External Restrictions	61,533	60,824	56,214	41,904	39,565	38,987
Plant and vehicle replacement	1,274	2,400	2,400	2,400	2,400	2,794
Employees leave entitlement	2,418	2,418	2,418	2,519	2,519	2,519
Carry over works	581	582	583	586	385	385
Bridge replacement	308	282	287	295	314	346
Insurance provisions	761	761	761	761	761	761
Miscellaneous and property	534	809	809	809	809	734
Grant Fund Leverage	82	82	82	82	82	82
Energy efficiency	95	95	95	95	95	95
Operations and programs	472	472	472	472	473	473
Property investment fund	3,021	3,095	3,095	3,095	3,227	3,112
Civil Works	0	0	0	0	20	95
Waste depot and rehabilitation	8,843	13,883	13,883	13,626	12,448	12,448
Committed projects (SRV)	0	300	660	690	717	214
Security deposits and bonds	3,432	3,720	3,948	3,948	4,155	4,144
Unexpended Loan Funds	958	967	967	2,125	2,125	2,129
Internal Restrictions	23,917	29,866	30,460	31,503	30,529	30,331
Unrestricted	1,745	619	790	647	10,088	4,118
Total Cash & Investments	86,057	91,309	87,464	74,054	80,182	73,436

CONSULTATION

Director Corporate and Community Services
 Chief Financial Officer
 Finance staff

Corporate and Community

Report No. CC7/2024

Corporate and Community Services



STRATEGIC LINKS

a. Delivery Program

Investment returns are an integral part of funding sources for future services and community expectations within the Delivery Program and Operational Plan. This report is a part of the organisation's governance framework – providing feedback on the progress against the investment policy and budget adopted by Council. This is in line with the community's desired outcome of: "*Civic Leadership and Effective Governance*" and more specifically links to strategic direction:

- 5.3.2: Our Council's processes are efficient and transparent;
- 5.3.3: Our Council is financially sustainable.

IMPLICATIONS

a. Policy and Procedural Implications

Investments are held in accordance with Council's Investment Policy.

b. Financial Implications

Investment returns are included in Council's Delivery Program and Operational Plan. Amendments are affected through the Quarterly Budget Review process. Investment portfolio performance is detailed within the report with comparisons to prior year and budget.

A portion of the portfolio and its associated investment income is restricted as it relates to funds from developer contributions, payments in advance for grant projects, Domestic Waste Management, and stormwater management income to be applied to specific purposes and not available for general operational projects.

c. Legislative Implications

This report meets Council's statutory obligations under the Act and Regulation.

d. Risk Implications

Investment risks are detailed within this report.

e. Other Implications

There are no environmental, community, consultative or other implications to this report.

CONCLUSION

The report details investments held at month end and meets Council's reporting obligations.

ENCLOSURES

There are no enclosures for this report.

Corporate and Community

Report No. CC8/2024

Corporate and Community Services



SUBJECT: *INVESTMENT REPORT - JANUARY 2024*

RESPONSIBLE OFFICER: *Chief Finance Officer - Matthew Plumridge*

SUMMARY

Section 625 of the *Local Government Act 1993* (the Act), Clause 212 of the *Local Government (General) Regulation 2021* (the Regulation) and Council's Investment Policy (the Policy) requires a monthly report to Council detailing all money invested.

RECOMMENDATION

That Council receives the Investment Report for January 2024 and notes that:

- Investments are held in accordance with Council's Investment Policy, which is in accordance with the Ministerial Investment Order.
- Council's month end cash and investments balance was \$82,315,146.

BACKGROUND

A monthly report to Council detailing money invested as per the Act, Regulation and Policy.

REPORT

Statement by the Responsible Accounting Officer

The Responsible Accounting Officer has certified that this report is produced in accordance with Clause 212 of the Regulation and that all investments have been made in accordance with the Act, Regulation and Policy.

General Investment Commentary

Council officers monitors and manages the cash and investment portfolio by taking into consideration credit ratings of financial institutions, interest rates offered for periods of investment, counterparty exposures and cash flow requirements.

Following assessment of projected cash flow requirements, surplus funds are invested in accordance with Council's Investment Policy. Investment returns of the portfolio to the end of January 2024 are exceeding the budgets. As older term deposits mature and new term deposits are invested, yields are increasing compared to the last few years as demonstrated on Table 1 below.

Corporate and Community

Report No. CC8/2024

Corporate and Community Services



Council has engaged Prudential Investment Services Corp for investment advice and the January 2024 Economic and Investment Portfolio Commentary, regarding interest rates notes:

- *In its latest economic outlook, the International Monetary Fund projected global growth of 3.1% this year — the same pace as in 2023 and an upgrade from its previous forecast of 2.9%. Predictions of a global recession have receded, with inflation easing faster than economists anticipated. Central bankers, including the US Federal Reserve, are expected to begin cutting interest rates in the coming months.*
- *In the US, the economy performed very strongly in the second half of 2023 despite rising interest rates. In the December quarter, Gross Domestic Product (GDP) grew by an annualised 3.3% pace beating expectations of a 2% increase. However, the nation's GDP is expected to weaken over the course of 2024.*
- *US inflation rose to 3.4% year over year (yoy) in December with higher-than-expected energy and food prices and still sticky services inflation. But the trend remains down with more declines likely in the months ahead as high increases in January and February last year drop out of annual calculations.*
- *Global (and domestic) shares and bonds performed had another solid month in January as inflation pressures continued their downward trend in many countries and talk of interest rate cuts becomes a common theme. Australian shares gained over 1% over the month and its rolling 12-month return is over 7%. US and European markets both gained 1.7% in January resulting in rolling annual returns of 20% and 11% respectively.*

