



Ararat Rural City

MINUTES

COUNCIL MEETING

Tuesday 30 September 2025

Held in the Council Chambers, Shire Offices
(Livestreamed)

Commenced at 6.00pm

Council:

Cr Jo Armstrong (Mayor)

Cr Rob Armstrong

Cr Peter Joyce

Cr Teli Kaur

Cr Luke Preston

Cr Bob Sanders

Cr Bill Waterston

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

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

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

SECTION 1 - PROCEDURAL MATTERS	11558
1.1 LIVE STREAMING	11558
1.2 TRADITIONAL ACKNOWLEDGEMENT/OPENING PRAYER/COUNCILLORS PLEDGE	11558
1.3 APOLOGIES	11558
1.4 CONFIRMATION OF MINUTES	11559
1.5 DECLARATION OF CONFLICT OF INTEREST	11560
SECTION 2 - PUBLIC PARTICIPATION	11561
2.1 PETITIONS AND JOINT LETTERS	11561
SECTION 3 - REPORTS REQUIRING COUNCIL DECISION	11562
3.1 PUBLIC TRANSPERANCY POLICY	11562
3.2 COUNCILLOR GIFT POLICY	11572
3.3 ARARAT TOWN HALL EXTERNAL LIGHTING POLICY	11587
3.4 MONTHLY PERFORMANCE REPORT	11593
SECTION 4 - INFORMATION REPORTS	11605
4.1 HOUSING SUPPORT PROGRAM PROJECT UPDATE	11605
4.2 CAPITAL WORKS PROGRAM	11608
4.3 ANNUAL PLAN 2025/26 UPDATE (AUGUST 2025)	11617
SECTION 5 - COMMITTEE MINUTES/REPORTS	11624
5.1 AUDIT AND RISK COMMITTEE MEETING	11624
SECTION 6 - INFORMAL MEETINGS	11659
6.1 COUNCIL BRIEFINGS	11659
SECTION 7 - NOTICES OF MOTION	11662
SECTION 8 - URGENT BUSINESS	11663
SECTION 9 - CLOSE SESSION (CONFIDENTIAL)	11664
CLOSURE OF COUNCIL MEETING TO THE PUBLIC	11664
OPEN COUNCIL MEETING RECOMMENCEMENT	11664
LIFTING OF CONFIDENTIALITY OF CLOSED SESSION RESOLUTIONS	11665

PRESENT: Cr J Armstrong, Cr Rob Armstrong, Cr Teli Kaur, Cr Bob Sanders, Cr Bill Waterston, Cr Peter Joyce, Dr Tim Harrison – Chief Executive Officer, Chandra Willmott – Chief Operating Officer, Rebecca Rodger – Major Projects Lead, Thomas Duncan – Theatre Technical Officer

SECTION 1 - PROCEDURAL MATTERS

1.1 LIVE STREAMING

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

1.2 TRADITIONAL ACKNOWLEDGEMENT/OPENING PRAYER/COUNCILLORS PLEDGE

Traditional acknowledgement - CR KAUR

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

Opening Prayer - CR SANDERS

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

Councillors Pledge - CR WATERSTON

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

That the apology of Cr Luke Preston be accepted

MOVED CR SANDERS SECONDED CR WATERSTON

That the apology of Cr Luke Preston be accepted

No Councillors spoke for or against the motion

**CARRIED 6/0
5208/25**

1.4 CONFIRMATION OF MINUTES

RECOMMENDATION

That the Minutes of the Council Meeting held on 26 August 2025 be confirmed.

**MOVED CR SANDERS
SECONDED CR KAUR**

That the Minutes of the Council Meeting held on 26 August 2025 be confirmed.

No Councillors spoke for or against the motion

**CARRIED 6/0
5209/25**

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.

There were no Declarations of Conflict of Interests received.

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.

There were no Petitions or Joint Letters received.

SECTION 3 - REPORTS REQUIRING COUNCIL DECISION

3.1 PUBLIC TRANSPERANCY POLICY

RESPONSIBLE OFFICER: GOVERNANCE AND RISK LEAD
DEPARTMENT: CEO'S OFFICE
REFERENCE: 24006

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

Under the Local Government Act 2020, Section 57, a council must adopt and maintain a public transparency policy which gives effect to the transparency principles and describes the ways in which Councils information is to be made publicly available. This is a revision of the policy which was adopted in 2020.

DISCUSSION

This policy supports Council in its ongoing drive for good governance and the importance of open and accountable conduct and how council information is to be made publicly available.

This policy meets the Act's overarching governance principle of ensuring the transparency of Council decisions, actions and information outlined in section 9, and gives effect to the Public Transparency Principles outlined in section 58.

This policy has been reviewed against the model policies from the Local Government Inspectorate, and the main changes are administrative. Some minor changes and rewording have been made to improve the updated legislation and streamline the document for better usability.

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 their centre through effective financial management, well measured risk management and implementation of effective community engagement practices

Budget implications

There are no budget implications in relation to the development of the Public Transparency Policy.

Policy / Relevant Law

Council must adopt and maintain a Public Transparency Policy under section 57 of the *Local Government Act 2020* (the Act). This policy gives effect to the *Public Transparency Principles* outlined in section 58 of the Act

Sustainability Implications

Environmental, social and economic impacts have been considered in the development of the Public Transparency Policy.

Risk Assessment

The development of the Public Transparency Policy provides clarity and transparency for Councillors and delegated committee members.

Innovation and Continuous Improvements

The development of the Public Transparency Policy will ensure public transparency, good governance and community engagement is consistent.

Stakeholder Collaboration and Community Engagement

This policy was presented to the Audit and Risk Committee on the 9 September 2025

RECOMMENDATION

That:

- 1. Council adopts the Public Transparency Policy*

MOVED CR JOYCE

SECONDED CR R ARMSTRONG

That:

- 1. Council adopts the Public Transparency Policy**

Cr Joyce and Cr J Armstrong spoke for the motion

CARRIED 6/0

5210/25

ATTACHMENTS

The Public Transparency Policy is provided as Attachment 3.1.



Public Transparency Policy

DOCUMENT CONTROL

Category Type: Policy
Type: Council
Responsible Officer: Chief Operating Officer

Last Review Date: 21 July 2020
Date Approved: XX XXXX XXXX
Next Review Date: September 2029

Revision No: 1

Stakeholder Engagement:
Councillors
Chief Executive Officer
Community

Audit and Risk Committee



Public Transparency Policy

1. PURPOSE

This policy supports Council in its ongoing drive for good governance and the importance of open and accountable conduct and how council information is to be made publicly available. Council must adopt and maintain a public transparency policy under section 57 of the *Local Government Act 2020* (the Act).

This policy meets the Act's overarching governance principle of ensuring the transparency of Council decisions, actions and information outlined in section 9, and gives effect to the Public Transparency Principles outlined in section 58.

It must also be noted that simply having council information available to the public will not meet the requirements of the Act. Through this policy, Council seeks to make information understandable and accessible to members of the community and to raise public awareness of the availability of this information.

2. OBJECTIVES

The objective of Council's Public Transparency Policy is to formalise its support for transparency in its decision-making processes and the public awareness of the availability of Council information.

As a result, this policy seeks to promote:

- a) Greater clarity in Council's decision-making processes;
- b) Increased confidence and trust in the community through greater understanding and awareness;
- c) Enhanced decision making by the community;
- d) Improved Council performance;
- e) Access to information that is current, easily accessible and disseminated in a timely manner;
- f) Reassurance to the community that Council is spending public monies wisely.

This policy covers both documentary information, process information and how information will be made available to the public. This policy also recognises Ararat Rural City Council's Good Governance Framework.

3. SCOPE

This policy applies to Councillors and Council staff. The policy is also relevant to all members of the community.

A public transparency policy does not need to list all information that might possibly be needed or requested by members of the public but does seek to make information more accessible.

4. WHAT WILL COUNCIL BE TRANSPARENT WITH

4.1 Decision Making at Council Meetings

- Will be undertaken in accordance with the Act and the Governance Rules.
- Will be conducted in an open and transparent forum, unless in accordance with the provisions in the Act and Governance Rules.
- Will be informed through community engagement, in accordance with the Community Engagement Principles and the Community Engagement Policy.
- Will be made fairly and on the merits.

Public Transparency Policy



- Where any person whose rights will be directly affected by a decision of the Council, that person will be entitled to communicate their views and have their interests considered.

4.2 Council Information

A list of available information is provided in the Part II Statement published in accordance with the *Freedom of Information Act 1982*. Part II of the *Freedom of Information Act 1982* requires government agencies and local councils to publish a number of statements designed to assist members of the public in accessing the information it holds.

This information includes but is not limited to:

Documents such as:

- Plans and Reports adopted by Council;
- Policies;
- Project and service plans;
- Grant application, tenders and tender evaluation material;
- Service agreements, contracts, leases and licences;
- Council leases, permits and notices of building and occupancy; and
- Relevant technical reports and / or research that informs decision making.

Process information such as:

- Practice notes and operating procedures;
- Application processes for approvals, permits, grants, access to Council services;
- Decision making processes;
- Guidelines and manuals;
- Community engagement processes;
- Complaints handling processes.

Council records will, at a minimum, be available on Council's website:

- Council meeting agendas;
- Reporting to Council;
- Minutes of Council meetings;
- Reporting from Advisory Committees to Council through reporting to Council;
- Audit and Risk Committee Performance Reporting;
- Terms of Reference or charters for Advisory Committees;
- Registers of gifts, benefits and hospitality offered to Councillors or Council Staff;
- Registers of travel undertaken by Councillors or Council Staff;
- Registers of Conflicts of Interest disclosed by Councillors or Council Staff;
- Submissions made by Council;
- Registers of donations and grants made by Council;
- Registers of leases entered into by Council, as lessor and lessee;
- Register of Delegations;
- Register of Authorised officers;
- Register of Election campaign donations.
- Summary of Personal Interests
- Any other Registers or Records required by legislation or determined to be in the public interest.

Publications

Public Transparency Policy



Council publishes a range of newsletters, reports and handbooks for residents, businesses and visitors to council. You can download them from the website or call Council for a copy. Some of these publications are available at Council's Library.

5. ACCESS TO INFORMATION

Information will be made available on the Council website, open data, at Council offices, or by request.

Consideration will be given to accessibility and cultural requirements in accordance with the *Charter of Human Rights and Responsibilities Act 2006*.

Consideration will be given to confidentiality in accordance with the *Act* and public interest test where appropriate.

Council will respond to requests for information in alignment with the *Act* including the Public Transparency Principles, and this policy

6. FREEDOM OF INFORMATION

The Freedom of Information Act 1982 gives you right of access to documents that Council hold. Council is committed to, where possible, proactive and informal release of information in accordance with the Freedom of Information Professional Standards issued by the Victorian Information Commissioner. Under the Freedom of Information Act, requests may be refused if the request would substantially and unreasonably divert the resources of the agency from its other operations. Read more at www.ovic.vic.gov.au

If you can't find the document you require, call us before you make an FOI application as we may be able to make it available.

A list of available information is provided in the Part II Statement (Statement) published on Council's website in accordance with the Freedom of Information Act 1982. This Statement requires government agencies and local councils to publish a number of statements designed to assist members of the public in accessing the information it holds. If you cannot find the information you require, call us directly so we may assist you.

7. INFORMATION NOT AVAILABLE

Some Council information may not be made publicly available. This will only occur if the information is confidential information or if its release would be contrary to the public interest or in compliance with the *Privacy and Data Protection Act 2014*

"Confidential information" is defined in section 3 of the *Local Government Act 2020*. It includes the types of information listed in the following table.

Type	Description
Council business information	Information that would prejudice the Council's position in commercial negotiations if prematurely released.
Security information	Information that is likely to endanger the security of Council property or the safety of any person if released.

Public Transparency Policy



Ararat Rural City

Land use planning information	Information that is likely to encourage speculation in land values if prematurely released.
Law enforcement information	Information which would be reasonably likely to prejudice the investigation into an alleged breach of the law or the fair trial or hearing of any person if released.
Legal privileged information	Information to which legal professional privilege or client legal privilege applies.
Personal information	Information which would result in the unreasonable disclosure of information about any person or their personal affairs if released.
Private commercial information	Information provided by a business, commercial or financial undertaking that relates to trade secrets or that would unreasonably expose the business, commercial or financial undertaking to disadvantage if released.
Confidential meeting information	Records of a Council and delegated committee meetings that are closed to the public to consider confidential information
Internal arbitration information	Confidential information relating internal arbitration about an alleged breach of the Councillor Code of Conduct.
Councillor Conduct Panel confidential information	Confidential information relating to a Councillor Conduct Panel matter.
Confidential information under the 1989 Act	Information that was confidential information for the purposes of section 77 of the <i>Local Government Act 1989</i>

The Council may decide, in the interests of transparency, to release information to the public even though it is confidential under the Act. However, this will not happen if release is contrary to law or if releasing the information is likely to cause harm to any person or is not in the public interest to do so.

Where information is not confidential, and not already available, Council will apply the principles of a public interest test with consideration also of the resources required to respond to the request.

8. RESPONSIBILITIES

Party/parties	Roles and responsibilities	Timelines
Council	Champion the commitment and principles for public transparency through leadership, modelling practice and decision-making.	Ongoing
Leadership Group	Champion behaviours that foster transparency and drive the principles through policy, process and leadership. Monitor implementation of this policy and manage areas of responsibility to ensure public transparency, good governance and community engagement is consistent with this policy.	Ongoing
All Staff	Public transparency is the responsibility of all employees as appropriate to their role and function. All staff respond to requests for information and facilitate provision of information in consultation with their manager and in alignment with the Policy.	Ongoing
Governance Unit	To monitor implementation of this policy and conduct periodic reviews to drive continuous improvement.	Ongoing

9. PRIVACY

This policy recognises the information Privacy Principles (IPPs) and Health Privacy Principles (HPPs) set out in the Privacy and Data Protection Act 2014 (Vic) and the health Records Act 2001

Public Transparency Policy



(Vic) in relation to the management and handling of personal and health information within the public sector. This policy is in accordance with Ararat Rural City's Information Privacy Policy.

