



Ararat Rural City

# MINUTES

## COUNCIL MEETING

**Tuesday 18 April 2023**

Held in the Council Chambers, Shire Offices  
(Livestreamed)

Commenced at 6.00pm

Council:

Cr Jo Armstrong (Mayor)

Cr Gwenda Allgood

Cr Rob Armstrong

Cr Peter Beales

Cr Henry Burridge

Cr Bob Sanders

Cr Bill Waterston

A recording of this meeting is being made for the purpose of verifying the accuracy of the minutes of the Council Meeting.

The recording is being streamed live via Facebook, to improve transparency between council and the community and give more people the opportunity to view what decisions are being made. You do not require a Facebook account to watch the live broadcast, simply enter [www.facebook.com/araratruralcitycouncil](https://www.facebook.com/araratruralcitycouncil) into your address bar.

Recordings of Council Meetings (excluding closed sessions) are made available on Council's website.

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**PRESENT:**

Cr Jo Armstrong (Mayor), Cr Gwenda Allgood, Cr Rob Armstrong, Cr Peter Beales, Cr Henry Burridge, Cr Bob Sanders, Cr Bill Waterston,  
Mr Tim Harrison, Chief Executive Officer and Josie Frawley, Executive Officer.

**SECTION 1 – PROCEDURAL MATTERS**

**1.1 LIVE STREAMING**

Council is keen to engage with members of the community and live streams the formal Council Meetings to make them accessible. The stream is available to view on Council's Facebook page from 6pm and on Council's website following the Council Meeting.

**1.2 TRADITIONAL ACKNOWLEDGEMENT/OPENING PRAYER/COUNCILLORS PLEDGE**

***Traditional acknowledgement- CR ALLGOOD***

We acknowledge the traditional owners of the land on which we meet today, and pay our respects to their elders, past, present and emerging.

***Opening Prayer- CR SANDERS***

Almighty God, we humbly ask you to help us, as elected Councillors of the Ararat Rural City Council. Guide our deliberations. Prosper what is your will for us, to your honour and glory and for the welfare and benefit of the people whom we serve in the Ararat Rural City.

***Councillors Pledge- CR BURRIDGE***

We will faithfully and impartially carry out and exercise the functions, powers, authorities and discretions invested in us under the *Local Government Act 2020* and any other Act to the best of our skill and judgement.

**1.3 APOLOGIES**

There were no apologies.

**1.4 CONFIRMATION OF MINUTES**

***RECOMMENDATION***

*That the Minutes of the Council Meetings held on 28 March 2023 be confirmed.*

**MOVED CR SANDERS  
SECONDED CR WATERSTON**

That the Minutes of the Council Meetings held on 28 March 2023 be confirmed.

**CARRIED 4802/23**

## 1.5 DECLARATION OF CONFLICT OF INTEREST

A Councillor who has a conflict of interest in a matter being considered at a *Council meeting* at which he or she:

- 1 is present must disclose that conflict of interest by explaining the nature of the conflict of interest to those present at the *Council meeting* immediately before the matter is considered; or
- 2 intends to be present must disclose that conflict of interest by providing to the *Chief Executive Officer* before the *Council meeting* commences a written notice:
  - (a) advising of the conflict of interest;
  - (b) explaining the nature of the conflict of interest; and
  - (c) detailing, if the nature of the conflict of interest involves a Councillor's relationship with or a gift from another person, the:
    - name of the other person;
    - nature of the relationship with that other person or the date of receipt, value and type of gift received from the other person; and
    - nature of that other person's interest in the matter,and then immediately before the matter is considered at the meeting announcing to those present that he or she has a conflict of interest and that a written notice has been given to the *Chief Executive Officer* under this sub-Rule.

The Councillor must, in either event, leave the *Council meeting* immediately after giving the explanation or making the announcement (as the case may be) and not return to the meeting until after the matter has been disposed of.

Cr Allgood advised that she had a conflict of interest to declare in relation to Item 2.1.1 and Item 3.2.

## SECTION 2 – PUBLIC PARTICIPATION

### 2.1 PETITIONS AND JOINT LETTERS

- 1 Unless *Council* determines to consider it as an item of urgent business, no motion (other than a motion to receive the same) may be made on any petition, joint letter, memorial or other like application until the next *Council meeting* after that at which it has been presented.
- 2 It is incumbent on every Councillor presenting a petition or joint letter to acquaint himself or herself with the contents of that petition or joint letter, and to ascertain that it does not contain language disrespectful to *Council*.
- 3 Every Councillor presenting a petition or joint letter to *Council* must:
  - write or otherwise record his or her name at the beginning of the petition or joint letter; and
  - confine himself or herself to a statement of the persons from whom it comes, the number of signatories to it, the material matters expressed in it and the text of the prayer or request.
- 4 Every petition or joint letter presented to *Council* must be in *writing* (other than pencil), typing or printing, contain the request of the petitioners or signatories and be signed by at least 12 people.
- 5 Every petition or joint letter must be signed by the persons whose names are appended to it by their names or marks, and, except in cases of incapacity or sickness, by no one else and the address of every petitioner or signatory must be clearly stated.
- 6 Any signature appearing on a page which does not bear the text of the whole of the petition or request may not be considered by *Council*.
- 7 Every page of a petition or joint letter must be a single page of paper and not be posted, stapled, pinned or otherwise affixed or attached to any piece of paper other than another page of the petition or joint letter.
- 8 If a petition, joint letter, memorial or other like application relates to an operational matter, *Council* must refer it to the *Chief Executive Officer* for consideration.

Councillor Allgood declared a Conflict of Interest in Item 2.1.1 Joint Letter from Ararat Early Learning Centre due to a relationship with someone that works at the centre.

Cr Allgood left the chamber at 6:03pm

#### 2.1.1 JOINT LETTER FROM ARARAT EARLY LEARNING CENTRE

RESPONSIBLE OFFICER: CHIEF EXECUTIVE OFFICER  
DEPARTMENT: CEO'S OFFICE  
REFERENCE: 9665

#### OFFICER DIRECT OR INDIRECT CONFLICT OF INTEREST:

Officers providing advice to Council must disclose any conflict of interest.

No person involved in the preparation of this report has a conflict of interest requiring disclosure.

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#### EXECUTIVE SUMMARY

A joint letter has been received from educators at Ararat Early Learning Centre. The joint letter is requesting additional designated, signposted pedestrian crossings at various locations, which are outlined in detail below.

The educators have stated that the inclusion of additional crossings will increase the safety of our community who choose an active mode of transport.

The letter was first presented to Council at the 28 March 2023 Council Meeting, where it lay on the table for consideration until the 18 April Council Meeting.

#### DISCUSSION

The joint letter, which consists of 21 signatures.

The following is a list of locations Ararat Early Learning Centre would like to see Council install designated, signposted pedestrian crossings:

- At the Moore Street/Princes Street intersection (between St Mary's and Marian College)
- Barkly Street at the Marian College median crossing
- Barkly Street, crossing Kings Street at Christians Buses
- On Queen Street outside the Langi Morgala Museum, crossing to the Library
- Barkly Street, crossing Ingor Street from the bus stop to the Post Office

Ararat Early Learning Centre believe that the installation of these crossings would benefit not only their organisation, but all of Ararat Rural City residents, making it a safer environment for active forms of transport.

After the letter was presented to the Mayor and Councillors at the March 2023 Council Meeting, Ararat Early Learning Centre invited Councillors along to join them on one of their weekly excursions to the Ararat Library.

Mayor, Jo Armstrong and Councillor, Gwenda Allgood, attended the walk on Tuesday 4 April and discussed the pedestrian crossings Ararat Early Learning Centre would like to see installed.

While Council views that safety of all pedestrians as critically important and wishes to ensure their safety, it is important to note that three of the crossings requested in the joint letter relate to Department of Transport controlled roads or roads in very close proximity. These locations are:

- Barkly Street at the Marian College median crossing

- Barkly Street, crossing Kings Street at Christians Buses
- Barkly Street, crossing Ingor Street from the bus stop to the Post Office

The crossing requested on Queen Street outside the Langi Morgala Museum, crossing to the Library is on a roadway between High and Barkly Streets, which are both Department of Transport controlled roads and in very close proximity to the roundabout at the Queen and Barkly Street intersection.

The pedestrian crossing At the Moore Street/Princes Street intersection (between St Mary's and Marian College) is on Council controlled roads and a decision on a pedestrian crossing can be facilitated by Council. This would need to be in conjunction with appropriate traffic studies and consultation with the two schools in close proximity.

It is recommended that the CEO contact the regional Director of the Department of Transport to discuss the issues raised in the joint letter with a view to seeking advice around a solution to the safety concerns. The CEO will then provide a preliminary report to the May 2023 Council meeting on the outcomes of this discussion.

The joint letter raises the important question of pedestrian safety in Ararat. It is an issue that Council should investigate more generally and develop a strategic position on. Council had adopted Ararat On the Move: Active Transport and Lifestyle Strategy 2015-2025 which may provide some guidance on broader issues of pedestrian safety. It is recommended that the CEO provide a briefing to Council in May 2023 on the broader issues around pedestrian safety and report to the June 2023 Council meeting on a suitable strategy.

Clause 55.1 of Council's Governance Rules, states:

Unless *Council* determines to consider it as an item of urgent business, no motion (other than a motion to receive the same) may be made on any petition, joint letter, memorial, or other like application until the next *Council meeting* after that at which it has been presented.

## KEY CONSIDERATIONS

### *Alignment to Council Plan Strategic Objectives*

#### **4      *Developing and Maintaining Key Enabling Infrastructure***

We will ensure that we plan, fund and develop new infrastructure in ways that delivers strong public value. Existing infrastructure will be managed, renewed, and maintained to ensure that it continues to serve identified public needs.

