



## 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

### 16 December 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**

**AGENDA**

<b>1</b>	<b>OPENING &amp; WELCOME .....</b>	<b>4</b>
<b>2</b>	<b>PRAYER .....</b>	<b>4</b>
<b>3</b>	<b>ACKNOWLEDGEMENT OF COUNTRY .....</b>	<b>4</b>
<b>4</b>	<b>WEBCAST INFORMATION .....</b>	<b>4</b>
<b>5</b>	<b>APOLOGIES &amp; APPLICATIONS FOR LEAVE OF ABSENCE BY COUNCILLORS .....</b>	<b>4</b>
<b>6</b>	<b>DISCLOSURE &amp; DECLARATION OF INTEREST/S.....</b>	<b>4</b>
<b>7</b>	<b>CONFIRMATION OF MINUTES.....</b>	<b>5</b>
7.1	Confirmation of Minutes Ordinary Meeting held 25 November 2025 .....	5
<b>8</b>	<b>URGENT, SUPPLEMENTARY, AND LATE ITEMS OF BUSINESS (INCLUDING PETITIONS) .....</b>	<b>6</b>
<b>9</b>	<b>WRITTEN REPORTS FROM DELEGATES .....</b>	<b>7</b>
9.1	Mayor's Activity Report for November 2025.....	7
<b>10</b>	<b>PUBLIC FORUM.....</b>	<b>9</b>
	Nil	
<b>11</b>	<b>MAYORAL MINUTE .....</b>	<b>9</b>
	Nil	
<b>12</b>	<b>NOTICE OF MOTION/QUESTIONS WITH NOTICE.....</b>	<b>9</b>
	Nil	
<b>13</b>	<b>REPORT OF COMMITTEES .....</b>	<b>10</b>
13.1	Minutes Audit Risk and Improvement Committee (ARIC) meeting held in September 2025 and December 2025.....	10
13.2	Aged Care Compliance and Assurance Committee Minutes November Meeting .....	13
13.3	Australia Day Committee Minutes of meeting held 26th November 2025.....	15
<b>14</b>	<b>REPORTS TO COUNCIL .....</b>	<b>16</b>
14.1	DRAFT Long Term Financial Plan 2027-2036 .....	16
14.2	Special Rate Variation Application including Report on the SRV Community Engagement .....	21
14.3	Hill Street Affordable Housing Project – Petition and Project UpdateHousing Project .....	31
14.4	Update - Rates and Water Debtors in Arrears.....	35
14.5	Monthly Finance Report for November 2025.....	38
14.6	Loans as at 30 November 2025 .....	39
14.7	Investments as at 30 November 2025 .....	40
14.8	Major Projects and Capital Works - Infrastructure & Development .....	43
14.9	Repayment of unspent CHSP Funds for 2023/24 FY.....	48
14.10	Issue of formal delegation to the Mayor .....	50
14.11	2025 Audit Risk and Improvement Assurance Report.....	52
14.12	Policy Review .....	57
14.13	Code of Conduct Statistics 2024-2025.....	61

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14.14	Addendum to 2024-2025 Annual Report .....	66
14.15	Register Resolutions Actions Status as at 10th December 2025 .....	68
<b>15</b>	<b>CONFIDENTIAL MATTERS.....</b>	<b>69</b>
15.1	Future Regional Water Security Option Investigation.....	69
15.2	Waste Management – Comparative Evaluation of Landfill Options and Update on Previous Waste-Related Actions.....	69
15.3	Staces Road and Travelling Stock Route (TSR).....	69
15.4	Procurement of Bogie Drive Water Cart via Tender VP483833 .....	69
15.5	General Manager Annual Performance Review December 2025.....	69
<b>16</b>	<b>COMMUNICATION OF COUNCIL DECISION .....</b>	<b>70</b>
<b>17</b>	<b>CONCLUSION OF MEETING .....</b>	<b>70</b>

- 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 25 November 2025

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**Department:** General Manager's Office

**Prepared By:** Executive Assistant

**Authorised By:** General Manager

**Reference:** UINT/25/33099

**Attachments:** 1. Minutes Ordinary Meeting held 25 November 2025 [↗](#)

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### RECOMMENDATION

That Council adopts the minutes of the Ordinary Meeting held 25 November 2025 as a true and correct record.

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

## 9 WRITTEN REPORTS FROM DELEGATES

### 9.1 Mayor's Activity Report for November 2025

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<b>Department:</b>	<b>General Manager's Office</b>
<b>Prepared By:</b>	<b>Executive Assistant</b>
<b>Authorised By:</b>	<b>Mayor</b>
<b>Goal:</b>	3. An Independent shire and well-governed community
<b>Strategy:</b>	3.1. Informed and collaborative community leaders

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#### RECOMMENDATION

**That Council receives the Mayor's Activity Report for November 2025.**

#### REPORT

DATE	COMMITTEE/MEETING/EVENT	LOCATION
3 Nov 2025	Uralla Central School – Promoting Uralla Shire Australia Day Award Nominations to Student Body	Uralla
3 Nov 2025	Mayor & GM Catch up Meeting	Uralla
4 Nov 2025	Briefing – New England and North West Strategic Regional Integrated Plan (SRITP)	Online
5 Nov 2025	2AD Interview	Online
5 Nov 2025	Uralla Bowling Club – Regional Night-Time Economy Grant Program	Uralla
7 Nov 2025	Rocky River School – Promoting Uralla Shire Australia Day Award Nominations to Student Body	Rocky River
10 Nov 2025	Resident Meeting	Uralla
10 Nov 2025	Meeting project update – Salisbury Solar Origin Energy	Uralla
10 Nov 2025	Energy Co Community Engagement Session	Uralla Court House
11 Nov 2025	Remembrance Day – Memorial Gates Uralla	Uralla
11 Nov 2025	Meeting update on Energy Co Transmission Corridor	Uralla
11 Nov 2025	Information Session	Uralla

	- Overview LEP review	
13 Nov 2025	CoREM Meeting	Sydney
13 Nov 2025	Event – Meeting Hon Margaret Beazley AC KC – Governor NSW	Government House
13 Nov 2025	CMA meeting and Annual General Meeting	Sydney
15 Nov 2025	Armidale/Uralla Hospital Auxiliary 60 <sup>th</sup> Birthday	Bolt Inn
17 Nov 2025	Mayor & GM Catch up Meeting	Uralla
19 Nov 2025	2AD Interview	Online
19 Nov 2025	Resident Meeting	Uralla
21 Nov 2025	Christmas Street Fair	Uralla
22 Nov 2025	Fairy Festival	Uralla
23 -25 Nov 2025	LGNSW Annual Conference 2025	Penrith
25 Nov 2025	New England North West Strategic Regional Integrated Plan (STRIP) Workshop - interactive workshop focused on validating, contextualising, and responding to the transport challenges in the region	Tamworth
25 Nov 2025	Ordinary Council Meeting	Uralla
26 Nov 2025	Meeting – Colebrook Development	Uralla
26 Nov 2025	Australia Day Committee Meeting	Uralla
28 Nov 2025	Energy Co Meeting -Meet'n'Greet and Tour with <i>Hannah McCaughey, Chief Executive of EnergyCo</i> .Tour of New England Solar Farm and BESS (currently under construction)	Uralla

## CONCLUSION

The Mayor's activity report for November 2025 is presented for the information of Councillors and community.



**10 PUBLIC FORUM**

Nil

**11 MAYORAL MINUTE**

Nil

**12 NOTICE OF MOTION/QUESTIONS WITH NOTICE**

Nil

## 13 REPORT OF COMMITTEES

### 13.1 Minutes Audit Risk and Improvement Committee (ARIC) meeting held in September 2025 and December 2025

<b>Department:</b>	Group Corporate Services
<b>Prepared By:</b>	Group Support Officer Corporate Services
<b>Authorised By:</b>	Group Manager Corporate Services
<b>Reference:</b>	UINT/25/30946
<b>Attachments:</b>	<ol style="list-style-type: none"> <li>1. Audit Risk &amp; Improvement Committee Meeting Minutes 1st of September 2025 <a href="#">⇒</a></li> <li>2. Audit Risk &amp; Improvement Committee Extraordinary Meeting Minutes 12th September 2025 <a href="#">⇒</a></li> <li>3. Audit Risk &amp; Improvement Committee Meeting Minutes 2nd December 2025 <a href="#">⇒</a></li> </ol>

#### LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK

<b>Goal:</b>	3. An Independent shire and well-governed community
<b>Strategy:</b>	3.2. A strategic, accountable, and representative Council
	3.3. An efficient and effective independent local government

#### SUMMARY

This report presents the minutes of the Audit, Risk and Improvement Committee meeting held 1<sup>st</sup> September 2025, 12 September 2025 (extraordinary meeting of the ARIC) and 2 December 2025.

The report also presents the key findings and recommendations resolved by the committee.

#### RECOMMENDATION

That the Audit, Risk and Improvement Committee receives and notes the minutes of the ARIC meeting 1 September 2025, 12 September 2025 (extraordinary meeting of the ARIC) and 2 December 2025.

In accordance with section 428A of the *Local Government Act 1993* (NSW) (the **Act**), Uralla Shire Council has established an Audit, Risk & Improvement Committee (**ARIC**) to provide independent oversight and advice on a broad range of the Council's operations and functions. These include compliance, risk management, fraud control, financial management, governance, implementation of the strategic plan and delivery program, service reviews, performance measurement, and any other matters prescribed by regulations under the Act.

ARIC operates in an advisory and assurance capacity. Its primary role is to offer independent advice to Council, drawing on internal audit and risk management activities, as well as information and insights from Council staff, relevant external agencies, and subject matter experts—including the Council's external and internal audit providers.

Following each meeting, ARIC must report to the Council by submitting the meeting minutes, which serve as an official update on its activities and deliberations.

Additionally, ARIC prepares a quarterly report for the Council and General Manager addressing the following key matters:

1. Formal resolutions made by ARIC;
2. ARIC's assessment of audits conducted, including identification of any breaches or control deficiencies requiring immediate Council response;
3. Progress updates on the implementation of corrective actions;
4. Identified opportunities for long-term improvement; and
5. Key opinions and insights ('take-outs') arising from the meeting.

Attached to this report are the minutes of the ARIC meeting held 1 September 2025, 12 September 2025 (extraordinary meeting of the ARIC) and 2 December 2025

Key matters addressed by the ARIC in the last meeting are included in the minutes and summarised in the table below

	01/09/2025	12/09/2025	02/12/2025
<b>Any formal resolutions of the Audit, Risk and Improvement Committee for Council</b>	Nil	This meeting was an extraordinary meeting to refer the draft financial statements to Council for further referral to auditors – these consideration did not apply to this meeting.	Nil. Nothing further to the resolutions of the Committee as recorded in the minutes
<b>The Committee's assessment of any audits conducted</b>	Update provided in Internal Auditor report		No new audits were presented in the last quarter
<b>Any breaches or control deficiencies requiring immediate fix / response from Council</b>	Nil		No material breaches or control deficiencies requiring immediate fix / response from Council were presented to the Committee
<b>Oversight progress on implementation of corrective actions</b>	Changes noted to outstanding action report in item 7.5		The Committee continue to oversee progress on outstanding actions as a standing agenda item at each committee meeting
<b>Opportunities for longer-term improvements</b>	NIL		NIL
<b>Key opinions or Takeouts from the Committee's meeting</b>	<ul style="list-style-type: none"> <li>Committee acknowledged and appreciated the efficiency of Reporting Officers being able to attend to their respective sections remotely</li> </ul>		<ul style="list-style-type: none"> <li>Committee noted the external audit report and commentary for the Audit Office and congratulated Council for its performance and audit outcome – noting the incremental improvement over successive years</li> </ul>

	<ul style="list-style-type: none"><li>– good time management initiative.</li><li>• Committee welcomed the recruitment and commencement of the new Team Leader IT</li></ul>		<ul style="list-style-type: none"><li>• The committee noted that there is now evidence that many legacy issues are being addressed and acknowledge the hard work that the administration has put into managing this aspect</li><li>• The committee noted the progressive work being done the ICT and procurement space and welcomed the improvement this is bringing to control frameworks</li><li>• The committee requested more consistency and accuracy in the timeframes that are reported to Committee (note from Group Manager Governance – for consistency future reports can be the last full FY quarter. Where appropriate a further narrative can be provided on material matters that may have arisen in the period between the end of quarter and the ARIC meeting )</li><li>• The Chair noted the quality of reporting and the efficiency of officer presenting reports that enabled a big agenda to be managed within the time constraints of the meeting</li></ul>
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**13.2 Aged Care Compliance and Assurance Committee Minutes November Meeting**


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<b>Department:</b>	<b>Group Community Services</b>
<b>Prepared By:</b>	<b>Group Manager Community Services</b>
<b>Authorised By:</b>	<b>General Manager</b>
<b>Reference:</b>	UINT/25/32007

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<b>Attachments:</b>	1. ACCA Minutes 6 November 2025 <a href="#">↗</a>
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**LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK**

<b>Goal:</b>	3. An Independent shire and well-governed community
<b>Strategy:</b>	3.2. A strategic, accountable, and representative Council

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**SUMMARY**

This report presents the minutes of the Aged Care Compliance and Assurance Committee (**ACCA**) meeting held on 6 November 2025, and provides a summary of key recommendations and matters for Council's noting.

The ACCA oversees governance, compliance, and quality assurance across Council's aged care services. The ACCA met on 6 November 2025 with full attendance and no apologies.

**RECOMMENDATION****That Council:**

- 1. Note the minutes of the Aged Care Compliance and Assurance Committee (ACCA) meeting held on 6 November 2025.**
- 2. Note the ACCA's request that Council receives a report highlighting the strong results achieved by Community Care Transport.**

**REPORT**

The ACCA addressed the following matters:

- 1. Confirmation of Previous Minutes**  
The ACCA confirmed the minutes of the meeting held on 5 August 2025.
- 2. Legislative and Regulatory Updates**  
The ACCA noted current regulatory updates.
- 3. Performance against the Aged Care Quality Standards**  
The ACCA noted self-assessments for Standards 3 and 4 and requested exploration of intergenerational engagement opportunities (such as the involvement of visits from local pre-school and/or local schools).
- 4. Compliance and Monitoring Reporting**  
The ACCA noted compliance performance and sought and received assurance regarding healthy weight management measures for McMaugh Gardens residents.
- 5. Clinical Governance**  
The ACCA noted the Clinical Governance report and requested a correction to medication terminology in a report.

**6. Risk Management**

The ACCA received and noted the Risk Management Report.

**7. Benchmarking Reports**

The ACCA noted benchmarking outcomes, requested further information on pressure injuries and wound care, and recognised Community Care transport staff for high performance in TfNSW benchmarking.

**8. Complaints and Feedback**

The ACCA received and noted the Complaints and Feedback Analysis report.

