



NEW ENGLAND COUNTY COUNCIL  
ABN 35 514 070 354

10 May 2024

## NOTICE OF MEETING

An Ordinary Meeting of the New England County Council, is to be held in the offices of the New England Weeds Authority, 1/129 Rusden Street, Armidale NSW 2350 on:

**Tuesday, 14 May 2024 at 1:00 pm**

The meeting Agenda and Business Paper are attached.

Please notify the General Manager of any apology.

Yours sincerely

A handwritten signature in black ink, appearing to read "Tim Weeks".

Tim Weeks  
**GENERAL MANAGER**

**ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL  
HELD IN COUNCIL'S OFFICES ON 14 MAY 2024**

**ORDINARY MEETING AGENDA**

<b>1.</b>	<b>PRESENT</b>	<b>2</b>
<b>2.</b>	<b>APOLOGIES</b>	<b>2</b>
<b>3.</b>	<b>DECLARATION OF INTEREST</b>	<b>2</b>
<b>4.</b>	<b>MATTERS OF URGENCY</b>	<b>2</b>
<b>5.</b>	<b>MINUTES OF THE ORDINARY MEETING OF THE NEW ENGLAND COUNTY COUNCIL HELD ON TUESDAY 20 FEBRUARY 2024</b>	<b>2</b>
<b>6.</b>	<b>MATTERS ARISING FROM MINUTES OF THE ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL HELD ON 20FEBRUARY 2024</b>	<b>2</b>
<b>7.</b>	<b>MINUTES OF THE EXTRAORDINARY MEETING OF THE NEW ENGLAND COUNTY COUNCIL HELD ON TUESDAY 29 APRIL 2024</b>	<b>2</b>
<b>8.</b>	<b>MATTERS ARISING FROM MINUTES OF THE EXTRAORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL HELD ON 29 APRIL 2024</b>	<b>3</b>
<b>9.</b>	<b><u>GENERAL MANAGERS REPORTS:</u></b>	<b>3</b>
<b>9.1</b>	<b>WEEDS ACTION PROGRAM REPORT</b>	<b>3</b>
<b>9.2</b>	<b>APPOINTMENT OF AN (ARIC) AUDIT RISK &amp; IMPROVEMENT COMMITTEE</b>	<b>3</b>
<b>9.3</b>	<b>GRANT APPLICATION FOR 2023-2024 WAP FUNDING</b>	<b>4</b>
<b>9.4</b>	<b>PROVISION OF WEED MANAGEMENT SERVICES TO TENTERFIELD SHIRE COUNCIL</b>	<b>5</b>
<b>9.5</b>	<b>ADOPTION OF DRAFT OPERATIONAL PLAN AND BUDGET FOR PUBLIC EXHIBITION</b>	<b>6</b>
<b>9.6</b>	<b>COMPLETION OF NEW OFFICE AND DEPOT – FINANCIAL UPDATE</b>	<b>8</b>
<b>10</b>	<b><u>FINANCIAL REPORTS:</u></b>	<b>9</b>
<b>10.1</b>	<b>ANNUAL FINANCIAL REPORTS AND AUDIT REPORT FOR YEAR ENDED 30 JUNE 2023</b>	<b>9</b>
<b>10.2</b>	<b>QUARTERLY BUSINESS REVIEW – MARCH 2024</b>	<b>12</b>
<b>10.3</b>	<b>INVESTMENT REPORT</b>	<b>13</b>
<b>11</b>	<b>ANY OTHER BUSINESS</b>	<b>13</b>
<b>12</b>	<b>NEXT MEETING – 1:00PM, 18 June 2024, 21 Waller Avenue, Armidale</b>	

**ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL  
HELD IN COUNCIL'S RUSDEN STREET OFFICE ON 14 MAY 2024**

*The Chair advises that while the meeting was not being live-streamed, a video recording of the meeting will be available on the County Council's website.*

**ORDINARY MEETING OF COUNCIL**

1. **PRESENT:**
2. **APOLOGIES:**
3. **DECLARATION OF INTEREST:**
4. **MATTERS OF URGENCY:**
5. **MINUTES OF THE ORDINARY MEETING OF THE NEW ENGLAND COUNTY COUNCIL HELD ON TUESDAY 20 FEBRUARY 2024**

Please click this link to view the [Minutes of the Ordinary Meeting](#) held on Tuesday 20 February 2024.

