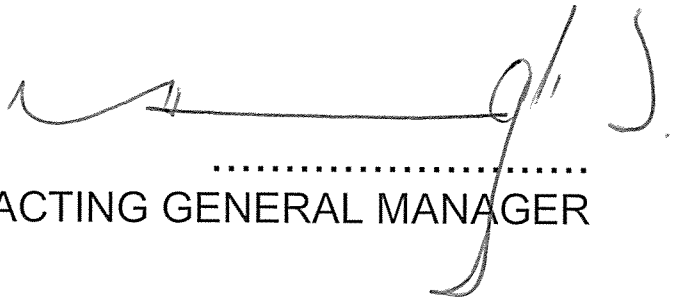


The minutes of the ordinary Finance Committee meeting of Upper Hunter Shire Council held on 21 August 2020 were adopted at the ordinary meeting held on 31 August 2020.

  
.....  
MAYOR

  
.....  
ACTING GENERAL MANAGER



**MINUTES OF THE FINANCE COMMITTEE OF UPPER HUNTER SHIRE COUNCIL HELD ON FRIDAY 21 AUGUST 2020 IN THE BARRY ROSE ROOM COMMENCING AT 8.30am**

**PRESENT:**

Cr Josh Brown (Chair), Cr Ron Campbell, Cr James Burns and Cr Kiwa Fisher.

**APOLOGIES:**

Nil

**IN ATTENDANCE:**

Glenn Inglis (Acting General Manager), Mr Kristian Enevoldson (Director Corporate Services), Mr Mathew Pringle (Director Environmental & Community Services), Mr Wayne Phelps (Manager Finance) and Mrs Robyn Cox (Executive Assistant – Minutes).

**RESOLVED that the Minutes of the Finance Committee held on 17 July 2020 be adopted.**

Moved: Cr K Fisher

Seconded: Cr J Brown

CARRIED

**DISCLOSURES OF INTEREST:**

Cr Josh Brown declared a non-pecuniary/significant interest as he is a Director of the Murravale Retirement Home Limited which is an aged care facility. Cr Brown advised he will remain in the meeting if or when discussions are entered into regarding the Gummun Place Hostel however take no part in discussion or voting. This declaration of interest will be a standing item whilst he remains as a Director of the Murravale Retirement Home Ltd.

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**FCR.08.1**

***FINANCIAL SUMMARY & INVESTMENT REPORT***

**RESPONSIBLE OFFICER:** Kristian Enevoldson - Director Corporate Services

**AUTHOR:** Wayne Phelps - Manager Finance

**RESOLVED that the Committee:**

- 1. note the Fund and Function Summary Report;**
- 2. note the Cash and Investment Report;**
- 3. note the Responsible Accounting Officer's Statement.**

Moved: Cr R Campbell

Seconded: Cr K Fisher

CARRIED

Cr Fisher enquired whether Council should write to the relevant Minister to again raise concerns regarding the Fire Services levy increase of \$500,000.

*Response: The Finance Manager replied that Council will do this. The Director Corporate Services also advised that he believed that Local Government NSW has lobbied on behalf of councils.*

Cr Campbell enquired about roads and bridges maintenance overspend and where the money is going. Cr Campbell also enquired about the grader in Merriwa being stood down.

*Response: The Finance Manager took the question on notice.*

Cr Fisher asked could Council allow some flexibility between the resheeting and gravel budgets to allow the Managers to do what needs to be done on each individual road.

*Response: The Finance Manager replied that this will be taken up with the Director Infrastructure Services to see if funds can be allocated across the board. The Director Corporate Services suggested this could go through the Infrastructure Services Committee.*

Cr Burns asked has Council seen a reduction in numbers at the Early Learning Centre and Family Day Care because of COVID-19.

*Response: The Finance Manager replied that there has definitely been a decline in Educator children at Family Day Care. The Director Environmental & Community Services advised that the numbers are back up at the Early Learning Centre following a decline in numbers.*

Cr Brown asked was it appropriate that money be tied up in investments and could Council look at purchasing property that is safer.