10. HUMAN RIGHTS CHARTER

This policy has been reviewed against and complies with section 13 of the *Charter of Human Rights and Responsibilities Act 2006*, as this Policy aligns with and provides for the protection of an individual's right not to have their privacy unlawfully or arbitrarily interfered with. It is also in line with section 18 which recognises a person's right to participate in the conduct of public affairs.

11. NON-COMPLIANCE WITH THIS POLICY

If a person wishes to question a decision about the release of information, this should be raised directly with the officer handling the matter in the first instance. If still not satisfied and would like to contest the decision, this can be reported to the Governance Unit on 5355 0261.

If not satisfied with Council's response, the concerns can be raised directly with the Victorian Ombudsman's office on (03) 9613 6222. or via the website – www.ombudsman.vic.gov.au.

12. MONITORING, EVALUATION AND REVIEW

Council commits to monitoring processes, information sharing and decision making to understand the overall level of success of the implementation of this Policy.

A periodic review of this policy will be undertaken to ensure any changes required to strengthen or update the policy are made in a timely manner.

Public Transparency Policy



13 DEFINITIONS

TERM	DEFINITION
Closed Meetings	When Council resolves to close the meeting to the general public, in order to consider a confidential matter regarding issues of a legal, contractual or personnel nature and other issues deemed not in the public interest.
Community	People of a municipality generally, including individuals or groups who live, work, play, study, visit, invest in or pass through the municipality. More specifically, it can refer to everyone affiliated with the municipality, or smaller groups defined by interest, identity or location, and not necessarily homogenous in composition or views. Different types of communities often overlap and extend beyond municipal boundaries. Communities may be structured, as in clubs or associations or unstructured, such as teens. Communities are flexible and temporary, subject individual identity and location
Consultation	The process of seeking input on a matter.
Public Interest	Council may refuse to release information if it determines that the harm likely to be created by releasing the information will exceed the public benefit in being transparent. When considering possible harm from releasing information, the Council will only concern itself with harm to the community or members of the community. Potential harm to the Council will only be a factor if it would also damage the community, such as where it involves a loss of public funds or prevents the council from performing its functions.
Public Participation	Commitment to engaging the community to support Council deliberation and decisions around issues affecting the municipality now and into the future.
Stakeholder	An individual or group with a strong interest in the decisions of Council and are directly impacted by their outcomes.
Transparency	A lack of hidden agendas or conditions, and the availability of all information needed in order to collaborate, cooperate and make decisions effectively. Importantly, "transparency" is also human rights issue: the right to have the opportunity, without discrimination, to participate in public affairs (s.58 of The Act).

For the purposes of this policy, Council adopts the following definitions:

Public Transparency Policy



14 ADMINISTRATIVE UPDATES

It is recognised that, from time to time, circumstances may change leading to the need for minor administrative changes to this document. Where an update does not materially alter this document, such a change may be made administratively. Examples include a change to the name of a Council department, a change to the name of a Federal or State department, and a minor update to legislation which does not have a material impact. However, any change or update which materially alters this document must be by resolution of Council.

15 RELATED POLICIES & LEGISLATION

Council:

Governance Rules
Governance Framework (refer Chapter 2 Governance Rules)
Community Engagement Policy
Privacy and Data Protection and Health Records Policy

Legislation:

Charter of Human Rights and Responsibilities Act 2006
Freedom of Information Act 1982
Local Government Act 2020
Local Government Act 1989
Privacy and Data Protection Act 2014
Equal Opportunity Act 2010

16 APPENDIX 1 – THE PUBLIC TRANSPARENCY PRINCIPLES (s58)

The following are the public transparency principles—

- (a) Council decision making processes must be transparent except when the Council is dealing with information that is confidential by virtue of this Act or any other Act;
- (b) Council information must be publicly available unless—
 - (i) the information is confidential by virtue of this Act or any other Act; or
 - (ii) public availability of the information would be contrary to the public interest;
- (c) Council information must be understandable and accessible to members of the municipal community;
- (d) public awareness of the availability of Council information must be facilitated.

3.2 COUNCILLOR GIFT POLICY

RESPONSIBLE OFFICER: GOVERNANCE AND RISK LEAD
DEPARTMENT: CEO'S OFFICE
REFERENCE: 24007

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

Under the Local Government Act 2020, Section 138, a council must adopt and maintain a Councillor gift policy and it must include procedures for the maintenance of a gift register and any other matters prescribed by the regulations. The Council must also review and update the gift policy. This policy was last updated in 2021.

DISCUSSION

This Policy provides guidance to Councillors and members of Delegated Committees about receiving or being offered gifts, benefits or hospitality in connection with their role as Councillor. The giving and receiving of gifts, benefits and hospitality from a person or organisation may result in a potential conflict of interest or breach of the Act. The objective of this policy is to limit the number of gifts made or accepted and to promote public confidence in the integrity of Council

This Policy has been prepared to satisfy the requirements of section 138 of the Act. It includes procedures for the maintenance of a Councillor Gifts Register and sets out the minimum value of disclosable gifts. It has also been reviewed and bench marked against like policies that have been put on the Local Government Inspectorate website as model policies. The main change to this policy is the use of everyday language as opposed to the last revision which quoted much of the Local Government Act 2020

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 their centre through effective financial management, well measured risk management and implementation of effective community engagement practices

Budget implications

There are no budget implications in relation to the development of the Councillor Gift Policy

Policy / Relevant Law

The following sections of the Local Government Act 2020:

Section 3 - Definitions - *Gift*

Section 3 - Definitions - *Gift disclosure threshold*

Section 127 - General Conflict of Interest

Section 128 - Material Conflict of Interest

Section 128(3)h and (4) - Disclosable Gifts

Sections 132-136 - Personal Interests Returns

Section 137 - Anonymous Gift Not to be Accepted,

Section 309 - Certain Gifts Not to be Accepted.

Sustainability Implications

Environmental, social and economic impacts have been considered in the development of the Councillor Gift Policy.

Risk Assessment

Clarity and transparency of Council Policies.

Innovation and Continuous Improvements

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

This policy was presented to the Audit and Risk Committee on the 9 September 2025

RECOMMENDATION

That:

- 1. Council adopts the Councillor Gift Policy*

**MOVED CR JOYCE
SECONDED CR KAUR**

That:

- 1. Council adopts the Councillor Gift Policy**

Cr Joyce and Cr Kaur spoke for the motion

**CARRIED 6/0
5211/25**

ATTACHMENTS

The Councillors Gift Policy is provided as Attachment 3.2.



Councillor Gifts Policy

DOCUMENT CONTROL

Category Type: Policy
Type: Council
Responsible Officer: Governance and Administration Coordinator

Last Review Date: 18 May 2021
Date Approved: 1xx XX XXXX
Next Review Date: September 2029

Revision No: 9

Stakeholder Engagement:
Councillors
Chief Executive Officer
Chief Operating Officer

Councillor Gifts Policy



INTENT

This Policy provides guidance to Councillors and members of Delegated Committees about receiving or being offered gifts, benefits or hospitality in connection with their role as Councillor. The giving and receiving of gifts, benefits and hospitality from a person or organisation may result in a potential conflict of interest or breach of the Act. The objective of this policy is to limit the number of gifts made or accepted and to promote public confidence in the integrity of Council

This Policy has been prepared to satisfy the requirements of section 138 of the Act. It includes procedures for the maintenance of a Councillor Gifts Register and sets out the minimum value of disclosable gifts.

SCOPE

The objective of the Councillor Gift Policy is to formalise the minimum standards in relation to offers of gifts, benefits and hospitality and as a result seeks to promote:

- Accountable Practices by providing clear direction and guidance to Councillors in relation to what may be accepted and what may not;
- Transparency by making the Councillor Gift and Benefits Register readily available and easily accessible on Council's website;
- The demonstration of integrity, impartiality and accountability in relation to the appropriateness or lack of, in relation to the appropriateness or lack of, in the receiving of gifts, benefits and hospitality;
- Community trust and confidence in decision making, and that decisions are made free of favouritism, influence and conflicts of interest or bias.

POLICY

1. GIFTS, BENEFITS AND HOSPITALITY

This policy is founded on the requirement for transparency and seeks to minimise improper practices and maintain the Council's good reputation.

Councillors should at all times be aware of the Local Government Act 2020 provisions regarding gifts especially in relation to conflict of interests and election donations. Councillors will take action as required by this policy.

Accordingly, the actions of Councillors must be consistent with those principles.

Guiding Policy Principles

- Complying with all legislation and policy obligations in relation to gifts, benefits and hospitality
- Politely decline in the first instance any offer of a gift, benefit or hospitality irrespective of value.
- Appropriately manage gifts, benefits and hospitality to avoid potential, actual or perceived conflicts of interest.
- Avoid situations giving rise to the appearance that a person or body, through the provision of gifts, benefits or hospitality of any kind, is attempting to gain favourable treatment from Councillors or Council.
- Not solicit, demand or request gifts, benefits or hospitality for themselves or any other

Councillor Gifts Policy



- person, by virtue of their position.
- Not accept monetary gifts (or gifts that can be easily converted to monetary value such as gift cards) of any value (fully disclosed election donations excluded)
- Refuse gifts, benefits and hospitality that may adversely affect the Councillor's or Council's standing or bring them into disrepute.
- Ensure any gifts, benefits and hospitality that is offered is provided for a legitimate business purpose, furthering the business goals, policy objectives and priorities of Council and within reasonable community expectations.
- Report any incidents where a bribe and/or cash is offered in accordance with Ararat Rural City Council's Public Interest Disclosure Procedures.

A gift offer is either token or a non-token in nature.

1.1. TOKEN GIFT

Gifts of a token values (less than \$50) may be accepted by Councillors, provided that the Councillor advises the Mayor of the gift.

The following should be used as a guide in determining whether to accept token gifts. Such gifts may be accepted only when the following has been considered:

- Such a gift is offered in an open or public forum and refusal would be obviously discourteous
- Acceptance would not cause any potential perceived or actual compromise or conflict of interest.
- The gift does not have significant monetary value.
- The gift is not offered on a regular basis.

There is no requirement to record token gifts in the Gift Register, unless the cumulative value of a gift from the same provider exceeds \$50. Examples of token gifts include box of chocolates, homemade goods, small souvenir, a cup of coffee.

1.2. NON-TOKEN GIFT

A non-token gift, benefit or hospitality is offered with a value of more than \$50. Non-token gift offers must be politely declined in the first instance. If a non-token gift is to be accepted, it must be managed in accordance with this policy. A gift can be any item of value – money, voucher, entertainment, travel, commodity, services, property – that a person or organisation provides.

All non-token gifts, benefits and hospitality received must be recorded in the Gift Register.

When deciding whether to accept a gift, benefit or hospitality, Councillors should give consideration to the GIFT test and HOST test shown in Appendix 1 & 2.

2. GIFTS RECEIVED ON BEHALF OF COUNCIL

From time-to-time individuals or organisations may offer gifts of goodwill to the Council organisation. The Chief Executive Officer will ensure that any such official gift is recorded in the Council Gifts Register.

Councillors may be involved in conferences or social, cultural, community, and industry events

Councillor Gifts Policy



where official gifts are presented or exchanged. Where it would appear to be impolite or inappropriate to decline the offer, it is reasonable for official representatives of Council to accept official gifts on behalf of Council. Unless otherwise determined as set out below, such gifts shall be considered to be the property of Council and may be displayed in an appropriate and secure location for public viewing.

In some circumstances, including where the item may not be suitable for public display or the gift is of a personal nature to the recipient, the Chief Executive Officer will use their discretion as to the appropriate use of the official gift.

A record will be made in the Council's Gift Register in the event that the gift is used for purposes other than Council purposes.

A Councillor may accept a significant occasion gift on behalf of Ararat Rural City Council.

A significant occasion gift to the Mayor must not exceed \$500. A significant occasion gift to a Councillor must not exceed \$250.

All significant occasion gifts must be declared and the details recorded in the Council Gifts Register.

3. HOSPITALITY

Councillors, in an official capacity, will from time to time receive invitations of hospitality to attend various functions and events.

Where hospitality is only modest in nature and provides an opportunity to network or undertake business of a common purpose, it may be appropriate to accept such invitations.

Incidental refreshments at meetings, working lunches, or similar, are not considered to be a gift and need not be recorded unless they occur at a frequency that may give rise to the perception of a conflict of interest under the Local Government Act 2020.

In some circumstances a Councillor may attend the event if the Council either fully reimburses the organisation for the full cost of hospitality or if the Councillor personally pays for their own attendance.

If acceptance of hospitality is likely to create the impression that an attempt is being made to compromise the impartiality of the Councillor, or could be perceived as a conflict of interest, the offer of hospitality should be politely declined.

Offers of hospitality, whether accepted or declined, must be recorded in the Council Gifts Register.

4. ANONYMOUS GIFTS

In accordance with Section 137 of the Local Government Act 2020, a councillor must not directly or indirectly accept a gift for the benefit where the amount or value is equal to or exceeds the gift disclosure threshold, unless –

- a) the Councillor knows of or is given the name and address of the person making the gift; and
- b) The Councillor reasonably believes that the name and address provided are true.

Councillor Gifts Policy



If for any reason a Councillor finds themselves in possession of a gift when they don't know the name and address of the person who gave the gift, the Councillor can give the gift to the Council within 30 days to avoid committing an offence

A Councillor who is found guilty of a breach of section 137 of the Act must pay to the Council the amount or value of the gift accepted.

5. CONFLICT OF INTEREST

Gifts must not be accepted which give the appearance of a conflict of interest. A conflict of interest means a general conflict of interest within the meaning of section 127 of the Local Government Act and a material conflict of interest within the meaning of section 128 of the LGA.

A general conflict of interest is where an impartial, fair-minded person would consider that a person's private interests could result in that person acting in a manner that is contrary to their public duty.

A material conflict of interest is where an affected person would gain a benefit or suffer a loss depending on the outcome of the matter. The benefit may arise, or the loss incurred either directly or indirectly and in a pecuniary or non-pecuniary form. A relevant person means a person who is a Councillor, member of a delegated committee or a member of Council staff.

Councillors may seek advice from the CEO or other appropriate officers if they need assistance determining if they have a conflict of interest, but must take full responsibility to identify, manage and disclose a conflict of interest.

If the acceptance of a gift, benefit or hospitality relates to an interest that is remote or insignificant in accordance with s128 of the Local Government Act 2020, the Councillor will not be considered to have a conflict of interest.