**9. Continuous Improvement Initiatives**

The ACCA noted improvement activities and requested a copy of the report on the financial modelling for McMaugh Gardens, after the report is presented to Council early next year.

**10. Workforce Development**

The ACCA noted the Workforce Development report and requested actions relating to inclusion of performance against new standards in annual staff employment performance reviews, and that factsheets around the new aged care standards be provided to staff and residents/clients at meetings and on staff and public notice boards. These are also to be provided on staff boards in native languages for our English as a second language employees.

**11. General Business**

The ACCA confirmed the re-accreditation timeline for June 2027 and noted that an audit is scheduled for McMaugh Gardens sometime in April to May 2026.

**12. Quarterly Report Matters**

The ACCA discussed quarterly reporting and recommended that Council receive a report outlining the excellent results achieved by staff.

**13.3 Australia Day Committee Minutes of meeting held 26th November 2025**

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**Department:** General Manager's Office**Prepared By:** Executive Assistant**Authorised By:** Mayor**Reference:** UINT/25/32380

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**Attachments:** 1. MINUTES Australia Day Meeting 26 November 2025 [⇒](#)2. BIO - Maeve O'Meara OAM - Ambassador for 2026 Australia Day [⇒](#)

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**LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK****Goal:** 1. We have an accessible inclusive and empowered community**Strategy:** 1.3. A diverse and creative culture that celebrates our history

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**SUMMARY**

This report provides the Council with the Minutes of the Australia Day committee meeting held on 26<sup>th</sup> November 2025.

**RECOMMENDATION**

**That Council notes and receives the unconfirmed Minutes of the Australia Day Committee meeting held 26<sup>th</sup> November 2025.**

**REPORT**

The Australia Day Committee had a further meeting 26<sup>th</sup> November, leading up to the day of 2026 Australia Day celebrations. The Minutes of the meeting are attached for Council's information.

The committee received confirmation of the Ambassador for the 2026 Australia Day event being Ms Maeve O'Meara. (Bio attached)

Discussions were had relating to the Expression of Interest for additional Australia Day committee members. Decision was made to reflect on the Committee future on review of the 2026 event.

Nominations for the Uralla Shire Australia Day awards are currently being invited. Closing date for nominations is 19<sup>th</sup> December. We encourage the community to put forward people who make Uralla shine!

## 14 REPORTS TO COUNCIL

### 14.1 DRAFT Long Term Financial Plan 2027-2036

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<b>Department:</b>	<b>General Manager's Office</b>
<b>Prepared By:</b>	<b>Chief Financial Officer</b>
<b>Authorised By:</b>	<b>General Manager</b>
<b>Reference:</b>	UINT/25/32615

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<b>Attachments:</b>	1. Long Term Financial Plan (LTFP) 2027-2036 <a href="#">⇒</a>
	2. Explanatory note on proposed Special Rate Variation LTFP 2027-2036 <a href="#">⇒</a>
	3. Long Term Financial Plan Key Performance Indicators 2027-2036 <a href="#">⇒</a>
	4. LTFP 2027-2036 Assumptions <a href="#">⇒</a>

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#### LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK

<b>Goal:</b>	3. An Independent shire and well-governed community
<b>Strategy:</b>	3.1. Informed and collaborative community leaders
	3.2. A strategic, accountable, and representative Council

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#### SUMMARY

The Long-Term Financial Plan (**LTFP**) models the financial implications for Council for a term of 10 years. The LTFP consolidates Council's current and future financial obligations, informs decision-making and demonstrates how the objectives of the Community Strategic Plan and commitments of the Delivery Program, Asset Management Plan and Operational Plan will be resourced and funded.

Council considered the draft LTFP for 2027-2036 at the meeting of 28 October 2025 (Attachments 1, 2 &3) and resolved as follows:

1. **Receives the amended Draft Long Term Financial Plan [LTFP] 2027-2036.**
2. **Includes an appendix which will provide a narrative to explain the rationale, assumptions and calculation of the LTFP 2027-2036 and which clearly sets out the extent of the General Fund rate rise under the SRV, for the average ratepayer, by rating category.**
3. **Exhibits the expanded draft LTFP 2027-36 for 28 days.**
4. **Receives a future report detailing all submissions received during the exhibition period and any recommendations arising.**
5. **Considers the LTFP and the public submissions in determining its final position on the proposed SRV application to IPART.**

The draft LTFP was placed on exhibition until 5.00 pm 3<sup>rd</sup> December 2025 and no submissions were received. No changes to the draft LTFP are proposed and it is recommended that Council adopts the LTFP as exhibited.

#### RECOMMENDATION

**That Council:**

1. **Notes there were no submission to the exhibited draft 2027-2036 LTFP.**
2. **Adopts the draft Long Term Financial Plan and associated supporting documents as exhibited.**



3. Notes that the Plan will be reviewed annually, and further revisions recommended as appropriate.
4. Considers the LTFP in determining its final position on the proposed SRV application to IPART, the subject of a separate report to this meeting.

## REPORT

### LTFP CONSIDERATIONS

It is important to recap the considerations that have led to the development of the draft LTFP. All NSW local government authorities are required to develop and adopt a LTFP as part of the Integrated Planning and Reporting framework. The LTFP is reviewed and updated annually to ensure it remains relevant, adapts to changing circumstances, and incorporates updates to assumptions, financial performance, and strategic priorities. The LTFP is built on key assumptions to present a realistic financial outlook aligned with strategic objectives, covering both financial and operational aspects. The LTFP highlights our progress towards long-term financial sustainability, which is essentially the council's financial capacity to deliver acceptable, affordable, and ongoing services to its community.

The LTFP serves as a strategic roadmap for managing resources, investments, and expenditure over an extended period. Its primary objective is to ensure financial sustainability while meeting the community's needs and maintaining service levels.

#### Long term financial sustainability challenges

Uralla Shire Council delivers a wide range of services to the community. In recent years, reductions in Federal and State Government funding, combined with significant cost-shifting, particularly from the State Government, have placed substantial financial pressure on NSW local government councils. As a result, many councils have been required to seek Special Rate Variations to remain operational and financially sustainable.

Key financial challenges for Uralla Shire Council in the coming years include the ongoing maintenance and renewal of essential infrastructure and community assets, along with meeting service responsibilities. The additional revenue generated from the SRV will be directed toward the following major areas:

- Transport asset renewal and maintenance; particularly roads, bridges, footpaths, kerb and gutter.
- Parks and reserves, including public amenities, swimming pools, sports grounds, caravan parks, facilities and associated open space infrastructure.
- Community operations, such as Libraries, the Visitor Information Centre, Public Halls, Cemetery Operations, TCS, TCT (to be rebranded Uralla Community Care), McMaugh Gardens and Grace Munro Aged Care facilities.

Just like households and businesses, Council has also been experiencing rising costs. In response, the Council has taken steps to reduce expenditure by improving operational efficiencies, reviewing fees and charges, sharing resources with neighbouring councils, and actively pursuing grant funding. Despite these efforts, the updated LTFP shows that Council cannot continue to provide the current level of services and deliver essential capital programs without additional revenue.

To address this, the draft LTFP includes an assumed Special Rate Variation (SRV) phased over the 2026/27 and 2027/28 financial years. Any SRV, however, requires approval from the Independent Pricing and Regulatory Tribunal (IPART)

Following the identification of the SRV requirement in last year's LTFP, Council undertook comprehensive community engagement on the proposed SRV. The Community Engagement report with the outcomes is the subject of a separate report to this Council meeting.

### Financial sustainability and factors contributing to the need for a Special Rate Variation

For 48 consecutive years, Council's annual rates increases have consistently been lower than CPI due to the NSW Government's 'Rate Peg', introduced in 1977. The Rate Peg caps the maximum percentage by which councils can increase general rates each year. Successive NSW Governments have applied this mechanism with the underlying principle that rate increases must remain below the previous year's CPI.

### Mismatch Between General CPI and Sector Specific CPI

Another important factor is that the Rate Peg has not kept pace with actual CPI movements or with the sector-specific cost increases in the construction and infrastructure sectors, where the cost of materials increased well above general inflation. This has created a widening gap between the revenue councils are permitted to raise and the true cost of delivering services. As a result, councils across NSW have faced sustained financial pressure, with funding unable to keep up with the escalating cost of maintaining and renewing essential community infrastructure and services.

In short, the cost of delivering Council's core services increases each year by more than the revenue Council is allowed to collect. This has caused a steady decline in the real purchasing power of rates revenue for all NSW councils over the past 48 years. To illustrate, if Council collected the equivalent of \$100 per ratepayer in 1977, the cumulative effect of annual rate caps averaging even 0.2% below CPI each year would mean that, in real terms, that amount has eroded to **less than \$70 of purchasing power in 2025**.

### Cost Shifting

Cost shifting from State or Federal Governments is another significant burden faced by councils where service responsibilities are transferred to local government without the provision of adequate funding to support these responsibilities. This has become a major driver of financial pressure across the NSW local government sector. According to LGNSW's most recent analysis, "How State Costs Eat Council Rates" (2024), the cost-shifting burden on NSW councils has increased by 78% in the past five years, reaching \$1.36 billion annually. On average, councils are now covering more than \$460 per ratepayer per year for responsibilities that were once funded by State or Federal Governments with minimal corresponding revenue. Rural and regional councils are the most significantly affected with cost shifting totalling more than \$500 per ratepayer.

### The Diminishing Level of Federal Financial Assistance Grants

A vertical fiscal imbalance (**VFI**) refers to a mismatch between the spending responsibilities and revenue-raising capabilities of different levels of government, particularly between the Federal Government and NSW Government on the one hand, and Local Councils on the other.

Local government councils only collect around 3.5 percent (3.5%) of taxation nationally and cannot effectively execute their duties without support from other spheres of government (i.e., Commonwealth and State). This support is required to enable local councils to provide and maintain the infrastructure their communities need such as swimming pools, playgrounds, sports facilities, regional airports, and roads.

This disparity was formally acknowledged by the Commonwealth Government more than 30 years ago. To address this disparity the Commonwealth Government committed at the time to providing local councils with an annual 1% share of the Commonwealth Government's total taxation takings each year.

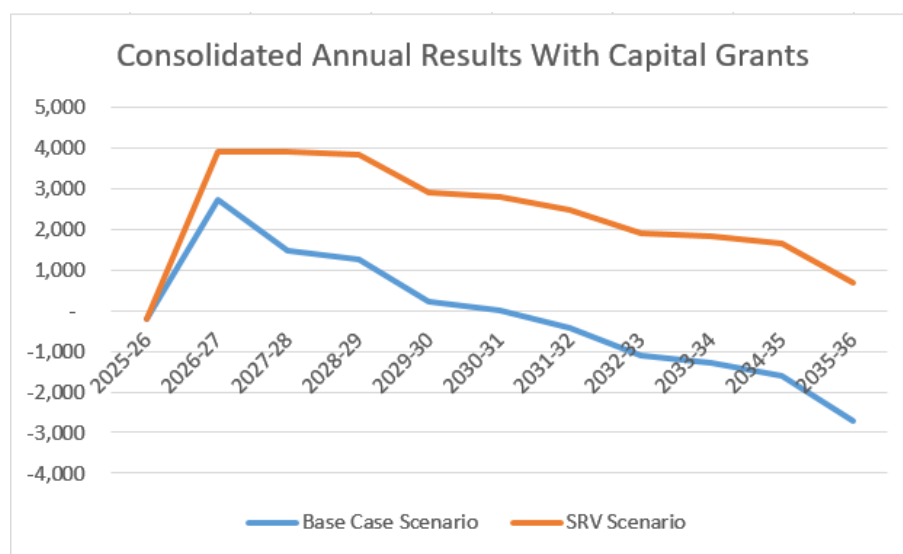
That commitment was not maintained over time and real value of Financial Assistance Grants provided to local government has steadily declined over the past three decades from the promised 1 percent share of Commonwealth taxation revenue to around 0.55 percent today.

**Future projections and the impact of depreciation**

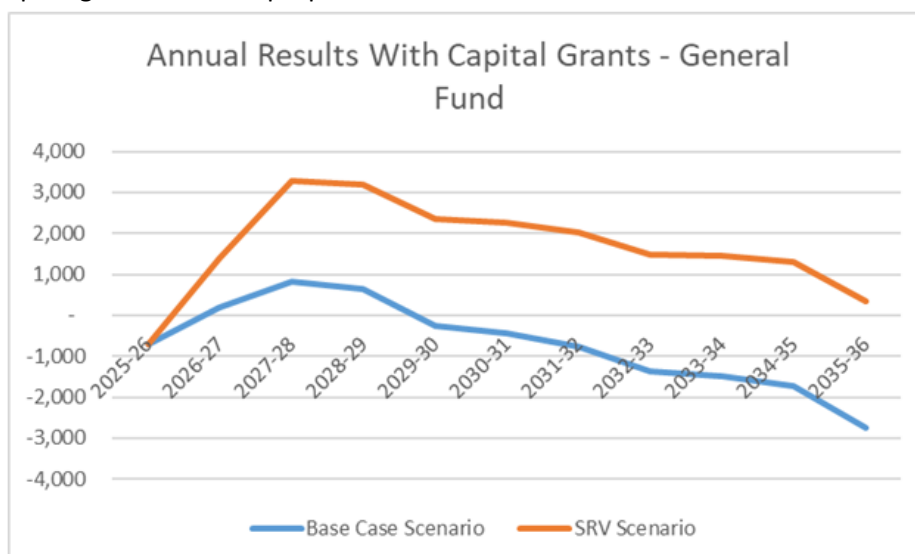
The LTFP is prepared using several assumptions, many of which will change over time as circumstances evolve and which will be addressed in the updated LTFP every year. Council's cash position remains positive throughout the projection period, although the LTFP for 2027-36 shows an operating deficit in some years. This is mainly because of depreciation, which reduces the operating result but does not require any immediate cash to be spent.

Council has a history of receiving capital grant support for specific projects, particularly in roads and infrastructure upgrade or renewals. A portion of the asset renewal or upgrade works identified in the Asset Management Plan can be matched to these funding programs when they become available. Similar capital grant opportunities are expected to continue over the projected period and will help to reduce the deficit on Council's operating budget. Accordingly, Council's cash outlook is projected to be stable with the proposed SRV.

The graph below shows the 2027-2036 LTFP Consolidated Annual projected position after depreciation and expected capital grants with the proposed SRV:



Similarly, the following graph shows the 2027-2036 LTFP General Fund projected position after depreciation and expected capital grants with the proposed SRV:



**CONCLUSION**

The Long-Term Financial Plans for 2026–35 and 2027–36, together with the recently finalised 2024–25 Financial Statements, clearly show that Council’s long-term financial trajectory is unsustainable without corrective measures. Operating deficits are forecast to persist, and the cost of renewing essential infrastructure will continue to exceed available funding, placing growing pressure on Council’s financial capacity.

