

Subsequent Business Paper



Ordinary Meeting of Council

to be held at

Council Administration Centre

180 Mort Street, Lithgow

on

Monday 26 August 2024

at 6:00 PM

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1. Mayoral Minutes

1.1. Mayoral Minute - Halloween 2024

Report by Mayor – Councillor Maree Statham

Commentary

A Halloween Festival which activates Lithgow's Main Street precinct has been held annually over recent years, with the exception of the years impacted by the Covid restrictions. The Halloween event was embraced by local businesses and the community.

The Halloween Festival is a community festival that should continue to revolve around Main Street and provides support and recognition of local Lithgow businesses.

A recent administration proposal on Council events included changing the format of the Halloween event to a smaller scale event at a different location. This change was recently announced and raised significant concern from Main Street businesses.

The 24/25 Operational Plan provided an events budget of \$250,000. Expenditure on Council events in 2022/23 was \$349,000 (includes external grants of \$178,000) and \$290,000 in 2023/24. The Halloween Street Festival in 2022 cost \$188,000, and \$128,000 in 2023.

The proposed changed format Halloween event for this year had been indicatively allocated \$30,000 by the administration, within the reduced 24/25 events budget to enable the delivery of other events, including a Christmas Concert.

I am advised that \$140,000 would now be required to deliver the Halloween Street Festival this year. This means an additional \$110,000 budget allocation by Council. \$55,000 would be funded from (yet to be identified) savings from the events budget and the remaining \$55,000 from the SRV economic development (transition) fund. The SRV fund can be used as the project partly aims to provide an economic stimulus for Main Street businesses.

Attachments

Nil

Recommendation

THAT Council confirm the Halloween Festival will be delivered on Main Street in October 2024, and that an additional \$110,000 be allocated to the 2024/25 events budget to enable the delivery of the Halloween Street Festival.

2. Administration Reports

2.1. P&P - 26/08/2024 - January - June 2024 Progress Report

Strategic Direction: Responsible Governance & Civic Leadership To develop community confidence in the organisation by the way it is directed, controlled and managed.

Author: Deborah McGrath Organisation Performance & Communication Manager

Department: Organisation Performance

Responsible Officer: Shaun Elwood - Director People and Place

Executive Summary

During the January - June 2024 reporting period the administration has balanced delivery of the projects and programs for 2023/24 whilst strategically positioning the Council and the city for the future, as well as dealing with emerging issues.

Administration's Recommendation

THAT Council receive and endorse the January to June 2024 Progress Report for the combined 2022-2026 Delivery Program and 2023/24 Operational Plan.

Attachments

1. Jan- Jun 2024 Progress Report_ [2.1.1 - 132 pages]

Reference to any relevant previous minute

N/A

Background and discussion

Transitioning our economy and advocating for our community

The council has continued to work with State agencies to progress claims in response to seven natural disasters. This has taken a toll on our roads and community spirit. If an LGA experiences one natural disaster, assets are weakened and damaged as a result. If, before there is an opportunity to repair that asset, a second natural disaster impacts that same area, the damage caused is compounded by the impacts of that previous disaster. Now consider that seven of these disasters occur over a very short period – there is no doubt that Lithgow has suffered most severely because of these cumulative, compounding impacts. Lithgow is competing with many other local government areas to have claims processed and approved, in order for works to commence. The council is continuing to advocate for improvements and streamlining of the claims process to expedite much needed funds to repair local roads.

Lithgow City Council also continues to work steadfastly toward delivering tangible progress in transitioning its economy considering the transition toward a green energy future. In part, this requires bold and affirmative action from all three levels of government, Energy Australia, Centennial Coal and knowledge providers, like Western Sydney University.

