



BUSINESS PAPER

ORDINARY MEETING OF COUNCIL

To be held on

Wednesday, 28 May 2025
4:00 PM

at

Armidale Council Chambers

Members

Councillor Sam Coupland
Councillor Kay Endres
Councillor Paul Gaddes
Councillor Eli Imad
Councillor Susan McMichael
Councillor Todd Redwood
Councillor Dorothy Robinson
Councillor Rob Taber
Councillor Bradley Widders

AGENDA

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AND 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; or (ii) confer a commercial advantage on a competitor of the Council; or (iii) reveal a trade secret).

15.2 Saumarez Homestead - Access Road Upgrade - Tender Recommendation

(General Manager's Note: *The report considers tender recommendation of Saumarez Homestead access road. and is deemed confidential under Section 10A(2)(d) of the Local Government Act 1993, 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; or (ii) confer a commercial advantage on a competitor of the Council; or (iii) reveal a trade secret).*

15.3 Trailer Replacement Quad Axle Low Loader

(General Manager's Note: *The report considers the purchase of plant and equipment and is deemed confidential under Section 10A(2)(c) of the Local Government Act 1993, as it deals with commercial information of a confidential nature which, if disclosed, confers a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business).*

Item:	5.1	Ref: AINT/2025/11870
Title:	Minutes of Previous Meeting held 23 April 2025 ARC16/0001-9	Container:
Responsible Officer	General Manager	
Author:	Melissa Hoult, Executive Officer	
Attachments:	1. Draft OCM Minutes - 23 April 2025	

RECOMMENDATION:

That the Minutes of the Ordinary Council meeting held on 23 April 2025 be taken as read and accepted as a true record of the meeting.

Item:	7.1	Ref: AINT/2025/12051
Title:	Ethical Decision Making and Conflicts of Interest	Container:
	ARC16/0001-9	
Responsible Officer	General Manager	
Author:	Melissa Hoult, Executive Officer	
Attachments:	Nil	

1. Purpose

The purpose of this report is to guide Councillors in making ethical decisions and managing conflicts of interest in line with the *Local Government Act 1993*. It aims to maintain transparency, integrity and public trust in council operations by outlining their responsibilities and the process for declaring interests.

This report will be a standing item presented to each meeting as a reminder around conflicts of interest and the basis for declarations.

2. OFFICERS' RECOMMENDATION:

That Council note the report.

3. Background

This report outlines the ethical obligations for Councillors, reminding them of the Oath or Affirmation taken under the *Local Government Act 1993* when elected. It emphasises the importance of making ethical decisions by considering legality, consistency with policies, and potential conflicts of interest. This report also discusses two types of conflicts – pecuniary and non-pecuniary – and the steps to identify and disclose them to ensure transparency and integrity in council meetings. Councillors are advised to declare any interests at the earliest opportunity, with forms available for such disclosures. This helps maintain public trust and the integrity of their roles.

4. Discussion

Oath or Affirmation of Office

Councillors are reminded of the Oath or Affirmation taken of office, made under section 233A of the *Local Government Act 1993* when elected.

Ethical decision making

- Is the decision or conduct legal?
- Is it consistent with Government policy, Council's objectives and Code of Conduct?
- What will the outcome be for you, your colleagues, the Council, anyone else?
- Does it raise a conflict of interest?
- Do you stand to gain personally at public expense?
- Can the decision be justified in terms of public interest?
- Would it withstand public scrutiny?

Conflict of interest

A conflict of interest is a clash between private interest and public duty. There are two types of conflict:

- **Pecuniary** – regulated by the *Local Government Act 1993* and Office of Local Government
- **Non-pecuniary** – regulated by Codes of Conduct and policy. ICAC, Ombudsman, Office of Local Government (advice only). If declaring a Non-Pecuniary Conflict of Interest, Councillors can choose to either disclose and vote, disclose and not vote or leave the Chamber.

The test for conflict of interest

- Is it likely I could be influenced by personal interest in carrying out my public duty?
- Would a fair and reasonable person believe I could be so influenced?
- Conflict of interest is closely tied to the layperson's definition of 'corruption' – using public office for private gain.
- Important to consider public perceptions of whether you have a conflict of interest.

Identifying problems

1st Do I have private interests affected by a matter I am officially involved in?

2nd Is my official role one of influence or perceived influence over the matter?

3rd Do my private interests' conflict with my official role?

Local Government Act 1993 and Model Code of Conduct

For more detailed definitions refer to the Local Government Act 1993, Chapter 14 Honesty and Disclosure of Interest and Model Code of Conduct.

Disclosure of pecuniary interests / non-pecuniary interests

Under the provisions of Section 440AAA(3) of the Local Government Act 1993 (pecuniary interests) and the Model Code of Conduct it is necessary for you to disclose the nature of the interest when making a disclosure of a pecuniary interest or a non-pecuniary conflict of interest at a meeting.

A Declaration form should be completed and handed to the General Manager as soon as practicable once the interest is identified. Declarations are made at Item 3 of the Agenda: Declarations - Pecuniary, Non-Pecuniary and Political Donation Disclosures, and prior to each Item being discussed: The Declaration Form can be downloaded at [Disclosures and Declarations of Interest at Meetings](#).

Item:	7.2	Ref: AINT/2025/12212
Title:	Council Actions Report October 2024 - May 2025	Container:
	ARC16/0001-9	
Responsible Officer	General Manager	
Author:	Melissa Hoult, Executive Officer	
Attachments:	1. Outstanding Actions Oct 2024 - May 2025 2. Action items completed since April 2025 OCM	

1. Purpose

The purpose of this report is to inform Councillors on the work carried out by Council Officers to implement Council resolutions.

2. OFFICERS' RECOMMENDATION:

That Council notes the report summarising the actions taken on the resolutions of Council.

3. Background

This is a standard monthly report.

4. Discussion

The resolutions outlined in the attachment have been previously adopted by Council. This report is designed to track progress on implementation from October 2024. Actions marked complete will be reported to Council once and then removed from subsequent reports.

5. Implications

5.1. Strategic and Policy Implications

The strategic and policy impacts of each of the resolutions are varied and were outlined in the original reports to Council.

5.2. Risk

The risks of each of the resolutions are varied and were outlined in the original reports to Council.

5.3. Sustainability

The sustainability impacts of each of the resolutions are varied and were outlined in the original reports to Council.

5.4. Financial

The financial impacts of each of the resolutions are varied and were outlined in the original reports to Council.

6. Consultation and Communication

This report informs Councillors and the community and increases transparency.

7. Conclusion

The information is for noting only.

Item:	7.3	Ref: AINT/2025/11862
Title:	Councillor and Staff Interaction Policy	Container: ARC17/1770
Responsible Officer	General Manager	
Author:	Jessica Bower, Senior Executive Officer	
Attachments:	1. Councillor and Staff Interaction Policy for ADOPTION post PE 28 May 2025 OCM	

1. Purpose

This purpose of this policy is to provide guidance and support for Councillors and council staff in the performance of their duties. It complements the Armidale Regional Council Model Code of Conduct and supports compliance with the 'Conduct and Interests' provisions in Part 4 of the Act.

OFFICERS' RECOMMENDATION:

That Council:

- a. Endorse the Councillor and Staff Interaction Policy for adoption, noting:
 - i. no submissions were received on the policy which was placed on public exhibition from Thursday 27 March to Sunday 27 April 2025, and
 - ii. no changes have been made to the policy considered by Council on 26 March 2025.

2. Background

This updated Councillor and Staff Interaction Policy intends to govern a respectful, transparent and constructive relationship between Councillors and Council Staff, by articulating their different but complementary roles, defining reasonable expectations, and establishing clear and effective communication protocols that facilitate good governance and Council's optimum performance.

The creation and utilisation of the Councillor Request Register was an order contained in the Performance Improvement Order (PIO) issued by the Minister for Local Government in December 2020, which has proven to have contributed to effective and transparent communication between Councillors and staff.

3. Discussion

Under the *Local Government Act 1993* it is the responsibility of the Council to appoint the General Manager. The General Manager is then responsible for employing staff for the successful operation of the organisation. As Council does not employ the staff Council, or individual Councillors, cannot direct or manage staff and are responsible only for the performance of the General Manager.

Further to this, Councillors are prohibited under Section 76E of the Act from improperly directing or influencing Council Staff. A Councillor must not direct, or seek to direct, a member of Council staff:

- a. in the exercise of a delegated power, or the performance of a delegated duty or function of the Council; or

- b. in the exercise of a power or the performance of a duty or function exercised or performed by the member as an authorised officer under legislation; or Implications
- c. in the exercise of a power or the performance of a duty or function the member exercises or performs in an office or position the member holds under legislation; or
- d. in relation to advice provided to the Council or a special committee, including advice in a report to the Council or special committee.