#### **5      *Enhancing Community Life***

We will work with the communities of Ararat Rural City to maintain social cohesion, support community activity and cultural life and enhance safety.

### ***Budget Implications***

The solution proposed by residents would have a significant impact on budget. The cost benefit of such an approach would need to be carefully considered within the context of future year budgets.

### ***Policy/Relevant Law***

N/A

### ***Sustainability Implications***

There are no significant impacts identified on native vegetation, cultural heritage, and catchment management.

### ***Risk Assessment***

This report is based on concerns raised by the Ararat Early Learning Centre, and the perceived risk to the community and road users. There is a need to mitigate the perceived risk in a cost-effective and in a way that

causes minimal disruption. Council will work with the Department of Transport to seek approaches to reduce the risk.

*Innovation and Continuous Improvement*

N/A

*Stakeholder Collaboration and Community Engagement*

This report has been generated based on the joint letter from the educators at Ararat Early Learning Centre.

The Mayor and Councillor Gwenda Allgood met with educators who signed the letter on Tuesday 4 April, to inspect the areas in question and further discuss their wants for the identified sections of road.

Further collaboration and community engagement will occur with the educators that signed the joint letter, Councillors and the community in coming weeks.

**RECOMMENDATION**

*That:*

- 1. The CEO work with the Department of Transport to seek cost effective and safe solutions to address the road safety concerns of the signatories on the joint letter;*
- 2. The CEO provide a briefing to Council in May 2023 on the Ararat On the Move: Active Transport and Lifestyle Strategy 2015-2025; and*
- 3. The CEO report to the June 2023 Council Meeting on a suitable strategy.*

**MOVED CR BEALES**

**SECONDED CR SANDERS**

**That:**

- 1 The CEO work with the Department of Transport to seek cost effective and safe solutions to address the road safety concerns of the signatories on the joint letter;**
- 2 The CEO provide a briefing to Council in May 2023 on the Ararat On the Move: Active Transport and Lifestyle Strategy 2015-2025; and**
- 3. The CEO report to the June 2023 Council Meeting on a suitable strategy.**

**CARRIED 4803/23**

**ATTACHMENTS**

There are no attachments relating to this item.

Cr Allgood returned to the Chamber at 6:09pm

## SECTION 3 – REPORTS REQUIRING COUNCIL DECISION

### 3.1 2022/2023 CAPITAL WORKS PROGRAM – APRIL 2023

RESPONSIBLE OFFICER: CHIEF EXECUTIVE OFFICER  
DEPARTMENT: CEO'S OFFICE  
REFERENCE: 9655

#### OFFICER DIRECT OR INDIRECT CONFLICT OF INTEREST:

Officers providing advice to Council must disclose any conflict of interest.

No person involved in the preparation of this report has a conflict of interest requiring disclosure.

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#### EXECUTIVE SUMMARY

Council adopted its 2022/2023 Capital Works Program as a key element of the 2023/2023 Budget. The program is significantly different to previous years in that it is not predominantly made up of larger road and bridge renewals. The 2022/2023 Program is composed of a series of smaller projects, including a focus on renewal and upgrade of community infrastructure.

The flood events in October 2023, provided some disruption to Council's planned capital works program. Work by Council staff and contractors continues to make good significant damage to Council's road and drainage assets, particularly the unsealed road network.

The capital works program has also been impacted by significant volatility in contract pricing. Market uncertainty, cost of materials, logistical issues and price gouging have all created substantial fluctuations in contract pricing and delivery. To mitigate this risk Council has decided to manage a range of projects in-house where cost can be more reliably managed.

Despite the impacts of flooding and market uncertainty it is still anticipated that capital works program for 2022/2023 will approach 100% completion.

#### DISCUSSION

Council's 2022/2023 Capital Works Program is substantially different to the last few years. The program does not have a number of major road or bridge projects. Council believes that during the period of pricing instability currently being experienced, that it was better to undertake a "small target" capital works program in 2022/2023.

The emphasis for 2022/2023 has been on renewal and updating Council assets, undertaking a larger number of smaller projects of lower value to avoid the impacts of price volatility in the market. It is hoped that this approach will also provide opportunities to leverage in-house capability, support local employment and engagement of local contractors.

The capital works program has had an emphasis on the following areas:

- Improvements to range of community infrastructure
- An enhanced road reseal program
- Improvement to urban drainage
- Upgrades to the footpath network
- Major patching work to extend the life of heavy use local roads

The October 2022 flood event impacted significantly on Council's capacity to undertake works on the capital works program. This disruption was felt for several months. In spite of this disruption, it is anticipated that Council will go very close to fully expending the capital works budget in 2022/2023.

The 2022/2023 Capital Works Program consisted of the following elements:

Capital Works Program Element	Budget
Helendoite Road bridge replacement	\$ 800,000
Community infrastructure	\$1,500,000
Gravel road resheeting and widening	\$2,100,000
Road reseal program	\$2,100,000
Major patching	\$ 400,000
Urban drainage	\$ 700,000
Footpaths and cycleways	\$ 300,000
Plant and equipment	\$ 810,000
<b>Total</b>	<b>\$8,710,000</b>

The capital work budget is currently 74% spent. This is less than would have been hoped, but it is important to note that the October flood event represented a significant disruption to the smooth roll out of the program and pricing volatility has also impacted projects such as the Helendoite Road bridge.

Capital Work Element	Committed expenditure	% complete	Notes
Helendoite Rd Bridge	\$ 475,589	59%	The bridge elements have been purchased through InQuik. Installation was tendered and the pricing was viewed as excessive. This will now be undertaken in-house, with an aim to completion as soon as practicable.
Community Infrastructure	\$ 1,087,108	72%	This is made up of a series of smaller projects. The most significant of these is the purchase and installation of new playground equipment at Alexandra Gardens and Lake Bolac. Existing gas BBQs have been replaced with new models and the Barkly St public toilet will be replaced. It is expected that the community infrastructure program will be at least 90% expended in 2022/2023.
Gravel Rd resheeting and widening	\$ 703,244	33%	The gravel road resheeting program will be fully expended in 2022/2023. It will be a priority over the April/May 2023 period. Gravel resheeting has suffered maximum disruption from the October 2022 flood event. Works for the "Elmhurst Blitz" have been accounted for in this amount, and work is continuing.
Major patching	\$ 571,044	143%	Major patching has been undertaken on higher volume local roads and includes \$264,851 for targeted asphalt works.
Road reseal program	\$ 1,537,826	73%	The road reseal program will be completed when road widening works are completed on Rhymney Rd. That project has gone to tender.
Urban drainage	\$ 799,109	114%	The urban drainage program will be fully expended in 2022/2023. This price includes works being undertaken in Golf Links Road.
Footpaths and cycleways	\$ 278,300	97%	The footpath program will be fully expended in 2022/2023. Works currently being undertaken include

			the construction of new footpaths in View Point Street, Moore Street and Alfred Street.
Plant and equipment	\$ 916,381	113%	The plant and equipment program will be fully expended in 2022/2023. This includes provision to purchase a mobile speed shredder and all current bookstock purchased for the library.
<b>Total</b>	<b>\$ 6,316,545</b>	<b>74%</b>	

There are also recreation facilities projects that were funded in the 2021/2022 budget that have extended beyond the single financial year. The committed expenditure includes contracts entered into for construction of various elements of the projects. The table below provides a summary of these projects:

Capital Work Element	Committed expenditure	% complete	Notes
Gordon St Recreation Reserve	\$4,472,677	97%	The project is running on time and very close to budget. The remaining elements yet to be procured is seeding of construction of the playing fields.
Buangor Recreation Reserve Kitchen Extension	\$ 40,520	15%	Project halted due to huge variations in construction pricing. The project is tender ready and currently waiting of an updated cost plan.
Lake Bolac Golf Club Kitchen	\$ 174,124	80%	Tender has been awarded to Build Forth, from Ballarat for completion of the works.
Lake Bolac Hall Design Project	-	0%	No progress on project.
<b>Total</b>	<b>\$ 4,707,322</b>	<b>92%</b>	

## KEY CONSIDERATIONS

### *Alignment to Council Plan Strategic Objectives*

The key financial drivers align strongly with the thrust of the Council Plan 2021-2025, particularly the following:

- 4.1 Ensure that asset development and renewal during the planning period matches that identified in Council's Asset Plan 2021-2031.
- 4.2 Work directly with asset users to manage and develop new and existing assets.
- 4.3 Deliver infrastructure outcomes that support economic growth, promote community wellbeing and safety and align with Council's financial sustainability.
- 6.1 Deliver responsible budget outcomes, linked to strategy, that deliver value, innovation, and rating fairness.

### *Budget Implications*

The 2022/2023 Capital Works Program represents a significant element of Council's 2022/2023 Budget. In the current volatile civil construction market, it is essential that Council manages capital works expenditure carefully to ensure budget outcomes are met. Although there have been market and natural disaster impacts it is anticipated that Council will go very close to fully expending the capital works budget.

### *Policy/Relevant Law*

The 2022/2023 Capital Works Program complies with the program funded in the 2022/2023 Budget.

### *Sustainability Implications*

There are no environmental sustainability implications.

***Risk Assessment***

The 2022/2023 Capital Works Program was developed as a mitigation of the financial risks associated with market volatility currently being experienced in the civil and building construction sectors.

***Innovation and Continuous Improvement***

Development of the 2022/2023 Capital Works Program represented an agile response to market conditions. A capacity to rework strategy based on a changing environment is a critical element in developing an innovative organisation.

***Stakeholder Collaboration and Community Engagement***

The 2022/2023 Capital Works Program was developed as an element of the 2022/2023 Budget. There was extensive community engagement undertaken prior to adoption.

