



Ararat Rural City

# AGENDA

## COUNCIL MEETING

**Tuesday 30 April 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](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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## 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 26 March 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 QUARTERLY PERFORMANCE REPORT

**RESPONSIBLE OFFICER:** CHIEF EXECUTIVE OFFICER  
**DEPARTMENT:** CEO'S OFFICE  
**REFERENCE:** 14985

#### **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 2024

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 \$23.051 million in revenue and \$23.356 million in expenses to 31 March 2024. This has resulted in an operating deficit of \$0.305 million for the nine months ended 31 March 2024.

##### ***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 \$17.697 million has been recognised as income for the nine months ended 31 March 2024.

**User fees** account for 5% of the total budgeted income for 2023/24 and \$1.166 million has been received to 31 March 2024. The majority of this relates to transfer station fees, fitness centre income and commercial waste management charges.

**Recurrent Operating Grants** total \$0.880 million to 31 March 2024, including \$0.150 million from the Victorian Local Government Grants Commission for general purpose grants and \$0.096 million for the local roads grants.

**Non-recurrent Operating Grants** total \$1.972 million to 31 March 2024. 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
<b>Non-Recurrent Operating Grants</b>			
New Arrivals Settlement Program	-	44	-
Pilot Coordination Grampians Workforce	-	50	-
Ararat Housing Transition	-	-	300
Digital Twin Victoria	-	402	552
Free Public WiFi Services	-	-	1,196
Rural Roads Support Program	-	-	56
Supported Playgroups	63	49	-
Kindergarten Infrastructure and Services Plan (KISP) Support Grant	-	30	-
Council COVID-19 Rapid Antigen Test Program	-	60	-
Power our Future!! Tatyoon Recreation Reserve	-	20	-
Tatyoon Oval Upgrade	-	-	225
Natural Disaster Relief – Flood Event October 2022	-	1,080	-
Planning & Data Development	-	93	-
Wage Subsidy Grants	-	59	-
Other Minor Grants (under \$20,000)	6	85	-
	<b>69</b>	<b>1,972</b>	<b>2,329</b>

**Non-recurrent Capital Grants** total \$0.437 million to 31 March 2024, 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
<b>Non-Recurrent Capital Grants</b>			
Ararat East Development Zone Trunk Infrastructure Project	-	419	-
Ararat Regional Playgrounds All Abilities Redevelopment	-	18	-
Local Roads & Community Infrastructure-Roads Grant	-	-	922
	<b>0</b>	<b>437</b>	<b>922</b>

#### 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 \$0.177 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 nine months ended 31 March 2024 Council has incurred \$8.497 million in employee costs.

**Materials and Services** account for approximately 29% of the total budgeted expenditure for 2023/24. For the nine months ended 31 March 2024, Council has incurred \$7.430 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 March 2024. Comparative figures have been provided as at 30 June 2023.

Council's current assets have decreased by \$5.337 million from \$24.057 million as at 30 June 2023 to \$18.720 million as at 31 March 2024. Cash and cash equivalents have decreased by \$2.067 million from \$11.457 million to \$9.390 million, with another \$3.000 million held in a term deposit now classified as a financial asset. Trade and other receivables have increased by \$1.695 million from \$4.509 million as at 30 June 2023 to \$6.204 million as at 31 March 2024.

Total liabilities have decreased from \$8.596 million in 2022/23 to \$8.502 million in 2023/24. Trade and other payables have decreased by \$1.002 million and trust funds and deposits have increased by \$0.200 million. Unearned income/revenue increased by \$0.240 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 \$2.065 million to \$9.392 million as at 31 March 2024. Council has a term deposit of \$3.000 million with a term greater than three months, which is currently classified as a financial asset, and is no longer included in cash and cash equivalents.

Net cash of \$4.415 million was provided by operating activities, \$5.460 million was used in investing activities, and \$1.020 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	31/3/2024
<p><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</p>	322%	411%	334%	280%
<p><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</p>	7.07%	6.85%	6.41%	1.92%
<p><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</p>	5.47%	6.19%	9.58%	9.21%
<p><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</p>	51.46%	92.70%	85.22%	78.27%
<p><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</p>	\$4,616	\$1,191	\$2,348	\$3,157
<p><b>Indicator - Revenue level</b> <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</p>	\$2,006	\$2,005	\$2,003	\$1,995

Indicator	30/6/2023	30/9/2023	30/12/2023	31/3/2024
<p><b>Indicator – Percentage of total rates collected</b></p> <p>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.</p> <p>As at 31 March 2024 the outstanding Rates Debtors totalled \$4.917 million compared to \$1.955 million as at 30 June 2023, a decrease of \$6.539 million. In percentage terms 77.4% of the rates raised have been collected at 31 March 2024 compared to 78.5% up to 31 March 2023.</p> <p>Outstanding rates are currently charged 10% interest. 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>	90.2%	14.9%	31.5%	77.4%
<p><b>Indicator – Asset Renewal &amp; Upgrade</b></p> <p><i>Measure - Asset renewal &amp; Upgrade compared to depreciation</i></p> <p>Expected range in accordance with the Local Government Performance Reporting Framework – 40% to 130%</p> <p>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%	130.69%	125.79%

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, with the cash position increasing in the third quarter with many ratepayers electing to pay their rates in full due 15 February 2024 and the third instalment due 28 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 March 2024 be received and adopted.