6. ATTEMPTS TO BRIBE

A Councillor who receives an offer a gift, benefit or hospitality they believe is an attempt to bribe must refuse the offer. It is important that the Councillor act immediately to minimise any potential for negative consequences, by taking the following steps:

- Terminate the interaction with the person making the offer;
- Report the matter to the CEO to place on record your refusal of the offer;
- Lodge a public interest disclosure in accordance with the Ararat Rural City Council Public Interest Disclosure Procedures.

A Councillor who believes another person within the Council may have solicited or been offered a bribe which they have not reported, must notify the CEO or report the matter in accordance with Ararat Rural City Council Public Interest Disclosure Procedures.

Councillor Gifts Policy



7. AWARDS AND PRIZES WON AT CONFERENCES / SEMINARS

Prizes or awards valued at over \$50 that are won at functions attended at Council's expense, must immediately become the property of Council. The Supreme Court has ruled that such prizes or awards are owned by the person/organisation providing 'consideration' for the attendance.

Councillors attending functions as Council representatives, and who make no financial contribution to the attendance, lose entitlement to any award or prize won as a result of attending the function;

- Circumstances in which a person may be entitled to keep a prize or award over \$50 are where personal payment has been made for the attendance, or the person pays for a raffle ticket that wins a prize. In each case the recipient has provided consideration for the prize/award and may lay legal claim to its title; and
- From an ethical point of view, recipients of such prizes could potentially be seen as being influenced by the sponsor of the prize. Prizes and awards valued at over \$50 must therefore be reported as soon as possible to the Chief Executive Officer, who must determine the ownership of the item and the appropriate action to be taken, as per this policy.

8. BENEFITS

A Councillor must not knowingly accept travel or hospitality (including meals and accommodation) sponsored wholly or partly by any person, organisation or business, where such acceptance implies an obligation on the recipient. However, reasonable hospitality may be accepted in circumstances where it is:

- approved by the Mayor on the advice of the Chief Executive Officer;
- provided at a function or event where the person is acting in an official capacity on behalf of Council;
- provided at rates that are openly available to people other than Councillors; or
- of value less than \$50 and by reason of its triviality could not be construed as creating an obligation.

9. PROCUREMENT AND TENDER PROCESSES

Councillors are prohibited from accepting any gifts, benefits or hospitality from a current or prospective supplier made during a procurement or tender process by a person or organisation involved in the process.

Where a gift is received or there are irregular approaches from suppliers, Councillors are required to notify the Mayor and CEO to record their refusal and any action.

10. ELECTION CAMPAIGN GIFTS

A Councillor must disclose, in their Election Campaign Donation Return, any Gift with a value which is equal to or exceeds the Gift Disclosure Threshold and which was received during the Donation Period by or on behalf of the Councilor to be used for on in connection with their election campaign while they are a candidate for election, unless:

- a) The Gift was made in a private capacity to the Councillor for their personal use; and
- b) The Councillor did not use and will not use the gift solely or substantially for a purpose

Councillor Gifts Policy



related to the election.

It is unlawful for a Councillor, or for someone acting on their behalf, to receive any Anonymous Gift with a value which is equal to or exceeds the Gift Disclosure Threshold during the Donation Period while they are a candidate for election.

11. REGULATORY PROCESSES

Where a regulatory process is underway such as a planning permit application, a Councillor is prohibited from accepting any gift, benefit or hospitality from any individual or group that may be involved with the regulatory activity

12. BIENNIAL PERSONAL INTEREST RETURNS

Councillors must lodge an initial, and biennial interests returns, which contain matters prescribed in the Local Government (Governance and Integrity) Regulations 2020.

A personal interests return must include the details of any gift received by the specified person, the value of which equals or exceeds \$500 or the threshold amount fixed by the Secretary, including gifts in the form of goods or services and multiple gifts that together equal or exceed that amount, which was received at any time since the specified person lodged the preceding initial or biennial personal interests return.

A summary of the personal interest's returns are made available on Council's website.

13. POLICY BREACHES

As per the Councillor Code of Conduct, Councillors committed to the following:

- We commit to compliance with our statutory obligations in relation to gifts and hospitality. We also undertake to comply with Council's policy to disclose all gifts, gratuities and favours in kind offered and/or accepted in my capacity as a Councillor, in accordance with the Council's Gifts, Gratuities and Favours in Kind Policy.
- In addition, we commit to notify the Chief Executive Officer if in the conduct of our duties, we receive an inappropriate offer of a gift or hospitality of any kind.

Councillors also committed to ensure their behaviours do not bring discredit to Council and committed to not intentionally misuse their position to gain or attempt to gain directly or indirectly, an advantage for themselves or for any other person.

Councillors must take all reasonable steps to ensure that their immediate family members (parents, spouse, children and siblings) do not receive gifts or benefits that give rise to the appearance of being an attempt to gain favourable treatment.

Councillor Gifts Policy



Where a gift is received on behalf of the Council, the gift becomes the property of the Council. For transparency and accountability purposes, these gifts will be recorded in the Council's Gift Register.

Gifts equal to or above the gift disclosure threshold received in the twelve months prior to election from a person or body that has a direct interest in a matter may give rise to an interest because of receipt of an applicable gift.

Campaign donations must be disclosed in the campaign donation return.

Councillors must not seek or accept any immediate or future reward or benefit in return for performance of any duty or work for the Council.

Any breaches of this Policy in the case of a Councillor will be to the provisions of the Local Government Act 2020.

14. DISCLOSURE PROCEDURE

Councillors must record the receipt of a gift, benefit or hospitality using the following procedure:

- In the interest of transparency and to assist with monitoring the frequency and nature of gifts, all gifts, benefits and hospitality received, above the value of \$50 must be recorded in the Gift Registry.
- Within 5 business days of the offer complete a Gift Registration Form and forward to the Governance team for recording in the Gift Register.
- The following details are to be included.
 - Councillor's names
 - Date gift, benefit or hospitality was received; and
 - A detailed description of the gift, benefit or hospitality received; and
 - The value of the gift, benefit or hospitality is unknown, an approximately value; and
 - The name of the person or organisation that provided the gift, benefit or hospitality; and
 - If a non-token gift has been received on behalf of Council, a notation that it is the property of the Council.

15. GIFT REGISTER

The Gift Register will be maintained by the Governance team and reported to the Audit and Risk Committee Audit and Risk Committee every 6 months.

16. TRAINING

Council will ensure that all Councillors and members of Delegated Committees received induction and refresher training in the operation of this Policy and associated procedures, including:

- Information about the aim, principles, accountabilities and requirements of this policy.
- Practical guidance on how to comply with this Policy, i.e. where to obtain gift offer

Councillor Gifts Policy



declaration forms and how to refuse a gift without giving offence.

- Advice that conduct constitutes a breach of this Policy may also constitute a breach of the Councillor Code of Conduct, the Act, bribery or a form of corruption.

17. ADMINISTRATIVE UPDATES

It is recognised that, from time to time, circumstances may change leading to the need for minor administrative changes to this document. Where an update does not materially alter this document, such a change may be made administratively. Examples include a change to the name of a Council department, a change to the name of a Federal or State department, and a minor update to legislation which does not have a material impact. However, any change or update which materially alters this document must be by resolution of Council.

TERMS/DEFINITIONS

TERM	DEFINITION
Benefit	Something which is believed to be of value to the receiver, such as a service i.e. access to a sporting event, preferential treatment, access to confidential information, accommodation, personal services, pleasure or holidays.
Bribe	A bribe is an offer of money or other inducement made with the intention to corruptly influence a Councillor, officer or contractor in the performance of their duties. Bribery or attempted bribery of a public official is a criminal offence.
CEO	Chief Executive Officer
Conflict of Interest	The Local Government Act 2020 requires Councillors to declare General or Material Conflicts of Interest. A conflict of interest is a conflict between a Councillor's public duty to act in the best interest of the Council and their private interests (financial or non-financial). A conflict exists whether it is: • Real – it currently exists • Potential – it may arise, given the circumstances • Perceived – members of the public could reasonably form the view that a conflict exists, or could arise, that may improperly influence the person's performance of their duty to the Council, now or in the future.
Council	Ararat Rural City Council
Gift	Section 3 of the Local Government Act 2020 defines a gift as meaning any disposition of property otherwise than by will made by a person to another person without consideration in money or money's worth or with inadequate consideration, including a) the provision of a service (other than volunteer labour); and b) the payment of an amount in respect of a guarantee; and

Councillor Gifts Policy



	c) the making of a payment or contribution at a fundraising function.
Gift Disclosure Threshold	Means \$500 or a higher amount or value prescribed by the regulations and notwithstanding the limits specified in this policy
Gift Disclosure	Section A Disclosable Gift means one or more gifts with a total value of, or more than \$500 that was received from a person in the 5 years preceding the decision on the matter: (a) if the relevant person held the office of Councillor, was a member of Council staff or was a member of a delegated committee at the time the gift was received; or (b) if the gift was, or gifts were, or will be, required to be disclosed as an election campaign donation— but does not include the value of any reasonable hospitality received by the relevant person at an event or function that the relevant person attended in an official capacity as a Councillor, member of Council staff or member of a delegated committee. To accord with the LGA on public transparency, The Ararat Rural City Council policy is that ALL gifts, or offers whether accepted or not, are disclosable.
Hospitality	Where a meal or service is offered which has more than nominal value and is not viewed as being connected to official Council business or part of the accepted meal at a conference or seminar.
Official Gift	A gift received by Councillors as representatives of the City or Council. These gifts may be received from a Sister City, organisations or corporations that are bestowing a corporate gift (e.g. plaques, plates, vases, trophies, art work) or souvenir to the City, or as a token of appreciation for a contribution to a conference or industry event.
Personal Interests Returns	Councillors must lodge an initial and biannual personal interests returns with the Chief Executive Officer, which contain matters prescribed in the Local Government (Governance and Integrity) Regulations 2020.
Prohibited Gift	Monetary gifts of any value including: cash, credit, gift cards, vouchers
Significant Occasion Gift	A gift, which may be given by Council to the Mayor or a Councillor as a gesture of goodwill for official or ceremonial purposes.
Token Gift	Is of such a nature and minimal value (under \$50) that it could not reasonably be regarded as capable of influencing any actions or decisions of the relevant person in relation to the matter. The token gift does not create a sense of obligation in the receiver that will influence, or appear to influence, the exercise of their official duties. In the event that a gift might reasonably be perceived to influence, or appear to influence, the recipient, it cannot be defined as a token gift.

Councillor Gifts Policy



REFERENCES

- Local Government Act 2020.
- Local Government (Governance and Integrity) Regulations 2020
- IBAC Local Government Integrity Framework Review (March 2019)
- Victorian Public Sector Commission – 'GIFT' test
- Gift Register
- Gifts Register Form
- Personal Interest Return

RELATED DOCUMENTS

- Councillor Code of Conduct
- Fraud and Corruption Policy
- Public Transparency Policy

APPENDICES

1. GIFT
2. HOST

Councillor Gifts Policy



APPENDIX 1

The GIFT Test

The Victorian Public Sector Commission's GIFT test is a good example of what to think about when deciding whether to accept or decline a gift, benefit or hospitality.

G	Giver	Who is providing the gift, benefit or hospitality and what is their relationship to me? Does my role require me to select contractors, award grants, regulate industries or determine government policies? Could the person or organisation benefit from a decision I make?
I	Influence	Are they seeking to gain an advantage or influence my decisions or actions? Has the gift, benefit or hospitality been offered to me publicly or privately? Is it a courtesy, a token of appreciation or valuable non-token offer? Does its timing coincide with a decision I am about to make?
F	Favour	Are they seeking a favour in return for the gift, benefit or hospitality? Has the gift, benefit or hospitality been offered honestly? Has the person or organisation made several offers over the last 12 months? Would accepting it create an obligation to return a favour?
T	Trust	Would accepting the gift, benefit or hospitality diminish public trust? How would the public view acceptance of this gift, benefit or hospitality? What would my colleagues, family, friends or associates think?

GIFT	VALUE	ACTION
Any Gift, Benefit, Award or Prize	Under \$50	Nil
Any Gift, Benefit, Award or Prize	\$50 - \$100	Declare and Retain
Any Gift, Benefit, Award or Prize	Over \$100	Declare and Surrender
Cash or Gift Card	Any Value	Decline and Declare

Councillor Gifts Policy



APPENDIX 2

The *HOST* Test

The HOST test is a good reminder of what to think about when deciding whether to provide an offer of a gift, benefit or hospitality.

H	Hospitality	To whom is the gift, benefit or hospitality being provided? Will recipients be external business partners, or individuals of the host organisation?
O	Objectives	For what purpose will hospitality be provided? Is the hospitality being provided to further the conduct of official business? Will it promote and support government policy objectives and priorities? Will it contribute to staff wellbeing and workplace satisfaction.?
S	Spend	Will public funds be spent? What type of hospitality will be provided? Will it be modest or expensive, and will alcohol be provided as a courtesy or an indulgence? Will the cost incurred be proportionate to the benefits obtained?
T	Trust	Will public trust be enhanced or diminished? Could you publicly explain the rationale for providing the gift or hospitality? Will the event be conducted in a manner which upholds the reputation of the public sector.

3.3 ARARAT TOWN HALL EXTERNAL LIGHTING POLICY

RESPONSIBLE OFFICER: PERFORMING ARTS COORDINATOR
DEPARTMENT: ARTS AND CULTURE
REFERENCE: 24008

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 Ararat Town Hall External Lighting Policy sets a transparent and consistent process for managing requests to illuminate the Town Hall façade, balancing community engagement with Council priorities and operational capacity. White remains the default illumination, with alternative colours permitted for significant civic, cultural, or community events no more than once every 14 days. Requests are assessed against significance, community relevance, alignment with Council values, and operational feasibility, with approved illuminations scheduled in the Town Hall Lighting Calendar.

DISCUSSION

The Ararat Town Hall is a key civic and heritage asset. In recent years, requests to illuminate the Town Hall in colours other than white have been managed on an ad hoc basis, leading to inconsistency and uncertainty for applicants and staff. The proposed policy provides a transparent, consistent, and operationally feasible framework for managing these requests.

