

BUSINESS PAPER

Extraordinary
Council Meeting
To be held on
Thursday, 16 May 2024

Statement of Ethical Obligations

Councillors are reminded of their Oath or Affirmation of Office made under Section 233A of the *Local Government Act 1993* and their obligation under Council's Code of Conduct to disclose and appropriately manage Conflicts of Interest.

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 was managed will be recorded in the minutes of the meeting at which the declaration was made.

Recording of Council Meetings

This Council meeting is being recorded and will be made publicly available on the Council's website and persons attending the meeting should refrain from making any defamatory statements.

Council meetings should be:

Transparent:	Decisions are made in a way that is open and accountable.
Informed:	Decisions are made based on relevant, quality information.
Inclusive:	Decisions respect the diverse needs and interests of the local community.
Principled:	Decisions are informed by the principles prescribed under Chapter 3 of the Act.
Trusted:	The community has confidence that councillors and staff act ethically and make decisions in the interests of the whole community.
Respectful:	Councillors, staff and meeting attendees treat each other with respect.
Effective:	Meetings are well organised, effectively run and skilfully chaired.
Orderly:	Councillors, staff and meeting attendees behave in a way that contributes to the orderly conduct of the meeting.



Notice is herewith given of an
EXTRAORDINARY MEETING

That will be held at the Glen Innes Severn Learning Centre,
William Gardner Conference Room, Grey Street, Glen Innes on:
Thursday, 16 May 2024 at 9:00 AM

ORDER OF BUSINESS

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Bernard Smith
General Manager

1 ACKNOWLEDGEMENT TO COUNTRY

“I acknowledge the Ngarabul people as the traditional custodians of this land and pay my respect to the Elders past, present and emerging. I also extend that respect to Aboriginal and Torres Strait Islander people here today.”

2 APOLOGIES

3 DISCLOSURE OF CONFLICT OF INTERESTS / PECUNIARY AND NON-PECUNIARY INTERESTS

4 REPORTS TO COUNCIL

REPORT TITLE: 4.1 ENDORSEMENT OF THE DRAFT OPERATIONAL PLAN AND BUDGET FOR THE 2024/2025 FINANCIAL YEAR, FOR PUBLIC EXHIBITION

REPORT FROM Corporate and Community Services

PURPOSE

The purpose of this report is to seek Council's endorsement to place the Glen Innes Severn Council's Draft Operational Plan and Budget for the 2024/2025 Financial Year (*Annexure A – under separate cover*) on public exhibition for 28 days and to invite public submissions.

RECOMMENDATION

THAT:

- 1. Council endorses the Draft Operational Plan and Budget for the 2024/2025 Financial Year and thereby endorses the expenditure amounts set out in the Draft Operational Plan and Budget for the 2024/2025 Financial Year, which is contained in Annexure A, under separate cover to the Business Paper, for public exhibition in accordance with the provisions of Section 405 of the Local Government Act 1993, for 28 days from Friday, 17 May 2024 until Thursday, 13 June 2024.**
- 2. Council endorses the Draft Rating and Revenue Policy Statement for the 2024/2025 Financial Year which is contained in Annexure A, under separate cover to the Business Paper, for public exhibition in accordance with the provisions of Section 405 of the Local Government Act 1993, for 28 days from Friday, 17 May 2024 until Thursday, 13 June 2024.**
- 3. The Draft Schedule of Fees and Charges for the 2024/2025 Financial Year be endorsed by Council for public exhibition as part of the Council's Operational Plan and Budget in accordance with the provisions of Section 405 of the Local Government Act 1993 for 28 days from Friday, 17 May 2024 until Thursday, 13 June 2024.**
- 4. Council advertises the Draft Operational Plan and Budget for the 2024/2025 Financial Year in the Glen Innes Examiner (Our Council), on the Glen Innes Severn Council website under Public Notices, and on Council's Facebook page, and displays the relevant documents at the Emmaville Post Office, Deepwater Post Office, and Glencoe Post Office.**

CONSULTATION

Council’s Draft Operational Plan and Budget for the 2024/2025 Financial Year will go on public exhibition for 28 days from **Friday, 17 May 2024 until Thursday, 13 June 2024**. During this time submissions will be invited from the community.

