

Extraordinary Council Meeting

Business Paper

Notice is hereby given that an Extraordinary Council Meeting of Parkes Shire Council will be held in the Parkes Council Chamber, 2 Cecile Street, Parkes, on Tuesday 7 May 2024 at 4:30 PM.



Kent Boyd PSM
GENERAL MANAGER

Governing Body

Composition:	Ten (10) Councillors
Membership:	Councillor JP Cass, Councillor WP Jayet, Councillor KM McGrath, Councillor GS Wilson, Councillor KJ Keith OAM, Councillor GW Pratt, Councillor LA O'Leary and Councillor DR Weber
Quorum:	6 Councillors
Chairperson:	Chairperson - Councillor N Westcott
Deputy Chairperson:	Deputy Chairperson - Councillor MA Applebee

Pursuant to section 223 of the *Local Government Act 1993*, the role of Parkes Shire Council's governing body is:

- To direct and control the affairs of Parkes Shire Council in accordance with the *Local Government Act 1993*, in consultation with the General Manager.
- To provide effective civic leadership to the local community.
- To ensure as far as practicable the financial sustainability of the Council.
- To ensure as far as practicable that the Council acts in accordance with the principles set out in Chapter 3 of the *Local Government Act 1993* and other strategic plans, programs, strategies and policies of the Council.
- To determine and adopt a rating and revenue policy and Operational Plans that support the optimal allocation of the Council's resources to implement the strategic plans (including the Community Strategic Plan) of the Council and for the benefit of the local area.
- To keep under review the performance of the Council, including service delivery.
- To make decisions necessary for the proper exercise of the Council's regulatory functions.
- To determine the process for appointment of the General Manager by the Council and to monitor the General Manager's performance.
- To determine the senior staff positions within the organisation structure of the Council, following consultation with the General Manager.
- To consult regularly with community organisations and other key stakeholders and keep them informed of the Council's decisions and activities.
- To be responsible for ensuring that the Council acts honestly, efficiently and appropriately.

Matters determined by meetings of Parkes Shire Council's governing body will include all those non-delegable functions identified in section 377 of the *Local Government Act 1993*.

Council Chambers

Seating Plan



PUBLIC GALLERY

Guiding Principles

In accordance with section 8A of the *Local Government Act 1993*, Councillors are reminded of the guiding principles applicable to decision-making by local councils:

Councils should recognise diverse local community needs and interests.

Councils should consider social justice principles.

Councils should consider the long-term and cumulative effects of actions on future generations.

Councils should consider the principles of ecologically sustainable development.

Council decision-making should be transparent and decision-makers are to be accountable for decisions and omissions.

Statement of Ethical Obligations

In accordance with clause 3.22 of Council's Code of Meeting Practice, Councillors are reminded of their Oath or Affirmation of Office made under section 233A of the Act and their obligations under Council's Code of Conduct to disclose and appropriately manage conflicts of interest.

Oath or Affirmation of Office

The Oath or Affirmation is taken by each Councillor whereby they swear or declare to undertake the duties of the office of Councillor in the best interests of the people of the Parkes Shire and Parkes Shire Council and that they will faithfully and impartially carry out the functions, powers, authorities and discretions vested in them under the *Local Government Act 1993* or any other Act to the best of their ability and judgment.

Conflicts of Interest

All Councillors must declare and manage any conflicts of interest they may have in matters being considered at Council meetings in accordance with the Council's Code of Conduct. All declarations of conflicts of interest and how the conflict of interest was managed will be recorded in the minutes of the meeting at which the declaration was made.

Councillors attending a meeting by audio-visual link must declare and manage any conflicts of interest they may have in matters being considered at the meeting in accordance with Council's Code of Conduct. Where a Councillor has declared a pecuniary or significant non-pecuniary conflict of interest in a matter being discussed at the meeting, the Councillor's audio-visual link to the meeting will be suspended or terminated for the time during which the matter is being considered or discussed by Council, or at any time during which Council is voting on the matter.

Councillors should ensure that they are familiar with Parts 4 and 5 of Council's Code of Conduct in relation to their obligations to declare and manage conflicts of interests.

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1 OPENING OF MEETING

In the spirit of open, accessible and transparent government, meetings of Parkes Shire Council are video recorded and webcast, consistent with Council's Code of Meeting Practice and the *Local Government Act 1993*.

Council accepts no liability for any defamatory, discriminatory or offensive remarks or gestures made during the course of meetings. Opinions expressed or statements made by individual participants are the opinions or statements of those individuals, and do not imply any form of endorsement by Council.

