



Ararat Rural City

AGENDA

COUNCIL MEETING

Tuesday 26 March 2024

To be held in the Council Chambers, Shire Offices
(Livestreamed)

Commencing at 6.00pm

Council:

Cr Bob Sanders (Mayor)

Cr Gwenda Allgood

Cr Jo Armstrong

Cr Rob Armstrong

Cr Peter Beales

Cr Henry Burridge

Cr Bill Waterston



Ararat Rural City

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 into your address bar.

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

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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

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

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

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

RECOMMENDATION (if required)

That the apology of Cr be accepted.

1.4 CONFIRMATION OF MINUTES

RECOMMENDATION

That the Minutes of the Council Meeting held on 24 February 2024 be confirmed.

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.

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.

SECTION 3 – REPORTS REQUIRING COUNCIL DECISION

3.1 GRAMPIANS WINE DISCOVERY CENTRE IN THE ARARAT RURAL CITY

RESPONSIBLE OFFICER: ECONOMIC DEVELOPMENT LEAD & STRATEGIC PROJECT LEAD
DEPARTMENT: CEO'S OFFICE
REFERENCE: 14495

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

The need and business case for a Grampians Wine Discovery Centre has been established in the Grampians Destination Management Plan 2023-2030 (DMP). This Centre is important for our local winemakers, it will boost our local and regional tourism economy and lift the region's profile as an exceptional food, drink and wine destination.

The Grampians Wine Discovery Centre is one of the top five public enablers for private investments identified in the Grampians Strategic Tourism Investment Plan, and listed as a high priority investment opportunity in the Ararat Region in the Grampians Tourism Investment Prospectus.

The purpose of this report is to seek Council's support to apply for \$500,000 of funding from the Victorian Government's Enabling Tourism Fund 2024 to undertake a Grampians Wine Discovery Centre Conceptualisation project, with a co-contribution of \$125,000 from Council.

DISCUSSION

Grampians Tourism and its member councils have recently completed the Grampians Destination Management Plan 2023-2030 (DMP) and Grampians Tourism Investment Prospectus.

Significant investment into the world-class, Grampians Peak Trail identified a critical need for a Grampians Investment Prospectus to provide direction for the sustainable product development of the visitor economy across the Grampians region. The Grampians Strategic Tourism Investment Plan identified a number of game-changing projects, which were rigorously tested via a comprehensive matrix to evaluate return on Investment and then packaged as opportunities within the prospectus.

The Grampians has an emerging food sector that is building on its long winemaking history. The yield from visitors that engage with food and drink is significantly higher than those visitors who solely engage with nature-based products.

One of the priority recommendations of the DMP and Investment Prospectus was the delivery of a Grampians Wine Discovery Centre to elevate the region's food and drink experiences, showcase the quality produce and provenance available and more strongly connect this with the place and people that lie behind the food and wine.

The Grampians wine region has over 150 years of history, with some of the world's oldest vines and is one of the longest continually producing wine regions in Victoria. While our wine and food offering is growing, the Grampians struggles at times to compete with other larger wine regions because of a lack of visible presence.

Many vineyards and winemakers nationwide indicate they are keen to explore tourism uses on-site but are challenged by issues including insurance, finding sufficient staff and biosecurity issues. This is often the case for more boutique producers.

To help overcome this, the potential exists to develop a regional wine and produce showcase centre or emporium. This could feature the region's vineyards, offer a shopfront for the vineyards and, potentially on a rotating basis, encouraging dispersal to cellar doors and offer tastings. Because of the strength of some of the food producers/growers in the region (olives etc), the potential also exists to investigate including them in the centre so the facility becomes a true showcase of the best of the Grampians' produce.

The Grampians DMP, Strategic Tourism Investment Plan and Investment Prospectus establishes a sound business case for a wine discovery centre. These documents summarise the key attributes of the Grampians region, how the discovery centre addresses a need and fills a key gap in the tourism offering, the opportunity to better promote local produce, and it reflects stakeholder views and consultation outcomes that confirms the strong support for this initiative.

Ararat Rural City is the ideal location for the Grampians Wine Discovery Centre due to:

- Two thirds of the wineries in the Grampians Winemakers Inc wine region are located in the Ararat Rural City
- The Ararat Railway Station provides direct public transport access for both intrastate visitors via the V/Line train, which has affordable fares at \$10.60 per day or \$5.30 for concession, as well as interstate visitors via The Overland passenger train.
- The pipeline of luxury accommodation options in addition to a large range of existing hotels, motels, glamping options, and other places to stay.
- Complementary food and drink options, including the existing local wineries, restaurants, bars, cafes and the proposed Ararat Distillery and Chocolaterium, both to be located in Ararat and identified as priority recommendations in the Grampians Destination Management Plan 2023-2030.
- Existing complementary arts and cultural experiences, including J Ward Tours, Aradale Ghost Tours, Gum San Chinese Heritage Centre, Ararat Gallery TAMA, Ararat Town Hall with it's exciting range of events and performances,
- The pipeline of over 500 housing lots, with high demand for new housing estates and over 30 housing currently under construction. These new homes are addressing the chronic housing shortage and will provide accommodation for the tourism sector and other in-demand workforce.
- Council's proactive and effective regional migration initiatives to fill workforce shortages. The population of Ararat is growing with new residents who want quality experiences for themselves and their visiting relatives.

This proposed Grampians Wine Discovery Centre Conceptualisation project will undertake the following project activities to deliver plans for a commercially viable Centre that complements and uplifts the tourism industry in the broader Grampians region:

- Site analysis of several potential locations, including feasibility, market testing and assessments
- Business plan & unique value proposition development
- Master planning, including concept design, of the agreed location.

KEY CONSIDERATIONS

Alignment to Council Plan Strategic Objectives

This project will advance the following objectives and strategies:

2. Building Robust Local Economies

2.3 Engage with Grampians Tourism and local businesses to drive growth in high yield tourist outcomes.

4. Development and Maintaining Key enabling infrastructure

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.

Budget Implications

An Enabling Tourism Fund 2024 grant of \$500,000 will be sought to enable the delivery of this proposed project. This funding requires a 4:1 co-contribution. \$125,000 is proposed to be provided towards this project in the 2024/25 financial year for a total project cost of \$625,000.