**ATTACHMENTS**

Comprehensive Income Statement, Balance Sheet, Statement of Cash Flows and Financial Performance Indicators are provided as Attachment 3.1

### 3.2 REVIEW OF THE ARARAT FITNESS CENTRE REDEVELOPMENT

**RESPONSIBLE OFFICER:** CHIEF EXECUTIVE OFFICER  
**DEPARTMENT:** CEO'S OFFICE  
**REFERENCE:** 14987

**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 stage 1 redevelopment of the Ararat Fitness Centre has identified a near doubling of the expected costs due to challenges with the age, location, current configuration and structural elements of the existing facility, modern facility standards and requirements, and price volatility in the construction market.

The cost of the full redevelopment of the Ararat Fitness Centre is now expected to be significantly higher than the original independent cost estimate. It is no longer a financially sound and responsible option for achieving functional, accessible and inclusive facilities that yield significant social, economic and community benefit to residents of the Ararat Rural City.

This report recommends Council adopt a different approach by ceasing the Ararat Fitness Centre redevelopment project, and instead explore the delivery of new facilities at alternative location/s that can provide a better long-term investment. The existing services and facilities at the Ararat Fitness Centre will remain in operation until the potential new facilities are constructed and available for public use.

#### DISCUSSION

The upgrade of the Ararat Fitness Centre was identified as a key infrastructure project in the Council's Asset Plan. This project was intended to enhance functionality, access and inclusion and extend the useful life of a key recreational asset, and yield significant social, economic and community benefit to residents of the Ararat Rural City.

The Ararat Fitness Centre Feasibility Study Final Report (May 2022) provided a cost estimate of \$680,000 for stage 1, and a total cost estimate for the entire redevelopment of \$3.249 million.

A budget of \$950,000 was allocated in the 2023-24 Council Budget to undertake the stage 1 redevelopment of the Ararat Fitness Centre. The budget allocation above the May 2022 cost estimate was to account for cost escalations that were observed in the construction sector at the time. This first stage included a new entrance, lobby and social areas to provide a more central circulation area to programs, Disability compliant ramps and pram access to the basketball courts, squash courts and gymnasium, and compliant toilet/change facilities.

During the pre-construction site inspections and detailed design development phase of the stage 1 project, a more detailed and contemporary cost estimate was calculated of approx. \$1.84 million. The near doubling of estimated costs was due to challenges presented by the age, location and current configuration of the existing facility, modern facility standards and requirements, and price volatility in the construction market.

A 2019 study by Cardno TPG identified evidence of corrosion around the plant room and pool deck and these will require demolition in a future stage of the redevelopment. The impact of this demolition on the adjoining structures would need to be carefully reviewed. A significant amount of new structure will be required to support existing elements as part of the proposed alternations to ensure the long-term stability of the existing structure, and the exact extent will need to be confirmed during demolition. The cost of the remaining stages of the redevelopment would therefore also very likely to be significantly higher than the May 2022 cost estimate.

The Council remains committed to delivering recreational facilities that are functional, accessible, inclusive, and that yield significant social, economic and community benefit to residents of the Ararat Rural City. The redevelopment of the existing Ararat Fitness Centre is no longer a financially sound and responsible option for achieving this outcome.

This report recommends the exploration of greenfield, brownfield (with remediation, where required) or other sites for the delivery of the same, or possibly improved, services and facilities offered at the Ararat Fitness Centre but at a different location. This is recommended with the exception of gym facilities, given there are now three private gym operators in Ararat, with two that offer 24-hour access. The exploration of new location/s also provides an opportunity to aim to improve car parking, pedestrian, cyclist and general road safety around the facility, as well as connectivity to other sport, recreation and leisure precincts.

This report also recommends the reallocation of the remaining unspent budget allocation from the stage 1 redevelopment of the Ararat Fitness Centre towards the exploration and concept design of new facilities at a new location/s.

The existing services and facilities at the Ararat Fitness Centre will remain in operation until new facilities are constructed and available for public use.

## **KEY CONSIDERATIONS**

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

The recommendations in this report aligns with the following 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.

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.

### ***Budget Implications***

The 2023-24 budget implications of this report and its recommendations are expected to be neutral, with the reallocation of funds from the stage 1 redevelopment of the Ararat Fitness Centre proposed to be used to explore and conceptually design replacement facilities at a different location/s.

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

N/A

### ***Sustainability Implications***

The recommendations in this report offer and opportunity to pursue new facilities that meet improved sustainability outcomes than the existing Ararat Fitness Centre, even after the original proposed redevelopment.

### ***Risk Assessment***

The cost and building risks of proceeding with the existing plan to redevelop the Ararat Fitness Centre has been assessed and deemed too great a risk and with unacceptable implications to proceed. The proposed recommendations offer reduced risks, increased benefits and a better long-term investment.

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

The recommendations in this report will enable Council to investigate innovative options for the delivery of enhanced indoor sports, aquatic and gymnastics facilities, and improve the overall recreation offering in the Ararat Rural City.

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



In line with the Council's Community Engagement Policy, Stakeholder Collaboration and Community Engagement will occur once potentially suitable sites have been identified and during the concept design phase of the proposed recommendations.

The existing facilities and services at the Ararat Fitness Centre will remain until the potential new locations are operational, and existing users will be consulted to support a smooth transition.