The proposed SRV is therefore critical to restoring financial stability, addressing the infrastructure renewal gap, and ensuring Council can maintain the quality and reliability of services provided to the Uralla community. Establishing a more sustainable revenue base will also enhance Council’s ability to manage emerging risks, invest in critical assets, and support the long-term resilience and well-being of the Shire.

The Long-Term Financial Plan will continue to be reviewed annually, with adjustments made as circumstances change. It is recommended that Council adopts the draft LTFP as exhibited and proceeds with preparing the SRV application.

**COUNCIL IMPLICATIONS****Community Engagement/Communication**

The draft LTFP has been public exhibited with no submissions received.

**Policy and Regulation**

*Local Government Act 1993, Local Government (General) Regulation 2021, Office of Local Government Integrated Planning and Reporting Guidelines.*

**Financial/Long Term Financial Plan**

The LTFP is a projection for the next 10 years and will be reviewed annually.

The factors leading to the inclusion of the proposed SRV in the underlying assumptions have been outlined above under *Financial Sustainability and factors contributing to the need for a Special Rate Variation*.

**Asset Management/Asset Management Strategy**

Asset Management Plan projections have been incorporated in the LTFP. The decision regarding the suggested financial models within the LTFP could influence the lifespan of assets and the ability to sustain the use of infrastructure.

**Workforce/Workforce Management Strategy**

Work force management plan projections have been incorporated in the LTFP.

**Legal and Risk Management**

Annual review of costs and revenue raising opportunities is a necessary part of financial management.

**Performance Measures**

The Long-Term Financial Plan will be supported by the Delivery Program and the Operational Plan which include performance measures.

**Project Management**

Project management for the LTFP is the responsibility of the Chief Financial Officer.

**14.2 Special Rate Variation Application including Report on the SRV Community Engagement****Department:** General Manager's Office**Prepared By:** General Manager**Authorised By:** General Manager**Reference:** UINT/25/32552

**Attachments:**

1. 2026-27 SRV Community Engagement Report [↗](#)
2. 2026-27 SRV Community Engagement Info Session Presentation - pdf [↗](#)
3. Officer response to SRV submissions and feedback [↗](#)

**LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK****Goal:** 3. An Independent shire and well-governed community**Strategy:** 3.3. An efficient and effective independent local government**SUMMARY**

The purpose of this report is to:

1. present Council with the community engagement report on the process and feedback provided by the community on the proposed permanent two-year 58.06% cumulative Special Rate Variation (SRV);
2. provide an update on the current status of the SRV process; and
3. obtain Council's formal approval to submit application for an SRV application to the Independent Pricing and Regulatory Tribunal (IPART) when applications open in early 2026.

**RECOMMENDATION**

**That Council:**

1. Acknowledges the process and feedback received during the community engagement on the proposed permanent two-year 58.06% cumulative Special Rate Variation.
2. Makes application to the Independent Pricing and Regulatory Tribunal (IPART) for a Special Rate Variation under section 508(A) of the *Local Government Act 1993* for increases to the ordinary rate income of 28.50% in 2026-2027 (including the rate peg), and 23.00% in 2027-2028 (including the rate peg), representing a total cumulative increase of 58.06% over the two-year period, with that increase to be a permanent increase retained within the rate base.
3. Applies the proposed SRV equally across all rating categories as follows:

Category	Year 1 2026/27	Year 2 2027/28	Compounded increase % change
Residential	28.5%	23%	58.06%
Rural Residential	28.5%	23%	58.06%
Business	28.5%	23%	58.06%
Farmland	28.5%	23%	58.06%

4. Includes the Community Engagement Report and supporting consultation materials relating to the proposed Special Rate Variation in the application to IPART.

## REPORT

### Part 1:

#### SRV Community Engagement process

Council is in a similar position to that of many NSW councils facing a poor financial outlook caused by the cumulative negative impacts resulting from natural disasters, rate capping, high inflation and legislative 'cost-shifting' by the NSW and Australian governments. These impacts have resulted in a financial outlook that is not financially sustainable. Action is necessary to ensure that a sustainable path can be determined to support Council's future.

Without additional funding, the current outlook will require cuts to services. A further consequence will be a decline in the condition of infrastructure assets, such as roads, buildings, and community recreational assets. The forecast for the General Fund excluding Domestic Waste Management without an SRV is an accumulation of large annual operating deficits, resulting in the following issues:

- Forecast deterioration in the unrestricted cash position;
- Insufficient funding for the ongoing maintenance and renewal of assets;
- Inability to take on additional borrowings without creating further financial stress; and
- High reliance on grant funding for core asset renewal programs.

The maintenance of current service levels requires an increase in revenue. Alternatively, no increase in revenue will see the need for service levels to decrease. To address this challenge, Council explored the available options and determined that there was a need for consideration of a Special Rate Variation (SRV). At Council's Ordinary Meeting on 24 June 2024, Council endorsed the 2025/26 Operational Plan that included the action to start a conversation with the community about a potential SRV.

Following the adoption of the 2025/26 Operational Plan Council undertook community engagement on the following proposed permanent SRV:

	2026/2027	2027/2028	Total
Rate Peg	3.5% (estimated)	3.0% (estimated)	6.50%
SRV Above Rate Peg	25.00%	20.00%	45.00%
<b>Total SRV</b>	<b>28.50%</b>	<b>23.00%</b>	<b>51.50%</b>
<b>Cumulative SRV over two years</b>			<b>58.06%</b>

The increases are to be applied equally across all rating categories.

Category	Year 1 2026/27	Year 2 2027/28	Compounded increase % Change
<b>Residential</b>	28.5%	23.5%	58.06%
<b>Rural Residential</b>	28.5%	23.5%	58.06%
<b>Business</b>	28.5%	23.5%	58.06%
<b>Farmland</b>	28.5%	23.5%	58.06%

The SRV proposal addresses the following key aspects of Council's financial sustainability:

- The significant ongoing operating deficit forecast for the General Fund (excluding Domestic Waste Management) over the term of Council's Long Term Financial Plan without an SRV;

- Ensuring Council's General Fund unrestricted cash does not move into a negative position (forecast to occur within the next two years without an SRV);
- Enabling Council to continue to deliver services at existing levels, as detailed in the adopted Integrated Planning and Reporting documents;
- Providing sufficient funding to meet asset/infrastructure renewal funding requirements; and
- Meeting compliance obligations under the *Local Government Act 1993* and other legislation relevant to the local government sector.

The proposed SRV is forecast to generate approximately \$2.6 million extra per year once the two-year implementation period has been completed. That additional revenue will be spent on transport, parks and gardens assets, community services and community assets.

The community engagement period for the SRV on the revised permanent two-year 58.06% cumulative SRV proposal was undertaken over an extended period. This included face to face community information sessions, an Early Insights survey in September 2025, and a final survey in October 2025.

### **Primary Objective of Community Engagement Program**

As required by the IPART guidelines, the primary objective of the SRV community engagement program was to ensure our community is fully informed with clear, accessible information about the SRV proposal, its challenges and opportunities, and to create opportunities for meaningful, two-way conversations that support balanced and well-considered feedback.

As detailed in the Community Engagement report at Attachment 1, analysis of survey results and feedback indicates our community has strong awareness and understanding of the SRV proposal and its impact. This report provides a comprehensive summary of all community engagement activities and feedback received.

Attachment 2 includes a presentation on the engagement information sessions and demonstrates how Council has met IPART's requirements, expectations, and guidelines.

### **Formal Responses**

The community had the ability to provide Council with feedback in writing during the community engagement period. Council received four (4) written submissions. Issues raised in the submissions together with officer comments are detailed in Attachment 3.

### **Response to Community Feedback**

Council's current adopted Delivery Program and Operational Plan are premised on the community's desire to maintain or improve current service levels. The outcome of the Community Strategic Plan community engagement earlier this calendar year highlighted the strong support for Council's current service levels to be maintained or even improved. This is not possible without an SRV.

Analysis of the engagement campaign indicates strong community awareness and understanding of the proposed SRV and its impact. While the majority of the responses to the Phase 2 community survey were not in favour of the proposed SRV, that is not unexpected. All feedback, positive and negative, underscores the awareness and understanding of the SRV within the community.

The low response to the Phase 2 community survey may reflect the effectiveness of the Early Insights survey, as well as the natural lifecycle of an awareness campaign, as initial curiosity and urgency decline once information has been shared and understood.

In summary, Council used the following methods to engage with the community during this period:

- A letter to all ratepayers outlining the full details of the proposed SRV;
- Public face to face information sessions at Bundarra and Uralla;
- 'Cuppa with a Councillor' sessions throughout the Shire;
- Social media posts including Facebook;

- Have Your Say page on Council's website;
- Articles in Council's eNewsletters and Wordsworth;
- Media interviews with the Mayor and/or General Manager, both radio and TV; and
- Media releases.

Throughout the engagement process, Council achieved the following reach:

Type of Engagement	Reach
Direct letter to ratepayers	3,000 mail-outs to ratepayers (over 5,000 property owners including shared property owners)
Digital: Phases 1 and 2 surveys	<ul style="list-style-type: none"> <li>• Phase 1 - Early Insights survey: 80.9% had heard of SRV before consultation.</li> <li>• Phase 2 - Formal survey: 92 respondents aware before survey; understanding improved significantly.</li> <li>• Clear messaging on cumulative impact and reasons for SRV across all channels.</li> <li>•</li> </ul>
Digital: Website, Social Media and e-newsletters	<ul style="list-style-type: none"> <li>• 17,269 views on the website and social media pages</li> <li>• &gt;57% open rate on e-newsletters sent to &gt;1,500 recipients</li> <li>•</li> </ul>
In Person	<ul style="list-style-type: none"> <li>• 7 locations, ~120 attendees,</li> <li>• Festival stall</li> <li>•</li> </ul>
Media	83 regional contacts, TV, radio, newspapers
Updated IP&R Documents	<p>Via Council website, Council updates to the following documents throughout the SRV process to ensure transparency related to the process:</p> <ol style="list-style-type: none"> <li>1. Council's Delivery Program,</li> <li>2. Council's Operational Plan, and</li> <li>3. Council's Long Term Financial Plan</li> <li>4.</li> </ol>

A summary of the engagement objectives and outcomes is included in the table below:

Objective	How it was addressed
Clear and transparent communication of full SRV impact	Detailed explanation of SRV purpose, cumulative impact (58.06%), and example rate calculations. Rate impact by category shown in tables and graphs.
Temporary or permanent increase explained	SRV described as a permanent increase to the general rate component (not service charges). Clarified in info packs, website, presentations and FAQs.
What SRV would fund & efficiency measures	Purpose clearly stated: maintain current services and retain financial sustainability. References to LTFP and cost-shifting pressures included. Efficiency measures noted.
Variety of engagement methods	Multi-channel approach: website, social media (17,269 views), e-newsletters (>57% open rate), mail-outs, info sessions, media coverage.



Objective	How it was addressed
Community awareness of need & extent	Early insights survey: 80.9% had heard of SRV before consultation. Formal survey: understanding improved significantly. Clear messaging across all channels.

### Council responsibility to demonstrate future financial sustainability

The NSW Local Government Act 1993 (the Act) requires Council to ensure that it is financially sustainable; and that it carries out its functions in a way that “*facilitates local communities that are strong, healthy and prosperous*” (section 8 of the Act).

Council must also be cognisant of the cost-of-living pressures facing the community and the impact that an increase in rates will have on ratepayers in the current economic climate. While there are some positive indicators in the local economy including a low unemployment rate, relatively affordable housing costs compared to coastal and urban areas and strong agricultural industry activity, it is recognised that Council's proposal for an SRV will be an added impost on any households or businesses that are already struggling financially.

However, it is important to note that by not acting earlier, Council has, by default and as an unavoidable consequence, accepted a higher level of financial and operational risk. This has resulted in a gradual decline in real service levels, driven by increasing limitations on available resources.

It should also be acknowledged that Uralla Council has, counterintuitively, benefited from a series of natural disasters and a pandemic which has served to make unexpected funding available for asset maintenance and renewal (an acquittal condition that is not generally available to Council). This has alleviated the pressure on the General Fund for several years effectively postponing the fiscal impact of ongoing operating deficits. There is significant uncertainty about the continuation of this type of funding.

Ultimately, Council has two options for delivering services:

- either set a desired service level and fund it appropriately; or
- operate within the constraints of available resources and provide the best possible outcome.

By not taking decisive action, the second option becomes the default—essentially the ‘do nothing now’ scenario. This approach carries significant implications, as Council is forecast to move into a negative unrestricted cash position within two years without an SRV, necessitating urgent decisions to reduce service levels. Acknowledging the expected continuing impact of both rate capping and cost shifting into the foreseeable future, this option would reflect as a slow, but ultimately accelerating diminution of existing service levels.

An approved SRV would provide Council with certainty regarding future options for financial sustainability without the need to cut services. The status quo position with no SRV application or a rejected SRV application will present Council with future (if not immediate) service delivery decisions (ie: forced service level reductions required to reduce costs).

For 48 consecutive years, annual rates increases for councils have consistently been lower than CPI due to the NSW Government’s ‘Rate Peg’, introduced in 1977. The Rate Peg caps the maximum percentage by which councils can increase general rates each year. Successive NSW Governments have applied this mechanism with the underlying principle that rate increases must remain below the previous year’s CPI.

The current system operates to ensure councils are compelled to pursue SRVs, resulting in large one-off catch-up rate increases rather than the more sustainable approach of smaller, incremental annual increases that would ultimately place Council in the same or a stronger financial position.

## Part 2:

### Status of the SRV process

Applications for SRVs for the 2026-27 financial year are required to be submitted to IPART by 2 February 2026.

Details on the process for SRV applications can be found at the following link - [Special Variations & Minimum Rates 2026-27 | IPART](#).

For Council to make a submission by 2 February 2026, it will need to undertake the following actions:

Timeframe	Actions	
December 2025	<ul style="list-style-type: none"> <li>Adoption of updated IP&amp;R documents (LTFP)</li> <li>Formal approval to make application for the SRV</li> </ul>	
December 2025 / January 2026	<ul style="list-style-type: none"> <li>Finalise SRV application and supporting documents.</li> </ul>	
	Document	Status
	SV Application Form – Part A	In Progress
	SV Application Form – Part B	In Progress. Approx 75% complete
	Cost Containment & efficiency Report	In Progress. Approx 50% complete
	Capacity to Pay Report	In Progress. Approx 90% complete
	Long Term Financial Plan	In Progress. An annexure was added to the LTFP to ensure transparency for the SRV. To be adopted at Dec 2025 Council meeting
	Community Strategic Plan	Completed. Adopted in June 2025
	Delivery Program	Completed. Updates made from August 2025
	Operational Plan	Completed. Updates made from August 2025
	Community Engagement Report	Completed. This report
	Asset Management Plans	In Progress. Plans are updated on regular cycle for currency.
February 2026	<ul style="list-style-type: none"> <li>Lodge SRV application (by 2 February 2025)</li> </ul>	
March/April 2026	<ul style="list-style-type: none"> <li>IPART undertake community consultation.</li> <li>Council prepares two 2026/27 budgets (one including SRV and one excluding SRV)</li> </ul>	
May/June 2025	<ul style="list-style-type: none"> <li>IPART provide SRV determination.</li> <li>Adoption of 2026/27 budget.</li> </ul>	

## CONCLUSION

Whilst Council acknowledges that any increase in rates will not be popular, its primary responsibility under the Local Government Act is to ensure the delivery of services required by the community, and to do so with long-term financial sustainability.

