

Subsequent Business Paper



Ordinary Meeting of Council

to be held at

Council Administration Centre

180 Mort Street, Lithgow

on

Monday 25 May 2026

at 6:30 PM

ORDER OF BUSINESS

1. Administration Reports.....3

1.4. P&P - 25/05/26 - Future Use of the Charles Hoskins Memorial Building3

**1.5. GM - 25/05/2026 - Proposed Transfer of 144 Mort Street, Lithgow to VRA Rescue NSW
 5**

1. Administration Reports

1.4. P&P - 25/05/26 - Future Use of the Charles Hoskins Memorial Building

Strategic Context for this matter:

Caring for Our Community: To retain, respect and strengthen both our overall sense of community, and the unique linked communities of groups, rural areas, villages and towns that make up the Lithgow LGA.

Author: Shaun Elwood - Director People and Place

Responsible Officer: Shaun Elwood - Director People and Place

Executive Summary

The existing Council administration buildings at 180 and 184 Mort St exceed 60 years in age and do not meet contemporary expectations or facility requirements for staff office accommodation and administrative services, including electrical and Heating, Ventilation and Air Conditioning (HVAC) operations. In addition, the staff facilities at the Council works depots in Lithgow and Wallerawang do not meet contemporary expectations or facility requirements for staff amenity.

The Council owned buildings at 176 Mort St and the Charles Hoskins Memorial Institute reverted to the Council following termination of the leases held for each building. These buildings provide an opportunity to help address staff accommodation requirements.

Administration's Recommendation

THAT the General Manager bring to the 24 August 2026 Ordinary Meeting, a proposal for addressing the provision of contemporary staff office accommodation, including associated timeframe, costing and funding proposals, including consideration of commercial lease arrangements.

Attachments

Nil

Reference to any relevant previous minute

N/A

Background and discussion

The existing Council administration buildings at 180 and 184 Mort St are over 60 years old and do not meet the expectations or requirements for staff office accommodation and administrative facilities, including electrical and HVAC systems. The staff facilities provided at the Council works depots in Lithgow and Wallerawang also do not meet the contemporary expectations or facility requirements for staff amenity and require renewal works.

In 2024, Centrelink did not renew the lease for the Council owned office building at 176 Mort Street, and the facility reverted to the Council. Despite being advertised, there have been no applications for market value tenancy of this building. Currently the building is being used as office space for a some staff and had been used as the LEEP Adaptive Skills Hub during 2025, while grant funding was available.

In June 2025, Western Sydney University (WSU) terminated its lease of the Charles Hoskins Memorial Institute (CHMI), and full building management also reverted to the Council, as the facility owner. Following the WSU lease termination, the Council has investigated utilising the CHMI for Council staffing and office requirements. Concurrently, the Council also approached a range of post-secondary education providers and universities to gauge interest or proposals for the use of CHMI, given its fitout as an educational facility. A commercial valuation for rental was recently obtained to guide any lease discussions that may arise for either of the vacated buildings.

Council has received only one firm proposal from the education providers approached. The proposal received, which meets the recommended commercial lease valuation, is from Skillset. The proposal is for the long-term use of the CHMI to establish a Skillset Senior College Campus (SSC). Skillset would require a lease of both the upper and lower sections of the building.

The CHMI property is classified Operational, which means there are no restrictions on leasing it to a third party. Revenue generated from a commercial value lease arrangement may assist in the financing of costs incurred to address Council's wider staff accommodation and amenities issues.

Consultation and Communication

Consultation on proposals for staff facilities and office structure or layout will be undertaken with staff during the planning and design phases of any relevant site specific or wider project.

Policy

The Council's Leasing and Licencing Policy 10.20 provides details of requirements for the entering of leases in relation to land classified Operational.

Legal

The CHMI property is classified Operational, which means there are no restrictions on leasing it to a third party.

Risk Management

Council is required to ensure that all staff building facilities reflect contemporary expectations and legislative standards, and provide a safe, conducive, and attractive location for staff to work at and from. The deterioration and condition of Council's existing staff facilities, utilised by both indoor and outdoor staff, present notable risks to Council, including workplace safety issues, recruitment and staff retention challenges and increasing maintenance and repair costs.