#### RECOMMENDATIONS

**That:**

1. Council suspends the stage 1 redevelopment of the Ararat Fitness Centre project
2. Council endorses the exploration and concept development of alternative site/s for the delivery of the services and facilities currently offered at the Ararat Fitness Centre
3. Council will review the requirements for gym facilities at any new locations
4. Council reallocates the remaining unspent budget allocation from the stage 1 redevelopment of the Ararat Fitness Centre towards the development of new facilities at alternative site/s
5. Council receives a Report at the July 2024 Council meeting with proposed Fitness Centre Development Options

#### ATTACHMENTS

There are no attachments in relation to this item.



### 3.3 REVISED ARARAT RURAL CITY COUNCIL 2024/2025 BUDGET DEVELOPMENT AND ENGAGEMENT PLAN

**RESPONSIBLE OFFICER:** CHIEF EXECUTIVE OFFICER  
**DEPARTMENT:** CEO's OFFICE  
**REFERENCE:** 14988

**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

At the March 2024 Council Meeting, it was decided that due to the bushfires in February 2024, a new timeline of Budget Community Engagement Activities across the Municipality would be set.

#### DISCUSSION

This item provides a revised timeline for ensuring that Council's 2024/2025 budget will be adopted by the 30 June 2024 statutory deadline.

Section 94 of the Local Government 2020 requires that Council adopt a budget for 2024/2025 by 30 June 2024. In order to achieve this outcome, Council needs to develop a draft budget for 2024/2025 and undertake community consultation around the budget prior to adoption.

#### Budget Development

It was proposed that Council continue developing the 2024/2025 Budget with an aim for adoption by Council at the Ordinary Meeting of Council on Tuesday 25 June 2024.

The preliminary draft budget has been under development by Council for presentation to Council in May 2024. At the Council Briefing in April 2024, Councillors considered new initiatives or projects for inclusion in the 2024/2025 budget.

#### Community Engagement

Section 96 of the Local Government Act 2020 requires that Council undertake community engagement around its budget in a form that is consistent with its Community Engagement Policy.

The revised timeline of the Budget Community Engagement Plan is as follows:

Engagement Activity	Timeframe
Posting of Council's 2024/2025 Budget on Engage Ararat	By 5:00pm on Friday 17 May 2024
Development of a one-page summary of key budget deliverables – available at a number of sites across the municipality	Friday 17 May 2024
"Town Hall" meetings in the following communities:	
Ararat	Tuesday 28 May 2024, 2:00pm
Elmhurst	Tuesday 28 May 2024, 11:00am
Tatyoon	Monday 27 May 2024, 7:00pm
Moyston	Wednesday 29 May 2024, 2:30pm
Lake Bolac	Wednesday 29 May 2024, 7:00pm
Pomonal	Wednesday 29 May 2024, 11:30am
Willaura	Wednesday 29 May 2024, 5:30pm

Promotion of key budget elements across mainstream and social media	Ongoing during the budget period
<b>NEW:</b> Budget Information individual drop-in sessions – ARCC Offices	Thursday 30 May 2024, 9:00am – 2:00pm

**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 2024/2025 relates to the following:

**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***

As this item relates to the development of the 2024/2025 Budget it has no direct or significant budget implications for the 2023/2024 Budget. The 2024/2025 budget will be framed around the key financial drivers adopted by Council at the July 2023 Council Meeting.

***Policy/Relevant Law***

Sections 94 and 96 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***

The most significant risk to be managed is to ensure that the 2024/2025 Budget aligns with community expectation and Council’s key strategies outlined in the Council Plan 2021-2025.

***Innovation and Continuous Improvement***

N/A

***Stakeholder Collaboration and Community Engagement***

This agenda item relates directly to a process of community engagement around the development of the 2024/2025 Budget.

**RECOMMENDATION**

**That Council:**

1. Endorse the community engagement plan relating to the 2024/2025 Budget.

**ATTACHMENTS**

There are no attachments relating to this item.

### 3.4 ELECTION PERIOD POLICY 2024

**RESPONSIBLE OFFICER:** GOVERNANCE AND ADMINISTRATION COORDINATOR  
**DEPARTMENT:** CEO'S OFFICE  
**REFERENCE:** 14990

**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 Policies and Strategies are regularly updated as part of legislative requirements.

The Election Period Policy has been updated to reflect legislative changes and requirements.

#### DISCUSSION

In the lead up to an election the Local Government sector adopts a caretaker period to avoid actions and decisions that may be interpreted as influencing voters or binding an incoming Council.

Specific provisions have been incorporated into the Local Government Act 2020 (the Act) that prohibit Council making some decisions, or publishing or distributing electoral matter in an "election period".

The relevant provisions of the Act and definitions are detailed in Election Period Policy 2024.

The Election Period Policy 2024 has been developed in order to ensure that general elections for Ararat Rural City Council to be held on Saturday 26 October 2024 are conducted in a manner that is fair and equitable and is publicly perceived as such.

The election period (or caretaker period) commences morning (12.01am) of Tuesday 24 September 2024 and continues until 6pm Saturday 26 October 2024, a period of 32 days. During the election period the Council will be deemed to be in 'election caretaker mode'. The Chief Executive Officer will ensure that all Councillors and employees are informed of the requirements of this policy.

#### KEY CONSIDERATIONS

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

6 Strong and effective governance

***Budget Implications***

There are no budget implications in relation to the adoption of the Election Period Policy 2024.

