



LITHGOW CITY COUNCIL

**MINUTES**

FINANCE AND SERVICES COMMITTEE  
MEETING OF COUNCIL

HELD ON

07 APRIL 2008

**MINUTES OF THE LITHGOW CITY COUNCIL MEETING  
HELD AT THE CIVIC CENTRE, LITHGOW ON 7<sup>TH</sup> APRIL 2008**

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Meeting Commenced 7.00pm

Public Gallery: 9

**PRESENT**

His Worship the Mayor  
Councillor Neville Castle  
Councillor B P Morrissey  
Councillor M F Ticehurst  
Councillor W McAndrew  
Councillor H K Fisher  
Councillor B S Moran  
Councillor M M Collins  
Councillor A E Thompson  
Councillor M J Wilson

**APOLOGIES**

NIL

**Also in attendance**

General Manager, Mr Paul Anderson  
Group Manager Regional Services, Mr Andrew Muir  
Group Manager Community and Corporate Services, Mrs Suzanne Lollback  
Minutes Secretary, Miss Casey Clarke  
Policy and Planning Manager, Mrs Amanda Muir  
Internal Services Manager, Mrs Carol Farnsworth  
Records Manager, Mrs Mary Kirkwood

**CONFIRMATION OF MINUTES**

Confirmation of the Minutes of the Finance and Services Committee Meeting of Council held on the 3<sup>rd</sup> March 2008 were taken as read and confirmed by Councillors M M Collins and B S Moran

**F08-23 RESOLVED**

**CARRIED**

**DECLARATION OF INTEREST**

His Worship the Mayor called for Declarations of Interest on any matter before the Meeting.

Councillor M M Collins declared a pecuniary interest in Item 2 due to being a Director of the Company mentioned. She vacated the Chambers.

Councillor W McAndrew declared a pecuniary conflict of interest in Item 3 due to being the Board Chairman of the said Aged Care Facility. He vacated the Chambers.

## QUESTIONS FROM THE PUBLIC GALLERY

At 7.00pm members of public gallery were invited to address questions through the Mayor to Councillors and Staff: -

## QUESTIONS

### QPG - 07/04/08 - VINCE HALLAM

These items are not on the agenda. There is no relevance to any Agenda Item other than the Notice of Motions submitted by Councillor Ticehurst.

1. Could the General Manager provide a report to the Council on the relevant formal tertiary qualifications, University Certificates, Degrees, Diplomas etc that are held by Senior Council Officers?

*This is a staff matter not a Council issue.*

2. Could Lithgow Council Officers provide an updated report to the Council on Council resolution 07-459 in respect of a proposed Rock Crushing Plant at Lidsdale?

The matter is still under consideration; Council is seeking additional information from applicant.

3. Could Lithgow Council officer advise when Council Resolution 07-210 of the 21 May 2007 - "THAT a report to be brought back to Council on the status of the (Historic) Quoits arena in the Pottery Estate", will after ten months be actioned and formally reported to the Council, Councillors and ratepayers?

*A report will be brought back on this matter.*

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**NOTICE OF MOTION**

**ITEM:1 NOTICE OF MOTION - 07/04/08 - COUNCILLOR M F TICEHURST - NSW PARLIAMENTARY SELECT COMMITTEE ON ELECTORAL AND POLITICAL PARTY FUNDING**

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**NOTICE OF MOTION**

**Lithgow City Council**  
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26 MAR 2008

**MOTION TITLE/TOPIC:**

**NSW Parliamentary Select Committee on Electoral and Political Party Funding**

Doc. No .....  
Years .....

Listed by Councillor Martin Ticehurst

Date: 25 March 2008

**REFERENCE/S:**

Legislative Council Wednesday 27 June 2007, Minutes No 14, Item 8, page 180, amended by Legislative Council Tuesday 23 October 2007, Minutes No 22, Item No 2, page 288.

**BACKGROUND**

In 2007 the NSW Parliament passed the following resolution: -

1. That a Select Committee be appointed to inquire into and report on the funding of, and disclosure of donations to, political parties, and candidates in State and Local Government elections, and in particular:
  - (a) all matters associated with electoral funding and disclosure
  - (b) the advantages and disadvantages of banning all donations from corporations, unions and organisations to parties and candidates
  - (c) the advantages and disadvantages of introducing limits on expenditure in election campaigns
  - (d) the impact of political donations on the democratic process and
  - (e) any related matters.
2. (Structure of Select Committee)
3. (Structure of Select Committee Quorum)
4. That the Select Committee report by the last sitting day in June 2008.

I understand that the Select Committee has already received a large number of public and Local Government submissions, including one from Paul Anderson, General Manager Lithgow City Council and that public submissions has now closed.

**ATTACHMENTS**

Submission to the Select Committee on Electoral and Political Party Funding by Paul Anderson, General Manager, Lithgow City Council.

**RECOMMENDATION**

**THAT** Council endorses the content and actions of the General Manager in his submission to the Select Committee on Electoral and Political Party Funding and that the Council and Councillors be keep informed on the progress and outcomes of the Committee's deliberations.

Signed:



**F08 - 24 RESOLVED**

**THAT** Council endorse the content and actions of the General Manager in his submission to the Select Committee on Electoral and Political Party Funding and that the Council and Councillors be kept informed on the progress and outcomes of the Committees deliberations.

**MOVED:** Councillor M F Ticehurst  
**CARRIED**

**SECONDED:** Councillor H K Fisher.

**ITEM:2 NOTICE OF MOTION - 07/04/08 - COUNCILLOR M F TICEHURST - QUESTIONS WITHOUT NOTICE**

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**NOTICE OF MOTION**

**Lithgow City Council**  
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26 MAR 2008

**MOTION TITLE/TOPIC:**

Questions with Notice submitted by Councillor Martin Ticehurst.

Doc. No .....  
GDA Ref. ....  
Years .....

Listed by: Councillor Martin Ticehurst

Date: 25 March 2008.


**BACKGROUND**

1. Could the General Manager provide a report to the Council on the relevant formal tertiary qualifications, University Certificates, Degrees, Diploma's, etc. that are held by Senior Council Officers?
2. Could Lithgow Council Officers provide an updated report to the Council on Council Resolution 07-459 in respect of a proposed Rock Crushing Plant at Lidsdale?
3. Could Lithgow Council Officers advise when Council Resolution 07-210 of the 21 May 2007 – "THAT a report to be brought back to Council on the status of the (Historic) Quoits arena in the Pottery Estate", will after some ten months be actioned and formally reported to the Council, Councillors and ratepayers?

**RECOMMENDATION**

**THAT** Council provide appropriate written responses to the Questions without Notice.

Signed: \_\_\_\_\_





Councillor M M Collins declared an interest in this item and vacated the Chambers.

Councillor M F Ticehurst moved that Item one be **WITHDRAWN** as it is out of order.

**MOVED:** Councillor M F Ticehurst

**SECONDED:** Councillor W McAndrew.

**F08- 25 CARRIED**

Councillor M F Ticehurst **MOVED** that reports come back to Council on Items 2 and 3.

**MOVED:** Councillor M F Ticehurst

**SECONDED:** Councillor W McAndrew.

**F08- 26 CARRIED**

**ITEM:3 NOTICE OF MOTION - 07/04/08 - COUNCILLOR M F TICEHURST - FALSE AND MISLEADING ADVICE RE FORMER NSW HEALTH / HAC THREE TREE LODGE**

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**NOTICE OF MOTION**

**Lithgow City Council F & S Meeting 7 April 2008**

**MOTION TITLE:** False and misleading advice by the Lithgow City Council to the State Parliament over the former NSW Health/HAC Three Tree Lodge Aged Care Facility in Lithgow.