***RECOMMENDATION***

*That Council receive the 2022/2023 Capital Works Program report for April 2023.*

**MOVED CR SANDERS  
SECONDED CR ALLGOOD**

**That Council receive the 2022/2023 Capital Works Program report for April 2023.**

**CARRIED 4804/23**

**ATTACHMENTS**

There are no attachments in relation to this report.

Councillor Allgood declared a Conflict of Interest in Item 3.2 Advocacy Program due to the location of her house being on the North South Heavy Vehicle Route.

Cr Allgood left the chamber at 6:14pm

### 3.2 ADVOCACY PROGRAM

RESPONSIBLE OFFICER: CHIEF EXECUTIVE OFFICER  
DEPARTMENT: CEO'S OFFICE  
REFERENCE: 9656

#### OFFICER DIRECT OR INDIRECT CONFLICT OF INTEREST:

Officers providing advice to Council must disclose any conflict of interest.

No person involved in the preparation of this report has a conflict of interest requiring disclosure.

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#### EXECUTIVE SUMMARY

This report provides the basis for developing Council's advocacy program for 2023/2024 through identification of key advocacy issues to be pursued by Council during this period. In addition to this it is critical to ensure that sufficient organisational and financial resources are allocated to ensure effective advocacy on behalf of the community around these key issues. In the current constrained State and Federal Government funding environment it is critical that Council develop clear and concise "asks" that presented in a compelling manner. Access to appropriate people in government will also necessitate use of professional lobbyists.

#### DISCUSSION

Council has identified a number of issues that require advocacy to achieve outcomes for the community. These issues fall into two main categories:

- new issues or projects requiring government funding or support
- existing projects that are fully or partially funded that require Council advocacy to move them forward again.

The other key consideration is that not all advocacy requests are for direct government funding of projects: the advocacy may also be for assistance in navigating regulatory systems, with expedited planning outcomes or providing assurances to investors of government support for their project.

Council has adopted a very independent stance in terms of how it works with government, community, and the private sector to achieve outcomes and has no wish to be seen as what we call a "beggar bowl Council". Council is prepared to contribute to projects as required and will always present business cases based on Council co-investment. The style of delivery on the advocacy program will reflect this attitude and approach.

It is proposed that the key advocacy issues pursued by Council in 2023/2024 are as follows:

#### New issues or projects

##### *Aradale*

During 2022/2023 Council cofounded with Regional Development Victoria (RDV) a development strategy for the former Aradale site. The advocacy approach for 2023/2024 is to ensure that the plan laid out in the *Aradale Development Strategy* progresses. Key outcomes will include securing collaborative funding for the Conservation Management Plan, the Cultural Heritage Master Plan and commencement of development. Moving the project forward will require significant advocacy effort with the Victorian State Government as landowners and RDV.

### ***Circular Economy Hub***

There are a number of businesses engaged with the circular economy that are currently seeking to deliver high value projects within Ararat Rural City. This provides an opportunity to develop Ararat as a circular economy hub, where a number circular economy-based industries could co-locate. This would yield a significant economic and employment benefit to our community.

Council's advocacy in this space is two-fold:

- the first element being engaging current project proponents with various government agencies to ensure high level support around planning, regulation and financial support
- the second is to work with arms of government to support the development of a Circular Economy Hub in Ararat. This engagement would include Invest Victoria, RDV, Development Victoria and Major Projects Victoria

### ***North South Heavy Vehicle Route***

The North South route of the Pyrenees Highway along Vincent St has a significant number of heavy vehicle movements which raises safety concerns and causes congestion at the Vincent St /Barkly St and Vincent St/High St intersections. A solution to this issue to develop a heavy vehicle route for the Pyrenees Highway to the East of the Ararat township to remove heavy vehicles from these two intersections. Council will need to advocate for planning and delivery of this project with the Department of Transport. This is likely to be a long term advocacy piece for Council.

### ***Recreation facilities***

Council in partnership with the State and Federal Governments have invested significantly in recreation facilities in recent budgets. This has included projects at the Gordon St Recreation Reserve, Mininera Recreation Reserve and the Willaura Recreation Reserve, there has also been significant planning work done on redevelopment of the Ararat Leisure Centre and provision of new social rooms at the Tatyoon Recreation Reserve. Council's advocacy efforts during 2023/2024 will focus on delivery of planned projects and activation of the Gordon St development. The advocacy will be to:

- **Gordon St activation** – engagement with State level peak sporting bodies to activate the site post completion. This will include AFLW, Rugby Union, Soccer and Little Athletics.
- **Tatyoon Recreation Reserve Social Rooms** – Council advocacy will involve seeking State government co-funding with Council and the community for development of new social rooms
- **Ararat Leisure Centre** – advocacy will seek co-funding from the state for Council to complete the staged implementation of the redevelopment plan

### ***Mt William Rd***

Mt William Road is a local road that carries a significant amount of harvest traffic transporting grain to the Lakaput Grain Receiving Centre. A significant amount of this traffic is not local and originates in the Wimmera Southern Mallee region. Council's advocacy in this space is twofold:

- to have Mt William Rd designated a local road of regional significance based on the amount of regional harvest traffic it carries and the economic importance of this road
- based on the regional significance of Mt William Rd seek co-funding from the Federal and State Governments to assist in rebuilding a ten kilometre section of the road to an appropriate standard.

### ***Road Funding***

There are a number of State and Federal road funding programs that have provided significant boosts to Council's capacity to maintain and renew its road network. Some of these are relatively new such as the Local Roads and Community Infrastructure fund, some are long term such as the Roads to Recovery program and Victorian Grants Commission roads funding and some have been discontinued such as the state funded Fixing Country Roads program. In general Council's advocacy around these programs is to maintain and index funding quantum. Specific elements of the funding ask are provided below:

- Local Roads and Community Infrastructure – maintain and index funding for 2023/2024 and beyond (Federal)
- Roads to recovery – index and provide another 5-year tranche of funding (Federal)

- Victorian Grants Commission Funding – maintain indexation of funds (Federally funded delivered through the State)
- Fixing Country Roads – re-establish the program and provide indexed 5-year funding surety in a similar way to the Roads to Recovery Program (State)

### *Housing*

Like all rural communities Ararat Rural City faces significant housing pressures in terms of supply and access to affordable housing options for working families. Council has undertaken a number of initiatives in its own right including the Transitional Worker Housing Program and development of a beneficial enterprise around affordable housing. Council's advocacy program for 2023/2024 will have two key elements:

- working with Development Victoria to assist in unlocking land for affordable housing in Ararat
- lobbying the State Government to reconsider the Windfall Gains Tax in rural communities based on unforeseen impacts on availability of land for housing, particularly affordable housing

### *Childcare*

Council has undertaken a survey of parents in relation to their childcare needs. The survey has identified significant parental concern around availability of suitable childcare in Ararat and several rural communities. Council is currently working with community organisations and provides to seek local solutions. It is not Council's intention to enter into direct service provision. Council's advocacy effort in this space will be to work with government, service providers, community organisations and parents to facilitate practical, novel and place-based solutions. Part of this advocacy effort may be around funding model that fit "thin" rural markets.

## **Existing Funded Projects**

### *East Grampians Water Pipeline*

The East Grampians Water Pipeline has been funded by Federal and State Governments, GWM Water and potential users since just prior to the 2019 Federal Election. The project has faced several delays in the intervening period and is currently well behind schedule. Cost estimates have increased substantially during this period and the project is now left with a significant funding shortfall meaning that some form of project augmentation may be required in order to be delivered within the existing budget. Council advocated successfully for the full project and will continue to advocate for full delivery. Any form of augmentation means that less primary producers will receive the benefit of the pipeline.

### *Ararat Hills Mountain Bike Track*

Council has advocated for delivery of a mountain bike track in the Ararat Hills Regional Park. The mountain bike track will yield significant economic benefits to the community. In 2020 \$3 mill in funding was provided by the Victorian State Government, through RDV, and Council to construct the track. The project is being managed by Parks Vic as landowners. The project has faced significant delays around planning and consent. Council needs to advocate with RDV and Parks Vic to seek a solution that completes the project and meets the needs of the mountain biking community.

## **KEY CONSIDERATIONS**

### *Alignment to Council Plan Strategic Objectives*

This proposal has impacts across a range of Council plan outcomes.

### *Budget Implications*

In order to maximise the impact of the advocacy work it is recommended that Council consider inclusion of \$150,000 in the 2023/2024 budget for advocacy and lobbying. External resources are required to develop advocacy materials and lobby on Council's behalf with government to achieve real outcomes.

### *Policy/Legal/Statutory*

Nil.

### ***Risk Assessment***

There is little material risk in implementing the advocacy program. Failure to adequately resource the program carries significant reputational risk for Council. Failure to achieve effective progress on these key issues may impede positive economic, social and environmental outcomes.

### ***Stakeholder Consultation and Communication***

The key advocacy issues have been identified through community, stakeholder and intergovernmental engagement.

#### ***RECOMMENDATION***

*That Council:*

1. *Identify the following as key advocacy issues in its 2023/2024 Advocacy Program:*
  - *Aradale;*
  - *Circular Economy Hub;*
  - *North South Heavy Vehicle Route;*
  - *Recreation facilities;*
  - *Ararat Mountain Bike Track;*
  - *Mt William Road;*
  - *Road Funding;*
  - *Housing;*
  - *East Grampians Water Pipeline; and*
  - *Childcare.*
2. *Council consider an allocation of \$150,000 to support advocacy and lobbying efforts in the 2023/2024 Budget.*

**MOVED CR BEALES**

**SECONDED CR BURRIDGE**

**That Council:**

1. **Identify the following as key advocacy issues in its 2023/2024 Advocacy Program:**
  - **Aradale;**
  - **Circular Economy Hub;**
  - **North South Heavy Vehicle Route;**
  - **Recreation facilities;**
  - **Ararat Mountain Bike Track;**
  - **Mt William Road;**
  - **Road Funding;**
  - **Housing;**
  - **East Grampians Water Pipeline; and**
  - **Childcare.**
2. **Council consider an allocation of \$150,000 to support advocacy and lobbying efforts in the 2023/2024 Budget.**

**CARRIED 4805/23**

### **ATTACHMENTS**

There are no attachments relating to this item.