The community engagement process was undertaken to provide clear, transparent information about the proposed Special Rate Variation (SRV), its implications, and to seek meaningful feedback from the community. Analysis from the engagement process indicates a high level of awareness and understanding within the community about the proposed SRV and its impact.

The engagement outcomes highlight a strong desire for affordability alongside the expectation that services should be maintained or improved.

During Council's CSP engagement, the community indicated they wanted Council to maintain current service levels.

From a financial perspective, the Base Case scenario of the LTFP highlights a long-term financial path that is unsustainable without corrective action. A full copy of the LTFP and associated information is included in a separate report to this meeting, and can be found at <https://www.uralla.nsw.gov.au/council/council-news-and-media/public-notice/long-term-financial-plan-2027-2036-exhibition>

An approved SRV provides Council with future options.

Without corrective action, Council's Long-Term Financial Plan predicts an unsustainable financial path, with operating deficits and declining cash reserves that will ultimately force reductions in current service levels. The SRV proposal seeks to address this challenge by restoring financial stability, closing the infrastructure renewal gap, and maintaining high-quality services for the Uralla community.

The recommendation includes the formal resolution required for Council staff to lodge an SRV application to IPART.

## **COUNCIL IMPLICATIONS**

### **Community Engagement/Communication**

Council undertook extensive community consultation regarding the SRV as detailed in this report. This was done to ensure transparency with our community and to meet the SRV guidelines as required by the IPART website.

### **Policy and Regulation**

The process is governed by the Office of Local Government's Guidelines for SRV applications.

### **Financial/Long Term Financial Plan**

#### ***Local Government Act Requirements***

Section 8b of the Act requires Council to apply principles of sound financial management including:

- (a) Council spending should be responsible and sustainable, aligning general revenue and expenses.
- (b) Councils should invest in responsible and sustainable infrastructure for the benefit of the local community.
- (c) Councils should have effective financial and asset management, including sound policies and processes for the following:
  - (i) performance management and reporting,
  - (ii) asset maintenance and enhancement,
  - (iii) funding decisions,
  - (iv) risk management practices.

(d) Councils should have regard to achieving intergenerational equity, including ensuring the following:

- (i) policy decisions are made after considering their financial effects on future generations,
- (ii) the current generation funds the cost of its services.

All NSW councils are required under the Act to apply these principles in order to ultimately achieve a financially sustainable position. Application of these principles means:

- Council must achieve a fully funded operating position.
- Council must maintain sufficient cash reserves.
- Council must have an appropriately funded capital program.
- Council must maintain its asset base 'fit for purpose'.
- Council must have adequate resources to meet ongoing compliance obligations.

**Uralla financial analysis** - In the explanatory note on the proposed special rate variation attached to the LTFP 2027-2036 (the subject of a separate report to this meeting), an analysis was included on the future financial projections for Council with and without an SRV, (Base Case and SRV Scenarios).

This analysis is important as funding generated by Water and Sewer activities are restricted by law for the purpose for which the funds have been raised. This means that Council cannot use these funds for any other purpose.

The General Fund represents funding for all of Council's services other than Water and Sewer. This includes roads, buildings, parks, sporting grounds, swimming pools, footpaths, stormwater and many other services supported by infrastructure that Council must continually maintain and renew.

The analysis shows that the General fund is recording large operating deficits once operating surpluses relating to Water and Sewer funds are excluded from the Consolidated operating result.

Analysis of operating result indicates that council cannot fund asset maintenance and renewals required by the annual consumption of asset values i.e., as measured by depreciation. Continuing operating deficits are not financially sustainable and indicate that Council is not able to generate sufficient funding to undertake adequate investment in the maintenance and renewal of infrastructure.

This is important as Council is responsible for a vast network of infrastructure assets and maintenance and renewal of the infrastructure is necessary to ensure that it remains in a fit-for-purpose condition for use by the community. Under-investment in asset maintenance and/or renewal will lead to a greater financial liability being incurred that future generations of ratepayers will need to pay for.

Another important result for Council is the cash position of each fund. As illustrated in the LTFP analysis, Council's unrestricted cash position is forecast to deteriorate to a cash deficit by 2027/28.

Unrestricted cash represents the residual funds once allocations have been made to external and internal reserves. These are funds which are available to be used to cover unforeseen budget shocks, where expenses are not provided for in the annual budget and are not covered by the external and internal restricted reserves. An example of this would be a natural disaster. These funds are also available to:

- boost Council's financial liquidity in paying suppliers, providing services and retaining staff,
- meet short term cash flow requirements to fund capital works projects, and
- support Council's long-term financial sustainability.

A negative unrestricted cash balance means that Council cannot afford to fully fund the allocations to be made to external and internal reserves.

The projected reduction of unrestricted cash is due to an unsustainable level of forecast expenditure. This forecast outcome will require intervention in the short term to either reduce the level of forecast expenditure or increase revenue, or a combination of both.

**Contributors to a Decline in Financial Position** - Council's General Fund financial performance has been trending downwards for several years.

However, a proposal for an SRV is significant with obvious impacts on the community. Council has been cognisant of the need for additional funding for some time and has been proactively lobbying State and Federal Government through various mechanisms for an increase in funding. Up until this point Council has been able to manage within the available funding as it has had access to significant levels of non-recurrent grant funding and had built up some internal cash reserves for infrastructure renewal and replacement. However, the point has come where grant funding has significantly declined, and the internal cash reserves have been utilised and are not able to be replenished. These factors have been exacerbated by:

- Low historic rate pegs being set by IPART in previous years that do not cover the increase in Council's actual costs. As an example, the 2022/23 base rate peg was set at a historic low of 0.7%, with permission to apply for up to 2.5% against a consumer price index (CPI) increase of 6.6% (Sydney CPI) in the 12 months to June 2023.
- Council, like the construction industry has experienced significant costs increases at a rate greater than CPI particularly in relation to the cost of construction materials, including gravel, bitumen, steel, and building materials. Electricity and insurance costs have also increased significantly.
- The market for construction contractors has been squeezed due to the high volume of disaster recovery works across the State and the limited availability of materials has driven up project costs well beyond Council's capacity to recoup under the existing Rate Pegging system.
- Multiple extreme weather events impacting on infrastructure.
- A low population density relative to the scale of the asset base to be maintained.
- Cost-shifting from the State Government to local councils. In 2021-22 Council had an estimated \$1.7 million in additional costs just relating to cost shifting. Subsequently, additional costs have been incurred from a range of increased regulation on activities including the local government election (was previously run in-house but Council is now required to use contractors), audit costs have significantly increased, the emergency services levy has increased, cyber security, asset management and Council now has increased crown land management and native title assessment responsibilities. None of these issues are considered by the State when each annual rate cap is set.
- Declining levels of grant funding from other levels of government, in particular, financial assistance grant funding provided by the Federal Government and administered by the NSW Government, has fallen from 1% of Commonwealth taxation revenue to 0.53% and many of Council's fees and charges are also now regulated by NSW government legislation, particularly in areas like planning and development. In real terms, all NSW councils continue to suffer a continuing decline in revenue from major non-rate funding sources whilst the cost of providing services continues to increase.

**Efficiency and Productivity** - Council is implementing a range of efficiency and productivity measures resulting in direct savings in insurance and electricity costs, and improved productivity in areas such as unsealed roads maintenance, parks and gardens, and IT services.

Apart from the above, a range of projects are underway to improve Council's operations and efficiency including an asset management transformation project, customer request system upgrade, communications and engagement upgrades and other IT enhancements. Council is also overseen by the Audit, Risk & Improvement Committee (ARIC) who have responsibility for oversight of Council's strategic planning, service reviews and business improvement.

To take advantage of future efficiency and productivity gains, investment will be required. Where possible Council will seek grant funds to achieve this, however, future grant opportunities are limited and uncertain.

**Impact of Property Valuations** - Council is due to receive new property valuations from the NSW Valuer General which are to be used in conjunction with Council's adopted rate structure for calculating the rates payable by individual property owners from 1 July 2026. Revaluations may result in the value of some land in the Shire increasing or decreasing more than other land. When this occurs the rate burden between individual rate assessments shifts, meaning that rates payable on some land may increase and some may not change very much, or even decrease. However, the total rate income to Council does not change.

**Asset Management/Asset Management Strategy**

An SRV would provide additional funds to address ongoing asset renewal and maintenance needs. Updating the Delivery Program and Operational Plan ensures that the link between increased revenue and improved asset outcomes is clearly articulated.

**Workforce/Workforce Management Strategy**

No direct workforce impacts are anticipated at this stage. However, improved financial sustainability through an SRV would assist in ensuring adequate staffing and resourcing levels can be maintained into the future so Council can continue to deliver required services to the community.

**Legal and Risk Management**

There are no immediate legal implications. However, failure to follow OLG Guidelines or adequately demonstrate community engagement could jeopardise the success of an SRV application, posing a risk to Council's financial sustainability.

**Performance Measures**

Progress will be measured through updates in the Delivery Program and Operational Plan and reported in six-monthly and annual reports. Key measures will include community engagement outcomes, financial sustainability indicators, and asset renewal performance.

**Project Management**

The SRV application process requires careful coordination across finance, community engagement, and governance functions. The updated Delivery Program and Operational Plan will provide the framework for managing actions, milestones, and reporting requirements associated with the SRV application.

**14.3 Hill Street Affordable Housing Project – Petition and Project UpdateHousing Project**


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<b>Department:</b>	<b>Infrastructure &amp; Development</b>
<b>Prepared By:</b>	<b>Senior Strategic Planning Officer</b>
<b>Authorised By:</b>	<b>Director Infrastructure &amp; Development</b>
<b>Reference:</b>	UINT/25/32046

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**LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK**


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<b>Goal:</b>	3.	An Independent shire and well-governed community
	1.	We have an accessible inclusive and empowered community
<b>Strategy:</b>	3.2.	A strategic, accountable, and representative Council
	3.1.	Informed and collaborative community leaders
	1.1.	A growing, community-minded shire

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**SUMMARY**

This report notes the receipt of a petition opposing the transfer of Council-owned land at 15 Hill Street to Homes North Community Housing and calling for greater transparency and consultation. The petition was initiated prior to the release of detailed project information and the first community information session. This report outlines the petition's content, provides context, summarises engagement undertaken to date, and highlights the mechanisms in place to address concerns. The petition reflects strong community interest in the project, and the engagement undertaken to date has provided valuable insight into the matters most important to residents.

**RECOMMENDATION****That Council:**

- 1. Notes receipt of the petition titled 'Oppose the Unconsulted Transfer of 15 Hill Street to Homes North' and the concerns raised.**
- 2. Notes community engagement activities undertaken to date and mechanisms implemented to address concerns.**
- 3. Receives the project update**

**REPORT****Background**

In May 2025, Council resolved to transfer 15 Hill Street to Homes North Community Housing, subject to grant funding and legal safeguards, to deliver new affordable housing. This decision was guided by the draft Uralla Local Housing Strategy, which identified worsening housing affordability, displacement risks for low-income renters, anticipated REZ-related workforce pressures, and a shortage of housing for essential workers and older residents.

Council considered a range of delivery models and determined that partnering with a Tier 1 Community Housing Provider, under Homes NSW oversight, was the most practical and low-risk approach. This model provides access to Commonwealth funding—such as the Housing Australia Future Fund (HAFF)—that Council cannot secure independently, and ensures the land remains dedicated to affordable housing in perpetuity.

On 26 August 2025, Council endorsed key elements for public exhibition and discussion: governance structure, Principles of Design, and Homes North's Local Allocation Strategy. These materials were presented

at the community information session on 15 September 2025, along with the basis for Council's decision and delivery approach.

On 28 October 2025, following community engagement, Council adopted the Terms of Reference for the Project Advisory Committee and resolved to seek expressions of interest for membership.

On 25 November 2025, Council received a petition titled "*Oppose the Unconsulted Transfer of 15 Hill Street to Homes North*" and heard a presentation from the chief petitioner, Mr Peter Lee. The petition highlights a range of questions and concerns raised within the community. These contributions form an important part of the broader engagement process and help ensure that information provided to the public is responsive to the issues being raised.

### Petition details

The petition titled *Oppose the Unconsulted Transfer of 15 Hill Street to Homes North* was circulated in early September across several local retailers and venues, as well as online via Change.org.

It received 836 signatures, the majority from Uralla residents. An accompanying letter from the petition organisers (Peter and Julie Lee – immediate neighbours to the Hill Street site) was published in *The Uralla Wordsworth* on 15 September 2025.

Key requests:

- Halt further action on the transfer and proposed development until "genuine" consultation occurs.
- Ensure any development reflects Uralla community preferences and prioritises local applicants.
- Oppose "high-density" residential development funded by DCJ and managed by Homes North.
- Retain community control of Uralla assets.

The level of participation indicates strong public interest in the future use of the Hill Street site. However, the petition was initiated before the full suite of project information was released on YourSay and prior to the community information session. These engagement activities provided detailed information on governance arrangements, design principles, allocation policy, and legal safeguards.

### Mechanisms to Address Petitioner Concerns

Issues raised through the petition and earlier submissions align with the matters already considered during project planning. The mechanisms outlined below were established to provide clarity, improve transparency, and ensure that the project continues to respond to community information needs:

- **Legal safeguards:** title restrictions, clawback clause, and Homes NSW formal oversight of Homes North via the Community Housing Assistance Agreement instrument.
- **Governance framework:** Steering Group, Project Advisory Committee, and Project Working Group.
- **Design Principles:** modest scale, heritage-sensitive design, sustainability, and tenant wellbeing.
- **Allocation Strategy:** prioritising existing tenants, essential workers, older residents, and applicants with strong local ties.
- **Community engagement:** public exhibition of key documents, community information session, YourSay updates, and Advisory Committee EOI process.

The table below provides a consolidated view of how the issues identified by petitioners align with the mechanisms already established for the project.

Petition Request	Response
Halt further action until consultation occurs	A range of community consultation activities have been progressed since release of the petition. Engagement activities include information on YourSay, a well-attended community information session at the Uralla Courthouse, and the Advisory Committee EOI



Petition Request	Response
	process (currently open). Council decision-making occurs within the framework of its statutory responsibilities.
Ensure development reflects local preferences and prioritises local applicants	The Local Allocation Strategy gives priority to existing tenants, essential workers, older residents, and applicants with strong local connections.
Oppose high-density development	The adopted Principles of Design emphasise modest scale, heritage sensitivity, and alignment with existing planning controls.
Maintain community control over assets	Legal instruments—including title restrictions, a clawback clause, and Homes NSW oversight—are in place to safeguard the site's long-term purpose and ensure accountability.