Council will advertise the Draft Operational Plan and Budget for the 2024/2025 Financial Year in the Glen Innes Examiner (Our Council) on the Glen Innes Severn Council website under Public Notices, and on Council’s Facebook page and display the relevant documents at the Emmaville Post Office, Deepwater Post Office and Glencoe Post Office.

The budget has been prepared with full collaboration and input from all Managers and the **Management Executive Team (MANEX)**.

ECM INDEXES:

Subject Index:	CORPORATE MANAGEMENT: Planning GOVERNANCE: Planning FINANCIAL MANAGEMENT: Budgeting
Customer Index:	NIL
Property Index:	NIL

ATTACHMENTS

Annexure A Draft Operational Plan and Budget 2024-2025 (*under separate cover*)

REPORT TITLE: 4.2 NEW ENGLAND RAIL TRAIL UPDATE

REPORT FROM: Infrastructure Services

PURPOSE

The purpose of this report is to provide an update regarding the status of the New England Rail Trail project and seek confirmation of direction to proceed with procurement of investigation and design works.

RECOMMENDATION

THAT Council:

- 1. Makes application to the Bushfire Local Economic Recovery Fund to amend the scope of the New England Rail Trail to include only the section between Glen Innes and Glencoe.***
- 2. Reaffirms its request of the Bushfire Local Economic Recovery Fund to execute the funding deed at the earliest opportunity, with an initial stage available to fund the works required to obtain approval.***
- 3. Authorises the General Manager to enter into a funding deed to construct the New England Rail Trail between Glen Innes and Glencoe,***
- 4. Authorises the expenditure of \$170,000 from Council's general fund to commence survey, design and environmental assessment of the New England Rail Trail, noting that this may not be able to be reimbursed from the offered funding.***

REPORT

(a) Background

Council successfully applied for \$8.7M of funding in 2020 to construct the New England Rail Trail between Glen Innes and Ben Lomond.

Following an extended period of interruption due to natural disaster events, Council reconsidered the project in March 2023 noting a substantial increase in infrastructure costs. An independent review by NSW Public Works Advisory determined that the project budget should be increased to \$11M.

Having considered the matter Council resolved to proceed with the project with the following resolution:

19.03/23 RESOLUTION

That Council progresses the lease arrangements and commences the design process for the construction and ongoing operation of the New England Rail Trail between Glen Innes and Ben Lomond.

(b) Discussion

Since that resolution staff have been liaising with various parties including counterparts in Armidale Regional Council, TfNSW, UGL Ltd and Regional NSW in order to progress the lease.

An application to increase the funding level to match the new costing was made. This request has not been progressed within the department, instead Council has been requested to provide further information including recent evidence of community consultation to support the application.

Unfortunately Council has found itself in somewhat of a “chicken and egg” scenario, in that the funding body has been reluctant to consider the variation or execute the funding deed until Council has secured a lease over the corridor, however the funding is needed to obtain various works and assessments that are required under the NSW Rail Trails framework to gain approval for a lease of the corridor.

In response to the request for further information Council has conducted an independent external survey. Aspects that remain to be undertaken include a boundary survey of the corridor, and the review of environmental factors. These tasks have been estimated by NSW PWA to require a budget of \$121,680. A new requirement of obtaining a survey for the purpose of the lease boundary definition adds a further \$45,349.

A request has been made that the funding body executes the deed, on the basis that a first stage is released to allow for the necessary boundary survey and environmental investigations to be undertaken that are required before a lease can be taken up. At the same time, Council has requested the increase in the grant amount to meet current costs. Given the further passage of time, the funding body is assuming that project costs have now increased even further beyond the PWA figure.

Added to the stated concern around the level of increase in funding requested is the question of Council’s ability to deliver the project by the current deadline of 30 June 2025.

It is therefore considered prudent to withdraw the application for the increase in funding, and instead reduce the scope of the project by removing the section between Glencoe and Ben Lomond, reducing the length of the project from 35.4km to 22km. Council owns a parcel of land (former school land) ideally located between the New England Highway and the rail corridor that could serve as a trail head and carpark. This would also contain the project entirely within the Glen Innes LGA, noting that the current project scope extends into Ben Lomond village (Armidale LGA).