Cr Allgood returned to the Chamber at 6:34pm

### 3.3 QUARTERLY PERFORMANCE REPORT

RESPONSIBLE OFFICER: CHIEF EXECUTIVE OFFICER  
DEPARTMENT: CEO'S OFFICE  
REFERENCE: 9657

#### OFFICER DIRECT OR INDIRECT CONFLICT OF INTEREST:

Officers providing advice to Council must disclose any conflict of interest.

No person involved in the preparation of this report has a conflict of interest requiring disclosure.

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#### EXECUTIVE SUMMARY

The financial statements and performance indicators have been prepared for the period ended 31 March 2023.

Based on the information provided by responsible officers and managers Council's overall financial performance is in line with budget.

#### DISCUSSION

Council must establish and maintain a budgeting and reporting framework that is consistent with the principles of sound financial management.

#### Key Financial information:

##### Income Statement (Attachment 1)

The Income Statement measures how well Council has performed from an operating nature. It reports revenues and expenditure from the activities and functions undertaken, with the net effect being a surplus or deficit. Capital expenditure is excluded from this statement, as it is reflected in the Balance Sheet.

Attachment 1 shows that Council generated \$26.338 million in revenue and \$24.240 million in expenses to 31 March 2023. This has resulted in an operating surplus of \$2.098 million for the nine months ended 31 March 2023.

##### *Income*

**Rates and charges** account for 64% of the total budgeted income for 2022/23. Rates and charges are recognised when the rates have been raised, not when the income has been received. An amount of \$17.537 million has been recognised as income for the nine months ended 31 March 2023.

**User fees** account for 5% of the total budgeted income for 2022/23 and \$1.155 million has been received to 31 March 2023. The majority of this relates to transfer station fees and fitness centre income.

**Recurrent Operating Grants** total \$2.163 million to 31 March 2023, including \$0.862 million from the Victorian Local Government Grants Commission for general purpose grants and \$0.558 million for the local roads grants.

**Non-recurrent Operating Grants** total \$1.649 million to 31 March 2023, as detailed in the table below. The amounts shown as unearned income will be treated as income in future accounting periods once the performance obligations of the grant have been met.

	Budget 2022/23 \$'000	Income 2022/23 \$'000	Unearned Income \$'000
<b>Non-Recurrent Operating Grants</b>			
Women Building Surveyors Program	-	16	46
Household Recycling Reform	-	-	98
Education and Behaviour Change Grant	-	-	25
New Arrivals Settlement Program	-	255	75
Pilot Coordination Grampians Workforce	-	108	91
Business Concierge & Hospitality Support Program	-	57	-
Aradale Solution-Economic & Social Development Strategy	-	500	-
Ararat Housing Transition	-	-	250
Digital Twin Victoria	-	30	970
Free Public WiFi Services	-	12	906
LSIF Ararat Bowls Club Lighting	-	41	-
Rural Roads Support Program	-	-	57
Supported Playgroups	60	31	17
Council Flood Support Fund	-	500	-
Unlocking Ararat North East	-	-	85
Rural Councils Transformation Project Round 2	-	41	192
Council COVID-19 Rapid Antigen Test Program	-	-	30
Other Minor Grants	30	58	-
	<b>90</b>	<b>1,649</b>	<b>2,842</b>

**Non-recurrent Capital Grants** total \$2.369 million to 31 March 2023, as detailed in the table below. The amounts shown as unearned income will be treated as income in future accounting periods once the performance obligations of the grant have been met.

	Budget 2022/23 \$'000	Income 2022/23 \$'000	Unearned Income \$'000
<b>Non-Recurrent Capital Grants</b>			
Gordon Street Recreation Reserve Development	-	1,331	975
Delacombe Way	-	64	-
Wilson Street	-	26	-
Urban Drainage Works	-	295	-
Ararat East Development Zone Trunk Infrastructure Project	-	124	667
Transfer Station Upgrade Fund	-	132	-
COVID Safe Outdoor Activation Fund	-	108	-
Pollands Bridge	-	267	-
Power Your Future	-	22	16
Ararat Regional Playgrounds All Abilities Redevelopment	-	-	72
	<b>-</b>	<b>2,369</b>	<b>1,730</b>

**Note**

It is important to note the following:

1. The Grants Operating (recurrent) figure in the Original Budget was \$7.489 million and in the Current Budget is recorded as \$2.587 million, as \$4.960 million was paid to Council in 2021/22 by the Victorian Local Government Grants Commission (VLGGC) for the 2022/23 financial year. Council has still received the expected VLGGC income, to be spent in 2022/23, however it will be reported over two financial years.
2. This change in the budget, plus the note reported under expenses, create a change in the reported surplus position from a projected surplus of \$0.612 million to a deficit of \$2.020 million for 2022/23. The year to date variance is a surplus of \$4.029 million when the actual year to date surplus is compared to the year to date budget.

### **Expenses**

**Employee Costs** account for approximately 41% of the total budgeted expenditure for 2022/23. For the nine months ended 31 March 2023 Council has incurred \$8.084 million in employee costs.

**Materials and Services** account for approximately 31% of the total budgeted expenditure for 2022/23. For the nine months ended 31 March 2023, Council has incurred \$9.118 million in materials and services costs. There are a number of projects, including those carried forward from 2021/22 that are expected to be completed before the end of the financial year.

### **Note**

It is important to note the following:

There has been an increase in expenditure on materials and services from \$8.421 million in the Original Budget to \$13.208 million in the Current Budget for 2022/23. This has resulted from a carry forward amount of \$4.787 million from the 2021/22 financial year surplus and unspent grant funds which will be used for additional activity in 2022/23.

### **Balance Sheet (Attachment 2)**

The Balance Sheet is one of the main financial statements and reports Council's assets, liabilities and equity at a given date, in this case 31 March 2023. Comparative figures have been provided as at 30 June 2022.

Council's current assets have decreased by \$1.170 million from \$25.514 million as at 30 June 2022 to \$24.344 million as at 31 March 2023. Cash and cash equivalents have decreased by \$3.713 million from \$21.515 million to \$17.802 million. Trade and other receivables have increased \$2.505 million from \$3.922 million as at 30 June 2022 to \$6.427 million as at 31 March 2023.

Total liabilities have decreased from \$11.995 million in 2021/22 to \$9.516 million in 2022/23, with a decrease of \$1.091 million in trade and other payables.

### **Statement of Cash Flows (Attachment 3)**

The Statement of Cash Flows shows how changes in the Statement of Financial Position and Income Statement affect Cash and Cash Equivalents, and breaks down the analysis to operating activities, investing activities and financing activities.

The Cash and Cash Equivalents at the beginning of the financial year of \$21.515 million have decreased by \$3.713 million to \$17.802 million as at 31 March 2023.

Net cash provided by operating activities was \$3.022 million and \$3.965 million was used in investing activities.

Investing activities includes payments for property, plant and equipment, and infrastructure totalling \$6.902 million. This included capital building works and capital road works.

Based on the information provided by responsible officers and managers the forecast year end result for cash and cash equivalents are in line with budget.

#### Financial Performance Indicators (Attachment 4)

The Local Government Performance Reporting Framework requires Councils to report various performance indicators at the end of each financial year.

A full list of financial performance indicators is included in Attachment 4.

Indicator	30/6/2022	30/9/2022	31/12/2022	31/3/2023
<b>Working capital</b> <i>Measure - Current assets compared to current liabilities.</i> Expected values in accordance with the Local Government Performance Reporting Framework 100% to 400% Indicator of the broad objective that sufficient working capital is available to pay bills as and when they fall due. High or increasing level of working capital suggests an improvement in liquidity	225%	355%	365%	301%
<b>Loans and borrowings</b> <i>Measure - Loans and borrowings compared to rates.</i> Expected values in accordance with the Local Government Performance Reporting Framework – 0% to 70% Indicator of the broad objective that the level of interest-bearing loans and borrowings should be appropriate to the size and nature of a council's activities. Low or decreasing level of loans and borrowings suggests an improvement in the capacity to meet long term obligations	3.41%	3.27%	3.02%	2.79%
<b>Indebtedness</b> <i>Measure - Non-current liabilities compared to own source revenue</i> Expected values in accordance with the Local Government Performance Reporting Framework – 2% to 70% Indicator of the broad objective that the level of long-term liabilities should be appropriate to the size and nature of a Council's activities. Low or decreasing level of long-term liabilities suggests an improvement in the capacity to meet long term obligations	3.30%	3.61%	3.44%	7.38%
<b>Rates concentration</b> <i>Measure - Rates compared to adjusted underlying revenue</i> Expected values in accordance with the Local Government Performance Reporting Framework – 30% to 80% Indicator of the broad objective that revenue should be generated from a range of sources. High or increasing range of revenue sources suggests an improvement in stability	55.29%	90.28%	80.47%	73.32%
<b>Expenditure level</b> <i>Measure - Expenses per property assessment</i> Expected values in accordance with the Local Government Performance Reporting Framework \$2,000 to \$10,000 Indicator of the broad objective that resources should be used efficiently in the delivery of services. Low or decreasing level of expenditure suggests an improvement in organisational efficiency	\$4,064	\$1,153	\$2,312	\$3,331
<b>Indicator - Revenue level</b> <i>Measure – Average rate per property assessment</i> Expected values in accordance with the Local Government Performance Reporting Framework - \$700 to \$2,000 Indicator of the broad objective that resources should be used efficiently in the delivery of services. Low or decreasing level of rates suggests an improvement in organisational efficiency	\$2,028	\$2,011	\$2,017	\$2,015