### Community Engagement to Date

Since August, Council has delivered a structured engagement program, including:

- Public exhibition of the Draft Terms of Reference, Local Allocation Strategy, and Principles of Design.
- A community information session on 15 September 2025 attended by approximately 70 residents.
- Updated YourSay Uralla page with FAQs and project documentation.
- Media releases, social media updates, and a letter to the editor.
- Direct letters to tenants and near neighbours regarding the exhibition period and Advisory Committee EOI (open until 19 December 2025).

Engagement activities to date have supported more informed discussion within the community, and further opportunities for participation will be provided as the project progresses.

### Project Update

Housing Australia has announced that Round 3 of the Housing Australia Future Fund Facility (HAFFF) will open in late January 2026.

The project team is progressing an accelerated work program to ensure the project can be as close to “shovel-ready” as soon as possible:

- EOI for the Project Advisory Committee open until 19 December 2025; first meeting anticipated late January–early February 2026.
- EOI for architect closed with three strong submissions; two firms shortlisted with appointment expected in December 2025.
- Delivery Agreement with Homes NSW is progressing.
- Independent valuation completed for neighbouring property to inform feasibility of inclusion in the development envelope. Homes North has since ruled out purchase due to capital funding constraints.
- Homes North has secured an ACEN grant for preliminary design and planning costs.

Further community information sessions will be scheduled once architectural concepts become available.

### CONCLUSION

The petition provides further insight into community expectations around transparency, governance, and the future of 15 Hill Street. The issues raised are consistent with those identified through earlier submissions and engagement activities. Existing project mechanisms—including the governance framework, design principles, allocation strategy and ongoing communication channels—have been established to address these matters.

Staff will continue to provide clear information and opportunities for community participation as the project moves into the design phase and preparation of funding applications.

**14.4 Update - Rates and Water Debtors in Arrears**

<b>Department:</b>	<b>General Manager's Office</b>
<b>Prepared By:</b>	<b>Senior Finance Officer</b>
<b>Authorised By:</b>	<b>General Manager</b>
<b>Goal:</b>	3. An Independent shire and well-governed community
<b>Strategy:</b>	3.1. Informed and collaborative community leaders 3.3. An efficient and effective independent local government

**BACKGROUND**

Uralla Shire Council has experienced higher levels of unpaid rates and water charges over the past few years. This trend started during the COVID-19 period, when follow-up on overdue accounts was reduced to support residents who were facing financial hardship. Over time, this led to a steady increase in arrears across rates and charges. In 2024–25, Council initiated a more structured and consistent recovery process to meet its legal requirements, improve cashflow, and strengthen the overall financial sustainability of the organisation.

This report provides Council with an update on Rates and Water Charges outstanding as of 30 November 2025.

**RECOMMENDATION**

**That Council notes the report on Rates and Water Charges Arrears.**

**CURRENT STATUS OF OUTSTANDING RATES AND WATER CHARGES****Rates:**

Council's enhanced debtor management processes have resulted in a clear improvement in rate arrears.

- The overall outstanding rates balance for 2024–25 has reduced to 7.02%.
- The outstanding balance for the first instalment of 2025–26 stands at 9.2% as of 30 November 2025.

These results reflect improved engagement from ratepayers and the positive impact of consistent follow-up.

The summary of status as of 30 November is provided in the table below:

Particulars	Prior Year(s)	First Instalment (2025-26)	Second Instalment (2025-26)
Amount Levied	9,944,000	2,263,337	2,263,337
Carry forward from prior years	1,148,353	-	-
Received up to 30 Nov 2025	449,891	2,055,177	1,529,077
Outstanding balance	698,462	208,160	734,260
% Outstanding	7.02%	9.20%	32.44%

**Water Charges:**

Recovery of outstanding water charges is also improving, although progress has been slower due to a high number of billing queries and disputed accounts.

- Arrears have decreased from \$492,131 on 30 June 2025 to \$344,155 as at 30 November 2025.

Despite the challenges, the overall recovery trend is positive. The summary of movement is provided in the following table.

**Movement of water overdues from previous year(s)**  
**As of 30 November 2025**

Outstanding Range (Amount)	Number of Owners	Number of Properties	Arrear as of 30 Jun 2025	Payment Received	Interest	Adjustment	Rate Arrear as of 30 Nov 2025
\$100,000 and above	-	-	-	-	-	-	-
Between \$50,000 and \$99,999	-	-	-	-	-	-	-
Between \$20,000 and \$49,999	2	2	50,172	853	1,400	-	50,718
Between \$10,000 and \$19,999	2	2	38,635	6,000	1,024	-	26,067
Between \$5,000 and \$9,999	11	11	82,535	24,901	1,679	2,904	69,619
Between \$1,000 and \$4,999	71	73	221,955	42,915	3,625	11,928	161,694
Between \$500 and \$999	35	36	58,815	34,810	981	1,194	25,471
Between \$100 and \$499	59	60	37,715	26,954	685	885	16,537
Below \$100	321	241	2,304	3,489	- 38	- -	5,952
	501	425	492,131	139,922	9,356	16,911	344,155

**NEXT STEPS****RATES:**

To further strengthen recovery efforts, Council has configured automated rates reminder letters within the financial system. This allows reminders to be generated 14 days after each instalment due date and sent to our printing house for issuing via email and post. This improves efficiency and ensuring timely follow-up. Accounts with outstanding balances over \$1,000 will continue to be referred to SR Law for debt recovery action following the reminder letter.

**WATER:**

Reminder letters for water bills are currently being generated manually within Council rather than via our printing house. With several accounts still undergoing dispute resolution, Council issued 281 reminder letters on 20 November 2025 to all accounts with more than \$100 outstanding. Accounts with balances over \$1,000 will be referred to SR Law for debt recovery action.

To ensure accuracy in billing, contractors have completed the latest water meter reading cycle. Council staff are also carrying out reasonableness checks on accounts showing unusually high or inconsistent consumption before bills are finalised and issued.

**CONCLUSION**

Continued focus on recovering overdue rates and water charges has improved Council's outstanding debt position since 30 June 2025 and increased awareness among ratepayers about their payment responsibilities. With the introduction of automated reminder letters, further improvements in debt recovery are expected.

**COMMUNITY ENGAGEMENT AND COMMUNICATION**

Ensuring that the community is informed on debt collection provides transparency and equity for all ratepayers on Council's financial position. Ongoing positive and supportive communication with ratepayers who have outstanding rates is important.

**POLICY AND REGULATIONS**

Ongoing monitoring to ensure compliance with billing and debt recovery regulatory requirements.

**FINANCIAL/LONG TERM FINANCIAL PLAN**

It is important to ensure that rates are received by Council in a timely fashion to ensure that Council operations are sustainable and compliant with regulatory requirements.

**ASSET MANAGEMENT/ASSET MANAGEMENT STRATEGY**

There is a negative impact on cash flow management when outstanding debts are not collected on time.

**WORKFORCE/WORKFORCE MANAGEMENT STRATEGY**

The introduction of automated reminder letters will reduce the extra workload currently managed by staff. In addition, the more rigorous water meter reading process and improved analysis of consumption will help reduce billing disputes and improve overall efficiency.

**LEGAL AND RISK MANAGEMENT**

Accurate data collection is essential for defensible debt recovery.

**14.5 Monthly Finance Report for November 2025**

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**Department:** General Manager's Office**Prepared By:** Corporate Accountant**Authorised By:** Chief Financial Officer

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**LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK**

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1. Monthly Financials November 2025 ➡ **Attachments:****Goal:** 3. An Independent shire and well-governed community**Strategy:** 3.2. A strategic, accountable, and representative Council3.1. Informed and collaborative community leaders

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**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 November 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 30 November 2025.

## 14.6 Loans as at 30 November 2025

<b>Department:</b>	<b>General Manager's Office</b>
<b>Prepared By:</b>	<b>Senior Finance Officer</b>
<b>Authorised By:</b>	<b>Chief Financial Officer</b>
<b>Goal:</b>	3. An Independent shire and well-governed community
<b>Strategy:</b>	3.2. A strategic, accountable, and representative Council

**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 30 November 2025 is \$1,096,822.**

**REPORT**

This report outlines the Council's borrowing position as at end of the reporting month. As per reconciliation for borrowings as of 30 November 2025, the loan balance stood at \$1,096,822.

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 30 November 2025

Loan no.	Purpose	Balance as at 31-Oct-2025	Interest Applied	Instalment Paid	Balance as at 30-Nov-2025
165	MGH Property	7,008	54	751	6,311
188	Paving and Power Undergrounding	2,327	22	-	2,348
189	Bridge Construction	98,853	800	-	99,653
190	Bridge construction & industrial land development	1,013,010	-	24,500	988,510
<b>Total</b>		<b>1,121,198</b>	<b>875</b>	<b>25,251</b>	<b>1,096,822</b>

**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).

**14.7 Investments as at 30 November 2025**

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<b>Department:</b>	<b>General Manager's Office</b>
<b>Prepared By:</b>	<b>Senior Finance Officer</b>
<b>Authorised By:</b>	<b>Chief Financial Officer</b>
<b>Goal:</b>	3. An Independent shire and well-governed community
<b>Strategy:</b>	3.2. A strategic, accountable, and representative Council

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**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 30 November 2025 consisting of:
  - cash and overnight funds of \$3,997,321
  - term deposits of \$21,000,000; and
  - total of cash and term deposits amount to \$24,997,321 as of 30 November 2025.
2. Restrictions are reconciled on a quarterly basis. As of 30 September 2025, total cash and investments were \$26,846,753 comprising \$ 18,764,400 in external restrictions and \$ 5,438,189 in internal restrictions, leaving an unrestricted balance \$ 2,644,164. This compares to an unrestricted cash balance of \$ 2,942,835 as of 30 June 2025.

**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.

During the current reporting period, a number of term deposits reached maturity; however, due to ongoing payments to contractors engaged in both pre-committed water and civil works, as well as recovery activities following the recent snow event, not all of these funds have been reinvested. With further expenditure anticipated on projects already underway across the water network, and disaster recovery reimbursements yet to be received, a portion of the matured funds has been retained in Council's professional account to ensure sufficient liquidity. This has resulted in a minor reduction in the overall value of Council's term deposit



holdings for the month and reflects Council's prudent management of cash to support operational and capital funding requirements.

The decrease in the total investment portfolio has also altered the relative percentage allocation permitted for individual financial institutions under Council's Investment Policy. Although the actual dollar value invested with each institution has remained unchanged, the lower total balance has temporarily caused several investments to exceed their policy percentage limits. This represents a technical allocation breach driven entirely by the reduction in the total term deposit pool rather than any additional investment activity or risk-taking by Council. The position continues to be monitored and is expected to return to full compliance as cash flows stabilise and term deposits are progressively reinvested following receipt of disaster recovery reimbursements.

In October 2025, the Reserve Bank of Australia (RBA) maintained the official cash rate at 3.60%, with no adjustment made during the month. The rate remains unchanged following the reduction implemented in August, as the RBA continues to monitor inflationary pressures and broader economic conditions before considering further monetary policy action.

Council's current investment portfolio earns interest rates ranging from 4.01% to 5.06%, with an average return of 4.39%.

### 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 30 November 2025 is provided below:

Particulars	Amount
Opening Balance as at 31/10/25	5,400,000
Add: Bond received during the month	350,000
Less: Bond released during month	
Closing Balance as at 30/11/25	5,750,000

### Breakdown of Council's Cash and Investments as of 30 November 2025

Institution	Account	Closing Balance 30 Nov 2025
National Australia Bank	Main Account	\$539,017
National Australia Bank	Trust Account	\$31,297
Regional Australia Bank	Cash Account	\$29,172
Professional Funds (0.15% above RBA cash rate)	Cash Account	\$3,397,836
<b>Total Cash and Overnight Funds</b>		<b>\$3,997,321</b>
Term Deposits	Investments	21,000,000
<b>Total funds available as at 30 November, 2025</b>		<b>\$24,997,321</b>

### Movement of Term Deposit Investments by Each Bank in November 2025

	S&P	Allowable	Max	Opening	Movement	Closing	
Name of the Bank	Rating	Investment	Investment	Investments	during the	Investments	% of Actual
		Limit %	Allowed	31/10/25	Month	30/11/25	Investment
National Australia Bank	A-1+	30%	6,300,000	7,200,000	-	7,200,000	34.3%
Bank of Queensland	A-2	30%	6,300,000	3,000,000	(500,000)	2,500,000	11.9%
Westpac Banking Corporation	A-1+	30%	6,300,000	7,100,000	(1,500,000)	5,600,000	26.7%
Commonwealth Bank	A-1+	30%	6,300,000	1,000,000	1,500,000	2,500,000	11.9%
Regional Australia Bank	BBB+	10%	2,100,000	2,250,000	(1,550,000)	700,000	3.3%
Suncorp	A-1+	30%	6,300,000	4,000,000	(1,500,000)	2,500,000	11.9%
Total				24,550,000	- 3,550,000	21,000,000	100%

### List of Term Deposits as of 30 November 2025

Name of the Bank	Term	Interest Rate	Maturity Date	Investment Amount
Westpac Banking Corporation	6 months	4.20%	02/12/2025	1,000,000
Westpac Banking Corporation	12 months	5.06%	04/12/2025	1,000,000
Westpac Banking Corporation	12 months	5.06%	04/12/2025	1,000,000
National Australia Bank	12 months	4.90%	02/01/2026	500,000
Suncorp	11 months	4.72%	05/01/2026	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
Regional Australia Bank	6 months	4.20%	04/04/2026	700,000
Bank of Queensland	6 months	4.25%	07/04/2026	1,000,000
National Australia Bank	12 months	4.35%	07/04/2026	700,000
National Australia Bank	12 months	4.25%	17/04/2026	1,000,000
Bank of Queensland	8 months	4.15%	18/05/2026	500,000
Westpac Banking Corporation	10 months	4.12%	22/05/2026	500,000
National Australia Bank	12 months	4.20%	25/05/2026	500,000
National Australia Bank	11 months	4.05%	01/06/2026	600,000
Bank of Queensland	12 months	4.10%	02/06/2026	1,000,000
Suncorp	12 months	4.13%	12/06/2026	1,000,000
National Australia Bank	12 months	4.05%	02/07/2026	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
Commonwealth Bank	12 months	4.01%	02/09/2026	1,000,000
National Australia Bank	12 months	4.25%	02/10/2026	500,000
Commonwealth Bank	12 months	4.35%	27/11/2026	1,000,000
Commonwealth Bank	12 months	4.35%	27/11/2026	500,000
<b>Total</b>				<b>21,000,000</b>

### 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*.

**14.8 Major Projects and Capital Works - Infrastructure & Development**

<b>Department:</b>	<b>Infrastructure &amp; Development</b>
<b>Prepared By:</b>	<b>Group Manager Infrastructure Services</b>
<b>Authorised By:</b>	<b>Director Infrastructure &amp; Development</b>
<b>Goal:</b>	<ol style="list-style-type: none"> <li>1. We have an accessible inclusive and empowered community</li> <li>2. A sustainable economy that supports prosperity</li> </ol>
<b>Attachments:</b>	<ol style="list-style-type: none"> <li>1. Major Projects and Capital Works - Infrastructure &amp; Development - Nov 2025 Report <a href="#">⇒</a></li> </ol>
<b>Strategy:</b>	<ol style="list-style-type: none"> <li>1.2. A safe, active and healthy shire</li> <li>1.4. Access to and equity of services</li> <li>2.1. An attractive environment for the business sector</li> <li>2.3. Well serviced communities</li> </ol>

**SUMMARY**

This Report provides reporting on Program Status and other key risk metrics related to projects and capital works managed by Council.