**Recommendation:**

That the Minutes of the Ordinary Meeting of the New England County Council held on 20 February 2024, which have been distributed to all members, are taken as read and confirmed as a true record.

6. **MATTERS ARISING FROM MINUTES OF THE ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL HELD ON 20 FEBRUARY 2024**
7. **MINUTES OF THE EXTRAORDINARY MEETING OF THE NEW ENGLAND COUNTY COUNCIL HELD ON TUESDAY 29 APRIL 2024**

Please click this link to view the [Minutes of the Ordinary Meeting](#) held on Tuesday 29 April 2024.

**Recommendation:**

That the Minutes of the Ordinary Meeting of the New England County Council held on 29 April 2024, which have been distributed to all members, are taken as read and confirmed as a true record.

**ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL  
HELD IN COUNCIL'S OFFICES ON 14 MAY 2024**

**8. MATTERS ARISING FROM MINUTES OF THE EXTRAORDINARY MEETING  
OF NEW ENGLAND COUNTY COUNCIL HELD ON 29 APRIL 2024**

**9. GENERAL MANAGERS REPORTS:**

**9.1 WEEDS ACTION PROGRAM REPORT**

**RECOMMENDATION:**

That the Weeds Action Plan Report, summarising activities and outcomes to date, including the 2023-2024 Weeds Action Program, be received and noted.

The [Weeds Action Plan Report](#), to 9 May 2024, is set out in the attached document, titled Weed Action Program (WAP) – 4<sup>th</sup> Quarter.

**9.2 APPOINTMENT OF AN (ARIC) AUDIT RISK & IMPROVEMENT COMMITTEE**

**Recommendation:**

That the Committee convened for selection and appointment of members to NEWA's ARIC, meet to nominate preferred candidates for submission to the Ordinary Council Meeting to be held on 18 June 2024.

***Background***

The Local Government (General) Regulation 2021 sets out elements of the Guidelines requiring the establishment of an Audit, Risk and Improvement Committee (ARIC). Although in place since June 2022, the guidelines for Risk Management and Internal Audit came into force in early 2023, with County Council's required to comply with the Guidelines from **1 July 2024**. The purpose of the ARIC is to provide information and independent advice to the elected councillors to improve the Council's operations and will report from the 2024-2025 FY.

NEWA has invited expressions of interest from members of Member Council ARICs and their responses are being held on file.

# ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL HELD IN COUNCIL'S RUSDEN STREET OFFICE ON 14 MAY 2024

## **Report**

*Please also refer to minutes of the 20 February and 29 April 2024 Council Meetings for more information.*

Upon receipt of the letter from Minister Hoenig MP, advising of his intention to suspend NEWA's Council, the Chair, Cr Dorothy Robinson, wrote to each applicant for membership of NEWA's ARIC, advising of the Minister's intention to suspend NEWA's Council, and advising that her continued involvement would be inappropriate.

It continues to be important that suitable candidates be proposed to the 18 June Ordinary Meeting of Council, in order that NEWA is compliant with the requirements of the LG (General) Regulations 2021.

### **9.3 GRANT APPLICATION FOR 2023-2024 WAP FUNDING**

#### **Recommendation:**

That Council note the current status of the funding to be provided under the 2023-2024 Weeds Action Program.

#### **Background**

The NSW Weeds Action Program (WAP) provides funding to local government for weed control. Eligible activities include:

- Early detection of high-risk weeds through inspections and surveillance of high-risk sites and pathways.
- Responding to biosecurity emergencies.
- Eradication and containment of high-risk weeds.
- Increasing the capacity of the community to identify, report and manage weeds.

NEWA receives funding annually under the Weeds Action Program 2020-2025, from the Department of Primary Industries and is a key component of NEWA's annual biosecurity budget. Historically, WAP funding has been received between December and February of each year. NEWA's 2023-2024 funding, originally expected in line with this timeframe, has been delayed progressively and incrementally from December to March 2024, and in early April, the DPI advised all recipients that future funding would be provided through a grant application process. NEWA completed this somewhat complex application, which was submitted by the closing date of 12 April 2024. Grant guidelines indicated that an announcement would be made by 8 May, regarding funding and timing, however, to date no details have been provided. WAP funding is worth approximately \$400,000+ to NEWA.

**ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL  
HELD IN COUNCIL'S OFFICES ON 14 MAY 2024**

**9.4 PROVISION OF WEED MANAGEMENT SERVICES TO TENTERFIELD SHIRE COUNCIL**

**Recommendation:**

That Council note the request received from Tenterfield Shire Council for the New England Weeds Authority to provide weed management services and to meet Council's Biosecurity obligations under the ACT for a 12 month trial program.

***Background***

NEWA is part of the Northern Tablelands Region of the Local Land Services. The NTLLS comprises six (6) Local Government Areas – Tenterfield, Glen Innes Severn, Inverell, Armidale Regional, Uralla Shire and Walcha Councils.

Established 75 years ago, NEWA provides weed management services to four (4) of these six LGAs, with Inverell and Tenterfield currently the exceptions. Historically, Guyra, Armidale City and Armidale Dumaresq Councils were part of NEWA; prior to their amalgamation into Armidale Regional Council.

Previously, when NEWA has been approached by neighbouring Council's wishing to join the County Council to have Weed Management Services provided by NEWA, a first step has been to enter into a 12 month Memorandum of Understanding (MOU) to confirm the alignment of both organisations; financially and philosophically. This was previously the case with both Inverell Shire and Glen Innes Severn Councils; with GISC progressing 12 months later to be a full member of the County Council.

***Report***

NEWA has been approached by Tenterfield Shire Council to provide weed management services that meet Council's Biosecurity obligations under the ACT. A copy of [Tenterfield's correspondence](#) is attached. It is planned that a MOU for a 12-month period is entered into from 1 July 2024.

The provision of services by NEWA would be on a fully funded commercial basis, including the transfer of a staff member, Ute and spray unit and side by side vehicle. Tenterfield's depot would continue to be available as required.

**ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL  
HELD IN COUNCIL'S RUSDEN STREET OFFICE ON 14 MAY 2024**

**9.5 ADOPTION OF DRAFT OPERATIONAL PLAN AND BUDGET 2024-2025 FOR  
PUBLIC EXHIBITION**

**Recommendation:**

- 1 That the Draft New England Weeds Authority Annual Operational Plan and Annual Budget for 2024-2025 be adopted and placed on public exhibition for a minimum period of 28 days in accordance with the provisions of the Local Government Act 1993.
- 2 That following the conclusion of the public exhibition period, should public submissions have been received a further report be presented to Council of the submissions for the adoption of the Draft New England Weeds Authority Annual Operational Plan 2024-2025.
- 3 That the constituent member Councils of Armidale Regional, Glen Innes Severn, Walcha and Uralla Shire be provided with a copy of the Draft New England Weeds Authority Annual Operational Plan 2024-2025 for comment.

***Purpose***

This report has been prepared in accordance with the Local Government Act 1993 and Local Government (General) Regulations 2021 to allow Council and the community to consider and comment on the 2024/2025 Operational Plan, including the Annual Budget.

***Background***

Council at its June 2017 meeting adopted its 10-Year Business Activity Strategic Plan (BASP) 2017-2027, as part of the Integrated Planning & Reporting (IP&R) framework, and in accordance with the provisions of the Local Government Act 1993, and Local Government (General) Regulation 2005. The Business Activity Strategic Plan details the activities Council will undertake over the period of the Four-Year Delivery Plan from 2020-2024, together with the actions to be undertaken through the Annual Operational Plan to implement weed management and control of scheduled priority and invasive weed species, identified in the Northern Tablelands Regional Strategic Weed Management Plan 2020-2024, for our constituent member Councils. The Strategic Weed Management Plan should be reviewed to reflect the enlarged County Council area comprising four (4) LGAs with consideration to be given to the addition of a fifth. NEWA should consider opportunities to engage with additional councils and government organisations to promote their inclusion within the County Council as either members or on a service agreement (MOU) arrangement.

## **ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL HELD IN COUNCIL'S OFFICES ON 14 MAY 2024**

### ***Report***

In accordance with the provisions of Section 405 of the Local Government Act 1993, Council must have an Annual Operational Plan that is adopted before the beginning of each financial year, that details the activities to be undertaken by Council during the coming year as part of the Delivery Plan covering that year. In addition, the Annual Operational Plan must include a Statement of Revenue Policy detailing the Budget, Fees and Charges.

In preparing the Draft Annual Operation Plan, Council must give public notice of the draft Plan indicating that submissions may be made to Council at any time during the exhibition period, which must not be less than 28 days.

Council's Draft Annual Operational Plan 2024-2025 and the associated Statement of Revenue Policy has been prepared in accordance with the above requirements and is attached to this report for the consideration of Council.