Indicator	30/6/2022	30/9/2022	31/12/2022	31/3/2023
<b>Indicator – Percentage of total rates collected</b> The internal audit conducted in 2019 on Rates Revenue and Rate Debtor Management found no routine or regular reporting of large and long outstanding rates debtors. The outstanding Rates Debtors is reported in the Annual Financial report. As at 31 March 2023 the outstanding Rates Debtors totalled \$4.125 million compared to \$1.742 million as at 30 June 2022, an increase of \$2.383 million. In percentage terms 78.5% of the rates raised have been collected at 31 March 2023 compared to 75.7% up to 31 March 2022. Council issues approximately 7,500 rate notices. This year there are 2,843 assessments paying by instalments compared with 2,636 assessments in 2021/22. Outstanding rates are currently charged 10% interest.	90.1%	13.6%	33.1%	78.5%
<b>Indicator – Asset Renewal &amp; Upgrade</b> <i>Measure - Asset renewal &amp; Upgrade compared to depreciation</i> Expected range in accordance with the Local Government Performance Reporting Framework – 40% to 130% Assessment of whether council assets are being renewed or upgraded as planned. It compares the rate of spending on existing assets through renewing, restoring, replacing or upgrading existing assets with depreciation. Ratios higher than 1.0 indicate there is a lesser risk of insufficient spending on Council's asset base.	174.50%	39.98%	63.02%	79.43%

The Local Government Performance Reporting Framework provides "Expected ranges" for each indicator. The framework has been developed to consider results at the end of the financial year so some results during the year are outside the expected range due to the timing of receipts and payments.

Explanations are provided in Attachment 4 for those indicators that are outside the "expected ranges".

## KEY CONSIDERATIONS

### *Alignment to Council Plan Strategic Objectives*

#### **6 Strong and Effective Governance**

We will work hard to build models of governance that place delivering public value at the centre through effective financial management; well measured risk management; and implementation of effective community engagement practices.

### **Budget Implications**

Council's financial performance is in line with expectations. Council's cash position was expected to reduce in the first half of the year to pay for the outstanding accounts at year end and the capital works program, with the cash position increasing in the third quarter with many ratepayers electing to pay their rates in full due 15 February 2023 and the third instalment due 28 February 2023.

### **Policy/Relevant Law**

Section 97 – Quarterly Budget Report of the Local Government Act 2020 states:

- 1 As soon as practicable after the end of each quarter of the financial year, the Chief Executive Officer must ensure that a quarterly budget report is presented to the Council at a Council meeting which is open to the public.
- 2 A quarterly budget report must include—

- (a) a comparison of the actual and budgeted results to date; and
  - (b) an explanation of any material variations; and
  - (c) any other matters prescribed by the regulations.
- 3 In addition, the second quarterly report of a financial year must include a statement by the Chief Executive Officer as to whether a revised budget is, or may be, required.

#### ***Sustainability Implications***

This report does not raise any sustainability implications.

#### ***Risk Assessment***

Council is required to establish and maintain a budgeting and reporting framework that is consistent with the principles of sound management and this report assists Council in meeting that requirement.

#### ***Innovation and Continuous Improvement***

The content of the Quarterly report is continually reviewed to ensure meaningful data is provided.

#### ***Stakeholder Collaboration and Community Engagement***

Council's financial performance reports are published quarterly.

#### ***RECOMMENDATION***

*That the Comprehensive Income Statement, Balance Sheet, Statement of Cash Flows and Financial Performance Indicators for the period ended 31 March 2023 be received and adopted.*

**MOVED CR R ARMSTRONG  
SECONDED CR SANDERS**

**That the Comprehensive Income Statement, Balance Sheet, Statement of Cash Flows and Financial Performance Indicators for the period ended 31 March 2023 be received and adopted.**

**CARRIED 4806/23**

#### **ATTACHMENTS**

Comprehensive Income Statement, Balance Sheet, Statement of Cash Flows and Financial Performance Indicators are provided as Attachment 3.3

Attachment 1

Comprehensive Income Statement for the nine months ended 31 March 2023

	Original Budget \$'000	Current Budget \$'000	YTD Budget \$'000	YTD Actual \$'000	YTD Variance \$'000	Variance
<b>Income</b>						
Rates and charges	17,743	17,743	17,585	17,537	(48)	0%
Statutory fees and fines	276	276	207	152	(55)	-27%
User fees	1,398	1,398	1,007	1,155	148	15%
Contributions - cash capital	-	-	-	50	50	0%
Contributions - cash operating	94	94	82	117	35	43%
Grants - operating (recurrent)	7,489	2,587	2,049	2,163	114	6%
Grants - operating (non-recurrent)	90	3,533	70	1,649	1,579	2256%
Grants - capital (recurrent)	533	533	533	533	-	0%
Grants - capital (non-recurrent)	-	3,614	-	2,369	2,369	0%
Net gain/(loss) on disposal of property, plant and equipment	28	28	150	190	40	27%
Other income	225	225	169	423	254	150%
<b>Total income</b>	<b>27,876</b>	<b>30,031</b>	<b>21,852</b>	<b>26,338</b>	<b>4,486</b>	
<b>Expenses</b>						
Employee costs	11,135	11,135	8,538	8,084	(454)	-5%
Materials and services	8,421	13,208	9,506	9,118	(388)	-4%
Depreciation	7,338	7,338	5,504	6,786	1,283	23%
Amortisation - right of use assets	-	-	-	21	21	0%
Borrowing costs	15	15	8	12	4	50%
Finance costs - leases	-	-	-	6	6	0%
Other expenses	355	355	227	213	(14)	-6%
<b>Total expenses</b>	<b>27,264</b>	<b>32,051</b>	<b>23,783</b>	<b>24,240</b>	<b>458</b>	2%
<b>Surplus for the year</b>	<b>612</b>	<b>(2,020)</b>	<b>(1,931)</b>	<b>2,098</b>	<b>4,029</b>	-209%
<b>Other comprehensive income</b>						
Net asset revaluation increment	-	-	-	-	-	
<b>Total comprehensive result</b>	<b>612</b>	<b>(2,020)</b>	<b>(1,931)</b>	<b>2,098</b>	<b>4,029</b>	

Printed 13/04/2023

**Attachment 2**  
**Balance Sheet as at 31 March 2023**

	31/03/2023 \$'000	30/06/2022 \$'000
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	17,802	21,515
Trade and other receivables	6,427	3,922
Inventories	109	64
Other assets	6	13
<b>Total current assets</b>	<b>24,344</b>	<b>25,514</b>
<b>Non-current assets</b>		
Trade and other receivables	8	9
Property, plant and equipment, infrastructure	278,187	278,159
Right of use assets	814	-
Investment property	1,499	1,499
<b>Total non-current assets</b>	<b>280,508</b>	<b>279,667</b>
<b>Total assets</b>	<b>304,852</b>	<b>305,181</b>
<b>Liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables	449	1,540
Trust funds and deposits	1,299	254
Unearned Income	4,586	7,175
Provisions	1,686	2,245
Interest-bearing loans and borrowings	36	143
Lease liabilities	25	-
<b>Total current liabilities</b>	<b>8,081</b>	<b>11,357</b>
<b>Non-current liabilities</b>		
Provisions	184	184
Interest-bearing loans and borrowings	454	454
Lease liabilities	797	-
<b>Total non-current liabilities</b>	<b>1,435</b>	<b>638</b>
<b>Total liabilities</b>	<b>9,516</b>	<b>11,995</b>
<b>Net Assets</b>	<b>295,336</b>	<b>293,186</b>
<b>Equity</b>		
Accumulated surplus	88,015	85,917
Reserves	207,321	207,269
<b>Total Equity</b>	<b>295,336</b>	<b>293,186</b>

Printed 13/04/2023

**Attachment 3**

**Statement of Cash Flows for the nine months ended 31 March 2023**

	Nine months to 31/03/2023 Inflows/ (Outflows) \$'000	Forecast Year End to 30/06/2023 Inflows/ (Outflows) \$'000
<b>Cash flows from operating activities</b>		
Rates and charges	16,690	17,716
Statutory fees and fines	152	276
User fees	1,221	1,398
Grants - operating	3,184	6,802
Grants - capital	1,040	4,147
Contributions - monetary	159	94
Interest received	308	100
Trust funds and deposits taken	163	-
Other receipts	121	125
Net GST refund/payment	1,171	781
Employee costs	(9,072)	(11,136)
Materials and services	(11,151)	(15,299)
Trust funds and deposits repaid	(749)	-
Other payments	(215)	(355)
<b>Net cash provided by (used in) operating activities</b>	<b>3,022</b>	<b>4,649</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment, infrastructure	(6,902)	(12,850)
Proceeds from sale of property, plant and equipment, infrastructure	305	200
<b>Net cash provided by (used in) investing activities</b>	<b>(6,597)</b>	<b>(12,650)</b>
<b>Cash flows from financing activities</b>		
Finance costs	(12)	(15)
Repayment of borrowings	(107)	(142)
Interest paid - lease liability	(6)	-
Repayment of lease liabilities	(13)	-
<b>Net cash provided by (used in) financing activities</b>	<b>(138)</b>	<b>(157)</b>
Net increase (decrease) in cash and cash equivalents	(3,713)	(8,158)
Cash and cash equivalents at the beginning of the financial year	21,515	21,515
<b>Cash and cash equivalents at the end of the period</b>	<b>17,802</b>	<b>13,357</b>