The policy addresses the need for fairness and transparency in approvals, maintaining operational feasibility and safety, and recognising significant civic, cultural, or community events. Limiting alternative illumination to once every 14 days and applying clear selection criteria balances community requests with Council priorities and resources. While some applicants may be disappointed if their request is not prioritised, particularly when competing with nationally or locally significant events, the weighted scoring system and published criteria ensure decisions are made consistently and transparently.

Adopting the policy provides Council with a structured approach to manage illumination requests while supporting community recognition, operational efficiency, and good governance. It removes ad hoc decision-making and ensures the Town Hall is used in a way that reflects civic and heritage values.

KEY CONSIDERATIONS

Alignment to Council Plan Strategic Objectives

2. BUILDING ROBUST LOCAL ECONOMIES

The policy indirectly contributes to economic development by promoting Ararat as a vibrant and culturally rich community. Events highlighted through Town Hall illumination can attract visitors and support local businesses, aligning with the objective to develop strong relationships that build and strengthen a diverse local economy.

5. ENHANCING COMMUNITY LIFE

The policy promotes community engagement, social cohesion, and cultural recognition by enabling participation in civic and cultural events through the illumination of the Town Hall. It supports inclusivity, celebrates diversity, and strengthens community identity, directly contributing to objectives 5.1, 5.2, and 5.3.

Developing and Maintaining Key Enabling Infrastructure

The Town Hall is a key civic asset, and the policy ensures its use is managed to deliver public value. Systematic scheduling, assessment of operational feasibility, and maintenance considerations align with the objective to manage, maintain, and utilise infrastructure to benefit the community effectively.

Strong and Effective Governance

By establishing clear criteria, a weighted scoring system, and a transparent approval process, the policy demonstrates strong governance and risk management. It aligns with Council objectives for responsible decision-making, operational accountability, and effective community engagement, ensuring public value is delivered consistently.

Budget Implications

While the policy itself does not require a dedicated budget, approved illumination requests may incur minor operational, staffing, and maintenance costs. These costs are expected to be accommodated within existing operational budgets.

Policy/Relevant Law

None identified

Sustainability Implications

Potential negative implications of the policy are minor increases in operational costs and the risk of community dissatisfaction or technical issues if illumination requests cannot be accommodated.

Risk Assessment

A formal risk assessment is not required for this policy; however, operational, safety, and reputational risks are considered during the assessment of illumination requests and managed through standard Council procedures.

Innovation and Continuous Improvement

The policy introduces a structured and transparent approach to Town Hall illumination, supporting continuous improvement and enabling future adoption of energy-efficient or programmable lighting technologies.

Stakeholder Collaboration and Community Engagement

The policy ensures transparency and fairness by allowing community groups and individuals to submit Town Hall illumination requests, with priority given to events of civic, cultural, or community significance. Internal consultation with Council teams ensures operational feasibility and OHS compliance, while collaboration with external organisations may occur for nationally or internationally recognised events.

RECOMMENDATION

That:

1. *Council adopt the Ararat Town Hall External Lighting Policy, and*
2. *Council authorise the CEO (or delegate) to assess and approve illumination requests in line with the policy criteria and operational requirements*

**MOVED CR WATERSTON
SECONDED CR R ARMSTRONG**

That:

- 1. Council adopt the Ararat Town Hall External Lighting Policy, and**
- 2. Council authorise the CEO (or delegate) to assess and approve illumination requests in line with the policy criteria and operational requirements**

Cr Waterston spoke for the motion

**CARRIED 6/0
5212/25**

ATTACHMENTS

The Ararat Town Hall External Lighting Policy is provided as Attachment 3.3.



Ararat Town Hall External Lighting Policy

DOCUMENT CONTROL

Category Type: Policy
Type: Council
Responsible Officer: Performing Arts Coordinator

Date Approved: XX
Review Date: XX

Revision No: new

Stakeholder Engagement:
CEO
Council



Ararat Rural City

ARARAT TOWN HALL EXTERNAL LIGHTING POLICY

PURPOSE

To provide a consistent and transparent process for the illumination of the Ararat Town Hall, balancing community requests with Council's civic priorities, operational resources, and organisational values.

SCOPE

This policy applies to all requests (internal and external) for the illumination of the Ararat Town Hall façade.

Principles

- The Town Hall's default illumination is white, reflecting its heritage and civic identity.
- Alternative colour illumination is limited to once every 14 days.
- Only events of civic, cultural, or community significance are eligible for alternative illumination.
- Requests are assessed against published criteria to ensure fairness and transparency.
- Approvals consider operational feasibility, resourcing, and Council OHS obligations.

Selection Criteria and Weighted Evaluation

Applications will be assessed using the following criteria (0–5 scale).

A weighted total score of 3.5 or higher (70%) will normally be required for approval.

Criteria	Weight
National/International Significance	30%
Relevance to Ararat Community	25%
Consistency with Council Values & Policies	20%
Operational Feasibility & Frequency	15%
Visibility & Impact	10%

Application Requirements

Applicants must submit the following at least eight weeks in advance:

- A written request specifying the proposed date(s) and colour(s).
- A draft media release (Council may edit for style and consistency).
- Contact details for a nominated media spokesperson (name, phone, email).
- Supporting evidence demonstrating national or international recognition, or relevance to the Ararat community.
- Council may issue a media release for any approved illumination; publication is at Council's discretion and is not guaranteed.

Approval and Scheduling

- Applications are assessed by the Chief Executive Officer (or delegate) against the published selection criteria.
- Approved illuminations are entered into the Town Hall Lighting Calendar.
- Where multiple requests fall within the same 14-day period, priority is given to:
 - Council-led civic or commemorative events
 - Nationally or internationally recognised campaigns
 - Locally significant causes

Disclaimer / Liability

While every effort will be made to implement approved illuminations, technical issues, maintenance requirements, or unforeseen circumstances may prevent them from proceeding as planned. Ararat Rural City Council accepts no liability for any risk, cost, or loss arising from such events.

ARARAT TOWN HALL EXTERNAL LIGHTING POLICY



Ararat Rural City

ADMINISTRATIVE UPDATES

It is recognised that, from time to time, circumstances may change, leading to the need for minor administrative changes to this document. Where an update does not materially alter this document, such a change may be made administratively. Examples include a change to the name of a Council department, a change to the name of a Federal or State department, and a minor update to legislation that does not have a material impact. However, any change or update that materially alters this document must be by resolution of Council.

RELATED DOCUMENTS

Media and Communications Procedure.

REFERENCES

Nil.

DRAFT

3.4 MONTHLY PERFORMANCE REPORT

RESPONSIBLE OFFICER: CHIEF EXECUTIVE OFFICER
DEPARTMENT: CEO'S OFFICE
REFERENCE: 24009

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 August 2025.

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 \$20.296 million in revenue and \$6.647 million in expenses to 31 August 2025. This has resulted in an operating surplus of \$13.649 million for the two months ended 31 August 2025.

Income

Rates and charges account for 54% of the total budgeted income for 2025/26. Rates and charges are recognised when the rates have been raised, not when the income has been received. An amount of \$17.914 million has been recognised as income for the two months ended 31 August 2025.

User fees account for 5% of the total budgeted income for 2025/26 and \$0.455 million has been received to 31 August 2025. The majority of this relates to transfer station fees, fitness centre income and commercial waste management charges.

Recurrent Operating Grants total \$1.400 million to 31 August 2025, including \$0.627 million from the Victorian Local Government Grants Commission for general purpose grants and \$0.406 million for the local roads grants.

Non-recurrent Operating Grants total \$0.480 million to 31 August 2025. 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.

Non-Recurrent Operating Grants	Budget 2025/26 \$'000	Income 2025/26 \$'000	Unearned Income \$'000
Ararat Housing Transition	-	-	300
Digital Twin Victoria	-	-	950
Free Public WiFi Services	-	-	1,243
Supported Playgroups	67	12	-
Ararat Rural City Sport, Active Recreation & Open Space Strategy	-	-	36
CALD Outreach Workers Initiative	129	129	-
Tiny Towns Fund - Pomonal Community Hub	-	29	91
Natural Disaster Relief	-	158	-
Council Support Fund - Pomonal Fires	-	-	-
Engage - Youth Events Activities & Happenings	55	-	-
Centenary Park Dog Park	100	-	25
Queen Street Housing Program	-	152	5,544
Ararat Hills Adventure Sports Precinct	-	-	400
Early Career Educators	-	-	103
Ararat Active Bike Network	266	-	-
Ararat City Tennis Sports Lighting and Accessibility	-	-	280
Other Minor Grants (under \$30,000)	-	-	-
	617	480	8,971

Non-recurrent Capital Grants have not been recognised as income up to 31 August 2025, 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.

Non-Recurrent Capital Grants	Budget 2025/26 \$'000	Income 2025/26 \$'000	Unearned Income \$'000
Pedestrian Infrastructure Program	-	-	50
Tiny Towns Fund - Buangor Recreation Reserve Pavillion Redevelopment	-	-	25
Tiny Towns Fund - Buangor Cobb & Co Stables	-	-	30
Pony Club Sports Arena	1,490	-	433
Queen Street Housing Program	-	-	1,683
Ararat Library Lighting & Exterior Upgrade	-	-	51
TAC Safe Local Roads and Streets Program	-	-	468
Jack & Jill Kindergarten Upgrade	-	-	75
Other Minor Grants (under \$30,000)	-	-	10
	1,490	-	2,825

Note

It is important to note the following:

1. The Grants Operating (recurrent) figure in the Original Budget was \$8.909 million and in the Current Budget is recorded as \$4.721 million, as \$4.188 million was paid to Council in 2024/25 by the Victorian Local Government Grants Commission (VLGGC) for the 2025/26 financial year. Council has still received the expected VLGGC income, to be spent in 2025/26, however it will be reported over two financial years.
2. Unearned revenue received in prior years has been adjusted between the Original Budget and Current Budget with an additional \$6.659 million for Grants Operating (non-recurrent), \$0.386 million for Grants Capital (recurrent) and \$2.282 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 2025/26 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 \$2.050 million to a surplus of \$3.028 million for 2025/26. The year-end variance is a deficit of \$0.556 million when the actual year to date expenses are compared to the year to date budget.

Expenses

Employee Costs account for approximately 37% of the total budgeted expenditure for 2025/26. For the two months ended 31 August 2025 Council has incurred \$1.867 million in employee costs.

Materials and Services account for approximately 28% of the total budgeted expenditure for 2025/26. For the two months ended 31 August 2025, Council has incurred \$2.763 million in materials and services costs. There are a number of projects, including those carried forward from 2024/25 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 \$9.186 million in the Original Budget to \$13.357 million in the Current Budget for 2025/26. This has resulted from a carry forward amount of \$4.171 million from the 2024/25 financial year surplus and unspent grant funds which will be used to complete the projects in 2025/26.

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 August 2025. Comparative figures have been provided as at 30 June 2025.

Council's current assets have increased by \$17.278 million from \$17.747 million as at 30 June 2025 to \$35.025 million as at 31 August 2025. Cash and cash equivalents have decreased by \$0.367 million from \$14.841 million to \$14.474 million. Trade and other receivables have increased by \$17.640 million from \$2.835 million as at 30 June 2025 to \$20.475 million as at 31 August 2025.

Total liabilities have increased from \$16.464 million in 2024/25 to \$18.263 million in 2025/26. Trade and other payables have decreased by \$1.059 million and trust funds and deposits have increased by \$0.119 million. Unearned income/revenue increased by \$2.845 million, which 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 \$14.841 million have decreased by \$0.367 million to \$14.474 million as at 31 August 2025.

Net cash of \$0.177 million was provided by operating activities, \$0.413 million was used in investing activities, and \$0.131 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	30/6/2025	31/08/2025
Working capital <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	122%	211%
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	0.86%	0.65%
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	7.83%	9.23%
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	49.39%	88.32%
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	\$4,936	\$890
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	\$2,002	\$2,038

Indicator	30/6/2025	31/08/2025
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 August 2025 the outstanding Rates Debtors totalled \$19.336 million compared to \$2.466 million as at 30 June 2025, an increase of \$16.870 million. In percentage terms 6.6% of the rates raised have been collected at 31 August 2025 compared to 6.6% up to 31 August 2024. Outstanding rates are currently charged 10% interest. Council issues approximately 7,900 rate notices. In 2024/25 there were 2,158 assessments paying by instalments compared with 2,640 assessments in 2024/25.	87.8%	6.6%
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.	100.75%	22.83%

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 two months of the year to pay for the outstanding accounts at year end.

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

There are no economic, social or environmental implications in relation to the item

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.

Stakeholder Collaboration and Community Engagement

Council's financial performance reports will continue to be published monthly.

RECOMMENDATION

That:

1. *The Comprehensive Income Statement, Balance Sheet, Statement of Cash Flows and Financial Performance Indicators for the period ended 31 August 2025 be received and adopted.*

**MOVED CR SANDERS
SECONDED CR KAUR**

That:

1. **The Comprehensive Income Statement, Balance Sheet, Statement of Cash Flows and Financial Performance Indicators for the period ended 31 August 2025 be received and adopted.**

Cr Sanders and Cr Kaur spoke for the motion

**CARRIED 6/0
5213/25**

ATTACHMENTS

Comprehensive Income Statement, Balance Sheet, Statement of Cash Flows and Financial Performance Indicators are provided as Attachment 3.4.