Domestic issues noted within Prudential's report include:

- *Inflation fell more than economists expected for the quarter ending December. The CPI slowed to 0.6% in the Dec quarter taking the year-over-year figure to 4.1%, down from 5.4% for yoy September.*
- *This is the smallest quarterly rise since March 2021, and annual inflation has fallen from a peak of 7.8% a year ago. The main contributors to the fall were Clothing & Footwear while the Insurance, Alcohol & Tobacco, Housing, and Health sectors all recorded increases of over 5% over the past 12 months.*
- *While Australian inflation is higher than that in the US and Europe this mainly reflects the fact that it lagged on the way up, lagged by around 3 to 6 months at the top and so is lagging on the way down.*

With no RBA Board meeting in January, the RBA's official cash rate remained at 4.35%. In January, term deposit rates were little changed from last month, with the exception of the 1 to 2 year range where rates dropped off by 10-20 basis points as the market continues to adjust its pricing to reflect a reprieve from any further rate hikes in this cycle and projection of interest rate cuts starting this year.

In summarising Council's portfolio Prudential advises, "Council's investment portfolio posted a marked-to-market return of 5.39%pa for the month versus the bank bill index benchmark return of 4.44%pa. Over the past 12 months, Council's portfolio has returned 4.37% versus the benchmark's 4.00%.

The NSW TCorpIM Medium Term Fund (+0.77% actual) had another good return for the month aided largely by continuing strong performance in global share markets as easing inflation pressures are providing a boost to confidence.

Corporate and Community

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Corporate and Community Services



Without marked-to-market influences, Council’s investment portfolio yielded 5.17% pa for the month. This is based on the actual interest rates being received on existing investments and excludes the underlying changes to the market value of the TCorp growth fund.

During January, Council had \$15m in maturities across 6 and 12 month term deposits paying an average of 4.85% pa. The proceeds were reinvested in three new 4 and 12 month deposits at an average rate of 5.15%pa.

Council has a well-diversified portfolio invested predominantly among a range of term deposits from highly rated Australian banks. Council also has exposure to a wide range of asset classes, including international and domestic shares via the NSW TCorp Medium Term Growth Fund. It is expected that Council’s portfolio will achieve above benchmark returns over the medium/long term with prudent investment selection.”

Investment Portfolio Information

Table 1 Total cash and investments held by Council as at 31 January 2024

Invest No	Financial Institution Investment Held With	Invest Type	Interest Coupon Term	Maturity	Current Coupon Rate	Par Value \$'000
	Commonwealth Bank	CASH			4.00%	2,687
	Commonwealth Bank	At Call			4.35%	5,041
1243	AMP Bank	At Call			2.10%	515
1490	Westpac Bank	TD	729	25-Sep-24	4.91%	4,000
1493	Suncorp Bank	TD	532	18-Apr-24	4.61%	2,000
1497	Westpac Bank	TD	356	19-Mar-24	4.99%	3,000
1498	National Australia Bank	TD	370	15-May-24	4.74%	3,000
1500	National Australia Bank	TD	232	22-Feb-24	5.51%	5,000
1501	National Australia Bank	TD	371	06-Aug-24	5.40%	5,000
1502	Commonwealth Bank	TD	364	06-Aug-24	5.55%	5,000
1503	Commonwealth Bank	TD	363	28-Aug-24	5.27%	4,000
1504	Suncorp Bank	TD	369	24-Sep-24	5.30%	4,000
1505	National Bank	TD	364	25-Sep-24	5.33%	5,000
1506	Suncorp Bank	TD	176	23-Apr-24	5.25%	5,000
1507	Suncorp Bank	TD	274	30-Jun-24	5.35%	5,000
1508	Commonwealth Bank	TD	365	29-Oct-24	5.39%	5,000
1499a	National Australia Bank	TD	365	21-Jan-25	5.16%	5,000
1495a	Westpac Bank	TD	365	23-Jan-25	5.20%	5,000
1496a	National Australia Bank	TD	121	29-May-24	5.10%	5,000
1463	Treasury Corporation	Growth Fund				4,072
TOTAL						82,315



Table 2 Level of funds held and the percentage invested with financial institutions

Financial Institution	Credit Rating	Institution Maximum	Amount \$'000	% of Portfolio
Commonwealth Bank	AA-	40%	14,000	18.90%
Westpac Bank	AA-	40%	12,000	16.20%
National Australia Bank	AA-	40%	28,000	37.80%
Suncorp Bank	A+	40%	16,000	21.60%
Treasury Corporation	Unrated	10%	4,072	5.50%
TOTAL			74,072	100.00%

In accordance with the Policy, figures in Table 2 above exclude cash and at call balances in Council's main operating account held with the Commonwealth and AMP banks.

Investment in NSW Treasury Corporation (TCorp)

TCorpIM Funds are unit trusts. Distributions are made annually and are automatically reinvested into the fund to buy additional units. As this investment is held for medium to long-term capital appreciation, gains or losses will only be realised on redemption of the investment. However due to accounting requirements any unrealised gains or losses will be processed between investments and the operating statement.

The preliminary January 2024 unrealised return was a gain of \$26,361.69 or 0.65% (4.68% annualised). Rates of return fluctuate each month and possibly be negative from time to time with the medium-term investment horizon. The fund performance summary for January 2023 is not yet available at the time of this report. The fund performance summary as at 31 December 2023 is shown below. The TCorp benchmark is CPI + 2.00% p.a. (over rolling 5 years).