Lithgow City Council  
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**Listed by:** Councillor Martin Ticehurst

Date: 25 March 2008

26 MAR 2008

**REFERENCES:**

Local Government Act 30/1993 – Chapter 9 – Council is Statutory Corporation.  
Parliament Hansard Legislative Council Question & Answers No. 6 of 7 June 2006. (0027)  
Parliament Hansard Legislative Assembly Question & Answers No. 9 of 26 June 2006 (0185)  
Parliament Hansard Legislative Council Question & Answers No. 19 of 28 September 2006. (0155)  
15 May 2003 – Lithgow Mercury – Statement Gerard Martin/Premier lemma on Three Tree Lodge.  
22 March 2004 – LCC Agenda Item 81: Three Tree Lodge / HAC/ Lithgow City Council Tri/Deed.  
13 August 2004 – LCC Copy of Tripartite Deed with HAC and Three Tree Lodge Lithgow Incorporated prepared by Lithgow City Council's Solicitor, Tim Le Fevre of Le Fevre & Co. Lithgow.  
20 December 2004 – LCC Agenda Item 44: Rating Three Tree Lodge.  
21 January 2005 – Department of Lands Property Search Title Lot 2/1068159 - Three Tree Lodge.  
31 October 2005 – LCC Agenda Item 26: 2004/2005 General Purpose Financial Reports.  
6 March 2006 – LCC Minutes: Questions from Public Gallery.  
4 May 2006 – Lithgow Mercury – Statement by Chairperson of Three Tree Lodge Lithgow Inc.  
05 June 2006 – LCC Agenda Item 13: Media Release/Questions Three Tree Lodge Portland Pool.  
21 August 2006 – LCC Agenda Item 15: Financial Issues in Local Government Workshop.  
05 February 2007 – LCC Agenda Item 17: Submission 05/06 General Purpose Financial Reports.  
16 July 2007 – LCC Agenda Item 5: DLG – Promoting Better Practice Review Report.  
3 September 2007 – LCC Agenda Item 3: Notice of Motion Cr Ticehurst – Three Tree Lodge.  
18 September 2007 – Department of Fair Trading 2004/2005 and 2005/2006 Annual Financial Statements of Three Tree Lodge Lithgow Incorporated.  
**4 February 2008 - Item 1 Minutes Lithgow Council Finance & Services Committee Meeting.**  
**NSW Department of Commerce – Property Valuations Service – Three Tree Lodge.**

Doc. No .....  
GDA Ref. ....  
Years .....

**ACTION SOUGHT:**

- The Motion seeks Council support for ratepayers and residents calling upon the Governor and/or the Minister of Local Government to hold a Public Inquiry under Section 740 of the Local Government Act into the past and current financial governance of the Lithgow City Council with Terms of Reference.
- The Motion seeks a Section 740 Public Inquiry following the recent disclosure of substantial fresh evidence confirming the Lithgow City Council's false and misleading acquisition and accounting of the former NSW Health owned Three Tree Lodge Aged Care Facility in Lithgow at \$4.82 million dollars and Lithgow City Council's subsequent and ongoing false and misleading advice to its 20,000 ratepayers and residents and to State Parliament.

**SUMMARY:**

- In 2006, the former Minister for Local Government and his representative Minister in the Legislative Council, responded to numerous questions lodged by Messrs John Turner MP, Sylvia Hale MP and the Rev. Fred Nile MP on Hansard over the Lithgow City Council's acquisition and accounting of the former NSW Health owned Three Tree Lodge Aged Care Facility in Lithgow at \$4.82 million dollars, that: -

- “... Under that (Tripartite) agreement (Lithgow) Council is provided with the control of the (\$4.82 million dollar) infrastructure assets of Three Tree Lodge to ensure the long-term provision of aged care facilities for the community.”

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- 3.2 "The facility is a 'controlled' non-current (\$4.82 million dollar) asset of (Lithgow) council and recorded in the (Lithgow) council's asset register."
- 3.3 "(Lithgow) Council is provided with the control of the (\$4.82 million dollar) infrastructure assets of Three Tree Lodge to ensure the long-term provision of aged care facilities for the community."
4. The General Manager of Lithgow City Council reluctantly provided all Lithgow Councillors recently with a copy of the signed Tripartite Agreement between NSW Health, Three Tree Lodge Lithgow Incorporated and the Lithgow City Council.
5. The Tripartite Deed and correspondence from NSW Health, confirm now that Lithgow City Council was neither provided with nor indeed holds any financial or legal 'control' of the Three Tree Lodge Aged Care Facility in Lithgow, further confirming that Lithgow City Council falsely and misleadingly, financially accounted the Three Tree Lodge Aged Care Facility asset in Lithgow into their 2004/2005 (and ongoing) General Purpose Financial Reports at \$4.82 million dollars.
6. The Tripartite Deed in additions to the Three Tree Lodge Lithgow Inc.'s 2004/2005 and 2005/2006 Annual Financial Statements lodged with the Department of Fair Trading and the Federal Department of Health, confirm that by virtue of a Contract of Sale, the previously former State Government NSW Health owned publicly stated \$2.5 million dollar asset, was solely legally and financially owned and controlled by the community non-profit incorporated association, Three Tree Lodge Lithgow Inc. This position is further supported by the statement of the Chairperson of Three Tree Lodge Lithgow Inc. published in the Lithgow Mercury.
7. Lithgow City Council records confirm that the Tripartite Deed was forwarded to the Department of Local Government, however do not confirm if the Department or Council provided the Tripartite Deed, Department of Lands Title Deed or 2004/2005 & 2005/2006 Annual Financial Statements of Three Tree Lodge Lithgow Inc. lodged with the Department of Fair Trading, to the former or current Minister for Local Government to advise of any material discrepancies or amendments required to the information on Three Tree Lodge previously detailed on the Hansard Parliamentary record.
8. Lithgow City Council records, including a letter from the Department of Local Government, confirm that despite a written request, that there has been no outside independent audit of the statements on Hansard that, "*Under that (Tripartite) agreement, (Lithgow) Council is provided with the control of the (\$4.82 million dollar) infrastructure assets of Three Tree Lodge to ensure the long-term provision of aged care facilities for the community.*" Further, the subject of the Tripartite Deed was not reported upon in the Department of Local Government 2007 Promoting Better Practice Review of the Lithgow City Council.
9. Lithgow City Council records confirm of no documentation having been provided to all Lithgow City Councillors, outlining how Council arrived at a land and property valuation of \$4.82 million dollars for the Three Tree Lodge Aged Care Facility in Lithgow, when the State Member and former NSW Health Minister now Premier, publicly indicated that the land and property was valued at only \$2.5 million dollars and this transfer figure was later recorded in the 2004/2005 & 2005/2006 Annual Financial Statements of Three Tree Lodge Lithgow Inc. lodged with the Department of Fair Trading.
10. The Tripartite Deed, Lithgow City Council records and both of the 2004/2005 & 2005/2006 Lithgow City Council General Purpose Financial Statements and the Annual Financial Statements of Three Tree Lodge Lithgow Inc. lodged with the Department of Fair Trading and Federal Department of Health, confirm:
  - 10.1 Hansard records that there is no joint venture between the Lithgow City Council and Three Tree Lodge Lithgow Inc.

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- 10.2 All lodged Financial Statements failed to disclose how the former \$2.5 million dollar NSW Health owned Three Tree Lodge Aged Care Facility became a \$7.32 million dollar asset on "two sets of books" (General Purpose Financial Reports), with Three Tree Lodge Lithgow Inc. claiming \$2.5m and Lithgow City Council claiming \$4.82m.
- 10.3 Lithgow City Council was financially entitled under AASB and Department of Local Government Asset Accounting Manual Guidelines, to only record a 'Contingency Asset' of its financial interest in the Three Tree Lodge Aged Care Facility asset. i.e. Their financial receipt of the "leftovers or financial crumbs" if Three Tree Lodge Lithgow Inc. were to fall over, become insolvent, or sold the Aged Care Facility asset at any time in the future - and that this future financial position was as stated in the Tripartite Deed, at the sole and "absolute discretion" of NSW Health.
- 10.4 Lithgow City Council's acquisition and accounting of the former NSW Health owned Three Tree Lodge Aged Care Facility in Lithgow at \$4.82 million dollars, failed to meet any of the Department of Local Government Asset Accounting Manual's, ten Guidelines for the Determination of Control over Assets. (301-310)
11. Lithgow City Council records confirm that for the financial year of 2004/2005, the Lithgow City Council had forecasted a projected budgeted deficit for 2004/2005 of \$2.666 million dollars, which followed a 2003/2004 deficit of \$1.56 million dollars.
12. Lithgow City Council records and Hansard confirm that in the 2004/2005 financial year, the Lithgow City Council financially acquired and accounted for another community owned \$320,000 asset in the Portland Community Olympic Swimming Centre in a similar financial manner to that of their \$4.82 million dollar Three Tree Lodge Aged Care Facility asset in Lithgow. The Portland Community Olympic Swimming Centre has for some 25 years and currently still is, community owned and operated by the Portland & District Olympic Pool Association Inc.
13. The NSW Treasury Office has confirmed that it has not published or issued any guidelines, policy or Circulars on the bifurcation of interests in land.
14. As previously indicated, this Motion seeks a Section 740 Public Inquiry following the recent disclosure of substantial fresh evidence confirming the Lithgow City Council's false and misleading acquisition and accounting of the former NSW Health owned Three Tree Lodge Aged Care Facility in Lithgow at \$4.82 million dollars and Lithgow City Council's subsequent and ongoing false and misleading advice to its 20,000 ratepayers and residents and to State Parliament.
15. As a matter of ensuring public trust to the Lithgow City Council's 20,000 plus ratepayers and residents, all Councillors are requested to exercise their fiduciary duty and fully support this Motion for a Public Inquiry under Section 740 of the Local Government Act 30/1993 into the both the past and current financial governance of the Lithgow City Council with suggested Terms of Reference outlined below.
16. Recommendation 1 has been included in the knowledge that due to Lithgow City Councils Auditors of over 24 years having held a long-term and current position on the Department of Local Government's, Local Government Accounting Advisory Group, the Minister may decline to have his Department of Local Government conduct any Public Inquiry into the Lithgow City Council if there is any perceived conflict of interest and may seek to appoint a suitably qualified Independent expert as indicated.