Improper or undue influence can include:

- Disrespecting the professional opinion, skills or expertise of staff through intimidatory, bullying, harassing or disrespectful behaviour;
- Using rank or position to seek information outside the processes outlined in this Policy;
- Pressuring staff to make a decision outside the formal Council decision making processes;
- Pressuring staff to provide information, services or assistance to one person, group or part of the community over another, outside a formal decision of Council;
- Pressuring staff to make a decision to take action outside normal business process timeframes;
- Pressuring staff to change a recommendation in a Council Report.

Council's current adopted Councillor and Staff Interaction policy support Councillors in the conduct of their civic duties, and in conjunction with the Councillor Request Procedure assists with the management of effective timely communication and request tracking.

Council resolved on 26 March 2025 to place the draft policy on public exhibition. The draft had been reviewed, with no substantial amendments recommended to the current policy. Changes were limited to:

- formatting/grammar
- updating staff titles
- removing a redundant Performance Improvement Order reference
- updates to Community Strategic Plan references
- reference to an absent attachment.

The policy was on public exhibition from Thursday 27 March to Sunday 27 April 2025 and no submissions were received.

4. Implications

The NSW *Local Government Act 1993* (the Act) defines the roles and responsibilities of the Mayor and Councillors, and specifies that the General Manager is to direct staff in the performance of their duties. Interactions between Councillors and staff are necessary to facilitate well-informed decisions and the provision of Council services.

4.1. Strategic and Policy Implications

This Policy contributes to the delivery of the Advancing our Region Community Plan objective 'Strong Region' Goal 2: Strong governance and leadership that supports our region to grow and prosper.

Other relevant policies are the Code of Conduct and the Business Ethics Policy.

4.2. Risk

Continuous review and enhancements of policies gently shapes Council into the kind of place that is not only compliant but that is close to its roots, the community, and the people it serves.

4.3. Sustainability

Nil.

4.4. Financial

Nil.

Budget Area:	Nil						
Funding Source:	Nil						
Budget Ref: (PN)	Description	Approved Budget	Actual	Committed	Proposed	Total Forecast Expenditure	Remaining Budget

5. Consultation and Communication

It is timely that the Councillor and Staff Interaction Policy be reviewed and adopted by the new Council to ensure clarity and understanding of the policy.

6. Conclusion

No substantial amendments have been recommended to the current policy.

Item:	7.4	Ref: AINT/2025/12701
Title:	Ordinary Council Meeting Cycle for the remainder of 2025 and the 2025 Christmas Closure	Container: ARC16/0001-9
Responsible Officer	General Manager	
Author:	Melissa Hoult, Executive Officer	
Attachments:	Nil	

1. Purpose

The purpose of this report is to endorse the Christmas shutdown period for Council's Administration Centres and Depots, with the exception of essential service operations that will operate over this time.

The report also presents to Council for adoption the schedule for Ordinary Council meetings for the remainder of the 2025 calendar year. The setting of dates provides Councillors, staff and the community with certainty and assists with the planning of upcoming work and reporting.

2. OFFICERS' RECOMMENDATION:

- a. That the Council shutdown period for the Administration Centres and Depots be from close of business Tuesday 23 December 2024 and reopening Monday 12 January 2026.
- b. That Council advertise the shutdown period for the Administration Centres and Depots and that this advertisement also includes the operating hours for all other facilities during this period.
- c. That the Ordinary Council Meeting cycle for the 2025 calendar year be scheduled for the fourth Wednesday of each month as follows:
 - Wednesday 23 July 2025, in Armidale
 - Wednesday 27 August 2025, in Armidale
 - Wednesday 24 September 2025, in Armidale
 - Wednesday 22 October 2025, in Armidale
 - Wednesday 26 November 2025, in Armidale
 - Wednesday 10 December 2025, in Armidale
- d. That the time for the Ordinary Council meetings to commence is 4pm.

3. Background

Council's Code of Meeting Practice requires Council, by resolution, to set the frequency, time, date and place of its Ordinary Meetings.

Under section 365 of the *Local Government Act 1993*, councils are required to meet at least ten (10) times each year, each time in a different month unless the Minister for Local Government has approved a reduction in the number of times that a council is required to meet each year under section 365A.

The current practice is for Council meetings to be conducted on the fourth (4th) Wednesday of each month, except for December and/or January, in the Armidale Council Chambers.

4. Discussion

When setting the date and time, Council should give consideration to the needs of the public, the most effective use of Councillor time and the safety and wellbeing of Councillors and staff.

The day and time of the meetings is to be determined according to Councillor availability and preferences. Council may also wish to consider the start time of the monthly ordinary meeting and determine whether it is right for them as a group.

Conventionally, Council has closed its normal business operations during the Christmas and New Year period. The proclaimed public holidays that fall during the proposed close down period are as follows:

Wednesday	24 December 2025	Close Down
Thursday	25 December 2025	Public Holiday
Friday	26 December 2025	Public Holiday
Saturday	27 December 2025	Close Down
Sunday	28 December 2025	Close Down
Monday	29 December 2025	Close Down
Tuesday	30 December 2025	Close Down
Wednesday	31 December 2025	Close Down
Thursday	1 January 2026	Public Holiday
Friday	2 January 2026	Close Down
Saturday	3 January 2026	Close Down
Sunday	4 January 2026	Close Down
Monday	5 January 2026	Close Down
Tuesday	6 January 2026	Close Down
Wednesday	7 January 2026	Close Down
Thursday	8 January 2026	Close Down
Friday	9 January 2026	Close Down
Saturday	10 January 2026	Close Down
Sunday	11 January 2026	Close Down

The Christmas and New Year period is generally a time of low business activity for the Council and a time when many staff normally take leave. An exception to this is libraries and museums, which will likely not close down for this full period, as it is typically a busier time for these facilities.

A roster will be prepared for all staff required to work through this period where facilities remain open and to respond to emergencies and other critical and unforeseen circumstances that may arise.

Staff that will not be required to work will be required to take leave on the working days during this period.

Council's on-line payment facilities allow registered users to make payments, lodge certificates, access Council's property and application registers, all of which are available 24 hours a day, seven days a week.

5. Implications

5.1. Strategic and Policy Implications

There are no significant implications as the proposed meeting cycle is unchanged from the previously adopted cycle. The schedule aligns with the adopted Code of Meeting Practice.

5.2. Risk

There are no risk implications.

5.3. Sustainability

There are no sustainability implications.

5.4. Financial

There are no financial implications.

Budget Area:							
Funding Source:							
Budget Ref: (PN)	Description	Approved Budget	Actual	Committed	Proposed	Total Forecast Expenditure	Remaining Budget

6. Consultation and Communication

The dates will be publicly advertised and the information will be available on the website.

7. Conclusion

This report recommends that Council endorses the Christmas shutdown period for Council's Administration Centres and Depots, with the exception of essential service operations that will operate over this time. In addition, this report recommends that the dates be set for the remainder of 2025, as required in the Code of Meeting Practice. The next steps will be to implement the Ordinary Council meeting cycle as determined by Council.

Item: 8.1 **Ref:** AINT/2025/10958
Title: Cash and Investment Report 30 April 2025 **Container:** ARC17/1711
Author: Ann Newsome, Chief Financial Officer
Attachments: Nil

1. Purpose

Regulation 212 of the NSW *Local Government (General) Regulations 2021* requires the responsible accounting officer of a council to provide the Council with a written report, setting out details of all money that the council has invested under section 625 of the Act, to be presented each month and must include in the report, a certificate as to whether or not the investment has been made in accordance with the Act, the Regulations and the Council's investment policies.

This Cash and Investment report provides details of cash and investments held by Council for the month of April 2025, and certifies compliance with Council's Investment Policy and the *Local Government Act 1993* and Regulations.

2. OFFICERS' RECOMMENDATION:

That Council note the Cash and Investment Report for April 2025.

3. Background

As at the date of the report, Council held \$147,372,254 in investments and \$7,679,051 in cash, giving a combined total of \$154,815,097.