Closed sessions of Council meetings are not video recorded or webcast.

Recordings and webcasts are protected by copyright and owned by Council, and published to Council's website. No part may be copied, recorded, reproduced or transmitted without the prior written consent of the General Manager. Any recording or webcast is not, and shall not, be taken to be an official record of Council or discussion depicted therein. Only the official minutes may be relied upon as an official record of the meeting.

Authorised media representatives are permitted to record meetings provided written notice has been lodged. A person may be expelled from a meeting for recording without notice. Recordings may only be used for the purpose of accuracy of reporting and are not for broadcast, or to be shared publicly. No recordings of any private third-party conversations or comments of anyone within the Chamber are permitted.

Please ensure that mobile phones and other electronic devices are turned off or are in silent mode for the duration of the meeting.

Under Council's Code of Meeting Practice, individuals acting in a disorderly manner can be asked by the Chairperson to leave the meeting.

2 ACKNOWLEDGEMENT OF COUNTRY

Parkes Shire Council acknowledges the Wiradjuri People who are the Traditional Custodians of the Land. We would also like to pay respect to the Elders past, present and emerging of the Wiradjuri Nation and extend that respect to other Aboriginal peoples from other nations who are present.

3 PRAYER

4 APOLOGIES AND APPLICATIONS FOR A LEAVE OF ABSENCE

In accordance with clauses 5.3, 5.4 and 5.5 of Council's Code of Meeting Practice, apologies must be received and accepted from absent Councillors and a leave of absence from the Council Meeting may be granted.

5 APPLICATIONS TO ATTEND BY AUDIO-VISUAL LINK

In accordance with clauses 5.18 and 5.19 of Council's Code of Meeting Practice, Councillors may attend and participate in meetings by audio-visual link with the approval of the Council.

Requests by Councillors for approval to attend a meeting by audio-visual link must be made in writing to the General Manager prior to the meeting in question and provide reasons why the Councillor will be presented from attending the meeting in person.

Councillors attending a meeting by audio-visual link are reminded that they must ensure that no other person is within sight or hearing of the meeting at any time that the meeting is closed to the public under section 10A of the *Local Government Act 1993*.

Note: Consistent with clause 5.43 of Council's Code of Meeting Practice, attendance by Council staff at meetings of the Council by audio-visual link shall be with the approval of the General Manager.

6 DISCLOSURES OF INTERESTS

In accordance with Part 16 of Council's Code of Meeting Practice, all Councillors must disclose and manage any conflicts of interest they may have in matters being considered at the meeting.

Council's Code of Conduct deals with pecuniary and non-pecuniary conflicts of interest and political donations, and provides guidance on how these issues should be managed.

Councillors, and where applicable, other Council Officials, must be familiar with Council's Code of Conduct and their obligations to disclose and manage any conflicts of interest that they may have in matters being considered at this Council Meeting.

Note: Councillors and staff who declare an Interest at the Council Meeting are also required to complete a Declaration of Interest form.

Obligations	
Pecuniary Interests	<p>A Councillor who has a pecuniary interest in any matter with which the Council is concerned, and who is present at a meeting of the Council at which the matter is being considered, must disclose the nature of the interest to the meeting.</p> <p>The Councillor must not be present at, or in sight of, the meeting:</p> <ul style="list-style-type: none"> (a) At any time during which the matter is being considered or discussed, or (b) At any time during which the Council is voting on any question in relation to the matter.
Non-Pecuniary Conflicts of Interest	<p>A Councillor who has a non-pecuniary conflict of interest in a matter, must disclose the relevant private interest in relation to the matter fully and on each occasion on which the non-pecuniary conflict of interest arises in relation to the matter.</p>
Significant Non-Pecuniary Conflicts of Interest	<p>A Councillor who has a significant non-pecuniary conflict of interest in relation to a matter under consideration at a Council meeting, must manage the conflict of interest as if they had a pecuniary interest in the matter.</p>
Less than Significant Non-Pecuniary Interests	<p>A Councillor who determines that they have a non-pecuniary conflict of interest in a matter that is not significant and does not require further action, when disclosing the interest must also explain why conflict of interest is not significant and does not require further action in the circumstances.</p>

7 LATE BUSINESS

8 REPORTS OF THE DIRECTOR CUSTOMER, CORPORATE SERVICES AND ECONOMY

8.1 ENDORSEMENT OF THE DRAFT OPERATIONAL PLAN AND BUDGET 2024-25

IP&R Linkage: Pillar: Leadership

Goal: Our local government is sustainable and plans for the future.

