



**Annual Report 2017-18**  
**Part A - Community Report Card**





THIS PAGE: William Brunsdon (left) hands the baton to Steve Widders as the Queen's Baton Relay travelled through Armidale, on its way to the Gold Coast for the 2018 Commonwealth Games.

COVER: Working dogs play an integral part in managing stock at the Waste Water Treatment Plant and Reuse Farm.

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# Foreword

## 2017-2018 Annual Report

The Annual Report is one of the many ways Armidale Regional Council reports back to its community and stakeholders. It is one of the key components of the Integrated Planning and Reporting Framework legislated by the NSW Government.

The Report focuses on the financial and operational performance of Council and provides a snapshot of Council’s achievements throughout the financial year.

The Armidale Regional Council 2017- 2018 Annual Report is presented in three parts:

- Part A – Community Report Card  
A summary of Council, its operations, major projects and achievements.
- Part B – Statutory Information  
A comprehensive report on key indicators and statistics as required by the Office of Local Government.
- Part C – Financial Statements  
Independently audited statements that give a detailed picture of the financial management of Council.

# Acknowledgement of Country

We acknowledge the traditional custodians of this land and pay our respects to elders past and present.

The Armidale regional Community pays tribute to their love of land, love of people, and love culture.

We all share the beauty of this land, the richness of its soil and the uniqueness of its wildlife.

Let us walk together in the footsteps of love and understanding.

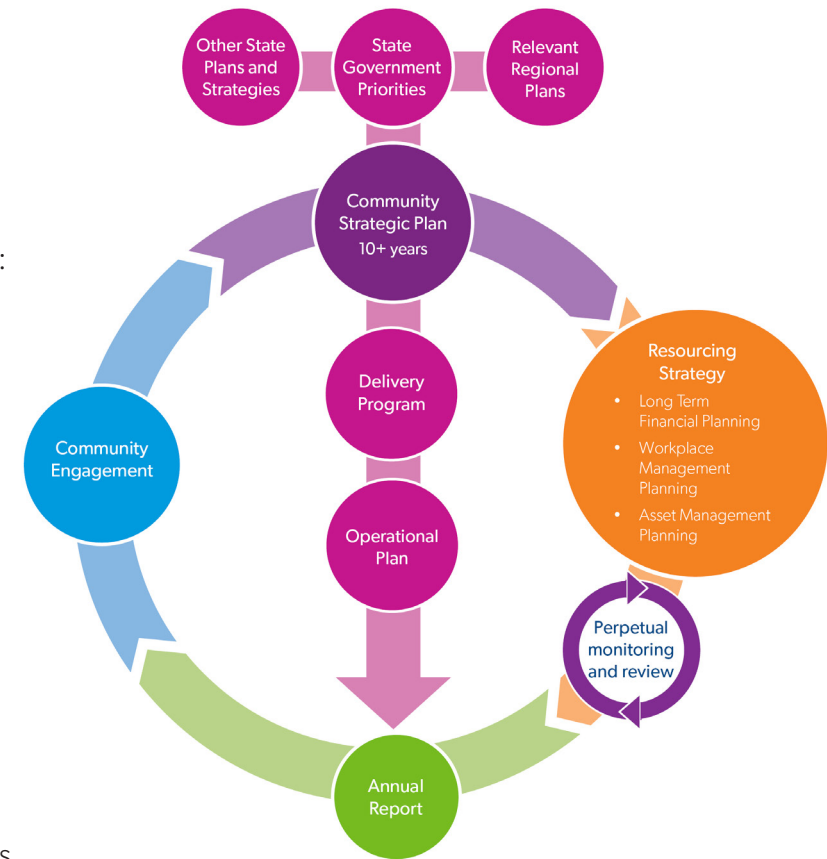
While valuing diversity, let us share the same hope for a better future.

# Integrated Planning & Reporting Framework

From 2012, all NSW councils have been required to develop and report on a set of plans and strategies which assist in identifying and responding to community aspirations and needs.




This framework is known as the Integrated Planning and Reporting Framework and aims to:

- integrate and streamline statutory planning and reporting
- strengthen strategic focus
- align with national sustainability frameworks



## Framework plans & reports

Council has a suite of plans and reports within its Integrated Planning & Reporting framework.

Planning	Reporting
 <p><b>Community Strategic Plan (CSP) 2017-2027</b> A 10-year plan outlining the goals and aspirations of the community, captured through extensive community engagement.</p>	<p><b>Annual Report 2017-18</b></p>
 <p><b>Delivery Program 2017 – 2021 &amp; Operational Plan 2017-2018</b> Delivery Program – strategies for the term of the elected Council to achieve the goals of the CSP. Operational Plan – annual plan of actions that support the Delivery Program strategies</p>	<p><b>Biannual Delivery Program report</b> <b>Quarterly Operational Plan report</b></p>
 <p><b>Resourcing Strategy</b></p> <ul style="list-style-type: none"> <li>• Asset Management Strategy</li> <li>• Workforce Plan</li> <li>• Long-Term Financial Plan</li> </ul> <p>A set of plans and strategies to ensure Council has the necessary resources and assets, and that Council plans for the future</p>	





The official opening of the upgraded Armidale Regional Airport terminal.

## Mayor's Message

The 2017/18 financial year has been a period of massive transformation and progress for our Council. The first elected Armidale Regional Council was sworn in last September and promptly settled into the task of continuing the smooth merger of the former Armidale Dumaresq Council and Guyra Shire Council. The merger process continues to be focused on achieving the improved operations and efficiencies that will bring a more financially sustainable regional council, while maximising the levels of service to the community.

There were significant changes to management at the top level, with the resignation in March of Chief Executive Officer Peter Dennis. Backed by his senior management team, Mr Dennis set a clear direction for the organisation, with an emphasis on customer satisfaction and sowing the seeds for a stronger economy.

Following his resignation, Council was fortunate to secure former Logan City Council CEO Chris Rose and Armidale Regional Council Group Leader Lindsay Woodland for terms as interim CEO, until a permanent replacement was appointed. Both brought tremendous stability and wisdom to ensure the momentum was maintained.

At the same time, Council implemented an exceptionally large capital works program. The \$9.42 million Armidale Regional Airport expansion and upgrade, Guyra's new \$7.5 million Kolora aged care facility and the \$1.06 million Tenterden Bridge were among capital works officially opened during 2017/18.

Council's strong emphasis on infrastructure and services in Guyra also included working with the community on planning for the Guyra main street upgrade. Planning was also well advanced for projects set to have huge economic and quality-of-life benefits for the Armidale region: the Armidale CBD upgrade, the business park at Armidale Regional Airport and the Malpas Dam to Guyra pipeline, which will bring greater water security for the Guyra township and enable an expansion of horticultural industry in the area.

We embarked on a major restructure of road maintenance and established a Road User Group of community representatives from the entire Council area, to provide input on managing the road network.

Council has an increasing emphasis on building strong relationships and maintaining effective consultation. Engagement activities in 2017/18 included a community working group to progress designs for the Armidale CBD upgrade, transforming the Aboriginal Community Advisory Committee to include Guyra and Tingha, and introducing Councillors' Cuppas, informal information events taking the elected members to centres throughout the region.