***Policy/Relevant Law***

Local Government 2020 Act:

S69 Governance Rules to include election period policy

(1) A Council must include an election period policy in its Governance Rules.

(2) An election period policy must prohibit any Council decision during the election period for a general election that—

(a) relates to the appointment or remuneration of the Chief Executive Officer but not to the appointment or remuneration of an Acting Chief Executive Officer; or

(b) commits the Council to expenditure exceeding one per cent of the Council's income from general rates, municipal charges and service rates and charges in the preceding financial year; or

(c) the Council considers could be reasonably deferred until the next Council is in place; or

(d) the Council considers should not be made during an election period.

- (3) An election period policy must prohibit any Council decision during the election period for a general election or a by-election that would enable the use of Council's resources in a way that is intended to influence, or is likely to influence, voting at the election.
- (4) A Council decision made in contravention of subsection (2)(a) or (b) is invalid.
- (5) Any person who suffers any loss or damage as a result of acting in good faith on a Council decision that is invalid by virtue of subsection (4) is entitled to compensation from the Council for that loss or damage.

***Sustainability Implications***

There are no economic, social and environmental implications identified.

***Risk Assessment***

If the Election Period Policy 2024 is not updated and adopted there is a risk that Council has not covered its legislative requirements.

***Innovation and Continuous Improvement***

None identified.

***Stakeholder Collaboration and Community Engagement***

The revised Election Period Policy 2024 was presented to the Audit and Risk Committee on 2 April 2024.

A draft Election Period Policy 2024 was presented to the Council briefing on 9 April 2024

**RECOMMENDATION**

**That**

1. Council adopts the Election Period Policy 2024.

**ATTACHMENTS**

A copy of the Election Period Policy 2024 is included as attachment 3.4

### 3.5 AUDIT AND RISK COMMITTEE CHARTER

**RESPONSIBLE OFFICER:** CHIEF EXECUTIVE OFFICER  
**DEPARTMENT:** CEO'S OFFICE  
**REFERENCE:** 14991

**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

Sections 53 and 54 of the *Local Government Act 2020 (the Act)* requires that Council establish an Audit and Risk Committee and adopt an Audit and Risk Committee Charter, including an Annual Work Program.

#### DISCUSSION

Section 53 of *the Act* requires that Council must establish an Audit and Risk Committee that must include members who are Councillors and majority of members who are not Councillors, who collectively have skills and expertise in financial management, risk and public sector management. It is important to note that no member of Council staff is to be a member of the Audit and Risk Committee.

Section 53(2) of *the Act* clearly indicates that the Audit and Risk Committee is not a delegated Committee of Council.

The Audit and Risk Committee Charter must specify the role and responsibilities of the Audit and Risk Committee including:

- monitoring the compliance of Council policies and procedures with:
  - the overarching governance principles
  - the Local Government Act 2020 and the regulations and any Ministerial directions
- monitoring Council financial and performance reporting;
- monitoring and providing advice on risk management and fraud prevention systems and controls;
- overseeing the internal and external audit functions.

The Audit and Risk Committee is required to provide the following items:

- an annual assessment of its performance against the Audit and Risk Committee Charter;
- a biannual audit and risk report that describes the activities of the Audit and Risk Committee and includes its findings and recommendations;
- an annual work plan.

The Chief Executive Officer has responsibility for ensuring that agendas and minutes of Audit and Risk Committee meetings are maintained and reporting to Council required by *the Act* is undertaken.

The draft annual work plan is based on the activities and functions of the Audit and Risk Committee identified in the Charter.

The membership of Council's Audit and Risk Committee is:

- Two Councillors;
- Three external members with suitable skills and experience. The Audit and Risk Committee Chair will be appointed from this group.

Councillor members are appointed annually at Council's Statutory Meeting. External members are appointed for a three-year term and may be reappointed for two additional three-year terms.

The current Audit and Risk Committee members are:

- Ms Jessica Adler (Chair)
- Cr Jo Armstrong
- Cr Bob Sanders
- Mr Robert Tomasini
- Mr Greg Jakob

The only changes to this Charter are general review of the content and administrative changes.

#### **KEY CONSIDERATIONS**

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

Adopting and implementing the Audit and Risk Committee Charter aligns with the following Council Plan Objectives:

6.2. Ensure appropriate risk management is applied to Council and organisational decisions. Council's internal function is applied to areas of perceived risk.

##### ***Budget Implications***

Reviewing the Audit and Risk Committee Charter will have no additional budget implications for Council.

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

Audit and Risk Charter complies with the requirements of sections 53 and 54 of Local Government 2020 Act.

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

None identified.

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

There are no significant risks involved in reviewing the Audit and Risk Committee Charter.

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

The Audit and Risk Committee will follow the work of Council's Audit Committee, in providing a driver and sounding board for organisational improvement, innovation and service review.

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

The revised Audit and Risk Charter was presented to the Audit and Risk Committee on 2 April 2024.

The revised Audit and Risk Charter was presented to the Council briefing on 9 April 2024

#### **RECOMMENDATION**

##### **That:**

1. Council approves the Audit and Risk Charter

#### **ATTACHMENTS**

The Audit and Risk Committee Charter is provided as attachment 3.5

### 3.6 RISK MANAGEMENT POLICY AND RISK MANAGEMENT FRAMEWORK

**RESPONSIBLE OFFICER:** GOVERNANCE AND RISK LEAD  
**DEPARTMENT:** CEO's OFFICE  
**REFERENCE:** 14992

#### **OFFICERS 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**

A review of Council's Risk Management Policy has been undertaken. The Risk Management Policy was last reviewed in September 2021. This document is reviewed every 2 years.