Financial

- Budget approved – During 2025/2026 there was \$43,500 for the purposes of valuations and design work to inform cost estimates to bring the administration buildings and depots to safer and more contemporary standards. The draft 2026/2027 Budget also includes \$450,000 to undertake some of the works required.
- Cost Centre - 100964
- Expended to date – \$43,255
- Future potential impact – The leasing of CHMI will remove annual depreciation costs, as this does not apply to investment properties. A range of outgoings (rates and utilities) will also be covered by the tenant. Additionally, depending upon the specifics of a long-term lease, there is potential for some maintenance and renewal costs to be covered by the tenant.

1.5. GM - 25/05/2026 - Proposed Transfer of 144 Mort Street, Lithgow to VRA Rescue NSW

Strategic Context for this matter:

Caring for Our Community: To retain, respect and strengthen both our overall sense of community, and the unique linked communities of groups, rural areas, villages and towns that make up the Lithgow LGA.

Author: Vanessa Browning - Director Finance and Governance

Responsible Officer: Ross Gurney - General Manager

Executive Summary

The purpose of this report is to seek Council approval to transfer 144 Mort Street, Lithgow (Lot 1 DP 534993) to VRA Rescue NSW Limited (VRA). The property is currently used by the VRA for their operations and is held in Council's name as the VRA was not incorporated at the time of purchase. Council provided a loan to the VRA for the purchase which has been repaid.

The VRA are now incorporated and are in the process of integrating all rescue squads throughout NSW and therefore can now own property. Council received a request in July 2025 to transfer the property, held in trust by Council to VRA Rescue NSW Limited.

Administration's Recommendation

THAT Council:

1. Approve the transfer of Lot 1 in DP 534993 to VRA Rescue NSW Limited. The property is currently held in trust by Council.
2. Authorise the General Manager to sign all documents and do all things necessary to give effect to the transfer of Lot 1 DP 534993 to VRA Rescue NSW Limited, on terms to be agreed by the General Manager.

Attachments

1. **CONFIDENTIAL** - Valuation Report - 144 Mort Street Lithgow [1.5.1 - 42 pages]
2. Probity Plan - Transfer 144 Mort Street to VRA [1.5.2 - 1 page]

Reference to any relevant previous minute

Min. No. 19-84 of Ordinary Meeting held 16 January 1984

Min. No. 102-84 of Ordinary Meeting held 6 February 1984

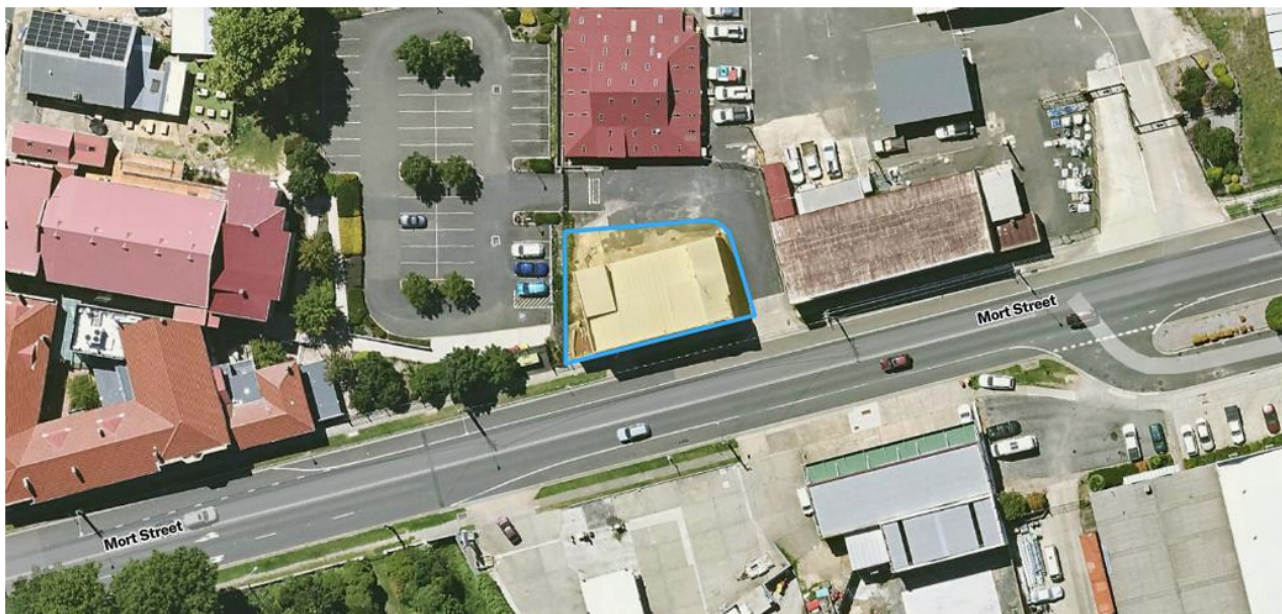
Min. No. 644-84 of Ordinary Meeting held 21 May 1984