The incredible level of activity in 2017/18 is bringing a wealth of infrastructure and services that will equip Armidale region well for years to come. Council's emphasis now is to consolidate on that progress and further pursue efficiencies made possible by the merger, to put the organisation in a strong financial position.

**Councillor Simon Murray**

2017-18 was a period of massive transformation





## Our Councillors



The election for Armidale Regional Council was held on Saturday 9 September 2017. Eleven Councillors were elected for a three-year term (from left):

Councillor Bradley Widders

Councillor Margaret O'Connor

Councillor Peter Bailey

Councillor Libby Martin

Councillor Ian Tiley

Mayor Simon Murray

Deputy Mayor Dorothy Robinson

Councillor Andrew Murat

Councillor Debra O'Brien

Councillor Jonathan Galletly

Councillor Diane Gray

## Council meetings

From September 2017 to June 2018, Council held:

- 11 Ordinary Council Meetings
- Four Extraordinary Meetings

Two Ordinary Meetings were held during the Administration period, in July and August 2017,

before the Council was elected in September 2017.

At the first meeting of the newly elected Council on 27 September 2017, Councillor Simon Murray was elected Mayor and Councillor Dorothy Robinson was elected Deputy Mayor, both for a two-year term.

Councillor	Ordinary meetings		Extraordinary meetings	
	Attendances	Absences	Attendances	Absences
Cr Murray	10	1*	4	0
Cr Robinson	11	0	4	0
Cr Bailey	11	0	3	1
Cr Galletly	10	1	4	0
Cr Gray	10	1*	3	1
Cr Martin	11	0	4	0
Cr Murat	10	1	4	0
Cr O'Brien	11	0	4	0
Cr O'Connor	11	0	4	0
Cr Tiley	11	0	4	0
Cr Widders	10	1	3	1
Administrator	2	0	-	-

\* Leave of absence granted

## Committees of Council

Committees of Council provide an opportunity for councillors to engage directly with community members on key community and Council matters

in a regular and inclusive meeting environment. Councillors who Chair and participate on each of Council's Committees:

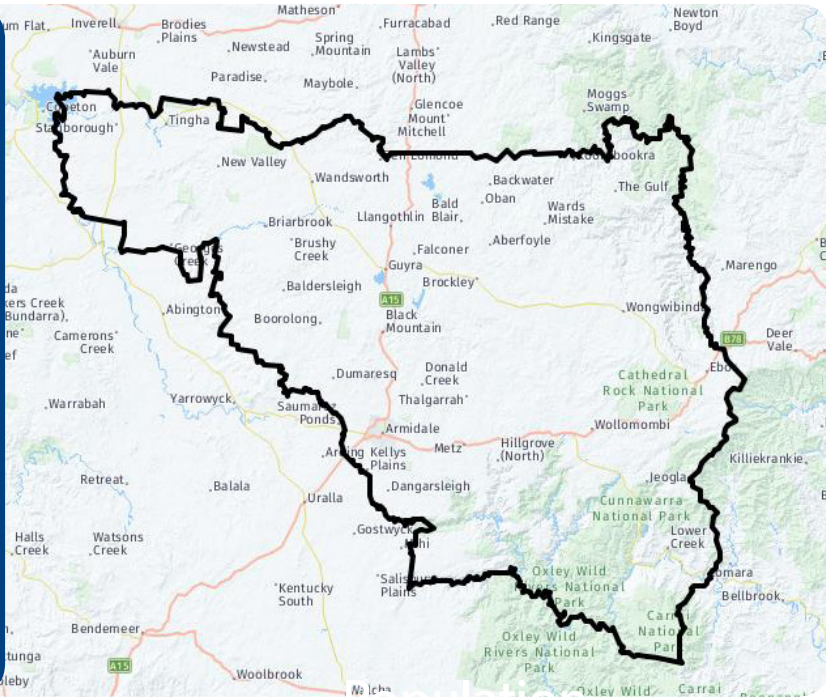
Council Advisory Committees	
Arts and Cultural Advisory Committee	Cr O'Connor (Chair), Cr Gray
Armidale Regional Sports Council (S355)	Cr Widders (Chair), Cr Galletly
Armidale Regional Youth Advisory Committee	Cr Widders
Audit & Risk Committee	Cr Gray, Cr O'Connor
Business Advisory Committee	Cr Gray (Chair), Cr Martin
Community Wellbeing Advisory Committee	Cr O'Brien (Chair), Cr Robinson, Cr Tiley
Environmental Sustainability Advisory Committee	Cr Robinson (Chair), Cr Gray
Floodplain Management Advisory Committee	Cr Galletly (Chair), Cr Tiley
Gayinyaga Aboriginal Advisory Committee	Cr O'Brien
Regional Growth Advisory Committee	Cr Bailey (Chair), Cr Murat, Cr Gray
Traffic Advisory Committee	Cr Martin (Chair), Cr Robinson





# Our Region & Community

The Armidale Regional Council area is located in the New England Region of NSW, approximately 500km north of the Sydney CBD and 500km south of the Brisbane CBD. Its vibrant, innovative and inclusive community enjoys an enviable mix of rural and regional lifestyles, with vast and productive agricultural land, cohesive local towns and villages, and a progressive Armidale city that provides many essential services to the region.



## Armidale Region Key Statistics

Population 30,594	Gross Regional Product \$1.52 billion	Land Area 863,029 ha
Local Jobs 14,201	Population Density 0.04 persons per hectare	Employed Residents 13,394
Local Businesses 2,946	Largest Industry: Education & Training	



# Our Council

## Values and Guiding Principles

### Council Staff Values

During 2017 and 2018, staff at Armidale Regional Council participated in an organisation-wide process to build common values that would govern how we work at Council.

Staff across the organisation were canvassed for their input and five key values emerged:

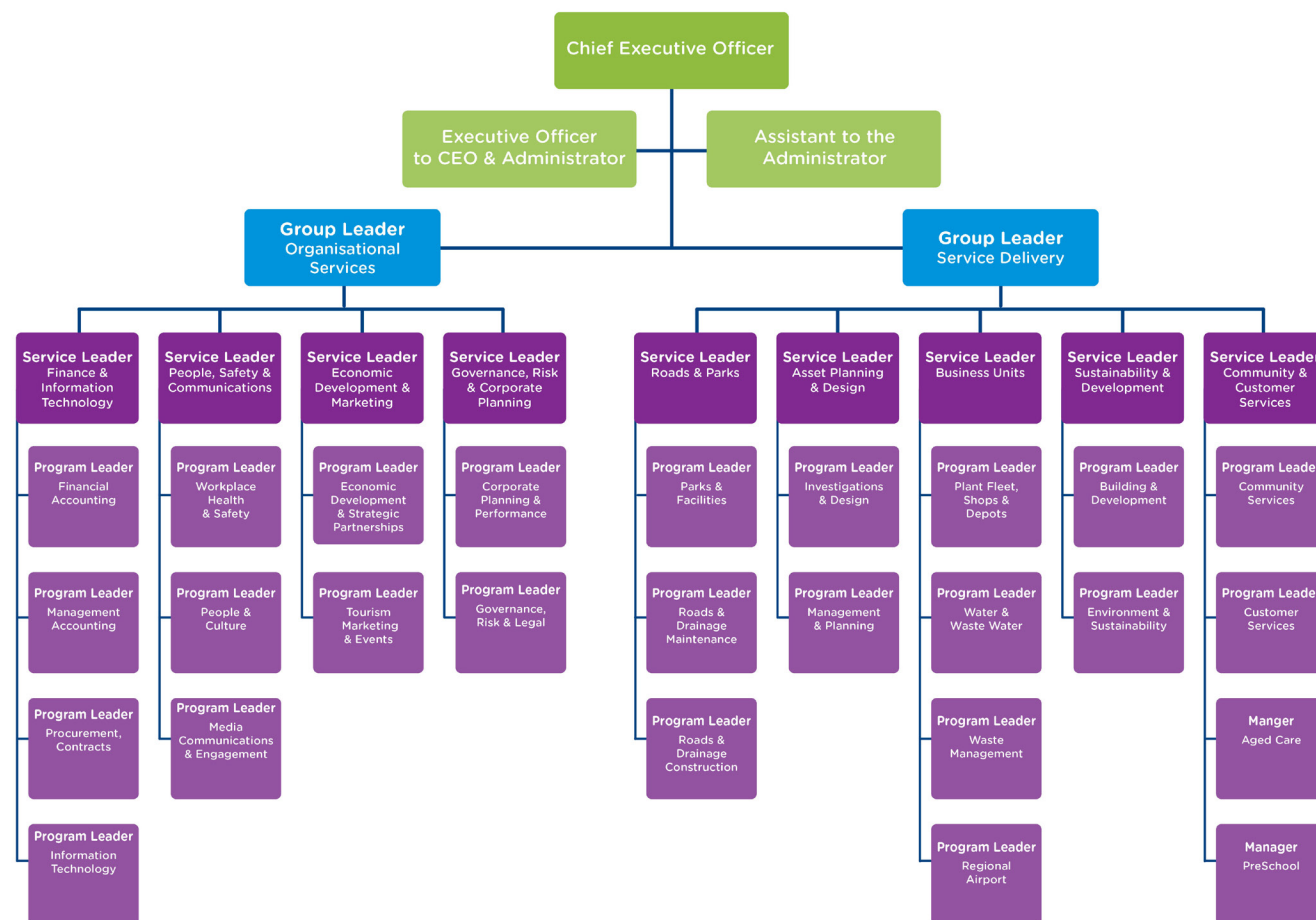
- One Team:** We work as one team, we collaborate to achieve better outcomes and look out for one another.
- Innovative:** We have the courage to think boldly and find new ways to achieve better outcomes.
- Dedication:** We care and are responsive to our community and strive to achieve their expectation.
- Integrity:** We are trustworthy, honest, transparent and accountable for our actions.
- Wellbeing:** We develop a safe, supportive, caring and harmonious environment.

### Code of Conduct

Council's Code of Conduct sets the standard for ethical behaviour and sound decision making for Councillors, staff and members of Council Committees.

The Code guides those governed by it to act in a way that enhances public confidence in local government. Councillors, staff and other representatives are responsible for understanding and administering the Code, and Council assists by providing appropriate training.

## Organisation structure in 2017-18



# Senior Staff 2017-18

## Chief Executive Officer



**Peter Dennis**

Peter Dennis led Council as CEO throughout most of the 2017-18 financial year and his leadership left an indelible mark on the new Armidale Regional Council. A strong foundation for success was achieved during his tenure, by establishing a capable and forward thinking leadership team, a new organisation structure, a workplace safety and wellbeing program, and a plan for long-term financial sustainability. His resignation, effective 20 March 2018, led to the successive appointment of two Interim CEOs while recruitment was underway to fill the position.

## Interim Chief Executive Officers



**Chris Rose**

Chris Rose was appointed Interim CEO for a three-month period from 21 March to 1 June 2018.

While ensuring Council operated 'business as usual' throughout the period, Mr Rose also focused on finalising the 2018-19 Budget and developing strategic leadership among the Armidale Regional Council management team.



**Lindsay Woodland**

Group Leader - Organisational Services Lindsay Woodland stepped into the role of Interim CEO from 2 June 2018 while recruitment for a new CEO was finalised. Mr Woodland ensured Council operated effectively throughout the final stage of the Financial Year and was instrumental in preparing the organisation for the appointment of the new CEO.

## Group Leaders

### Group Leader - Service Delivery Mark Piorkowski

The Group Leader - Service Delivery is responsible for providing leadership and setting strategic direction for the following service streams: Roads & Parks; Asset Planning & Design; Business Units; Sustainability & Development; and Community & Customer Services.

### Group Leader - Organisational Service Lindsay Woodland

The Group Leader - Organisational Services is responsible for providing leadership and setting strategic direction for the following service streams: Finance; Information Technology; People, Safety & Communications; Governance, Risk & Corporate Planning; and Economic Development & Marketing.



## Organisational Development

Management and staff are working towards ongoing improvement and development of Armidale Regional Council as a productive and progressive organisation that fosters staff health and wellbeing and implements the policies, practices and transformative programs that will build a strong and robust organisation.

### Workforce planning

Following the merger, Council worked towards full integration and sustainable human resources, with the ongoing building of Workforce Planning. This included implementing programs that provide career development opportunities through targeted apprenticeship, traineeship and cadetship arrangements, and supported the management of hard-to-fill and business-critical roles, including development and implementation of a Succession Planning Program.

### Safety

Council cannot achieve operational performance unless it ensures the safety of its employees, contractors and the community.

To accelerate towards a record of zero safety incidents and to support ongoing development of a safety culture, Council has:

- updated its Safety Management System
- increased role-specific safety training
- increased organisational learning from safety incidents
- introduced a technology solution to report safety 'near misses'
- updated incident management procedures, contractor safety management, and implemented new policies such as Asbestos Management
- established an internal Peak Safety Committee
- implemented regular safety conversations between supervisors and staff

### Culture

The culture of an organisation has a direct impact on its success, and Council has been working towards building a cohesive and positive culture across its many service streams and businesses.

To nurture the organisation's culture, Council:

- improved its internal communications framework for consistent messages
- conducted a staff culture survey
- implemented a Culture Plan
- delivered training to build leadership capabilities
- developed a set of core staff values

### Wellbeing

Council cares about the health and wellbeing of its employees. It is part of the journey towards achieving Council's 'Live Safe' objective to ensure no one is injured – physically or psychologically.

During the year, Council focused on physical and mental wellbeing and trained a number of staff members in 'Mental First Aid'.

It implemented an onsite wellness program to enable staff to have a personal health consultation.

Council also participated in RUOK? Day to raise awareness of the significance of mental health problems in our workplace and community.

To support staff with appropriate counselling services, Council continued to provide its Employee Assistance Program.