Policy/Relevant Law

None identified

Sustainability Implications

None identified

Risk Assessment

None identified

Innovation and Continuous Improvement

None identified

Stakeholder Collaboration and Community Engagement

Grampians Tourism will collaborate with the Ararat Rural City on this project. Broad consultation occurred during the development of the Grampians Destination Management Plan 2023-2030. Further consultation and engagement with the wine and food industry stakeholders and community will occur during the delivery of the project if the funding application is successful.

RECOMMENDATION

That Council:

- 1. Endorse the proposal to undertake a Grampians Wine Discovery Centre Conceptualisation project, subject to securing grant funding.**
- 2. Confirms a co-contribution of \$125,000 towards this proposal, should the grant be awarded.**

ATTACHMENTS

The Grampians Destination Management Plan 2023-2030, Grampians Strategic Tourism Investment Plan and Grampians Tourism Investment Prospectus are provided as Attachment 3.1

3.2 RATES ARREARS

RESPONSIBLE OFFICER: CHIEF EXECUTIVE OFFICER
DEPARTMENT: CEO'S OFFICE
REFERENCE: 14496

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

Recent work undertaken by Council officers has identified that there is \$605,784.79 of rates in arrears owed by 50 ratepayers.

It is proposed that Council begin to take action to resolve the issue of rates in arrears by commencing with the following steps:

1. The CEO again write to the 50 ratepayers in arrears requesting that they take steps to meet their rating obligations
2. Issue media releases identifying the issue and indicating Council's willingness to work with individual ratepayers to manage individual rates issues
3. Instituting quarterly reporting on rates arrears in the Council Meeting agenda commencing in 2024
4. Including measures relating to rates arrears in the CEO and Councillor data dashboards
5. Liaise with debt collection agencies in 3 months' time if rates arrears haven't been actioned

DISCUSSION

Council officers have undertaken a review of the top rates arrears held and yielded an interesting outcome. Ararat Rural City Council top ratepayers in arrears owe a total of \$1,130,769.38 which are owed by a total of 50 ratepayers. The table below indicates the current top 50 in arrears and the amounts owed.

Number	Sum of Total Balances as at 21/03/2024	Last payment date	Last payment amount
1	\$84,467.28	18/03/2024	\$360.00
2	\$48,809.47	01/03/2024	\$200.00
3	\$33,564.01		
4	\$32,752.49	08/02/2024	\$100.00
5	\$30,561.82	21/10/2022	\$50.00
6	\$30,434.96		
7	\$27,540.23	13/03/2024	\$100.00
8	\$27,075.52		
9	\$26,796.05	30/09/2020	\$3,515.13
10	\$26,515.59		
11	\$26,120.67	21/03/2024	\$35.00
12	\$25,632.49		
13	\$24,570.19	22/12/2023	\$100.00
14	\$24,245.09	03/06/2021	\$50.00
15	\$23,876.38	22/11/2021	\$100.00
16	\$22,814.18	10/11/2023	\$2,315.95
17	\$22,586.84	15/03/2024	\$100.00
18	\$21,723.63		

19	\$21,671.79	24/08/2023	\$50.00
20	\$21,450.55		
21	\$21,239.18	13/02/2024	\$100.00
22	\$20,059.86	11/05/2023	
23	\$19,993.42		
24	\$19,987.87	24/11/2020	
25	\$19,986.27	14/03/2024	\$40.00
26	\$19,678.17	15/07/2021	\$27.44
27	\$19,645.00	15/02/2024	\$19,645.00
28	\$19,437.93	15/03/2024	\$50.00
29	\$19,332.01	02/10/2022	\$508.39
30	\$18,473.18	17/03/2024	\$50.00
31	\$18,113.06	05/06/2023	\$50.00
32	\$18,016.29	11/12/2021	\$1,320.46
33	\$17,871.45	24/03/2022	\$300.00
34	\$17,492.28	14/02/2023	\$18,475.56
35	\$17,260.79	20/03/2024	\$100.00
36	\$17,092.05	19/03/2024	\$5,585.93
37	\$16,936.90		
38	\$16,859.29	22/10/2020	\$11,171.23
39	\$16,603.62	06/03/2024	\$50.00
40	\$16,566.05	24/11/2021	\$60.00
41	\$16,478.20	29/06/2023	\$100.00
42	\$16,307.13		
43	\$16,181.09	15/03/2024	\$50.00
44	\$15,923.01	29/09/2020	\$2,000.00
45	\$15,701.39	14/03/2024	\$100.00
46	\$15,477.74	09/07/2023	\$1,500.00
47	\$15,435.22	05/03/2024	\$100.00
48	\$15,224.16	20/03/2024	\$100.00
49	\$15,140.46		
50	\$15,047.08	15/02/2023	\$15,950.86
Total outstanding	\$1,130,769.38		

As recommended at the Council meeting in September 2023, Council wrote to the top 50 rate payers in arrears. The table below indicates those who have paid in full since being written to, those who have entered into an Arrangement to Pay or Direct Debit Authority and those who have not commenced any action to pay.

The table below indicates the top 50 ratepayers in arrears from September 2023 and actions taken.

Ratepayers paid in Full		Entered into an Arrangement to Pay (ATP) or Direct Debit Authority (DD)		No action Taken	
Number paid in full	\$ Amount paid in full	Number entered into an ATP or DD	\$ Amount Outstanding	No action taken	\$ Amount outstanding
5	\$167,860.60	11	335,159.30	34	\$728,606.94

Council's Approach

Council has for a long period of time taken a reasonably liberal approach to pursuit of rates in arrears. Generally, Council has not pursued rates through aggressive debt collection or through the courts, as some other Councils have done. Council has typically worked to arrange payment plans to recover rates in arrears over time. Council has also instituted flexible models for payment of rates, including early adoption of fortnightly payments through BPay.

This approach taken is consistent with Council's desire to build positive and proactive relationships with our community. In addition to this, Council has been working to build organisational efficiency to deliver a dividend to the community. This is currently in the form of a zero percent average rate increase in six years.

In general, ratepayers respond very well to this approach with a very significant majority paying rates in a timely fashion or negotiating a payment plan. Since this approach has already been taken with the top outstanding ratepayers arrears, a new approach should be considered for the remaining ratepayers who have made no attempt to enter into a payment agreement.