This Report presents an update on key projects and major grant funded projects being delivered by the Infrastructure Team.

**RECOMMENDATION**

**That Council notes the Infrastructure Works Update as at November 2025.**

**REPORT**

This report, presented monthly, provides a status update on the progress on Major Projects, some of which are grant funded.

Current Works have been tabulated in an attachment to this Report and have been coloured in accordance with the below to easily identify the relevant risk.

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

All Projects that are medium or high risk are discussed in further detail below. Noting that there are **NO** High-Risk projects identified in this month's report, and two reductions from previous Medium Risk projects to the No Risk category.

**The Projects identified below are discussed in detail because between the October Report and the November Report, these Projects have reduced from Medium Risk to No Risk.**

**Urban Stormwater Drainage Condition Report Project (Council Funded)**

- This project is now complete and the previously identified risk that the contractor would not fulfill their obligations in accordance with their Contract by not rectifying data issues, despite them being fully paid, did not materialise.
- The Contract ceases to represent a risk to USC and consequently will be removed next report.

**Gostwyck Road rehabilitation 1.5 to 4.0km (originally 2.5 to 4.0km) Project extended with unspent RERRE grant funds)**

- Works are complete and therefore pose no further risk in relation to previously identified inclement weather delaying works.
- There are further works commencing on Gostwyck Road but they do not represent a risk yet as they have not been delayed by inclement weather or other factors.

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

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

- This remains a Medium Risk. The real risk will not be realised until approximately March 2026.
- Onsite assessment works have been completed by the Consultant.
- Early works packages have been identified by the Consultant and it is intended that these packages of work will be issued for tender prior the December 2025 closure.
- Detailed Report is due from the Consultant prior to the December 2025 closure. Receipt will allow detailed scopes of works to be completed and works to be contracted, which is intended to be completed by COB January 2026.

**Please note. Notes below are repeated from last report for context of medium risk allocation.**

- This 3-phase Project was only formally approved by the funding body in May 2025 and is required to be completed by June 2026.
- The phases are sequential, so it is reliant on the first phase being successfully completed to set the scope of works for the remaining two phases.
- Council has applied for an extension of time for this grant with our primary position/argument being:
  - Late approval by the funding partner.
  - 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 will not be approved, and the project may ultimately need to be delivered by June 2026.
- To mitigate that risk, Council Staff are identifying obvious early works packages in Phase 1 and will request acceptance from the funding body to proceed early once those packages are known.

**Rocky River Culvert Crossing**

The Federal Funding Body for Local Roads Community Infrastructure (LRCI) Stage 4 has agreed to reallocate the funding, but not agreed to the time extension to COB March 2026. They are awaiting the outcome of the December Progress Meeting whereby USC will notify them that we won't have works completed by December 2025 (even though USC has formally notified them multiple times since June 2025).

It is positive that the Funding Body has approved the funding re-allocation, and the time extension seems to be an internal process that they will need to follow before granting a time extension.

This Project remains as a medium risk until the December Progress Meeting with the funding partner and until an extension of time is granted. In the alternative, the project would be rescinded by the funding partner.

**Please note. Notes below are repeated from last report for context of medium risk allocation.**

The risk surrounding this project has been reduced to Medium from High, as an achievable pathway has been outlined between USC and the Funding Body.

A meeting has occurred between USC and the LRCI Funding Body, noting that this is a Federal Government Grant. The below options were discussed, and it was agreed that USC was to submit a Variation to the Funding Body for the following:

1. Rocky River Culvert Crossing would be removed as a Project and the allocated Budget of \$243,847 re-distributed to two other projects.
2. These Projects are:
  - a. Terrible Vale Causeway Design
    - i. This Project had a budget of \$100,000 and design costs came to approximately \$140,000.
  - b. King Street and Maitland Street Roundabout Design and Construction
    - i. This project had a budget of \$390,00 which is insufficient for both the Design and Construct activities.
3. Approximately \$40,000 of the Rocky Reiver Culvert Crossing Project Budget will be reallocated to assist with the design of the Terrible Road Culvert Crossing which is nearing completion. The remaining approximately \$200,000 would be re-allocated to the King and Maitland Street Roundabout Project making the total Budget \$590,000. This then allows this project enough money to complete construction works, not just design.
4. Completion date for works changed from the December 2025 date, to end of March 2026.

USC Staff are confident that with the removal of the Rocky River Culvert Crossing Project, and the re-allocation of Budget, that all remaining works will be completed within the allocated revised timeframe.

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.

## **COUNCIL IMPLICATIONS**

### **Community Engagement/Communication**

When it is applicable, all relevant stakeholders, including neighbours, will be notified in accordance with requirements of the Roads Acts NSW and USC Policies.

### **Policy and Regulation**

Nil.

### **Financial/Long Term Financial Plan**

This is an improvement to what has been previously reported as certain funding may have had to be returned to the Funding Body. Whilst this would not affect USC's Financial Position of LTFP, it would have represented an opportunity lost.

### **Asset Management/Asset Management Strategy**

This completion of these projects in their entirety is a great opportunity to complete and renew capital works replacing ageing infrastructure.

**Workforce/Workforce Management Strategy**

All remaining works will be contracted under a 'construct only' contract model and project managed by USC Staff.

**Legal and Risk Management**

There is risk that the Funding Body may backflip on what was agreed within the meeting. This would mean that the original reported position would need to be followed, which is returning funds that cannot be expended within the funding window. This risk remains.

The above contract model (construct only) reduces the risk to USC as all risk lies with the Contractor. The design that has been completed by the Consultant shall be developed to 'Approved for Construction' meaning that all information has been captured and reduces risk of scope gaps and variations.

**Performance Measures**

Nil, except the completion of the projects on time and within funding limits.

**Project Management**

Completed by Civil Infrastructure Team.

**14.9 Repayment of unspent CHSP Funds for 2023/24 FY**


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<b>Department:</b>	<b>Group Community Services</b>
<b>Prepared By:</b>	<b>Group Manager Community Services</b>
<b>Authorised By:</b>	<b>General Manager</b>
<b>Reference:</b>	UINT/25/32017

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**LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK**

<b>Goal:</b>	2.	A sustainable economy that supports prosperity
<b>Strategy:</b>	2.3.	Well serviced communities

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**SUMMARY**

This report informs Council of the requirement to return unexpended Commonwealth Home Support Programme (**CHSP**) funding to the Federal Department of Social Services (the **Department**) following the 2023–24 annual acquittal. This report also outlines discussions with the Department regarding the potential variation of Council’s CHSP funding agreement and the steps currently in place to avoid future unspent funds.

**RECOMMENDATION****That Council:**

1. **Notes the CHSP 2023–24 acquittal outcome requiring repayment of \$584,111.55 to the Department.**
2. **Notes the Department’s advice that the CHSP funding agreement cannot be varied to allow retention of the unspent funds.**
3. **Notes the current internal process of a monthly acquittal to ensure that all CHSP funds are fully acquitted each month, with the outcome that there will not be any unspent funds at the end of the 2 year acquittal period.**

**REPORT**

Council receives funding under the CHSP to support delivery of aged care services to the community. As part of its obligations under the CHSP Funding Agreement, Council must provide annual financial acquittals and return any unspent funds unless otherwise approved by the Department.

Council submitted its financial acquittal for the 2023–24 financial year in accordance with the reporting requirements. The Department subsequently issued its acquittal outcome for Schedule 4-7STZAR6.

The Department’s reconciliation identified unexpended funds of \$584,111.55, with no approval for these funds to be carried forward to the 2024–25 financial year. The Department confirmed that the full amount is to be recovered and that a debtor tax invoice that was issued to Council must be paid.

**Request for Funding Variation**

Council contacted the Department to seek a variation to the current CHSP Funding Agreement. The intention was to retain the unspent funding for use in supporting local aged care services. The Department advised that the agreement cannot be varied for this purpose and that the unspent funding must be repaid in accordance with the acquittal outcome.

**Ongoing Acquittal Management**

Council is currently undertaking monthly internal acquittals to track expenditure against CHSP funding



across the two-year agreement term. This process is intended to ensure that resources are allocated effectively and that further unspent funds do not occur at the end of the funding period.

**Financial Implications**

Council must return \$584,111.55 to the Commonwealth. The Department will issue a debtor tax invoice, which will specify payment instructions. The requirement to refund unspent funds is mandatory under the funding agreement.

Council's Chief Financial Officer is aware of the need to repay this money, and the money has been recorded in Council's restricted reserves since the money was received. The CFO is arranging for repayment of the unspent funds early next year when sufficient cash is available to make sure that Council's cash reserves are not adversely impacted.

**Risk Considerations**

Failure to repay the funds may place Council in breach of the CHSP Funding Agreement and may affect future funding eligibility. The Department has also noted that it reserves the right to pursue repayment or other remedies should any future investigation reveal non-compliance.

This report is being made to Council so that they are aware of the outcome of Council's actions to try and resolve the issue with the Department.

**14.10 Issue of formal delegation to the Mayor**


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<b>Department:</b>	<b>Group Corporate Services</b>
<b>Prepared By:</b>	<b>Group Manager Corporate Services</b>
<b>Authorised By:</b>	<b>General Manager</b>
<b>Reference:</b>	UINT/25/33017

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<b>Attachments:</b>	1. DRAFT - Instrument of Delegation - Mayor <a href="#">↗</a>
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**LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK**

<b>Goal:</b>	3. An Independent shire and well-governed community
<b>Strategy:</b>	3.2. A strategic, accountable, and representative Council
	3.3. An efficient and effective independent local government

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**SUMMARY**

The Local Government Act 1993 (NSW) permits councils to delegate certain functions to the Mayor under Section 377, while defining the Mayor's role under Section 226.

Formal delegation ensures continuity of governance, enables urgent decisions between meetings, and provides clarity on responsibilities during recess or emergencies.

Most NSW councils adopt such instruments as best practice.

Records indicate the Uralla Council has not followed this practice since 2013. This report presents a draft Instrument of Delegation for Council's consideration and recommends that Council resolves to delegate the functions detailed in the Instrument to the Mayor.

**RECOMMENDATION**

That Council:

1. Revokes all previous delegations to the Mayor.
2. Adopts the Instrument of Delegation to the Mayor as attached.
3. Reviews the delegation within 12 months of the new Council term in accordance with s 380 of the Local Government Act 1993.

**REPORT**

Under Section 226, the Mayor's role includes:

- Leading the Council in strategic direction and policy development.
- Acting as the principal spokesperson.
- Presiding at meetings.
- Exercising policy-making functions between meetings in cases of necessity.

However, the Mayor cannot act on operational matters without a formal delegation under Section 377, which empowers councils to delegate functions except those listed in Section 377(1) (e.g., adoption of budgets, setting rates, borrowing, major land transactions).

A summary of the current statutory framework includes:

- Section 226: Defines the Mayor's leadership and policy-making role.
- Section 377: Allows Council to delegate functions by resolution, except those expressly prohibited (e.g., adoption of the Operational Plan, voting money for expenditure, setting rates).
- Section 380: Requires review of all delegations within the first 12 months of each Council term.
- Clause 400 of the Local Government (General) Regulation 2021: Prescribes conditions for affixing the Council seal.

The last recorded Delegations to the Mayor instrument (adopted August 2013) is redundant. During the current and previous terms of Council there were no circumstances where the Mayor was required to exercise any operational function outside of the formal Ordinary Council meeting framework.

This does not however meet Council's contemporary governance needs such as emergency provisions or recess authority.

The proposed Instrument of Delegation to the Mayor, if adopted, enables the Mayor to make and enact timely decisions during emergencies or recess and clarifies authority for urgent works and media representation.

A summary of the scope of the proposed delegation includes:

- Operationalising the role of the Mayor as detailed at section 226 of the Act.
- Approval of urgent works (up to \$150,000).
- Formal delegation as the Media and spokesperson role.
- Recess and emergency powers with notification and objection safeguards.
- General Manager contract oversight and temporary acting arrangements.

The delegations are drafted with a range of safeguards including:

- Compliance with statutory non-delegable functions and Council policies.
- All actions under this delegation must comply with Council policies, the adopted Delivery Program and Operational Plan and adopted budgets.
- During any Council-approved recess period, the delegation allows the exercise of Council powers subject to the following:
  - a) Business papers similar to those normally submitted to Council/Committees must be provided to the Mayor and Councillors ≥3 business days before the Mayor exercises any function;
  - b) The Mayor must not exercise a function if three or more Councillors lodge written objections stating relevant reasons; and
  - c) All decisions are reported to the first Council meeting following the end of the recess.

## CONCLUSION

Adopting a formal Instrument of Delegation to the Mayor will strengthen governance, improve responsiveness, and align Uralla Shire Council with contemporary practice across NSW. It is recommended that Council adopts the attached instrument and schedules a review within 12 months of the new term.

**14.11 2025 Audit Risk and Improvement Assurance Report**

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<b>Department:</b>	<b>Group Corporate Services</b>
<b>Prepared By:</b>	<b>Group Manager Corporate Services</b>
<b>Authorised By:</b>	<b>General Manager</b>
<b>Reference:</b>	UINT/25/32384

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**LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK**

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<b>Goal:</b>	3.	An Independent shire and well-governed community
<b>Strategy:</b>	3.2.	A strategic, accountable, and representative Council

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**SUMMARY**

Under the Office of Local Government (**OLG**) *Guidelines for risk management and internal audit* (the **Guidelines**) the Council Audit Risk and Improvement Committee (**ARIC**) must provide an annual assessment of Councils performance with regard to the implementation of the Guidelines to the governing body each year.

The Guidelines prescribe the content for the annual assessment.

This report presents the annual assessment endorsed by the ARIC at its meeting on 02 December 2025.