## Places and Spaces

### Parks and facilities

- 27 playing fields (110ha)
- 77 passive parks (158ha)
- 34 playgrounds
- 1 Showground
- 2 saleyards
- 16 operational cemeteries
- 2 aquatic centres
- 2,000 street trees inspected/pruned annually
- 4 aged care facilities
- 1 preschool/childcare centre:
  - 68 childcare and preschool children
  - 39 after school and vacation care children



### Libraries

- 120,000 library visitors
- 10,766 library members
- 221,893 items loaned
- 368 events held in the libraries
- 65,900 public enquiries answered

### Arts and culture

- 5 museums
- 7 volunteers

### Property and machinery

- 476 items of mechanical plant fleet
- 52 public buildings maintained

### Airport

- Up to 100 flights per week
- 140,000 passengers per year



### Our natural beauty

425,000 annual visitors to our National Parks: Oxley Wild Rivers, Cathedral Rock, Guy Fawkes, New England

### Tourism & events

- 322,000 domestic day visitors
- 278,000 domestic overnight visitors
- 9,000 international visitors
- \$99.4 million generated in accommodation and food services
- \$28 million generated from Arts & Recreation Services
- \$17 million generated from sporting events

## Services we provide

### Roads maintenance

- 721 km of sealed local roads
- 1,150 km of unsealed local roads
- 68 concrete and 32 timber bridges
- 285 cattle grids
- 150km of Main, Regional and State roads.

### Waste management

- 35,673 tonnes of waste received
- 60.6% or 21,628 tonnes of waste recycled, recovered or reused
- 39.4% or 14,045 tonnes

of waste buried in landfill

- 10,800 residential kerbside collections
- 960 commercial kerbside collections
- 400 public place litter bins

### Customer contact

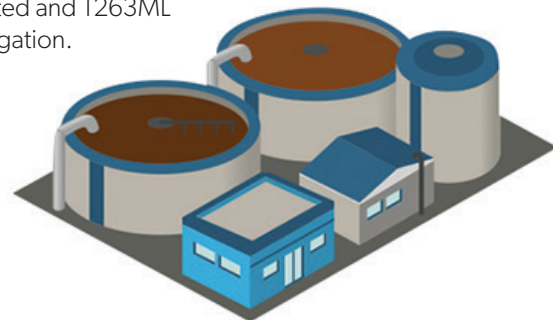
- 35,636 phone enquiries
- 16,402 counter enquiries
- 18,193 cashier transactions
- 924 Justice of the Peace services
- 648 Cemetery applications/enquiries
- 3,641 Companion Animals Registrations and applications

### Water

- 9,578 residential homes and 658 commercial properties supplied with water
- 3600 million litres supplied
- 5 dams (storage capacity of 13645 ML) and 16 clear water reservoirs (storage capacity of 39ML)
- 13 water pump stations
- 450km water mains

### Sewer

- 305km sewer mains
- 2664ML treated and 1263ML reused for irrigation.



## Home Support Services

- 107 Home Support Services clients
- 3322 Transport services
- 4869 Social outings
- 2642 Meals delivered
- 71 volunteers

## Planning

- 272 Development Applications - approved within average 37 days
- 1,199 Planning Certificates processed
- 2,777 onsite waste management devices managed



## Engaging with our Community

1513 twitter followers

150 media enquiries

161 media releases



3947 Facebook likes



97,000 visits to the website

17 Public exhibitions

1131 registered on council engagement site Yoursay.armidale



# Our Performance



The Community Strategic Plan 2017-2027 was established through an extensive community engagement process and sets out the goals and aspirations of the regional community.

This critical Plan provides the foundation for Council to develop the strategies and actions it will undertake to create the physical, economic and social environment the community seeks.

This section outlines Council's achievements in working towards the goals of the Community Strategic Plan.

## Growth, Prosperity & Economic Development

The growth and development of our region has far-reaching and positive impacts on our social and economic quality of life. Council understands the importance of supporting local business, attracting new residents and industry, and promoting technology, education and skill advancements.

### Community Strategic Plan outcomes

- △ The community experiences the benefits of an increasing population
- △ The agricultural sector is supported as one of the pillars of growth and to sustain local and national food security
- △ The visitor economy generates additional revenue and employment to boost the local economy and creates opportunities for more vibrant cultural activities
- △ Economic development is supported through new initiatives, innovation and additional resources to assist growth of business and industry

### Highlights

- Development of an Armidale Regional Council Economic Development Strategy
- Support for the successful Armidale Golf Club application of \$377,353 to the Stronger Country Communities Fund Round 1.
- Support for the successful Guyra Historical Society funding application for \$60,000 of funding to upgrade the flooring and paint the Guyra Museum.
- Submission of 13 grant applications, totalling more than \$6.5 million, for the Stronger Country Communities Fund Round 2.
- Successful grant application of \$1.77 million for Saumarez Homestead tourism expansion project.
- Development of a business case for a proposed Rail Trail from Black Mountain to Ben Lomond.
- Application to the Growing Local Economy Fund for \$6.5 million to provide ignition funding for the proposed Airport Business Park, and investigation into potential business occupants.
- Community consultation on plans for the Armidale CBD Revitalisation, including a mall redesign.
- Application submitted to the NSW Government to host an Automated Vehicle Trial in Armidale.



**Community Outcome**

**Council bids for Automated Vehicle Trial**



In 2018, Council successfully submitted an Expression of Interest to host a trial of an automated vehicle in the region, following endorsement by councillors. Council partner with the University of New England (UNE), local transport providers and other stakeholders to provide short shuttle services for the public, beginning with a trial route at the UNE campus. The trial is an opportunity to complement existing transport services and would further position Armidale as a 'smart city'.

The Easy Mile automated vehicles are designed to carry up to 14 people over short distances using navigation tools including lasers, cameras and the Global Position System. However, Council proposes the vehicle used for the local trial would have an operator on board at all times. The trial, expected to run for up to two years, would cost approximately \$2.3 million and includes a \$100,000 contribution from Council which would secure ownership of the vehicle once the trial is completed.

**Community Outcome**

**Council funding supports Saumarez Homestead Tourism Project**



Tourism in the Armidale Region will receive a boost from a new project set to expand the overnight accommodation and amenities of the popular Saumarez Homestead, following a contribution of \$730,000 of funding from Council. The contribution was pledged towards the total project cost of \$2.7 million, as part of a successful joint application with National Trust of Australia (NSW) to the Regional Growth – Environment and Tourism Fund. Saumarez Homestead is one of

Australia's few remaining heritage pastoral homesteads and farms and is a major tourism attraction. Following the upgrades to the Homestead, visitor numbers are expected to increase from 10,000 visitors (2017) to 33,000 per year. It is expected to return approximately \$6.5 million in additional tourism-related economic output for Armidale, as well as an estimated 16 new jobs, direct and indirect, and an estimated \$3.5 million additional gross regional product.

**Economic Development Strategy provides blueprint for region**

**Community Outcome**

A new eight-year Armidale Region Economic Development Strategy 2017-2025 was developed, based on the three pillars of the Armidale Region's economy – agri-business, education and tourism. The Strategy provides a blueprint for enhancing the vibrancy and sustainability of the local economy and improve the

liveability of the new local government area as a whole. At the same time, it will foster prosperity and contribute to the wellbeing of all workers, visitors and residents. The new Strategy incorporates initiatives for the entire merged region and, following community consultation, it was adopted by Council in October 2017.