Table 3 NSW Treasury Corporation Performance Summary

	10 year (% pa)	7 year (% pa)	3 year (% pa)	1 year %	FYTD %	1 month %
IM Medium Term Growth Fund	4.11	3.73	2.47	8.11	3.99	2.48
Benchmark: CPI + 2.0% p.a. (over rolling 5 years)	4.66	4.95	6.76	6.69	3.34	0.55
Return above benchmark p.a.	(0.55)	(1.22)	(4.29)	1.42	0.65	1.93

Table 4 Investment types, risk, amount and percentage invested compared to total

Investment Type	Risk Assessment		Amount	% of
	Capital	Interest	\$'000	Portfolio
Term Deposits	Low	Low	70,000	85.04%
Cash/At Call Deposits	Low	Low	8,243	10.01%
Capital Growth Fund	Medium	Medium	4,072	4.95%
TOTAL			82,315	100.00%



Table 5 Comparison of interest rates, earnings and balances this year to last year

Performance Measures	This Year	Last Year
Investment Portfolio Average Interest Rate (year to date)	5.39%	2.38%
BBSW Average Interest Rate (year to date) *	4.33%	3.08%
Actual Investment Interest Earned (for the current month)	\$340,263	\$231,955
Actual Investment Interest Earned (year to date) ^	\$2,104,320	\$960,727
Revised Budget Investment Interest (year to date)	\$1,175,070	\$621,739
Original Budget Investment Interest (annual)	\$1,380,122	\$1,680,122
Revised Budget Investment Interest (annual)	\$1,750,122	\$1,680,122
TCorp unrealised movement (year to date)	4.68%	4.69%

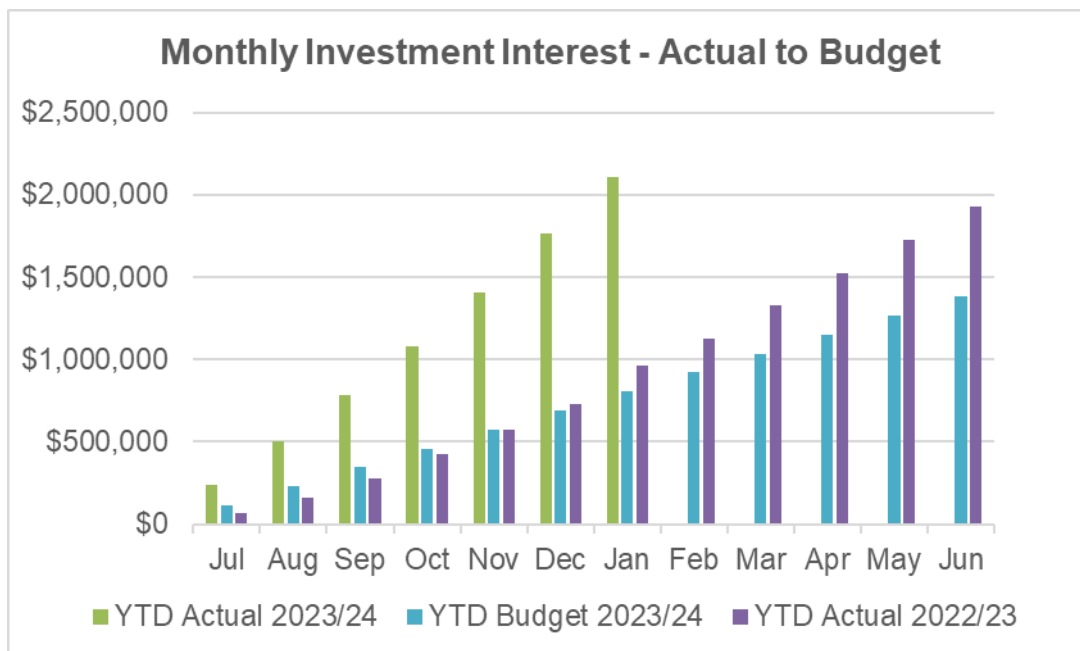
Investment and Cash Balances (Par Value) #	This Year	Last Year
Opening Balance as at 1 July	\$73,085,190	\$73,415,666
Closing Balance as at 31 January	\$82,315,146	\$79,856,306

* BBSW 90 day Bank Bill Reference Rate (performance measure as per Council's Investment Policy)

^ Excludes TCorp unrealised returns

Excludes Section 355 Committee cash held

Graph 1 Actual interest earned compared to revised budget and actual interest last year