As part of the review of Council's Risk Management documents, the Risk Management Framework was also reviewed.

#### **DISCUSSION**

The Risk Management Policy sets out the processes, responsibility and accountability for risk management within Ararat Rural City Council.

The Risk Management Policy and Risk Management Framework documents provide a comprehensive strategic approach to managing risk within the organisation.

As an organisational wide document, the Risk Management Framework is continuously reviewed as the organisation culture of risk management is embedded into the way Council does business.

Other than a general review of the content and administrative changes, including updating the Australian Standards there were no further amendments.

#### **KEY CONSIDERATIONS**

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

6.2. Ensure appropriate risk management is applied to Council and organisational decisions. Council's internal function is applied to areas of perceived risk.

##### ***Budget Implications***

There are no direct budget implications in relation to the review of the Risk Management Policy and Framework documents.

##### ***Policy/Legal/Statutory***

Local Government 2020 Act  
AS / NZS ISO 31000:2018 Risk Management – Principles and guidelines

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

The establishment of an organisational wide culture that ensures effective and integrated risk management is embedded in all activities and business processes.

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

These documents provide a comprehensive strategic approach to managing risk within the organisation. Embedding of a risk culture throughout the organisation will be ongoing.

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

The revised Risk Management Policy and Risk Management Framework were presented to the Audit and Risk Committee on 2 April 2024.

The draft Risk Management Policy and draft Risk Management Framework were presented to the Council briefing on 9 April 2024

#### **RECOMMENDATION**

##### **That Council:**

1. Adopt the Risk Management Policy; and
2. Note the revised Risk Management Framework document.

#### **ATTACHMENTS**

The Risk Management Policy; and Risk Management Framework are provided as Attachment 3.6



### 3.7 COUNCIL POLICY REVIEW – FRAUD AND CORRUPTION CONTROL POLICY AND FRAUD AND CORRUPTION CONTROL PLAN

**RESPONSIBLE OFFICER:** GOVERNANCE AND RISK LEAD  
**DEPARTMENT:** CEO'S OFFICE  
**REFERENCE:** 14993

#### **OFFICER CONFLICT OF INTERESTS:**

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 policies are updated as part of an ongoing policy and procedure review process.

The Fraud and Corruption Control Policy has been reviewed and is presented to the April 2024 Council Meeting for consideration. The Fraud and Corruption Control Plan is also presented to Council and is used in conjunction with the Policy.

#### **DISCUSSION**

An effective Fraud and Corruption Control framework requires a policy as well as a control plan. Developing these documents also raises staff awareness and communicates Council's expectations of all Councillors, Council staff, volunteers and contractors.

The Policy and Plan clearly documents Council's approach to controlling fraud and corruption at both strategic and operational levels.

The review of the Fraud and Corruption Control Policy and Plan have been conducted to reflect the policy review schedule timeframes.

Other than a general review of the content and administrative changes, including updating of the Australian Standards there were no further amendments.

The Fraud and Corruption Control Policy will be updated on the Council website following adoption.

#### **KEY CONSIDERATIONS**

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

6.2 Ensure appropriate risk management is applied to Council and organisational decisions. Council's internal function is applied to areas of perceived risk.

##### ***Budget Implications***

There are no budget implications relating to the review and adoption of the Fraud and Corruption Control Policy and Fraud and Corruption Control Plan.

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

Independent Broad-based Anti-corruption Commission Act 2011  
Public Interests Disclosure Act 2012  
Local Government Act 2020

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

Clarity and transparency of Council Policies.

***Innovation and Continuous Improvement***

The regular review and adoption of Council's policies will ensure that Council continues to work in accordance with its established procedures, and within legislative requirements.

***Stakeholder Collaboration and Community Engagement***

**Members of Council's** Audit and Risk Committee have reviewed and **endorsed** the Fraud and Corruption Control Policy along with the Fraud and Corruption Control Plan.

The Chief Executive Officer presented the Fraud and Corruption Control Policy and Plan to the Councillor briefing held on 9 April 2024

**RECOMMENDATION**

**That Council**

1. adopt the Fraud and Corruption Control Policy; and
2. adopt the Fraud and Corruption Control Plan.

**ATTACHMENTS**

The Fraud and Corruption Control Policy and; the Fraud and Corruption Control Plan are provided as Attachment 3.7

**3.8 CONTRACT NO. P-01 – PANEL SUPPLY CONTRACT – PROVISION OF TRADE SERVICES – PAINTING, ELECTRICAL & PLUMBING**

**RESPONSIBLE OFFICER:** QUALITY AND SERVICES COORDINATOR  
**DEPARTMENT:** INFRASTRUCTURE  
**REFERENCE:** 14994

**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 is a Panel Supply Tender requesting suppliers to submit unit rates for the provision of trade services including painting, electrical and plumbing maintenance services.

The contract shall be for a fixed term from the award of tender to 30 June 2025, with the option to extend for a further 2-year period to conclude on 30 June 2027.