**ATTACHMENTS:**

**Submission Brief submitted and tabled at the Lithgow City Council Finance & Services Committee Meeting on 4 February 2008 and associated Executive Council Memo provided to Lithgow City Councillors and tabled at the LCC Finance & Services Committee Meeting on 4 February 2008.**

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**RECOMMENDATIONS:**

1. THAT following the recent disclosure of fresh evidence and to ensure public and parliamentary confidence, Council as a matter of urgency, engage on the independent advice of Institute of Chartered Accountants of Australia and ASIC, a suitably qualified corporation financial consultant, to conduct a full and thorough investigation into the 2004/2005 and subsequent Lithgow City Council General Purpose Financial Reports.
2. THAT as a matter of urgency, Council advise both the former and current Ministers for Local Government that the Council provided false and misleading information to the Ministers on it's financial 'control' of the former NSW Health owned Three Tree Lodge Aged Care Facility in Lithgow at \$4.82 million dollars and the Council's subsequent and ongoing false and misleading advice to its 20,000 ratepayers and residents and to the NSW State Parliament.
3. THAT Council support their ratepayers and residents by calling upon the Governor and/or the Minister of Local Government to as a matter of urgency, hold a Public Inquiry under Section 740 of the Local Government Act into the financial governance of the Lithgow City Council.
4. THAT any Terms of Reference for the Public Inquiry, whilst not absolute, must include:
  - a. an investigation into how the former \$2.5 million dollar NSW Health owned Three Tree Lodge Aged Care Facility in Lithgow became a \$7.32 million dollar asset on "two sets of books" (General Purpose Financial Reports), with Three Tree Lodge Lithgow Inc's at \$2.5 million dollars and Lithgow City Council's at \$4.82 million dollars.
  - b. an investigation into the Lithgow City Council's false and misleading acquisition and accounting of the former NSW Health owned Three Tree Lodge Aged Care Facility in Lithgow at \$4.82 million dollars and the Council's subsequent and ongoing false and misleading advice to its 20,000 ratepayers and residents and to the NSW State Parliament.
  - c. an investigation into the Lithgow City Council's false and misleading acquisition and accounting of the currently community owned Portland Olympic Swimming Pool in Portland at \$320,000 and the Council's subsequent and ongoing false and misleading advice to its 20,000 ratepayers and residents and to the NSW State Parliament.
  - d. the role of the Department of Local Government and their investigations into the Lithgow City Council's Tripartite Deed and it's false and misleading acquisition and accounting of the former NSW Health owned Three Tree Lodge Aged Care Facility in Lithgow at \$4.82 million dollars and the Council's subsequent and ongoing false and misleading advice to its 20,000 ratepayers and residents and to the NSW State Parliament.
  - e. the role of the Department of Local Government and their investigations into the Lithgow City Council's Deed of Agreement and it's false and misleading acquisition and accounting of the currently community owned Portland Olympic Swimming Pool in Portland at \$320,000 and the Council's subsequent and ongoing false and misleading advice to its 20,000 ratepayers and residents and to the NSW State Parliament.
  - f. any other matter or matters of public interest brought to the attention of the Governor or the Minister for Local Government by the Councillors, ratepayers and residents of the Lithgow City Council Local Government area.

Signed:



Martin Ticehurst Councillor Lithgow City Council

DataWorks Document Number: 408481

Councillor W McAndrew declared an interest in this item and vacated the Chambers.

Councillor M F Ticehurst **MOVED** the motion that:

1. Following the recent disclosure of fresh evidence and to ensure public and parliamentary confidence, Council as a matter of urgency, engage on the independent advice of Institute of Chartered Accountant of Australia and ASIC, a suitably qualified corporation financial consultant, to conduct a full and thorough investigation into the 2004/05 and subsequent Lithgow City Council General Purpose Financial Reports.
2. As a matter of urgency, Council advise both the former and current Ministers for Local Government that the Council provided false and misleading information to the Ministers on its financial 'control" of the former NSW Health owned Three Tree Lodge Aged Care Facility in Lithgow at \$4.82 million dollars and the Councils subsequent and ongoing false and misleading advice to is 20,000 ratepayers and residents and to the NSW State Parliament.
3. Council support their ratepayers and residents by calling upon the Governor and/or the Minister of Local Government to as a matter of urgency, hold a Public Inquiry under Section 740 of the Local Government Act into the financial governance of the Lithgow City Council.
4. Any terms of Reference for the Public Inquiry, whilst not absolute, must include:
  - a) An investigation into how the former \$2.5 million dollar NSW Health owned Three Tree Lodge Aged Care Facility in Lithgow became a \$7.32 million dollar asset on "two sets of books" (General Purpose Financial Reports), with Three Tree Lodge Lithgow Inc's at \$2.5 million dollars and Lithgow City Councils at \$4.82 million dollars.
  - b) An investigation into the Lithgow City Councils false and misleading acquisition and accounting of the former NSW Health owned Three Tree Lodge Aged Care Facility in Lithgow at \$4.82 million dollars and the Councils subsequent and ongoing false and misleading advice to its 20,000 ratepayers and residents and to the NSW State Parliament.
  - c) An investigation into the Lithgow's City councils false and misleading acquisition and accounting of the currently community owned Portland Olympic Swimming Pool in Portland at \$320,000 and the Councils subsequent and ongoing false and misleading advice to its 20,000 ratepayers and residents and to the NSW State Parliament.
  - d) The role of the Department of Local Government and their investigations into the Lithgow City Councils Tripartite Deed and its false and misleading acquisition and accounting of the former NSW Health owned Three Tree Lodge Aged Care Facility in Lithgow at \$4.82 million dollars and the Councils subsequent and ongoing false and misleading advice to its 20,000 ratepayers and residents and to the NSW State Parliament.
  - e) The role of the Department of Local Government and their investigations into the Lithgow City Councils Deed of Agreement and its false and misleading acquisition and accounting of the currently community owned Portland Olympic Swimming Pool in Portland at \$320,000 and the Councils subsequent and ongoing false and misleading advice to its 20,000 ratepayers and residents and to the NSW State Parliament.

- f) Any other matter or matters of public interest brought to the attention of the Governor or the Minister for Local Government by the Councillors, ratepayers and residents of the Lithgow City Council Local Government area.

**MOVED:** Councillor M F Ticehurst  
**This MOTION was LOST 8-1**

**SECONDED:** Councillor H K Fisher.

Councillor H K Fisher **MOVED** that given the amount of time spent debating this matter and wasting further time, that this matter not be listed on any future agendas of Lithgow City Council.

**MOVED:** Councillor H K Fisher  
**F08- 27 CARRIED**

**SECONDED:** Councillor A E Thompson.

Councillor M F Ticehurst was recorded as **AGAINST** the motion moved by Councillor Fisher.

## **GENERAL MANAGER REPORTS**

### **ITEM:4            GM - 07/04/08 - MALDON DOMBARTON RAILWAY LINE**

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#### **REFERENCE**

NIL

#### **SUMMARY**

This report updates Council following a briefing and workshop held on 5<sup>th</sup> March 2008 with representatives of the Wollondilly Shire Council and a community action group wanting to see the finalisation of the railway link.