Legislative Approaches

In 2022 the State Government enacted the Local Government Legislative Amendment (Rating Reform and Other Matters) Act 2022 which, among other things, makes provision for the Minister for Local Government to:

- providing the Minister with the power, in consultation with the Essential Services Commission, to issue guidance on how councils deal with ratepayers experiencing financial hardship
- empowering the Minister, in consultation with the Essential Services Commission, to set a maximum amount of interest that may be levied on unpaid rates and charges (currently set at 10 per cent)
- limiting councils' use of Magistrate's Court orders for recovering unpaid rates in situations where rates or charges have not been paid for two years or more
- formalising payment plans for ratepayers to pay their outstanding rates and charges as an alternative to the four instalments currently prescribed.

Council's longer-term approach is consistent with the regulated changes around rating reform adopted by the State Government.

A way forward

It is important that Council establishes a fair and equitable model for managing rates arrears that is consistent with State regulation and Council's previous approach. It is time to provide clear messaging to the ratepayers who have significant arrears that they need to meet their obligation and make arrangements to pay their rates. It is also important that all ratepayers are aware that Council is happy to assist those in financial hardship to make a payment arrangement that assists in managing payment of rates.

As the preliminary steps have already been taken it is suggested that the following steps now be taken:

- The CEO again write to the top ratepayers in arrears, clearly indicating the amount that they owe in arrears and that they need to contact Council to make arrangements to pay and indicate that if failure to do so within 3 months' time, debt collection processes will commence
- Council pursue debt collection arrangements after 3 months from date of letter

KEY CONSIDERATIONS

Alignment to Council Plan Strategic Objectives

The issue of managing rates arrears relates to the following objectives and strategies in the Council Plan 2021-2025:

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.

6.1 Deliver responsible budget outcomes, linked to strategy that delivery value, innovation, and rating fairness.

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.

Budget Implications

The rates arrears issue does not adversely affect Council's budget to a significant degree. Council is in a relatively good cash position meaning it can carry the arrears. If Council were in a different cash position the issue would be more critical. There is a minor financial benefit to Council through imposition of interest on rates arrears. The rate arrears will ultimately be collected when property is sold and transferred to new ownership.

Policy/Relevant Law

Councils derive the power to impose rates and charges from the Local Government Act 1989. It is unlawful to refuse or fail to pay rates or charges except in accordance with the provisions in the Act, or the determination of a Court.

The Local Government Legislative Amendment (Rating Reform and Other Matters) Act 2022 made provisions relating to financial hardship, payment plans and setting leviable interest for rates arrears.

Sustainability Implications

None identified

Risk Assessment

The level of organisational risk that Council is currently exposed to in relation rates arrears is relatively low given its reasonably strong cash position. If there were to be significant increase in rates arrears beyond the current level it would represent an increased risk to Council's financial position. There is an element of reputational risk associated with failure to collect rates from some ratepayer while the majority are paying within appropriate timeframes.

Innovation and Continuous Improvement

There is a need for Council seek innovative solutions to the rates arrears issue within the local government legislative framework. This will involve establishing a strong engagement model, managing issues of hardship and building more flexible models to support payment options. A number of service sector organisations find that providing more ways for customers to make payment results in increased on time payment.

Stakeholder Collaboration and Community Engagement

Community engagement is a key element in managing the rates arrears issue. It is important that three issues are communicated to the community:

- Council appreciates that most ratepayers do the right thing and meet their legal responsibility to pay rates
- Council is very happy to work with people to assist them to pay their rates through payment plans and creation of flexible ways to pay
- Council is serious about managing the rates arrears issue and ensure that ratepayers who have large and long-term arrears will be required to make arrangements to meet their obligations.

RECOMMENDATION

That Council:

1. **CEO write to the ratepayers in arrears, clearly indicating the amount that they owe and that they need to contact council to make arrangements to pay their rates obligations and indicate that if failure to do so within 3 months' time, Council will make arrangements to pursue debt collection agencies**
2. **Pursue debt collection for those who have not made payment after the 3-month period**

ATTACHMENTS

There are no attachments in relation to this item

3.3 QUARTERLY PERFORMANCE REPORT

RESPONSIBLE OFFICER: CHIEF EXECUTIVE OFFICER
DEPARTMENT: CEO's OFFICE
REFERENCE: 14497

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

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

Based on the information provided by responsible officers and managers Council's overall financial performance is in line with budget. It has been determined that a revised budget is not required at this stage.

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 \$20.873 million in revenue and \$15.096 million in expenses to 31 December 2023. This has resulted in an operating surplus of \$5.777 million for the six months ended 31 December 2023.

Income

Rates and charges account for 63% of the total budgeted income for 2023/24. Rates and charges are recognised when the rates have been raised, not when the income has been received. An amount of \$17.527 million has been recognised as income for the six months ended 31 December 2023.

User fees account for 5% of the total budgeted income for 2023/24 and \$0.882 million has been received to 31 December 2023. The majority of this relates to transfer station fees, fitness centre income and commercial waste management charges.

Recurrent Operating Grants total \$0.699 million to 31 December 2023, including \$0.100 million from the Victorian Local Government Grants Commission for general purpose grants and \$0.064 million for the local roads grants.

Non-recurrent Operating Grants total \$0.812 million to 31 December 2023. Council has been successful in obtaining several grants that had not been budgeted for, 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 2023/24 \$'000	Income 2023/24 \$'000	Unearned Income \$'000
Non-Recurrent Operating Grants			
New Arrivals Settlement Program	-	44	-
Pilot Coordination Grampians Workforce	-	50	-
Ararat Housing Transition	-	-	300
Digital Twin Victoria	-	402	552
Free Public WiFi Services	-	-	1,149
Rural Roads Support Program	-	-	56
Supported Playgroups	63	33	-
Kindergarten Infrastructure and Services Plan (KISP) Support Grant	-	30	-
Power our Future!! Tatyoon Recreation Reserve	-	20	-
Natural Disaster Relief	-	39	-
Planning & Data Development	-	93	-
Wage Subsidy Grants	-	57	-
Other Minor Grants (under \$20,000)	6	44	19
	69	812	2,076

Non-recurrent Capital Grants total \$0.295 million to 31 December 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 2023/24 \$'000	Income 2023/24 \$'000	Unearned Income \$'000
Non-Recurrent Capital Grants			
Ararat East Development Zone Trunk Infrastructure Project	-	295	124
Local Roads & Community Infrastructure-Roads Grant	-	-	922
	0	295	1,046