This report will discuss the addition of new trades service suppliers to the Contract Panel and provide a recommended tender(s) for approval by Council.

**DISCUSSION**

The original tender call received ten (10) tenders, an additional submission has been made by a new organisation to the region, the ability to add new providers to the panel allows flexibility of suppliers and ensure continuity of service.

<u>NAME</u>	<u>TRADE</u>
CHS Australia Pty Ltd	Electrical
Grampians Painting and Decorating	Painting

The Evaluation Panel have met and considered the tender(s) submitted against the evaluation criteria of previous supplier acceptance.

The use of Panel Arrangements – Prequalified Suppliers allows for business as usual to continue without the requirement for extensive quoting, as their schedule of rates provides a basis for works to be undertaken and will not affect the aggregated spend with each contractor. Where the budget for works is above \$15,000, project specific quotes will be requested from the approved suppliers on the panel.

As a part of the evaluation of this panel all Local suppliers were accepted to be a part of this trade panel. Where non-local suppliers have provided pricing, the evaluation measured the hourly rates against the local who would be able to provide the timeliest service. The submission from CHS Australia Pty Ltd and Grampians Painting and Decorating are both local contractors and comparable to other on the panel.

All other tenderers are considered suitable for the panel and appropriate work opportunities will be provided by authorised Council officers when they become available.

**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.

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***

The council has allocated budget within Capital and Maintenance Operations.

***Policy/Relevant Law***

- Ararat Rural City Council Procurement Policy (Clause 2.16)
- Local Government Act 2020

***Sustainability Implications***

Works will be allocated as determined by the authorised council officer for the project being undertaken. Sustainability of the project and the further effects of the social, economic, environmental and climate change are considered at the implementation of Council projects.

***Risk Assessment***

Low Risk – Risks will be managed through project planning and management procedures and contract administration.

***Innovation and Continuous Improvement***

New or alternative processes will be considered in line with the strategic direction of council's operational and maintenance services.

***Stakeholder Collaboration and Community Engagement***

Internal stakeholder collaboration has occurred through the budget process. Further stakeholder engagement will occur as projects are determined and the trade requirements better understood.

**RECOMMENDATION**

**That:**

1. Council award Contract No. P-01 for the Panel Supply Contract – Provision of Trade Services – Painting, Plumbing and Electrical to the following supplier:
  - CHS Australia Pty Ltd
  - Grampians Painting and Decorating
2. The Chief Executive Officer Sign the Contract Deed.

**ATTACHMENTS**

There are no attachments relating to this item.

## SECTION 4 – INFORMATION REPORTS

### 4.1 COMMUNITY SUPPORT GRANTS REPORT MARCH 2024

**RESPONSIBLE OFFICER:** CHIEF EXECUTIVE OFFICER  
**DEPARTMENT:** CEO'S OFFICE  
**REFERENCE:** 14995

#### 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 received 10 applications for the March 2024 round of Community Support Grants. An assessment panel comprising of two community members and the Chief Executive Officer assessed the applications and agreed to fund 6 of the applications, all to the full requested amount. The rejected applications were due to the following reasons:

1. The intent of the grant or community benefit was unclear
2. The organisation not meeting grant guidelines – as it was not a local community organisation. In some cases, these were national charities or for-profit businesses.

#### DISCUSSION

Community organisations are required to provide matching funding based on cash or in-kind contributions to support their project or event. Infrastructure projects are not included in the new funding guidelines.

Council received 10 applications for the March 2024 round of Community Support Grants. An assessment panel comprising of two community members and the Chief Executive Officer assessed the applications and agreed to fund 6 of the applications, all to the full requested amount.

The successful grants were as follows:

Community Organisation	Purpose	Amount
Ararat Early Learning Centre	To regularly participate in Kinder Gym Program at Ararat Fitness Centre	896.00
Ararat Neighbourhood House	Grampians Green Thumb Project – to increase the number of people growing their own food from home.	\$300.00
Australian Plant Society Pty Ltd	Event Support – Pomonal Native Flower Show (40 <sup>th</sup> Anniversary)	\$3300.00
Chalambar Bowls Club	New Member Recruitment Drive	\$3000.00
Grampians Soaring Club	Purchase of new Safety Equipment - Parachutes	\$3000.00
Halls Gap Neighbourhood House	Regrowth project of vegetable gardens and trees to Pomonal residents affected by the February 2024 bushfires	\$3000.00
<b>Total Funding</b>		<b>\$13,496.00</b>

#### KEY CONSIDERATIONS

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

##### 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 grants were all made within existing budgetary allocations.

***Policy/Legal/Statutory***

Community & Event Support Grants Guidelines

***Risk Assessment***

Risks have been assessed and understood by the grants committee. No unmanaged risks identified at this time.

***Stakeholder Consultation and Communication***

The outcome of each grant was made in conjunction between the two external panel members and the Chief Executive Officer.

**RECOMMENDATION**

**That**

1. Council receive the Council Community Support Grants report for the March 2024 funding round.

**ATTACHMENTS**

There are no attachments related to this item.

