



AGENDA & BUSINESS PAPERS

Notice is hereby given, in accordance with the provision of the *Local Government Act 1993* that a meeting of Uralla Shire Council will be held in the Council Chambers, 32 Salisbury Street, Uralla.

ORDINARY COUNCIL MEETING

23 September 2025

Commencing at 4:00 PM



Statement of Ethical Obligations

The Mayor and Councillors are bound by the Oath/ Affirmation of Office made at the start of the Council term to undertake their civic duties in the best interests of the people of Uralla Shire and to faithfully and impartially carry out the functions, powers, authorities and discretions vested in them under the *Local Government Act* or any other Act, to the best of their skill and judgement.

It is also a requirement that the Mayor and Councillors disclose conflicts of interest in relation to items listed for consideration on the Agenda or which are considered at this meeting in accordance with Council's Code of Conduct and Code of Meeting Practice.

Toni Averay

General Manager

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- 1 **OPENING & WELCOME**
- 2 **PRAYER**
- 3 **ACKNOWLEDGEMENT OF COUNTRY**
- 4 **WEBCAST INFORMATION**
- 5 **APOLOGIES & APPLICATIONS FOR LEAVE OF ABSENCE BY COUNCILLORS**
- 6 **DISCLOSURE & DECLARATION OF INTEREST/S**

7 CONFIRMATION OF MINUTES

7.1 Confirmation of Minutes Ordinary Meeting held 26 August 2025

Department:	General Manager's Office
Prepared By:	Executive Assistant
Authorised By:	General Manager
Reference:	UINT/25/23383
Attachment:	1. Minutes Of Ordinary Meeting held 26 August 2025 🔗 (please find attachment under separate cover)

RECOMMENDATION

That Council adopts the minutes of the Ordinary Meeting held 26 August 2025 as a true and correct record.

Noting the following amendments:

1. Item 14.13 at Loan number 187 was changed to Loan number 188 with the purpose being 'Underground Power and Main Street Upgrade – the purpose should have been ' Paving and Power Undergrounding'
2. Item 14.8 as per the legislative requirements – The Updated Operational Plan 2025-2026 is available for public exhibition and comment until 5:00pm on 13 October 2025

8 URGENT, SUPPLEMENTARY, AND LATE ITEMS OF BUSINESS (INCLUDING PETITIONS)

9 WRITTEN REPORTS FROM DELEGATES

9.1 Mayor's Activity Report for August 2025

Department:	General Manager's Office
Prepared By:	Executive Assistant
Authorised By:	Mayor

SUMMARY

The Mayor's Activity Report outlines activities conducted during the month of July 2025.

RECOMMENDATION

That Council receives the Mayor's Activity report for August 2025.

REPORT

DATE	COMMITTEE/MEETING/EVENT	LOCATION
4 Aug 2025	Mayor & GM Catch up Meeting	Uralla
5 Aug 2025	Meeting Barnaby Joyce Discussion Points included: <ul style="list-style-type: none"> - Community and Council staff efforts during the extreme weather – Snow Storm - Councils Strategic response to NEREZ - LTRP & SRV - Christmas Street Fair - Housing Strategy & 15 Hill Street Proposal - Changes to Aged Care Act 	Uralla
5 Aug 2025	Information Sessions: <ul style="list-style-type: none"> - Rate category workshop 	Uralla
11Aug 2025	Mayor & GM Catch up Meeting	Uralla
12 Aug 2025	Uralla Hospital Aux meeting	Uralla
13 Aug 2025	2AD Interview	Online
13 Aug 2025	Housing Strategy update with officer	Uralla
14 Aug 2025	Tourism Meeting	Glen Innes
18 Aug 2025	Mayor & GM Catch up Meeting	Uralla
19 Aug 2025	Information Sessions: <ul style="list-style-type: none"> - Moych proposed multi-unit development Uralla Street - Hill St affordable housing project - Housing Strategy 	Uralla
25 Aug 2025	Mayor & GM Catch up Meeting	Uralla

26 Aug 2025	Council Ordinary Meeting	Uralla
27 Aug 2025	2AD Interview	Online
27 Aug 2025	Meeting Brendan Moylan MP	Uralla
28 Aug 2025	Police Celebration	Inverell
29 Aug 2025	Manilla Media - ACEN	Alternate Root McCrossin's Mill Pioneer Park
31 Aug 2025	Community THANK YOU BBQ	Alma Park

10 PUBLIC FORUM

Nil

11 MAYORAL MINUTE

11.1 Mayoral Minute - Endorsement of Motion to LGNSW Annual Conference – Rating Classification for Renewable Energy Developments

Reference: UINT/25/25696

To seek Council's endorsement to submit a motion to the LGNSW Annual Conference advocating for the formal recognition of a Business – Power Generation rating sub-category for land used primarily for renewable energy infrastructure.

RECOMMENDATION

That Council put forward a motion for consideration at the LGNSW conference in November 2025 as follows:

That LGNSW advocate to the NSW Government for the formal recognition and support of a Business – Power Generation rating sub-category for land used primarily for renewable energy infrastructure, such as wind and solar farms, under the Local Government Act 1993. This classification should:

- *Be based on the dominant use of the land.*
- *Promote consistency and equity across councils.*
- *Ensure renewable energy developments contribute fairly to local government revenue.*
- *Be clearly distinguished from Voluntary Planning Agreements (VPAs).*
- *Align with emerging state policy directions and support local government financial sustainability.*

REPORT

Section 494 of the Local Government Act states that councils must make and levy an ordinary rate for each year on all rateable land within their area. This is a mandatory function and forms a core part of council's revenue-raising responsibilities.

Before making an ordinary rate, councils are required under Section 514 to declare each parcel of rateable land to be within one of the following categories:

- Farmland
- Residential
- Mining
- Business

If land does not meet the criteria for the first three categories, it must be categorised as Business by default (Section 518).

The growth of renewable energy infrastructure, particularly wind and solar farms, has introduced challenges in how councils categorise and rate land used for these developments. Traditionally, such land has been rated as Farmland, despite its commercial use and infrastructure footprint.

Land used predominantly for renewable energy generation aligns more closely with the Business category under the Local Government Act 1993 (NSW). Several councils have already adopted sub-categories such as “Renewable Power Generation” under the Business rating category.

The rationale for formally establishing and recognising renewable energy development and operation under the business rating category includes:

1. Dominant Use and Rating Principles

- The Act requires councils to categorise land based on its dominant use.
- Under the *Local Government Act 1993 (NSW)*, the dominant use of land is the key determinant in assigning a rating category. It refers to the primary physical activity being carried out on a parcel of land at the relevant time.
- Renewable energy generation involves commercial infrastructure and operations, often under long-term lease arrangements, with the intent of generating profit.
- Where this use is dominant, it is appropriate that the land be rated as Business, not Farmland.

2. Equity and Revenue Sustainability

- Renewable energy developments benefit from local infrastructure and services (or viewed from the alternative perspective, Renewable Energy Development substantially impacts on community resource utilisation).
- Rating Renewable energy developments under the Business category ensures a proportionate and equitable contribution to the cost-of-service delivery and infrastructure maintenance.
- Rating renewable energy development promotes fairness across all business land uses.

3. State Policy Alignment

- The Minister for Local Government has indicated a review of rating classifications.
- A unified position from local government will influence future policy and provide clarity for councils and developers.
- Adopting a common policy position to rate renewable energy development under the business category would provide consistency for affected Councils and developers.

4. Rates serve to meet the ongoing cost of delivering services to the community.

- There is a distinction between Voluntary Planning Agreements (VPA) and the project specific contributions often negotiated to account for the upfront impact the proposed development has on local infrastructure. VPA contributions do not account for the ongoing cost of service delivery to the community.
- Council must consider the financial impact of both upfront development, VPAs, and long term service delivery.
- Renewable Development land should be rated as business, not farmland, during its operational life to reflect ongoing service costs beyond upfront development.

5. Consistency and Regional Practice

- Councils such as Gunnedah Shire and Muswellbrook Shire have implemented sub-categories for renewable energy under the Business rating category. Uralla Shire is working towards this.

- Aligning with this practice promotes consistency of practice across the state and within State Government mandated renewable energy zones.
- Support from LGNSW will strengthen the drive for a consistent policy position to rate renewable energy development under the business rating category.