Note

It is important to note the following:

1. The Grants Operating (recurrent) figure in the Original Budget was \$7.677 million and in the Current Budget is recorded as \$0.191 million, as \$7.426 million was paid to Council in 2022/23 by the Victorian Local Government Grants Commission (VLGGC) for the 2023/24 financial year. Council has still received the expected VLGGC income, to be spent in 2023/24, however it will be reported over two financial years. Council also received \$0.060 million funding in advance for the Municipal Emergency Response Plan which has also been adjusted in the current budget.
2. Unearned revenue received in prior years has been adjusted between the Original Budget and Current Budget with an additional \$2.593 million for Grants Operating (non-recurrent), \$0.056 million for Grants Capital (recurrent) and \$0.419 million for Grants Capital (non-recurrent) included in the Current Budget on the assumption that each of the grant projects will be completed during the 2023/24 financial year.
3. These changes in the budget, plus the note reported under expenses, create a change in the reported surplus position from a projected surplus of \$1.296 million to a deficit of \$6.812 million for 2023/24. The year-end variance is a surplus of \$2.371 million when the actual year to date expenses are compared to the year to date budget.

Expenses

Employee Costs account for approximately 41% of the total budgeted expenditure for 2023/24. For the six months ended 31 December 2023 Council has incurred \$6.043 million in employee costs.

Materials and Services account for approximately 29% of the total budgeted expenditure for 2023/24. For the six months ended 31 December 2023, Council has incurred \$6.354 million in materials and services costs. There are a number of projects, including those carried forward from 2022/23 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 \$8.035 million in the Original Budget to \$11.555 million in the Current Budget for 2023/24. This has resulted from a carry forward amount of \$3.520 million from the 2022/23 financial year surplus and unspent grant funds which will be used for additional activity in 2023/24. Additionally, there has been an increase of \$0.170 million in employee costs from \$11.134 million in the Original Budget to \$11,304 million in the Current Budget with some grant-funded projects requiring additional staffing to meet the requirements of the grant.

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 December 2023. Comparative figures have been provided as at 30 June 2023.

Council's current assets have increased by \$0.287 million from \$24.057 million as at 30 June 2023 to \$24.344 million as at 31 December 2023. Cash and cash equivalents have decreased by \$10.584 million from \$11.457 million to \$0.873 million, with another \$8.000 million held in a term deposit and now classified as a financial asset. Trade and other receivables have increased by \$10.846 million from \$4.509 million as at 31 December 2022 to \$15.355 million as at 31 December 2023.

Total liabilities have increased from \$8.596 million in 2022/23 to \$9.114 million in 2023/24. Trade and other payables have decreased by \$0.396 million and trust funds and deposits have increased by \$0.114 million. Unearned income/revenue increased by \$0.111 million, and includes grants received by Council, where in accordance with accounting standards they are held as a liability until grant-related performance obligations have been met.

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 \$11.457 million have decreased by \$10.584 million to \$0.873 million as at 31 December 2023. Council has a term deposit of \$8.000 million maturing in early January which is currently classified as a financial asset, and is no longer included in cash and cash equivalents.

Net cash of \$2.750 million was used in operating activities, \$7.682 million was used in investing activities, and \$0.152 million was used in financing activities.

Investing activities includes payments for property, plant and equipment, and infrastructure.

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	30/6/2023	30/9/2023	30/12/2023
Working capital	322%	411%	334%
<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			
Loans and borrowings <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	7.07%	6.85%	6.41%
Indebtedness <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	5.47%	6.19%	9.58%
Rates concentration <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	51.46%	92.70%	85.22%
Expenditure level <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	\$4,616	\$1,191	\$2,048
Indicator - Revenue level <i>Measure - Average residential rate per residential 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	\$2,006	\$2,005	\$2,003
Indicator – Percentage of total rates collected 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 December 2023 the outstanding Rates Debtors totalled \$13.411 million compared to \$1.955 million as at 30 June 2023, an increase of \$11.456 million. In percentage terms 31.5% of the rates raised have been collected at 31 December 2023 compared to 33.1% up to 31 December 2022. Outstanding rates are currently charged 10% interest.	90.2%	14.9%	31.5%

Council issues approximately 7,900 rate notices. In 2023/24 there are 2,640 assessments paying by instalments compared with 2,843 assessments in 2022/23.			
<p>Indicator – Asset Renewal & Upgrade <i>Measure - Asset renewal & 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.</p>	90.93%	103.49%	245.78%

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

6.1 Deliver responsible budget outcomes, linked to strategy, that deliver value, innovation, and rating fairness

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. Lump sum payment of rates are due on 15 February 2024.

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:

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

ATTACHMENTS

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

3.4 CRAZY IDEAS COLLEGE: ARARAT YOUTH ACTIVATORS 2024

RESPONSIBLE OFFICER: CHIEF EXECUTIVE OFFICER
DEPARTMENT: CEO'S OFFICE
REFERENCE: 14498

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

Last year, the Ararat Rural City Council and the Crazy Ideas College collaborated to deliver the Ararat Youth Activators 2023, which saw 295 young people participate, 7 schools and 13 community partners and local employers involved.

This report seeks Council's support to continue and expand the Ararat Youth Activators program for 2024 with an investment of \$80,000. As a demonstration of the Crazy Ideas College's commitment towards this initiative, they will contribute \$10,000 of funding and in-kind support through 2024. This would enable the Crazy Ideas College and Council to:

- build on the strong foundations laid in 2023, _
- extend the ambition and reach of the program so that more young people benefit and have enriched connections into community, and_
- foster enthusiasm and commitment from key players so that we can jointly build a program of activity that endures.

The proposed Ararat Youth Activators 2024 will showcase new and creative ways for young people to build key skills and make their mark in community and economic life.

DISCUSSION

Crazy Ideas College (CIC)

The CIC started in 2018 with a view that young people ought to have the capabilities, confidence and connections to shape the world around them. Their team consists of people with a broad set of work experiences including corporate leadership, futures consulting, marketing, education and community development. CIC are transforming the way young people, schools, Council, business and community connect and create value for each other. CIC is a purpose driven entity and operates as a Social Enterprise.

Ararat Youth Activators (AYA)

The AYA taps into the wisdom and brilliance of Ararat's young people. AYA focuses on:

1. Lifting aspirations and building confidence amongst young people that their future will be bright.
2. Deepening the connections young people have with their local community.
3. Building skills for the future (including problem solving, creativity and collaboration).