Corporate and Community

Report No. CC8/2024

Corporate and Community Services



Table 6 Internal and external restrictions over cash and investments held

Month End Totals \$'000	Jan 2024*	Dec 2023*	Nov 2023*	Oct 2023*	Sep 2023*	Aug 2023*
Developer contributions	35,858	35,355	30,299	29,924	29,824	28,432
Committed developer contributions	2,485	2,735	3,460	3,460	3,459	3,370
RMS contributions	0	0	182	182	182	182
Specific purpose unexpended grants	20,087	22,104	25,415	21,166	6,906	5,647
Domestic waste management	430	430	430	430	430	430
Stormwater management	889	909	1,038	1,052	1,103	1,504
External Restrictions	59,749	61,533	60,824	56,214	41,904	39,565
Plant and vehicle replacement	1,274	1,274	2,400	2,400	2,400	2,400
Employees leave entitlement	2,418	2,418	2,418	2,418	2,519	2,519
Carry over works	371	581	582	583	586	385
Bridge replacement	0	308	282	287	295	314
Insurance provisions	50	761	761	761	761	761
Miscellaneous and property	534	534	809	809	809	809
Grant Fund Leverage	82	82	82	82	82	82
Energy efficiency	95	95	95	95	95	95
Operations and programs	472	472	472	472	472	473
Property investment fund	3,021	3,021	3,095	3,095	3,095	3,227
Civil Works	0	0	0	0	0	20
Waste depot and rehabilitation	8,843	8,843	13,883	13,883	13,626	12,448
Committed projects (SRV)	0	0	300	660	690	717
Security deposits and bonds	3,435	3,432	3,720	3,948	3,948	4,155
Unexpended Loan Funds	848	958	967	967	2,125	2,125
Internal Restrictions	21,443	23,917	29,866	30,460	31,503	30,529
Unrestricted	1,123	1,138	619	790	647	10,088
Total Cash & Investments	82,315	86,057	91,309	87,464	74,054	80,182

CONSULTATION

Director Corporate and Community Services
 Chief Financial Officer
 Finance staff

Corporate and Community

Report No. CC8/2024

Corporate and Community Services



STRATEGIC LINKS

a. Delivery Program

Investment returns are an integral part of funding sources for future services and community expectations within the Delivery Program and Operational Plan. This report is a part of the organisation's governance framework – providing feedback on the progress against the investment policy and budget adopted by Council. This is in line with the community's desired outcome of: "*Civic Leadership and Effective Governance*" and more specifically links to strategic direction:

- 5.3.2: Our Council's processes are efficient and transparent;
- 5.3.3: Our Council is financially sustainable.

IMPLICATIONS

a. Policy and Procedural Implications

Investments are held in accordance with Council's Investment Policy.

b. Financial Implications

Investment returns are included in Council's Delivery Program and Operational Plan. Amendments are affected through the Quarterly Budget Review process. Investment portfolio performance is detailed within the report with comparisons to prior year and budget.

A portion of the portfolio and its associated investment income is restricted as it relates to funds from developer contributions, payments in advance for grant projects, Domestic Waste Management, and stormwater management income to be applied to specific purposes and not available for general operational projects.

c. Legislative Implications

This report meets Council's statutory obligations under the Act and Regulation.

d. Risk Implications

Investment risks are detailed within this report.

e. Other Implications

There are no environmental, community, consultative or other implications to this report.

CONCLUSION

The report details investments held at month end and meets Council's reporting obligations.

ENCLOSURES

There are no enclosures for this report.

SUBJECT: *DISCLOSURES OF INTERESTS IN WRITTEN RETURNS*

RESPONSIBLE OFFICER: *Chief Finance Officer - Matthew Plumridge*

SUMMARY

The purpose of this report is to table returns received for the quarter from designated persons for the period 1 November 2023 and 31 January 2024 as per the Code of Conduct (the Code).

RECOMMENDATION

That Council notes the tabling of the disclosures of interests written returns for the period 1 November 2023 and 31 January 2024 in accordance with Council's Code of Conduct.

BACKGROUND

Part 4 of the Code governs matters concerning disclosures of interests in written returns. Clause 4.24 of the Code requires the General Manager to keep a register of returns lodged by Councillors and designated persons and to table them at a meeting of Council.

REPORT/PROPOSAL

In accordance with the Code, Councillors and designated persons are required to lodge a written return in the form set out in schedule 2 of the Code within three months after becoming a Councillor or a designated person.

Clause 4.8 of the Code provides that designated persons are:

- (a) *The General Manager;*
- (b) *Senior staff for the purposes of section 332 of the Act;*
- (c) *A person (other than a member of the senior staff of the council) who is a member of staff of the council or a delegate of the council and who holds a position identified by the council as the position of a designated person because it involves the exercise of functions under this or any other Act (such as regulatory functions or contractual functions) that, in their exercise, could give rise to a conflict between the person's duty as a member of staff or delegate and the person's private interest;*
- (d) *A person (other than a member of the senior staff of the council) who is a member of a committee of the council identified by the council as a committee whose members are designated persons because the functions of the committee involve the exercise of the council's functions under this or any other Act (such as regulatory functions or contractual functions) that, in their exercise, could give rise to a conflict between the member's duty as a member of the committee and the member's private interest.*

Corporate and Community

Report No. CC9/2024

Corporate and Community Services



In addition, clause 4.21 of the Code requires a Councillor or designated person to lodge an updated return within three months of becoming aware of an interest not previously disclosed. Returns in this period have been received from:

Designated Staff	Return
Michelle Honeyman – People and Culture Manager	Commencing
Peter Chrystal – Director Planning and Environment	Commencing
Janine Maher – Development Services Manager	Exiting

The register of returns is available for public inspection at Council's Administration Centre at 62-78 Vincent St, Cessnock in accordance with the *Government Information (Public Access) Act 2009* (NSW).

OPTIONS

N/A

CONSULTATION

Designated persons were provided the Self-Help Guide from the Office of Local Government to assist them in the completion of their returns.

STRATEGIC LINKS

a. Delivery Program

Completion of the written returns for the period links to the community's desired outcome of "*Civic Leadership and Effective Governance*", and in particular, Strategic action 5.3.7 within the Operational Plan 2023-2024 – *Continue to manage Council governance functions and statutory requirements*.

b. Other Plans

N/A

IMPLICATIONS

a. Policy and Procedural Implications

Clause 4.24 of the Code requires the General Manager to keep a register of returns lodged and clause 4.25 requires the General Manager to table such returns at the first meeting of Council after the last day the returns are required to be lodged.