### ***Financial and Resource Implications***

Council is required to prepare an Operational Plan annually that establishes its budgets, fees and charges and other financial information that allows the public and the member Councils to understand the resource allocations in that year.

### ***Legal Implications***

Under Clause 405 Local Government Act 1993 as amended, Council is required to prepare an Annual Operations Plan and place the draft plan on public display in order to seek comment. Before adopting the Annual Operational Plan, Council must consider any submissions that have been made concerning the draft Plan. Once adopted, Council must post a copy on its website within 28 days from the date of adoption.

### ***Risk Implications***

If Council adopts the Draft Plan for public display and follows the provisions of the Local Government Act and Regulations, there is no risk identified.

### ***Stakeholder Consultation***

The Draft Operational Plan 2024/2025 is required to be displayed and copies should be provided to our member Councils and those organisations or Councils that may have an interest in the NEWA operations. Printed copies should be freely available to landholders and other stakeholders if requested.

### ***Options***

No option exists to the requirements under the Act and Regulations.

### ***Conclusion***

Council is required under Clause 405 Local Government Act 1993 as amended and Regulations thereto, to prepare an Annual Operations Plan.



**ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL  
HELD IN COUNCIL’S RUSDEN STREET OFFICE ON 14 MAY 2024**

***Link to Policy and/or the Business Activity Strategic Plan***

Council is to be informed of changes to legislation that impact on the business of Council.

***Supporting Information and/or Attachments***

- [Draft New England Weeds Authority - Annual Operational Plan 2024-2025](#)
- [Statement of Revenue Policy \(included in Operational plan\)](#)

**9.6 COMPLETION OF NEW OFFICE AND DEPOT – FINANCIAL UPDATE**

**Recommendation:**

That Council receive and note the practical completion of the new NEWA facility located at 21 Waller Avenue, together with the summary and current status of Progress Claims.

***Background***

In April 2023, NEWA commenced the construction of a new facility comprising offices, a depot and an environmental vehicle wash-down bay. Construction of this facility, under a fixed price contract, was completed (practical completion) in March 2024; on-time and on-budget. At the time of writing this report, an occupation certificate has not been received.

***Report***

NEWA’s new facility at 21 Waller Avenue, has now been completed and is ready for occupation by NEWA staff. During the final stages of construction, NEWA worked with the builder and NEWA’s service providers to ‘fit-out’ - access control, IT, CCTV, some furniture, video conferencing facilities and the vehicle hygienic wash system.

The below chart shows the status of Progress Claims and Payments. There currently remains a balance of \$480,656.98 (including GST). There is a total amount of \$170,479.99 to be refunded.

While technically awaiting an occupation certificate, NEWA’s ability to occupy the building is dependent upon the resolution of funding. Insurance has been arranged for the building as the facility has been practically completed and inspected.

Date	Claim No	Invoice No.	Amount of Claim (excl. GST)	GST	Total (incl. GST)	Balance O/S (incl. GST)
27 June 2023	Claim No. 1	1205	17,575.20	1,757.52	19,332.72	
31 August 2023	Claim No. 2	1238	232,794.80	23,279.48	256,074.28	
29 September 2023	Claim No. 3	1252	345,815.00	34,581.50	380,396.50	
28 October 2023	Claim No. 4	1270	502,356.40	50,235.64	552,592.04	
30 November 2023	Claim No. 5	1311	205,710.00	20,571.00	226,281.00	
20 December 2023	Claim No. 6	1324	154,455.00	15,445.50	169,900.50	169,900.50
21 January 2023	Claim No. 7	1333	124,677.42	12,467.74	137,145.16	137,145.16
29 February 2023	Claim No. 8	1356	121,415.06	12,141.51	133,556.57	133,556.57
			<b>1,704,798.88</b>	<b>170,479.89</b>	<b>1,875,278.77</b>	<b>440,602.23</b>

**ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL  
HELD IN COUNCIL'S OFFICES ON 14 MAY 2024**

**10      FINANCIAL REPORTS:**

**10.1    ANNUAL FINANCIAL REPORTS AND AUDIT REPORT FOR  
YEAR ENDED 30 JUNE 2023**

**Recommendation:**

**Recommendation:**

1. In accordance with Section 413 (2c) of the *Local Government Act 1993*, and Clause 215 of the *Local Government (General) Regulation 2021*, that Council notes the 2022-2023 Audited Financial Statements for the General Purpose Financial Report.
2. That Council note that a Public Notice for the presentation of the Audited 2022-2023 Financial Reports was placed on Council's Website on 23 April 2024 to invite inspection and comment on the Financial Reports.
3. That Council notes that a copy of the 2022-2023 Financial Reports (attached) have been forwarded to the Office of Local Government.