Strategy: Provide clear long-term direction for the community through the development of the Integrated Planning and Reporting framework.

Author: Luke Nash, Financial Accountant

Authoriser: Kent Boyd PSM, General Manager

Annexures: A. Draft Operational Plan 2024-2025 [↓](#)

RECOMMENDATION

That Council:

1. Endorse the placement of the draft Operational Plan 2024-25, appended at *Annexure 1*, on public exhibition for the statutory 28-day period and receive submissions from 8 May 2024 to 5 June 2024.
2. Receive a further report regarding the adoption of the draft Operational Plan 2024-25, including any submissions received, following conclusion of the public exhibition period.

BACKGROUND

Under the Integrated Planning and Reporting ("IP&R") provisions of the *Local Government Act 1993* ("the Act"), Council is required to develop and adopt an Operational Plan prior to the commencement of each financial year, detailing the activities and actions to be undertaken by Council during that year to achieve the Delivery Program commitments.

Council's Operational Plan must directly address the activities outlined in the Delivery Program and identify the services, projects, programs and events that the organisation will undertake in the financial year towards addressing these.

Council's Operational Plan must be prepared in accordance with the various requirements outlined in the IP&R Guidelines ("the Guidelines") prescribed under section 23A of the Act. The Guidelines can be accessed from the Office of Local Government's website.

ISSUES AND COMMENTARY

The draft Operational Plan 2024-2025 ("the draft Operational Plan") is appended at *Annexure A* and has been prepared to ensure compliance with the requirements set out in the Guidelines.

Consistent with the legislative requirements, the draft Operational Plan comprises the proposed:

1. Operational Plan,
2. Budget, and
3. Statement of Revenue Policy ("Revenue Policy").

Commentary on each component is detailed below:

Draft Operational Plan 2024-25

The draft Operational Plan details the services, projects, programs, and events that Council is proposing to undertake in 2024-25, in order to deliver on the various objectives outlined in the Delivery Program, which are in turned aligned with the four strategic outcomes in Council's Community Strategic Plan.

Each action programmed for delivery has a clear measure and target and has been assigned to a Council Officer for delivery. Progress on delivering each action will be reported to Council and the Parkes Shire community via quarterly progress reports.

Council is proposing to undertake 368 actions in 2024-25. Highlights include:

- Activation of Lake Endeavour under the NSW Government's Places to Swim program, which will include an inland beach, floating pontoon, power connection, waterless toilets, and compacting disposal bins.
- Major investment in Kelly Reserve that will see a public water play space and interactive signage installed that tells the story of the Lachlan catchment, including a provision for Wiradjuri language and culture to be celebrated.
- Continuation of the Lachlan River pipeline duplication and water security projects which will see the construction of pump stations and river water pre-treatment works.
- Upgrades for our rural communities under the NSW Government's Stronger Country Communities Fund, including at Burrawang Park in Bogan Gate, Berryman Park in Trundle, Memorial Park in Tullamore as well as upgrades to the Tullamore and Peak Hill pool facilities.
- Delivery of an ambitious Events and Festivals Program, comprising the 2024 Trundle ABBA Festival and 2025 Parkes Elvis Festival along with two *Sounds of Summer* live musical events at the Cooke Park Pavilion.
- Delivery of a rich arts and crafts program including exhibitions in the Coventry Room, activation of cultural spaces and inclusive activities and workshops in the Marramarra Makerspace.
- Development of a new Liveability Strategy and Economic Development Strategy to inform our efforts to grow both our community and economy.
- Finalising the Parkes Shire Signage and Wayfinding Strategy & Style Guide and implementing Stage 1 of signage works.

The draft Operational Plan is currently being professionally designed. As such, the version of the document provided to Council for endorsement will be styled differently to what is appended to this report.

Budget and Statement of Revenue Policy

Together, the Budget and Revenue Policy outline Council's expected income and expenditure for the 2024-25 year, including Council's proposed Schedule of Fees and Charges. In 2024-25, Council is expected to generate \$60.53 million in operational revenue, receive \$27.4 million in capital grants and contributions, invest \$54.95 million into capital works, and return an operating surplus of \$0.27 million from continuing operations at a consolidated level.