**RECOMMENDATION****That Council:**

- 1. Notes the Audit Risk and Improvement Committee's (ARIC's) annual assessment of Council's performance in meeting the requirements of the Guidelines for Risk Management and Internal Audit for Local Government in NSW.**
- 2. Attends an annual assurance meeting to be convened by the ARIC prior to the first ARIC meeting in 2026 scheduled for 2nd March 2026.**

**REPORT**

The ARIC annual assessment is a report produced by the ARIC to provide the Governing body with an overarching assessment of how the Council is performing based on the ARIC's activities and considerations over the previous 12 months.

The Guidelines provide that the report must include:

- a summary and assessment of the work the ARIC performed to discharge its responsibilities during the preceding year;
- an overview and assessment of the work of the internal audit function;
- progress against key performance indicators;
- advice on the appropriateness of the ARIC's terms of reference (**TOR**);
- an independent assessment by the ARIC and advice on the matters considered by the ARIC during the year that, in the ARIC's opinion, and based on the level of risk facing the Council, the governing body should be informed of; and
- other views or opinions on the council that the ARIC wishes to share.

Following is the assessment of the work the ARIC performed in 2025. The assessment is based on the work areas detailed in the 2025 Work plan adopted by the ARIC.

### Consolidated Assessment – ARIC Compliance against OLG Guidelines (Dec 2024 – Sept 2025)

Criterion	Dec 2024	Mar 2025	Jun 2025	Sept 2025	Overall
ARIC Governance & Compliance	✓	✓	✓	✓	✓
Risk Management Framework	✓	✓	✓	✓	✓
Internal Audit Function	✓	✓	✓	✓	✓
Continuous Improvement & Reporting	✓	✓	✓	✓	✓
Financial Oversight	✓	✓	✓	✓	✓
Fraud Control	✓	✓	✓	✓	✓
Service Reviews & Performance	✓	✓	✓	✓	✓
Cybersecurity & Information Governance	✓	✓	✓	✓	✓

### Traffic Light Indicators – Meaning

<b>Green (✓)</b> <b>Meaning:</b> Fully compliant or strong performance. <ul style="list-style-type: none"> <li>Meets OLG guidelines and legislative requirements.</li> <li>Processes are embedded and functioning effectively.</li> <li>No significant gaps or risks identified.</li> </ul>	<b>Amber (✓)</b> <b>Meaning:</b> Partially compliant or moderate performance. <ul style="list-style-type: none"> <li>Frameworks or policies exist but are incomplete or not fully implemented.</li> <li>Some gaps or delays in execution.</li> <li>Risks present but being managed; improvement actions underway.</li> </ul>	<b>Red (✗)</b> <b>Meaning:</b> Non-compliant or critical performance issues. <ul style="list-style-type: none"> <li>Significant gaps in meeting OLG guidelines.</li> <li>High risk exposure with no adequate controls.</li> <li>Immediate corrective action required.</li> </ul>
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### 2025 OVERVIEW

#### Strengths:

- Strong ARIC governance: the model ToR was adopted; the legislative compliance register was established and is being maintained.
- Internal audit program robust: Cyber Security and Plant Utilisation audits have been completed and agreed management actions are underway.
- Financial oversight consistent: Quarterly budget reviews and interim audit letters noted.

#### Gaps:

- Risk management framework (**RMF**) still maturing: 148 risks recorded, 40% catastrophic/high indicating a flaw in the analysis of risk across the organisation.
- Cybersecurity gaps persist: Multi factor authentication (**MFA**) rollout incomplete; Essential Eight baseline not fully met.
- Service sustainability risks in Community Care remain an operational focus.

#### Emerging Issues:

- Aged Care compliance requires ongoing monitoring under new *Aged Care Act 2024*.
- Business Continuity update overdue for review and testing. Snowstorm business interruptions were well managed, but the Council response highlights improvement is required across all response agencies in preparation and communications.

**Ongoing Focus**

1. Accelerate risk register redesign and implement treatment register by Q3 FY25/26.
2. Complete MFA rollout and finalise Disaster Recovery Plan by Q3 FY25/26.
3. Monitor Community Care financial sustainability to understand how Support at Home reforms impact revenue.
4. Legislative compliance is improving, and policy backlog is significantly reduced. Further procedure refinement and officer awareness training is required.
5. Clear overdue policy backlog.
6. Prioritise Business Continuity Plan review and desk top training exercise.

**DETAILED COMMENTARY BY CRITERION****1. ARIC Governance & Compliance**

- Dec 2024: Model TOR adopted; Code of Conduct review noted.
- Mar 2025: Legislative Compliance Register introduced; four-year ARIC Work Plan adopted.
- Jun 2025: Governance program updates confirmed policy review progress.
- Sept 2025: Public Interest Disclosure (**PID**) compliance actions and governance training planned.
- Contracts and Procurement - a report to the ARIC is now overdue. However, it is noted that numerous reports on the P2P system and the revised Procurement Policy and procedure have been provided. A dedicated Procurement and Contract Management Officer has been appointed. This role is responsible for, amongst other things, ensuring compliance with the Procurement Policy and Procedures. The role will also report on compliance matters to Executive and ARIC. A commencing report was submitted the December 2025 ARIC.

**Overall:** Governance is consistently compliant and proactive. There remains opportunity to strengthen control systems and procedures to enhance consistency of operation and improve efficiency.

**2. Risk Management Framework**

- Dec 2024: Records management risk project commenced; security risk analysis initiated.
- Mar 2025: Risk register development underway.
- Jun 2025: Operational risk register reported with 148 risks, 40% catastrophic/high. Note comments above on accuracy of/flawed approach to risk categorisation.
- Sept 2025: Treatment register and risk appetite framework enhancements discussed.

**Overall:** Framework is evolving but still amber—requires accelerated and focussed implementation.

**3. Internal Audit Function**

- Dec 2024: External audit report tabled; Outstanding Actions Register updated.
- Mar 2025: Internal audit progress update provided.
- Jun 2025: Cyber Security Internal Audit completed; Plant Utilisation audit presented.
- Sept 2025: Fleet Management audit reviewed; Outstanding Actions Register updated.

**Overall:** Internal audit program is robust and aligned with risk-based planning.

**4. Continuous Improvement & Reporting**

- Dec 2024: Outstanding Actions Register adopted; governance review noted.
- Mar 2025: Four-Year Work Plan adopted; policy review accelerated.
- Jun 2025: Integrated Planning and Reporting compliance confirmed; policy backlog flagged.
- Sept 2025: Governance program update included PID training and policy review progress.

**Overall:** Continuous improvement is trending positively, but policy review backlog remains a priority.

**5. Financial Oversight**

- Dec 2024: Q1 QBRs reviewed.
- Mar 2025: Q2 QBRs reviewed; financial sustainability risks flagged for Community Care.

- Jun 2025: Q3 QBRS reviewed; capital works delays noted.
- Sept 2025: Interim Management Letter presented; financial controls confirmed. Council commenced a significant body of work in consulting with the community on the proposed application of a Special Rate Variation to ensure ongoing financial sustainability. (Final Management letter received 26 November 2025).

**Overall:** Financial oversight is compliant and proactive.

#### 6. Fraud Control

- Dec 2024: No fraud cases reported.
- Mar 2025: One anonymous allegation investigated and reported to ICAC. This was investigated and found to be baseless.
- Jun 2025: No fraud or misconduct reported.
- Sept 2025: No allegations; fraud awareness training continued.

**Overall:** Fraud control is strong and responsive. Note however that the Fraud and Corruption prevention strategy is now overdue for review – this is scheduled for Q3 2025/2026 together with staff awareness training.

#### 7. Service Reviews & Performance

- Dec 2024: Community Services review tabled; McMaugh Gardens update provided.
- Mar 2025: Community Care sustainability flagged; compliance audit actions ongoing.
- Jun 2025: Community Care review continued; aged care compliance audit noted.
- Sept 2025: Aged Care Compliance and Assurance Committee (**ACCA**) formed; financial sustainability risks for Community Care persist.

**Overall:** Service reviews are active however a forward plan is required for a continuation of the program.

#### 8. Cybersecurity & Information Governance

- Dec 2024: MFA gaps identified; Essential Eight baseline noted.
- Mar 2025: MFA rollout progress reported; the format and delivery of penetration testing is being investigated to determine affordability and maximise utility.
- Jun 2025: Cyber Security Internal Audit completed; MFA gaps persist; Disaster Recovery Plan (**DRP**) draft initiated.
- Sept 2025: MFA rollout advanced; phishing training adopted; priority issues flagged in **DRP** development.

**Overall:** Cybersecurity posture improving but still below OLG expectations—requires accelerated action.

#### Terms of Reference

The committee reviewed and reaffirmed the Model TOR in December 2024. It is the ARIC view that the TOR are appropriate for its function noting that the approach by the ARIC is to ensure that the internal audit and Risk Management Framework applied by the organisation are consistent with the ISO31000 risk management principles of being appropriate to the capacity and culture of the organisation.

#### Annual Assurance meeting

The Guidelines provide for a joint meeting of the Governing Body, the ARIC and the General Manager to discuss the ARIC annual assessment of Council's performance against the guidelines.

The meeting agenda will discuss:

- the audit, risk and improvement committee's annual plan and review priorities for the upcoming year, for the approval by resolution of the governing body
- any resourcing issues for the internal audit or risk management functions that the committee considers relevant or material.

- any updated committee terms of reference, for approval by resolution by the governing body, and
- the general manager's annual assessment of the council's risk management function (action plan in response to the annual assurance report)

It is proposed that the annual assurance meeting be held on 2nd March 2026 to coincide with the first ARIC meeting of the year.

## CONCLUSION

The ARIC's annual assessment indicates strong governance, financial oversight, and internal audit performance, with continuous improvement initiatives progressing well. However, risk management maturity, cybersecurity resilience, and service sustainability remain priority areas requiring accelerated action and ongoing monitoring.

A joint meeting of the ARIC, Governing Body and General manager is proposed to discuss the action plan arising from the assurance report and the ARIC workplan for 2026.

## COUNCIL IMPLICATIONS

### Community Engagement/Communication

The report highlights Council's commitment to transparency by presenting the ARIC annual assessment and proposing an assurance meeting with the governing body.

### Policy and Regulation

This annual assurance report and proposed assurance meeting meets the Legislative and OLG requirements.

### Financial/Long Term Financial Plan

This report does not have any direct financial implications.

### Asset Management/Asset Management Strategy

This report does not have any direct asset management implications.

### Workforce/Workforce Management Strategy

This report does not have any direct workforce implications.

### Legal and Risk Management

This report does not have any direct Legal implications.

### Performance Measures

Continuous improvement is trending positively, supported by policy reviews and governance updates. Key performance indicators were monitored through quarterly assessments.

### Project Management

Group Manager Corporate Services



**14.12 Policy Review**


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<b>Department:</b>	<b>Group Corporate Services</b>
<b>Prepared By:</b>	<b>Group Manager Corporate Services</b>
<b>Authorised By:</b>	<b>General Manager</b>
<b>Reference:</b>	UINT/25/30603

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<b>Attachments:</b>	1. Gates Ramps Policy 2025 - Draft for Exhibition <a href="#">⇒</a>
	2. Crossing for Water Pipes Policy 2025 - Draft for Public Exhibition <a href="#">⇒</a>
	3. Highway Closures Policy 2025 - Draft for Public Exhibition <a href="#">⇒</a>
	4. Grazing on Roads Policy 2025 - Draft for Public Exhibition <a href="#">⇒</a>
	5. Food Control - Commercial Premises Policy 2013 <a href="#">⇒</a>
	6. Local Policies concerning Approvals and Orders amendments and revocations 2013 <a href="#">⇒</a>
	7. Water Safety Policy 2013 <a href="#">⇒</a>

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**LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK**

<b>Goal:</b>	3. An Independent shire and well-governed community
<b>Strategy:</b>	3.2. A strategic, accountable, and representative Council

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**SUMMARY**

The purpose of a policy is to document the Uralla Shire Council's intent, commitment and/or position on a particular topic as well as ensure transparency and accountability.

This report presents the draft versions of the Gates and Ramps, Crossing of Water Pipes, Highway Closure and Grazing on Public Roads Policies that have been recently reviewed. This report seeks Council resolution to seek community feedback on the proposed policies through public exhibition.

Also presented are the Food Control Commercial Premises Policy 2013, the Local Policies concerning approvals and orders Policy 2013, and the Water Safety Policy 2013. These are considered obsolete to Council purposes and recommended for rescission.

**RECOMMENDATION****That Council:**

- 1. Exhibits the Gates and Ramps, Crossing of Water Pipes, Highway Closure and Grazing on Public Roads Policies for a period of 42 days seeking community feedback.**
- 2. Receives a further report on completion of the exhibition periods should any submissions be received prompting material change.**
- 3. Adopts the Gates and Ramps, Crossing of Water Pipes, Highway Closure and Grazing on Public Roads Policies should no submissions prompting material change be received.**
- 4. Rescinds the Food Control Commercial Premises Policy 2013, the Local Policies concerning approvals and orders Policy 2013, and the Water Safety Policy 2013.**

**REPORT**

Policy documents are important as they publicly describe the Council's intent, commitment and/or position on a particular topic and ensure transparency and accountability.

Reviewing policies provides the Council with the opportunity to identify improvements, review legislative compliance and ensure that existing policies achieving their purpose.

The following table provides a summary of the recently reviewed policies.

<b>Policy Name</b>	<b>Overview</b>	<b>Service Responsible</b>	<b>Public Exhibition Y/N</b>
Gates and Ramps	The policy sets conditions for approving, installing, and maintaining gates and ramps on Council-controlled roads to ensure safety and minimize inconvenience to motorists. It prohibits new ramps on sealed and regional roads, outlines design and maintenance standards, and requires landowners to indemnify Council and comply with Australian Standards.	Civil Works	Y
Crossing for water pipes	The policy sets conditions for installing water pipes within Council-managed road reserves to prevent blockages in drainage infrastructure and protect public assets. It outlines installation standards, approval requirements, and applicant responsibilities, including indemnity and maintenance obligations, to ensure safe and compliant works.	Civil Works	Y
Highway closures	The policy governs the closure of the New England Highway for designated events, ensuring coordination with Transport for NSW and NSW Police to maintain safety and compliance. It specifies eligible events, approval requirements, and operational responsibilities, including traffic management planning and record-keeping.	Civil Works	Y
Grazing on public roads	The policy sets out how Uralla Shire Council will assess requests from Local Land Services for concurrence to graze stock on public roads, ensuring safety, environmental protection, and compliance with legislative requirements. It outlines key conditions such as insurance, cultural and biodiversity considerations, and prohibits grazing within 50 km/h zones of towns and villages except on Travelling Stock Routes.	Civil Works	Y

The following table provides a summary of the policies proposed for rescission.