Discussion

Cash & Investment Balances	April-25	March-25	Movement
<u>Cash at Bank</u>			
NAB General Account	-	6,634,176	(6,634,176)
NAB Cash At Call	5,954,873	9,561,994	(3,607,121)
AMP Saver Account	20,681	20,638	42
NAB Trust Fund	1,467,290	1,462,242	5,048
Total Cash	7,442,254	17,679,051	(10,236,207)
<u>Investments</u>			
NSW Treasury Corp (T-Corp) Investment Management (IM) Fund	11,342,254	11,311,950	30,304
Term Deposits	136,030,000	131,030,000	5,000,000
Total Investments	147,372,254	142,341,950	5,030,304
Total Cash & Investments	154,815,097	160,021,001	(5,205,904)

Summary of term deposit movements:

<u>Investments Redeemed</u>		<u>Investments Rolled</u>		<u>Investment New</u>	
Institution	Amount \$	Institution	Amount \$	Institution	Amount \$
NAB	\$10,000,000			Australian Unity	\$5,000,000
G&C Mutual Bank	\$5,000,000			Heartland Bank Australia	\$5,000,000
				ING	\$10,000,000
Total	\$15,000,000	Total	\$nil	Total	\$20,000,000

Funds from term deposit maturities are held in the NAB Cash at Call account and pending cashflow requirements, are invested in further term deposit investments. New investments and maturities during the month are detailed above.

Market expectations are for a reduction in rates in the coming months.

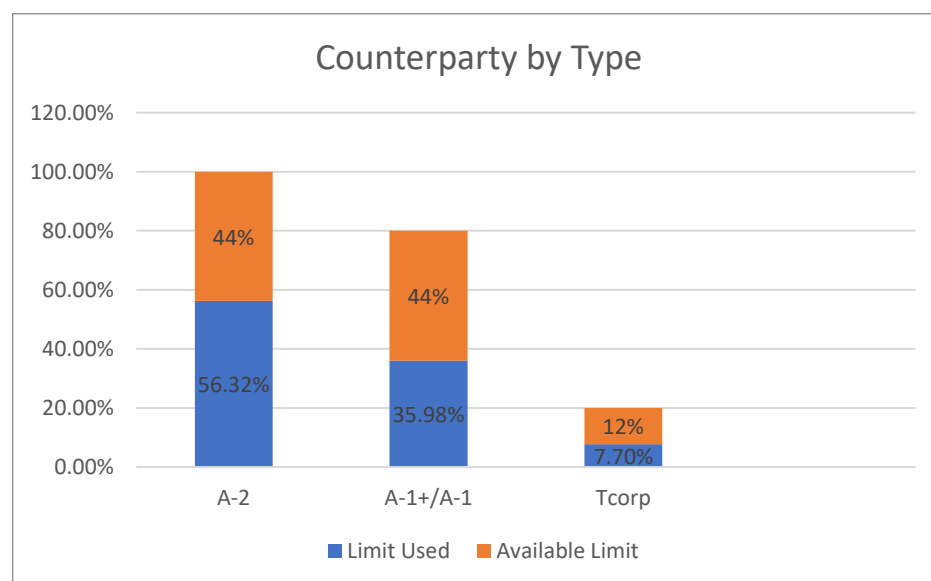
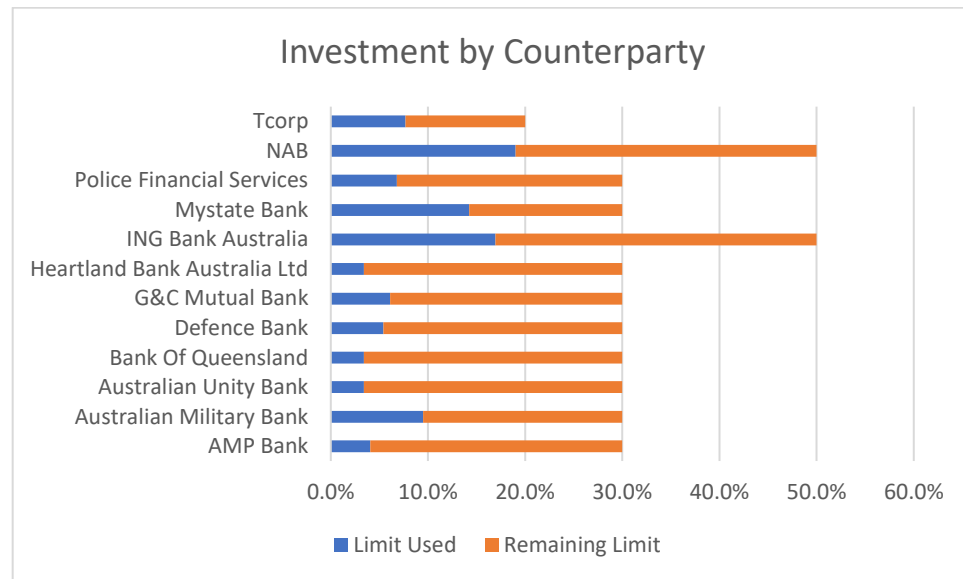
Council continues to monitor investment markets and continues to take a conservative position holding cash reserves, along with reviewing longer term investment options to take advantage of higher returns.

Investment Revenue Earned

	April- 25	March-25	Movement
Interest Received – Bank Accounts			
NAB General Account	1,963	6,422	(4,459)
NAB Cash At Call	14,898	42,959	(28,061)
AMP Saver Account	42	44	(2)
NAB Trust Fund	5,048	5,197	(150)
Interest Received on Bank Accounts	21,951	54,622	(32,671)
Interest Received - Investments			
NSW Treasury Corp (T-Corp) Investment Management (IM) Fund	60,737	32,647	28,090
Term Deposits	1,023,630	610,726	412,904
Interest Received - Investments	1,084,367	643,373	440,994
Total Interest Received	1,106,318	697,995	408,323

Note 1: Council holds an investment in the NSW T-Corp IM Fund – Short Term Income Fund.

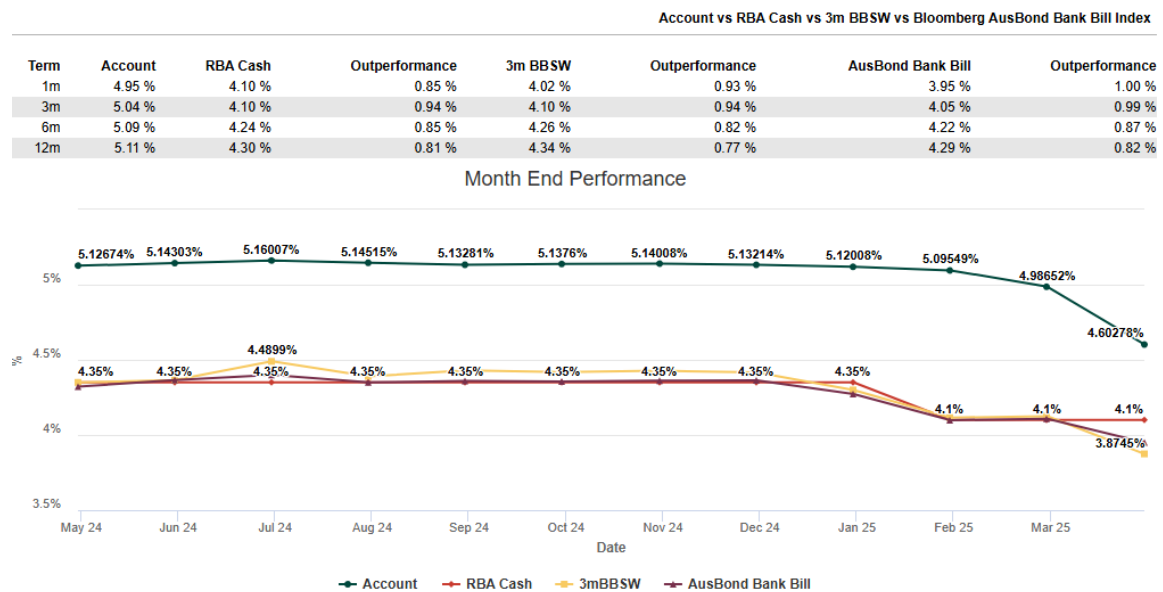
Investments are diversified across a range of institutions, with funds invested to ensure the portfolio is aligned with the Investment Policy.



Certification:

I, Ann Newsome, Chief Financial Officer, hereby certify that the above investments have been made in accordance with the Regulation (Section 212), the *Local Government Act 1993* (the Act) (Section 625), and Council's Investment Policy (the Policy).

Investment Yield



4. Implications

4.1. Strategic and Policy Implications

All of Council's investments for the period are in accordance with:

- Council Investment Policy
- *Local Government Act 1993* – Section 625
- *Local Government Act 1993* – Order of the Minister dated 12 January 2011
- The *Local Government (General) Regulation 2021* – Reg 212

The investment of surplus funds must remain in line with Council's Investment Policy. This will ensure sufficient working capital is retained, and restrictions are supported by cash and investments that are easily converted into cash. Cash management complies with the *NSW Local Government (General) Regulation 2021*.