#### 4.2 2023/2024 CAPITAL WORKS PROGRAM – APRIL 2024

**RESPONSIBLE OFFICER:** CHIEF EXECUTIVE OFFICER  
**DEPARTMENT:** CEO'S OFFICE  
**REFERENCE:** 14986

**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 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 18 April, 2024, the capital works budget is 65% 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 being completed in April.
- Mt William Road reconstruction has commenced in April, with tree trimming and removal commencing and ground works following soon after, resident notification of detours has been undertaken.
- Road resheeting has seen substantial progress with 107% of the budget expended, with the final portion of the budget expended on OTTA seals to rural roads within the municipality.
- The first OTTA seal was completed on 11 April April 2024 in Elizabeth Street East, Ararat. Additional urban roads will receive this treatment starting with Thomas and Young Street before the end of the month.

- Council will be trialling the use of the TerraPave system on Warrayatkin Road from Warrak Road for a distance of one kilometre.  
Terra Pave products are an environmentally safe, all-purpose liquid soil additive that is mixed with water and used to prevent base failure, dust pollution, soil erosion and increases soil strength and reduces permeability. This product is an alternative to the traditional stabilisation concrete lime and asphalt pavements which produce greenhouse gas and carbon dioxide. Terra Pave is non-petroleum-based and eco-friendly, evaporating only water during the curing process and emitting no volatile organic compounds (VOCs). Developed in conjunction with University of Texas, USA, Terra Pave has been used in more than 40 countries around the world, including Canada, Mongolia, Madagascar, countries within South America and Africa. The application has been designed for use in hot arid areas and will be interesting to see how it performs in a cooler climate.
- Small property capital projects has been fully expended with 101% of the budget expended.
- The unbudgeted resurfacing of the Alexandra Oval is complete, training of both football clubs has recommenced on the ground and football season now underway.
- 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.

	Budget	Committed/ Contracted	Expended	%	Notes
<b>PROPERTY -CAPITAL</b>					
Property Capital	\$400,000		\$395,182	99%	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			\$235,830		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.
<b>TOTAL PROPERTY</b>			<b>\$660,234</b>		
<b>PLANT &amp; EQUIPMENT</b>					
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		\$21,107	47%	Quarter 3 payment is due in April 2024. This will be fully expended by the end of financial year.
<b>TOTAL PLANT &amp; EQUIPMENT</b>			<b>\$372,003</b>		
<b>ROADS</b>					
Gravel Road Sheeting & Gravel Road Widening	\$2,800,000	\$620,071	\$2,380,531	107%	The 23/24 Resheeting and Road Widening program is fully expended. The committed component of the budget is for OTTA Sealing of a number



					of rural roads that have consistent resheeting work undertaken on them. These works will be completed in May 2024.
Reseal Program	\$1,000,000	\$77,396	\$768,285	85%	<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 including Helendoite Road Bridge and McLellan Street reconstruction.</p>
Mt William Road	\$1,000,000	\$254,234	\$25,458	28%	<p>Work have commenced in April 2024.</p> <p>The works have been set out, tree works and stabilising contractors engaged, and stone ordered for the works to commence.</p> <p>These works will be complete by the end of financial year in line with the Roads to Recovery funding.</p>
Urban Road Gravel to Seal	\$2,200,000	\$279,730	\$97,450	18%	<p>Ironbark Lane will be sealed before the end of April.</p> <p>Other designs are now ready to commence including Currajong Avenue/McLellan Street, Bailey Lane, Mulcahy Road &amp; King Street.</p> <p>The OTTA seal has been completed on Elizabeth Street East and OTTA seals will be completed on Thomas and Young Streets, Ararat before the end of April 2024.</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	\$72,306		<p>This line item is unbudgeted.</p> <p>Major patching contractors have commenced works.</p> <p>Asphalting works have been completed at the Deneys Carpark.</p>
Footpath Renewal Program	\$400,000	\$107,507	\$393,502	128%	<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 &amp; Wileman Street in Willaura.</p>
Urban Drainage Works	\$750,000	\$9,000	\$290,659	40%	<p>Works have been completed in Golf Links Road and are nearing completion in 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, with the tender being advertised in mid April.</p>
<b>TOTAL INFRASTRUCTURE</b>		<b>\$1,393,138</b>	<b>\$4,028,191</b>		
<b>TOTAL CAPITAL WORKS</b>		<b>\$1,393,138</b>	<b>\$5,060,428</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 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	\$4,739,039	100%	<p>The pavilion has reached practical completion with an Occupancy Permit being provided in mid-March 2024.</p> <p>Fencing of the soccer and AFL fields which is to commence week starting 29 April 2024, and seeding of the soccer</p>

			pitch and concreting of the Little Athletics infrastructure, are the final works to be completed.  The Ministerial Opening for the redevelopment is to be held on 23 May 2024.
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.

### **Stakeholder 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 Council**

1. receive this information report.

**ATTACHMENTS**

There are no attachment in relation to this item

#### 4.3 LAKE BOLAC AND SURROUNDS CHILDCARE DEMAND AND FEASIBILITY STUDY FINAL REPORT

**RESPONSIBLE OFFICER:** STRATEGIC PROJECT LEAD  
**DEPARTMENT:** CEO's OFFICE  
**REFERENCE:** 14996

**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 Lake Bolac & Surrounds Childcare Demand & Feasibility Study Final Report is now complete and is presented to the Councillors.

The next steps in this initiative is to continue to work with private and not-for-profit sectors to deliver the much needed outcome of a new childcare centre in Lake Bolac.

#### DISCUSSION

The Lake Bolac & Surrounds Childcare Demand & Feasibility Study was initiated by the Ararat Rural City Council to attempt to resolve the challenges experienced by previous efforts to secure adequate childcare for the Lake Bolac and surrounding community.