*Response: The Finance Manager replied that Council should have fluid funds at Council's beck and call, especially for water and sewer infrastructure that may fail; property is more of a stagnant investment, not a resaleable item that would happen instantaneously. The Director Corporate Services added as an example that every quarter the rates come in which spikes the cash up; this is then invested but is needed for operations.*

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**FCR.08.2**

**OPERATIONAL REPORT**

**RESPONSIBLE OFFICER:** Kristian Enevoldson - Director Corporate Services

**AUTHOR:** Wayne Phelps - Manager Finance

**RESOLVED that the Committee:**

- 1. note the comments on the budget review by the managers/budget holders;**
- 2. adopt the requested variations as detailed in the budget review;**
- 3. note the Capital Budget Review by the managers/budget holders;**
- 4. note the comments on the Capital Budget Review by the managers/budget holders.**

Moved: Cr K Fisher

Seconded: Cr J Brown

CARRIED

Cr Campbell asked was the Road Safety Officer partly funded by the Government.

*Response: The Finance Manager replied that the Road Safety Officer position is 50% funded by Transport for NSW which covers the Road Safety Officer's wages and has been given a three year extension. Recommendations would go through the Traffic Committee. Upper Hunter Shire Council shares the resource with Muswellbrook and Singleton Councils of which UHSC and Muswellbrook pay 15% and Singleton pay 20% of the position's wages based on time spent within each of the shires.*

Cr Campbell asked about the personal care salaries being overspent and how to address the situation to increase revenue.

*Response: The Finance Manager took the question on notice and will raise at the Committee. The Director Environmental & Community Services added that Council will look at employing additional casuals to cover the overtime being done by permanent staff. Council is also implementing new rostering software to have greater control of the shifts.*

Cr Brown asked could an update be provided to Councillors on the status of the repair of the two fire damaged units at Liverpool Lodge.

*Response: The Director Environmental & Community Services advised that the development application is currently being assessed and is close to being determined. This will be followed up. The Director Corporate Services added that the project is being managed by the Special Projects Team.*

Cr Burns asked had there ever been any investigation into out of hours care on the actual shiftwork basis that we endure here.

*Response: The Finance Manager replied that he was unaware of that type of analysis being done but can take on notice and ask the Records Team if it is something that can be done. There are issues with the actual SOOSH building being located at St Mary's Catholic Primary School.*

Cr Burns asked about the Merriwa Progress Association and Scone Chamber of Commerce line items.

*Response: The Finance Manager advised that these were annual costs for contributions Council provides to these organisations.*

Cr Brown asked whilst there might not be so many people going through the VICs, is there any measure of what he anticipates to be increased traffic particularly during school holidays. The experience in Murrurundi for a number of business operators was significant increases in their business. It would be interesting to know if there is some way of measuring the number of visitors to the Shire since COVID-19.

*Response: The Director Corporate Services replied that Council does record the visitation through the centres as well as asking visitors for their postcode. With border closures and no overseas travel increases are expected. Caravan Parks and Camping Grounds are going really well. Council will measure numbers through the school holidays.*

Cr Brown asked for an update on the progress on the expenditure of the Resources for Regions grant received for the Murulla Causeway.

*Response: The Finance Manager took this question on notice.*

Cr Fisher raised his concerns about the number of vacant positions within Council such as the Sustainability Manager, Health Inspectors, Corporate Planner, Hostel Workers. The Staff Survey mentioned that quite a few staff felt stretched and their workload had increased due to understaffing. Cr Fisher understands that there has been a hiring freeze and would like to know the current situation, how this is going to be addressed and is it being managed sufficiently well.

*Response: The Director Environmental & Community Services replied that Council is advertising for a number of positions; the Environmental Health Officer recruitment was unsuccessful having trouble finding a suitable candidate to fill that position. A number of other positions, such as trainees, have been put on hold for now and looking at recruiting later in the year, towards the middle of the financial year.*

*The Director Corporate Services replied that in his area the Corporate Planner position is vacant however most of that work is around the DPOP, which has been done. This role may be expanded into Corporate Planning and Business Improvement. There is a vacancy in Finance Team due to the transfer of Management Accounting Officer to the Assets Team.*

*The General Manager advised that he will look at the vacant positions however also said it was not uncommon to have a number of vacancies at any one time in Local Government. In some areas of Local Government, particularly around Town Planning, Health and Building, Engineers and Water & Sewer there are always issues with availability of applicants with local government finding it difficult to match the salaries and packages that private enterprise offers in a lot of those disciplines.*

Cr Burns suggested an idea to move cemetery maintenance into more of a volunteer mode to reduce the need for the \$121,000 on maintenance. With a lot of volunteer groups in the area such as Mens Sheds, Lions Clubs, Rotary Clubs and CWA, Council needs to look at putting our locals into one of those positions and build that type of work for them which would also reduce their need for Council donations. Cr Burns will take this up with the Infrastructure Services Committee.