Attachment 1

Comprehensive Income Statement for the two months ended 31 August 2025

	Original Budget \$'000	Current Budget \$'000	YTD Budget \$'000	YTD Actual \$'000	YTD Variance \$'000	Variance
Income						
Rates and charges	18,425	18,425	17,762	17,914	152	1%
Statutory fees and fines	277	277	29	27	(2)	-7%
User fees	1,631	1,641	439	455	17	4%
Contributions - cash capital	-	-	-	14	14	0%
Contributions - cash operating	93	93	-	6	6	0%
Grants - operating (recurrent)	8,909	4,721	1,385	1,400	15	1%
Grants - operating (non-recurrent)	617	7,276	406	480	74	18%
Grants - capital (recurrent)	2,338	2,724	-	-	-	0%
Grants - capital (non-recurrent)	1,490	3,772	-	-	-	0%
Net gain/(loss) on disposal of property, plant and equipment	20	20	-	(78)	(78)	0%
Other income	630	630	90	78	(12)	-13%
Fair value adjustments for investment property	-	-	-	-	-	0%
Share of net profits/(losses) of associates and joint ventures accounted for by the equity method	-	-	-	-	-	0%
Total income	34,430	39,579	20,111	20,296	185	
Expenses						
Employee costs	11,961	11,961	1,865	1,867	2	0%
Materials and services	9,186	13,357	2,168	2,763	595	27%
Bad and doubtful debts	-	-	-	-	-	0%
Depreciation	10,469	10,469	1,745	1,857	112	6%
Amortisation - right of use assets	308	308	51	77	26	51%
Borrowing costs	2	2	1	1	-	0%
Finance costs - leases	60	60	10	22	12	120%
Other expenses	394	394	66	60	(6)	-9%
Total expenses	32,380	36,551	5,906	6,647	741	13%
Surplus for the year	2,050	3,028	14,205	13,649	(556)	-4%
Other comprehensive income						
Net asset revaluation increment	-	-	-	-	-	
Total comprehensive result	2,050	3,028	14,205	13,649	(556)	

**30 SEPTEMBER 2025
COUNCIL MEETING MINUTES**

**Attachment 2
Balance Sheet as at 31 August 2025**

	31/08/2025 \$'000	30/06/2025 \$'000
Assets		
Current assets		
Cash and cash equivalents	14,474	14,841
Trade and other receivables	20,475	2,835
Financial assets	-	-
Inventories	76	71
Prepayments	-	-
Total current assets	35,025	17,747
Non-current assets		
Trade and other receivables	4	4
Investments in joint venture	1,527	1,502
Property, plant and equipment, infrastructure	437,050	447,411
Right of use assets	1,707	1,784
Investment property	2,615	2,102
Total non-current assets	442,903	452,803
Total assets	477,928	470,550
Liabilities		
Current liabilities		
Trade and other payables	1,298	2,357
Trust funds and deposits	434	315
Unearned Income	12,182	9,337
Provisions	2,177	2,175
Interest-bearing loans and borrowings	117	156
Lease liabilities	357	426
Total current liabilities	16,565	14,766
Non-current liabilities		
Provisions	286	286
Interest-bearing loans and borrowings	-	-
Lease liabilities	1,412	1,412
Total non-current liabilities	1,698	1,698
Total liabilities	18,263	16,464
Net Assets	459,665	454,086
Equity		
Accumulated surplus	108,007	93,496
Reserves	351,658	360,590
Total Equity	459,665	454,086

Printed 15/09/2025

Attachment 3

Statement of Cash Flows for the two months ended 31 August 2025

	Two months to 31/08/2025	Forecast Year End to 30/06/2026
	Inflows/ (Outflows)	Inflows/ (Outflows)
	\$'000	\$'000
Cash flows from operating activities		
Rates and charges	956	18,545
Statutory fees and fines	26	277
User fees	436	1,794
Grants - operating	4,431	5,363
Grants - capital	597	3,370
Contributions - monetary	63	93
Interest received	54	400
Trust funds and deposits taken	37	-
Other receipts	42	253
Net GST refund/payment	(429)	733
Employee costs	(1,912)	(11,960)
Materials and services	(3,757)	(14,277)
Trust funds and deposits repaid	(314)	-
Other payments	(53)	(394)
Net cash provided by (used in) operating activities	177	4,197
Cash flows from investing activities		
Payments for property, plant and equipment, infrastructure	(441)	(12,999)
Proceeds from sale of property, plant and equipment, infrastructure	28	1,050
Proceeds from investments	-	-
Payments for investments	-	(500)
Net cash provided by (used in) investing activities	(413)	(12,449)
Cash flows from financing activities		
Finance costs	(1)	(2)
Repayment of borrowings	(39)	(156)
Proceeds from borrowings	-	-
Interest paid - lease liability	(22)	(60)
Repayment of lease liabilities	(69)	(296)
Net cash provided by (used in) financing activities	(131)	(514)
Net increase (decrease) in cash and cash equivalents	(367)	(8,766)
Cash and cash equivalents at the beginning of the financial year	14,841	14,841
Cash and cash equivalents at the end of the period	14,474	6,075

Printed 15/09/2025

Attachment 4

Financial Performance Indicators for the two months ended 31 August 2025

Result

Material Variations

LIQUIDITY

Dimension - Operating position

Indicator - Adjusted underlying result

Measure - Adjusted underlying surplus (or deficit)

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

67.23%

Outside Expected Range This indicator is high as the total amount of rates & charges have been recognised as income, although the expenses are only for two months of the financial year.

Expected range in accordance with the Local Government Performance Reporting Framework -20% to 20%

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

Dimension - Liquidity

Indicator - Working capital

Measure - Current assets compared to current liabilities

[Current assets / Current liabilities] x100

211% No material variation

Expected range 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

Indicator - Unrestricted cash

Unrestricted cash compared to current liabilities

[Unrestricted cash / Current liabilities] x100

10.58% No material variation

Expected range in accordance with the Local Government Performance Reporting Framework 10% to 300%

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

OBLIGATIONS

Dimension - Obligations

Indicator - Loans and borrowings

Measure - Loans and borrowings compared to rates

[Interest bearing loans and borrowings / Rate revenue] x100

0.65% No material variation

Expected range 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

Loans and borrowings repayments compared to rates

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

0.22% No material variation

Expected range in accordance with the Local Government Performance Reporting Framework 0% to 20%

30 SEPTEMBER 2025 COUNCIL MEETING MINUTES

Financial Performance Indicators for the two months ended 31 August 2025	Result	Material Variations
Indicator - Indebtedness		
<i>Measure - Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	9.23%	No material variation
Expected range in accordance with the Local Government Performance Reporting Framework	2% to 70%	
Indicator of the broad objective that the level of long term liabilities should be appropriate to the size and nature of a Council's activities. Low or decreasing level of long term liabilities suggests an improvement in the capacity to meet long term obligations		
Indicator - Asset renewal (& Asset Upgrade included now also)		
<i>Measure - Asset renewal & Upgrade compared to depreciation</i> [Asset renewal expenses / Asset depreciation] x100	22.83%	This indicator is currently low with less than anticipated capital works undertaken to 31 August 2025.
Expected range in accordance with the Local Government Performance Reporting Framework	Outside permissible Range 40% to 130%	
Indicator of the broad objective that assets should be renewed as planned. High or increasing level of planned asset renewal being met suggests an improvement in the capacity to meet long term obligations		
STABILITY		
Dimension - Stability		
Indicator - Rates concentration		
<i>Measure - Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	88.32%	This indicator is high as the total amount of rates & charges have been recognised as income, although the expenses are only for two months of the financial year.
Expected range in accordance with the Local Government Performance Reporting Framework	Outside Expected Range 30% to 80%	
Indicator of the broad objective that revenue should be generated from a range of sources. High or increasing range of revenue sources suggests an improvement in stability		
Indicator - Rates effort		
<i>Measure - Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.27%	No material variation
Expected range in accordance with the Local Government Performance Reporting Framework	0.15 to 0.75%	
Indicator of the broad objective that the rating level should be set based on the community's capacity to pay. Low or decreasing level of rates suggests an improvement in the rating burden		

Printed 15/09/2025

Financial Performance Indicators for the two months ended 31 August 2025	Result	Material Variations
EFFICIENCY		
Dimension - Efficiency		
Indicator - Expenditure level		
<i>Measure - Expenses per property assessment</i>	\$889.59	This indicator is below the expected range as there are only two months of expenses included in the calculation.
[Total expenses / Number of property assessments]	Outside Expected Range	
Expected range in accordance with the Local Government Performance Reporting Framework	\$2,000 to \$5,000	
Indicator of the broad objective that resources should be used efficiently in the delivery of services.		
Low or decreasing level of expenditure suggests an improvement in organisational efficiency		
Indicator - Revenue level		
<i>Measure - Average rate per property assessment</i>	\$2,038.01	
[Total rate revenue (general rates and municipal charges) / Number of property assessments]	Outside Expected Range	The average rate per property assessment is slightly above the expected range.
Expected range in accordance with the Local Government Performance Reporting Framework	\$700 to \$2,000	
Indicator of the broad objective that resources should be used efficiently in the delivery of services.		
Low or decreasing level of rates suggests an improvement in organisational efficiency		

SECTION 4 - INFORMATION REPORTS

4.1 HOUSING SUPPORT PROGRAM PROJECT UPDATE

RESPONSIBLE OFFICER: CHIEF EXECUTIVE OFFICER
DEPARTMENT: CEO OFFICE
REFERENCE: 24010

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 provides an update on the Housing Support Program - Community Enabling Infrastructure Stream (HSP-CEIS) funded project at 87 Queen St, also known as the former Prestige Mill site. Demolition has commenced on the site and is progressing well. Clarification has been obtained on the extents of the former cemetery located on the site, and this has been accepted by Heritage Victoria. With the extents confirmed, planning for the enabling infrastructure can progress.

DISCUSSION

Recap

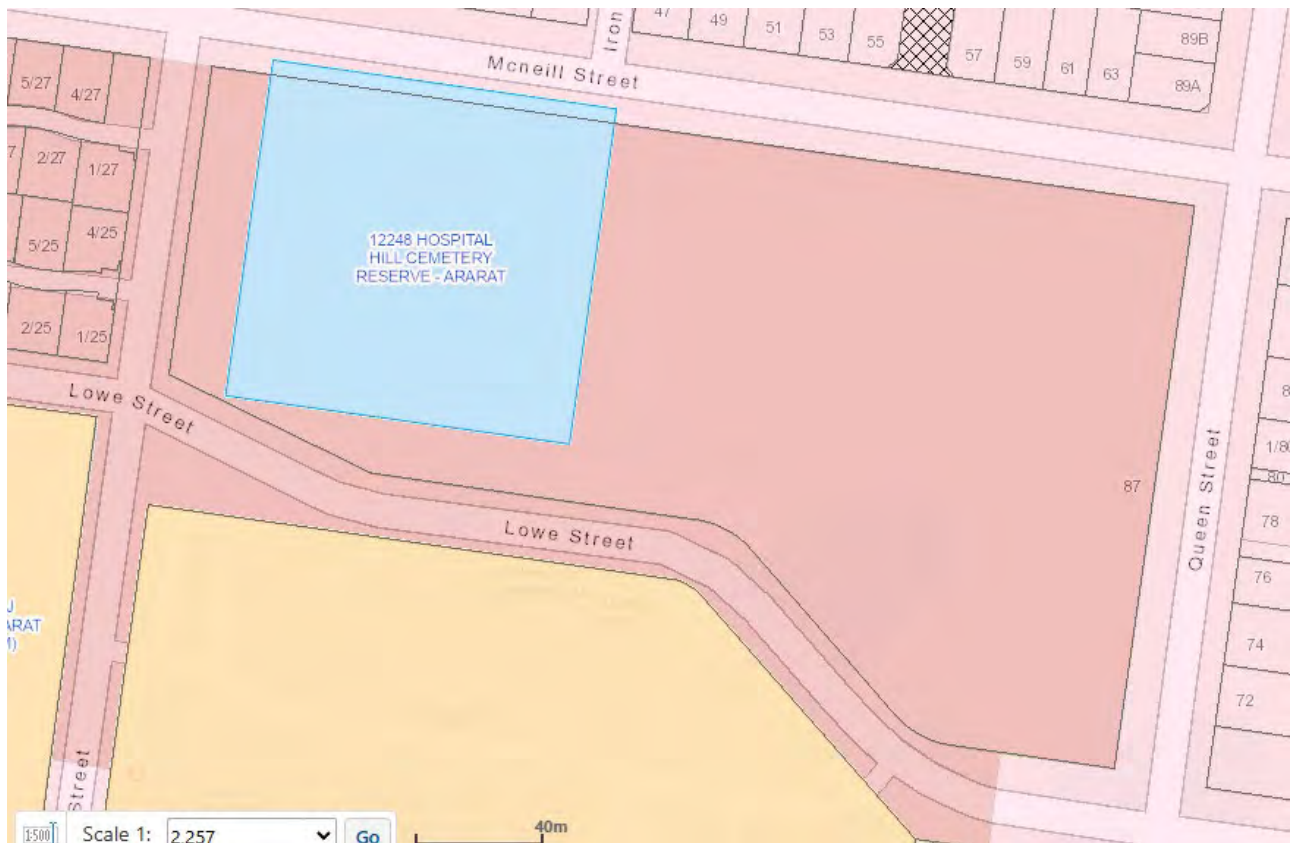
The HSP-CEIS grant helps to resolve the barriers that have previously prevented this site from being financially viable to develop into assets that could provide better value for the community, such as housing. The grant unlocks the site by funding the cost of enabling infrastructure for 90 new dwellings, including planning, detailed designs, construction costs for roads, footpaths, kerb & channel, drainage, as well as costs for utility infrastructure such as power, water, sewerage, and NBN. The grant does not fund the cost to build the homes, however with the major barriers removed, private investment into housing will become viable.

Progress to Date

Demolition and removal of the former Prestige Mill factory is well underway, see images below:

Photo taken 16 August 2024	Photo taken 10 September 2025
	
	

During the planning phase for this project, it was identified that the details available for the Victorian Heritage Inventory for the Hospital Hill Cemetery Reserve - Ararat (H7423-0068) was very limited, and this created risks for the project. A heritage investigation has been undertaken to properly map the extents of the former cemetery with a five-metre buffer, and this has now been accepted by Heritage Victoria. The extents can be viewed on VicPlan (<https://mapshare.vic.gov.au/vicplan/> then turn on the heritage layers use the left-hand legend and tick on 'heritage'). This is shown in the image below:



(Image: Extent of former cemetery reserve, with a five metre buffer around the boundary. Source: VicPlan)

Planning for enabling infrastructure can now continue to progress for the areas external to the former cemetery extents.

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.

1.2 Support innovative housing models that work to overcome market failure and create the capacity to increase the population of Ararat Rural City.

Budget Implications

This project is funded by a \$7.3 million grant from the Federal Government's Housing Support Program: Community Enabling Infrastructure Fund.

Policy/Relevant Law

Heritage Act 2017

Sustainability Implications

Not applicable

Risk Assessment

The establishment of the former cemetery extents has removed the project risks of unintentionally disturbing burial sites at the project location during delivery of the enabling infrastructure.

Stakeholder Collaboration and Community Engagement

Council officers have liaised closely with the site owners on this project. Opportunities for community engagement are anticipated as planning for the project progresses.