General Fund - Operational Budget

The draft operational budget within general fund is reflecting an operating deficit of (\$0.92m) for 2024-25. Continuing inflationary pressures on general fund operations and increasing depreciation expenses are major contributors towards the projected deficit result. The operating performance is negatively influenced through a reduction in funding, increased production costs and expanded scope for festival & events, including the Parkes Elvis Festival & Trundle ABBA Festival. In previous years, council has received significant event funding (circa \$300k) through funding programs which had alleviated financial pressure on the organisation. The 2024-25 operational plan also includes a

provision of \$0.17m for the conducting of the 2024 local government election. Employee costs are budgeted to grow only by \$0.14m, however, capitalised salaries are budgeted for \$4.6m which is an \$0.5m increase on the previous year. It is paramount that council achieves the capitalised salaries budget, else it will be recognised as an operational cost and will further impact the operating result.

Water Fund - Operational Budget

The draft operational budget within water fund is projecting an operating surplus of \$0.84m. Water access & user charges are proposed to increase by 5%. The proposed increase of 5% will add around \$3.08 per month to the typical residential water bill. The budget for water user charges and fees has been developed based on analysing residential consumption patterns over the last 3 years and using a consumption forecast from Northparkes Mines. Northparkes Mines has indicated that their water supply demand will decrease considerably as they use on-site water supply.

With significant capital works planned within the water fund, additional employee costs will be capitalised which reduces the operational cost impact to the fund. A detailed review of operating expenditure has been undertaken. The major increase is associated with the depreciation expense which follows the annual indexation of water fund assets.

It is vital that the financial performance of the water fund is closely monitored to ensure these budgeted results are achieved. With significant capital expenditure underway and more works planned to commence cash reserves will dip sharply over the next two years. This will require cost containment and careful management of the water fund operations.

Sewer Fund - Operational Budget

The draft operational budget within sewer fund is projecting an operating surplus of \$0.36m. Sewer access & user charges are proposed to increase by 10%. The proposed increase of 10% will add around \$5.92 per month to the typical residential sewer bill. The proposed increase of 10% is required to ensure the sewer fund has sufficient cash to repay a \$4m loan obligation in June 2026. This increase also will bring council's fees & charges in line with other councils across the region.

A detailed review of operating expenditure has been undertaken. The major increases are associated with employee costs and depreciation with a small offset achieved from a reduction in external services. Council must continue to focus on achieving an operating surplus and positive cashflow to ensure the sewer fund has sufficient cash reserves for future capital works once the loan obligation is fully repaid.

Capital Works

Council has budgeted for \$54.95m in consolidated capital works for the 2024-25 fiscal year. This total consists of \$27.4m in grant funding (state & federal government) & \$27.55m in council funds. The extensive capital works program will enable council to renew and upgrade existing infrastructure, develop council land for new housing developments, strengthen council's water security and improve road safety with several major transport related projects.

Public Exhibition

Consistent with the requirements outlined in the Guidelines, the draft Operational Plan must be publicly exhibit for at least 28 days, and any submissions received during the exhibition period received during that period must be considered by Council prior to adoption of the draft Operational Plan.

During this period, Council must ensure that a map showing those parts of the Parkes Shire local government area to which the various rates will apply (including each category and sub-category) is

available from its website at www.parkes.nsw.gov.au, and available for inspection at its Customer Service Centre.

LEGISLATIVE AND POLICY CONTEXT

[Local Government Act 1993, Section 405 - Operational Plan](#)

[Integrated Planning and Reporting Guidelines for Local Government in NSW \(Office of Local Government, September 2021\)](#)

FINANCIAL IMPLICATIONS

The financial implications of the draft Operational Plan are outlined in the report. Council must monitor expenditure levels across the organisation and ensure that cost containment is reinforced through all decision-making processes.

RISK IMPLICATIONS

Public exhibition of the draft Operational Plan, as recommended, ensures Council complies with its legislative requirements under section 405 of the Act.

COMMUNITY CONSULTATION

Consistent with the requirements outlined in the Guidelines, the draft Operational Plan must be publicly exhibit for at least 28 days, and any submissions received during the exhibition period received during that period must be considered by Council prior to adoption of the draft Operational Plan.

CONCLUSION

This report recommends that the draft Operational Plan be placed on public exhibition for the statutory 28-day period and receive submissions from 8 May 2024 to 5 June 2024, followed by a further report regarding the adoption of the draft Operational Plan, including any submissions received, be tabled at the Ordinary Council Meeting scheduled for 18 June 2024.

Operational Plan and Budget

2024-25



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 **Parkes**
Shire Council