It is proposed that Uralla Shire Council put forward a motion for consideration at the LGNSW conference in November 2025 as follows:

That LGNSW advocate to the NSW Government for the formal recognition and support of a Business – Power Generation rating sub-category for land used primarily for renewable energy infrastructure, such as wind and solar farms, under the Local Government Act 1993. This classification should:

- *Be based on the dominant use of the land.*
- *Promote consistency and equity across councils.*
- *Ensure renewable energy developments contribute fairly to local government revenue.*
- *Be clearly distinguished from Voluntary Planning Agreements (VPAs).*
- *Align with emerging state policy directions and support local government financial sustainability.*

CONCLUSION

Council is required under the *Local Government Act 1993 (NSW)* to levy ordinary rates annually on all rateable land, based on its categorisation and valuation. Adopting a common policy position to apply the Business category to land used predominantly for renewable energy generation would ensure a fair and consistent approach across councils, enabling these developments to contribute equitably to local infrastructure and services.

12 NOTICE OF MOTION/QUESTIONS WITH NOTICE

Nil

13 REPORT OF COMMITTEES

13.1 Bundarra Community Committee - Draft Minutes of Meeting held 10 September 2025

Department:	Infrastructure & Development
Prepared By:	Executive Support Officer Infrastructure & Development
Authorised By:	Director Infrastructure & Development
Reference:	UINT/25/23402
Attachment:	1. DRAFT Minutes - Bundarra Community Committee Meeting - 10 September 2025 ⇒ (please find attachment under separate cover)
LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK	
Goal:	1. We have an accessible inclusive and sustainable community 2. We drive the economy to support prosperity 4. We are an independent shire and well-governed community
Strategy:	1.4. Access to and equity of services 2.3. Communities that are well serviced with essential infrastructure 4.1. Informed and collaborative leadership in our community 4.2. A strategic, accountable and representative Council

SUMMARY

The Bundarra Community Committee meeting was held on 10 September 2025. This report presents the minutes for the information of Council.

RECOMMENDATION

That Council receives the Draft Minutes of the Bundarra Community Committee Meeting held 10 September 2025.

REPORT

The Bundarra Community Committee meeting was held on 10 September 2025. The meeting was attended by Committee members, members of the community, appointed Councillors and Council staff. The Draft Minutes of that Committee meeting are attached to this report for Council’s consideration.

The Committee continues to operate at a high level and is providing significant benefits to both the local Bundarra community and Council’s operations.

CONCLUSION

The Bundarra Community Committee meeting took place at the Bundarra School of Arts Hall on 10 September 2025. The draft minutes of that meeting are attached to this report for the information of Council.

COUNCIL IMPLICATIONS**Community Engagement/Communication**

Community will be informed of Council's decision and future intentions via the Bundarra Community Committee Email Distribution List.

Policy and Regulation

Bundarra Community Committee Terms of Reference 2025
Local Government Act 1993; section 355

Financial/Long Term Financial Plan

N/A

Asset Management/Asset Management Strategy

N/A

Workforce/Workforce Management Strategy

N/A

Legal and Risk Management

N/A

Performance Measures

High attendance benchmarks at the monthly Committee meetings by both appointed community members and Council representatives continues.

Project Management

Infrastructure & Development Directorate

14 REPORTS TO COUNCIL

14.1 Election of Deputy Mayor

Department:	Corporate & Community
Prepared By:	Acting Manager Governance & Service Centre
Authorised By:	General Manager

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK

Attachments:

1. Deputy Mayor - Nomination Form [⇒](#)
 2. Schedule 7 - Local Government (General) Regulation 2021 [⇒](#)
(please find attachments under separate cover)
- Goal:** 4. We are an independent shire and well-governed community
- Strategy:** 4.2. A strategic, accountable and representative Council
-

SUMMARY

This purpose of this report is to facilitate the election of a Deputy Mayor at the upcoming Ordinary Council Meeting, in accordance with the provisions of the Local Government Act 1993. The Deputy Mayor will assist the Mayor in fulfilling civic duties and may act in the Mayor's absence. Councillors may choose the mode of election—either open voting or secret ballot—and determine the term of office at the time of election.

RECOMMENDATION

1. That the Returning Officer calls for and announces the nominations for the position of Deputy Mayor.

Then:

2. That should there be more than one nomination for the position, the method of election of the Deputy Mayor be by way of secret/open ballot.

Following the declaration of the vote:

3. That Cr be appointed as Deputy Mayor for the period from 24 September 2025 for a term of one year ending on the date of the Ordinary meeting to be held in September 2026, or another period determined by Council.

REPORT

Under Section 231 of the *Local Government Act 1993* (the Act), a Council may elect a Deputy Mayor to assist the Mayor in the performance of their duties. Section 231 of the Act provides:

Section 231 Deputy mayor

- (1) *The councillors may elect a person from among their number to be the deputy mayor.*
- (2) *The person may be elected for the mayoral term or a shorter term.*

- (3) *The deputy mayor may exercise any function of the mayor at the request of the mayor or if the mayor is prevented by illness, absence or otherwise from exercising the function or if there is a casual vacancy in the office of mayor.*
- (4) *The councillors may elect a person from among their number to act as deputy mayor if the deputy mayor is prevented by illness, absence or otherwise from exercising a function under this section, or if no deputy mayor has been elected.*

Section 231 (2) of the Act provides that the Deputy Mayor may be elected for the mayoral term or a shorter term, such as:

- For a period of 12 months
- For the period of the elected Council term; or
- For another period determined by Council .

Councils are not required under the Act to have a Deputy Mayor.

Uralla Shire Council has traditionally appointed a Deputy Mayor for a period of one year, except for the previous term when the Deputy Mayor was appointed for the full term from December 2021 to September 2024.

Schedule 7 (1) of the *Local Government (General) Regulation 2021* (the Regulation) states that the “General Manager (or a person appointed by the General Manager) is the Returning Officer.”

Schedule 7(2) of the Regulation provides:

- (1) *A councillor may be nominated without notice for election as mayor or deputy mayor.*
- (2) *The nomination is to be made in writing by 2 or more councillors (one of whom may be the nominee). The nomination is not valid unless the nominee has indicated consent to the nomination in writing.*
- (3) *The nomination is to be delivered or sent to the returning officer.*
- (4) *The returning officer is to announce the names of the nominees at the council meeting at which the election is to be held.*

Nomination forms have been provided as an attachment to this business paper. Completed nomination forms must be returned to the General Manager prior to the commencement of the Council meeting.

Schedule 7(3) of the Regulation provides:

- (1) *If only one councillor is nominated, that councillor is elected.*
- (2) *If more than one councillor is nominated, the council is to resolve whether the election is to proceed by preferential ballot, by ordinary ballot; or by open voting.*
- (3) *The election is to be held at the Council meeting at which the Council resolves the method of voting.*
- (4) *In this clause:*

“ballot” has its normal meaning of secret ballot;

“open voting” means voting by a show of hands or similar means.

Schedule 7 parts 2, 3 and 4 of the Regulation prescribes the voting procedures (a copy of schedule 7 is attached).

CONCLUSION

If Council wishes to have a Deputy Mayor it must resolve the appointment and term.

COUNCIL IMPLICATIONS**Community Engagement/Communication**

The community will be notified of the outcome of the Deputy Mayor election and the term of office determined by Councillors. This ensures transparency and keeps residents informed of Council's leadership arrangements.

Policy and Regulation

- *NSW Local Government Act 1993.*
- *NSW Local Government Regulation (General) 2021.*
- Code of Meeting Practice.

Financial/Long Term Financial Plan

There is no additional allowance paid to the Deputy Mayor unless acting as Mayor in the absence of the Mayor. At such times, the Deputy Mayor is entitled to the equivalent of the Mayor's allowance deducted from the allowance paid to the Mayor. All Councillor allowances are included in Council's budget.

Asset Management/Asset Management Strategy

Not applicable

Workforce/Workforce Management Strategy

Not applicable

Legal and Risk Management

The appointment of the Deputy Mayor must be in accordance with Section 231 of the *Local Government Act 1993*.

Performance Measures

The Deputy Mayor will perform the functions of the office for the term resolved by Council. Council administration will make arrangements for a further election prior to the end of the resolved term to ensure continuity and compliance with legislative requirements.

Project Management

General Manager

14.2 Council meeting dates schedule October 2025 to September 2026

Department:	Corporate & Community
Prepared By:	Acting Group Manager Corporate Services
Authorised By:	General Manager

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK

Goal:	4.	We are an independent shire and well-governed community
Strategy:	4.3.	An efficient and effective independent local government

SUMMARY

Under section 365 of the Local Government Act 1993 (the Act) Council is required to meet at least 10 times each year, each time in a different month. Section 9(1) of the Act requires Council to give notice to the public of the time, date and location of each of its meetings,

This report presents the proposed meeting schedule for October 2025 – September 2026 for Council endorsement and for public notification.