As it stands today, funding is not flowing out of the NSW Government to tackle the wicked problems outlined within Lithgow's own Lithgow Emerging Economy Plan, even though this is the principal establishment tasked with the responsibility of functional economic readjustment of a region at risk of significant disruption. Lithgow City Council and its administration have formed an interim governance body with the view of pre-empting the work of the NSW Government's eventual Future Jobs and Investment Authorities. Alongside this, Council has secured several meetings with government ministers and their own policy advisors to encourage swift action. Lithgow continues to meet with its peers in the Hunter and other transitioning regions with the view to form a like-minded coalition of the willing to advocate for appropriate attention and resources to be dedicated to the significant economic disruption caused by Australia's aspirational and commendable net-zero emissions goals.

Building a brighter future for our community

Lithgow continues to be of interest to several green energy generators due to its proximity to the electricity grid and the Central West Orana Renewable Energy Zone. Engagement continues with developers of such proposals to ensure community benefit schemes are delivered to those communities impacted by such projects. All participants in these projects are willing to enact such programs, however, it is important that the Council works with each proponent to ensure maximum value is delivered to the community by centrally coordinating these activities. To this end, Council is working to develop a policy position on voluntary planning agreements and other developer contributions to ensure that even small developments contribute to a much larger strategic objective, rather than piecemeal upgrades or smaller projects that may not result in great value to the local community.

Advocacy also continues for cross-government commitment. A report was presented to the February Ordinary Meeting of Council seeking endorsement of an interim governance vehicle that matches the proposal from the NSW and Federal Governments. Now that it has been endorsed, it is expected that this interim vehicle will be absorbed by the State transition vehicle once it is implemented.

A tender has been developed for the review of Chapter 12 of Lithgow's [Land Use Strategy](#) as it applies to employment lands. There is a distinct focus here on what is required to unlock lands for commercial, industrial and tourism opportunities throughout the region. This work is nearing completion with final revisions being submitted to the contractor in the coming weeks.

Lithgow City Council is also working alongside local schools to develop a trial of an Adaptive Skills Hub, likely from the local Western Sydney University campus. The components of the Hub include:

- direct science, technology, engineering, arts, and mathematics (STEAM) teaching support
- to primary and secondary schools,
- workforce planning, and
- Factory of the Future and micro-credentialing.

The proposal leverages existing resources at the Lithgow Transformation Hub which includes a wet-lab, and media lab. Longer term, the Adaptive Skills Hub proposes to serve not only Lithgow but also the surrounding towns in the Central West including Mudgee, Oberon and Bathurst. The target group is primary and junior high school students.

Evidence suggests that investment in accessible STEAM-focused technical education is one of the most efficient ways to build workforce and future workforce capacity, agility and adaptivity, which is acknowledged by experts to be the best investment in building resilience to economic disruption. Creating opportunities for our young people to learn formal STEAM skills – and related creative, problem solving, critical thinking, teamwork, and communication skills – is a practical investment in meeting employer needs, increasing attractiveness as a place to do business, and guiding young people to rewarding careers.

The vision is to ensure that gateway regional communities are provided with the same

opportunities as their urban counterparts and are not left to be further disadvantaged due to the closure of traditional industries. The concept of an Adaptive Skills Hub speaks to the changing nature of skills and the ability to redirect and prioritise the offering based on the changing needs of the region over time.

Clarence to Wallerawang Water Scheme – Securing water for the future

The Council has continued to work in collaboration with government partners and Centennial Coal to progress the Clarence to Wallerawang Water Scheme. Key studies include the Review of Environmental Factors, Discharge Impact Assessment, Drinking Water Impact Assessment and the Integrated Water Cycle Management Strategy. Tender specifications for a detailed design are developed and prepared for advertisement.

This is a significant project which will accelerate the transition of the Lithgow economy through the provision of secure access to water needed to encourage new industries to establish in Central West NSW and to grow existing industry.

Water security enables businesses to plan and maximise their investment, providing the region with confidence to both encourage and facilitate population growth, including the potential development of 2,900 new homes in the Lithgow LGA.

The pipeline will create regional water security, ultimately underpinning water security for the Lithgow LGA and reducing the reliance on external water supplies such as the WaterNSW owned Fish River Water Scheme. Council continues to work with other local water utilities, government and private enterprise to ensure water security to Lithgow and the region is prioritised.