The Investment Policy relates to:

- Council's Community Plan 2022-2032 theme category of "Strong Region – Engagement and Responsibility" and related strategy of "Manage public resources responsibly and efficiently for the benefit of the community."
- Council's Delivery Program 2022-2026 includes initiatives S2.3.2 "Maintain financial sustainability by meeting Performance Ratios and Fit for the Future Benchmarks, while ensuring sustainable cash reserves to support service levels and assets" and S2.3.5 "Manage our assets responsibly to ensure greater lifespan and usability and to reduce financial burden".
- Council's Operational Plan 2023-24: Asset Management, Finance and Procurement, Governance, Strategy and Risk.

4.2. Risk

Council invests in Term Deposits, Cash and the NSW Treasury Corporation Short Term Investment Fund which is a managed fund product. Rates of return on these investments are generally higher than the Bank Bill Swap (BBSW) Index. However, there will be lag between these rates if the BBSW moves quickly either up or down. Movement up may show as the BBSW being high as older council investments are held at lower historic rates. Conversely as the BBSW drops councils longer term investments maybe locked into higher rates of returns giving council a return advantage.

The recent history of increases in the official cash rate is detailed below:

Date	Rate Increase/(Decrease)	Cash rate target %
May 2024	-	4.35%
June 2024	-	4.35%
July 2024	-	4.35%
August 2024	-	4.35%
September 2024	-	4.35%
October 2024	-	4.35%
November 2024	-	4.35%
December 2024	-	4.35%
February 2025	(0.25%)	4.10%
March 2025		4.10%
April 2025		4.10%

Council's responsibility is to ensure working capital is retained and restrictions are supported by cash.

Council considers effective risk management practices exist over its cash and investment holdings.

4.3. Sustainability

Council utilises an online Portfolio Platform to manage its investments and investment register. The number of investments has been rationalised allowing for more efficient internal investment management to be performed. Communication is performed by electronic means, resulting in efficiencies of processes and a reduction in the use of paper.

4.4. Financial

Budget Area:	Financial Services						
Funding Source:	General Fund (untied revenue) Water Fund (externally restricted) Sewer Fund (externally restricted)						
Budget Ref: (PN)	Description	Approved Budget	Actual	Committed	Proposed	Total Forecast Income/Expense	Remaining Budget
210815.1.1760. 165.1670 260005.3.2590. 165.1660 280010.2.3310. 165.1650	Interest Income on Investments	\$5,274,000	\$4,369,992			\$5,274,000	\$904,008
210815.1.1760. 333.2430	Subscriptions	\$47,000	\$19,500	\$1,650	Nil	\$47,000	\$27,500

Restricted & Unrestricted Funds

As at 30 June 2024, total restricted and unrestricted funds were fully funded by cash and investments.

Calculated Position at 30 June 2024

\$'000	General	Water	Sewer	Total
External Restrictions	40,012	31,501	33,208	104,721
Internal Restrictions	36,346			36,346
Total Restrictions	76,358	31,501	33,208	141,067
Unrestricted	4,685			4,685
Total Funds	81,043	31,501	32,208	145,752

As at the date of the report, total restricted and unrestricted funds were fully funded by cash and investments.

Calculated Position at report date (unaudited & draft only)

\$'000	General	Water	Sewer	Total
External Restrictions	54,949	28,474	32,692	116,115
Internal Restrictions	33,459			33,459
Total Restrictions	88,407	28,474	32,692	149,573
Unrestricted	5,242			5,242
Total Funds	93,649	28,474	32,692	154,815

5. Consultation and Communication

An Investment Report is required to be tabled at the monthly Ordinary Meeting of Council.

6. Conclusion

The Cash and Investment Report provides an overview of cash and investments for the month and demonstrates compliance with Council policy.

Item:	8.2	Ref: AINT/2025/11659
Title:	2024-25 Third Quarter Budget Review	Container: ARC17/1711
Responsible Officer	Chief Financial Officer	
Author:	Tim McGrath, Management Accountant	
Attachments:	1. QBR3 2025 Quarterly Budget Review 31 March 2025	

1. Purpose

The purpose of this report is to provide Council with information on the 2024-2025 Revised Budget position and to obtain approval to amend the adopted budget for those amounts.

2. OFFICERS' RECOMMENDATION:

That Council:

- Note the 2024-2025 Third Quarter Budget Review.
- Note the proposed revised 2024-2025 operating surplus/ (deficit) budget as per table below:

Fund	Operating Surplus / (Deficit) '000	Operating Surplus / (Deficit) '000	Operating Surplus / (Deficit) '000	Operating Surplus / (Deficit) '000
	ORIGINAL	QBR 1	QBR2	QBR3
General	(\$4,335)	(\$4,329)	(\$4,555)	(\$4,520)
Water	\$1,561	\$1,350	\$1,354	\$1,554
Sewerage	\$3,665	\$3,465	\$3,465	\$3,665
Consolidated Result	\$891	\$486	\$264	\$699

- Resolve to adopt the amendments in the 2024/25 budget in accordance with the Quarterly Budget Review Statement for the period 1 January to 31 March 2025 tabled in the attachments.

3. Background

Section 203(1) of the *Local Government (General) Regulation 2021* requires Council's responsible accounting officer to prepare and submit a quarterly budget review statement within two months of the end of each quarter.

The document attached to this report, 2024-25 Third Quarterly Budget Review Statement (QBR3), is provided in the format required by the Office of Local Government *Quarterly Budget Review Statement for NSW Local Government*, which outlines the minimum disclosure requirements. Council has the option to show the QBR3 at a consolidated level or by fund. For the purpose of transparency, the statement contains the impact of the quarterly budget review by fund. A consolidated result is also included.

As required by the Office of Local Government, the QBRs are attached and include the following documents in order:

1. Income Statement (containing operating income and expenses) by fund
2. Capital Budget
3. Cash & Investments by fund – movement in unrestricted cash and internal and external reserves
4. Cash & Investments position
5. Key Performance Indicators
6. Contracts entered into and Consultancy/Legal expenditure.

The Responsible Accounting Officer must also include a statement as to whether or not they believe that the financial position of the council is satisfactory, having regard to the original estimate of income and expenditure.

4. Executive Summary

The Quarterly Budget Review Statement (QBRs) presents a summary of Council's financial position at the end of the quarter three for the financial year ended 30 June 2025.

The quarterly budget review process is the mechanism through which Council and the Community are informed of Council's progress against the Operational Plan (annual budget), together with recommendations for changes and reasons for budget variations.

This Quarterly Budget Review shows an unfavourable operating adjustment with the projected 2024/25 consolidated operating result (before capital items) changing from a projected operating surplus result of \$891k as per the 2024/25 approved operational plan to an overall projected operating surplus at 30 June 2025 of \$699k. This is a net change of \$435K this quarter. The significant changes are:

QBRs 3 adjustments:

Operational:

Across funds

- \$1M increase in interest revenue, Council has been able to maintain a higher-than-expected return on investments.

General Fund:

- \$641K additional revenue RMCC.
- \$797K reduction in Airport revenue, head tax has not returned to pre covid level.
- \$280K reduction Preschool fees, work continues on reviewing fee structure.

Capital Projects

Water Fund:

- \$800K funding for Ozone tank as previously approved by council resolution.

General Fund:

- \$750K Airport Runway additional capital costs to be funded from the SRV reserve.

The general fund, water fund and sewer fund operational accounts include multiple movements between different internal codes balancing out with no variation required at this stage.

5. Discussion

The QBRs was conducted in order to:

- Review Council's current financial position.
- Identify savings, deferral of expenditure, potential budget overruns and additional funding sources where necessary.
- Improve Council's financial sustainability; and
- Identify carry-forward expenditure (where required).