Printed 13/04/2023

Attachment 4

Financial Performance Indicators for the nine months ended 31 March 2023

Result

Material Variations

**LIQUIDITY**

**Dimension - Operating position**

**Indicator - Adjusted underlying result**

*Measure - Adjusted underlying surplus (or deficit)*

-1.34%

[Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100

No material variation

Expected range in accordance with the Local Government Performance Reporting

-20% to 20%

Framework

Indicator of the broad objective that an adjusted underlying surplus should be generated in the ordinary course of business. A surplus or increasing surplus suggests an improvement in the operating position

**Dimension - Liquidity**

**Indicator - Working capital**

*Measure - Current assets compared to current liabilities*

301% No material variation

[Current assets / Current liabilities] x100

Expected range in accordance with the Local Government Performance Reporting

100% to 400%

Framework

Indicator of the broad objective that sufficient working capital is available to pay bills as and when they fall due. High or increasing level of working capital suggests an improvement in liquidity

**Indicator - Unrestricted cash**

*Unrestricted cash compared to current liabilities*

63.40% No material variation

[Unrestricted cash / Current liabilities] x100

Expected range in accordance with the Local Government Performance Reporting

10% to 300%

Framework

Indicator of the broad objective that sufficient cash which is free of restrictions is available to pay bills as and when they fall due. High or increasing level of unrestricted cash suggests an improvement in liquidity

**OBLIGATIONS**

**Dimension - Obligations**

**Indicator - Loans and borrowings**

*Measure - Loans and borrowings compared to rates*

2.79% No material variation

[Interest bearing loans and borrowings / Rate revenue] x100

Expected range in accordance with the Local Government Performance Reporting

0% to 70%

Framework

Indicator of the broad objective that the level of interest bearing loans and borrowings should be appropriate to the size and nature of a council's activities. Low or decreasing level of loans and borrowings suggests an improvement in the capacity to meet long term obligations

*Loans and borrowings repayments compared to rates*

0.68% No material variation

[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100

Expected range in accordance with the Local Government Performance Reporting

0% to 20%

Framework

**Financial Performance Indicators for the nine months ended 31 March 2023** **Result** **Material Variations**

**Indicator - Indebtedness**

*Measure - Non-current liabilities compared to own source revenue*  
[Non-current liabilities / Own source revenue] x100

7.38% No material variation

Expected range in accordance with the Local Government Performance Reporting Framework 2% to 70%

Indicator of the broad objective that the level of long term liabilities should be appropriate to the size and nature of a Council's activities. Low or decreasing level of long term liabilities suggests an improvement in the capacity to meet long term obligations

**Indicator - Asset renewal (& Asset Upgrade included now also)**

*Measure - Asset renewal & Upgrade compared to depreciation*  
[Asset renewal expenses / Asset depreciation] x100

79.43% No material variation

Expected range in accordance with the Local Government Performance Reporting Framework 40% to 130%

Indicator of the broad objective that assets should be renewed as planned. High or increasing level of planned asset renewal being met suggests an improvement in the capacity to meet long term obligations

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**STABILITY**

**Dimension - Stability**

**Indicator - Rates concentration**

*Measure - Rates compared to adjusted underlying revenue*  
[Rate revenue / Adjusted underlying revenue] x100

73.32% No material variation

Expected range in accordance with the Local Government Performance Reporting Framework 30% to 80%

Indicator of the broad objective that revenue should be generated from a range of sources. High or increasing range of revenue sources suggests an improvement in stability

**Indicator - Rates effort**

*Measure - Rates compared to property values*  
[Rate revenue / Capital improved value of rateable properties in the municipality] x100

0.28% No material variation

Expected range in accordance with the Local Government Performance Reporting Framework 0.15 to 0.75%

Indicator of the broad objective that the rating level should be set based on the community's capacity to pay. Low or decreasing level of rates suggests an improvement in the rating burden

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Financial Performance Indicators for the nine months ended 31 March 2023	Result	Material Variations
EFFICIENCY		
Dimension - Efficiency		
Indicator - Expenditure level		
Measure - Expenses per property assessment [Total expenses / Number of property assessments]	\$3,330.59	No material variation
Expected range in accordance with the Local Government Performance Reporting Framework	\$2,000 to \$5,000	
Indicator of the broad objective that resources should be used efficiently in the delivery of services. Low or decreasing level of expenditure suggests an improvement in organisational efficiency		
Indicator - Revenue level		
Measure - Average rate per property assessment [Total rate revenue (general rates and municipal charges) / Number of property assessments]	\$2,014.84	Outside Expected Range The average rate per property assessment is slightly above the expected range.
Expected range in accordance with the Local Government Performance Reporting Framework	\$700 to \$2,000	
Indicator of the broad objective that resources should be used efficiently in the delivery of services. Low or decreasing level of rates suggests an improvement in organisational efficiency		

### 3.4 ARARAT RURAL CITY COUNCIL DRAFT BUDGET 2023/2024 – REVISED COMMUNITY ENGAGEMENT TIMELINE

RESPONSIBLE OFFICER: CHIEF EXECUTIVE OFFICER  
DEPARTMENT: CEO's OFFICE  
REFERENCE: 9658

#### OFFICER DIRECT OR INDIRECT CONFLICT OF INTEREST:

Officers providing advice to Council must disclose any conflict of interest.

No person involved in the preparation of this report has a conflict of interest requiring disclosure.

#### EXECUTIVE SUMMARY

Due to the impacts on the Easter and ANZAC Day public holidays on Budget development and Councillor engagement it has been necessary to revise the community engagement timeframes endorsed at the March 2023 Council Meeting. The report has been maintained as presented at the last meeting to ensure continuity. The revised timeframes have been included.

It is recommended that Council endorse a plan for community engagement around the 2023/2024 budget. This will include a number of mechanisms of engagement including:

- use of Engage Ararat
- distribution of plain language budget summaries across the municipality
- face to face "town hall" meetings
- virtual "town hall" meetings
- media posts to encourage community engagement

The process is designed to ensure maximum engagement with key geographic locations and communities of interest across the municipality.

#### DISCUSSION

Section 94 of the Local Government Act 2020 (LGA 2020) requires that Council prepare and adopt a budget for each financial year and the subsequent three financial years by 30 June each year. Section 96 requires that Council undertake community engagement around its budget in a form that is consistent with its Community Engagement Policy.

The following provides a description of the **REVISED** community engagement to be undertaken by Council prior to budget adoption.

Engagement Activity	REVISED Timeframe
Posting of Council's 2023/2024 Budget on Engage Ararat	By 5:00pm on Thursday 5 May 2023
Development of a one-page summary of key budget deliverables – available at a number of sites across the municipality	Friday 28 April 2023
"Town Hall" meetings in the following communities: <ul style="list-style-type: none"> <li>• Ararat</li> <li>• Elmhurst</li> <li>• Tatyoon</li> <li>• Lake Bolac</li> <li>• Pomonal</li> </ul>	Between Monday 08 May – Friday 19 May 2023

<ul style="list-style-type: none"> <li>Willaura</li> <li>Moyston</li> </ul>	
Promotion of key budget elements across mainstream and social media – requesting feedback via Engage Ararat, email or conventional submission	Ongoing during the budget period
Meet with the Rural Roads Group to discuss road network development between 2022/2023 and 2026/2027.	Between Monday 15 May – Friday 19 May 2023

The engagement plan aims to ensure multiple channels of feedback on the budget for the community to utilise.

## KEY CONSIDERATIONS

### *Alignment to Council Plan Strategic Objectives*

Council's Budget is a key strategic document that resources delivery of the Council Plan. In particular the Budget 2023/2024 relates to the following:

6. Strong and effective governance
- 6.1 Deliver responsible budget outcomes, linked to strategy, that deliver value, innovation and rating fairness.

### *Budget Implications*

There are no significant direct budget implications in

This year's budget is framed in delivering a community dividend for organisation efficiencies. It is proposed that there will be a zero percent rate rise in 2023/2024, which delivers a net zero percent rate rise over the past five budgets. This has been achieved without a decline in service delivery.

### *Policy/Relevant Law*

Section 94 of the Local Government Act 2020 (LGA 2020) requires that Council prepare and adopt a budget for each financial year and the subsequent three financial years by 30 June each year. Section 96 requires that Council undertake community engagement around its budget in a form that is consistent with its Community Engagement Policy

### *Sustainability Implications*

N/A

### *Risk Assessment*

There is a need to engage the community in development of the budget and seek their feedback on key elements. The budget needs to align with community expectation, directed through implementation of the Council Plan 2021-2025.

### *Innovation and Continuous Improvement*

Improving methods and approaches to engaging the community need to be a key consideration for Council. Implementation of the virtual "town hall" meetings, although not necessarily novel or exciting does represent another channel for engaging the community in budget consideration.

### *Stakeholder Collaboration and Community Engagement*

This agenda item relates directly to a process of community engagement.

## RECOMMENDATION

*That Council endorse the revised community engagement plan for the Draft Budget 2023/2024.*

MOVED CR BEALES  
SECONDED CR SANDERS

That Council endorse the revised community engagement plan for the Draft Budget 2023/2024.

CARRIED 4807/23

#### ATTACHMENTS

There are no attachments relating to this item.

## SECTION 4 – INFORMATION REPORTS

### 4.1 GORDON STREET RECREATION RESERVE REDEVELOPMENT UPDATE

RESPONSIBLE OFFICER:      CONTRACTS & PROCUREMENT OFFICER/CIVIL ENGINEER  
DEPARTMENT:                CEO'S OFFICE  
REFERENCE:                  9659

#### OFFICER DIRECT OR INDIRECT CONFLICT OF INTEREST:

Officers providing advice to Council must disclose any conflict of interest.

No person involved in the preparation of this report has a conflict of interest requiring disclosure.