#### **COMMENTARY**

On the 5<sup>th</sup> march 2008 Council received a presentation of the incomplete Maldon Dombarton Railway Line from the Wollondilly Shire Council and members of a community action group. The Council and Group are seeking support from other Council's in NSW to lobby the State and Federal Government to see the completion of this infrastructure.

This matter was initially raised in Council by Councillor McAndrew given the impact the link will have to opening the rail freight of coal exported from our region this coal is exported via Port Kembla, however, the delays in freight given the "priority" of commuter traffic in the metro areas is of concern for local producers but also future expansion and the continued push to upgrade the Lithgow to Gulgong Railway Line via Kandos.

From the presentation given it appears that the bulk of the infrastructure is in place, however, previous governments have ceased the construction for reasons unknown. The proposal is now to seek support from as many NSW Councils as possible to lobby for the finalisation of this project.

The project has potential benefits to the Lithgow region on a number of fronts, not the least export opportunities for coal. It should be remembered with the proposed Melbourne - Brisbane rail corridor, the western line (through Lithgow) will be the only link to Parkes from the major freight importing and exporting ports, (Port Botany and Port Kembla).

This may potentially see the former rail depot at the base of Scenic Hill becoming an active centre again and the location of maintenance depots, drivers and other staff associated with the transportation of rail freight.

Given the large extent of exportable agricultural commodities from the central west it is also seen as a positive move to consider requesting Centroc and OROC to garnish support from their respective members.

#### **POLICY IMPLICATIONS**

There is no implication to Policy arising from this report. This proposal supports a number of policies aimed at increasing the potential of Lithgow as a gateway and hub for activity linking the Central West and Metropolitan areas of the State.



### **FINANCIAL IMPLICATIONS**

There are no financial implications.

### **LEGAL IMPLICATIONS**

There are no legal implications.

### **CONCLUSION**

This report seeks a Council resolution to support the completion of the Maldon Dombarton Railway Line.

### **F08- 28 RESOLVED**

#### **THAT:**

1. Council support the efforts of the Wollondilly Shire Council to see the finalisation of the Maldon Dombarton Railway Line.
2. Council request Centroc and OROC to gain support from its member Councils for the completion of the Maldon Dombarton Railway Line.
3. Council lobby the Federal Member for Macquarie, the Hon Bob Debus and the local State Member, Gerard Martin to support the finalisation of the Maldon Dombarton Railway Line.

**MOVED:** Councillor H K Fisher

**SECONDED:** Councillor M J Wilson.

**CARRIED**

**ITEM:5            GM - 07/04/08 - LITHGOW BUSINESS ASSOCIATION INC - MARCH REPORT**

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### **REFERENCE**

NIL

### **SUMMARY**

This report outlines the President of the Lithgow Business Association Inc report for March 2008.

### **COMMENTARY**

A report was received from the President of the Lithgow Business Association Inc detailing the groundwork for a better future for Lithgow.

The association advised that a great deal of concern was received from local business owners and the general public with regards to the future of Lithgow. The Association contacted many of the businesses to convene a Business Workshop. The workshop took place on February 20 and the aim was to involve the business community in a brainstorming exercise that would enable the association to set the wheels in motion.

The Workshop was a great success with five members of the Council in attendance. Also in attendance was a representative from the department of State and Regional Development.

On 21<sup>st</sup> February 2008, a Steering Committee met to further collate ideas and a decision was made to regroup into smaller working parties to tackle the tasks ahead. New working groups are as follows:

- Business/Industrial Park/Land
- Identity/Image/Signage/Tourism
- Communication
- Traineeships/Education

### **Business At Six**

The topic for discussion at this meeting was Local Development Issues including:

- How local economies work
- The power of economic multipliers
- The importance of local control and / or ownership of businesses

### **Annual General Meeting**

The AGM will be held in Late April due to the Committee wishing to have completion on the tasks above.

The Lithgow Business Association is the collective voice of business in Lithgow and its surrounds. The stronger the business association, the greater the say it has in shaping our future.

Information can be provided for the newsletters to the Lithgow Business Association.

### **POLICY IMPLICATIONS**

NIL

### **FINANCIAL IMPLICATIONS**

NIL

### **LEGAL IMPLICATIONS**

NIL

### **F08-29 RESOLVED**

**THAT** the report be noted.

**MOVED:** Councillor B S Moran

**SECONDED:** Councillor W McAndrew.

**CARRIED**

**ITEM:6 GM - 07/04/08 - ADVERTISING CAMPAIGN FOR LOCAL GOVERNMENT ELECTION**

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**REFERENCE**

NIL

**SUMMARY**

Correspondence was received from the Electoral Commission of NSW in relation to the advertising requirements for the Local Government Election for Lithgow City Council.

**COMMENTARY**

Council is in receipt of correspondence from the Electoral commission of NSW in relation to the advertising requirement from Lithgow Council for the local government elections.

Council received a questionnaire in the last quarter of 2007 in relation to statutory advertising requirements for the elections on 2008.

The New South Wales Electoral Commission (NSWEC) will conduct a State-wide information campaign to support the conduct of the Local Council elections. The State-wide campaign will comprise of various messages as below:

**Enrolment Message**

This message informs the public about the election and encourages them to enrol to vote. The press version of message also contains information about non-resident enrolment and the advertisements will appear in the Press and on radio.

**Pre-Poll and Postal voting Message**

This message will inform the public about the election and provides information about pre-poll and postal voting. It reminds people that they can only vote within their Council area on Election Day. This advertisement will appear in the Press and on Radio.

**Remember to Vote Message**

This message reminds the public of the date of election and the time polling places are open. It reminds people that they can only vote within their Council area on Election Day. This advertisement will appear in the Press and on Radio. This advertisement will appear in the Press and on Radio.

The following additional messages will appear in the Press only:

**Election Funding Notice**

This message will inform the public about the requirements for reporting political donations.

**Candidate Information Seminar Notices**

This message will inform prospective candidates about information seminars in their local areas.

### **Registration of electoral material Notice**

This message will inform the public about the requirements of registering electoral material.

Lithgow City Council has selected to advertise the following way:

- Nominations Information to appear two times in each of the Lithgow Mercury and the Bathurst Western Advocate.
- Declaration of Uncontested Election (if required) to appear two times in each of the Lithgow Mercury and the Bathurst Western Advocate.
- Candidates and Polling Places Information to appear two times in each of the Lithgow Mercury and the Bathurst Western Advocate.
- Election Results to appear two times in each of the Lithgow Mercury and the Bathurst Western Advocate.

The Local Elections are due to take place on Saturday 13<sup>th</sup> September 2008.

### **POLICY IMPLICATIONS**

NIL

### **FINANCIAL IMPLICATIONS**

NIL

### **LEGAL IMPLICATIONS**

NIL

### **F08-30 RESOLVED**

**THAT** the information be noted.

**MOVED:** Councillor M M Collins

**SECONDED:** Councillor W McAndrew.

**CARRIED**

## REGIONAL SERVICES REPORTS

**ITEM:7            REG - 07/04/2008 - UPPER MAQUARIE COUNTY COUNCIL -  
                         FEBRUARY 2008 WEEDS REPORT**

**REPORT FROM: GROUP MANAGER REGIONAL SERVICES, ANDREW MUIR**

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### **SUMMARY**

To advise of the most recent Upper Macquarie County Council Weeds Report.

### **COMMENTARY**

Attached is the report from the Upper Macquarie County Council Chief Weeds Officer Report for February 2008.

### **POLICY IMPLICATIONS**

Nil

### **FINANCIAL IMPLICATIONS**

Nil

### **LEGAL IMPLICATIONS**

Nil

### **F08-31 RESOLVED**

**THAT** the information be received.

**MOVED:** Councillor H K Fisher

**SECONDED:** Councillor B S Moran.

**CARRIED**

**ITEM:8            REG - 07/04/08 - LITHGOW SEWERAGE TREATMENT PLANT  
 STAGE 2 UPGRADE**

**REPORT BY: GROUP MANAGER REGIONAL SERVICES - ANDREW MUIR**

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**REFERENCE**

- Res 06-282: Policy and Strategy meeting - 4 September 2006
- Res 07-202: Ordinary meeting - 21 May 2007.
- Res 07-419: Ordinary meeting -17 September 2007
- Res 07-498: Ordinary meeting – 19 November 2007

**SUMMARY**

To advise of the current status of this project and associated issues.