**Background**

Council's [2022-23 Financial Reports](#) have now been completed and the Auditor's signed report received. To comply with the provisions of the *Local Government Act 1993*, the following actions must be implemented to allow for the finalisation of the year end accounts.

The relevant sections of the *Local Government Act 1993* relating to the preparation of Council's annual financial reports are as follows:

- a) Section 413, 415 and 416 requires that a council must prepare financial reports, including Financial Reports and 'Statement by Councillors and Management' for both the General Purpose Financial Reports and Special Purpose Financial Reports (where applicable); for each year, and must refer them for audit and be audited by the 31 October.
- b) In NEWA's case, and because of extensive delays in finalising the audit process Council requested, and was granted, extension initially to 22 December 2023, and then further to 28 February 2024. A further and final extension to 31 March 2024 was approved.
- c) Section 413 requires that the financial reports must be accompanied by a statement of Council's opinion made pursuant to a resolution of Council and signed by the Chairperson, at least one other councillor, General Manager and the Responsible Accounting Officer.

## **ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL HELD IN COUNCIL'S RUSDEN STREET OFFICE ON 14 MAY 2024**

- d) Council must fix a meeting date to present the financial reports to the public.
- e) Advertise, for a minimum of seven days prior to the meeting, that the [Financial Reports and the Auditor's report](#) are available for public inspection, and
- f) In accordance with Sec 420, any person may make a submission on the audited Financial Reports within 7 days of the Reports being presented to the public.

The audit of Council's Financial Statements was completed on 16 April 2024. [Audited Financial Statements](#), together with the Auditor's reports, were submitted to the OLG on the following morning, 17 April 2024.

Public notice for the presentation of the Financial Reports at the scheduled 14 May Council meeting, in the prescribed format, occurred from 23 April 2024, following receipt of the Auditor's Reports from the Audit Office. While one request was received for a copy of the audited Financial Statements, there have been no submissions received to date.

### **Statutory Requirements**

In addressing the statutory requirements under the *Local Government Act 1993*, Council's audited Financial Reports, together with the Auditor's Report, have been placed on Council's website and are attached to this business paper.

As Council has been made fully aware, the audit of 2022-23 Financial Reports has been a very difficult and protracted process which resulted in three (3) separate requests for Ministerial approval for extension of the time for lodgement, and the Reports finally being lodged with the OLG on 17 April 2024.

### **Audit Opinion**

Councillors will be aware that the Audit Office has issued a Disclaimer of Opinion on the 2022-23 Financial Statements, on the basis that, in the opinion of the Auditor, "*Council has not maintained adequate books and records to support transactions, balances and disclosures reported in the financial statements...*".

For context, a 'Disclaimer of Opinion' does not constitute either a 'Modified' or a 'Qualified' audit opinion on the accounts. It is a reflection of the Auditor's view that there is insufficient evidence to form an unqualified judgement, rather than, for example, circumstances where there has been a material omission or misstatement, or error of accounting treatment in the accounts which renders the reported result materially incorrect.

Representations by the General Manager and contract CFO have been made on a number of occasions to the contract Auditor, Forsyths, as well as directly to the Audit Office during the conduct of the audit, and in relation to the Disclaimer of Opinion, however none of the representations were successful in persuading the Audit Office that in Council's view, the absence of supporting articles for a range of transactions was not as pervasive or material to the disclosures as represented by the Audit Office.

## **ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL HELD IN COUNCIL'S OFFICES ON 14 MAY 2024**

However, Council must accept the Auditor's opinion and has done so, with the view that it is an opportunity to close that chapter and move forward towards a better outcome in future years.

It is certainly acknowledged that Council's records and supporting processes were not adequate for a good portion of the year, where bookkeeping and other services were outsourced due to a lack of internal staff. Council must, and has, taken responsibility for these deficiencies, regardless of how they occurred.

In the main, such deficiencies have since been rectified and processes have been improved to the extent that the situation giving rise to the Auditor's opinion for the 2022-23 financial year, should not occur again.