RECOMMENDATION

That Council:

1. Adopts the Ordinary Meeting cycle for 2024-2025 as follows:
 - Tuesday 28 October 2025
 - Tuesday 25 November 2025
 - Tuesday 16 December 2025
 - Tuesday 24 February 2026
 - Tuesday 24 March 2026
 - Wednesday 28 April 2026
 - Tuesday 26 May 2026
 - Tuesday 23 June 2026
 - Tuesday 28 July 2026
 - Tuesday 25 August 2026
 - Tuesday 29 September 2026
2. That notice of the meeting schedule be placed on Council website
3. That Council issue a Facebook post advising of the date, time, and location of the next Ordinary Council Meeting each time the Ordinary Council meeting agenda is published.

REPORT

Section 365 of the *Local Government Act 1993 (NSW)* (the Act) requires Council to meet at least ten (10) times each year, each time in a different month. Section 9(1) of the Act requires Council to give notice to the public of the times and places of its meetings.

These provisions are reflected in both the current Code of Meeting Practice and the Model code of Meeting practice to be presented to Council for adoption before December 2025.

The dates, times and venue are outlined in Section 3 of Council's Code of Meeting Practice, which requires Ordinary meetings of Council to be scheduled as follows:

Timing of ordinary council meetings

3.1 Ordinary meetings of the council will be held on the following occasions:

- *February to November: on the fourth (4th) Tuesday of the month*
- *December – on the third (3rd) Tuesday of the month.*
- *January – No meeting held in January.*
- *Meetings to commence at 4:00pm and held at Uralla Shire Council Chambers.*

Clauses 3.4, 3.5 and 3.6 detail the notice which must be given to the public as follows:

Notice to the public of Council meetings

3.4 The council must give notice to the public of the time, date and place of each of its meetings, including extraordinary meetings and of each meeting of committees of the council.

Note: Clause 3.4 reflects section 9(1) of the Act.

3.5 For the purposes of clause 3.4, notice of a meeting of the council and of a committee of council is to be published before the meeting takes place. The notice must be published on the council's website, and in such other manner that the council is satisfied is likely to bring notice of the meeting to the attention of as many people as possible.

3.6 For the purposes of clause 3.4, notice of more than one (1) meeting may be given in the same notice.

Council can vary the day, time, or venue of formal Council meetings by resolution. In such circumstances due notice of the variation to the meeting schedule must be provide to the community by way of public notice pursuant to section 9(1) of the Act

CONCLUSION

This report presents the Ordinary meeting program for the next 12 months for Council adoption.

COUNCIL IMPLICATIONS

Community Engagement/Communication

This report identifies the formal meeting program for Council. Separate community engagement sessions/workshops will be scheduled from time to time to share public information and to gain community feedback. This is in addition to formal public exhibition of policies and other documents such as development applications as appropriate. A range of communication channels are used including social media, Council's website, and other relevant identified platforms.

Policy and Regulation

Local Government Act 1993 (NSW)
Code of Meeting Practice

Financial/Long Term Financial Plan

Council meeting costs are included in the annual Council budget.

Asset management/Asset Management Strategy

Not applicable.

Workforce/Workforce Management Strategy

Administrative resources to support Council meetings are included in the annual Council budget

Legal and Risk Management

The proposed Ordinary Council meeting schedule meets statutory meeting requirements.

Formal Council meetings and procedures are governed by the Code of Meeting Practice.

Performance Measures

At least 10 Ordinary Meetings of Council per year must be conducted. The proposed Ordinary Council meeting schedule meets statutory meeting requirements.

Project Management

General Manager

14.3 Disclosure of Interest by Councillors and Designated Persons for 2024/2025 reporting period

Department:	Corporate & Community
Prepared By:	Acting Group Manager Corporate Services
Authorised By:	General Manager
Reference:	UINT/25/14560

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK

Goal:	4.	We are an independent shire and well-governed community
Strategy:	4.2.	A strategic, accountable and representative Council

SUMMARY

Section 440AAB of the *Local Government Act 1993 (NSW)* requires Councillors and designated persons to lodge a Disclosure of Interest by Councillors and Designated Persons Return.

The Code sets out deadlines for the tabling of returns following Local Government elections and annually thereafter. This report facilitates the tabling of these returns.

RECOMMENDATION

That Council notes the tabled Register of Disclosure of Interests by Councillors and Designated Persons as required by section 440AAB of the *Local Government Act 1993 (NSW)*.

REPORT

Section 440AAB of the *Local Government Act 1993 (NSW)* (the **Act**) requires Councillors and designated persons to lodge a Disclosure of Interest by Councillors and Designated Persons Return (**Returns**). Councillors or designated persons must lodge a Return within 3 months after the following:

- a) Becoming a Councillor or designated person.
- b) 30 June of each year.
- c) Becoming aware of an interest they are required to disclose that has not been previously disclosed in a return lodged under paragraphs (a) or (b).

The disclosures must be submitted in writing, in the form detailing the pecuniary interests and other matters to be disclosed as prescribed by schedule 1 of the *Model Code of Conduct for Local Councils in NSW*. All Returns are then kept in a register, the Register of Disclosure of Interest Returns (**Register**).

Designated persons include the General Manager, senior staff and members of staff identified as a designated person.

The Act requires these Returns to be tabled at the first Council meeting following the last day for lodgement and this report facilitates this.

CONCLUSION

Tabling of the Register is a requirement of Council's adopted Code of Conduct and section 440AAB of the Act. Tabled Declarations of Interests will now be posted to Council's website following adoption of this report.

COUNCIL IMPLICATIONS**Community Engagement/Communication**

The public availability of the Register of Interests, in accordance with the *Government Information (Public Access) Act 2009 (GIPA Act)*, allows community members to access this information, thereby supporting open government and informed civic engagement. The NSW Information Privacy Commission Information Access Guideline 1 says “the requirement in clause 1(2)(a) of Schedule 1 of the *Government Information (Public Access) Regulation 2018 (GIPA Regulation)* that returns of councillors and designated persons be released as part of local councils’ open access information should be interpreted as follows:

- The returns should be made publicly available on the Council’s website unless there is an overriding public interest against release or to do so would impose unreasonable additional costs on Council.
- The fact that a return of interests is open access information is a factor in favour of disclosure in balancing the public interest.
- In the circumstances where Council decides that there is an overriding public interest against disclosure, consideration should then be given to whether it is practicable to release an edited copy of the record (for example redacting the individual’s signature or residential address) in accordance with section 6(4) of the GIPA Act.
- If it is practicable to do so, then the information should be deleted from a copy of the record and the remainder of the return made available on Council’s website.
- Where information is deleted from a return, Council should keep a record indicating, in general terms, the nature of the information redacted.
- Copies of publicly available information about returns may be made in accordance with clause 5(1)(b) of the GIPA Regulation.

Releasing the information contained in the returns of councillors and designated persons in this manner facilitates the legitimate public interest in having access to the information, while respecting other considerations against disclosure including privacy.

If there are any designated persons that are required to lodge Returns who have concerns around certain information being released, they can contact the Acting Group Manager Corporate Services to discuss whether their Return can be edited per section 6(4) of the GIPA Act.

Policy and Regulation

Section 440AAB of the Act provides that the Returns be tabled to the first Council meeting after the due date for the Returns (being not more than three months after 30 June of each year). Tabling of returns at the September meeting meets these requirements.

Financial/Long Term Financial Plan

There are no direct financial implications associated with the tabling of these Returns. The process is administrative in nature and does not impact the Council’s financial or long-term planning. Maintaining compliance helps avoid potential legal costs and reputational damage that could indirectly affect long term financial performance.

Asset Management/Asset Management Strategy

This report does not directly relate to asset management. However, disclosures may include interests in property or assets that could intersect with Council responsibilities, reinforcing the importance of transparency.

Workforce/Workforce Management Strategy

The requirement for designated persons, including senior staff, to lodge returns supports ethical conduct and integrity within the workforce. It promotes a culture of accountability and helps manage potential conflicts of interest.

Legal and Risk Management

Failure to lodge a Return may constitute a breach of the Code of Conduct and expose the Council to reputational or compliance risks. The report ensures legal obligations are met and mitigates governance risks around potential conflicts of interest arising with Council business.

Performance Measures

Receiving and tabling Returns within the prescribed timeframes.

Project Management

Acting Group Manager Corporate Services is responsible to ensure that Council meets the legislative reporting timelines.

14.4 Major Projects and Capital Works - Infrastructure & Development

Department:	Infrastructure & Development
Prepared By:	Group Manager Infrastructure Services
Authorised By:	General Manager

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK

Goal:	4.	We are an independent shire and well-governed community
Strategy:	4.2.	A strategic, accountable and representative Council

SUMMARY

This Report will include reporting on Financial Positions, Program Status, Cash/Cost flow Position, and other key risk metrics related to projects and capital works managed by Council. Council has recently adopted further capabilities in the financial management software which will provide a far better understanding of monthly Financial Position.