On the day following the meeting, the register of returns may be accessed by members of the public (at Council's Administrative Centre) during business hours. At all other times, the register of returns is available for inspection in accordance with the *Government Information (Public Access) Act 2009* (NSW).

Corporate and Community

Report No. CC9/2024

Corporate and Community Services



b. Financial Implications

N/A

c. Legislative Implications

N/A

d. Risk Implications

Failure to table the register of written returns could mean not meeting legislative obligations.

e. Environmental Implications

N/A

f. Other Implications

Tabling the register of returns and allowing access to it demonstrates Council's commitment to openness and transparency, and is a crucial element of Council's civic leadership and effective governance.

CONCLUSION

Tabling of the register of returns satisfies requirements under the Code of Conduct.

ENCLOSURES

There are no enclosures for this report.

Corporate and Community

Report No. CC10/2024

Corporate and Community Services



SUBJECT: *RESOLUTIONS TRACKING REPORT*

RESPONSIBLE OFFICER: *Chief Finance Officer - Matthew Plumridge*

SUMMARY

The enclosure contains pending actions from previous meetings as well as completed actions for period 6 December 2023 to 12 February 2024.

RECOMMENDATION

That Council receives the report and notes the information in the Resolutions Tracking Report.

ENCLOSURES

- [1](#) ⇨ Completed Actions
- [2](#) ⇨ Outstanding Actions

Works and Infrastructure

Report No. WI1/2024

Works and Infrastructure



SUBJECT: *T2024-01 - BRANXTON TO GRETA SHARED PATHWAY STAGE 3*

RESPONSIBLE OFFICER: *Infrastructure Manager – Cameron Clark*

SUMMARY

Evaluation and selection of tender for Tender No. T2024-01 – Branxton to Greta Shared Pathway Stage 3.

RECOMMENDATION

1. That Council rejects tender (T2024-01) from Civil & Sons Pty Ltd for a lump sum of \$3,665,279 excluding GST as the tender does not meet the budgeted amount.
2. That Council as per section 7 clause 178(f) of the *Local Government (General) Regulations 2021*, carry out the requirements of the proposed contract itself.

BACKGROUND

The tender was for the work on the final Stage 3 section of the pathway route being a 2.4 kilometre long, generally 2.5 metres wide shared pathway within the northern road corridor of the New England Highway between the townships of Branxton and Greta, NSW.

REPORT

The Request for Tender (RFT) documents were prepared by Council Officers, and reviewed by the Tender Audit Panel (TAP) before tenders were called. The form of contract selected was GC21. The RFT called for a lump sum and schedule of rates tender for the works.

Invitation

Tenders were invited on 6 December 2023 on Council's e-tender portal, VendorPanel and advertised in the following publications:

Publication:	Day:	Date:
Sydney Morning Herald	Tuesday	13 December 2023
Newcastle Herald	Saturday	17 December 2023

A mandatory pre-tender meeting was held on-site on the 19 December 2023 at 10:30am.

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Works and Infrastructure



Addenda

The following addenda were issued via the VendorPanel website to all prospective tenderers during the invitation period:

No.	Date:	Description:
1	7 December 2023	IFC Landscape Design Drawings
2	20 December 2023	TS 02456-0 R0220-09 Standard TfNSW gully pit drawing
3	5 February 2024	Pricing schedules and some files were re-loaded

Closure

The original tender was advertised for a period of 49 days and was extended for an additional 15 days closing at 2pm on Tuesday 6 February 2024.

Time Frame

The tenderer was expected to commence in April 2024 and construction was estimated for 6-12 weeks.

Local Content

Local content was not applicable to this tender.

OPTIONS

Option 1: Council accept the tender from Civil and Sons Pty Ltd in the lump sum amount of \$3,665,279 excluding GST with this being not the preferred option.

Option 2: That Council as per section 7 clause 178(f) of the *Local Government (General) Regulations 2021*, carry out the requirements of the proposed contract itself. This is the preferred option.

- With the tender previously in market for an extensive period and no competitive submissions were received, we suggest the rejection of the tender.
- We will direct negotiate with suitable contractors to be identified in the market.
- Clause (f) carry out the proposed contract itself.

CONSULTATION

The following officers were consulted during the tender process:

- Procurement Coordinator, Corporate & Community Services
- Project Manager, Works & Infrastructure
- Safety & Risk Coordinator, People & Culture
- Principal Development Engineer, Planning & Environment

STRATEGIC LINKS

a. Delivery Program

Acceptance of the recommendation will contribute to achieving the following objectives of:

- *2022-2026 Delivery Program:* Objective 4.2: Improving the Road Network.

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Works and Infrastructure



b. Other

Nil

STATUTORY IMPLICATIONS

c. Policy and Procedural Implications

The tender process has been carried out in accordance with:

- Cessnock City Council Procurement Policy,
- Cessnock City Council Procurement Guidelines,
- *Tendering Guidelines for NSW Local Government 2009, and*
- *NSW Government – Code of Practice for Procurement 2005.*

d. Financial Implications

The allocated budget for this project is \$1,265,279.00 with additional funding of \$2,400,000.00 required.

e. Legislative Implications

The tender process has followed the legislative provisions, referenced in *Cessnock City Council Procurement Policy* and *Cessnock City Council Procurement Procedure*, as follows:

- *Local Government Act 1993*
 - *Local Government (General) Regulation 2021*
1. After considering the tenders submitted for a proposed contract, the Council must either:
 - (a) accept the tender that, having regard to all the circumstances, appears to it to be the most advantageous, or
 - (b) decline to accept any of the tenders.
 2. A Council must ensure that every contract it enters into as a result of a tender accepted by the Council is with the successful tenderer and in accordance with the tender (modified by any variation under clause 176). However, if the successful tender was made by the Council (as provided for in section 55 (2A) of the Act), the Council is not required to enter into any contract in order to carry out the requirements of the proposed contract.
 3. A Council that decides not to accept any of the tenders for a proposed contract or receives no tenders for the proposed contract must, by resolution, do one of the following:
 - (a) postpone or cancel the proposal for the contract,
 - (b) invite, in accordance with clause 167, 168 or 169, fresh tenders based on the same or different details,
 - (c) invite, in accordance with clause 168, fresh applications from persons interested in tendering for the proposed contract,

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Works and Infrastructure



- (d) invite, in accordance with clause 169, fresh applications from persons interested in tendering for contracts of the same kind as the proposed contract,
 - (e) enter into negotiations with any person (whether or not the person was a tenderer) with a view to entering into a contract in relation to the subject matter of the tender,
 - (f) carry out the requirements of the proposed contract itself.
4. If a Council resolves to enter into negotiations as referred to in sub clause (3) (e), the resolution must state the following:
- (a) the Council's reasons for declining to invite fresh tenders or applications as referred to in sub clause (3) (b)–(d),
 - (b) the Council's reasons for determining to enter into negotiations with the person or persons referred to in sub clause (3) (e).

Note: Where "tender" referred to above may be substituted with 'quote' if required.

f. Risk Implications

To minimise Council's exposure to business risks, the following information has been assessed with the tender submission:

- Quality Management
- Work, Health & Safety Management
- Ecologically sustainable development

The authenticity of the contractor's certificates of currency for the following insurance policies will be verified:

- Workers Compensation
- Public Liability (\$20M or greater)
- Comprehensive Motor Vehicle

Risks identified in relation to safety, environment and quality are mitigated by the preferred tenderers adherence to system standards as follows:

- AS/NZS 4801:2001 - Occupational health and safety management systems
- AS/NZS ISO 14001:2004 - Environment management systems
- AS/NZS ISO 31000:2009 - Risk management, and
- AS/NZS ISO 9001:2016 - Quality management systems

Regarding safety, the Contractor is required to prepare a site-specific Safety Management Plan including:

- Traffic Control Plans. Traffic issues will be managed through the construction period in accordance with these plans.
- Requirements for on-site workers to have current general construction induction cards (white card) and licenses/tickets and inducted to the site.
- Safe Work Method Statements, which are kept on site and the subject of tool box talks.

Works and Infrastructure

Report No. WI1/2024

Works and Infrastructure



g. Other Implications

N/A

CONCLUSION

That Council rejects tender (T2024-01) from Civil & Sons Pty Ltd as the tender does not meet the budgeted amount.

That Council as per section 7 clause 178(f) of the *Local Government (General) Regulations 2021*, carry out the requirements of the proposed contract itself.

ENCLOSURES

- 1** T2024-01 - Tender Evaluation Matrix - *This matter is considered to be confidential under Section 10A(2) (di) (dii) 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; AND commercial information of a confidential nature that would, if disclosed (ii) confer a commercial advantage on a competitor of the Council; or (iii) reveal a trade secret.*
- 2** T2024-01 - Tender Evaluation Report Attachment

Notices Of Motion

Report No. BN1/2024

General Manager's Unit



SUBJECT: *MINUTES OF THE LOCAL TRAFFIC COMMITTEE MEETING HELD 18 DECEMBER 2023*

RESPONSIBLE OFFICER: *Road Safety Officer - Alison Shelton*

RECOMMENDATION

That the Minutes of the Cessnock Local Traffic Committee Meeting of 20 November 2023 be adopted as a resolution of the Ordinary Council.

- **TC57/2023** – That Council authorises the temporary regulation of traffic for the Kurri Kurri Nostalgia Festival event in accordance with the Various Roads Kurri Kurri _ Nostalgia Festival TCP's.
- **TC58/2023** – That Council authorises the temporary regulation of traffic on Paynes Crossing Road, Wollombi for the Wollombi Public Holiday Markets events in accordance with the Paynes Crossing Road Wollombi _ Wollombi Markets Traffic Control Plans.

MINUTES OF LOCAL TRAFFIC COMMITTEE MEETING OF CESSNOCK CITY COUNCIL HELD IN COUNCIL CHAMBERS ANTE ROOM ON MONDAY, 18 DECEMBER 2023

OPENING: The meeting was opened at 9:33am

PRESENT: Councillor James Hawkins (Chairperson)
Sergeant Jon Cassidy - NSW Police
Mr Mark Morrison – TfNSW

IN ATTENDANCE: Mr Richard Ingall - Rover Coaches
Monique Tanner – NSW Police
Ms Alison Shelton – Road Safety Officer
Ms Memory Eshiloni – Undergraduate Engineer, Infrastructure
Ms Felicity Pankhurst – Senior Business Support Officer, Infrastructure

APOLOGIES

Nil

Notices Of Motion

Report No. BN1/2024

General Manager's Unit



CONFIRMATION OF MINUTES

NOTED that the Minutes of the Cessnock Local Traffic Committee held on 20 November 2023, as circulated, were previously confirmed as a true and correct record.