The activities undertaken as part of the Quarterly Budget Review (QBR) include:

- Identification of expenditure savings or potential budget overruns. For budget overruns, the budget review process requires the budget owner to firstly aim to contain the overrun within their own budget, by identifying funding that can be transferred from within their own budget. If that is not possible, then funding should be identified within the relevant Directorate. If that is not possible, then a funding source may be determined. The project to be re-scoped to reduce the impact of the potential overrun.
- Identification of deferred expenditure. For example, projects that were planned for the current financial year but are now expected to be undertaken in future years. This mainly occurs in the capital program.
- Identification of additional funding sources or potential revenue shortfalls. The process for dealing with revenue shortfalls is similar to budget overruns (i.e. aim to contain the shortfall within the budget area, or the Directorate, or ELT consultation). Where additional revenue is expected above budget, the source of the additional revenue will be considered and whether it is appropriate to return any overall budget improvement to a reserve.
- Identification of new projects that require recognition of both revenue and expenditure. For example, a new grant that Council has successfully obtained since the original budget was adopted.
- Re-alignment of expenditure against budget i.e. where actual costs may be allocated to a different line item than the budget, creates a need to reallocate funds within the budget. An example is if a budget was allocated in the "materials and contracts" category but actual expenditure was allocated to the "other expenses" category. Realignment of budget between "materials and contracts" and "other expenses" is required.

The overall aim of the budget review process is two-fold:

- To identify where expenditure and revenue are not tracking against budget and to review where necessary; and
- To maintain the Council's forecast financial position for the remainder of the financial year, in respect of the operating result and the unrestricted cash position.

Additional activities that should be undertaken as part of the review process include:

- Ensuring the labour resources in the budget aligns with where employees are allocated and reconciles back to the payroll system.
- Ensuring the funding sources of projects are identified. For example, the capital program currently has funding sources from around 30 different grants with some grants funding multiple projects.
- Reconciliation of grants back to the opening unspent grants and contract liabilities position. Contract liabilities are effectively grants paid in advance and they need to be brought into the budget in line with when expenditure is expected to occur.
- Reconciliation of the cash position, including cash reserves, to ensure that all cash and reserve impacts are identified and included in the budget review.
- Reconciliation of key items such as Roads to Recovery own source expenditure to ensure the budget remains aligned with funding conditions and other internal reconciliations, to ensure the budget remains in balance and produces an accurate cash forecast.

2024-2025 Operating Budget

Overall, the consolidated position has decreased from the adopted budgeted net operating surplus of \$264K at QBR2 to a budgeted net operating surplus of \$699K, an increase of \$435K.

Detailed entries to Reserves are performed as part of year end reconciliations and preparation of the annual financial statements, quarterly Reserve movements are reflected at an estimated level in the attached report.

Implications

5.1. Strategic and Policy Implications

The quarterly budget review process contributes to:

- Council's Delivery Program 2022-2026 theme category of "Restore and Thrive" and related strategy of "Manage public resources responsibly and efficiently for the benefit of the community."
- Council's Delivery Program 2022-2026 includes initiatives S2.3.2 "Maintain financial sustainability by meeting Performance Ratios and Fit for the Future Benchmarks, while ensuring sustainable cash reserves to support service levels and assets" and S2.3.5 "Manage our assets responsibly to ensure greater lifespan and usability and to reduce financial burden".
- Council's Operational Plan 2024-2025: Asset Management, Finance and Procurement, Governance, Strategy and Risk.

5.2. Risk

QBRs and subsequent budget reviews provide the opportunity to review the actual position against the adopted budget, providing transparency and highlighting potential financial risks.

It is notable that the economic risks associated with the financial position and cash reserves for the future is highly dependent on:

- 1) Effective budget management and;
- 2) The continuation of monitoring services at existing levels to remain within the funding available.
- 3) Developing a system to accurately record movements in reserves throughout the year.

Other risk areas include Water income which is highly dependent on weather conditions, completion of major capital projects are dependent on supply chain and weather conditions and approval of funding where the projects are funded from external income (i.e. grants). Interest income is dependent on economic conditions.

5.3. Sustainability

Through an in-depth review process, Managers reviewed their adopted budget against planned operational activities. The amendments to the budget are predominantly movements to re-align the budget to match actual expenditure. Other identified amendments outlined in the operating and capital adjustments are partly due to:

1. Deferral of activities to future financial years.
2. Review of operational activities against Council priorities.
3. Constraints in relation to labour resourcing, supply chain and delivery of programmed works; and
4. Improved revenue funding streams.

5.4. Financial

The overall financial results are summarised as follows:

Net Operating Result \$'000	Fund			Consolidated
	General	Water	Sewer	
Original Budget	(\$4,335)	\$1,561	\$3,665	\$891
Carry Forwards	(\$4,209)	\$1,350	\$3,655	\$806
QBR 1	(\$4,329)	\$1,350	\$3,465	\$486
QBR 2	(\$4,555)	\$1,354	\$3,465	\$264
QBR 3	(\$4,520)	\$1,554	\$3,665	\$699

6. Consultation and Communication

The QBR entailed an extensive review of budgets at project level analysing data based on the current year to date expenditure. Managers were consulted on areas that were identified as potential risks and/or savings. Managers were provided with the opportunity to convey

budgetary implications, risk areas and identified savings that would need to be considered and reported to Council within the QBR.

7. Conclusion

Some minor operational budget overruns required attention. These overruns were managed and offset by identified savings and re-alignment of the budget with expenditure. Managers are aware that financial sustainability is a priority and will remain frugal in managing their respective budgets.

This report recommends that the 2024-2025 Third Quarter Budget Review for the period 1 January to 31 March 2025 tabled at the attachment, be endorsed by Council so that the approved budget and underlying financial results can be recognised.

Item:	9.1	Ref: AINT/2025/13425
Title:	New England Future Fund - Establishing a reserve and future investments	Container: ARC17/1709-8
Author:	Daniel Boyce, Chief Officer Planning and Activation	
Attachments:	Nil	

1. Purpose

The purpose of this report is to seek Council endorsement to establish a reserve for the New England Future Fund (**NEFF**) and for the commencement of early-stage consultation with the NSW Government regarding Ministerial approval for investment of the VPA Contributions outside the current Ministerial order. This approach and request for support for a different investment strategy is on the basis that NEFF funds are accumulated outside of normal revenue raising mechanisms for councils.

2. OFFICERS' RECOMMENDATION:

That Council:

- a. Create the New England Future Fund Reserve for contributions under voluntary planning agreements associated with renewable energy developments.
- b. Invest contributions from planning agreements (in accordance with the current Ministerial order regarding approved investments) separately to other Council investments.
- c. Retain interest income on investment of contributions from planning agreements within the New England Future Fund Reserve.
- d. Delegate authority to the General Manager to approach the NSW Government to discuss Ministerial approval for investment of the planning agreement contributions outside the current Ministerial order regarding approved investments.

3. Background

At the September 2023 Ordinary Council Meeting (**OCM**), Council resolved (123/23) to endorse in principle, the concept of a Future Fund governed by a Board of Guardians (**Board**) and a Community Benefit Panel (**Community Panel**) to be established to manage, invest and distribute contributions from renewable energy planning agreements.

The establishment of the New England Future Fund (**NEFF**) seeks to deliver a key objective of Council's Renewable Energy Community Benefit Framework to ensure that the benefits of renewable energy development will be equitably distributed within the community and inter-generationally.

NEFF can be established for contributions from voluntary planning agreements (**VPA**), and the proceeds of investment, which must be in accordance with the *Local Government Act 1993* (**LG Act**), can be allocated to public purposes, with the capital being retained.

Council can delegate investment decisions and decisions as to the allocation of VPA Contributions within the constraints of the 'public purpose' for which the contributions were made.

Council cannot divest the decision regarding allocation of VPA Contributions to a separate entity which is not a delegate of Council.

Ministerial approval will be required either for investment of the VPA Contributions if that is not in accordance with the current Ministerial order regarding approved investments, or if Council is to form or participate in the formation of a new entity. Formation of a new entity is **only likely** to be approved by the Minister if existing mechanisms in the LG Act cannot meet Council's objectives.

The most straightforward structure under the LG Act is to establish the Board and a Community Panel as committees which act as Council's delegate.

Board of Guardians

The Board will be delegated authority to make investment decisions in accordance with the current approved investments order and will make decisions as a delegate of Council regarding the allocation of the income of NEFF Armidale. If Council resolves to establish the Board, it will need to determine who will serve on the Board, the appointment process, the role of the Board, its functions, procedures, and meeting protocols.

The role of the Board will be outlined in a Terms of Reference document; however, broadly speaking, the Board is expected to perform two primary functions:

Treasury:

Determine:

- Investment of the principal – income from VPA's (in accordance with the current Ministerial order regarding approved investments)
- Retained earnings (if appropriate)
- Investment strategy – choice and timing

Annual distribution:

Determine:

- Proportion to ARC dedicated reserve for amenities (not into the general fund)
- Proportion to Community Panel to decide on distribution.
- Option to not make a distribution.