RECOMMENDATION

That:

1. *Council receives the Housing Support Program Project Update report.*

**MOVED CR JOYCE
SECONDED CR SANDERS**

That:

1. **Council receives the Housing Support Program Project Update report.**

Cr Joyce and Cr Sanders spoke for the motion

**CARRIED 6/0
5214/25**

ATTACHMENTS

There are no Attachments relating to this item.

4.2 CAPITAL WORKS PROGRAM

RESPONSIBLE OFFICER: CHIEF EXECUTIVE OFFICER
DEPARTMENT: CEO'S OFFICE
REFERENCE: 24011

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 Council has approved its 2025/2026 Capital Works Program as a fundamental component of the current budget. With a substantial capital works investment totalling \$12.437 million, the budget primarily targets infrastructure enhancements.

Key initiatives include:

- Year two of Mount William Road Construction - supported by Federal Government funding.
- Buangor Ben Nevis Road Construction - including replacement of bridge one at the Warrak end of the project.
- The covered sports arena at the Ararat Pony Club facilities.
- Urban Gravel to Seal Road Upgrades continuing to upgrade accessibility across urban areas.
- Maintenance of Footpaths, Drainage, and Kerb and Channel.

These projects underscore the Council's commitment to improving local infrastructure and fostering community development in the 2025/2026 fiscal year.

DISCUSSION

Council's 2025/2026 Capital Works Program continues our shift to reintroduction of larger road and bridge construction projects post-pandemic. The program's budget has substantial state and federal funding targeting road construction works and road safety initiatives.

The focus for 2025/2026 remains on renewing and updating Council assets, leveraging in-house capabilities, and supporting local employment and contractors, and the tender of works with the expectation of possible budget savings in a softening construction market.

Key areas include:

- Enhanced roads reseal program.
- Urban drainage improvements
- Footpath network upgrades
- Major urban road gravel to seal program
- Year two of Mt William Road Reconstruction
- Roads to Recovery funded projects (Webb Street & McCrows Road Bridge)
- Safe Local Roads and Street funding projects

Budget Status:

As of 31 August 2025, 7% of the budget is expended.

Mt Wiliam is expected to commence work in late August with final cultural heritage inductions now complete, design time frames for bridge one on Buangor Ben Nevis Road will be confirmed in coming weeks and commencement dates confirmed.

Tenders for the Ararat Pony Club and Jack and Jill Kindergarten projects are expected to go out to market by the end of August.

Final plans are being completed for the Safe Local Roads and Streets program with detailed design due to the funding body by late September with works to commence either by in-house team or tendered to the market.

**30 SEPTEMBER 2025
COUNCIL MEETING MINUTES**

The works on Webb Street funded through the Roads to Recovery Funding is commencing with services being altered and road works to commence in September with the return of better weather.

	Budget	Committed/ Contracted	Expended	%	Notes
PROPERTY - CAPITAL					
Property Capital	\$911,000				\$361,00 Council Co-Contribution added for Buangor Pavilion Redevelopment from approval at Council Meeting 29 July 2025.
Funding Property Capital Co-Contribution Allocations	-\$765,388				
Remaining Budget	\$145,612	-	-		
Mininera Recreation Reserve Toilet Upgrade		\$162,960		111%	
TOTAL PROPERTY CAPITAL		\$162,960	-	111%	
PLANT & EQUIPMENT					
Vehicle Purchases	\$240,000	\$217,490		90%	Replacement of 4 x Utilities and SUV
Major Plan Purchases	\$260,000				
Computer Equipment	\$100,000				
Book stock - Library Book Replacement	\$40,000				
TOTAL PLANT & EQUIPMENT		\$217,490	-	33%	
INFRASTRUCTURE					
Works by others					
Woorndoo Streatham Road	\$683,000	-	-		Works for this road is being undertaken by Moyne Shire. The budget amount is Council's contribution.
Roads					
Gravel Road Sheetting, Widening & Alternative Sealing	\$1,800,000				\$1.967m of this budget expended in 2024/2025. Approved Council Meeting 29 July 2025. Works include OTTA seal of Nott Road, Ararat (Pyrenees Hwy end) Sugarloaf Road
Transferred from other Capital Works Line Items	\$1,500,000	-	\$438,546	29%	
Total	\$3,300,000				
Reseal Program	\$1,000,000	-	-	100%	Fully Expended 24/25

**30 SEPTEMBER 2025
COUNCIL MEETING MINUTES**

Buangor Ben Nevis Road	\$1,000,000	-	-		These works will make up part of project in Funded projects - Roads
Urban Road Gravel to Seal	\$1,000,000	-	\$17,089	2%	Works Allocated for: - Alexandra Avenue (in conjunction with SLRSP Funding) - Coral & McNeil Stret - Maude Street (in conjunction with Pony Club Project)
Road Reconstruction Program	\$2,324,000	-			
Buangor Ben Nevis Road Contribution	-\$500,000				
Mt William Road Contribution	-\$1,250,000				
Bike Network Contribution	-\$133,000				
Transferred to Gravel Road Sheeting, Widening & Alternative Sealing	-\$400,000				
Remaining Budget	\$41,000		\$29,688	72%	Churchill Avenue final payments for maintenance between completion and sealing.
Major Patching	\$100,000	-	-	0%	
Bridges	\$0	-	\$385	0%	Transferred to Gravel Road Sheeting, Widening & Alternative Sealing
Footpath Renewal Program	\$400,000	\$33,750	\$12,481	10.5%	Works Allocated for: - High Street (Vincent to Queen St) - Committed - Taylor Street (Barkly to View Point - in conjunction with SLRSP Funding)
Urban Drainage Works	\$750,000				
Transferred to Gravel Road Sheeting, Widening & Alternative Sealing	-\$400,000	-	\$5706	1%	
Remaining Budget	\$350,000				
Kerb and Channel	\$0	-	\$2,941		Transferred to Gravel Road Sheeting, Widening & Alternative Sealing
TOTAL INFRASTRUCTURE		\$33,750	\$506,836	5%	
TOTAL CAPITAL WORKS		\$414,200	\$506,836	7%	

FUNDED PROJECTS - PROPERTY CAPITAL

Current Funded Projects	Budget	Funding Amount	Council Contribution	Community Contribution	Previous Years Expenditure	Expended (25/26)	Overall Total	%	Notes
Former Cobb & Co Staging Stables (Disaster Recovery Heritage Program)	\$60,000	\$60,000	Nil		\$1,237		\$1,237	2%	Ararat Maintenance Plumbing has commenced works on this project. Scaffolding has been erected in late August.
Ararat Pony Club - Covered Sports Area (Play our Way Program)	\$1,490,000	\$1,490,000	Nil		\$14,270	\$175.40	\$14,445	1%	Tender documents currently being compiled for design and construction of pavilion. Expected to be out to market by September 2025.
Centenary Park - Dog Park (Open Space for Everyone Program)	\$112,000	\$100,000	\$12,000		\$1,172	\$5,785	\$6,957	6%	Detailed design being completed inhouse and to be approved by funding body in September 2025. Works to commence via inhouse team by November 2025.
Buangor Sports Pavilion Redevelopment (Tiny Towns Program)	\$631,000	\$50,000	\$581,000 (\$220k Property Capital) (\$361k Property Reserve)		\$303	\$2,727	\$3,030	<1%	Detailed design currently being completed by Contractor. Funding requires building approval by September 2025.
Jack and Jill Kindergarten Redevelopment (Building Blocks improvement grants program)	\$750,000	\$745,000			\$26,000		\$26,000	3%	Documentation expected from Architect in the coming weeks and project will go to tender.
Ararat City Tennis Sports Lighting Installation and accessibility upgrade (Regional Community Sports Infrastructure Fund)	\$700,000	\$560,000	\$120,000	\$20,000	NA	\$1500	-	<1%	New Grant Received July 2025. Schematic drawings to be approved and works can commence.
Gordon Street Cricket Nets Upgrade (Australian Cricket Infrastructure Grant)	\$39,985	\$15,000	\$24,985		NA		-	0%	Orders have been completed for synthetic carpet and concrete works to be undertaken.
Pomonal Hall Battery Project (Powering Resilience in the Regions Program)	\$148,760	\$141,407	\$7,353		NA	\$7,353	\$7,353	5%	Council have paid their contribution to the project. Tenders closed on 2 September 2025 with 7 submissions received. Project is currently in evaluation.

Ararat Library Lighting and Exterior Upgrade. (Living Libraries Infrastructure Program 2024-25)	\$51,026	\$51,026			NA	\$2,822	\$2,822	5%	Quotations for lighting works are currently being sought. External painting designs are being considered.
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FUNDED PROJECTS - ROADS & INFRASTRUCTURE

Current Funded Projects	Budget	Funding Amount	Council Contribution	Previous Years Expenditure	Expended 25/26	Overall Total	%	Notes
Webb Street Reconstruction (Roads to Recovery 24/25)	\$400,000	\$400,000		\$13,822	\$2176	\$15,998	3%	Services and levels are currently being set and road works will commence in September with the return of better weather.
Buangor Ben Nevis Road (Roads to Recovery 24/25 & 25/26)	\$3,143,000	\$1,643,000	\$500,000 (Roads Program 25/26) \$1,000,000 (ARCC Capital Works 25/26)	\$269,592	\$15,133	\$284,725	9%	Staging of works was reported and approved at Council Meeting August 2025. Final ecology works are currently being finalised for works to commence early in the new year.
Buangor Ben Nevis Road (SILRP Funding 26/26)	\$5,000,000	\$5,000,000						Council contribution of \$1,250,000 required in 26/27 Budget
Mt William Road (HSVPP Funding 24/25)	\$6,250,000	\$5,000,000	\$1,250,000 (Roads Program 25/26)	\$217,582	\$31,534	\$249,116	3%	Works commenced on site 1 September 2025. Stabilising works have been undertaken in the first section of works along with tree removal and pruning.
Buangor Ben Nevis Road - Bridge 7001.14 Design and Construct (Roads to Recovery - 25/26)	\$1,300,000	\$1,300,000		\$68,723	\$2,657	\$71,380	5%	Contract No. 731 - Awarded July 2025 \$1.109m - Road and Bridge Pty Ltd \$100,000 allowance for Permits and Vegetation offsets. Works are scheduled to commence in mid October.
McCrows Road Bridge (Roads to Recovery)	\$350,000	\$350,000		\$17,738	\$34	\$17,772	5%	Budget is estimate only. Tender is being finalised to go out to market.
Ararat Active Bike Network (Active Transport Fund)	\$399,000	\$266,000	\$133,000 (Roads Program 25/26)	\$13,525	\$7,339	\$20,864	5%	Detailed designs are being finalised and tenders for the works are expected to be called in September 2025.
Banfield Street - School Crossing (Road Safety Program - School Safety Improvements 20-25)	\$19,009	\$19,009		\$8,244	\$4,085	\$12,329	65%	These works are complete.
Queen Street Housing Support Program	\$7,380,000	\$7,380,000		\$152,580	\$152,796	\$305,377	3%	Sub-division planning and associated reporting are still in progress before submission to Council. Demolition works are progressing.

(Housing Support Program - Community Enabling Infrastructure)								
SAFE LOCAL ROADS AND STREETS PROGRAM								
View Point, Tobin & Taylor St Intersections	\$224,000	\$224,000		\$581	\$50	\$631	<1%	The detailed design for this project is expected to be complete by early September 2025, then works will be tendered. This project will be run in conjunction with Footpath project for Taylor Street.
Ingor Street - Raised Crossing	\$110,000	\$110,000		\$600	\$1051	\$1,651	1%	The detailed design for this project is expected to be complete by early September 2025, then works will be tendered.
King Street - Raised Crossing	\$110,000	\$110,000		\$4,702	\$5,624	\$10,326	9%	Detailed design is nearing completion and works will be undertaken by an in-house team.
View Point & High St Intersection	\$117,000	\$117,000		\$1,526	\$6,431	\$7,957	7%	Detailed design is nearing completion and works will be undertaken by an in-house team.
Moore & Princes Street Intersection	\$131,000	\$131,000		\$145		\$145	<1%	The detailed design for this project is expected to be complete by early September 2025, then works will be tendered.
Vincent Street & Alexandra Avenue - Raised Crossing	\$321,000	\$321,000		\$239	\$50	\$289	<1%	The detailed design for this project is expected to be complete by early September 2025, then works will be tendered. This project will be run in conjunction with Gravel to Seal project for Alexandra Avenue.
Queen & Moore Street Roundabout	\$548,000	\$548,000		\$1,531	\$593	\$2,124	<1%	The detailed design for this project is expected to be complete by early September 2025, then works will be tendered.
SAFE SYSTEM PEDESTRIAN INFRASTRUCTURE PROGRAM (23/24)								
Barkly Street Raised Crossing	\$312,232	\$312,232		\$398	\$303	\$701	<1%	This project is awaiting final design approval from the department of transport for the works to commence.
High Street Raised Crossing								This project is ready to commence and will be tendered in the coming month.

FUNDED PROJECTS - MISCELLANEOUS

Current Funded Projects	Budget	Funding Amount	Council Contribution	Previous Years Expenditure	Expended (25/26)	Overall Total	%	Notes
Roadside Weeds and Pest Program 25/26 (Funding of the same name)	\$74,135	\$74,135		NA		-	0%	The tenders have closed for this project and is currently being evaluated.
Sport & Active Recreation Strategy (Local Sports Infrastructure Funding 23/24)	\$55,000	\$40,000	\$15,000	\$12,452		\$12,452	23%	CommunityVibe is undertaking the works associated with this project. Community engagement has been undertaken and draft reporting is underway.
Community Road Safety Action Plan (TAC Local Govt Funding)	\$49,540	\$59,540		\$437	\$454	\$891	1%	DWB Engineering is undertaking the works associated with this project. Community engagement has been completed and draft reporting is being compiled
Unlocking Ararat North East (Streamlining for Growth 22/23)	\$85,000	\$85,000		NA	\$4,578		5%	Beveridge Williams is undertaking the works for this project. They are working with our Planning Department and Strategic Project Lead to progress the outcomes of the funding.
Ararat City Tennis Sports Lighting Installation and accessibility upgrade - Participation Initiative. (Regional Community Sports Infrastructure Fund)	\$50,000	\$50,000		NA			0%	This grant was received in July 2025 and will run in conjunction with the infrastructure project for Sports Lighting and accessibility upgrades.
Lake Bolac Kindergarten Carpark (YMCA received funding for work)	\$80,339	\$80,339		\$61,358	\$12,200	\$73,558	91%	Funding was received by the YMCA to undertake the carpark works at Lake Bolac Kindergarten. Council procured the contractor and project managed the works with the funding amount being paid to Council on completion of the works. Work are now complete.