DISCLOSURES OF INTEREST

Nil

BUSINESS ARISING FROM PREVIOUS MINUTES

Nil

Notices Of Motion

Report No. BN1/2024

General Manager's Unit



LISTED MATTERS

SUBJECT: *VARIOUS ROADS, KURRI KURRI
TEMPORARY REGULATION OF TRAFFIC - NOSTALGIA
FESTIVAL*

REPORT NO.: *TC57/2023*

REFERENCE: *46/2023/12/1*

MATTER: Council has received an application for the temporary regulation of traffic in connection with an existing development consent for the Kurri Kurri Nostalgia Festival, and has assessed the application along with the associated Traffic Management Plan (TMP) and Traffic Control Plans (TCPs).

Approval is sought from Transport for NSW (TfNSW) under Section 116 of the *Roads Act 1993*, to regulate traffic on various roads in Kurri Kurri in connection with this consent.

DISCUSSION: The matter was described as per the report, and discussed as follows:

- Rover Coaches representative requested for temporary bus stop to be relocated closer to Hampton Street so as be closer to the regular bus stop location that is within the closure area. It was noted this request has been made for events in years prior.
- It was noted the TCP indicates that a bus stop will be shown both sides of the road and marked as such to restrict traffic parking in the temporary bus stop location.
- NSW Police advised residents located in the vicinity of the temporary bus stop will need to be notified regarding impacts on parking in front of their properties for the duration of the event.
- Unanimous recommendation from the committee to amend the location of the temporary bus stop on Rawson Street Kurri Kurri.
- Amendment of the relocated temporary bus stop closer to Hampton intersection on Rawson Street to be noted in letter of consent for event together with the requirement for Rawson Street resident notification.

RECOMMENDATION

That Council authorises the temporary regulation of traffic for the Kurri Kurri Nostalgia Festival event in accordance with the Various Roads Kurri Kurri _ Nostalgia Festival TCP's.

SUPPORT: Unanimous

Notices Of Motion

Report No. BN1/2024

General Manager's Unit



SUBJECT: PAYNES CROSSING ROAD, WOLLOMBI
TEMPORARY REGULATION OF TRAFFIC
WOLLOMBI MARKETS

REPORT NO.: TC58/2023

REFERENCE: 46/2023/11/1

MATTER: Council has received an application for the temporary regulation of traffic in connection with an existing development consent for the Wollombi Public Holiday Markets, and has assessed the application together with the associated Traffic Management Plan (TMP) and Traffic Control Plans (TCPs).

Approval is sought under Section 116 of the *Roads Act 1993*, to regulate traffic on various roads in Wollombi in connection with this application.

DISCUSSION: The matter was described as per the report, and discussed as follows:

- It was noted there are no road closures in this instance, only temporary angle parking and temporary 40km/h speed zones.
- Discussion took place on public submissions received and these were noted.
- TfNSW advised that VMS is not to be used for advertising purposes and are only approved when it is relevant to road safety or advising of detours/temporary road closures.
- Committee agreed that installation of VMS is not supported/required for this event.

RECOMMENDATION

That Council authorises the temporary regulation of traffic on Paynes Crossing Road, Wollombi for the Wollombi Public Holiday Markets events in accordance with the Paynes Crossing Road Wollombi _ Wollombi Markets Traffic Control Plans.

SUPPORT: Unanimous

CLOSURE

The Meeting Was Declared Closed at 10:30am

ENCLOSURES

There are no enclosures for this report.

Notices Of Motion

Report No. BN1/2024

General Manager's Unit



NOTICES OF MOTION No. BN1/2024

SUBJECT: *MOUNTAIN BIKE TRAILS*

COUNCILLOR: *Jessica Jurd*

MOTION

1. That Council form a committee to plan and design Mountain bike trails in the LGA to encourage more tourism to the area and support locals who are involved in the sport.
2. That the committee should consist of at least one councillor, staff members and invite residents who participate in the sport to apply so we can use their expertise and knowledge of the local area.

It is my intention to move the above motion at the next Ordinary Meeting of Council on 21 February 2024.

RATIONALE

Tourism is always an important part of our community, there has been lots of conversations about improving weekday accommodation vacancies and Mountain bike riders, will travel for different tracks and scenery. Not just weekends, they can go anytime which would benefit the local tourism industry.

It will add more activities for locals and give more for the youth of the region as well. To make the best tracks and find the hidden gems, we need the locals who are already mountain bike riding, we need them involved in the concept designs, as they will know what that community is looking for.

SOURCE OF FUNDING:

N/A

DELIVERY PROGRAM:

Our community vision: Cessnock will be a cohesive and welcoming community living in an attractive and sustainable rural environment with a diversity of business and employment opportunities supported by effectively meet the community needs.

Sgd: Jessica Jurd

Date: 31 January 2024

Notices Of Motion

Report No. BN1/2024

General Manager's Unit



Director's Commentary

Mountain bike trails are generally identified for suitability by local and/or regional mountain bike clubs. They are also generally set up and established on land outside Council's care and control (eg. Crown Land, State Forest or private land). The operation and maintenance of these facilities/trails are undertaken by the local or regional club who uses the facility.

For example, the Awaba Mountain Bike Park is situated within State Forest and is managed by the Hunter Mountain Bike Association under a Forestry Permit. Dungog Common is situated on Crown Land and is managed by a Board of Crown Land Managers. While Awaba Mountain Bike Park is maintained by the Mountain Bike Association for competition and vents, Dungog common is maintained by a local Landcare group. Neither Lake Macquarie or Dungog Councils have any involvement in the development, operation or maintenance of these facilities.