The full extent of these capabilities, and how to manipulate to provide beneficial outputs, is still being worked through between the Finance Department, Infrastructure Team, and Information Technology Team. While the new financial system is in place, the ability to generate the data required for an analysis of key Risk Metrics, monthly, Project by Project, is still under development.

Notwithstanding the above, this Report presents an update for Key Projects in the Infrastructure Team and major grant funded projects.

RECOMMENDATION

That Council notes the Infrastructure Works Update as at July 2025.

REPORT

This report, which will be provided monthly moving forward, provides a status update of the progress on major Projects, some of which are grant funded.

Works under the 2024/25 program have been impacted and delayed due to persistent wet weather over a long period rather than any one specific heavy rain event. Median monthly rainfalls have been exceeded either side of Christmas, while March, April and May have recorded monthly totals twice the mean rainfall for Uralla Shire. This unusual streak of wet weather has continued into the next Financial Year. In addition, programmed works have been further interrupted to deliver emergency and recovery works as a result of the Severe Weather Event on 2 August 2025 (AGRN1216).

The wet condition of the ground on the side of roads and in drains has increased the safety risk to both staff working on roadwork sites and motorists on the road. The wet conditions have also prevented plant and equipment driving on verges and have caused further damage to the road surface. The recent Severe Weather Event has further exacerbated the issue. The weight of the snow landing on trees that are not accustomed to the weight of snow on them resulted in branches snapping off trees, and in some cases snapped whole trees, or brought the whole tree down due to a combination of wet soil, shallow roots and the weight of the snow.

This has significantly increased the amount of green waste around the Shire in publicly managed spaces, of particular concern is the amount of fallen vegetation (green waste) on road verges. Currently, the green

waste is slowing water from draining and risks saturating the road bases and prematurely damaging them (effectively shortening their useful life).

In addition, with summer approaching, this green waste will dry and present an increased fire load risk. Council is advocating for the removal of this green waste to be included within the Grants allocated for Recovery Works in response to the category B natural disaster declaration AGRN1216.

The works in the table below have been categorised into different risk bands.

- Minimal / Low Risk = no colour
- Medium Risk = highlighted Yellow
- High Risk = highlighted Orange

The currently identified **Medium** Risk Projects are discussed in detail below:

Uralla Creek Catchment Project (OLG Grant for AGRN1030/1034)

- This 3-phase Project was only formally approved the funding body in May 25 and is required to be completed by June 2026.
- The phases are sequential, so it is reliant on the first phase being complete to set the scope of works for the remaining phases.
- Council has applied for an extension of time for this grant with our primary position/argument being:
 - Late approval.
 - Large scale project that mis-sequential.
 - Important Community Project that can be delivered very well if acceptable timeframe is allowed.
- There is risk that the extension of time won't be approved, and the project will need to be delivered by June 2026.
- To mitigate, Council Staff are identifying obvious early works that will be identified in Phase 01, and request acceptance from the funding body to proceed early.

Urban Stormwater Drainage Condition Report Project (Council Funded)

- Subcontractor has claimed 100% complete in June 2025.
- Council Staff have identified issues with data and do accept that the project is complete.
- Allowable time limit for assessment of claim under the *Building and Construction Industry Security of Payment Act 1999 (NSW)* (**Security of Payment Act**) has lapsed.
- There is risk that the contractor will request payment in accordance with a payment claim under the Security of Payment Act.
- Council Staff are currently working with the contractor to rectify issues with data with a view to avoid issues with any formal dispute or claim being made.

Gostwyck Road rehabilitation 1.5 to 4.0km (originally 2.5 to 4.0km) Project extended with previous underspent RERRF grant funds)

- This project can run into 2026 without triggering issues with the grant body as the funding is spread across 3 years.
- Only noting it as Medium Risk as this project is especially vulnerable to wet weather.

The currently identified **High** Risk Projects are discussed in further detail below:

Rocky River Culvert Crossing (LRCI4)

Persistent wet conditions throughout FY24/25 have prevented commencement of works, as the first stage involves investigatory geotechnical testing. The existing culvert in Post Office Gully (Rocky River), approximately 1800mm high, has remained fully submerged, making site access impossible for these initial investigations.

Options considered for delivery:

D&C Model

- This approach would engage a contractor to manage all aspects: dewatering/diverting the river, completing investigative works, designing, and constructing the project.
- However, the project's budget under the grant deed (\$243,847) is insufficient for this model, particularly as provisional sums would be required to address unknowns identified during construction.
- This creates significant financial risk for Council if grant funds are exhausted before completion, as Council would then bear the remaining cost for any project variations or cost overruns.

Reduce/Adjust Scope

- The scope cannot be meaningfully reduced. Widening the culvert is essential to accommodate the parallel footpath. Without extending the culvert, the project is not feasible.

Extension of Time

- The LRCI4 grant has already been extended from June 2025 to December 2025. No further extensions will be granted.

Reallocate Grant Funding

- LRCI funding is divided into two categories: Local Roads and Community Infrastructure. Funds can only be moved within their respective category.
- Up to \$37,620 could be reallocated from the Rocky River Culvert Crossing budget to another Local Roads package, leaving \$206,227 remaining.

Key risks associated with this project are summarised below:

- Commencing works without a fully defined scope could result in either:
 - substantial unbudgeted variations from the contractor; or
 - an incomplete project that Council must finalise at its own expense.
- This financial exposure is compounded by the project's fixed grant ceiling and the inability to obtain additional funding or extensions.

If a contractor can be identified who is capable of completing the works under a fixed lump-sum arrangement (and is financially stable), Council may revisit the delivery option. Given current risk levels, staff are preparing a variation request to reallocate part of the funding as outlined above.

Major Works Undertaken

Main Road Maintenance	
MR73 Thunderbolts Way	<p>Bitumen patching of road surface defects has been routinely undertaken. Heavy patching was undertaken near the Walcha Council boundary to improve extremely rutted sections of road, while further work is programmed near Maitland Point.</p> <p>Corrective asphalt work has been undertaken on the approaches to Shanahan's Bridge over Uralla Creek.</p>

Main Road Maintenance	
MR124 Bundarra Road	Bitumen road surface defects have been patched; however, this road will require future rehabilitation work due to the heavy traffic from the western areas of the shire travelling to regional centres such as Armidale.
MR132 Barraba Road	Maintenance grading has been completed on numerous times to keep the road safe.

Sealed Roads Maintenance	
Urban Streets	Routine pothole patching has been carried out in Uralla and Bundarra streets. Street sweeping has been arranged to remove buildup of aggregate from intersections and gutters particularly before key community events. Corrective asphalt works have been undertaken on the causeway approaches in Maitland and Queen Streets.
Rural Sealed Roads	Pothole patching, drainage maintenance and roadside slashing has been undertaken across the sealed road network. Corrective asphalt works have been undertaken in sections of Invergowrie Road; however further work will be programmed adjacent to the concrete footpath when warmer weather conditions arrive.

Unsealed Roads Maintenance Grading	
Rural Unsealed Roads	General maintenance grading has been undertaken across all areas of the unsealed road network. Additional drainage maintenance has been undertaken on roads such as Retreat Road and Bendemeer Road to protect the gravel pavement from scouring and minimise ongoing damage.
Drainage Culverts	A number of drainage culverts have been replaced where the old structures had failed or had large holes presenting a traffic hazard. This included replacing culverts across Rowena Lane, Old Wollun Road, Gap Road, Gostwyck War Service Road, Rosehill Road and Baldersleigh Road.

Construction work	
MR73 Thunderbolts Way (Restart NSW Two Mile Creek project)	Guardrail was upgraded on Two Mile Creek culvert. Further culvert widening is being planned with additional drainage culverts purchased.
MR73 Thunderbolts Way (Restart NSW Scrubby Gully project)	Guardrail installations are complete. Wet ground conditions have prevented verge embankment backfilling and open drain cleaning where silt is holding water adjacent to the road formation.
MR73 Thunderbolts Way (Restart NSW Laura Creek project)	Drainage pipe and box culverts have been obtained and works are planned to commence in August 2025 to extend existing culverts.
Kingstown Road (Kentucky Creek Blackspot project)	Guardrail has been installed with pavement widening on the approaches to Kentucky Creek Bridge. Grass seeding was carried out using jute mesh to regenerate the surface cover on the batters. Additional curve safety signage was installed.
Terrible Vale Road rehabilitation 8 to 10km	Drainage culverts were widened and additional basecourse pavement constructed. Due to wet conditions and underlying clay subgrade, this site presented a major problem for construction teams. The work has been sealed to hold the majority of the basecourse, however it is likely to have ongoing concerns until normal moisture levels occur.
Hawthorne Drive	Widening and rehabilitation of the pavement has been completed and sealed. Further works will be required along this road in FY25/26

Bridges	
Rural bridges	Mowing grass under approach guardrails has been done on some bridges. Further work will be programmed through 2025/26 to clean deck drainage points and approaches.