*Response: The Director Corporate Services advised that other councils do have that type of arrangements and typically Council would provide the tools and plant and the volunteer groups would provide the labour.*

Cr Fisher asked about the southern entry to the Bypass and the long term plan for the upkeep of it as it is somewhat overgrown at the moment.

*Response: The Finance Manager advised that it is his understanding that Daracon are to look after it for 12 months followed by Council discussions moving forward with the maintenance.*

*The General Manager advised that he had recently spoken with the Infrastructure NSW Manager for this area about this topic and was told that he will check into the matter and respond. The General Manager also advised that road reserves get very complicated in relation to responsibilities and the gazettals can take at least a year in relation to transfer of ownership.*

*Cr Burns added that in TfNSW Briefings to Council and the Community, the areas were all supposed to be landscaped so that maintenance wasn't required.*

Cr Brown asked is Council receiving more Development and Building Approval Applications.

*Response: The Director Environmental & Community Services replied that it is either that or that the value of the applications are greater.*

Cr Burns asked how did COVID-19 affect the swimming pool inspections.

*Response: The Director Environmental & Community Services replied that this was not quite correct. There has been a drop in the number inspections during COVID-19 with the inspection program being suspended to minimise risk to staff however that has picked up again and there will be a big increase coming through this month.*

Cr Burns asked is there maintenance happening at Scone Swimming Pool at the moment.

*Response: The Finance Manager took this question on notice.*

Cr Burns asked about the yearly profit on the work done on the Golden Highway.

*Response: The Finance Manager advised that generally funds are put aside towards other projects.*

Cr Campbell asked about the progress of the new bore investigation in Merriwa.

*Response: The Finance Manager took this question on notice.*

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### **FCR.08.3**

### **CONTRACTORS & EXPENSES REPORT**

**RESPONSIBLE OFFICER:** Kristian Enevoldson - Director Corporate Services

**AUTHOR:** Wayne Phelps - Manager Finance

**RESOLVED that the Committee:**

- 1. Note the Contractors Listing for the period;**
- 2. Note the Consultancy and Legal Expenses report for the period.**

Moved: Cr K Fisher

Seconded: Cr J Burns

CARRIED

**RESPONSIBLE OFFICER:** Kristian Enevoldson - Director Corporate Services

**AUTHOR:** Wayne Phelps - Manager Finance

**RESOLVED that the questions be noted.**

Moved: Cr K Fisher

Seconded: Cr J Burns

CARRIED

Cr Campbell asked about the Water Treatment Plant at Scone and could it be progressed to get a costing and have shovel ready in preparation for possible grant funding.

*Response: The General Manager replied that the circumstances to build a new Treatment Plant are actively being looked at with reports coming to Council regarding feasibilities, etc. The GM added that he and the Mayor met with the Muswellbrook Council and it was discussed to consider advantages in building a treatment plant that serviced both communities.*

*Cr Fisher added that there may be an advantage of a joint application in attracting funding.*

Cr Brown asked that the format of future Finance Committee meetings be investigated to streamline the meetings and limit to reporting by exception.

*Response: The Director Corporate Services replied that there has already been discussions around this.*

#### **RECOMMENDATION TO COUNCIL**

**That Council investigate an educational program to teach local business and service providers on how to tender for Upper Hunter Shire Council projects.**

Moved: Cr Burns

Seconded: Cr Campbell

CARRIED

The General Manager added that any strategy to ensure that local contractors and tradespeople get as much opportunity as possible to do Council work is a good thing.

Cr Campbell added that there should be a level playing field across the whole Shire for contractors and tradespeople to have the opportunity to do work for Council.

Cr Fisher asked, in view of the recent IPART Rating Report and the State Government's response and taking into consideration the Muswellbrook Shire Council's Land & Environment Court win, also further to the work the Director has already undertaken in this field, to canvas opinion as to commissioning a review of our rating structure; our categories, sub-categories, etc and if necessary enlist an independent contractor to assist with that process.

Cr Brown agreed that there would be a great deal of merit to undertake the work Cr Fisher has suggested. There are opportunities using the rating system to yield additional revenues and to reduce the burden of some ratepayers who are currently overstretched.

*Response: The General Manager replied that this would be a major exercise, often being community sensitive. It would need to be done in a very structured, ordered and agreed manner. The GM suggested discussion be held around the specific circumstances that need to be addressed that will dictate the type of review that will need to be done. It may be something that would be included in the next Delivery Program.*

**THERE BEING NO FURTHER BUSINESS THE MEETING CLOSED AT 10.22am.**