**COMMENTARY**

The design phase of the Stage 2 Lithgow Sewerage Treatment Plant upgrade is proceeding on schedule. The New South Wales Department of Commerce Design Team has met with Council's Major Projects Working Party on two occasions. The current critical timeline for the entire project is as follows:

<b>Key Milestone</b>	<b>Estimated Commencement Date</b>	<b>Estimated Completion Date</b>
Design Phase	9 November 2007	29 August 2008
Advertise Tenders	2 September 2008	27 October 2008
Tender Assessment	28 October 2008	6 November 2008
Tender Acceptance	17 November 2008	17 November 2008
Finalise & Award Contract	18 November 2008	12 December 2008
Construction Phase	2 February 2009	16 October 2009
Commissioning Phase	16 October 2009	18 December 2009
Formal Handover	18 December 2009	18 December 2009

The Department of Environment and Climate Change (DECC), Sydney Catchment Authority and Department of Water and Energy have been briefed on progress. A licence variation application has been lodged with DECC seeking modification of the licence condition previously requiring completion of the project by 31 December 2006.

An extension has been sought to 31 December 2009 and Council has been advised that the variation application will be considered when progress has been made toward an Environmental Management Audit of Council's licensed facilities. This audit has been funded through the budget review process and a project brief is being finalised to enable engagement of a suitably qualified consultant.

The original design fee with Department of Commerce was agreed at \$334,000 (ex GST). In the initial two design meetings a number of issues have arisen that will add to both the design and project costs. Geotechnical investigations revealed poor ground conditions where the main reactor units are to be placed. This will necessitate steel piling (which is likely to add approximately \$800,000 to construction) as well as associated design costs. A number of other items have also been identified additional to the original concept design that will increase design costs by approximately \$100,000. These comprise:

- Additional Site survey
- Additional Geotechnical investigation (ground conditions)
- Additional design for IDEA reactor (ground conditions)
- Investigation and design of sludge dewatering system
- New Step Screen
- Leachate investigation, pumping and treatment
- Design, performance and specification for volume type dehydrator (sludge management)
- Upgrade power supply to site
- Effluent re-use system

Given the concern in relation to the variations that have arisen thus far, and the time that has passed since the last cost estimate for the project (April 2006), it was considered prudent to obtain an up to date estimate on the project. A more accurate construction estimate will be prepared when the design is complete, but until this occurs the following estimate has been obtained and has been considered for budgeting purposes in 2008/2009 and 2009/2010 with an amount of \$5,000,000 included in the draft 2008/2009 budget and \$5,000,000 in 2009/2010.

Capital Cost Estimate – April 2006	\$7,200,000
Cost escalation April 06 to December 08 – 10%	\$720,000
Inlet Works – Step Screen/Conveyor	\$150,000
Grit Classifier	\$30,000
Sludge Dewatering System – Volume Dehydrator	\$270,000
Sludge Pontoon System	\$100,000
Supernatant Pump Station	\$200,000
On site effluent reuse system	\$120,000
Leachate System	\$50,000
Sludge dewatering hardstand area	\$150,000
Power Supply	\$150,000
Piling	\$800,000
Additional design	\$100,000
Total	\$10,040,000
<b>Given design will mostly be from 2007/2008 budget - say</b>	<b>\$10,000,000</b>

The incorporation of a sludge management system in particular is anticipated to save long term operational costs.

**POLICY IMPLICATIONS**

No specific Policy implications arise as a result of this report.

**FINANCIAL IMPLICATIONS**

Substantially the subject of this report. However, it should be noted that approximately 40% of project costs should be paid for under the Country Towns Water and Sewer Scheme.

**LEGAL IMPLICATIONS**

No specific legal implications arise as a result of this report.

**F08- 32 RESOLVED**

**THAT** the information be received.

**MOVED:** Councillor W McAndrew

**SECONDED:** Councillor B S Moran.

**CARRIED**

**ITEM:9            REG - 07/04/08 - DA 216-06 DEMOLITION OF ADI CHIMNEY**

**REPORTED BY: GROUP MANAGER REGIONAL SERVICES – ANDREW MUIR**

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**REFERENCE**

EPS – 03/07/06

EPS – 03/10/06 Agenda Report 298105

REG – 06/08/07 Agenda Report 355221

**SUMMARY**

To assess and recommend determination of DA 216-06. Recommendation will be for approval subject to conditions.

**COMMENTARY**

Council will recall being in receipt of a development application to demolish the chimney at the ADI site. Previously, Council had resolved to object to the listing of the ADI site as being of state heritage importance, and did not support the proposal to place an Interim Heritage Order over the site. Council made its objection known on the proposed Interim Heritage Order and at its meeting held 6 August 2007 it was dually noted that the Minister for Planning the Honourable Frank Sartor indicated that the order was not warranted.



Now, Council it in receipt of all required information regarding the development application lodged by Kann Finch Group on behalf of ADI Limited, now owned by Thales Australia, for the proposed Demolition of the existing Chimney adjacent to building 48.

A comprehensive Section 79C planning report is attached.

The application is summarised below:

The application seeks to demolish the Boiler House Chimney adjacent to Building No. 48 on land at the ADI Small Arms Factory site, Methven Street, Lithgow.

The chimney forms part of the boiler house complex built in 1942 to replace the original chimney and boiler house, as part of an upgrade of the factory during the Second World War.

The chimney is round in section, 33.5m high, and constructed of dry pressed clay brick. At the base of the chimney there is a square brick built plinth. The chimney is connected to the boiler house by a rectangular flue.

The reasoning given by the applicant for the demolition of the structure was that the structural stability of the Boiler House Chimney has been of concern for a number of years, and in information provided as part of the application it was found that the chimney is structurally unsound and presents an immediate and long term safety risk to persons at the site.

### **POLICY IMPLICATIONS**

There are no perceived policy consideration's pertaining to this report.

### **FINANCIAL IMPLICATIONS**

The only perceived financial consideration pertaining to this report relate to costs involved in appealing a determination in the Land & Environment Court. However, this is not a relevant consideration in the development assessment process.

### **LEGAL IMPLICATIONS**

The application must be assessed in accordance with the heads of consideration of Section 79C of the Environmental Planning & Assessment Act 1979.

The application is not considered to be integrated development through the Heritage Act 1977, however it was notified the Heritage Office seeking comment. The correspondence received is assessed separately below.

### **Heritage Office**

The Heritage Office noted "Australian Defence Industries is in the process of major site re-organisation and regeneration. A site visit by representatives of the Heritage Office of the Department of Planning in March 2007, indicated that ADI is undertaking this project in a manner that is generally respectful of the sites heritage significance, with the conservation and refurbishment of a large core of heritage buildings. The ADI has proposed the demolition of a 30m high chimney because the chimney is in an unsafe condition and poses prohibitive costs to conserve.

Having considered the circumstances of the case, I do believe placing an Interim Heritage Order over the site under the Heritage Act 1977 is not warranted, regarding the proposed demolition of the chimney”.

### **Public Submissions**

As part of the application the proposal was placed on public exhibition for 14 day’s in accordance with the Environmental Planning and Assessment Act Regulations 2000. At the closing date of submissions Council received 1 submission objecting to the proposal. This submission lodged by the Lithgow Regional Branch of the National Trust of Australia (NSW) is summarised below:

#### 1 Impact upon Heritage value of the site

- The chimney has been a major Lithgow landmark for over half a century and with façade and gatehouse can be described as one of the defining visual characteristics of the Small Arms Factory. Additionally, the proposal does not comply with the recommendations outlined in ADI’s own Conservation Management Plan.

#### 2. Impact upon Lithgow’s intangible cultural heritage

- The chimney and boiler house are the most conspicuous part of the expansion of the Small Arms Factory early in the war years.

The chimney can be seen as the most prominent symbol of that era, and a permanent memorial to the contribution and sacrifices of Lithgow workers, particularly the efforts of the many thousands of women who contributed to the war effort by working in the factory during that period.

#### 3. Contradictions within the DA

- The suggestion that the retention of the chimney would cost \$500,000 is a typical misrepresentation. The correct estimate of the cost of complete restoration according to the engineers report is \$185,000, which, although greater than the cost of demolition, would undoubtedly have been much less if ADI had maintained the structure properly in the past
- it can be implied from their actions that ADI has been attempting to create a situation where they would be allowed to demolish the chimney because it had become unsafe through disrepair caused by their actions, or lack there of. In fact it is clear from reading their own documentation that the chimney is still robust and can be easily restored.