Policy Name	Overview
Food Control – commercial premises	<p>This intention of this policy was to regulate food safety and hygiene for all commercial food premises, mobile food vending vehicles, and charity/sporting/special events within Uralla Shire.</p> <p>The requirements for mobile food vending vehicles and related activities are now comprehensively addressed under State Environmental Planning Policy provisions. In addition, the regulatory approach is shifting toward greater self-assessment and exempt development, making this local policy redundant.</p>
Local Policies concerning approvals and orders	<p>This policy outlined the procedures for amending or revoking local policies, ensuring compliance with Sections 165–167 of the Local Government Act 1993.</p> <p>In its current form the policy provides no additional value to Council as its provisions merely replicate processes already prescribed under the Local Government Act for drafting and adopting Local Approvals Policies. Furthermore, the terminology used has been superseded, and the legislated steps for creating or amending such policies are clearly defined, making this policy redundant.</p>
Water Safety Policy 2013	<p>The document provides non-mandatory guidance for councils on managing water safety at public aquatic locations, focusing on risk management, training, signage, and service agreements. The document is outdated and duplicates existing legal requirements. Staff refer to the current version of Practice note 15 to guide the management of water safety risks and controls. The guidance note is not intended or required as a Policy.</p>

## COUNCIL IMPLICATIONS

### Community Engagement/Communication

Council's practice of placing draft policies on public exhibition ensures transparency and allows the community to provide input. This inclusive approach helps build public trust and ensures that policies reflect community expectations while supporting Council's financial sustainability.

Draft policies are referred to internal subject matter experts and MANEX for review prior to reporting to Council.

### Policy and Regulation

Reviewed and proposed policies are aligned with relevant legislation, including the *Local Government Act 1993 (NSW)* and other regulatory frameworks.

### Financial/Long Term Financial Plan

A key intent of policy review is to reduce financial risk and improve cost-efficiency. Rescinding outdated or redundant policies also streamlines governance and avoids duplication of effort and resources.

### Asset Management/Asset Management Strategy

The Gates and Ramps, Crossing of Water Pipes and Grazing on Public Roads Policies are drafted to better protect Council assets

**Workforce/Workforce Management Strategy**

The policy framework supports staff by clarifying responsibilities and encouraging training. This reduces the likelihood of procedural errors that could result in financial or reputational costs to Council.

**Legal and Risk Management**

Policies serve as internal controls that mitigate legal, reputational and financial risks.

**Performance Measures**

Policy implementation will be tracked through specific Operational Plan Action Items, with progress reported to Council on a regular basis.

**Project Management**

The Policy/GM Directive Register will be maintained by the Governance Officer, who will coordinate relevant teams for policy/General Manager Directive reviews as required.

**14.13 Code of Conduct Statistics 2024-2025**


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<b>Department:</b>	<b>Group Corporate Services</b>
<b>Prepared By:</b>	<b>Group Manager Corporate Services</b>
<b>Authorised By:</b>	<b>General Manager</b>

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**LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK**

<b>Goal:</b>	3.	An Independent shire and well-governed community
<b>Strategy:</b>	3.2.	A strategic, accountable, and representative Council

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**SUMMARY****SUMMARY**

This report provides a statistical summary of Code of Conduct complaints for the period 1 September 2024 to 31 August 2025 in accordance with Sections 11.1 and 11.2 of Council's "Procedures for the Administration of the Code of Conduct 2020".

There have been no Code of Conduct Complaints for the reporting period.

**RECOMMENDATION**

That Council provides the Office of Local Government with the Code of Conduct Annual Statistical Report for the period 1 September 2024 to 31 August 2025 by 31 December 2025 noting that there have been no Code of Conduct Complaints for the reporting period.

**REPORT**

Council is required to report annually to the Office of Local Government on Code of Conduct complaint statistics for the period 1 September of the previous year to 31 August of the current year.

Council's Procedures for the Administration of the Code of Conduct 2020 requires:

## Section 11.1

*The complaints coordinator must arrange for the following statistics to be reported to the council within 3 months of the end of September of each year:*

- a) the total number of code of conduct complaints made about councillors and the general manager under the code of conduct in the year to September (the reporting period)*
- b) the number of code of conduct complaints referred to a conduct reviewer during the reporting period*
- c) the number of code of conduct complaints finalised by a conduct reviewer at the preliminary assessment stage during the reporting period and the outcome of those complaints*
- d) the number of code of conduct complaints investigated by a conduct reviewer during the reporting period*
- e) without identifying particular matters, the outcome of investigations completed under these procedures during the reporting period*
- f) the number of matters reviewed by the Office during the reporting period and, without identifying particular matters, the outcome of the reviews, and*

- g) the total cost of dealing with code of conduct complaints made about councillors and the general manager during the reporting period, including staff costs.

#### Section 11.2

The council is to provide the Office with a report containing the statistics referred to in clause 11.1 within 3 months of the end of September of each year.

The Code of Conduct statistical summary for the reporting period proposed to be reported to the Office of Local Government (OLG) is shown in the table below:

	Annual Reporting Requirement Descriptor	Annual Statistic
<b>Number of Complaints</b>		
1.	The total number of complaints <b>received</b> in the period about Councillors and the General Manager under the code of conduct from the following sources	
a	Community	0
b	Other Councillors	0
c	General Manager	0
d	Other Council staff	0
2.	The total number of complaints <b>finalised</b> in the period about Councillors and the General Manager under the Code of Conduct in the following periods	
a	3 Months	0
b	6 Months	0
c	9 Months	0
d	12 Months	0
e	Over 12 months	0
<b>Overview of complaints and costs</b>		
3a	The number of complaints <b>finalised at the outset by</b> alternative means by the General Manager or Mayor	0
b	The number of complaints referred to the <b>Office of Local Government (OLG)</b> under a special complaints management arrangement	0
c	The number of code of conduct complaints <b>referred to a conduct reviewer</b>	0
d	The number of code of conduct <b>complaints finalised at preliminary assessment</b> stage by the conduct reviewer	0
e	The number of code of conduct complaints <b>referred back to the General Manager or Mayor</b> for resolution after preliminary assessment by conduct reviewer	0
f	The number of finalised complaints <b>investigated by a conduct reviewer</b>	0
g	The cost of dealing with complaints via preliminary assessment	0
h	Progressed to <b>full investigation by a conduct reviewer</b>	0

I	The number of finalised complaints investigated where there was found to be <b>no breach</b>	0
J	The number of finalised complaints investigated where there was found to be <b>a breach</b>	0
K	The number of complaints referred by the GM or Mayor <b>to another agency</b> or body such as the ICAC, the NSW Ombudsman, OLG or the Police :	
	ICAC	0
	NSW Ombudsman	0
	Police	0
	Other Agency (please specify)	0
I	The number of complaints being investigated that are <b>not yet finalised</b>	0
m	The <b>total cost</b> of dealing with code of conduct complaints within the period made about councillors and the GM including staff costs	0
<b>Preliminary Assessment Statistics</b>		
4	The number of complaints determined by the conduct reviewer at the preliminary assessment stage by each of the following actions:	
a	To take no action (clause 6.13(a) of the 2020 Procedures)	0
b	To resolve the complaint by alternative and appropriate strategies (clause 6.13(b) of the 2020 Procedures)	0
c	To refer the matter back to the GM or the Mayor, for resolution by alternative and appropriate strategies (clause 6.13(c) of the 2020 Procedures)	0
d	To refer the matter to another agency or body such as the ICAC, the NSW Ombudsman, OLG or the Police (clause 6.13(d) of the 2020 Procedures)	0
e	To investigate the matter (clause 6.13(e) of the 2020 Procedures)	0
f	Other action (please specify)	0
<b>Investigation Statistics</b>		
5	The number of investigated complaints resulting in a determination that there was no breach, in which the following recommendations were made:	
a	That the council revise its policies or procedures	0
b	That a person or persons undertake training or other education (clause 7.40 of the 2020 Procedures)	0
6	The number of investigated complaints resulting in a determination that there <b>was a breach</b> in which the following recommendations were made:	
a	That the council revise any of its policies or procedures (clause 7.39 of the 2020 Procedures)	0
b	In the case of a breach by the GM, that action be taken under the GM's contract for the breach (clause 7.37(a) of the 2020 Procedures)	0
c	In the case of a breach by a councillor, that the councillor be formally censured for the breach under section 440G of the Local Government Act 1993 (clause 7.37(b) of the 2020 Procedures)	0
d	In the case of a breach by a councillor, that the councillor be formally censured for the breach under section 440G of the Local Government Act 1993 and that	0

	the matter be referred to OLG for further action (clause 7.37(c) of the 2020 Procedures)	
7	Matter referred or resolved after commencement of an investigation (clause 7.20 of the 2020 Procedures)	0
<b>Categories of misconduct</b>		
8	The number of investigated complaints resulting in a determination that there was a breach with respect to each of the following categories of conduct:	
a	General conduct (Part 3)	0
b	Non-pecuniary conflict of interest (Part 5)	0
c	Personal benefit (Part 6)	0
d	Relationship between council officials (Part 7)	0
e	Access to information and resources (Part 8)	0
<b>Outcome of determinations</b>		
9	The number of investigated complaints resulting in a determination that there was a breach in which the council:	
a	Adopted the independent conduct reviewers recommendation	0
b	Failed to adopt the independent conduct reviewers recommendation	0
10	The number of investigated complaints resulting in a determination where:	
a	The external conduct reviewers decision was overturned by OLG	0
b	Council's response to the external conduct reviewers recommendation was overturned by OLG	0
11	Date Code of Conduct data was presented to council	16/12/2025

## CONCLUSION

Council meets its statutory reporting requirements by filing its annual statistical report on Code of Conducts within the Office of Local Government within 3 months of the end of September each year. There have been no Code of Conduct Complaints for the reporting period.

## COUNCIL IMPLICATIONS

### Community Engagement/Communication

Code of Conduct statistics are reported to Council

### Policy and Regulation

Code of Conduct statistical reporting is prepared in accordance with Sections 11.1-11.2 of the Procedures for the Administration of the Code of Conduct 202

### Financial/Long Term Financial Plan

There are no financial implications in presenting the Annual Report. However, complaint management consumes staff resources and on occasion independent investigation costs; as a regulatory authority and service provider Council is required to meet this cost.

### Asset Management/Asset Management Strategy

Not applicable



**Workforce/Workforce Management Strategy**

The Code of Conduct forms part of the staff and Councillor induction package. Refresher training is provided regularly for all staff.

**Legal and Risk Management**

The report complies with the Procedures for the Administration of the Code of Conduct 2020

**Performance Measures**

Council meets its statutory deadlines.

**Project Management**

Manager Governance & Customer Service

**14.14 Addendum to 2024-2025 Annual Report**

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<b>Department:</b>	<b>Group Corporate Services</b>
<b>Prepared By:</b>	<b>Group Manager Corporate Services</b>
<b>Authorised By:</b>	<b>General Manager</b>
<b>Reference:</b>	UINT/25/32325

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<b>Attachments:</b>	1. 2024/2025 General Manager Attestation for USC Annual Report <a href="#">⇒</a>
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**LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK**

<b>Goal:</b>	3. An Independent shire and well-governed community
<b>Strategy:</b>	3.2. A strategic, accountable, and representative Council

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**SUMMARY**

Council received and endorsed the Uralla Shire Council 2024 -2025 Annual Report (Annual Report) at the Ordinary Council meeting on 25 November 2025.

Commencing with the 2024-2025 annual report, general managers are required under the Local Government (General) Regulation 2021 to publish an attestation statement each year in the council's annual report indicating whether, during the preceding financial year, the council's audit, risk and improvement committee, risk management framework and internal audit function complied with the requirements prescribed in the Regulation.

The inclusion of this attestation was omitted from the Annual Report submitted to Council.

This report presents the attestation statement to be included as an addendum to the Annual Report.

**RECOMMENDATION****That Council:**

- 1. Notes the General Manager's 2024/2025 attestation in satisfaction of Local Government (General) Regulations 2021 section 216T; and**
- 2. Includes the Attestation Statement as an addendum to the Uralla Shire Council 2024/2025 Annual Report.**

**REPORT**

Section 216T of the Regulations provides that the annual report of a council must include an attestation by the general manager confirming compliance with division 6A (being the division which covers matters of auditing and Audit Risk and Improvement Committees), after giving the Audit, Risk and Improvement Committee chairperson an opportunity to comment.

The attestation statement is included in this report as Annexure A.

The Guidelines for Risk Management and Internal Audit for Local Government in NSW (The Guidelines) provides the process for preparation of the Attestation Statement. This includes:

1. Gather Compliance Information -
  - a. Collect details on the committee, risk framework, and internal audit function.
2. Draft Attestation - General Manager prepares a statement confirming compliance and includes committee member details.
3. Consult Chairperson -Share draft with the Audit, Risk and Improvement Committee chairperson and consider their feedback.
4. Finalise and Sign - General Manager finalises and signs the attestation.
5. Include in Annual Report - Insert the signed attestation into the council's annual report.
6. If Chairperson Disagrees - Chairperson may prepare an alternative attestation and submit it to the Departmental Chief Executive.

A copy of the Draft attestation statement was presented to the Chair of the Audit Risk & Improvement Committee (ARIC) in June 2025, with the final version presented to the ARIC in December 2025. The committee resolved:

*That the Audit Risk & Improvement Committee Meeting note:*

1. *the 2024-2025 Annual Report as shown in attachment "1 - 3"; and*
2. *the General Manager attestation to be added to the Annual Report in satisfaction of the new Office of Local Government Risk and Internal Audit guidelines*

## **CONCLUSION**

The attestation required under section 216T was omitted from the original Annual Report and is now presented for inclusion as an addendum. Council's endorsement of this addendum will ensure compliance with the Local Government Regulation and the Office of Local Government guidelines.

**14.15 Register Resolutions Actions Status as at 10th December 2025**

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**Department:** General Manager's Office**Prepared By:** Executive Assistant**Authorised By:** General Manager**Reference:** UINT/25/32346

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**Attachments:** 1. Resolutions Actions Status Report as at 10 December 2025 [⇒](#)

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**LINKAGE TO INTEGRATED PLANNING AND REPORTING FRAMEWORK****Goal:** 3. An Independent shire and well-governed community**Strategy:** 3.1. Informed and collaborative community leaders

3.2. A strategic, accountable, and representative Council

**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 10 December 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 Future Regional Water Security Option Investigation

This matter is considered to be confidential under Section 10A(2) - d(i) 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 commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.

#### 15.2 Waste Management – Comparative Evaluation of Landfill Options and Update on Previous Waste-Related Actions

This matter is considered to be confidential under Section 10A(2) - c 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, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

#### 15.3 Staces Road and Travelling Stock Route (TSR)

This matter is considered to be confidential under Section 10A(2) - d(i) 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 commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.

#### 15.4 Procurement of Bogie Drive Water Cart via Tender VP483833

This matter is considered to be confidential under Section 10A(2) - d(i) 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 commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.

#### 15.5 General Manager Annual Performance Review December 2025

This matter is considered to be confidential under Section 10A(2) - a 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 personnel matters concerning particular individuals (other than councillors).

**16      COMMUNICATION OF COUNCIL DECISION**

**17      CONCLUSION OF MEETING**