Signage	
Signage renewal	A large number of damaged or misaligned signs have been corrected. Additional load limit signage has been installed on Northeys Road and Hawthorne Drive.

Stormwater	
Urban Stormwater Drainage Condition Report Project	Video camera inspection work has been undertaken of the majority of underground pipes in the urban stormwater system. A number of unidentified stormwater pits have been located that are not visible from the surface. A large number of pipes had cleaning done that had not been practical due to lack of accessible pits for maintenance. This is being reviewed going forward so that more frequent cleaning maintenance can be undertaken.
Uralla Creek Catchment Project	<p>This Project is broken into 3 Phases:</p> <ul style="list-style-type: none"> • Phase 01: Uralla Creek Catchment Study • Phase 02: Civil and SW Works Identified in Study • Phase 03: Creek Rehabilitation Works Identified in Study <p>A Consultant has been selected to complete Phase 01 with works to commence imminently.</p> <p>All works are required to be completed by end of June 2026. Depending on the outcome of Phase 01 with identifying the Scope of Works for Phase 02 and 03, meeting this date could be at risk. USC has identified Early Works for Phase 2 and have submitted this to Grant Body for approval to proceed. Further, USC can apply for an Extension of Time, through a process that has only been opened by the Grant Body in August 2025, and has specific conditions. It is USC's intention to apply for this EOT so that Phase's 2 and 3 can be completed without artificial pressure of an impending deadline.</p>

Town and Parks	
Uralla	Maintenance of recreational facilities is ongoing to maintain open space grounds and park amenities. Fields have been prepared for sports carnivals and community events.
	Stumps left from past tree removals have been removed by grinding, and further work is being planned for Recreational areas to improve the amenity of these facilities.
	The CBD area along Bridge Street including median island garden enhancement, weed control in gutters and tree maintenance.
Bundarra	Mowing parks and verges in Bundarra is routinely undertaken including passive areas on the town approaches.
	Sign maintenance has been undertaken.

Cemeteries	
Cemetery maintenance	Mowing grass and maintaining cemetery grounds has occurred regularly. Foundations for new niche wall construction at Uralla are completed.

Water Mains	
Rowan Avenue	<p>Mains Works have been completed. Underboring of a Culvert and final connections to houses remaining.</p> <p>Contractor has installed a new line on this road to replace the existing line. It also completes a much-needed loop in an area of town that had dead legs. Once works are complete, this road will be resurfaced by the Civil Team, and a weight limit applied to prevent Heavy Vehicles using as short cut.</p>
Marsh Street	<p>Mains Works have been completed.</p> <p>These works contribute to the loop with Rowan Ave.</p>

Water Mains	
Marsh Lane	Mains Works have been completed and further extended to a previously underserved area which provide options for future developments. These works contribute to the loop with Rowan Ave.
Bridge St (Uralla CBD)	Contractor is installing new mains that line each side of Bridge St, the main road of the Uralla Township. Works are approximately 50% complete. These works will replace old and ageing, asbestos infrastructure, and provide resilience in the main street for businesses and traffic flow. There are further connections and valves being installed which creates greater flexibility, redundancy and resilience in the network.
Pressure/Leakage Testing	Pressure/Leakage Testing continues through the Water Mains Network identifying where there may be leaks/breaks etc. This will assist with finding issues where there is water lost, artificial increases in pressure in the system causing main breaks etc. These works are ongoing. USC staff have been trained on how to install the pressure logging equipment and analyse the data. Therefore, this work can continue on for many years and be moved around to focus on specific or broad issues.

Sewer Mains	
Sewer Mains and Pits Inspections	Contractors has reviewed all sewer mains and pits in Uralla and provided a condition report for each. They have now started the process of rectifying infrastructure from the worse to best. These works are ongoing and will need to be spread over multiple years/projects to achieve complete rectification of the network.

MAJOR GRANT FUNDED PROJECTS – PROGRAM TARGETS AND STATUS				
Project	Source of Funds	Budget	Target Date Completion	Status
Bundarra Pram Ramps	Local Roads Community Infrastructure Phase 4 A Extension to Dec 2025 approved	\$30,106	30-Jan-25	95 % complete pending water service adjustments. Adjustments due to be completed in Sep 2025. Works required to be complete by end of year to satisfy Grant conditions.
Park Street Pathway	Local Roads Community Infrastructure Phase 4 A Extension to Dec 2025 approved	\$75,000	30-Jan-25	95% complete pending Telstra pit adjustments. As it is unknown when Telstra will complete their works, temporary works have been completed in interim to deem the project complete. Works required to be complete by end of year to satisfy Grant conditions. Once Telstra complete works, minor rectification works will need to be completed and will be completed out of operational budget.
John Street Pathway	Local Roads Community Infrastructure Phase 4 A	\$75,000	30-April-25	Project completed.

Project	Source of Funds	Budget	Target Date Completion	Status
King Maitland Street Roundabout	Local Roads Community Infrastructure Phase 4 A Extension to Dec 2025 approved	\$390,000	31-Dec-25	Survey & geotechnical study complete, design has progress and reached DD50. This design is due to be completed by COB Oct 25. orks required to be complete by end of year to satisfy Grant conditions.
Noalimba Avenue Footpath	Local Roads Community Infrastructure Phase 4 A Extension to Dec 2025 approved	\$26,000	30-April-25	95% complete pending Telstra pit adjustments. As it is unknown when Telstra will complete their works, temporary works have been completed in interim to deem the project complete. Works required to be complete by end of year to satisfy Grant conditions. Once Telstra complete works, minor rectification works will need to be completed and will be completed out of operational budget.
Terrible Vale Road Culvert Crossing – Investigation Works and Design	Local Roads Community Infrastructure Phase 4 B Extension to Dec 2025 approved	\$100,000	31-Dec-25	Survey & geotechnical study complete, design has progressed and is approaching DD50. This design is due to be completed by COB Oct 25. Works required to be complete by end of year to satisfy Grant conditions.
Rocky River Culvert Crossing	Local Roads Community Infrastructure Phase 4 B Extension to Dec 2025 approved	\$243,847	31-Dec-25	Works have been delayed as investigation works to develop a scope of works can't commence until water levels subside. This has not occurred in the last 12 months. There is risk that project may not be able to be completed by end of year. USC has spoken to the Grant Body about applying for a variation or extension of time for this Grant. They have both been rejected. USC are speaking with Contractors who may be capable of completing this package of works as a Design and Construct Package. Or, reducing the scope part deliver this package.
Terrible Vale Road rehabilitation 8 to 10km	Roads to Recovery 2019-24 Program	\$519,659	30-Dec-2025	Complete.
Hawthorne Drive rehabilitation 5.75 to 7.5km (Northeys Rd to Arding Rd)	RERRF program	\$500,000	1-Dec-2024	Complete.
Plane Avenue Shared Pathway (Rowan Ave to Sports Complex)	Get NSW Active program	\$120,000	20-Dec-2024	Complete.

Project	Source of Funds	Budget	Target Date Completion	Status
Gostwyck Road rehabilitation 1.5 to 4.0km (originally 2.5 to 4.0km) Project extended with previous underspent RERRF grant funds)	RERRP program	\$934,400	1-April-2025	Continued delay due to wet conditions.
Faulkner Street Drainage extension	Council Funding	\$60,000	20-Dec-2024	Materials on site.
Hill Street Drainage extension	Council Funding	\$10,000	28-Feb-2025	Materials in hand, tree removed.
Thunderbolts Way MR73, Two Mile Creek	Restart NSW Project 2724	\$797,591	30-Jun-25	90% complete. This is a continuing annual Grant with funding awarded until 2027.
Thunderbolts Way MR73, Scrubby Gully	Restart NSW Project 2724	\$1,972,262	30-Jun-25	95% complete. This is a continuing annual Grant with funding awarded until 2027.
Thunderbolts Way MR73, Laura Creek	Restart NSW Project 2724	\$1,172,929	30-Jun-25	Site works have commenced in August 2025. This is a continuing annual Grant with funding awarded until 2027.

14.5 DRAFT Financial Statements for the Financial Year 2024-25 - Referral to Audit

Department:	Corporate & Community
Prepared By:	Chief Financial Officer
Authorised By:	General Manager
Reference:	UINT/25/25788
Attachment:	1. Draft Annual Financial Statements 2024-25 ↗ (please find attachment under separate cover)
LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK	
Goal:	4. We are an independent shire and well-governed community
Strategy:	4.2. A strategic, accountable and representative Council

SUMMARY

The purpose of this report is to present the 2024-25 Draft Annual Financial Statements for Council endorsement for referral to the Auditors in accordance with section 413 of the Local Government Act 1993 (NSW).