### **Conclusions**

The application has been assessed in accordance with the relevant planning provisions required by Section 79C of the Environmental Planning and Assessment Act 1979. Therefore, balancing the safety considerations against the significance of the structure to the site is difficult. Whilst making a recommendation to allow demolition is not made lightly, given the overall weighting of the issues it is recommended that no objection be raised to the demolition. It is considered that given the conditions proposed within the 79C the application can be approved, subject to those proposed conditions.

## **F08-33 RESOLVED**

**THAT** the application be approved subject to the conditions proposed by the Section 79C report.

**MOVED:** Councillor M M Collins  
**CARRIED**

**SECONDED:** Councillor B S Moran.

Councillor M J Wilson voted **AGAINST** the Motion.

**ITEM:10          REG - 07/04/08 - PROPOSED ROAD NAMING - 242/04 DA - 'THE RIDGES' SUBDIVISION**

**REPORT FROM:          ANDREW MUIR – GROUP MANAGER REGIONAL SERVICES**

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### **SUMMARY**

To advise Council of a request to name the road in a 15 lot subdivision of Lot 2 DP 1050206 Forest Ridge Drive, Wallerawang.

### **COMMENTARY**

Council has received a proposal from TA & JA & GW & JL Clark, being the owners of a 15 lot subdivision at Forest Ridge Drive, Wallerawang, to create a new road within the development. The proposed name of the new road is 'West Ridge Road' and the owners consider this to be an appropriate name as the subdivision is known as 'The Ridges' and is situated on the western side of the mountain intersecting off Forest Ridge Drive.

### **POLICY IMPLICATIONS**

That this road naming be carried out in accordance with Council's Road Naming Policy.

### **FINANCIAL IMPLICATIONS**

The applicant pay all advertising costs and for the acquisition and erection of signage.

### **LEGAL IMPLICATIONS**

NIL

## **F08-34 RESOLVED**

**THAT** Council advertise the road name in the Lithgow Mercury calling for submissions to be made for the statutory period of twenty-eight (28) days.

**MOVED:** Councillor B S Moran

**SECONDED:** Councillor W McAndrew.

**CARRIED**

**ITEM:11      REG - 07/04/08 - DEVELOPMENT AND CONSTRUCTION APPROVALS**

**REPORT FROM: GROUP MANAGER REGIONAL SERVICES – ANDREW MUIR**

**SUMMARY**

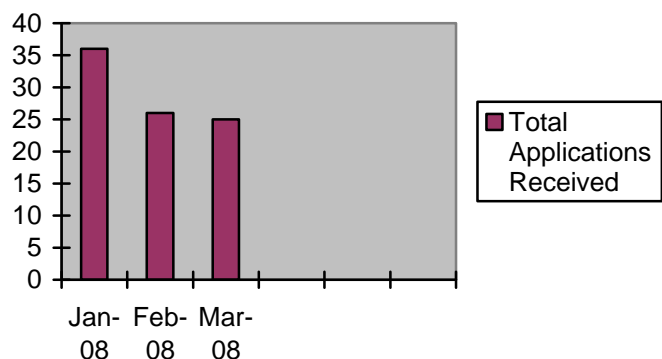
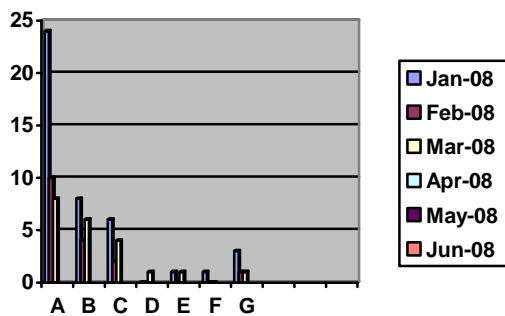
To provide statistical information on Development Applications and Construction Certificates processed.

**COMMENTARY**

The following table indicates Development Applications and Construction Certificates approved in the period between Finance and Services Committee Meetings. A full list of individual applications received and approved is made available to Councillors and the press.

	Minor Development Approvals (including carports, garages and patios) A	Dwelling Approvals B	Dwelling Addition Approvals C	Other Residential Applications (including Dual Occupancies, Flats) D	Rural Subdivision Approvals E	Residential Subdivision Approvals F	Commercial /Industrial Approvals G	Total Applications Received
<b>Jan 2008</b>	24	8	6	0	1	1	3	36
<b>Feb 2008</b>	10	4	2	0	0	0	1	26
<b>March 2008</b>	8	6	4	1	1	0	1	25

\* includes Approvals from 23/02/2008 TO 28/03/2008



**APPROVALS**

<b>Total Estimated Cost:</b>	<b>\$1,948,304</b>
<b>Average Approval Time</b>	<b>15 days</b>
<b>Total Cost of Approvals from 10/12/2007</b>	<b>\$76,081,864</b>
<b>No. of Applications from 10/12/2007 to 28/03/08</b>	<b>87</b>

## **F08-35 RESOLVED**

THAT the information be noted.

**MOVED:** Councillor B S Moran

**SECONDED:** Councillor M J Wilson.

**CARRIED**

**ITEM:12            REG - 07/04/08 - POSSIBLE NEW DAM IN THE OBERON LOCAL GOVERNMENT AREA**

**REPORT BY: GROUP MANAGER REGIONAL SERVICES - ANDREW MUIR**

## **REFERENCE**

QWN Councillor M Collins – Ordinary Meeting of 18 February 2008

## **SUMMARY**

To provide a response to a Question Without Notice, of an urgent nature, in relation to a potential new Dam in the Oberon Local Government Area.

## **COMMENTARY**

At it's Ordinary Meeting of 18 February 2008 Councillor M M Collins inquired:

*Mr Mayor are you aware of an article in the Mercury in relation to Oberon Council attempting to get a new dam in Oberon? Is there anything that Lithgow Council can do to help them?*

The Mayor deemed the question to be urgent and advised that it would be raised at a meeting with the Fish River Water Scheme and also will be included in a submission from CENTROC at the meetings with Ministers in Canberra. It was further noted that a report would be brought back.

The matter was on the agenda at the Fish River Water Supply Customer Council meeting of 19 February 2008 at the request of Oberon Council. Oberon Council Engineering staff explained that they had been requested undertake a preliminary investigation in response to the work that had been done on the CENTROC drought strategy. The staff advised that their investigations were only of a very preliminary nature but a possible site had been identified that could potentially hold up to 20 gegalitres of water (roughly half the size of Oberon Dam).

The potential water storage at Duckmaloi would have the advantage of being within 600 metres of State Water's Duckmaloi Treatment Plant. This could potentially reduce demand on Oberon Dam, thus further securing supply to the Oberon township.

The matter was discussed by the Fish River Customer Council and it was resolved that it would be appropriate for Oberon Council to directly forward a request to State Water Head Office to see if the concept could be furthered.

Whilst it is acknowledged that the suggestion of new water storages is something that raises many issues including concerns from the environmental lobby and the potential bureaucratic processes involved in seeking approval, it is considered to be an issue worthy of 'in principle' support to enable the possibilities to be fully explored. In this regard it is suggested that correspondence be forwarded to Oberon Council offering 'in principle' support to the concept.

**POLICY IMPLICATIONS**

No specific policy issues arise as a result of this report.

**FINANCIAL IMPLICATIONS**

No specific financial issues arise as a result of this report.

**LEGAL IMPLICATIONS**

No specific legal issues arise as a result of this report.

**F08-36 RESOLVED**

**THAT** correspondence be forwarded to Oberon Council offering 'in principle' support to the concept of a new water storage at Duckmaloi to enable the concept to be further explored.

**MOVED:** Councillor M M Collins

**SECONDED:** Councillor H K Fisher.

**CARRIED**

## **COMMUNITY AND CORPORATE SERVICES REPORTS**

### **ITEM:13            COMM - 07/04/08 - UNION THEATRE MANAGEMENT COMMITTEE -                          EXPRESSIONS OF INTEREST**

#### **REPORT FROM: POLICY & PLANNING MANAGER – AMANDA MUIR**

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### **REFERENCE**

Min 07-254: Council Meeting 18 June 2007  
Min 07-410: Extraordinary Meeting 17 September 2007  
Min 07-544: Council Meeting 17 December 2007

### **SUMMARY**

This report provides the results of the Expression of Interest process for membership of the Union Theatre Management Committee.