### **Financial Summary**

Council's Net Operating Result for the financial year ended 30 June 2023 was a surplus of \$40K. This compares to a surplus in 2022 of \$155K. While the surplus was not as high as expected, Income for the year increased from \$1.735M in 2022 to \$1.876M, largely due to the increased take-up of grant funds which had been unspent in previous years.

Expenditure for the year increased from \$1.58M in 2022 to \$1.836M on the back of increased costs of delivering programs through external contractors. Employee costs reduced from \$970K in 2022, to \$827K in 2023, reflecting the reduced staffing capacity and the reason that an increasing component of Council's business functions had to be outsourced.

Current Assets reduced from \$2.056M in 2022 to \$1.658M, again reflecting the drawdown of unspent grants and contributions during the year. Non Current Assets increased from \$590K to \$683K, reflecting both commencement of expenditure on the new Depot and Office building and a revaluation increase in the land on which the building stands.

Total Liabilities decreased from \$740K in 2022 to \$336K, partly from the transfer of grant funds previously held as contract liabilities to revenue, and partly due to a reduction in Employee Leave Entitlement provision.

Net Assets increased from \$1,906M in 2022 to \$1,996M and unrestricted cash increased slightly from \$871K in 2022 to \$934K for the year ended 30 June 2023.

Council's financial position, despite the Disclaimer of Opinion being delivered by the Audit Office, remained in a reasonable state at 30 June 2023.

Given that the audit of accounts was not completed until some 9.5 months after the end of the financial year, significant events in the current financial year have caused Council's financial position to deteriorate, this has been the subject of other reports provided to councillors prior to this meeting and on that basis, this report item is confined only to the subject of the audited Financial Statements as at 30 June 2023.

**ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL  
HELD IN COUNCIL'S RUSDEN STREET OFFICE ON 14 MAY 2024**

**10.2 QUARTERLY BUSINESS REVIEW – MARCH 2024**

**Recommendation:**

1. That Council note the [Quarterly Budget Review](#) for the quarter ending 31 March 2024, and endorse the proposed budget variations as presented in the attachment to this meeting, and
2. That in view of the statement by the General Manager/Responsible Accounting Officer concerning the unsatisfactory nature of the budget and current cashflow position, the recommendations for action, as outlined in the statement, be endorsed and actioned as a matter of extreme urgency.

**Background**

The [Quarterly Budget Review](#) for the quarter ended 31 March 2024 is presented for the information of Councillors and for the endorsement of the proposed budget variations, in accordance with clause 203 of the Local Government (General) Regulation 2021.

Ordinarily, Quarterly Budget Reviews are undertaken in an environment of relative certainty. In this instance, there is significant uncertainty surrounding Council's operational environment and its capacity to continue operations without a substantial cash injection.

These difficulties have been rapidly escalating due, in the most part, to the continuing delays in obtaining OLG approval for the proposed loan funding, and also the extraordinary delay in the Department of Primary Industries and Regional Development releasing the WAP funding, which is an integral part of Council's funding mix and for which Council's own funds have been utilised in advance of funding, in order to achieve relevant delivery targets.

At this point in time, Council has been unable to pay suppliers and contractors for several months and operations have been reduced to an absolute minimum, including substantially reduce activity on project and private works, which has only exacerbated the cashflow position.

Council is now in the unthinkable position where the lack of available funding will result in the inability to pay staff within a very short period of time.

In the light of the above, the proposed budget variations, as presented in the attached documents, represent a scenario where the projected financial position at 30 June 2024, is extremely difficult to predict.

To the extent possible, the predicted Operating result for the year is a deficit of \$190K, whereas the original Budget had presented a proposed surplus of \$198K. This reflects the circumstances where Council has effectively entered a hibernation mode of operation, which is not sustainable. Efforts to resolve this situation must continue as an absolute urgency.

**ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL  
HELD IN COUNCIL'S OFFICES ON 14 MAY 2024**

**10.3 INVESTMENT REPORT**

At the time of this report, NEWA has no funds invested.

**11 ANY OTHER BUSINESS**

**12 NEXT MEETING – 1:00PM, 18 June 2024, 21 Waller Avenue, Armidale**

**MEETING CLOSE:**

**ORDINARY MEETING OF NEW ENGLAND COUNTY COUNCIL  
HELD IN COUNCIL'S RUSDEN STREET OFFICE ON 14 MAY 2024**

**THIS PAGE IS INTENTIONALLY BLANK**