KEY CONSIDERATIONS

Alignment to Council Plan Strategic Objectives

The key financial drivers align strongly with the thrust of the Council Plan 2025-2029, particularly the following:

- 4.1** Ensure that asset development and renewal during the planning period matches that identified in Council's Asset Plan 2025-2035.
- 4.2** Work directly with asset users to manage and develop new and existing assets.
- 4.3** Deliver infrastructure outcomes that support economic are mindful of intergenerational equity and enhance community wellbeing and safety. These approaches will explore strategic use of debt to fund long-term assets and ensure Council's financial sustainability.
- 6.1** Deliver responsible budget outcomes, linked to strategy, that deliver value, innovation, and rating fairness.

Budget Implications

The 2025/2026 Capital Works Program represents a significant element of Council's 2025/2026 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 2025/2026 Capital Works Program complies with the program funded in the 2025/2026 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 2025/2026 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 2025/2026 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 2025/2026 Capital Works Program has been developed as an element of the 2025/2026 Budget. There was extensive community engagement undertaken prior to adoption.

RECOMMENDATION

That:

1. *That Council receive the Capital Works Program - August 2025 report.*

**MOVED CR WATERSTON
SECONDED CR SANDERS**

That:

- 1. That Council receive the Capital Works Program - August 2025 report.**

Cr Waterston and Cr Sanders spoke for the motion

**CARRIED 6/0
5215/25**

ATTACHMENTS

There are no Attachments relating to this item.

4.3 ANNUAL PLAN 2025/26 UPDATE (AUGUST 2025)

RESPONSIBLE OFFICER: CHIEF EXECUTIVE OFFICER
DEPARTMENT: CEO OFFICE
REFERENCE: 24012

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 Council Plan 2025-29 contains 53 actions to be undertaken during the 2025/2026 (Year 1) financial year under the strategic objectives:

1. Growing our place
2. Building robust local economies
3. Preserving the environment
4. Developing and maintaining key enabling infrastructure
5. Enhancing community life; and
6. Strong and effective governance

These actions are provided in the Annual Plan 2025/26 and their progress is reported monthly at Council Meetings.

DISCUSSION

The Annual Plan 2025/26 contains 53 actions. Progress on these actions are summarised below, with the change from the previous monthly report shown in brackets.

Status	Number of Actions
Completed	1
In progress 51-99%	4 (+2)
In progress 0-50%	33
Not Started	4 (-2)
Ongoing	11

Further details on each action is provided in the table below.

Council Plan Objectives	Actions	Progress	Officer Comment
1.1 Develop a strategic land use planning framework with annual targets to support sustainable urban growth.	1.1.1 Complete a review of Council's Planning Scheme as required under Section 12B of the Planning Environment Act 1987	Not Started	The Planning Practice Note for 'Review of Planning Schemes' is currently being reviewed by the Victorian Government. The review will commence once the Planning Practice Note is updated.
	1.1.2 Establish annual targets for sustainable urban growth	Not Started	This action is closely linked to action 1.1.1 and will occur concurrently.
	1.1.3 Complete the 'Unlocking Ararat North East' Structure Plan project	In progress 0-50%	A site walk-through with the contractor has occurred in early August, and initial concept development has commenced.
1.2 Support innovative housing models that work to overcome market failure and create the	1.2.1 Deliver enabling infrastructure for well-located homes that address critical housing	In progress 0-50%	Pre-construction planning and design for the enabling infrastructure is underway, and demolition and site clearing is progressing. Heritage

capacity to increase the population of Ararat Rural City.	gaps in central Ararat, with support from the Housing Support Program: Community Enabling Infrastructure Stream.		investigations for the former cemetery area has been undertaken.
	1.2.2 Continue to develop the Ararat Housing Enterprise P/L, delivering another four houses in Ararat during 2025/2026.	In progress 0-50%	Pre-construction planning for the four homes is underway or complete. Two more homes are currently under construction.
	1.2.3 Work with developers to submit EOI application/s to the National Housing Infrastructure Facility Crisis and Transitional Housing (NHIF CT) program	In progress 0-50%	Consultations between developers and potential crisis and transitional housing providers is underway.
1.3 Work with other levels of government, business, educational institutions and not-for-for profits to develop programs to increase in-migration to Ararat Rural City to grow our population.	1.3.1 Complete the Jack and Jill Kindergarten Refurbishment, with support from the Building Blocks Improvement Grant	In progress 0-50%	Specifications and designs for tender are being prepared.
	1.3.2 Establish a new childcare centre in Lake Bolac	In progress 0-50%	Council officers are continuing to liaise with developers and potential childcare providers to deliver
	1.3.3 Deliver the CALD Outreach Initiative	In progress 0-50%	The CALD Outreach Officer has actively engaged families and a range of health and support services to facilitate, support and improve access to early childhood education.
2.1 Partner with Federation University Australia to deliver the Ararat Jobs and Technology Precinct with a focus on engaging with local agribusiness, industry and community.	2.1.1 Build stronger connections between AJTP and local industry, including promotion of industry internships for research students.	Ongoing	The AJTP Advisory Group and the Future of the Regions group are focused on industry and stakeholder engagement. As PhD students commence their research projects the level of industry engagement is increasing.
	2.1.2 Work with Federation University, community and industry stakeholders to apply for a grant for National Science Week in August 2026	In progress 0-50%	National Science Week grant applications have opened and are due by 29 September. Engagement to develop the program of activities for National Science Week 2026 has commenced.
	2.1.3 Continue to support the delivery of TAFE courses at the Ararat Jobs and Technology Precinct	Ongoing	Cert 3 in Early Childhood Education and Care courses are continuing at the Precinct. The Ararat Best Start Workshop Series, supported by a Dept. Education Innovation Grant, held its first face to face session at the Precinct on 12 August 2025.
2.2 Work with other levels of government, local business, and private investors to develop a business park within Ararat Rural City, focused on agricultural value adding and advanced manufacturing, potentially leveraging "behind the meter" power.	2.2.1 Work with Invest Victoria, Regional Development Victoria and private sector partners to develop plans for the ARCC Circular Economy Precinct.	Ongoing	Council is working with Invest Victoria, Regional Development Victoria and a number of private sector partners to make a case for a state significant circular economy hub in Ararat
	2.2.2 Continue to support Valorify P/L to develop a biogas plant in Ararat which uses straw as the major input.	Ongoing	Council continues to strongly support Valorify P/L. An engagement session was held in Ararat on 7 August 2025 to provide an update to stakeholders.

	2.2.3 Seek funding from the Victorian Government's \$10 million fund to unlock industrial trunk infrastructure to accelerate new industrial developments	In progress 0-50%	Regional Development Victoria and the Department of Transport and Planning have been engaged on our industrial trunk infrastructure needs.
2.3 Engage with Grampians Wimmera Mallee Tourism and local businesses to improve the quality of experience and drive growth in high yield tourist outcomes.	2.3.1 Deliver the Ararat Hills Outdoor Adventure Precinct Feasibility Study	In progress 0-50%	The establishment of the Project Control Group is underway.
	2.3.2 Partner with local hospitality, accommodation, food and wine industry to develop an annual fine wine and food event within the municipality.	In progress 0-50%	The Economic Development team is continuing to liaise closely with the local industry to identify potential opportunities for an annual fine wine and food event.
	2.3.3 Work with operators and Grampians Wimmera Mallee Tourism to deliver 4 star and above accommodation	In progress 0-50%	Council is supporting the development of a range of accommodation businesses in the municipality.
3.1 Position Ararat Rural City Council as a prime mover in driving circular economy policy in waste management, including local processing and management of recyclables, and in use of renewable energy for Council purposes.	3.1.1 Develop and adopt an ambitious business based on key partnerships and production of higher value outputs, that views municipal "waste" as an economic resource.	In progress 0-50%	Council are reviewing the Compost Project with Gaia EnviroTech to make smaller orders feasible, enabling more people to purchase smaller amounts. Options for selling mulch are also being investigated.
	3.1.2 Continue to support PlastOil to develop a plastics recycling facility in Ararat	Ongoing	Council continues to strongly support PlastOil through the Economic Development team.
3.2 Develop innovative energy solutions utilising locally produced waste	3.2.1 Continue to support Valorify P/L to develop a biogas plant in Ararat which uses straw as the major input.	Ongoing	Council continues to strongly support Valorify P/L. An engagement session was held in Ararat on 7 August 2025 to provide an update to stakeholders.
	3.2.2 Work with Federal and State Government and private sector partners to plan, fund and develop a circular economy industrial precinct.	In progress 0-50%	Council is working with Invest Victoria, Regional Development Victoria and a number of private sector partners to make a case for a state significant circular economy hub in Ararat.
	3.2.3 Continue to advocate for greater policy confidence and support for renewable gas generation	Ongoing	Council issued a statement in July 2025 calling for the Victorian Government to provide clear policy direction and greater support for renewable gas production.
3.3 Partner with local organisations and scientific experts to implement the Environment Strategy 2024-34, with a focus on circular economy, emissions reduction and sustainable management of Council assets.	3.3.1 Deliver the Pomonal Community Hall Battery Project with the Central Victorian Greenhouse Alliance and with support from the 100 Neighbourhood Batteries Grants Program	In progress 0-50%	Tender for this project closed on 01 September 2025 and is being evaluated.
	3.3.2 Deliver the Roadside Weeds and Pests Program (subject to State Government funding)	In progress 0-50%	State funding has been confirmed. Planning is now underway.

	3.3.3 Explore a model for collaborating with community asset committees to use rooftop solar to increase use of renewable energy at community facilities.	In progress 0-50%	An application to the Community Energy Upgrades Fund Round 2 was submitted in June 2025 and we are awaiting the outcome.
4.1 Ensure that asset development and renewal during the planning period matches that identified in Council's Asset Plan 2025-2035.	4.1.1 Develop the Asset Plan 2025-35	In progress 0-50%	Drafting of the Asset Plan 2025-35 is underway
	4.1.2 Continue to advocate for the Western Highway Upgrade from Buangor to Ararat	Ongoing	Advocacy efforts are ongoing with the Western Highway Action Committee (WHAC), and with support for a Motion to the MAV State Council
	4.1.3 Continue to advocate for a North South Heavy Vehicle Route	Ongoing	This initiative is included in the Advocacy Program 2025 and will be discussed with key stakeholders at the next available opportunity.
4.2 Work directly with asset users to manage and develop new and existing assets.	4.2.1 Progress plans and costings for a new indoor sports facility and the outdoor pool upgrade	In progress 0-50%	Gender Impact Assessments are in progress.
	4.2.2 Deliver the Community Road Safety Strategy	In progress 51-99%	Contractor was engaged and community consultation undertaken in 2024/25. Preparation of the draft Strategy is in progress.
	4.2.3 Deliver the Ararat Rural City Sport and Active Recreation Strategy	In progress 51-99%	Contractor was engaged and community consultation undertaken in 2024/25. Preparation of the draft Strategy is in progress.
4.3 Deliver infrastructure outcomes that support economic growth, are mindful of intergenerational equity and enhance community wellbeing and safety. These approaches will explore strategic use of debt to fund long-term assets and ensure Council's financial sustainability.	4.3.1 Deliver the 2025/26 Capital Works Program	In progress 0-50%	Refer to the Capital Works report.
5.1 Open up Council's arts and culture assets to greater community participation, ownership and engagement in decision-making	5.1.1 Deliver artist and community group exhibits in the Barkly St Laneway and Community Wall within the Ararat Gallery TAMA	In progress 0-50%	Expressions of Interest (EOIs) closed in June 2025. The Visual Arts Coordinator is liaising with the applicants to schedule their exhibitions, or facilitating group exhibitions where appropriate. The full 2026 community program schedule will be released in due course
	5.1.2 Increase participation in programs at Ararat Gallery TAMA	In progress 0-50%	Ararat Gallery TAMA hosted Marian College, Ararat College and St Patricks College (Ballarat) VCE Art Making and Exhibition classes to talk about artwork presentation, conservation and care. School groups are very welcome at the Gallery, and with notice a staff member can welcome and host a class.
	5.1.3 Investigate ways to maximise scheduling of	In progress 0-50%	A review of the Ararat Town Hall's previous years usage and available

	community events at the Town Hall		days to identify future scheduling opportunities is in progress.
	5.1.4 Identify innovative ways to increase the promotion and reach of performances at the Town Hall	In progress 0-50%	A grant application has been submitted to Creative Australia's Playing Australia Audience Development Multi-Year Investment Program 2026-2028, and the outcome is pending.
5.2 Develop models of volunteering that recognise, support and properly utilise the skills that community volunteers bring to community life.	5.2.1 Deliver the first of three years of the Youth Events, Activities and Happenings (YEAH) Crew	In progress 0-50%	The YEAH Crew have started working on a new logo.
	5.2.2 Deliver young people's programs across schools, largely through the Crazy Ideas College	In progress 0-50%	The Ararat Youth Activators program 2025 is underway.
	5.2.3 Work with community groups to deliver an annual Volunteer Expo	Not Started	National Volunteer Week will be celebrated from 19-25 April 2026. Planning for the Ararat Volunteer Expo will commence towards late 2025.
	5.2.4 Promote the benefits and achievements of volunteers, to encourage participation	Ongoing	On 15 August, Council extended a special thank you to the animal rescue groups that volunteer their time to help animals find new homes in conjunction with our Ararat Animal Shelter team.
5.3 Partner with community groups, not-for-profits, and Traditional Owner organisations to develop Ararat Rural City into a more inclusive, welcoming, tolerant and diverse community.	5.3.1 Develop the Disability Action Plan	In progress 0-50%	The draft Terms of Reference and indicative meeting schedule is being prepared. An EOI for the Working Group will open in September
	5.3.2 Develop the Municipal Public Health and Wellbeing Plan 2025-29	In progress 51-99%	Public submissions for the Draft Municipal Public Health and Wellbeing Plan 2025-29 have closed and is being reviewed.
	5.3.3 Hold quarterly meetings of the Child Friendly Cities and Communities Working Group	In progress 0-50%	A quarterly meeting of the CFCC Working Group was held on 20 August 2025.
	5.3.4 Deliver multicultural events	In progress 0-50%	Staff have participated in event management training in August 2025 and planning is underway.
6.1 Deliver responsible budget outcomes linked to strategy, that deliver value, innovation and rating fairness.	6.1.1 Deliver operational efficiencies to reduce avoidable overtime and improvements in casual staff rostering	In progress 0-50%	Some efficiencies in casual staffing arrangements have been identified and implemented. Further efficiencies will continue to be found.
	6.1.2 Undertake a review of Council's insurance coverage and policies to ensure they continue to provide value for money	In progress 51-99%	An analysis of the existing insurance coverage and opportunities for reducing insurance risks is underway.
6.2 Ensure appropriate risk management is applied to Council and organisational decisions. Council's internal function is applied to areas of perceived risk.	6.2.1 Deliver organisational efficiencies and improvements through IT infrastructure and systems upgrades	In progress 0-50%	IT infrastructure and systems upgrades are underway
	6.2.2 Undertake the Strategic Internal Audit Program – 5 years.	In progress 0-50%	Progress is being made on the items in the Strategic Internal Audit Program.