The Draft Financial Statements were presented to Council's Audit, Risk and Improvement Committee (ARIC) on 12th September 2025. ARIC resolved as follows:

That the Audit, Risk and Improvement Committee endorses the Draft General Purpose Financial Statements and Special Purpose Financial Statements for the financial year ending 30 June 2025 (provided 12 September 2025) and when complete, assuming no material adjustments, refers them to Council to refer to the Auditors, pursuant to section 413 of the Local Government Act 1993 (NSW).

Accordingly, the draft Financial Statements are referred for Council endorsement and referral to the Auditors.

RECOMMENDATION

That Council endorses the Draft General Purpose Financial Statements and Special Purpose Financial Statements for the financial year ending 30 June 2025 and refers them to the Auditors pursuant to section 413 of the *Local Government Act 1993 (NSW)*.

REPORT

Under Section 413(1) of the Local Government Act 1993, Council must prepare and arrange for its Annual Financial Statements to be audited within four (4) months of year end (that is, by 31 October each year).

In accordance with Section 413 (1) of the Local Government Act 1993, the Council has prepared the draft Financial Statements to formally refer to the Auditors for audit.

The Annual Financial Statements are scheduled to be audited by Council's Auditor, Forsyths, Chartered Accountants. To meet the tight audit timelines, an advance copy of the draft financial statements has been provided to Forsyths pending formal endorsement by Council.

Table 1: Financial Performance at a Glance

Amounts in '000

Particular	Actuals 2023-24	Actuals 2024-25	Original Budget 2024-25
Income from continuing operations (Excl capital grants)	29,638	25,891	25,903
Expenses from continuing operations (Excl depreciation and loss from disposals)	(20,529)	(23,748)	(21,300)
Result from ordinary activities before depreciation and loss from disposal	9,109	2,143	4,603
Less: Depreciation	(6,509)	(7,430)	(6,349)
Less: Net loss on disposal of assets	(1,903)	(1,931)	220
Result from continuing operations before capital grants	697	(7,218)	(1,526)
Capital Grants and contributions	3,557	1,877	5,450
Net operating results for the year-Net Profit/(Loss)	4,254	(5,341)	3,924
Capital expenditure	(8,152)	(6,224)	(12,357)
Overall cash surplus/(deficit)	4,514	(2,204)	(2,304)

Table 2: Overview of Consolidated Financial Performance

Amounts in '000

Particular	Actuals 2023-24	Actuals 2024-25	Original Budget 2024-25
Income from continuing operations:			
Rates and annual charges	8,015	8,433	8,436
User charges and fees	5,484	5,739	5,842
Other revenues	724	1,061	879
Grants and contributions provided for operating purposes	14,119	9,163	9,968
Grants and contributions provided for capital purposes	3,557	1,877	5,450
Interest and investment income	1,296	1,495	777
Total income from operational activities	33,195	27,768	31,352
Expenses from continuing operations:			
Employee benefits and on-costs	(12,249)	(13,653)	(12,913)
Materials and services	(7,402)	(9,008)	(7,421)
Borrowing costs	(283)	(298)	(129)
Other expenses	(595)	(789)	(836)
Total expenses from continuing operations	(20,529)	(23,748)	(21,299)
Operating result prior to non-cash expenses	12,666	4,020	10,053
Non-cash expenses:			
Net gain/(loss) from the disposal of assets	(1,903)	(1,931)	-
Less: Depreciation, amortisation and impairment	(6,509)	(7,430)	(6,349)
Non-cash expenses	(8,412)	(9,361)	(6,349)
Overall result with capital grants	4,254	(5,341)	3,704
Capital Expenditures:			
Employee benefits and on-costs	(867)	(1,111)	(1,798)
Materials and services	(7,285)	(5,113)	(10,559)
Total Capex	(8,152)	(6,224)	(12,357)
Overall cash surplus/(deficit)	4,514	(2,204)	(2,304)

Overall Comment:

In 2025, Council recorded an operational deficit of \$5.34 million. The main factors of the deficit were a \$1.3 million reduction in advance FAGS payments; \$3.5 million less earning in capital grants due to project delays from prolonged wet weather and delays in receipt of grant funds for the groundwater project; and a \$1.9 million loss on disposal of assets. These impacts were outside of Council's control and were not foreseeable during the budget period.

Despite the reported deficit, Council's day-to-day operations generated positive cash flow before non-cash expenses. After funding capital works, the year ended with a deficit of \$2.2 million, closely in line with the original budget forecast of \$2.3 million.

Commentaries on variances:**Revenue**

- a) Rates and Annual Charges: No significant variance from budget.
- b) User Charges and Fees: Actual 2024–25 revenue of \$5.74m was slightly below the original budget of \$5.84m.
- c) Other Revenue: Original budget was \$0.88m; however, an unplanned \$250k grant for the LEP and Housing Strategy was received in June, resulting in a favourable variance. A grant was also received from the NSW government to fund our inaugural Christmas Street Fair event.
- d) Operating Grants and Contributions: A reduction in the advance payment of the OLG Financial Assistance Grant from 85% to 50% led to lower reported income. In previous years, Council received 85% of the following year's FAGS in advance, whereas in 2024–25 only 50% was received.
- e) Capital Grants and Contributions: Variance is mainly due to delays in road projects and the Uralla groundwater project. Road works were disrupted by persistent wet weather, while the groundwater project was delayed awaiting approval of an emergency water access licence.

2. Operational Expenses

- a) The overall salaries and wages budget, including both operating and capital, was \$14,711k, while actual expenditure totalled \$14,764k, a slight increase on budget. The excess in operating salaries was driven by the under-utilisation of budgeted salaries allocated to capital projects.
- b) Materials and services - the major variances in materials and services are as follows:
 - IT Projects (\$364k): Expenses relating to various IT projects were budgeted in the financial year 2023-24 but the payment was made in 2024–25, as they were recorded as commitments at 30 June 2024.
 - Roads Maintenance (\$750k): Continuous wet weather required additional expenditure on road maintenance to ensure public safety. Capital works could not progress under these conditions, resulting in higher operational costs and lower capital expense.
 - TCS Home Care Package (\$234k): Contracting costs were higher than budgeted due to increased demand for services and an underestimation in the original budget allocation.

- Events and Promotion (\$84k): Costs for staging and promoting Uralla's Christmas event were not included in the original budget, however, the expenses were fully offset by state funding.
 - Planning – Housing Strategy (\$140k): Although the budget allocation was made for the following financial year, work commenced earlier than expected, and several invoices were booked in 2024–25.
 - McMaugh Gardens Aged Care Facility (\$290k): Expenditure increased due to training, catering, and contractor costs, as well as higher material costs for personal care. To comply with legislative requirements for 24/7 registered nurse coverage, agency nurses were frequently engaged, which was not factored into the original budget. Additional costs were also incurred for the revaluation of McMaugh Gardens and Grace Munro facilities.
- c) Borrowing cost: The cost of interest related to unwinding the discounting of the landfill remediation provision was not included in the budget because Council did not have the estimate at the time of budgeting. The actual interest cost has been calculated at \$196k.
- Explanatory Note: unwinding of discounting of a Tip remediation provision is the accounting recognition of the increase in a discounted provision over time due to the passage of time, reflecting the time value of money. It is recorded as a finance cost in the income statement until the provision reaches the expected cash outflow.*
- d) Other expenses: other expenses for the 2024-25 financial year were slightly below the original budget but higher than the previous year. Major payments in this category include: SES and RFS contributions of \$51k, RFS cost sharing with Armidale Regional Council of \$183k, contribution to NEWA of \$387k, library expenses of \$115k, and community sponsorships and donations \$43k.
- e) Net gain/(loss) on disposal of assets: These arise from the write-off of original assets upon renewal. As they are non-cash transactions, reliable estimates were not available at the time of budget preparation. The decision to derecognise the RFS assets, with a resulting \$1.13 million impact on the profit and loss account, was made mid-year following the green signal from the Audit Office.
- a. Total value of RFS Red Fleet was \$1,758,867.
 - b. Depreciation already charged over the period \$625,958.
 - c. Loss on disposal \$1,132,909.
 - d. The disposal will have a positive impact on future financial statements by reducing non-cash expenses by \$149,435 annually for next 7.5 years.
- f) Depreciation, amortisation, and impairment of non-financial assets: depreciation is higher than budgeted due to revaluation and indexation of council assets, the results of revaluation became available after adoption of the original budget.

3. Capital Expenses

Budgeted capital works were delayed due to prolonged wet weather, resulting in higher operational costs and lower capital expenditure being reported.