The AYA 2023 programs delivered the following outcomes:

- Social Innovators: 55 students worked in teams to generate 9 crazy good ideas that showcase new and ingenious ways to care for our planet and enable more people to live healthy, fulfilling, prosperous and connected lives.
- Ideas to Life Lab: The Social Innovators teams worked on bringing a trial of their ideas to life.
- Future Ready with First Job Matters: 85+ students dreamt big and crafted a personal vision of what a great career journey looks like. 2 students were offered a job during the First Job Matters Pitch Event.
- Lead for Impact Transition Program: 94 senior primary school students explored 'what makes them, them', generated plans for stepping into secondary schooling with confidence, and developed solutions to everyday challenges that young people often faced at the beginning of secondary school. Participants reported increased confidence and excitement for their transition to secondary school.

The AYA 2024 program of activities will draw on the CIC's proven set of programs and tailored delivery models so that they work in the local context and focus on the objectives and impacts that matter most. The proposed 2024 initiatives include:

- Continuation of the successful Lead for Impact Year 6 Transition Program, Social Innovators, Ideas to Life Lab and Future Ready with First Job Matters initiatives.
- Expansion of the Lead for Impact initiative for Year 11 students with a focus on school leadership, acting in ways that are consistent with their values and strengths, collaborating more effectively and drawing on each other's talents.
- New Values in Action initiative that challenges young people to explore personal values and reflect on what matters in their own lives and in their community
- Other initiatives, including providing all participating young people with micro-credentials, and liaising with Council to design and deliver a storytelling initiative as well as identifying other new projects and initiatives.

CIC aim to engage 330+ local young people, all local schools, and form new productive connections between young people, schools, local businesses and organisation in the AYA 2024. At program completion CIC will produce an impact report.

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:

5. Enhancing Community Life

5.3 Partner with community groups, not-for-profits, and traditional owner organisations to develop Ararat Rural City as a more inclusive and diverse community.

This initiative also aligns with the following strategic objectives from the Municipal Public Health and Wellbeing Plan 2021-25:

1. Building effective partnerships

We will develop effective, long-term partnerships focussed on delivering positive health and wellbeing outcomes to the communities of Ararat Rural City.

1.3 Commit to strong local partnerships with key providers and social enterprises in delivery of health and wellbeing initiatives.

2. Developing socially and emotionally strong and diverse communities

We will develop community-based approaches that support improved mental health, encourage diversity, and build social capital.

Budget Implications

Adoption of this motion will result in a cost to Council of \$80,000.

Policy/Legal/Statutory

None identified

Sustainability Implications

None identified

Risk Assessment

None identified

Innovation and Continuous Improvement

AYA 2024 builds on the 2023 initiative and delivers an improved program.

Stakeholder Consultation and Communication

CIC has engaged with Council on adapting the AYA program for 2024. Community, schools, businesses, organisations and other stakeholders will have the opportunity to meaningfully engage and support the delivery of AYA 2024.

RECOMMENDATION

That Council:

1. Support the continuation and expansion of the Ararat Youth Activators program for 2024 with an investment of \$80,000.

ATTACHMENTS

The Youth Activators Partnership Proposal 2024, 2023 Impact Report and Financial & Impact Reconciliation 2023 are provided as Attachment 3.4

3.5 APPOINTMENT AND AUTHORISATIONS (PLANNING AND ENVIRONMENT ACT 1987) S11A

RESPONSIBLE OFFICER: GOVERNANCE AND RISK LEAD
DEPARTMENT: CEO'S OFFICE
REFERENCE: 14499

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

This report seeks Council's endorsement of the S11A Instrument of Appointment and Authorisation under the Planning and Environment Act 1987.

DISCUSSION

The Local Government Act 1989 provides for the appointment of Authorised Officers for the purposes of the administration and enforcement of any Act, regulations or local laws which relate to the functions and powers of the Council.

The Chief Executive Officers, by authority conferred by instrument of delegation from Council makes these appointments. Under the Planning and Environment Act 1987, however, Authorised Officers can only be appointed by Council resolution as the Act prohibits delegation of the power to appoint Authorised Officers under the Act.

This report identifies changes since the S11A Instrument of Appointment and Authorisation was adopted on 25 July 2023

A review of current appointments to this Instrument of Appointment and Authorisation has been carried out.

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

There are not budget implications arising from the Appointment of Authorised Officers

Policy/Relevant Law

Section 224 of the Local Government Act 1989 is a provision that remains in force and continues to be the authoring provision for the S11A Instrument of Appointment and Authorisation.

The power to commence proceedings – Section 313 of the Local Government Act 2020

Sustainability Implications

There are not economic, social or environmental implications in relation to appointment of Authorised Officers.

Risk Assessment

The regular updating of the Instrument of Appointment and Authorisation ensures ongoing legislative compliance for Ararat Rural City Council and that staff members are properly empowered to undertake their roles.

Innovation and Continuous Improvement

The appointment of Authorised Officers is essential to the effective control and policing of the municipal district.

Stakeholder Collaboration and Community Engagement

The Instrument of Appointment and Authorisation has been updated by referencing the Maddocks Lawyers Delegation Services.

RECOMMENDATION

That:

In the exercise of the powers conferred by Section 147(4) of the Planning and Environment Act 1987 (the Act) and the other legislation referred to in the attached instruments of appointment and authorisation (S11A) (the instrument), Ararat Rural City Council (Council) resolves that –

1. The members of Council staff referred to in the instrument be appointed and authorised as set out in the instrument;
2. The Instrument comes into force immediately the common seal of Council is affixed to the instrument, and remains in force until Council determines to vary or revoke it; and
3. The instrument be signed under the seal of the Council.

ATTACHMENTS

The Instrument of Appointment and Authorisation (Planning and Environment Act 1987) S11A is provided as Attachment 3.5

3.6 CONFIDENTIAL INFORMATION PROCEDURE

RESPONSIBLE OFFICER: GOVERNANCE & RISK LEAD
DEPARTMENT: CEO'S OFFICE
REFERENCE: 14503

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

Clarification was sought on the handling of 'confidential information' for the purposes of balancing the need for closed sessions of Council Meetings and Council's endeavours to deliver good governance, open and accountable conduct and greater transparency and clarity in its decision-making processes, as per the Public Transparency Policy.