**Community and Sporting Infrastructure Grants**

**Community Outcome**

In May 2018, Council applied for 13 grants through the Stronger Country Communities Fund to support the construction and upgrading of community, sporting and recreational facilities across the region. Round 2 of the Stronger Country Communities Fund offered a total of \$200 million, with half of the allocation

required to target local sporting facilities. The ARC applications, totalling more than \$6.5 million, comprised four Council applications and nine community applications. The official announcement of successful funding is due in August 2018. A full list of applications submitted can be found on the Council website.





## Leadership for the Region

Council provides an important leadership role in our community. It endeavors to be a strong, inclusive and dynamic Council that will deliver the best outcomes and represent our community through responsible decision-making and advocacy.

### Community Strategic Plan outcomes

- △ The community is engaged and has access to local representation
- △ Council exceeds community expectations when managing its budget and operations
- △ Council demonstrates sound organisational health and has a culture which promotes action, accountability and transparency
- △ Council has the strategic capacity to understand the key issues for the region both now and in the future

### Highlights

- Reviewed and endorsed Community Strategic Plan 2017-27
- Began live streaming of Council meetings
- Tingha Boundary Adjustment – community surveys sent to about 700 households to determine support for transfer to Inverell Shire Council area
- Community Satisfaction Survey completed, with improved overall performance
- Established community reference group to advise Council on its strategic direction
- First Councillor Cuppas community engagement event held in Wollomombi
- Supported Australian Pesticides and Veterinary Medicines Authority (APVMA) to establish permanent office in Armidale
- Mayor participated inaugural meeting of New England Joint Organisation
- Maintained strategic partnerships including Inland Forum, New England Group of Councils, New England Joint Organisation and Evocities
- Developed Land Divestment Strategy to identify surplus land holdings and plan a staged divestment
- Endorsed sale of properties for unpaid rates and conducted auctions
- Delivered Stronger Communities Grant funding totalling \$1 million to almost 50 community organisations
- Appointed Susan Law as new Chief Executive Officer
- Embedded new Organisational Structure to strengthen and manage Council
- Code of Conduct training to 255 staff to improve compliance
- Completed Customer Service Charter
- Launched 'Live Safe' staff safety program and implemented Health & Wellbeing Strategy
- Undertook Council's Organisation Culture Measurement Survey and developed Culture Plan



**Community Outcome**

**Community Satisfaction Survey results show positive outlook**

A survey of residents in the Armidale region yielded an increase in the community's overall satisfaction, with a 24% improvement from a similar post-merger survey conducted in 2016. The phone survey, conducted by Jetty Research in November 2017, canvassed 407 residents aged 18 and over. Thirty-seven percent of local residents

rated Council's overall performance as good or very good, up from 21% in 2016. Conversely, only 13% rated Council's performance as poor or very poor, down from 27% in 2016. The mean overall satisfaction also raised significantly from 2.80 to 3.26. The next Community Satisfaction Survey will be undertaken in 2019.

**Community Outcome**

**Tingha residents polled on boundary preferences**



A community poll gave than 700 Tingha households the opportunity to voice their position on a proposed boundary adjustment and subsequent transfer of Tingha to the Inverell Shire. The poll was sent via post to households within the affected area which includes the Tingha township, Green Valley Farm and the Georges Creek area south and

south west of Tingha. Council conducted the poll to ensure affected residents of the proposed boundary realignment were consulted before a recommendation is made by both the Armidale Regional and Inverell Shire Councils to the NSW Minister for Local Government to adjust the boundary.

**Councillor Cuppas a hit with local communities**

**Community Outcome**



In an effort to further engage with the community and learn more about the needs of the region, Councillors embarked on a series of Councillors' Cuppas information sessions. The first Councillors' Cuppa was held at Wollomombi, with a full schedule of visits to outlying villages undertaken throughout 2018 and set to be continued in 2019.

The informal and relaxed format of the Councillors' Cuppas was welcomed by Wollomombi attendees, with many commenting it was a positive and worthwhile experience. The initiative builds on the well-established relationships between Council and Local Area Committees, and provides an additional forum for community conversations.

**NEW CEO appointed**

**Community Outcome**

Susan Law was appointed as the new Chief Executive Officer of Council in June 2018, replacing previous CEO Peter Dennis. Ms Law was appointed after a nationwide advertising campaign and has an impressive leadership background, including roles in South Africa, NZ and the UK. Most recently, she operated her own business utilising her experience in organisational management, strategic planning and organisational transformation. the United Kingdom. Ms Law has most recently operated her



own business utilising her experience in organisational management, strategic planning and organisational transformation.





# Our People, Our Community

Council supports our region to be inclusive, supportive, inspiring, healthy and progressive by providing the services and support that allow our community members to engage in the interests they enjoy, while having access to the services they need.

### Community Strategic Plan outcomes

- △ Community programs, services and facilities meet the needs of the community and provide a safe place to live
- △ Events and cultural activities provide the community with an opportunity to celebrate the unique culture and lifestyle of the region
- △ Services are provided to ensure inclusiveness and to support the vulnerable members of our community
- △ Services and activities are provided for all ages and segments of our community to promote life-long learning, healthy living and community wellbeing

### Highlights

- Developed and endorsed Arts and Cultural Plan
- Rolled out Disability Action Plan to increase inclusion across the region
- Constructed and opened new 32-bed Kolora Aged Care Facility in Guyra
- Annual 'A Day in the Dale' event – celebrating Aboriginal and Torres Strait Community
- XXI Commonwealth Games Queen's Baton Relay through the streets of Armidale, with official ceremony and community activities in Curtis Park
- Supported successful \$846,000 State Government funding application for Aboriginal Cultural Centre and Keeping Place, to build additional gallery and carpark
- Partnered Settlement Services International to settle 125 refugees in Armidale region
- Completed Armidale Library move to new Library in Armidale and the completion of an outdoor Library space in Guyra.
- Partnered CWA NSW for its annual conference, attracting 800 delegates to Armidale
- Secured LGNSW Water Conference for Armidale, with 250 prospective delegates
- Australia Day celebrations - including citizenship ceremony and awards in Armidale, Civic Park family fun afternoon, Tingha community barbecue, Guyra Australia Day awards dinner, movie night and fireworks.
- Three citizenship ceremonies, with 40 people becoming Australian citizens
- Autumn Festival celebrations, including street parade, family carnival, entertainment in Civic Park and fireworks
- Armidale Christmas in the Mall Celebrations and Guyra Christmas Party.
- Supported Rotary District Conference, attracting 500 delegates to Armidale
- Awarded up to \$1,000 to 11 community groups for local programs and initiatives through the Community Small Grants Program.



**Community Outcome**

**Refugee settlement program**

Council assisted with the integration of 125 refugees into our region.

The refugees, mostly from northern Iraq and a small percentage from Syria, began settlement in the Armidale region from February 2018.

Council was a major partner, along with Settlement Services International (SSI) and other community groups, in the pre-settlement Working Group that prepared for the resettlement, and provides a supporting and assisting role in the Refugee Settlement Program run by SSI.

Following the arrival of the refugees, Council organised an afternoon tea - an opportunity for approximately 50 refugees to meet and engage with Council staff, Councillors and other community groups.

Council also partnered with SSI to screen the popular documentary The Staging Post.

The event included a post-screening Q&A Panel session with stars of the documentary and a local refugee community member.