A proposed composition of the Board to consider includes:

- External Chair
- Independent members (2)
- Mayor
- General Manager

Community Benefit Panel

The Community Panel will be delegated authority to make decisions as a delegate of Council regarding the allocation of a proportion of the annual distribution NEFF Armidale designated to the Community Panel by the Board.

A proposed composition of the Community Panel to consider includes:

- One representative from the impacted area of each renewable energy project contributing via VPA to the Fund
- Representatives from the wider ARC community.
- ARC Staff (non-voting)

At the April 2024 OCM, Council resolved (60/24) to establish the New England Future Fund with contributions from voluntary planning agreements, a Board of Guardians as a delegate of Council and a Community Benefit Panel as a delegate of Council.

4. Discussion

A workshop is still to be held with Councillors to determine composition, the process for appointment, the terms of reference, functions, procedures, and meeting procedures for the Board of Guardians and the Community Benefit Panel.

Many VPA's include annual payments throughout the projects' life as well as upfront payments at construction or operation. As construction begins on some projects in the next 6 to 12 months, council must prepare to receive and manage these contributions until the NEFF architecture is finalised.

Project	Upfront payment (adjusted annually for CPI)
Tilbuster Solar Farm	\$1,529,000
Oxley Solar Farm	\$2,790,000
Armidale Battery Energy Storage System	\$1,275,000
Gara Battery Energy Storage System	\$1,500,000

Ministerial approval will be required for investment of the VPA Contributions outside the current Ministerial order regarding approved investments. As this is an avenue that Council may wish to explore as part of the NEFF it is important that discussions commence with the NSW Government to test whether there is an appetite to look at a more bespoke solution for the situation that Armidale Region is in with respect to managing NEFF investments. This approach and request for support for a different investment strategy is on the basis that NEFF funds are accumulated outside of normal revenue raising mechanisms for councils.

5. Implications

5.1. Strategic and Policy Implications

The NEFF concept aligns with Council's Community Benefit Sharing Framework.

5.2. Risk

Reputational Risk: There is some potential reputational risk, should Council not ensure appropriate transparency around the management and allocation of funds from PAs. This report proposes to take a further step towards establishing a Future Fund. Ultimately the governance arrangements around the Future Fund will need to be robust and is likely to follow similar formats and procedures established around Council's Audit Risk and Advisory Committee.

Operational and Governance Risk: The process of Planning Agreement is governed by the Environmental Planning and Assessment Act and Regulations and requires community

consultation prior to Council entering into the agreement. Therefore, there will be individual scrutiny applied to the specific PAs that are proposed to be entered into.

5.3. Sustainability

No sustainability implications have been identified.

5.4. Financial

Budget Area:	Planning and Activation						
Funding Source:	Nil						
Budget Ref: (PN)	Description	Approved Budget	Actual	Committed	Proposed	Total Forecast Expenditure	Remaining Budget
Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

6. Consultation and Communication

Once Council has determined a preferred model and drafted the appropriate governance arrangements including who is to sit on the Board and Community Panel, the process for appointment, the role of the Board, functions, procedures, and meeting procedures the package will be publicly exhibited for 28 days.

All VPAs agreed thus far have been subject to public reports on their general terms. Where VPAs have progressed beyond this stage they have been subject to public exhibition in accordance with legislative requirements.

7. Conclusion

Council has a once in a generation opportunity to ensure that the community benefit from the transition to renewable energy. It is likely that Council will finalise the terms of multiple planning agreements of the coming one to two years and it is therefore important that Council progresses the Future Fund concept as the preferred model.

Item:	10.1	Ref: AINT/2025/11909
Title:	Minutes of the Audit Risk and Improvement Committee meeting of 12 March 2025	Container: ARC24/7459
Responsible Officer	Acting Chief Officer Corporate and Community	
Author:	Stacey Drew, Senior Governance Officer	
Attachments:	1. Draft ARIC Minutes 12 March 2025	

1. Purpose

The purpose of this report is to provide Council with Minutes of the Audit Risk and Improvement Committee (ARIC) meeting held 12 March 2025.

2. OFFICERS' RECOMMENDATION:

That Council note the minutes of the ARIC meeting held 12 March 2025.

3. Background

The Audit Risk and Improvement Committee (ARIC) provides independent assurance and assistance to the Council on risk management, internal control, governance, internal audits, organisational performance and external accountability responsibilities.

Specifically, the Committee assists the Council to:

- Promote a culture of corporate governance and compliance with Council's statutory, regulatory and policy framework.
- Examine the effectiveness of Council's internal control framework to include business processes and systems.
- Review the effectiveness of the Council's enterprise risk management processes.
- Examine the effectiveness of audit processes.
- Review external financial statements reporting processes; and
- Provide information to the Council for the purpose of improving the performance of Council's functions.

The ARIC is an advisory and oversight committee and has no authority to direct the General Manager or Council Officers. The Committee has no executive powers.

4. Discussion

Minutes of the ARIC meeting held 12 March 2025 attached for information.

An opportunity was provided to councillors to meet with the ARIC following the committee meeting of 12 March 2025. A presentation was delivered by the chair Phil Thomas, providing an overview of the ARIC's role, key deliverables and its partnership with council.

5. Implications

5.1. Strategic and Policy Implications

The ARIC provides critical assurance to Council on issues such as whether:

- the Council has provided sufficient resources for risk management and staff are able to carry out their risk management responsibilities.
- the Council's risk management framework complies with current Australian risk management standards.
- the Council's risk management framework operates effectively and supports the achievement of council's strategic goals and objectives; and
- major risks have been identified and assessed by the Council and appropriate risk treatments have been implemented that reflect council's risk criteria.

5.2. Sustainability

Nil.

5.3. Financial

Nil.

6. Consultation and Communication

Nil.

7. Conclusion

The ARIC meetings minutes are presented to Council for noting.

Item:	10.2	Ref: AINT/2025/12227
Title:	Public Exhibition of Draft Reconciliation Action Plan	Container:
	ARC24/9315	
Responsible Officer	Acting Chief Officer Corporate and Community	
Author:	Cyril Green, Aboriginal Community Development Officer	
Attachments:	1. Draft Reconciliation Action Plan	

1. Purpose

The purpose of this report is to endorse, for public exhibition for 28 days, the Draft Reconciliation Action Plan.

All public submissions received during the public exhibition period will be considered as part of the final draft document that will return to Council for endorsement to submit to Reconciliation Australia for final approval.

2. OFFICERS' RECOMMENDATION:

That Council:

- a. Endorse the Draft Reconciliation Action Plan to be placed on public exhibition for a minimum period of 28 days.
- b. Note that the public exhibition period will run from 29 May 2025 to 25 June 2025.
- c. Note that following the exhibition period, a report will be presented to Council which outlines any community submissions received along with the final Draft Reconciliation Action Plan, seeking endorsement to submit the plan to Reconciliation Australia for endorsement.

3. Background

Armidale Regional Council is committed to Closing the Gap between Aboriginal and Torres Strait Islander people and the general population. Armidale Regional Council's Community Strategic Plan identifies a range of services and infrastructure which will help the whole community to achieve its long-term vision, but Council acknowledges additional programs, resources and services are required to achieve better outcomes for Aboriginal and Torres Strait Islander people.

These services and programs should focus on:

- Health and wellbeing
- Employment and education opportunities
- Programs, activities and pathways for young people
- Programs to support older members of the community
- Programs to share Aboriginal culture with the wider community and visitors
- Opportunities to work collaboratively with organisations, individuals and communities to identify areas of need and develop effective solutions

To achieve these aims Armidale Regional Council is developing a Reconciliation Action Plan.

4. Discussion

A Reconciliation Action Plan is used to lay the foundations and prepare a workplace for future reconciliation plans and reconciliation initiatives. Once endorsed by Council and Reconciliation Australia, it will be published on the Reconciliation Australia website as a public commitment to improved local outcomes for Aboriginal and Torres Strait Islander people across our region.

Following a period of community engagement, stretching from August 2024, a Draft Reconciliation Action Plan has been created, following the templates provided by Reconciliation Australia.

This report seeks endorsement from Council for our Draft Reconciliation Action Plan to be placed on public exhibition for a period of no less than 28 days. Following the public exhibition period, a final report will be presented to Council including any amendments that may be made during the exhibition period and will seek Council support to submit the final draft document to Reconciliation Australia for final endorsement.

5. Implications

5.1 Strategic and Policy Implications

This aligns to our Community Plan 2025-2034 as follows: -

Enriched Region – Goal 2 – A proud, inclusive and cohesive community that celebrates our region in all its diversity and culture.