An internal Confidential Information Procedure has been created to provide clarity and consistency on which matters should be treated as confidential, when they should be kept confidential, and when they can be released in the interest of public accountability.

The Confidential Information Procedure does not change the definitions of 'confidential information' outlined in the Local Government Act 2020, nor does it change any other Regulations, policies or procedures.

The purpose of this report is to inform the Council of the new procedure.

DISCUSSION

Council endeavours to deliver good governance, open and accountable conduct and greater transparency and clarity in its decision-making processes, as per the Public Transparency Policy.

The Act requires that council meetings be open to the public unless specified circumstances apply. One of those specified circumstances is the consideration of 'confidential information' (section 66(2)(a)). The Act also provides definitions for the meaning of 'confidential information' in section 3(1).

Council acknowledges that it is appropriate to consider certain matters in closed sessions within council meetings, however it also seeks to limit the number of matters considered confidential where possible. The Confidential Information Procedure will provide improved clarity and consistency on lifting the confidentiality of reports and decisions on adoption of the relevant motion.

For example, closed sessions of council meetings occur regularly to consider tenders and procurement matters in accordance with its Procurement Policy and the Act, specifically section 3(1) Confidential Information (a), which includes the following meaning within the definition of confidential information:

“(a) Council business information, being information that would prejudice the Council's position in commercial negotiations if prematurely released;”

The Council must perform procurement activities with unquestionable integrity and in a manner that can withstand the closest possible scrutiny, in accordance with the Act and its Procurement Policy. The Procurement Policy provides direction for confidentiality of information received by the Council concerning requests for quotations and tenders.

The Procurement Policy also outlines when information shall be disclosed. The Notification of Outcome and Period in Appendix 3 of the current Policy includes the following disclosure requirements:

Procurement Method	Request for quotation or select tender	Request for quotation or select tender	Public tender
Value of Procurement	\$30,000 - \$75,000	\$75,000 to \$150,000 (goods and services) \$75,000 to \$200,000 (works)	\$150,000+ (goods and services) \$200,000+ (works)
Notification of Outcome	Website	Website	Website
Period of Notification	1 month	3 months	6 months

It should therefore be appropriate to lift the confidentiality of reports and decisions on adoption of the motion to award a quotation or tender where the notification of outcome is required to be made public, and where there are no other requirements in the Act, other Acts, regulations, policies or procedures for the information to remain confidential.

KEY CONSIDERATIONS

Alignment to Council Plan Strategic Objectives

6. Strong and Effective Governance

Budget Implications

No budget implications

Policy/Legal/Statutory

No Policy/Relevant Law implications

Risk Assessment

None identified

Innovation and Continuous Improvement

The Confidential Information Procedure improves the clarity and consistency of the treatment of confidential information.

Stakeholder Consultation and Communication

Council Officers who regularly engage in potentially confidential matters were consulted as part of the development of the Confidential Information Procedure.

RECOMMENDATION

That Council:

Council adopts the Confidential Items Procedure

ATTACHMENTS

The Confidential Information Procedure is provided as Attachment 3.6

3.7 2023/2024 CAPITAL WORKS PROGRAM – MARCH 2024

RESPONSIBLE OFFICER: CHIEF EXECUTIVE OFFICER
DEPARTMENT: CEO'S OFFICE
REFERENCE: 14504

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

Council adopted its 2023/2024 Capital Works Program as a key element of the 2023/2024 Budget. The 2023/24 budget has a strong focus on infrastructure with a \$9.5 million investment in capital works.

Major works including the following:

- Stage one of Mount William Road construction,
- urban gravel to seal road upgrades, and
- maintaining and repairing rural and urban roads and drainage.

DISCUSSION

Council's 2023/2024 Capital Works Program continues to be substantially different to previous years, the program does not have a number of major road and bridge construction projects and will continue to undertake a "small targeted" capital works program.

The emphasis for 2023/2024 is 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. Using 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:

- An enhanced road reseal program.
- Improvement to urban drainage.
- Upgrades to the footpath network.
- A major urban road gravel to seal program.
- Commencement of Mt William Road Reconstruction works.

Capital Works Budget Status:

As of 20 March, 2024, the capital works budget is 52% spent, slightly below the expected monthly rate. This has slowed on other months due to the two bushfires in the municipality in February which has put significant pressure on our workforce, causing priorities to shift towards areas of urgent need.

Ongoing Projects

- The Urban gravel to seal project has commenced with Ironbark Lane expected to be completed before Easter with the additional projects to be commenced in early April.
- Mt William Road reconstruction is to commence in the first week of April, with set out of the site completed and notification to residents of the works and detours has been undertaken.
- Road resheeting has seen substantial progress with 82% of the budget expended.
- The first OTTA seal is planned for April 2024 on Elizabeth Street East, Ararat.

Being undertaken by Inroads and developed in Norway, Otta seals are a cost-efficient road treatment best suited for roads where traffic volumes are less than 200 vehicles per day. The process entails graded gravel/crushed rock being placed on a relatively thick film of soft bitumen, and then rolled. Initially, the surface does not look unlike a typical gravel road, but over time, the bitumen works its way upwards through the aggregate and turns into a smooth, interlocked bituminous premix. The use of an OTTA seal

is less than 25% of the cost of full road reconstruction. Council are excited to test this process and evaluate its suitability for other roads within the municipality.

- Small property capital projects have seen substantial progress, with 94% of the budget expended.
- The unbudgeted resurfacing of the Alexandra Oval is complete, with training set to resume at the precinct from 1 April, 2024. The project was largely completed in-house and has been successful in providing a high-quality playing surface for all facility users.
- The stage one development of the Ararat Fitness Centre has encountered issues related to the age and compliance of the building, resulting in the halting of works. A full report concerning this project will be presented at the April 2024 Council meeting.