The redirection of groundwater from Clarence will protect and conserve the Wollangambe River, returning it to its natural flow patterns, with the characteristics of a Wild River.

With Farmers Creek Dam No. 2 being over 110 years old and reaching the end of its operational life, the risk of structural failure would have significant consequences for the township of Lithgow. Therefore, the Pipeline project is important to enabling the decommissioning of the dam and eliminating the risk of dam failure.

Wolgan Valley Access Road

Lithgow City Council has continued to deliver outstanding outcomes in responding to the permanent closure of Wolgan Gap, which has ultimately stranded a community of 150 residents and a luxury resort.

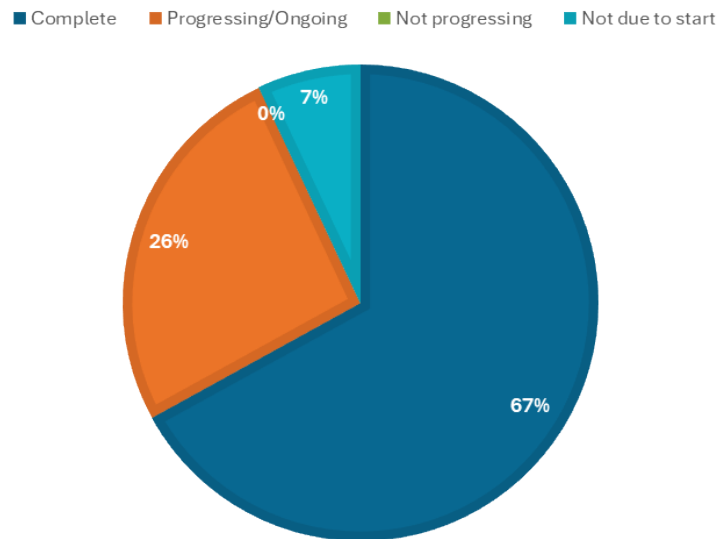
In the past 6 months, Council has performed significant upgrades and maintenance to the Donkey Steps access route. At a cost of almost \$1 million, Council removed several embankments and reconstructed them at a reduced grade, requiring minor alignment alterations, to greatly improve their resilience during future rainfall events. It also upgraded the surface of the route to improve traction.

However, the most significant task these past 6 months is the finalisation of the application required to rebuild the route on the opposite side of the Wolgan Valley. This application, valued at \$327 million, is multi-faceted, representing one of the largest single disaster recovery efforts in the country. This application includes highly complex design, risk assessments, cost estimation, peer review of costs for accuracy and reliability, collation of disaster evidence, planning approval pathway papers, consideration of delivery strategies and constructability considerations, among many other matters.

Work continues on a detailed final design, including seeking the relevant approval for geotechnical investigations, through compilation of detailed environmental assessments and cultural surveys. Ultimately, it is expected that this project will run until as late as 2030 and is perhaps the most complex and costly project that Lithgow City Council may ever manage.

Delivering within our available resources

During the January – June 2024 period, the Council has delivered a full program of services and outcomes for the 23/24 year. Of the 100 Operational Plan Actions, 26% are multiyear projects which are on track for continuation in the 2024/25-year, 7% were unable to commence due to resourcing and will be carried forward to the 2024/25 year, 67% have been completed

JANUARY - JUNE 2024**Consultation and Communication**

N/A

Policy

N/A

Legal

The subject matter of this report is a function of Council conferred by the Local Government Act 1993 s404(5).

Risk Management

Nil

Financial

As detailed in this report

2.2. P&P - 26/08/2024 - Regional Precincts and Partnership Program Grant Application – The Foundations

Strategic Context for this matter:

Developing Our Built Environment To provide a choice of effective public and private transport options, suitable entertainment and recreational facilities, and lifestyle choices while enhancing the existing rural areas, villages and towns that make up the Lithgow LGA.

Strengthening Our Economy To provide for sustainable and planned growth through the diversification of the economic base, the development of diverse job opportunities and the provision of a broad range of formal and non-formal educational services.