4. Comments on Significant Variance in Water Fund

- a) Wages: The significant increase in wages costs in the Water Fund is primarily attributable to the filling of several previously vacant positions, including the Manager and other key roles. In 2023–24, a number of these positions remained unfilled, whereas in 2024–25 they were fully staffed for the entire year, which contributed to the year-on-year increase. In addition, approximately \$250k of salaries relating to the IWCM project have been charged to the Water Fund. These costs will be recovered in future periods through acquittal, which will partially offset the current year's impact.
- b) Materials & Services: The increase in materials and services costs in the Water Fund is primarily due to \$176k in IWCM project payments made to contractors. As the project milestones were not completed, the acquittal of these projects could not be finalised. This will occur in the current financial year. Additionally, changes in internal plant hire arrangements have further contributed to the higher costs.

5. Comments on Performance Measures and Ratios:

- a) Operating Performance Ratio (Benchmark >0): -20.42% in 2024-25, compared to 8.96% in 2023-24. The decline in the operating performance ratio is primarily attributable to a reduction in grant funding, higher materials and services costs for operational activities, and an increase in depreciation, which collectively contributed to a negative operating performance for the year.
- b) Own source operating revenue ratio (Benchmark >60%): 60.24% in 2024-25 compared to 46.75% in 2023-24. The improvement in this ratio is driven primarily by the reduction in grant funding, rather than any improvement in own-source revenue. The decline in external funding has artificially inflated the ratio, and therefore it should not be interpreted as a genuine improvement in operating performance.
- c) Unrestricted current ratio (Benchmark >1.5x): 2.14x in 2024-25 compared to 2.42 in 2023-24. Slightly lower than last year but remains above the benchmark.
- d) Debt service cover ratio (Benchmark >2x): 8.48x in 2024-25 compared to 19.48x mainly due to reduction in cash revenue from grant funding.
- e) Rates and annual charges outstanding (Benchmark <10%): The ratio was 11.66% in 2024–25, down from 14.83% in 2023–24. This reflects a significant improvement due to Council's focused efforts in collecting outstanding rates and annual charges. Subsequent to year-end, a further \$250k was recovered by 8 September 2025, reducing the ratio to below the 10% benchmark threshold in the current financial year.

- f) Cash expense cover ratio (Benchmark >3.00 months): The ratio for 2024–25 is 13.99 months, compared to 14.76 months in 2023–24. The reduction reflects the utilisation of restricted cash for its intended projects. Despite this decrease, the ratio remains well above the required threshold.

Financial Reserves/Restrictions

The total restrictions comprise both external and internal components. External financial restrictions include unutilised funds designated for specific projects or allocations, typically including unspent Section 7.11/7.12 and Section 64 Developer Contributions, unutilised specific purpose grants, sewerage fund, water fund, and domestic waste management revenues.

As at 30 June 2025, the Council held \$19,024,475 in externally restricted cash and \$6,315,371 in internal restrictions to cover commitments arising from Council resolutions, purchase orders, contracts, and projects in progress where funds had already been committed during 2024–25.

Table 3: Summary of Restrictions as of 30 June 2025

Particulars	2024-25	2023-24
Closing balance of cash	28,282,150	27,449,710
Less Restrictions:		
External Restrictions	19,024,475	20,159,019
Internal Restrictions	6,315,371	5,411,504
Unrestricted Cash	2,942,304	1,879,187

Table 4: List of Restrictions

External Restrictions	2024-25	2023-24
Unexpended Loans - Industrial Land	486,937	486,937
Trust funds	31,296	31,296
McMaugh Fund - Bonds	4,800,000	4,025,000
Developer Contributions - General (Section 94)	1,403,663	1,252,519
TCT funding delivery shortfall (monthly)	1,717,891	1,575,147
TCS CHSP funding delivery shortfall (annual)	584,111	1,661,884
Water Fund	1,978,322	2,775,037
Sewer Fund	2,754,780	2,120,517
Stormwater Drainage	322,514	318,744
Conservation and Ecological Restoration of Racecourse Lagoon	101,282	51,114
AGRN 1030 and AGRN 1034	945,783	1,000,000
Stronger Communities Fund - SCCF5A0002	532,789	694,144
Regional Leak Reduction Programm	23,782	74,993
Regional NSW Planning Portal	33,100	80,000
Block Grants	386,574	-
RERRF + RLRRP Funding	2,117,981	2,978,390
LRCI3	10,566	10,566
LRCI4	360,204	-
Community Events Program Funding	10,574	10,574
Regional Housing Strategic Planning	250,000	-
LSCA - Sunny Jim Park - Shade Structure	28,000	-
Blackspot Program 23/24 - Kingstown Road widening and safety	119,326	-
Strong Start Planning Cadetship Program	25,000	25,000
Heritage	-	12,500
Roads to Recovery	-	516,000
Street Light Subsidy	-	15,000
PSLP - Glen Precinct + Pioneer Park	-	56,147
Black Summer Bushfire Recovery - Generators	-	287
Fixing Local Roads 3	-	387,223
Internal Restrictions	2024-25	2023-24
FAGS received in advance	1,879,878	3,027,452
Employee leave entitlement (annual)	1,093,318	1,070,904
Tip remediation costs (annual)	1,265,000	1,265,000
NAIDOC Week	979	2,336
Bundarra Rural Transaction Account Centre	28,210	-
Waste Management Consultancy	8,366	8,366
Plant Fund	-	304
Commitments for POs, Contracts and Projects in Progress	2,039,620	-
Strategic development	-	19,736
Donations for TCT Routematch License	-	17,406

Consultation

Forsyths, Chartered Accountants
Council's Contracted Statutory Accountant
Council's Internal Staff

CONCLUSION

The draft General Purpose Financial Statements and Draft Special Purpose Financial Statements for the financial year ending 30 June 2025 have been prepared and are now ready to be referred to the Auditor.

COUNCIL IMPLICATIONS**Community Engagement/Communication**

As soon as practicable after the Auditor's Reports have been received, Council needs to fix a date for a Council meeting to approve the financial statements, give public notice of this meeting, endorse the final version of the statements at that meeting, to present the audited Annual Financial Statements and the Auditor's Reports to the public.

The audited Annual Financial Statements are placed on public exhibition from the date of the public notice of the Council meeting until seven days after the meeting.

Policy and Regulation

Local Government Act 1993 (NSW)

Local Government (General) Regulation 2021 (NSW)

Australian Accounting Standards issued by the Australian Accounting Standards Board

Financial/Long Term Financial Plan

Preparation of the EOFY statements are an essential requirement of Council's financial management and the basis, along with the Asset Management Plans, of each update to the Long-Term Financial Plan.

Asset Management/Asset Management Strategy

EOFY statements capture the latest capital income and expenditure, maintenance expenditure and revaluations each year.

Workforce/Workforce Management Strategy

EOFY statements capture employee costs and liabilities each year.

Legal and Risk Management

EOFY statements are mandatory. The Council aims to finalise the financial statements by 31 October 2025, within the regulatory deadline.

Performance Measures

Audited statements, endorsed and signed for finalised for public notice.

Project Management

Responsible Accounting Officer.

14.6 Monthly Finance Report for August 2025

Department: Corporate & Community**Prepared By:** Corporate Accountant**Authorised By:** Chief Financial Officer

LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK

Attachment: 1. August Monthly financials 2025 *(please find attachment under separate cover)***Goal:** 4. We are an independent shire and well-governed community**Strategy:** 4.1. Informed and collaborative leadership in our community4.2. A strategic, accountable and representative Council

SUMMARY

The purpose of this report is to provide an overview of the Council's financial performance up to the reporting date, along with analytical comments on significant variances with the budget.

RECOMMENDATION

That Council receives the attached Monthly Finance Report for August 2025.

REPORT

This report provides for the information of Councillors the Income Statement and CAPEX Summary, including a breakdown by fund, for the month ending 31 August 2025.

14.7 Loans as at 31 August 2025

Department:	Corporate & Community
Prepared By:	Senior Finance Officer
Authorised By:	General Manager

SUMMARY

This report provides the Council with a reconciliation of borrowings as at the end of the reporting month.

RECOMMENDATION

That Council notes that the total loan position as of 31 August 2025 is \$1,130,609.

REPORT

This report outlines the Council's borrowing position as of the end of the reporting month. As of the reconciliation for borrowings on 31 August 2025, the loan balance stood at \$1,130,609. Since the month-end coincided with a weekend, the scheduled instalments for Loans 188 and 189 were processed in September.

The table below details the loan's opening balance, interest applied, instalments paid since the last report, and the closing balance at month-end.