	Budget	Committed/ Contracted	Expended	%	Notes
<u>PROPERTY -CAPITAL</u>					
Property Capital	\$400,000		\$375,844	94%	These works are made up of a series of smaller projects across the municipality.
					This budget will be fully expended by the end of financial year.
Alexandra Oval Resurfacing		\$28,680	\$217,070		This was an unbudgeted project. Works on the Alexandra Oval are complete – users will have access to the facility from 1 April 2024.
Ararat Fitness Centre Stage 1	\$950,000		\$29,222	3%	This project has been halted due to age and compliance issues. Further information will be provided at the April Council meeting.
TOTAL PROPERTY		\$28,680	\$622,136		
<u>PLANT & EQUIPMENT</u>					
Plant and Vehicles			\$346,146		These unbudgeted items include four new passenger vehicles and a new mower that was purchased at the start of the financial year.
Book stock - Library Book Replacement	\$40,000		\$28,385	65%	Quarter 3 payment is due in April 2024. This will be fully expended by the end of financial year.
TOTAL PLANT & EQUIPMENT			\$372,003		
<u>ROADS</u>					
Gravel Road Sheeting & Gravel Road Widening	\$2,800,000	\$49,966	\$2,264,196	82%	The 23/24 Resheeting and Road Widening program is progressing well. These works will continue over the financial year. The OTTA Seal of Elizabeth Street East will be undertaken in April 2024. This budget will be fully expended by the end of financial year.

Reseal Program	\$1,000,000	\$83,138	\$491,407	57%	<p>Design works are complete for Rhymney Rd.</p> <p>Geotechnical Investigation and design works are nearing completion for the Buangor Ben Nevis Rd. This work is being completed with funding from LRCI and Council. These works are expected to commence within the financial year.</p> <p>Road reseal program commenced in September 2023 and was completed in December 2023.</p> <p>Line Marking is expected to commence in April 2024.</p> <p>This budget is expected to be underspent by the end of financial year with Rhymney Road works on hold due to cost estimates. This allocation will be redirected to other projects and will be reported to the April Council meeting.</p>
Mt William Road	\$1,000,000	\$193,282	\$24,978	22%	<p>Works are to commence in the first week of April 2024.</p> <p>The works have been set out, stabilising contractors engaged, and stone ordered for the works to commence.</p> <p>These works will be complete by the end of financial year.</p>
Urban Road Gravel to Seal	\$2,200,000	\$128,224	\$73,306	9%	<p>Ironbark Lane is due to be completed by Easter. Four designs are now ready to commence in the first week of April starting with Currajong Avenue and McLellan Street.</p> <p>Planning works for the 24/25 program is currently being undertaken.</p> <p>This budget is expected to be underspent with the works being completed costing significantly less than estimated.</p>
Major Patching		\$45,200	\$54,574	50%	<p>This line item is unbudgeted.</p> <p>Major patching contractors have commenced works.</p>

					Asphalting works have been completed at the Deneys Carpark.
Footpath Renewal Program	\$400,000	\$179,750	\$303,267	121%	<p>Several footpath works have been completed this year within Ararat and rural townships.</p> <p>Works are currently being completed in McGibbony Street and Ford Street in Ararat and Walkerville & Wileman Street in Willaura.</p> <p>Condition inspections are commencing in Rural townships in the week leading up to easter and then in Ararat, this work is expected to take several weeks.</p>
Urban Drainage Works	\$750,000	\$4,917	\$279,642	38%	<p>Works have been completed in Golf Links Road and Thompson and Kneale Streets, Ararat.</p> <p>A number of small works are expected to be complete by the end of financial year.</p> <p>One significant project is also to be undertaken with connection of drainage from Queen Street to Cemetery Creek.</p> <p>This budget is expected to be expended by the end of financial year.</p>
TOTAL INFRASTRUCTURE		\$677,479	\$3,491,373		
TOTAL CAPITAL WORKS		\$706,159	\$4,485,512		

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 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	\$4,505,8131	91%	<p>The pavilion has reached practical completion with an Occupancy Permit being provided in mid March 2024.</p> <p>Final works include the irrigation to the soccer pitch, fencing of the soccer and AFL fields and seeding of the soccer pitch and concreting of the Little Athletics infrastructure.</p> <p>An opening is expected in May 2024.</p>

Buangor Recreation Reserve Kitchen Extension	\$53,590	20%	The project has been out to the market and came in with a significant price difference between the cost plan and the pricing received from the tenderers. Funding opportunities are being looked at to progress this project further.
Lake Bolac Golf Club Kitchen	\$179,864	91%	Works are being undertaken by Build Forth, from Ballarat, this project is complete.

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 2023/2024 Capital Works Program represents a significant element of Council's 2023/2024 Budget. In the current civil construction market, it is essential that Council manages capital works expenditure carefully to ensure budget outcomes are met.

Policy / Relevant Law

The 2023/2024 Capital Works Program complies with the program funded in the 2023/2024 Budget.

Sustainability Implications

There are no environmental sustainability implications. Council is mindful of considering new innovative approaches to improve its sustainability and environmental footprint as a part of the Capital Works program.

Risk Assessment

The 2023/2024 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 2023/2024 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.

Stakeholders Collaboration and Community Engagement

The 2023/2024 Capital Works Program has been developed as an element of the 2023/2024 Budget. There was extensive community engagement undertaken prior to adoption.

RECOMMENDATION

That:

1. Council receive this information report.
2. Council receive a report in relation to the Ararat Fitness Centre Stage One Project at the April 2024 Council meeting.

ATTACHMENTS

There are no attachments related to this item

SECTION 4 – INFORMATION REPORTS

4.1 COMMUNITY ASSETS COMMITTEES HALF YEAR REPORT

RESPONSIBLE OFFICER: CHIEF EXECUTIVE OFFICER
DEPARTMENT: CEO'S OFFICE
REFERENCE: 14501

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

A Community Asset Committee (CAC) is a committee with powers of the Council, established and with members appointed by Council. Powers are delegated by the Chief Executive Officer, subject to the terms and conditions specified by the Chief Executive Officer, for the purpose of managing a community asset in the municipal district

Section 47(6) of the Local Government Act 2020 states that a Chief Executive Officer must submit an annual report to the Council in relation to the activities and performance of a Community Asset Committee in respect of which the members have been given a delegation under this section.

This report outlines the activities of the CACs in the last six months.

DISCUSSION

Chief Executive Officer Update

I have attended a variety of different meetings of Council's CACs of the past four months, these include but are not limited to:

- Ordinary Committee and Annual General Meetings;
- Meetings to discuss the future of the Community Asset Committees and the way forward; and
- Discussion relating to the redevelopment or develop of current facilities.

I will continue to work with Committees to ensure that the standard of facilities are maintained for future generations. Council has a project management budget to upgrade these facilities as required.