Author: Shaun Elwood - Director People and Place

Responsible Officer: Shaun Elwood - Director People and Place

Executive Summary

A proposal for the \$15M development of selected elements of the public open space precincts within The Foundations Portland is recommended to be submitted to the Australian Government's \$400 million regional Precincts and Partnerships Program (rPPP).

The development of the selected public open space precincts will deliver new and unique open space parkland style facilities for the regional community and significantly compliment the adjoining proposed commercial accommodation. This combination will result in the establishment of a required regionally significant tourism accommodation precinct of a standard and capacity able to deliver conference style events and associated activities, which is currently lacking within the LGA.

Lithgow City Council is an eligible body to apply for the rPPP. Private for profit organisations or businesses are ineligible to apply for rPPP. The proposal would be a partnership between Lithgow City Council and The Foundations Portland.

No funding commitment is required from Council to be eligible for the grant application or subsequent project delivery if successful.

To meet the grant requirements of project delivery by June 2026, if the grant application is successful, the application is required to be submitted in early September 2024 for the September/October assessment of applications.

The project delivery would be managed by The Foundations Portland in association with the adjoining proposed commercial accommodation development.

Administration's Recommendation

THAT Council approve an application to be prepared and submitted for the regional Precinct and Partnerships Program *Stream Two: Precinct delivery* for The Foundations Portland open space precincts development proposal, noting that no funding contribution is required from Council for the proposal.

Attachments

Nil

Reference to any relevant previous minute

N/A

Background and discussion

The rPPP seeks to support transformative investment in regional, rural and remote Australia based on the principles of unifying regional places, growing economies and serving communities. The rPPP focuses on a partnership approach, bringing together governments and communities to deliver regional precincts that are tailored to local needs and have a shared vision for how that precinct connects to the region.

Partnerships are essential to the program, which has a focus on bringing together all interested parties to collaboratively plan or deliver precinct proposals. These partnerships are intended to be conglomerates of relevant entities as well as other local stakeholders, including local government and private enterprise.

The rPPP is an always open funding opportunity supporting both precinct development proposals and the delivery of construction-ready precinct projects.

Stream Two: Precinct delivery

Project funding of \$5 million to \$50 million will be available to help deliver one or more elements of a precinct. It could be enabling infrastructure (roads, pathways, underground infrastructure), public infrastructure, or open spaces between elements or a particular building that activates other investment.

The open space precincts works proposed in the grant application will include walking pathways, streetscape planting, streetscape amenities including seating, shelters, picnic facilities, toilets.

The Council approved Development Control Plan (DCP) for The Foundations establishes the minimum expectations for development activity and infrastructure standards for The Foundations Portland.

Council has undertaken negotiations with The Foundations Portland earlier in 2024 regarding the transfer of selected public open space to Council once it is developed to a required standard. The Administration will need to determine whole-of-life costs for maintenance and renewal before considering an agreement to transfer assets.

Consultation and Communication

Consultation on the proposal and grant application has occurred between Council staff, The Foundations Portland and NSW Department of Primary Industries and Regional Development.

If the grant application is successful further engagement with stakeholders will be undertaken, as required.

Policy

Council approval to apply for the rPPP Stream Two is required to comply with the requirements of Council's External Grant Funding Policy (Policy 8.9), being *formal Council resolution is required prior to grant funding being applied for amounts over \$50,000 that are not included in the Delivery Program / Operational Plan. Any Grant funding applications that exceed the \$50,000 limit need to have a business case prepared to justify Council's decision to proceed with the application.*

A business case will be prepared to accompany the grant application, noting that no Council funds contribution is being sought to deliver the precinct works if the grant application is successful.

Legal

The subject matter of this report is a function of Council conferred by the Local Government Act 1993.

Risk Management

Project management of a successful grant will be undertaken by The Foundations Portland in association with Council represented on the relevant Project Control Group.

To deliver completed works by June 2026, contractor availability and the securing of materials and project management services will be critical. Current industry limits in availability of these key project elements may present the initial focus for specific risk management.

Financial

As detailed in this report.