Image: Highlighted area is the parcel of land owned by Council

Council's request of the funding body then becomes a simpler request to release an early stage of funding that facilitates the works required to enter into the lease. While initially rejected, the department has advised that this request will be reconsidered noting Council's position that the grant was offered on a 100% basis, and that Council should not have to co-fund or perform preliminary works outside of the grant. Should this request not be granted, in order to progress the project Council would be required to fund the survey and environmental assessment itself. The funding body has advised that any funds spent prior to execution of the grant would most likely be ineligible for reimbursement.

Project Benefits:

The project has two separate benefits for the local economy. The construction phase of the project will inject \$8.7M into the local economy and provide a substantial economic boost to local industry with a works potentially performed by local contractors.

The operational phase will also provide ongoing economic activity, with new opportunities for associated services to support tourism. The Rosewood to Tumbarumba trail and a number of other trails across Australia are of a similar length and an online search of local businesses identifies local businesses continuing to benefit from the trail after four years of operation.

The project is of such a scale as to lift the profile of Glen Innes more generally and will add a significant component to the Glen Innes Highlands tourism offering.

The trail will also provide opportunity for locals to walk and cycle in a safe and accessible environment. Typically, a group of individuals will form who will ride the trail together on a daily basis, providing a new social opportunity for fitness and exercise.

The project will enable the utilisation of rail station buildings and other rail assets that currently lie disused and in a state of disrepair.

Given the multiple opportunities for further delay, and the approaching deadline for completion of construction, it is recommended that Council allocates a budget from general funds to ensure the project is able to get started.

This will give the project some momentum and provide a pathway to the signing of a funding deed in the event that the funding body rejects Councils request for a first stage of funding to be made available prior to execution of the lease.

KEY CONSIDERATIONS

(a) Financial/Asset Management

The New England Rail Trail will be a new asset, resulting in additional annual operating costs including depreciation of the assets constructed. The reduction in scope will result in a corresponding reduction in annual operational and depreciation cost that would otherwise have occurred.

(b) Policy/Legislation

The NSW Rail Trails Framework has been developed since the grant was first offered and has introduced additional requirements for the project.

(c) Risk

This is the largest capital grant ever received by Council for this type of project. All reasonable steps should be taken to ensure expenditure of this magnitude and the ongoing numerous benefits are not lost to the community and replaced by the ongoing presence of a disused parcel of land.

There is a real risk that continual delays in commencing the project will lead to loss of the offered \$8.7M in funding.

There is also a risk that Council, having allocated its own funds to early works, could have the project not proceed due to reasons beyond its control, however that risk is regarded as acceptable.

(d) Consultation

An external customer survey was recently conducted to gain an insight into current community sentiment toward the project. It is noted that a vocal sector of the community has been advocating for the return of passenger trains, and this is reflected in the survey results. It is also noted that Mayor Banham and Deputy Mayor Arandale recently met with the NSW Minister for Roads, and the NSW Premier to discuss the matter and were assured that there is no likelihood of passenger trains returning in the foreseeable future, and that the Rail Trail legislation specifically provides for the protection of the corridor as a rail corridor in the event that train services were to be restored.

Noting that trains will not be returning anytime soon, the survey shows significant ongoing support to the rail trail project.

The community consultation report is included as **Annexure A**.

LINK/S TO THE DELIVERY PROGRAM/OPERATIONAL PLAN

This report links to Council’s Delivery Program Community Service Principal Activity CS 1.1.3 : Provide and maintain adequate exercise and playground equipment in the LGA's parks and recreation areas.

This report links to Council’s Delivery Program Infrastructure Management Principal Activity IM 3.1.6: Pursue Grant Funding opportunities where viable, considering lifetime costs.

CONCLUSION

Council has previously decided to progress the New England Rail Trail between Glen Innes and Ben Lomond due to the economic and social benefits of the project. It is proposed that the scope of the project be amended to match the available funding and allocate some Council funds toward the commencement of survey and design required to obtain approval for a rail trail under the new framework.

Recent independent community consultation has shown a significant level of support for the project, particularly in light of the statements from the State Government that train services are not returning anytime soon, and the choice is not between rail services or a rail trail, but rather between a rail trail or the continuation of an abandoned and weed infested corridor.

ECM INDEXES:

Subject Index:	New England Rail Trail
Customer Index:	Nil
Property Index:	Nil

ATTACHMENTS

Annexure A New England Rail Trail Community Survey March 2024