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#### EXECUTIVE SUMMARY

The Gordon Street Recreation Reserve Redevelopment is the most significant building project for Ararat Rural City Council in the 2022/2023 financial year. The development of the precinct is expected to stimulate the local economy, respond to local demand for new participation opportunities and improve diversity and inclusion within disadvantaged communities and underrepresented groups identified in Active Victoria.

The construction of a multi-use sports precinct centers around the development and construction of a new pavilion with AFLW changerooms, shared Cricket/Football (Soccer) changerooms, a large social space with kitchen and bar facilities, player, umpire, and public amenities, with pavilion works to be completed by July 2023.

This report provides a progress update on the project to April 2023 for Council and the community.

#### DISCUSSION

At the March 2022 Council meeting Council approved the AFLW and Soccer Sports Lighting purchase and installation, and at the April 2022 meeting Council approved the construction contract for the sports pavilion at the Gordon Street Recreation Reserve.

Progress is good in all areas of the redevelopment, with the project scheduled for completion in July 2023 which has been extended following the extremely wet winter/spring of 2022 delaying most works on site.

Construction of the new sports pavilion is continuing at the site. Finalisation of roofing works are currently being completed, with installation of eaves and guttering expected in the next month, installation of all windows and doors will bring the project to lock up stage. All drainage works associated with the building has been completed which allows for sports field irrigation and drainage to commence.

The wet weather was a large factor in the delay for the installation of the footing and poles at the site prior to the Christmas break. The footing works were completed in late February early March 23. The 35m AFLW Sports lighting poles and 20m football (soccer) field poles and been assembled and are expected to be raised within the next fortnight when confirmation of alignment is received from the lighting designer.

Mintern Civil Pty Ltd has commenced the construction of the carpark and other civil works, with the excavation and base works well advanced prior to Easter. These works will not be fully complete until closer to the end of the project to protect the new infrastructure from damage by other large vehicles and equipment on the site.

In meeting with the funding milestones, a number of procurement requirements have been approved under the CEO's delegation including installation of a new turf cricket pitch to be undertaken by Green Turf and installation of field fencing is being undertaken by Diamond Fencing.

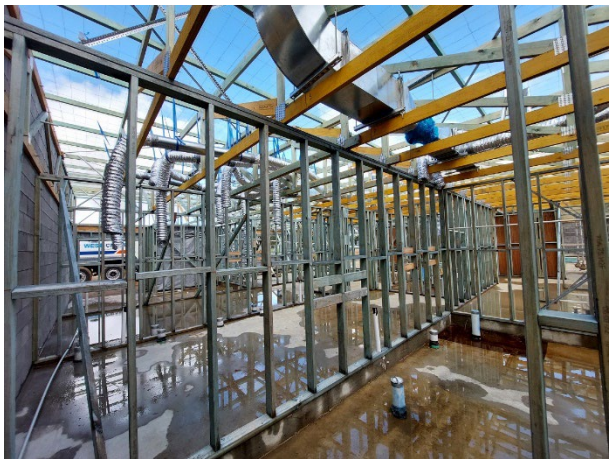
Procurement is obtaining pricing for field works and installation of little athletics infrastructure which will complete the major requirements for the scope of the project. Tenders were called in August for the complete scope of field works, which received one submission and was significantly over budget and negotiations with the supplier did not yield the required savings, therefore the works have been broken down into specialised areas of work.

### **Budget**

The budget for the project is \$4,561,358 including contributions from the State and Federal governments, and Council, at the date of this report committed expenditure stands at \$4,348,677.65 with the project operating within the allocated budget. The remaining budget for the works to be completed is \$212,680.

The project is entering the eleventh month of an extended fifteen-month program and the various contractors, architect Davidson Architecture and Council officers are working together to ensure the vision of a superior regional sports precinct is delivered in line with community expectations.







## KEY CONSIDERATIONS

### *Alignment to Council Plan Strategic Objectives*

#### **4. *Developing and Maintaining Key Enabling Infrastructure.***

- 4.1 Ensure Asset development and renewal during the planning period matches that identified in Council's Asset Plan 2021-2031.
- 4.3 Deliver infrastructure outcomes that support economic growth, promote community wellbeing and safety, and align with Council's financial sustainability.

#### **5. *Enhancing Community Life***

We will work with the communities of Ararat Rural City to maintain social cohesion, support community activity and cultural life, and enhance safety.

### ***Budget Implications***

Council has a revised budget of \$4,561,358 for the completion of works.

The initial budget was \$3,100,000 made up of: \$2,550,000 from the Community Sports Infrastructure Stimulus Fund, \$400,000 from Local Road, Community Infrastructure (LRCI) Phase 1 funding and a contribution from Council of \$150,000,

Following receipt of tenders for pavilion works, the revised budget was increased by \$1,461,358, allocated from LRCI Phase 3A funding.

The project will be delivered within the revised budget of \$4,561,358.

### ***Policy/Relevant Law***

- Ararat Rural City Council Procurement Policy
- Local Government Act 2020
- Victorian Building Regulations – Building Permit Conditions

### ***Sustainability Implications***

- Environmental assessment has been undertaken as part of the design process.
- Sustainable products have been specified as part of the design process.

### ***Risk Assessment***

High Risk – Risks will be managed through significant project planning and management procedures and high-level contract administration, with a dedicated project manager.

### ***Innovation and Continuous Improvement***

New or alternative processes will be considered in line with the strategic direction of council's asset management plan and financial, time and quality implications to council on the expected outcomes of the project.

### ***Stakeholder Collaboration and Community Engagement***

- Internal stakeholder collaboration has occurred through the budget process.
- External stakeholder collaboration has occurred through community consultation through the design process.
- Ongoing Project Control Meetings through the life of the project with external stakeholders and the funding bodies.
- Council works directly with asset users to manage and develop new and existing assets, ensuring works are completed within the asset plan period of 2021-2031.

### ***RECOMMENDATION***

*That the Gordon Street Recreation Reserve Redevelopment Project update be received.*

### **MOVED CR BEALES SECONDED CR ALLGOOD**

**That the Gordon Street Recreation Reserve Redevelopment Project update be received.**

**CARRIED 4808/23**

### **ATTACHMENTS**

There are no attachments relating to this item.

#### 4.2 2022/2023 COMMUNITY INFRASTRUCTURE PROGRESS REPORT

RESPONSIBLE OFFICER: CHIEF EXECUTIVE OFFICER  
DEPARTMENT: CEO'S OFFICE  
REFERENCE: 9667

##### OFFICER DIRECT OR INDIRECT CONFLICT OF INTEREST:

Officers providing advice to Council must disclose any conflict of interest.

No person involved in the preparation of this report has a conflict of interest requiring disclosure.

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##### EXECUTIVE SUMMARY

Council adopted its 2022/2023 Capital Works Program as a key element of the 2023/2023 Budget. Part of this program includes a community infrastructure element of \$1,500,000.

This community infrastructure element allows Council to prioritise small infrastructure projects that will improve the quality of shared community areas and buildings.

These works will help stimulate the local economy, respond to local demand for upgraded infrastructure and minor building works, provide opportunities for local businesses and contractors, and improve the overall amenity of the municipality.

This report provides a progress update on the project to April 2023 for Council and the community.

##### DISCUSSION

Council's 2022/2023 Capital Works Program is substantially different to previous years without a number of road or bridge projects, Council believes that during this period of pricing instability, it is better to undertake a "small target" capital works program in 2022/2023.

With the renewal and updating of Council assets being the emphasis for 2022/2023 capital works budget, the inclusion of the Community Infrastructure element provides a flexible and exciting element to complete small projects that are generally held back for priority the of larger works. It is hoped that these works will inspire the delivery of improved amenities across the municipality which will stimulate various aspects of the local economy and visitation to our area.

To date the Community Infrastructure element of the capital works budget has committed expenditure of \$1,087,108 (72%) of the allocated budget. It is anticipated that Council will expend the entire budget in 2022/2023.

A number of projects have already been completed as a part of this year's works as follows:

### Replacement of BBQ's

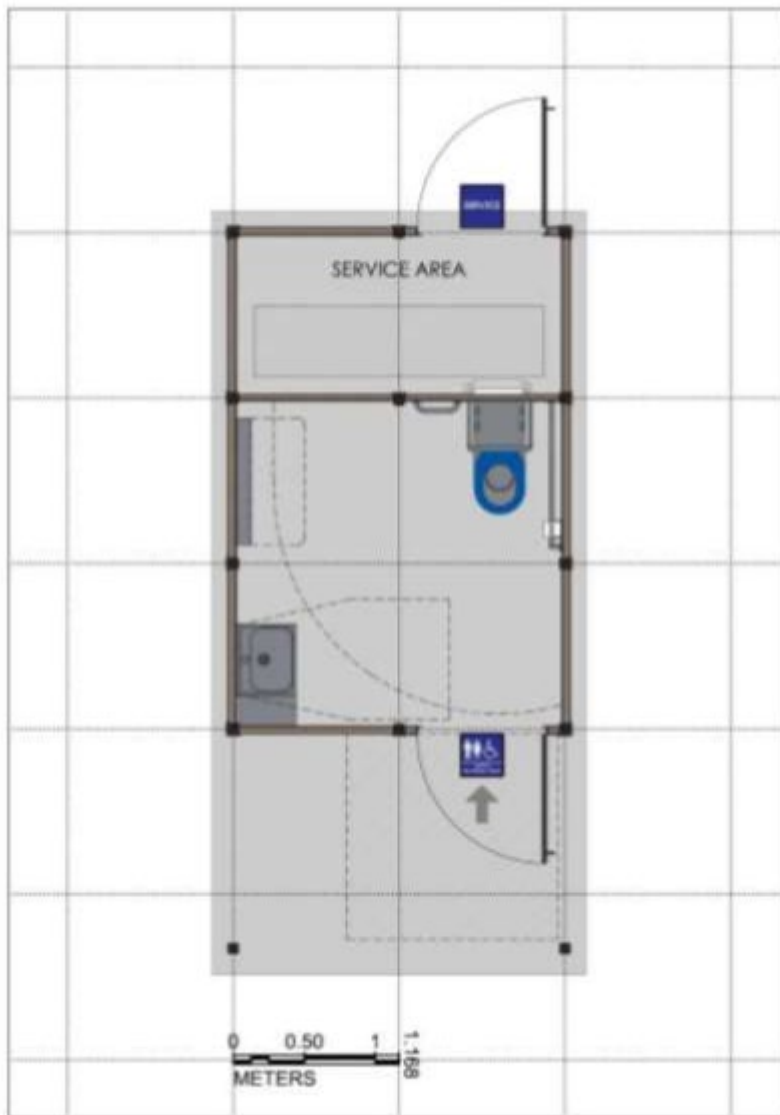
The upgrading of BBQ's was undertaken in November 2022. Locations of the new BBQ's include, Alexandra Gardens, Elmhurst, Lake Bolac, Streatham, Wickliffe, Wickliffe Recreation Reserve, Willaura and Emu Park.