### **COMMENTARY**

At its meeting of 17 December 2007, Council resolved to call Expressions of Interest for 4 members of the Union Theatre Management Committee being 1 from each of the Greater Lithgow Arts Council, Lithgow Musical Society, a community organisation that uses the Theatre for the purpose of a fair or exhibition and a community member. At the time of closing, 4 Expressions of Interest were received being:

- 1 from the Greater Lithgow Arts Council
- 1 from the Lithgow Musical Society
- 2 from community members.

No applications were received from a community organisation that uses the Theatre for the purpose of a fair or exhibition. Therefore, it is suggested that the Committee Membership on the Terms of Reference for the Union Theatre Management Committee be altered to the following:

- 1 member from the Greater Lithgow Arts Council
- 1 member from the Lithgow Musical Society Incorporated
- 2 members of the community
- 2 Councillors as resolved by Council
- 1 member of Council staff and an alternate determined by the General Manager.

Additionally, it is suggested that the 4 applicants be appointed to the Union Theatre Management Committee.

### **POLICY IMPLICATIONS**

Council's Community representatives – Appointment to Committees or Working Groups Policy is applicable and therefore copies of the Expressions of Interest are provided confidentially to Councillors only.

### **FINANCIAL IMPLICATIONS**

There are no financial implications as a result of this report.

### **LEGAL IMPLICATIONS**

There are no legal implications as a result of this report.

### **F08- 37 RESOLVED**

#### **THAT:**

1. The Committee Membership on the Terms of Reference for the Union Theatre Management Committee be altered to:
  - 1 member from the Greater Lithgow Arts Council
  - 1 member from the Lithgow Musical Society Incorporated
  - 2 members of the community
  - 2 Councillors as resolved by Council
  - 1 member of Council staff and an alternate determined by the General Manager.
2. Mr Al Ritchie, Mr Alec McNiven, Mr Leo Vliegthart and Mrs Rae Burton be appointed to the Union Theatre Management Committee.

**MOVED:** Councillor W McAndrew

**SECONDED:** Councillor M J Wilson.

**CARRIED**



**ITEM:14 COMM - 07/04/08 - COUNCIL INVESTMENTS TO 29 FEBRUARY 2008****REPORT FROM - INTERNAL SERVICES MANAGER - C FARNSWORTH****REFERENCE**

Min 07-401: Finance & Services Committee Meeting 3 September 2007 (July 2007)  
 Min 07-425: Council Meeting 17 September 2007 (August 2007)  
 Min 07-480: Finance & Services Committee Meeting 5 November 2007 (15 Oct 2007)  
 Min 07-528: Finance & Services Committee Meeting 3 December 2007 (31 Oct 2007)  
 Min 07-554: Finance & Services Committee Meeting 17 Dec 2007 (30 Nov 2007)  
 Min O08-09: Finance & Services Committee Meeting 4 Feb 2008 (31 Dec 2007)  
 Min F08-18: Finance & Services Committee Meeting 3 March 2008 (31 Jan 2008)

**SUMMARY**

To advise Council of 2007/08 investments held for the period ending 29 February 2008.

**COMMENTARY**

The amount invested as at 29 February 2008 when compared to 31 January 2008 has increased by \$373,084.94. The third rate instalment of the 2007/08 rate levy was payable on 29 February 2008.

INVESTMENT REGISTER 2007/08								
INSTITUTION	INV TYPE	DATE LODGED	DATE DUE	DAYS	INT	VALUE 31.01.08	VALUE 29.02.08	% OF TOTAL
ANZ	TD	01.02.08	01.03.08	32	6.97	584,376.71	584,376.71	3.75%
BANKWEST	TD	31.01.08	29.02.08	63	7.28	506,213.70	506,213.70	3.25%
	TD	05.12.07	04.03.08	90	7.35	500,000.00	500,000.00	3.21%
CBA	CMS Nt	20.06.06	20.06.11	1,825	7.31	500,000.00	500,000.00	3.21%
	On Call				6.70	701,969.84	1,006,863.79	6.46%
	Ethical	06.11.06	06.11.11	1,825	9.25	500,000.00	500,000.00	3.21%
	TD	11.02.08	11.03.08	30	7.21	522,841.59	525,918.91	3.38%
	TD	21.11.07	05.06.09	547	16.0	750,000.00	750,000.00	4.81%
CITIBANK	TD	11.02.08	12.05.08	91	7.55	543,510.02	550,245.67	3.53%
LG FINANCIAL	On Call				7.77	756,462.81	761,278.67	4.89%
	TD	06.11.07	06.11.08	365	7.55	306,524.05	306,524.05	1.97%
	TD	07.02.08	07.05.08	90	7.47	527,761.01	527,761.01	3.39%
	On Call				6.55	4,714.43	4,714.43	0.03%
	TD	10.12.07	10.03.08	90	7.28	511,817.36	511,817.36	3.28%
	TD	18.02.08	19.05.08	90	7.82	2,516,457.34	2,532,866.02	16.26%
IMBS	On Call				6.75	26,573.78	27,280.89	0.18%
	TD	06.02.08	06.05.08	91	7.55	1,095,058.06	1,114,769.71	7.15%
	TD	15.02.08	22.05.08	97	7.93	496,631.22	499,588.02	3.21%
	TD	06.12.07	05.03.07	90	7.37	801,250.09	801,250.09	5.14%
	TD	22.01.08	22.04.08	90	7.24	250,000.00	250,000.00	1.60%
ALLIANCE	Managed	28.02.08	28.02.09	365		1,000,000.00	1,000,000.00	6.42%
ST GEORGE	TD	17.10.07	17.04.08	180	7.05	508,461.37	508,461.37	3.26%
	TD	21.02.08	20.03.08	30	7.01	506,153.29	506,153.29	3.25%
	TD	01.02.08	14.04.08	90	7.15	792,208.60	805,986.52	5.17%
			<b>TOTAL</b>			<b>15,208,985.27</b>	<b>15,582,070.21</b>	<b>100.00%</b>

I, Carol G Farnsworth, Lithgow City Council Internal Services Manager (Responsible Accounting Officer) certify as required under Local Government (General) Regulations 2005, that Council's investments have been made in accordance with the Local Government Act 1993, Regulations and Lithgow City Council's Investment Policy.

**POLICY IMPLICATIONS**

All Council's investments are held in accordance with Lithgow City Council's Investment Policy.

**FINANCIAL IMPLICATIONS**

Investment income to date 29 February 2008 is \$552,236.98. Interest is paid on the maturity date of the investment and managed funds report earnings quarterly.

**LEGAL IMPLICATIONS**

Investments are held in accordance with the Lithgow City Council's Investment Policy which accords with the requirements of the:

- Local Government Act 1993 - Section 625
- Local Government Act 1993 - Order dated 17 March 2000
- Local Government (General) Regulation 2005
- Trustee Amendment (Discretionary Investments) Act 1997- Section 14A(2), 14c(1) & (2)

**F08-38 RESOLVED**

**THAT** Council's 2007/08 investments for the period ending 29 February 2008 be received

**MOVED:** Councillor M M Collins

**SECONDED:** Councillor M J Wilson.

**CARRIED**

**ITEM:15            COMM - 07/04/08 - COUNCIL INVESTMENTS TO 31 MARCH 2008**

**REPORT FROM - INTERNAL SERVICES MANAGER - C FARNSWORTH**

**REFERENCE**

- Min 07-401: Finance & Services Committee Meeting 3 September 2007 (July 2007)
- Min 07-425: Council Meeting 17 September 2007 (August 2007)
- Min 07-480: Finance & Services Committee Meeting 5 November 2007 (15 Oct 2007)
- Min 07-528: Finance & Services Committee Meeting 3 December 2007 (31 Oct 2007)
- Min 07-554: Finance & Services Committee Meeting 17 Dec 2007 (30 Nov 2007)
- Min O08-09: Finance & Services Committee Meeting 4 Feb 2008 (31 Dec 2007)
- Min F08-18: Finance & Services Committee Meeting 3 March 2008 (31 Jan 2008)

**SUMMARY**

To advise Council of 2007/08 investments held for the period ending 31 March 2008.