Min. No. 739-84 of Ordinary Meeting held 21 May 1984

Background and discussion

At the Ordinary Meeting held on 16 January 1984 it was resolved that Council purchase Lot 1 in DP 534993 (Lot 1), 144 Mort Street, Lithgow, from Prospect County Council, in trust, for the provision of emergency services to the community from the SES and Lithgow VRA. At the time, both these organisations were unincorporated associations, which could not own property.

Council is the title holder of Lot 1, shown within the blue shape on the image below.



Contributions towards the purchase were made by both VRA and SES, with the balance provided by the Council as a loan, which was subsequently repaid by VRA. The VRA also bought out the SES portion, and SES relocated from the building in approximately 1989.

The VRA initially requested the transfer of the property in July 2025, and a meeting was held on 19 November 2025 to discuss the request with the Mayor, General Manager, and Director of Finance and Governance from Council, and representatives from VRA NSW and the Captain of the Lithgow VRA. At that meeting it was agreed that the request to transfer the title would be considered at a Council Meeting, after a valuation was sought, in accordance with Council's Land Acquisition and Disposal Policy (Policy).

The procedure within the Policy has been followed and is outlined below:

1. Assess whether to dispose of the land. It is financially beneficial to Council to dispose of the property. Currently Council incurs over \$10K annually in depreciation costs, has been paying rates and annual charges (\$4.4K internal transaction in 2025/2026), and is responsible for building renewal costs. Additionally, the VRA provides a key emergency service response to the community, and this transfer would assist in the long-term continuation of this service.
2. Determine the classification of the land. The land is classified as operational and can be disposed.
3. Obtain a valuation. A valuation report, included as a confidential attachment, outlines that the property is valued at \$450K.
4. Consider whether to tender or undertake other competitive process. As the property was purchased in trust and the related loan has been repaid, it is appropriate to transfer and not sell the property, therefore negating the requirement to tender.
5. Consider direct negotiation. As this relates to a transfer of property and proceeds are not being sought, this is not required.
6. Prepare a Probity Plan. This is attached to this report.
7. Prepare a Report to seek a resolution to dispose of the property. This is the purpose of this report.

There is some garaging at the back of the building that is used on a sporadic basis by third parties, which requires use of the driveway to the Charles Hoskins Building parking lot. These parties will be consulted by VRA if their use becomes inconsistent with the requirements of the VRA after transfer.

Consultation and Communication

N/A

Policy

1.3 Asset Disposal Policy
1.6 Land Acquisition and Disposal Policy

Legal

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

A decision to transfer Council owned land is a non-delegable function under section 377 (1)(h) of the Local Government Act 1993. Therefore, only Council can decide to transfer Lot 1.

All public land under the Council's ownership or control is classified as either community land or operational land under the Local Government Act 1993. The transfer of land classified community is restricted, whereas the transfer of land classified operational is not restricted. Lot 1 is classified operational land, and therefore, the Council has discretion to decide whether to transfer Lot 1 to the VRA.

Risk Management

Risks have been considered and mitigation measures undertaken as part of the development of the attached Probity Plan.

Financial

- Budget approved - Nil
- Cost centre – N/A
- Expended to date - \$4,500 to be recovered from VRA
- Future potential impact – annual savings in depreciation of over \$10K, rates and annual charges (\$4,389.06 in 2025/2026), and future savings in relation to required renewal.

The current written down value of the building (not land) is \$415K, which will be reflected as a net loss on a sale of asset (not cash related) in the financial year that the transfer occurs.

Costs associated with the transfer of the property are to be borne by the VRA.