The study investigated the level of demand and what families were able to pay, the results of this was previously presented to Council in the Community Consultation Summary Report. This Study also assessed potential locations and facilities, whether to renovate an existing facility or build a new facility, what the workforce needs might be for a new child centre, and whether a new centre was likely to be financial viable.

A summary of the findings and learnings are provided below:

1. The demand for existing gaps in early childhood education and care in the Lake Bolac & surrounds is more than sufficient to support the establishment of a profitable new centre.
2. The optimal location for a new childcare centre is on existing council-owned land and within close proximity to the Lake Bolac P-12 College and Lake Bolac & District Kindergarten
3. The new childcare centre should be built with additional capacity on top of the demand found in this Feasibility Study. This would future-proof the capital investment and enable it to cater to potential growth in the local population and an increased demand for places.
4. A key challenge will be securing the necessary early childhood education and care workforce to run the new centre. The new childcare provider would have greater likelihood of long term success and viability if it had a demonstrated track record and reputation for delivering quality long day care services and the ability to attract, develop and retain staff locally.

#### KEY CONSIDERATIONS

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

##### 1. GROWING OUR PLACE

We will create the settings to support growth across our municipality through an improved planning scheme, actively pursuing new housing options and exploring models for in-migration.

##### 2. BUILDING ROBUST LOCAL ECONOMIES

We will develop strong relationships to build and strengthen a diverse local economy, focussed on creating jobs and wealth through adding value to existing strengths in agriculture, manufacturing, tourism and hospitality.

***Budget Implications***

There are no budget implications associated with this report.

***Policy/Relevant Law***

Not applicable.

***Sustainability Implications***

None identified

***Risk Assessment***

None identified

***Innovation and Continuous Improvement***

None identified

***Stakeholder Collaboration and Community Engagement***

Community consultation and engagement has occurred during the development of this Feasibility Study. Collaboration and engagement with the private and not-for-profit sector is currently underway.

**RECOMMENDATION**

**That Council**

1. Receive the Lake Bolac & Surrounds Childcare Demand & Feasibility Study Final Report

**ATTACHMENTS**

The Lake Bolac & Surrounds Childcare Demand & Feasibility Study Final Report is provided as Attachment 4.3

## SECTION 5 – COMMITTEE MINUTES/REPORTS

### 5.1 AUDIT AND RISK COMMITTEE MEETING

**AUTHOR'S TITLE:** CHIEF EXECUTIVE OFFICER  
**DEPARTMENT** CEO'S OFFICE  
**REFERENCE:** 14997

#### **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 contains the minutes of the Audit and Risk Committee meeting held on 2 April 2024

#### **DISCUSSION**

Minutes of Audit and Risk Committee meetings are provided to Council at the first available opportunity after clearance by the Audit and Risk Committee Chairperson. The report contains the Audit and Risk Committee Meeting held on 2 April 2024. This meeting was scheduled for 5 March 2024 however due to bushfires in Pomonal and Bayindeen was postponed until April.

Council Committees	Councillor representative	Current meeting (as presented)	Next scheduled meeting/s
Audit and Risk Committee	Cr Jo Armstrong	02 April 2024	04 June 2024
Audit and Risk Committee	Cr Bob Sanders	02 April 2024	04 June 2024

#### **KEY CONSIDERATIONS**

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

The report supports the strategic objective of the Council Plan 2021-2025:  
6 Strong and Effective Governance

##### ***Budget Implications***

No budget impact for the receiving of minutes.

##### ***Policy/Legal/Statutory***

Section 53 of the *Local Government Act 2020* states that Council must establish an Audit and Risk Committee.

Section 6.1 of the *Audit and Risk Committee Charter* states that minutes of Committee meetings will be provided to Council at the first available opportunity after clearance by the Committee Chairperson following each Committee meeting.

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

Council needs to be aware of issues raised in the minutes.

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

Audit and Risk Committee members.  
Councillor representation on Council Committees.  
Chief Executive Officer and relevant Council officers.

**RECOMMENDATION**

**That**

1. the Audit and Risk Committee Meetings minutes of 02 April 2024 be received

**ATTACHMENTS**

The Audit and Risk Committee minutes as listed above are provided as Attachment 5.1



## SECTION 6 – INFORMAL MEETINGS

### 6.1 COUNCIL BRIEFINGS

**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 09 April 2024

#### Issues discussed at the briefing:

- 2024/2025 Budget – New initiatives
- Significant economic development project update
- Road surface trials
- Lake Bolac Childcare
- Kindergarten Infrastructure and pre-prep rollout
- Council owned land
- Ararat Fitness Centre renewal challenges
- New afterhours callout process
- Waste Trucks
- Confirm Asset Management integration
- Risk Management Policy and Risk Management Framework
- Fraud and Corruption Policy and Fraud and Corruption Control Plan
- Election Period Policy
- Audit and Risk Committee Charter

#### 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**

1. the Informal Meetings of Councillors Report be received.

**ATTACHMENTS**

The Summary of Council Briefings are provided as Attachment 6.1.

**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*.

**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*.

#### **SECTION 9 – 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 9.1 – Supply and Delivery of Two New Side Loader Waste Trucks

#### **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 the confidentiality of the report and decision in relation to 9.1 not be lifted on adoption of the motion.**