**COMMENTARY**

The amount invested as at 31 March 2008 when compared to 29 February 2008 has increased by \$523,888.42.

INVESTMENT REGISTER 2007/08								
INSTITUTION	INV TYPE	DATE LODGED	DATE DUE	DAYS	INT	VALUE 31.03.08	VALUE 29.02.08	% OF TOTAL
ANZ	TD	01.03.08	01.04.08	32	7.50	589,249.96	584,376.71	3.66%
BANKWEST	TD	31.03.08	30.05.08	90	7.86	512,445.40	506,213.70	3.18%
	TD	04.03.08	02.06.08	90	8.10	509,061.64	500,000.00	3.16%
CBA	CMS Nt	20.06.06	20.06.11	1,825	7.31	500,000.00	500,000.00	3.10%
	On Call				7.20	1,011,371.19	1,006,863.79	6.28%
	Ethical	06.11.06	06.11.11	1,825	9.25	500,000.00	500,000.00	3.10%
	TD	11.03.08	11.04.08	30	7.70	529,035.52	525,918.91	3.28%
	TD	21.11.07	05.06.09	547	16.0	750,000.00	750,000.00	4.66%
CITIBANK	TD	11.02.08	12.05.08	91	7.55	550,245.67	550,245.67	3.42%
LG FINANCIAL	On Call				7.72	765,683.46	761,278.67	4.75%
	TD	06.11.07	06.11.08	365	7.55	306,524.05	306,524.05	1.90%
	TD	07.02.08	07.05.08	90	7.47	537,245.67	527,761.01	3.34%
	On Call				7.15	4,714.43	4,714.43	0.03%
	TD	10.03.08	10.04.08	30	7.68	521,106.92	511,817.36	3.24%
	TD	18.02.08	27.03.08	39	7.50	0.00	2,532,866.02	0.00%
		* Original maturity date 19.05.08 Investment matured 27.03.08 and lodged with Macquarie Bank						
IMBS	On Call				7.25	27,437.39	27,280.89	0.17%
	TD	06.02.08	06.05.08	91	7.55	1,114,769.71	1,114,769.71	6.92%
	TD	15.02.08	22.05.08	97	7.93	499,588.02	499,588.02	3.10%
	TD	05.03.08	03.06.08	90	8.10	815,810.89	801,250.09	5.07%
	TD	22.01.08	22.04.08	90	7.24	250,000.00	250,000.00	1.55%
MACQUARIE	TD	28.03.08	30.06.08	92	7.95	2,500,000.00	0.00	15.52%
ALLIANCE	Managed	28.02.08	28.02.09	365		1,000,000.00	1,000,000.00	6.21%
ST GEORGE	TD	17.10.07	17.04.08	180	7.05	505,682.19	508,461.37	3.14%
	TD	21.02.08	20.03.08	30	7.01	0.00	506,153.29	0.00%
	TD	02.03.08	02.06.08	90	8.10	1,000,000.00	0.00	6.21%
	TD	01.02.08	15.04.08	90	7.15	805,986.52	805,986.52	5.00%
			<b>TOTAL</b>			<b>16,105,958.63</b>	<b>15,582,070.21</b>	<b>100.00%</b>

I, Carol G Farnsworth, Lithgow City Council Internal Services Manager (Responsible Accounting Officer) certify as required under Local Government (General) Regulations 2005, that Council's investments have been made in accordance with the Local Government Act 1993, Regulations and Lithgow City Council's Investment Policy.

### **POLICY IMPLICATIONS**

All Council's investments are held in accordance with Lithgow City Council's Investment Policy.

### **FINANCIAL IMPLICATIONS**

Investment income to date 29 February 2008 is \$552,236.98. Interest is paid on the maturity date of the investment and managed funds report earnings quarterly.

### **LEGAL IMPLICATIONS**

Investments are held in accordance with the Lithgow City Council's Investment Policy which accords with the requirements of the:

- Local Government Act 1993 - Section 625
- Local Government Act 1993 - Order dated 17 March 2000
- Local Government (General) Regulation 2005
- Trustee Amendment (Discretionary Investments) Act 1997- Section 14A(2), 14c(1) & (2)

### **F08-39 RESOLVED**

**THAT** Council's 2007/08 investments for the period ending 31 March 2008 be received

**MOVED:** Councillor M J Wilson

**SECONDED:** Councillor B S Moran.

**CARRIED**

**ITEM:16          COMM - 07/04/08 - COLE REPORT - COUNCIL INVESTMENTS**

**REPORT FROM - INTERNAL SERVICES MANAGER - C FARNSWORTH**

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### **REFERENCE**

Min: 05.11.07 DLG Investment Review Data Collection

### **SUMMARY**

To advise Council of the release of the Cole Report into NSW Council Investments with a recommendation to implement its findings.

### **COMMENTARY**

In November 2007 the Department of Local Government requested all NSW Council's complete a data collection form detailing their investment activity in recent times. As a result of the response Mr Michael Cole, former chairman of State Super and a board member of several investment banks over the past ten years, was commissioned to assess ratepayer losses stemming from their investment in collateralised debt obligations (CDO's).

The NSW Government Treasurer Mr Michael Costa has now released the findings of the Cole Report which has found NSW Council's face losses of \$200 million with some Council's having invested 50 per cent of their investments in CDO's.

**As reported to the meeting of 5 November 2007 Lithgow City Council has never held nor currently holds any investments in the 'sub prime' USA mortgage market or investments in CDOs and therefore we are not exposed to investment losses.**

The NSW Government will be adopting all eight recommendations of the Cole report to ensure future NSW ratepayers' money is protected from risky investments:

The recommendations include:

- Tightening permissible investment products and clarifying some existing definitions:
- Grandfathering existing investments that are excluded by the changed regulations
- Barring the manufacturer and distributors investment products from acting as investment advisors to Council:
- Suspending until December 2009 Council's ability to make any new investment other than through TCorp and in land, cash, bonds or other Councils:
- Ensuring Council are more fully aware of their obligations by requiring a signature demonstrating understanding of the investment requirements and
- Issuing an investment policy guideline for Council in addition to the existing framework

As required by our investment policy all Lithgow Council Investments are already held as 'cash' or 'term deposits' with varying maturity dates and to ensure Council is aware of our investments a monthly report is completed to indicate the type of investments held and their performance.

As required of the Cole report, and our own annual review procedure, the investment policy will be reviewed to include all recommendations made by the NSW Government.

#### **POLICY IMPLICATIONS**

Review of the Investment Policy to be reported to a future meeting of Council.

#### **FINANCIAL IMPLICATIONS**

Nil

#### **LEGAL IMPLICATIONS**

Nil

#### **F08-40 RESOLVED**

**THAT** the report be noted and the information received.

**MOVED:** Councillor W McAndrew

**SECONDED:** Councillor M M Collins.

**CARRIED**

## COMMITTEE MEETINGS

ITEM:17            REG - 07/04/08 - SPORTS ADVISORY COMMITTEE - MINUTES 31  
                         MARCH 2008

**REPORT BY: STRATEGIC ENGINEER – LEANNE KEARNEY**

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### SUMMARY

Details of the Minutes of the Sports Advisory Committee Meeting held on Monday, 31 March 2008 for Council adoption.

### COMMENTARY

At the Sports Advisory Committee Meeting held on Monday, 31 March 2008, there were eleven (11) items discussed by the Committee, and it is considered that all these items be adopted by Council as per the Committee's recommendations.

### POLICY IMPLICATIONS

Nil.

### FINANCIAL IMPLICATIONS

Nil.

### LEGAL IMPLICATIONS

Nil.

### ATTACHMENTS

1. Minutes of the Sports Advisory Committee Meeting held on Monday, 31 March 2008.

### F08-41 RESOLVED

**THAT** Council note the recommendation of the Sports Advisory Committee for the meeting held on Monday 31<sup>st</sup> march 2008 and the General Manager initiate actions as appropriate.

**MOVED:**            Councillor H K Fisher

**SECONDED:**      Councillor M M Collins

## QUESTIONS WITHOUT NOTICE

### QWN - 07/04/08 - COUNCILLOR H K FISHER

1. Mr Mayor I refer to the footpath at the Marjorie Jackson fields and near 39 Sandford Avenue, it is in a bad state and needs repairs. Also is it possible for the kerb and guttering to be extended?

*The Mayor deemed this as a works request and will also see if it can be placed in the budget.*

The meeting closed at 7.49pm