Council currently has an endorsed Trails Strategy which provides a vision for the region's trails network. This Strategy outlines a consistent policy framework to guide the development and management of trails across the Local Government Area (LGA). The types of trails supported by this Strategy include:

- Walking/Running;
- Mountain Biking;
- Horse Riding; and
- All abilities access trails.

Following significant community consultation, Council's Trails Strategy was adopted in 2020. A future trail network (including for mountain bikes) is outlined within the Strategy as well as an Action Plan.

Section 3 of the Strategy highlights best practice for trail planning and governance for trail development, management and maintenance. In line with the Strategy and Action Plan, a Trails Reference Group (TRG) was formed in 2022. A formal Expression of Interest process was followed in regards to membership on the TRG and currently includes ten community representatives across a broad range of trail interests (i.e. members of local mountain bike and cycling clubs, horse enthusiasts, walkers etc). The purpose of the group is to provide advice and input in to planning and development of trails (including mountain bike trails) within the Cessnock LGA with responsibilities including:

- Contributing to the development, maintenance and promotion of trails in the Cessnock LGA;
- Assisting Council to monitor trail use and condition; and
- Provide advice on specific trail issues as required.

The TRG currently meets every six months with the next scheduled meeting in March 2024.

As per clause 7.10 of the TRG Charter, elected representatives of Council are not eligible to participate in this group.

It is recommended to utilise the Trails Reference Group for the purpose outlined in the notice of motion.

ENCLOSURES

There are no enclosures for this report.

Notices Of Motion

Report No. BN2/2024

General Manager's Unit



NOTICES OF MOTION No. BN2/2024

SUBJECT: *WOLLOMBI ROAD FORUM*

COUNCILLOR: *Daniel Watton*

MOTION

That Council request the General Manager to:

1. Organise 3 x public forum meetings over 3 x separate weekends, regarding the Wollombi Road planned upgrade, once the relevant report/s are completed and presented to council.
2. Organise 3 separate locations for these meetings (for added accessibility) including East Cessnock Bowling Club, Cessnock Supporters Club and Bellbird Workers Club.
3. Invite The Mayor, Councillors and all other relevant staff involved (including the General Manager himself) concerning the Wollombi Road Upgrade Project.
4. The project design team should also be in attendance.
5. All concerned residents should be encouraged to attend and participate in the meeting so everyone gets the same information, at the same location/s and time/s.

It is my intention to move the above motion at the next Ordinary Meeting of Council on 21 February 2024.

RATIONALE

There has been quite a lot of confusion caused by the current level/s of communication provided from both council staff and contractors alike, with many complaints raised. It would be in the collective best interest of council staff, relevant contractors and most importantly concerned residents and business owners within our LGA to have clear and open dialogue concerning this matter in an open forum format. This would help to ensure that all information provided in upcoming reports is communicated clearly, consistently, and efficiently leaving little room for misinformation of any kind.

SOURCE OF FUNDING:

N/A

Notices Of Motion

Report No. BN2/2024

General Manager's Unit



DELIVERY PROGRAM:

Objective 5.2.1b: Undertake engagement with stakeholders, residents, community members/groups and businesses regarding council projects, programs, strategies and services.

Objective 5.3.2.a: Conduct regular development consultation forums.

Sgd: Daniel Watton
Date: 31 January 2024

Director's Commentary

This motion potentially inhibits and restricts the community consultation process that is outlined in the Wollombi Road Upgrade Communication and Community Engagement Plan (DOC2023/158640). The Plan outlines the purpose and objectives for providing a comprehensive communications and engagement process for the Wollombi Road Upgrade project. This plan is also consistent with Council's 2020 Community Engagement Strategy.

The Wollombi Road Upgrade Communications and Community Engagement Plan outlines a suite of engagement tools and preferred action plan for each phase (project launch, design and construction) of communications throughout the project's development and delivery. The project team and communications consultants are using the Plan to ensure there is comprehensive, flexible and effective engagement with the community and stakeholders.

Extensive community engagement has been undertaken by the project team prior to and during the investigation and preliminary engineering phase of the project. These activities included:

- In excess of nine thousand views during a Facebook live Q+A session with Mayor Suvaal and Director of Works and Infrastructure;
- More than twenty project updates via social media so far;
- One "Coffee with a Councillor" session at Wollombi Road Providore;
- One information session held at Cessnock Library;
- Three information sessions held at Cessnock Village Shopping Centre;
- More than three hundred conversations held with residents and businesses.

All of this has occurred in advance of preliminary engineering reports and designs for the upgrade. Based on this trajectory, the project team engaged to manage the consultation will undertake a wider and more thorough consultation than the proposal suggested in the notice of motion.

Preliminary design is reaching finalisation and Council will be briefed in March 2024 on the outcomes from community engagement, investigation and design of the preferred option. The next steps will include the preparation of a Review of Environmental Factors (REF) for determination and progressing to detail design and construction.

In order to satisfy the requirements for an REF determination under the Environmental Planning and Assessment Act effective consultation with stakeholders and affected communities must be undertaken to identify impacts and how those impacts can be mitigated.

Notices Of Motion

Report No. BN2/2024

General Manager's Unit



When the REF is finalised the report will come to Council for approval to place the REF on public display before it is determined.

During the public display period (and as outlined in the Wollombi Road Upgrade Communication and Community Engagement Plan) the project team, using the variety of engagement tools, will engage with the community and key stakeholders on the preferred design.

The proposed motion as it is read may inhibit the ability for the project team to provide flexible and tailored consultation with affected members of the community and still meet the agreed project milestones approved by the funding body (Department of Planning and Environment).

ENCLOSURES

There are no enclosures for this report.