It also delivers on the following initiatives in our Delivery Program 2022-2026: -

E2.3.1 – Adopt and deliver a Reconciliation Action Plan to actively promote and encourage reconciliation across the region and address the Closing the Gap priorities.

5.2 Risk

Nil

5.3 Sustainability

Nil

5.4 Financial

Budget Area:	Aboriginal Community Development						
Funding Source:	General Fund						
Budget Ref: (PN)	Description	Approved Budget	Actual	Committed	Proposed	Total Forecast Expenditure	Remaining Budget
220100	Reconciliation Action Plan	5,528	0	0	0	0	5,528

An initial budget of \$5,528 was estimated this financial year for the delivery to Reconciliation Action Plan initiatives. Given endorsement is happening late in the financial year this budget has not been expended.

A minimum annual budget of \$5,000 for the delivery of initiatives within this plan is recommended, across the life of the Action Plan.

6. Consultation and Communication

A draft copy of the proposed Reconciliation Action Plan was forwarded to members of the Aboriginal Advisory Committee on Monday 29 July 2024.

Community consultation sessions were held as follows:

- 20 August 2024, 10am to 1pm - Aboriginal Culture Centre and Keeping Place, 96-104 Kentucky St, Armidale
- 21 August 2024, 10am to 1pm - Armidale War Memorial Library, Unit 2/182 Rusden St, Armidale
- 22 August 2024, 10am to 1pm - Guyra LALC, 187 Falconer St Guyra

Community feedback was also collated via an online survey on the Your Say Armidale webpage in 2024.

7. Conclusion

Council is asked to endorse, for public exhibition for 28 days, the Draft Reconciliation Action Plan attached to this report.

All public submissions received during the public exhibition period will be considered as part of the final draft document that will return to Council for endorsement to submit to Reconciliation Australia for final approval.

Item:	11.1	Ref: AINT/2025/12473
Title:	Kempsey to Armidale Road Restoration Project (K2A) - Status Report for April 2025 Period	Container: ARC16/0001-9
Responsible Officer	Chief Officer Region Building Infrastructure	
Author:	Anton Juodvalkis, Manager Governance K2A	
Attachments:	1. K2A Project Background as at 24/02/2025	

1. Purpose

This report provides an update on the Kempsey-Armidale Road Restoration Project (K2A) for the April 2025 period.

2. OFFICERS' RECOMMENDATION:

That Council note the information contained in this report regarding the Kempsey-Armidale Road Restoration Project.

3. Background

The Kempsey-Armidale Road is a vital transport corridor connecting Kempsey with Armidale, passing through multiple communities. Following significant damage from natural disasters in 2020 and 2022, Council received funding through various programs to restore the road to its pre-disaster condition and improve specific sections. The K2A project represents the largest transport infrastructure project ever undertaken by any NSW Local Government authority. A detailed background of the project is provided in attachment 1.

4. Discussion

4.1. People and Culture

The new K2A Project Director commenced with Council on 22 April 2025.

4.2. Delivery Progress Update

Emergency Works

As a result of ex-Tropical Cyclone Alfred, GHD were requested to undertake an inspection of damage incurred on Kempsey Road. On 12 March 2025 GHD provided a report identifying damage at 43 locations on Kempsey Road. The K2A team then used a Local Government Procurement Panel to source suitable Contractors to undertake the remedial works. Pan Civil Pty Ltd were successful in their tender proposal and were awarded the Contract.

Site works commenced on 28 April 2025 under the Geotechnical supervision of GHD and are expected to be completed in late May 2025. These works are covered under AGRN 1198 - separate to the Main Restoration Works covered under AGRN 1012.

Main Work

Work continues on temporary land acquisitions for site compounds, camp accommodation, laydown areas and concrete batch plants.

Transaction Management

Expression of Interest submissions opened on 2 April 2025 and closed on 9 May 2025. Further information on the outcomes of the EOI process will be presented to Council in July 2025.

4.3. Alinta Energy – Oven Mountain – Critical State Significant Infrastructure (CSSI)

On 1 May 2025, a non-binding MOU was entered into between Council and Alinta Energy in relation to the Oven Mountain CSSI and the K2A project. The MOU identifies the two independent goals being improvement of standard, and serviceability restoration respectively.

Council continues discussions regarding the traffic impact assessment which contains movements from both the eastern and western ends of the Kempsey Armidale Road.

No further updates have been received by Council regarding the Oven Mountain Final Investment Decision (FID).

4.4. Current Site Works and Program

Phase 1 work has been completed at Flying Fox and Blackbird Flat, and all works have been completed on the culvert installation at Big Hill.

5. Implications

5.1. Strategic and Policy Implications

The activities discussed in the report align with Advancing Our Region - Your Community Plan 2022-2032 and with Council Delivery Program 2022-2026 as part of:

- Connected Region – Goal 1: Ensuring quality infrastructure for safe and easy travel.
 - C1.1.4: Partnering with the NSW Government to restore and reclassify the Armidale–Kempsey Road.

5.2. Work Health and Safety

The K2A project continues its excellent work health and safety record, with no injuries or notifiable incidents since 1 March 2023.

5.3. Risk

Risk management continues to mature, with the project now conducting quantified cost risk analysis and quantified schedule risk analysis in-house. Reporting of the risk profile to the Steering Committee is now being done utilising a project risk reporting template used on a couple of TfNSW major projects.

The K2A team continues to thoroughly review the risk profile, and another formal risk workshop with wide participation from internal and external stakeholders is in the planning stages.

The top risks currently relate to cost increases due to escalation (inflation), subcontractor and worker accommodation availability, the potential for unforeseen scoping issues, and the potential for errors or omissions in the contract documentation. These risks continue to receive a higher level of attention from the project team.

5.4. Sustainability

Sustainability remains a guiding principle, with efforts to incorporate long-term resilience in road design and construction practices.

5.5. Financial

The K2A financial program is actively managed and reported on a monthly basis.

Program	Actual Cost to Date	Commitments
	CTD	Open PO
NDRA EPAR AGRN 1012	14,924,488	7,519,358
NDRA EW AGRN 1012*	10,344,157	
NDRA AGRN 898	16,550,519	
NDRA AGRN 1119*	22,298	
NDRA AGRN 1198	1,056	
NDRA Total	41,842,517	7,519,358
FLR Flying Fox (2)	2,111,985	
FLR Blackbird Flat (3)	1,107,015	
FCR - Big Hill	715,841	
NDRA Total	3,934,842	-
Ineligible Council Costs	987,183	
NDRA Total	46,764,542	7,519,358

This Period	46,764,542	7,519,358
Last Period	46,763,486	7,804,343
Change	1,056	(284,984)

Table One: K2A Program Costs Project to Date

6. Consultation and Communication

The project team have continued the preparation of plans for high priority land access agreements for batch plants, site camp locations, laydown areas and stockpiles.

Static display locations regarding the project have been set up in the Council foyers at the Armidale and Guyra administration buildings and the Armidale Visitor Information Centre and Armidale library.

A tourist information flyer and newsletter which together explain why the road is closed to unauthorised traffic have been sent out to:

- 235 caravan, camping and tourism organisations
- 44 4WD clubs and organisations
- 14 Local Government Area offices
- 18 regional libraries
- 18 Visitor Information Centres
- Commercial locations in Armidale.

Notifications were sent out to the project mailing list about:

- Stabilisation works on Petroi Road by the Soil Conservation Service
- Clearing of landslips

- Branch Creek bridge repairs
- Emergency works
- Alinta Energy visual inspections.

The community hall is currently nearing completion and may be the site of the next community meeting. The use of this facility will greatly improve the engagement experience once operational and allow for a permanent physical location of project information.

7. Conclusion

The Kempsey-Armidale Road Restoration Project advanced steadily since the previous report to Council. Key achievements include the mobilisation of emergency remediation works after ex-Tropical Cyclone Alfred and the successful close of Expressions of Interest for the Main Works contract in early May 2025. The arrival of the new Project Director strengthens leadership capacity as the project enters its critical request for tender phase. The WHS record remains incident-free.

Item:	13.1	Ref: AINT/2025/08705
Title:	KPWG - Minutes of meetings held February 2025 - March 2025	Container: ARC16/0001-9
Responsible Officer	General Manager	
Author:	Melissa Hoult, Executive Officer	
Attachments:	1. Future Region KPWG Minutes - 8 April 2025	

RECOMMENDATION:

That the following Minutes of the Key Pillar Working Group meetings held from April 2025 to May 2025 be noted;

- Future Region KPWG meeting held 8 April 2025

1. Purpose

This report is to provide Council with the minutes and action lists of the Key Pillar Working Group meetings held from April 2025 to May 2025 which details recommendations to Council for consideration.