Our CAC members perform a brilliant service to our communities. Their contribution to the health and wellbeing of communities is huge and without their passion, hard work and energy our community life would be greatly diminished. I enjoy working with our CACs and wish to express my admiration for their work. The following report in relation to the activities of CACs.

1. Community Asset Committee - Meetings Minutes

The following table outlines the recent meetings held by the Community Asset Committees.

Minutes provided show that the Committee members have been very busy over the past seven months, with general maintenance requirements, event preparation and future planning for their facilities.

Community Asset Committee	Meetings held during the report period	Meetings scheduled advised
Alexandra Hall	23 November 2023	23 May 2024, and 25 July 2024 (AGM & Ordinary).

Buangor Community Sports Centre	9 November 2023, 6 December 2023, 10 January 2024, 7 February 2024 (minutes not supplied)	6 March 2024, 3 April 2024, 1 May 2024, 5 June 2024
Elmhurst Public Hall	8 November 2024 (AGM), 14 February 2024	15 May 2024, 14 August 2024, 13 November 2024 (AGM)
Lake Bolac Memorial Hall	No meetings held.	No meetings scheduled.
Maroona Recreation Reserve	No meetings held.	March 2024
Mininera Recreation Reserve	No meetings held.	7 March 2024
Moyston Public Hall	20 February 2024 (minutes not supplied)	May 2024
Pomonal Hall and Recreation Reserve	1 November 2023, 6 December 2023, 7 February 2024 (minutes not supplied)	No meetings scheduled.
Streatham Memorial Hall	No meetings held.	No meetings scheduled.
Tatyoorn Hall and Recreation Reserve	No meetings held.	26 February 2024
Warrak Public Hall	19 February 2024 (minutes not supplied)	May, August, November 2024
Wickliffe Recreation Reserve	No meetings held	11 April 2024 (AGM)
Willaura Memorial Hall	7 December 2023 (minutes not supplied)	No meetings scheduled.
Willaura Recreation Reserve	8 November 2023, 24 January 2024	No meetings scheduled.
Yalla-Y-Poora Community Centre	No meetings held.	March 2024

A copy of minutes received of Community Asset Committees are included as an attachment to this report.

Governance

A review of the Community Asset Committee Governance Manual was conducted mid-way through 2022. This was completed and forwarded to all Community Asset Committees in August 2022 and includes all the information and forms to assist Committee members. Council officers will continue to work with Committee members to support them in their committee roles.

KEY CONSIDERATIONS

Alignment to Council Plan Strategic Objectives

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

4. Developing and Maintaining Key Enabling Infrastructure

4.2 Work directly with asset users to manage and develop new and existing assets.

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.

5.2 Develop models of volunteering that recognise, support and properly utilise the skills that community volunteers bring to community life.

Budget Implications

All Community Asset Committee projects or maintenance funding are allocated in the current Council budget.

Community Asset Committees report on their finances at their meetings.

Policy/Legal/Statutory

The Local Government Act, section 47(6) states that a Chief Executive Officer must submit an annual report to the Council in relation to the activities and performance of a Community Asset Committee in respect of which the members have been given a delegation under this section.

Risk Assessment

Not reporting the Community Asset Committees activities and performance to Council would breach the legislative requirements of the Local Government Act 2020 in particular section 47(6).

Sustainability Implications

All economic, social and environmental implications were considered when writing this report.

Innovation and Continuous Improvement

Council has been proactive in ensuring the Community Asset Committee halls and recreation reserves are identified for infrastructure improvements. This has included significant building and reserve surface works being carried out through tender processes.

Stakeholder Collaboration and Community Engagement

The Chief Executive Officer has attended the majority of Community Asset Committees since the last report in October 2023

The Community Asset Committees consist of Committee members who volunteer their time to manage the facilities on Council's behalf.

RECOMMENDATION

That the Community Asset Committee Half Year Report be received.

ATTACHMENTS

Community Asset Committee Meeting Minutes provided as Attachment 4.1

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.

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 12 February 2024
Council Briefing held on 20 February 2024
Council Briefing held on 12 March 2024
Council Briefing held on 19 March 2024

Issues discussed at the briefing:

- Economic Development update
- Industrial land
- Childcare planning
- Major projects
- Waste management / landfills
- Crazy ideas college
- Norfolk Pines – Barkly Street
- Kich start business grants
- CEO leave
- Governor’s visit
- Pomonal Fire update
- Delegations
- Men’s Shed request to develop a community garden
- “Puzzler” group letter
- Cigarette free areas request
- Postponement of CEO Employment and Remuneration Committee
- Postponement of Audit and Risk Committee
- Jailhouse Rock Festival Sponsorship
- Fire Recovery – Pomonal

- Fire recovery – Buangor, Warrak and Elmhurst
- Blazeaid support
- Rating in fire impacted areas – revaluation and hardship provisions
- Pomonal pop up shop in Ararat
- New, improved Council briefing model
- Landfill closures – Streatham, Elmhurst and Tatyoon
- Fire recovery – quick summary
- Seasonal user agreements – Alexandra Oval and Gordon Street
- Rates arrears
- Rates arrears – commercial case
- Confidential items policy
- Staffing updates
- Pitch festival update
- Councillor contact with staff

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.

ATTACHMENTS

The Summary of Council Briefings are provided as Attachment 5.1.

SECTION 6 – 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*.

SECTION 7 – 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*.

SECTION 8 – CLOSE SESSION (CONFIDENTIAL)

In accordance with section 66(2)(a), 3(1) *Confidential Information* (a) of the Local Government Act 2020, the following agenda items are listed for consideration in the confidential section:

- Item 8.1 – Rates Arrears: Commercial Case
- Item 8.2 – Recruitment for independent member for Council’s Audit & Risk Committee

CLOSURE OF COUNCIL MEETING TO THE PUBLIC

The Open Council Meeting will now be closed, but members of the public are welcome to rejoin the Council Meeting following the recommencement of the meeting.

RECOMMENDATION

That the meeting be closed to members of the public pursuant to section 66(2)(a) of the Local Government Act 2020 to consider confidential reports.

OPEN COUNCIL MEETING RECOMMENCEMENT

RECOMMENDATION

That the Open Council Meeting recommence.

Gallery invited to return to Council Chamber.

LIFTING OF CONFIDENTIALITY OF CLOSED SESSION RESOLUTIONS

RECOMMENDATION

That