### New Barkly Street Toilet

The current Exeloo Toilet in Barkly Street, between the Bendigo Bank and Something Beautiful properties was installed in 2011. Upgrading of the current toilet with a new Modus 'Incube' public toilet has been approved under CEO's delegation. This has been approved under CEO delegation and is currently going through the building permit process.





### Triple Bin Surrounds

With the introduction of the new waste collection system, it has been decided to update the bin surrounds in Barkly Street, Alexandra Gardens and in the small townships of the municipality, the bin surrounds differ slightly from the kerbside collection colours however signage should stop the confusion of what is to be placed in each bin. The bins have been delivered and will be installed soon by operations staff.



### Playgrounds – Alexandra Gardens and Lake Bolac

A tender was awarded for the installation of upgraded playground equipment at both the Alexandra Gardens and Lake Bolac Playground areas. There is a 12-week lead time for the supply and installation of the equipment.

Further tenders are being undertaken for the installation of the rubberised surface as part of both areas, and the TAMA Gallery Coordinator is working with an artist with relation to the creation of a mural for the Lake Bolac project.

These works make up part of the funding for the Living Local Regional Grants Funding.



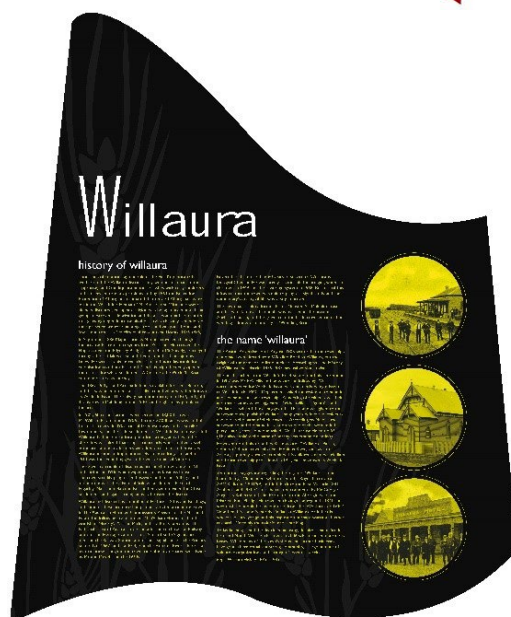


### Vincent Street, Bluestone Wall

Commencing next week, works will be undertaken to improve the long term viability of the bluestone retaining wall that runs from the Alexandra Gardens gates to the Girdlestone Street intersection. Works include dismantling of the existing wall, provision of new reinforced concrete footings which will also make up part of the new footpath being constructed, removal of tree roots and installation of new drainage and root barriers. Construction of a new concrete retaining wall at the rear of the bluestone wall and reassembly of the bluestone to its original form

### Heritage Plaques

Quotations are currently being sought for the replacement of the historical plaques around Ararat and in Willaura. Works include re-setting up the design of the plaques around Ararat and following manufacturing of metal etched signs which can be installed by operations staff. The designs for the Willaura Plaques are complete and will only require the manufacturing of the signs and the subsequent installation.



## KEY CONSIDERATIONS

### *Alignment to Council Plan Strategic Objectives*

The key financial drivers align strongly with the thrust of the Council Plan 2021-2025, particularly the following:

- 4.1 Ensure that asset development and renewal during the planning period matches that identified in Council's Asset Plan 2021-2031.
- 4.2 Work directly with asset users to manage and develop new and existing assets.
- 4.3 Deliver infrastructure outcomes that support economic growth, promote community wellbeing and safety and align with Council's financial sustainability.
- 6.1 Deliver responsible budget outcomes, linked to strategy, that deliver value, innovation, and rating fairness.

### *Budget Implications*

There is \$1,500,000 allocated to Community Infrastructure in the 2022/2023 Capital Works Budget. It is anticipated that Council will go very close to fully expending this budget.

### *Policy/Relevant Law*

The 2022/2023 Capital Works Program complies with the program funded in the 2022/2023 Budget. Ararat Rural City Council Procurement Policy

### *Sustainability Implications*

Council endeavours to take into account the purchase of sustainable products as a part of this program and evaluate whole of life costs to the purchase outcomes.

### *Risk Assessment*

The 2022/2023 Capital Works Program was developed as a mitigation of the financial risks associated with market volatility currently being experienced in the civil and building construction sectors.

### *Innovation and Continuous Improvement*

Development of the 2022/2023 Capital Works Program represented an agile response to market conditions. The flexibility of the Community Infrastructure element of the program sees smaller projects undertaken and the introduction of innovative processes that will improve the amenity of Council assets and

facilities into the future. A capacity to rework strategy based on a changing environment is a critical element in developing an innovative organisation.

***Stakeholder Collaboration and Community Engagement***

The 2022/2023 Capital Works Program was developed as an element of the 2022/2023 Budget. There was extensive community engagement undertaken prior to adoption.

***RECOMMENDATION***

*That the 2022/2023 Capital Works - Community Infrastructure Progress Report for April 2023 be received.*

**MOVED CR R ARMSTRONG  
SECONDED CR SANDERS**

**That the 2022/2023 Capital Works - Community Infrastructure Progress Report for April 2023 be received.**

**CARRIED 4809/23**

**ATTACHMENTS**

There are no attachments in relation to this report.

## SECTION 5– INFORMAL MEETINGS

### 5.1 INFORMAL MEETINGS

AUTHOR'S TITLE: CHIEF EXECUTIVE OFFICER  
DEPARTMENT: CEO'S OFFICE  
REFERENCE: 13039074

#### OFFICER'S DECLARATION OF INTEREST

Officers providing advice to Council must disclose any conflict of interest.

No person involved in the preparation of this report has a conflict of interest requiring disclosure.

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#### EXECUTIVE SUMMARY

The Governance Rules state that if there is a meeting of Councillors that:

- 1 is scheduled or planned for the purpose of discussing the business of *Council* or briefing Councillors;
- 2 is attended by at least one member of Council staff; and
- 3 is not a *Council meeting*, *Delegated Committee* meeting or *Community Asset Committee* meeting, the *Chief Executive Officer* must ensure that a summary of the matters discussed at the meeting

are:

- a) tabled at the next convenient *Council meeting*; and
- b) recorded in the minutes of that *Council meeting*.

#### DISCUSSION

As a requirement of the Governance Rules, a summary of matters discussed at the Council Briefings held since the last Council Meeting are presented to Council and will be recorded in the minutes.

INFORMAL MEETINGS
Council Briefing held on 04 April 2023

#### Issues discussed at the briefing:

- Draft Budget 2023/2024

#### KEY CONSIDERATIONS

##### *Alignment to Council Plan Strategic Objectives*

The report supports the strategic objective of the Council Plan 2021-2025:

- 6.3 Continuously improve Council's community engagement process and practices in line with deliberative engagement practices, while acknowledging the need for a range of different techniques to ensure effective engagement.

##### *Financial*

There are no financial impacts for the receiving of Informal Meetings of Councillors.

##### *Policy/Relevant Law*

Reporting of Informal Meetings is in line with the requirements of the Governance Rules.

***Risk Assessment***

Following the requirements of the Governance Rules will ensure that Council meets its legislative requirements.

***Stakeholder Collaboration and Community Engagement***

A summary of matters discussed at the Council Briefings are presented for community information.

***RECOMMENDATION***

*That the Informal Meetings of Councillors Report be received.*

**MOVED CR BURRIDGE  
SECONDED CR SANDERS**

**That the Informal Meetings of Councillors Report be received.**

**CARRIED 4810/23**

**ATTACHMENTS**

There are not attachments relating to this item.

## SECTION 7 – NOTICES OF MOTION

*A notice of motion* must be in writing signed by a Councillor and be lodged with or sent to the *Chief Executive Officer* no later than 12.00pm (noon) and at least six (6) days prior to the Council Meeting to allow sufficient time for the *Chief Executive Officer* to include the *notice of motion* in agenda papers for a *Council meeting*.

There were no Notice of Motion items received.

## SECTION 8– URGENT BUSINESS

Items cannot be admitted as urgent business other than by resolution of *Council* and only then if it:

- 1 relates to or arises out of a matter which has arisen since distribution of the *agenda*; and
- 2 cannot safely or conveniently be deferred until the next *Council meeting*.

There were no Urgent Business items received.

I HEREBY CERTIFY THAT PAGES 6799 TO 6845 ARE CONFIRMED AND ARE A TRUE AND CORRECT RECORD.

MAYOR – CR JO ARMSTRONG

Meeting closed at 6:48pm.