**A Day in the Dale**

**Community Outcome**



The Armidale community celebrated the history, culture and achievements of Aboriginal and Torres Strait Islanders at its annual A Day in the Dale event, held in September 2017.

The theme for the NAIDOC Week celebration was Our Languages Matter and events included a street march, official ceremony, a NAIDOC theme

speech, a flag raising ceremony, Elders Morning Tea and family activities in the park.

Once again, A Day in the Dale was a huge success and provided the whole community the opportunity to learn about Aboriginal and Torres Strait Islander culture and celebrate with fun, food and entertainment.

**Community Outcome**

**Queen's Baton Relay**



The Armidale region hosted the Queen's Baton Relay on its journey to the Gold Coast for the XXI Commonwealth Games Opening Ceremony. Council coordinated the New England leg of the Relay and held a community event in Armidale's Curtis and Civic Parks.

Thousands of community members and school children from Armidale, Guyra,

Uralla and Bundarra lined the streets and parks to cheer on the 20 local sporting and community identities chosen to carry the Queen's Baton.

The Baton travelled for 288 days before reaching Australian soil. It then passed through every Australian State and territory, carried by approximately 3800 Baton Bearers.

**Kolora Aged Care Facility**

**Community Outcome**

The newly built \$7.5 million Kolora Aged Care Facility was officially opened in May, providing a state-of-the-art 32-bed facility located next to the Guyra Multipurpose Service centre.

The new energy-efficient building replaced the former Kolora 22-bed facility and will facilitate high quality care and offer residents direct access to medical care when required.

Mayor Simon Murray was joined by the Federal Member for New England,

Barnaby Joyce, the NSW Member for Northern Tablelands, Adam Marshall, Guyra Citizen of the Year Dot Vickery and many other community members to officially open the complex.

Following completion of the building, Council reviewed the facility's management and, after inviting expressions of interest, awarded a tender to McLean Care Limited to manage and operate the complex.





## Environment & Infrastructure

The environment we live in has a direct impact on our quality of life and our ability to function as a productive and safe community. Council provides the essential services and public amenities that help preserve and maintain our beautiful region, supports a sustainable and healthy lifestyle, and provides safe and essential infrastructure and transport for the community.

### Community Strategic Plan outcomes

- △ The unique climate, landscape and environment of the region is protected, preserved and made accessible
- △ The community can participate in initiatives which contribute to a sustainable lifestyle
- △ The community is provided with the essential and resilient infrastructure it requires for daily life, and has access to a prioritised schedule of infrastructure works
- △ The community has access to transport which enables connectivity both locally and outside the region

### Highlights

- Endorsed \$880,000 for Kempsey Road improvements from NSW Government's Stronger Regions Fund
- Management Plan to establish levels of maintenance and improvements for sealed and unsealed roads
- Established Road Users Group to advise on road maintenance priorities
- Combined Armidale and Guyra Service Level Agreement for parks and facilities
- Completion of Armidale Regional Airport terminal and temporary carpark
- Designed airport apron extension to accommodate larger aircraft
- Northern Joint Regional Planning Panel approval for proposed Airport Business Park
- Started construction of New England Highway roundabout to access to Business Park
- Started construction of \$14 million Waterfall Way Regional Landfill
- Recycled, recovered or reused more than 60% (21,628 tonnes) of waste
- Council and State Government approval for \$180,000 in funding to upgrade facilities and apply for Heritage Listing for Armidale's Central Park
- Secured \$12.8 million NSW Government funding for Malpas Dam to Guyra Pipeline
- Developed draft Black Gully Flying Fox Camp Management Plan
- Upgraded Markham Street drainage, watermain, kerb and pavement to extend the infrastructure's lifespan by 20 to 50 years
- Installed PurpleAir monitors across Armidale to measure air pollution in CBD
- Completion of new two-lane Tenterden Bridge
- Finalised draft Local Environmental Plan for whole Local Government Area
- Funding approval for expansion of City to Soil Organic Waste operations.
- Developed Dumaresq Creeklands Masterplan



**Community Outcome**

**Upgraded Armidale airport terminal**



Council made significant headway in 2017-18 to realising its plan for an airport precinct that provides the facilities and space to attract visitors, industry and new business to the region. The opening of the upgraded Armidale Regional Airport Terminal, construction of a new airport car park and planning approval for a 72-lot industrial, business and aviation subdivision were all achieved during 2017-18.

The \$10.5 million terminal upgrade was opened in December 2017, providing improved comfort and amenities, larger passenger numbers for future growth

(up to 220,000 passengers per year), and increased freight handling and transport.

The project was a collaborative effort between Federal, State and Local Government, with joint funding contributed to this major regional infrastructure project.

Council will now focus on securing funding and design for other elements of the Airport Masterplan, including the business park, fully serviced aviation-related lots, a highway service centre and potential hotel and bottle shop.

**Malpas Dam to Guyra pipeline**

**Community Outcome**

Water security for Guyra is a step closer following a \$12.375 million State Government funding allocation for the construction of a 19.8km pipeline from Malpas Dam and to the Guyra Water Treatment Plant. The proposed pipeline will have the capacity to carry up to 4.5 megalitres of water to the Guyra township each day, and is estimated to cost a total of \$12.8 million.

A secure water supply is expected to unlock the region's further potential by attracting new industries, promoting the expansion of current agriculture and horticulture businesses and generating growth in local jobs.

Improved water security will also bring a reduction in the frequency and severity of water restrictions during extended dry periods.

**Community Outcome**

**Live air quality sensors**

Council partnered with the Office of Environment and Heritage (OEH) to install a dedicated air quality sensor with hourly data available online, and a network of Council-installed PurpleAir sensors across the city which also deliver real-time data. Armidale city has been battling air quality for many years, particularly in winter months, because of cold winters and the use of wood-fired heaters. The city's geographical location in a valley

and low winds also poses an issue in which wood smoke can get trapped over the city. It is expected the initiative will provide benchmark data that will not only alert residents to poor air quality, but will also give Council more opportunity to build a case for increased funding and the roll-out of future programs which will help residents reduce the pollution produced from wood heaters.

**Organics recycling scheme expansion**

**Community Outcome**



The expansion of Armidale's award-winning organics recycling scheme received a funding boost, with a \$208,400 NSW Government Grant ensuring green waste processing operations can be bolstered at the Armidale Waste Management Facility.

The increased capacity will enable the facility to accept green waste from major operators and additional households, and will create the operational efficiencies necessary for the City to Soil program to

be expanded to other areas, including the Guyra community.

City to Soil diverts thousands of tonnes of organic waste away from landfill in the Armidale region each year, by enabling residents to recycle their food scraps and other kitchen waste.

It is combined with garden green waste to produce high quality compost for use by residents, community groups and commercial producers.



## Community Outcome

### New landfill takes shape

Construction of the first landfill cell of Council's new \$14 million regional landfill began in March 2017 and continued during 2017-18.

Work included constructing the site access road, earthworks to build the new waste cell, lining the cell, installing water management infrastructure, constructing water management

structures (ponds) and planting trees to screen and protect the site. Works are continuing, with the new landfill expected to be ready for commissioning in July 2019.