Uralla Shire Council Loans as at 31 August 2025

Loan no.	Purpose	Balance as at 31-Jul-2025	Interest Applied	Instalment Paid	Balance as at 31-Aug-2025
165	MGH Property	9,085	64	751	8,398
188	Paving and Power Undergrounding	3,888	31	-	3,919
189	Bridge Construction	104,488	793	-	105,281
190	Bridge construction & industrial land development	1,037,510	-	24,500	1,013,010
Total		1,154,971	889	25,251	1,130,609

CONCLUSION

I, Mustaq Ahammed, Chief Financial Officer hereby certify that the above borrowings have been made in accordance with the requirements of the *Local Government Act 1993* (sections 621 to 624) and the *Local Government (General) Regulation 2021* (section 230).

14.8 Investments as at 31 August 2025

Department:	Corporate & Community
Prepared By:	Senior Finance Officer
Authorised By:	General Manager

SUMMARY

This report contains a summary of bank accounts, term deposits, cash management accounts and investments in structured credit instruments.

The investments have been made in accordance with section 625 of *Local Government Act 1993 (NSW)*, section 212 of the *Local Government (General) Regulations 2021 (NSW)*, and Council's *Investment Policy 2019*.

RECOMMENDATION

That Council notes:

- 1. The cash position as of 31 August 2025 consisting of:**
 - cash and overnight funds of \$3,095,710.
 - term deposits of \$23,550,000; and
 - total of cash and term deposits amount to \$26,645,710 as of 31 August 2025.
- 2. Restrictions are reconciled on a quarterly basis. The most recent reconciliation as at 30 June 2025 shows total cash and investments of \$28,282,150, comprising \$19,024,396 in external restrictions, \$6,314,919 in internal restrictions, and unrestricted fund balance of \$2,942,835 (unaudited).**

REPORT

Of the cash disclosed in this report, not all funds are available for unrestricted use by Council. A significant portion is subject to external restrictions, including developer contributions, government grants, loans, water supply and sewer services, and refundable accommodation deposits (reported as McMaugh Gardens Bond Liability).

In addition, part of the cash is internally restricted to meet Council's future commitments, such as asset renewals, remediation works, and employee leave provisions.

As of 31 August 2025, a \$1,000,000 term deposit was in transit and reported as cash at bank. The amount was reinvested in the first week of September, resulting in a temporary lower term deposit balance at the end of August. This represents a timing difference only.

In September 2025, the Reserve Bank of Australia made no change to the cash rate, which remains at 3.60% following the reduction in August. Council's current investment portfolio earns interest rates ranging from 4.05% to 5.19%, with an average return of 4.60%.

McMaugh Gardens Bond Liability

As per the Department of Health's prudential guidelines, the Council is advised to disclose the amount of McMaugh Garden's Bond Liability in the investment report. Accordingly, McMaugh Garden's Bond Liability status as of 31 August 2025 is provided below:

Particulars	Amount
Opening Balance as at 31/07/25	\$ 4,800,000.00
Add: Bond received during the month	\$ 250,000.00
Less: Bond released during month	
Closing Balance as at 31/08/25	\$ 5,050,000.00

Breakdown of Council's Cash and Investments as of 31 August 2025

Institution	Account	Closing Balance 31 Aug 2025
National Australia Bank	Main Account	\$590,456
National Australia Bank	Trust Account	\$31,297
Regional Australia Bank	Cash Account	\$28,663
Professional Funds (0.15% above RBA cash rate)	Cash Account	\$2,445,293
Total Cash and Overnight Funds		\$3,095,710
Term Deposits	Investments	23,550,000
Total funds available as at 31 August, 2025		\$26,645,710

Movement of Term Deposit Investments by Each Bank in August 2025

Name of the Bank	S&P Rating	Allowable Investment Limit %	Max Investment Allowed	Opening Investments 31/07/25	Movement during the Month	Closing Investments 31/08/25	% of Actual Investment
National Australia Bank	A-1+	30%	7,065,000	6,800,000	400,000	7,200,000	30.6%
Bank of Queensland	A-2	30%	7,065,000	2,500,000	-	2,500,000	11%
Westpac Banking Corporation	A-1+	30%	7,065,000	6,700,000	400,000	7,100,000	30%
Commonwealth Bank	A-1+	30%	7,065,000	-	-	-	0%
Regional Australia Bank	A-2	30%	7,065,000	4,550,000	- 1,800,000	2,750,000	12%
Suncorp	A-1+	30%	7,065,000	4,000,000	-	4,000,000	17%
Total				24,550,000	- 1,000,000	23,550,000	100%

List of Term Deposits as of 31 August 2025

Name of the Bank	Term	Interest rate	Maturity	Investment
				Amount
National Australia Bank	12 months	4.05%	2/07/2026	500,000
National Australia Bank	11 months	4.05%	1/06/2026	600,000
Westpac Banking Corporation	10 months	4.12%	22/05/2026	500,000
Westpac Banking Corporation	12 months	4.12%	22/07/2026	1,000,000
Westpac Banking Corporation	12 months	4.09%	25/08/2026	400,000
National Australia Bank	12 months	4.05%	25/08/2026	400,000
Regional Australia Bank	5 months	4.62%	15/09/2025	500,000
National Australia Bank	12 months	4.90%	3/10/2025	500,000
Regional Australia Bank	12 months	4.95%	4/10/2025	700,000
Bank of Queensland	6 months	4.75%	7/10/2025	1,000,000
Bank of Queensland	11 months	5.00%	4/11/2025	500,000
Regional Australia Bank	11 months	4.93%	5/11/2025	800,000
Regional Australia Bank	11 months	4.93%	5/11/2025	750,000
Suncorp	11 months	5.00%	7/11/2025	1,000,000
Suncorp	11 months	5.00%	7/11/2025	500,000
Westpac Banking Corporation	12 months	5.19%	14/11/2025	1,500,000
Westpac Banking Corporation	6 months	4.20%	2/12/2025	1,000,000
Westpac Banking Corporation	12 months	5.06%	4/12/2025	1,000,000
Westpac Banking Corporation	12 months	5.06%	4/12/2025	1,000,000
National Australia Bank	12 months	4.90%	2/01/2026	500,000
Suncorp	11 months	4.72%	5/01/2026	500,000
Suncorp	12 months	4.95%	13/01/2026	1,000,000
National Australia Bank	12 months	4.90%	29/01/2026	1,000,000
National Australia Bank	12 months	4.75%	11/02/2026	1,000,000
National Australia Bank	12 months	4.60%	13/03/2026	500,000
Westpac Banking Corporation	12 months	4.62%	18/03/2026	700,000
National Australia Bank	12 months	4.35%	7/04/2026	700,000
National Australia Bank	12 months	4.25%	17/04/2026	1,000,000
National Australia Bank	12 months	4.20%	25/05/2026	500,000
Bank of Queensland	12 months	4.10%	2/06/2026	1,000,000
Suncorp	12 months	4.13%	12/06/2026	1,000,000
Total				23,550,000

CONCLUSION

I, Mustaq Ahammed, Manager Finance, hereby certify that the above investments have been made in accordance with section 625 of the *Local Government Act 1993*, section 212 of the *Local Government (General) Regulation 2021*, and Council's *Investment Policy 2019*.

14.9 Register Resolutions Actions Status as at 17 September 2025

Department:	General Manager’s Office		
Prepared By:	Executive Assistant		
Authorised By:	General Manager		
Reference:	UINT/25/24850		
Attachment:	1.	Register Action Status Resolutions as at 18 September 2025 ⇨ <i>(please find attachment under separate cover)</i>	
LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK			
Goal:	4.	We are an independent shire and well-governed community	
Strategy:	4.1.	Informed and collaborative leadership in our community	

SUMMARY

The purpose of this report is to provide Council with the Resolution Action Status updates.

RECOMMENDATION

That Council notes the Resolution Actions Status Report as at 17 September 2025.

REPORT

Following every council meeting, the resolutions of Council which require action are compiled. This document is referred to as the Resolutions Action Status Report.

The purpose of the Resolutions Action Status Report is to enable Council to monitor progress of resolutions until they are actioned.

Once resolutions have been completed they are removed automatically from the report.

CONCLUSION

The Resolutions Action Status Report is presented to Council at each Ordinary/Extraordinary Meeting.

15 CONFIDENTIAL MATTERS

RECOMMENDATION

That Council considers the confidential report(s) listed below in a meeting closed to the public in accordance with Section 10A(2) of the *Local Government Act 1993*:

15.1 Options for Council regarding premises operating without operational development consent

This matter is considered to be confidential under Section 10A(2) - e of the *Local Government Act 1993*, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with information that would, if disclosed, prejudice the maintenance of law.

16 COMMUNICATION OF COUNCIL DECISION

17 CONCLUSION OF MEETING