2. Background

The role of the Key Pillar Working Groups is to advance the key objectives of the Region by working through each pillar of the Community Plan (CP), providing a policy direction and outcome, following engagement with the relevant interest groups that represent our community.

3. Report

At its meeting held 8 April 2025, the Future Region KPWG considered:

Proposed meeting schedule & speaker dates

- Agreed as follows:
 - 2pm Tues 6 May - Biodiversity, Brilliant Region & Urban Forest Strategy (Lilian)
 - 2pm Tues 10 June - Waste Management/REZ/recycling (Guada)
 - 2pm Tues 8 July – Creeklands (Tom)
 - Additional future dates: 12 August; 9 Sep; 7 Oct; 4 Nov & 2 Dec.
 - *Action: Exec Office (EO) to send out calendar invites and include speakers as listed.*
- Brilliant Regions Strategy Review
 - The Group reviewed the strategy and the following item earmarked for consideration:
 - C1.2 – Develop a minimum digital specification guide for Open Spaces with a range of options to suite specific open space categories and needs of specific locations (Connectivity focus).
- *I.e. Villages Wifi hotspots Developer Contributions (solar powered benches; Starlink connection in Hillgrove etc.).*

- PG raised question about use of Zendesk for use in request case management/internal requests from end to end.
- Discussion held around use of App, Snap/Send/Solve. AH said OneCouncil has a good end to end experience. AM said TRC implemented OneCouncil and improved customer service. The system includes an Audit Function that doesn't allow items to be closed out until confirmation that customer has been contacted.
- Discussion around push notifications. PG queried whether TechOne has capability to put push notifications out to residents.

Action: AH to investigate with IT and Ann Newsome whether TechOne has capability to put push notifications out to residents.

Item:	13.2	Ref: AINT/2025/12050
Title:	Traffic Advisory Committee - Minutes of the meeting held 6 May 2025	Container: ARC16/0168-9
Responsible Officer	Acting Chief Officer Assets and Services	
Author:	Claire Butcher, Transport Administration Officer	
Attachments:	1. Agenda Traffic Advisory Committee - 6 May 2025 2. Minutes - Traffic Advisory Committee - 6 May 2025	

RECOMMENDATION:

That in relation to the Traffic Advisory Committee Meeting held 6 May 2025, that Council:

- a) Note the Minutes of the Traffic Advisory Committee meeting held 6 May 2025.
- b) Note the information of the Upcoming Charity Event – Mental Health Fundraising Run Gotcha4Life that will be passing through our LGA with endorsement from TfNSW to be provided.
- c) Note the request put to TfNSW to consider:
 - i. Changing the current speed advisory signage from 100km/hr down to 80km/hr on Elm Street.
 - ii. Relocating the current 80km/hrs sign 150 east on Elm Street.
 - iii. The installation of a “Stop” sign at the Starr Road leg of the intersection with Elm Street
- d) Note the intended raising or removal of bridge load limits now repair works have been completed for, Gara River bridge, Herbert Park Road bridge, Postman Gully bridge, Melrose Bridge Rd & Abington Creek Bridge. Council will act on the advice from TfNSW and follow the formal process of raising bridge weight limits, followed by advertisement prior to the raising of any limits.

1. Purpose:

This report is to provide Council with the agenda, minutes, and action list of the Traffic Advisory Committee (TAC) meeting held Tuesday 6 May 2025 which details and recommendations to Council for consideration and adoption.

2. Discussion

To consider the recommendation advice provided by the TAC, a Transport for NSW (TfNSW) committee comprising of experts from TfNSW, Police, State Member representative, ARC Councillor and ARC technical officers.

Council is not bound by the advice given by the TAC. However, if Council does wish to act contrary to the unanimous advice of the TAC or when the advice is not unanimous, it must notify TfNSW & the NSW Police and wait 14 days before proceeding.

The TAC has no decision-making powers and is primarily a technical review committee. It only advises the Council on matters for which the Council has delegated authority, being certain prescribed traffic control devices and traffic control facilities.

The Council must refer all traffic related matters to the TAC prior to exercising its delegated functions. Matters related to State Roads or functions that have not been delegated to the elected Council and must be referred directly to TfNSW or relevant organisation. Such matters must not be referred to the TAC.

3. Report:

At its meeting held Tuesday 1 April 2025, the TAC considered Three items.

b) Gotcha4Life - Mental Health Fundraising Run

This is a one-off event that will pass through our LGA. Follow New England Hwy/A15 onto Waterfall Way/B78 to Armidale Rd in Hernani and then following Armidale Rd to Big River Way/B91 in South Grafton

The long-distance run will start in Queensland and end in Melbourne, covering over 1600 kilometres in 29 days, to raise funds and awareness for mental health in partnership with Gotcha4Life, a charity dedicated to improving mental fitness. Gotcha4Life works tirelessly to improve mental health outcomes by providing resources, training, and support to individuals and communities.

c) Guyra Heavy Vehicle Route Improvements - Elm Street 100km/hr advisory sign location and intersection signage changes

In late 2021 Council engaged a Road Safety Auditor to complete an audit of the Guyra Tomato Farm Heavy Vehicle route. Stemming from Community complaints regarding heavy vehicle movements to and from the Tomato Farm and a history of serious crashes including a fatality, Council deciding to further investigate the issues and safety of the route.

Council has had further complaints and reports about near misses and the safety of the route from residents and representatives of the Tomato farm. Council recently completed a site assessment and agree with the audit findings and are now looking to implement identified maintenance requirements and safety improvements.

Process of implementation will be:

- Change speed advisory sign from 100km/hr to 80km/hr and move location 150m east – late May 2025
- Install new line marking - holding lines and new stop sign at intersection of Starr Rd and Elm St – late May 2025
- Install new holding lines and give any signs at listed intersections of the HV route late May 2025

TfNSW will investigate and complete a speed review and report back to the next Traffic Advisory Committee meeting with their finding.

d) Bridge Load Limits Removal

The loads limits that were placed on the below mentioned bridges are no longer required and could be raised or removed.

- Gara River bridge on Herbert Park Rd
- Postman Gully bridge on Melrose Bridge Rd
- Abington Creek Bridge

Restoration of the Gara River & Postman Gully bridges using epoxy resin technique have been completed. Abington Creek Bridge girder replacement has also been completed.

Further maintenance and component renewal works are planned to raised or remove other load limits on the following bridges and will report back when compete.

- Oaky River Bridge on Wakefield Road
- Branch Creek Bridge on Lower Creek Road
- Willis Creek Bridge on Tenterden Road

4. Strategic Directions:

The function of the TAC aims to maintain safe and effective traffic facilities on the road network to industry and legislative standards.

The activities and recommendations align with Advancing Our Region - Your Community Plan 2022-2032 and with Council Delivery Program 2022-2026 as part of:

Connected Region – Transport and Technology

- C1. Quality infrastructure makes it safe and easy to travel around our region.
 - C1.1 Build and maintain quality, safe, and accessible road transport infrastructure including roads, footpaths, kerbs, bus stops and parking facilities.
- C2. Transport and technology that enable connectivity both locally and outside the region.

C2.1 Provide access to public and private transport services that link our community to our local towns and villages, other regions, our local attractions, and lifestyle infrastructure.

5. Relevant Legislation:

- *Roads Act (1993)*
- *Road Transport (Safety and Traffic Management) Regulations (1999)*
- *Road Rules (2008)*, and

6. Financial Implications

TfNSW Block Grant.

TfNSW provides block grants to Council as a contribution towards the cost of works on Regional Roads, under the terms of the Block Grant Agreement. Block Grants may be spent on preservation, restoration and enhancement works to the extent provided for in the Block Grant Agreement.

Every council has entitlement to an annual block grant. The grant comprises a roads component and a supplementary component (both available for works on Regional Roads) and a traffic facilities component (which may be spent on works on Regional Roads as well as traffic facilities on Local Roads).

Guyra Heavy Vehicle Route Improvements - Elm Street 100km/hr advisory sign location and intersection signage changes.

Budget Area:	Transport						
Funding Source:	Block Grant – Traffic Facilities						
Budget Ref: (PN)	Description	Approved Budget	Actual	Committed	Proposed	Total Forecast Expenditure	Remaining Budget
270219	Install signs and line marking	125,000	115,463	\$0	\$6,000	\$121,463	\$3,537

7. Conclusion

That Council note the minutes of the Traffic Advisory Committee (TAC) meeting held Tuesday 6 May 2025 and the recommendations made to Council be endorsed.