The new landfill is expected to provide the residual waste disposal capacity for the region for the next 50 years.

### Kempsey Road improvements



One of the region's major thoroughfares to the coast, the Armidale – Kempsey Road, will receive a much-needed upgrade to a steep section of road.

A total of \$880,000 has been allocated through the NSW Government's \$10 million fund for merged councils.

The project will improve the quality of the road, adding to the longevity, and create safer conditions for road users.

Kempsey Road averages 127 vehicles per day, with much of the traffic moving rural-based produce to either the Tablelands

or the coast. The section of gravel road to be improved is difficult for trucks to climb after rain because of erosion and corrugations. This project will upgrade and bitumen seal a steep 3.3km long section of the road, mitigating the impacts of wet weather and reducing the need for frequent maintenance.

Work will begin in early 2019. The Armidale and Kempsey councils are looking to join forces to assist in future funding and maintenance of the road, which links the two local government areas.

## Community Outcome

## Community Outcome

### Tenterden Bridge upgrade



A new two-lane concrete Tenterden Bridge was opened in April 2018, creating greater safety and convenience for road users west of Guyra.

The \$1.06 million upgraded bridge replaces the old 1960s single-lane timber bridge which restricted school buses and B-doubles from crossing Georges Creek and forced a 67 kilometre detour for some vehicles.

The Tenterden Road Bridge Replacement

project was funded through a \$530,000 contribution from the Australian Government, \$510,000 from the NSW Government \$510,000, and \$20,000 from Council.

The bridge replacement was one of the major capital works completed by Council construction teams during 2017-18, with the quality of the bridge commended by State and Federal Government representatives.

### Community Recycling Centres

## Community Outcome

Council and NSW Member for Northern Tablelands Adam Marshall officially opened the new Armidale and Guyra Community Recycling Centres (CRCs), where residents can drop off problem wastes such as paints, oils, gas bottles e-waste and batteries for free and keep them out of landfill.

The Armidale and Guyra CRCs were established by Council after receiving

a \$223,240 grant from the NSW Government's Waste Less, Recycle More initiative.

They encourage residents to recycle problem wastes and help prevent contaminants from entering the environment.

The centres complement Council's existing recycling services to minimise waste.



## Financial Overview

In its second financial year following the merger, Council's 2017-18 Audited Financial Statements demonstrated a financial position that achieved five of the seven performance ratios reported on by the Audit Office of NSW.

Council did not meet the Operating Performance and Building and Infrastructure Renewals. They will be areas of focus for Council in future years.

The Armidale Regional Council full audited financial statements for 1 July 2017 to 30 June 2018 can be found in Part C of this report.

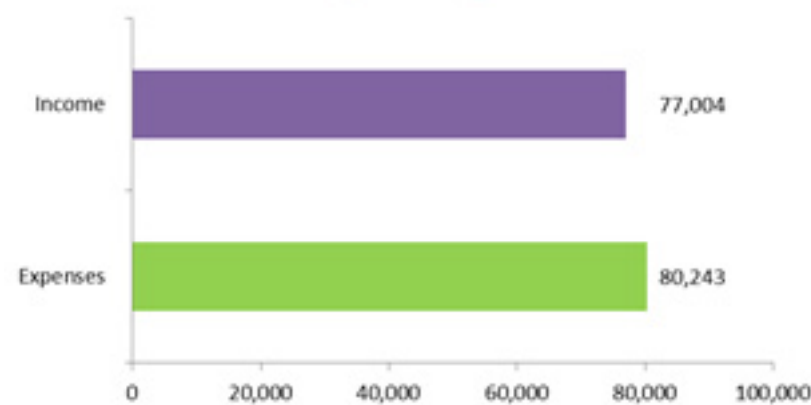
## Operating Income to Expenditure

Council recorded an overall operating position of \$3.2 million in the 2017-18 Financial Year.

A 1.5 per cent rate rise contributed to an increase in revenue from rates and annual charges, while the decrease of \$15.6 million in grants impacted on revenue when compared year-on-year due to a one-off \$15 million merger grant in the 2016-17 Financial Year.

Total expenses increased by \$3.2 million largely because of a rise in net losses from disposal of assets.

### Net Operating Result ('000)

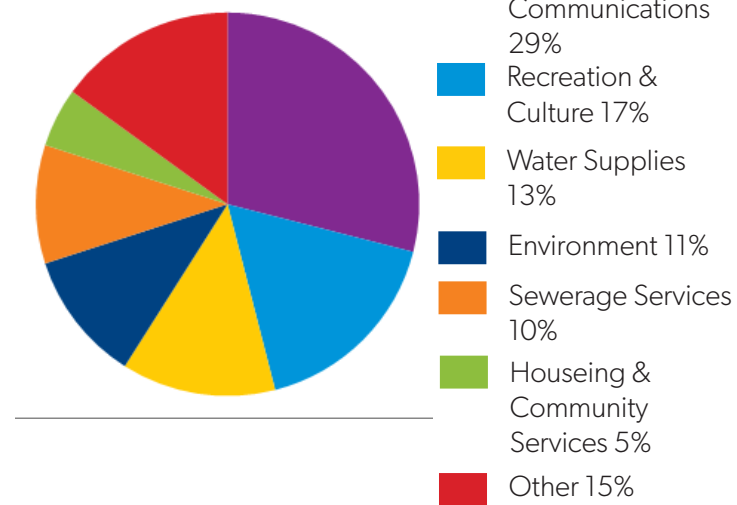


	2018 \$m	2017 \$m	Variance \$m	Variance %
Rates and annual charges revenue	29.2	28.6	+0.6	↑
Grants and contributions revenue	22.1	37.7	-15.6	↓
<b>TOTAL REVENUE</b>	<b>77.0</b>	<b>93.3</b>	<b>-16.3</b>	<b>↓</b>
<b>TOTAL EXPENSES</b>	<b>80.2</b>	<b>77.0</b>	<b>+3.2</b>	<b>↑</b>
Operating result for the year	(3.2)	16.3	-19.5	↓

## Operating Cost of Services

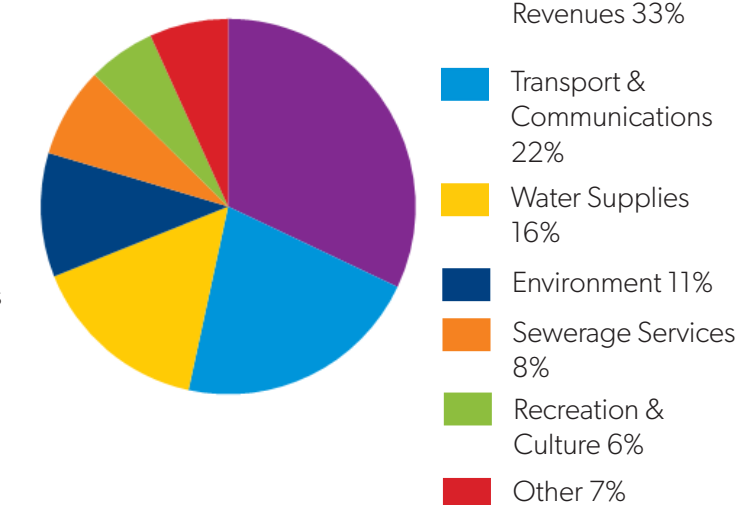
The following graphs represent the distribution of expenses and income across the functions of Council. A significant share of Council's financial resources is spent on transport and communications, followed by Recreation & Culture and Water Supplies. General purpose rates and fees supplied the greatest share of revenue, followed by Transport & Communication and Water Supplies.

### Costs by functions



Other: Community Services & Education 4%, Public Order & Safety 4%, Administration 3%, Economic Affairs 2%, Governance 1%, Mining, manufacturing & Construction 1%, Health 0%

### Income by functions



Other: Public Order & Safety 1%, Administration 1%, Housing & Community Amenities 1%, Mining, manufacturing & Construction 1%, Governance 1%, Economic Affairs 0%, Health 0%, Community Services & Education 2%

## Balance Sheet

The Balance Sheet shows positive picture of net assets, up \$14.5 million from the previous Financial Year. A reassessment of fair values of assets resulted in a \$17.1 million increase in total assets, while total liabilities increased by \$2.6 million, mainly because of a rise in payables by \$1.9 million.

	2018 \$m	2017 \$m	Variance \$m	Variance %
<b>Current Assets</b>	<b>79.4</b>	<b>86.1</b>	<b>-6.7</b>	<b>↓</b>
<b>Non-Current Assets</b>	<b>846.8</b>	<b>823.0</b>	<b>+23.8</b>	<b>↑</b>
<b>TOTAL ASSETS</b>	<b>926.2</b>	<b>909.1</b>	<b>+17.1</b>	<b>↓</b>
<b>TOTAL LIABILITIES</b>	<b>50.4</b>	<b>47.8</b>	<b>+2.6</b>	<b>↑</b>
<b>NET ASSETS</b>	<b>875.8</b>	<b>861.3</b>	<b>+14.5</b>	<b>↑</b>



## Financial Overview

### Stronger Communities Funds Distribution

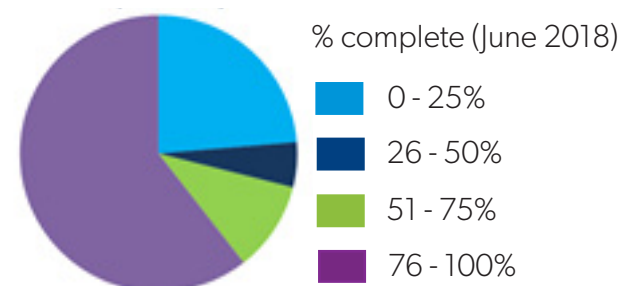
The Stronger Communities Fund was established by the NSW Government to assist merged councils in the delivery of community infrastructure and service improvements.

Armidale Regional Council received \$15 million from the Fund, which was distributed through three streams:

#### \$5 million New Council Implementation Fund (NCIF)

Council established a Merger Implementation Plan to distribute the \$5 million NCIF funds across projects and activities that would help establish a cohesive, stronger Council.

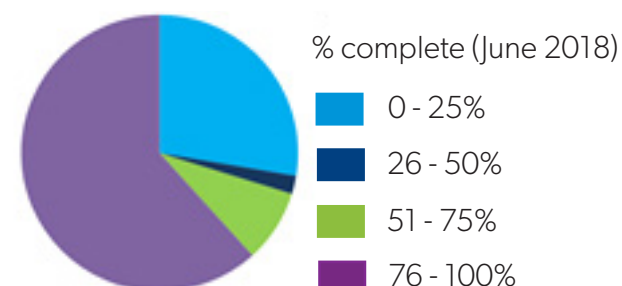
Council continues to roll-out this plan, with the majority of projects underway or completed.



#### \$1 million Stronger Communities – Community Grants Program

Council awarded community grants up to the value of \$50,000, to a range of groups that identified new projects and services that will contribute towards building more vibrant, sustainable and inclusive local communities.

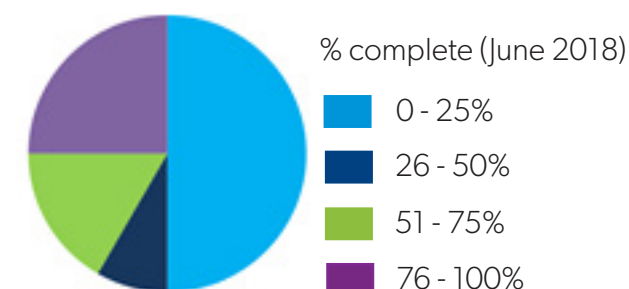
A large part of the funded community projects have been completed. These projects range from structural repairs to solar power installations, new equipment, sportsground fences, storage facilities, toilet blocks, kitchens, memorials, water tanks and mentor programs.



#### \$9 million Stronger Communities – Major Projects Program

Council allocated funding to 12 major projects under the Stronger Communities – Major Projects Program.

The total cost of the projects was \$12 million, including the \$9 million funded from Stronger Communities Fund and \$3 million of other sourced funding, including successful grants.



#### List of Major Projects

- Dumaresq Dam Stage 1 of Master Plan
- Timber Bridge Upgrade
- Rockvale Road Upgrade 1.5km Guyra-Ebor Turn off
- Installation of solar power at major Council facilities
- Platform Road 2.32 km Bitumen Sealing of Pavement
- Mall Vibrancy Plan
- Kempsey Road Improvements
- NERAM Cladding & Insulation
- Guyra CBD Upgrade Guyra Showground
- Bellevue Oval Lighting Upgrades Central Park Armidale

## Grant Funding Achieved

Grant funding provides Council the opportunity to engage in community activities, provide services and build infrastructure that it would not ordinarily be able to afford because of funding constraints. Grants are usually achieved through a competitive application process and must be

reported on through an acquittal process.

Grants are generally sourced through State and Federal bodies. They can provide full funding or partial funding (usually through a 50% funding contribution that must be matched by Council).

During 2017-18, Council was successful in receiving a number of one-off grants through external bodies:

Grant	\$ funded
SES Capital Grant	\$100,000
Aboriginal Employment Development Trainees – Elsa Dixon Indigenous Traineeship Program	\$50,000
Live and Local Music	\$15,523
Country Arts Support Program - Enliven	\$3,000
Restart NSW - Fixing Country Roads Tenterden Bridge	\$510,000
Federal Government Bridge Replacement Program	\$530,000
RFS Capital	\$120,837
Regional Airport New Start	\$365,481
Regional Airport	\$5,314,935
Waste Less Recycle More	\$104,200
Black Gully Fox Camp Management Plan	\$15,000
Armidale Golf Club Stronger Country Communities Fund Grant	\$124,526
Dangarsleigh War memorial	\$10,000
Getting Job Ready Program - NSW Department of Sport and Recreation	\$2,800
Rec Ya Shorts Film Workshops – NSW Department of Sport and Recreation	\$11,200
Tingha Teen Time – NSW Department of Sport and Recreation	\$5,850
GuyraYouth Collective Holiday Program - NSW Department of Sport and Recreation	\$5,950
Hillgrove Hall	\$5,221
Cookes Rd Local Area Traffic Management	\$36,455
Back to Business Month – NSW Department of Industry	\$6,234





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