	6.2.3 Develop the 2026-2030 Gender Equality Action Plan (GEAP)	Not Started	Council officers are finalising reporting on the 2021-2025 GEAP before commencing the 2026-30 GEAP.
	6.2.4 Ensure appropriate analysis of all inquiry and investigation reports relevant to Council operations are examined and recommendations implemented.	Ongoing	Each external enquiry and investigation undertaken in the local government sector is examined and appropriate actions undertaken. Significant issues and remedies are reported to the audit and risk committee.
6.3 Continuously improve Council's community engagement process and practices in line with deliberative engagement practices, while ensuring that Councillors' roles as elected community representatives are understood and reflected in decision-making.	6.3.1 Deliver a new Customer Request Management System (CRMS) integrated with the Snap Send Solve app	Complete	The new CRMS and integration with the Snap Send Solve app is now complete. Council officers will continue to encourage residents to install the app.
	6.3.2 Develop a regular biannual program of face-to-face community engagement opportunities	In progress 0-50%	Planning for face-to-face engagement sessions has commenced.

KEY CONSIDERATIONS

Alignment to Council Plan Strategic Objectives

The Annual Plan 2025/26 aligns with all strategic objectives of the Council Plan 2025-29

Budget Implications

The Annual Plan 2025/2026 does not have any additional budget implications. All actions in the Annual Plan have been budgeted in the 2025/2026 Budget or have no additional resourcing requirements.

Policy/Relevant Law

Section 90 of the Local Government Act 2020 requires that Council produces a Council Plan for a minimum of a four year period. The Annual Plan is a document related to operationalising the Council Plan.

Sustainability Implications

The Annual Plan provides specific actions that will be undertaken for the key theme 5. Preserving Our Environment.

Risk Assessment

Implementing the Annual Plan has some inherent risks around project and program delivery on time, at cost and at an acceptable quality. These risks are managed through careful budget monitoring, a focus on effective project management and appropriate stakeholder engagement. Council has a commitment to improved performance across all of these areas.

Stakeholder Collaboration and Community Engagement

Stakeholders and community groups will be engaged during the development and delivery of the actions, where applicable.

RECOMMENDATION

That:

1. Council receives the Annual Plan 2025/26 - August 2025 report

**MOVED CR SANDERS
SECONDED CR R ARMSTRONG**

That:

- 1. Council receives the Annual Plan 2025/26 - August 2025 report**

Cr Sanders, Cr R Armstrong and Cr Joyce spoke for the motion

**CARRIED 6/0
5216/25**

ATTACHMENTS

There are no Attachments relating to this item.

SECTION 5 - COMMITTEE MINUTES/REPORTS

5.1 AUDIT AND RISK COMMITTEE MEETING

AUTHOR'S TITLE: CHIEF EXECUTIVE OFFICER
DEPARTMENT: CEO'S OFFICE
REFERENCE: 24013

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

This report contains the minutes of the Audit and Risk Committee meeting held on the 9 September 2025.

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 9 September 2025

Council Committees	Councillor representative	Current meeting (as presented)	Next scheduled meeting/s
Audit and Risk Committee	Cr Jo Armstrong	Apology	02 December 2025
Audit and Risk Committee	Cr Bob Sanders	09 September 2025	02 December 2025

KEY CONSIDERATIONS

Alignment to Council Plan Strategic Objectives

The report supports the strategic objective of the Council Plan 2025 - 2029:

6. STRONG AND EFFECTIVE GOVERNANCE

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

- 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

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 09 September 2025 be received*

**MOVED CR SANDERS
SECONDED CR KAUR**

That:

1. **the Audit and Risk Committee Meetings minutes of 09 September 2025 be received**

Cr Sanders and Cr Kaur spoke for the motion

**CARRIED 6/0
5217/25**

ATTACHMENTS

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



MINUTES

Audit and Risk Committee

Tuesday 9 September 2025

Location: CEO's Office,
59 Vincent St, Ararat

Commencing at 1:00 pm

Audit and Risk Committee:

Cr Jo Armstrong (Mayor)
Cr Bob Sanders
Ms Jessica Adler
Mr Greg Jakob
Ms Janet Dore

In attendance:

Dr Tim Harrison
Mr Bradley Ead
Mr Ryan Schischka
Ms Karissa Hogan
Mrs Chandra Willmott

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



SECTION 1 – PROCEDURAL MATTERS	4
1.1 APOLOGIES	4
1.2 DECLARATION OF DISCLOSURE OF INTERESTS	4
1.3 CONFIRMATION OF MINUTES	4
SECTION 2- CEO UPDATE	5
2.1 CEO UPDATE – CONFIDENTIAL	5
SECTION 3- FINANCE AND PERFORMANCE REPORTING	6
3.1 MONTHLY PERFORMANCE REPORT – ENDING 31 JULY 2025	6
3.2 FINANCIAL STATEMENTS AND PERFORMANCE STATEMENT FOR THE YEAR ENDED 30 JUNE 2025	12
SECTION 4 – INTERNAL CONTROLS	15
4.1 COUNCIL POLICY REVIEW UPDATE	15
4.2 INSURANCE PROGRAM	18
SECTION 5- RISK MANAGEMENT	19
5.1 STRATEGIC RISK REGISTER REVIEW AND RISK REGISTER PROGRAM UPDATE	19
SECTION 6- FRAUD PREVENTION	21
SECTION 7- INTERNAL AUDIT	22
7.1 INTERNAL AUDIT – PAST ISSUES REVIEW	22
7.2 INTERNAL AUDIT – STRATEGIC INTERNAL AUDIT PROGRAM STATUS UPATE	23
SECTION 8- EXTERNAL AUDIT	24
8.1 REVIEW CHANGES TO THE LOCAL GOVERNMENT PERFORMANCE REPORTING FRAMEWORK	24
8.2 EXTERNAL AUDIT – DRAFT FINAL MANAGEMENT LETTER FOR THE FINANCIAL YEAR ENDING 30 JUNE 2025	25
8.3 EXTERNAL AUDIT – DRAFT CLOSING REPORT FOR THE FINANCIAL YEAR ENDING 30 JUNE 2025	26
8.4 EXTERNAL AUDIT – ASSESSMENT OF EXTERNAL REVALUATIONS	27
SECTION 9- COMPLIANCE	30
9.1 JLT Public Sector – Public Sector Risk Report	30
SECTION 10- GENERAL BUSINESS	31

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



10.1 INDUSTRY UPDATE- RECENT REPORTS AND PUBLICATIONS OF INTEREST31

SECTION 11 – FUTURE MEETINGS32

11.1 FUTURE MEETING DATES.....32

SECTION 12- NEXT MEETING/CHARTER ITEMS33

**09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX**



SECTION 1 – PROCEDURAL MATTERS

1.1 APOLOGIES

Cr Jo Armstrong was an apology

1.2 DECLARATION OF DISCLOSURE OF INTERESTS

No disclosure of Interests.

1.3 CONFIRMATION OF MINUTES

RECOMMENDATION

That the Minutes of the Internal Audit and Risk Committee Meeting held on 03 June 2025 be received.

**MOVED GREG JAKOB
SECONDED**

That the Minutes of the Internal Audit and Risk Committee Meeting held on 03 June 2025 be received.

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



SECTION 2- CEO UPDATE

2.1 CEO UPDATE – CONFIDENTIAL

RECOMMENDATION

That the CEO's report be received.

RECEIVED

ATTACHMENTS

CEO Confidential Report provided as Attachment 2.1

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



SECTION 3- FINANCE AND PERFORMANCE REPORTING

3.1 MONTHLY PERFORMANCE REPORT – ENDING 31 JULY 2025

Aligns with Audit and Risk Committee Charter 5.6: Review the appropriateness of the format and content of periodic management financial reports and performance statements.

EXECUTIVE SUMMARY

The financial statements and performance indicators have been prepared for the period ended 31 July 2025.

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 \$18.771 million in revenue and \$3.679 million in expenses to 31 July 2025. This has resulted in an operating surplus of \$15.092 million for the month ended 31 July 2025.

Income

Rates and charges account for 54% of the total budgeted income for 2025/26. Rates and charges are recognised when the rates have been raised, not when the income has been received. An amount of \$17.716 million has been recognised as income for the month ended 31 July 2025.

User fees account for 5% of the total budgeted income for 2025/26 and \$0.359 million has been received to 31 July 2025. The majority of this relates to transfer station fees, fitness centre income and commercial waste management charges.

Non-recurrent Operating Grants total \$0.328 million to 31 July 2025. 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.

Non-Recurrent Operating Grants	Budget 2025/26 \$'000	Income 2025/26 \$'000	Unearned Income \$'000
Ararat Housing Transition	-	-	300
Digital Twin Victoria	-	-	950
Free Public WiFi Services	-	-	1,243
Supported Playgroups	67	6	-
Ararat Rural City Sport, Active Recreation & Open Space Strategy	-	-	36

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



CALD Outreach Workers Initiative	129	129	-
Tiny Towns Fund - Pomonal Community Hub	-	-	119
Natural Disaster Relief	-	102	-
Council Support Fund – Pomonal Fires	-	-	-
Engage - Youth Events Activities & Happenings	55	-	-
Centenary Park Dog Park	100	-	25
Queen Street Housing Program	-	91	3,391
Ararat Hills Adventure Sports Precinct	-	-	400
Early Career Educators	-	-	103
Ararat Active Bike Network	266	-	-
Ararat City Tennis Sports Lighting and Accessibility	-	-	280
Other Minor Grants (under \$30,000)	-	-	-
	617	328	6,847

Non-recurrent Capital Grants have not been recognised as income up to 31 July 2025, 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.

Non-Recurrent Capital Grants	Budget 2025/26 \$'000	Income 2025/26 \$'000	Unearned Income \$'000
Pedestrian Infrastructure Program	-	-	50
Tiny Towns Fund - Buangor Recreation Reserve Pavillion Redevelopment	-	-	50
Tiny Towns Fund - Buangor Cobb & Co Stables	-	-	30
Pony Club Sports Arena	1,490	-	433
Queen Street Housing Program	-	-	1,683
Ararat Library Lighting & Exterior Upgrade	-	-	51
TAC Safe Local Roads and Streets Program	-	-	468
Jack & Jill Kindergarten Upgrade	-	-	75
Other Minor Grants (under \$30,000)	-	-	10
	1,490	-	2,850

Note

It is important to note the following:

1. The Grants Operating (recurrent) figure in the Original Budget was \$8.909 million and in the Current Budget is recorded as \$4.721 million, as \$4.188 million was paid to Council in 2024/25 by the Victorian Local Government Grants Commission (VLGGC) for the 2025/26 financial year. Council has still received the expected VLGGC income, to be spent in 2025/26, however it will be reported over two financial years.
2. Unearned revenue received in prior years has been adjusted between the Original Budget and Current Budget with an additional \$6.659 million for Grants Operating (non-recurrent), \$0.386 million for Grants Capital (recurrent) and \$2.282 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 2025/26 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 \$2.050 million to a surplus of \$3.028 million for 2025/26. The year-end

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



variance is a surplus of \$0.163 million when the actual year to date expenses are compared to the year to date budget.

Expenses

Employee Costs account for approximately 37% of the total budgeted expenditure for 2025/26. For the month ended 31 July 2025 Council has incurred \$0.950 million in employee costs.

Materials and Services account for approximately 28% of the total budgeted expenditure for 2025/26. For the month ended 31 July 2025, Council has incurred \$1.686 million in materials and services costs. There are a number of projects, including those carried forward from 2024/25 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 \$9.186 million in the Original Budget to \$13.357 million in the Current Budget for 2025/26. This has resulted from a carry forward amount of \$4.171 million from the 2024/25 financial year unspent grant funds which will be used to complete the projects in 2025/26.

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 July 2025. Comparative figures have been provided as at 31 July 2024.

Council's current assets have increased by \$17.695 million from \$17.747 million as at 31 July 2024 to \$35.442 million as at 31 July 2025. Cash and cash equivalents have decreased by \$2.263 million from \$14.841 million to \$12.578 million. Trade and other receivables have increased by \$19.943 million from \$2.835 million as at 31 July 2024 to \$22.778 million as at 31 July 2025 which is predominantly due to the full year rates being raised in July 2025.

Total liabilities have decreased from \$16.464 million in 2024/25 to \$15.936 million in 2025/26. Trade and other payables have decreased by \$1.288 million and trust funds and deposits have increased by \$0.089 million. Unearned income increased by \$0.746 million, which 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 \$14.841 million have decreased by \$2.263 million to \$12.578 million as at 31 July 2025.

Net cash of \$1.822 million was used in operating activities, \$0.356 million was used in investing activities, and \$0.085 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.

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



Indicator	30/6/2025	31/07/2025
Working capital <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	120%	249%
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	0.86%	0.66%
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	8.02%	9.38%
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	50.13%	94.38%
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	\$4,948	\$493
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	\$2,002	\$2,035

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



Indicator	30/6/2025	31/07/2025
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 July 2025 the outstanding Rates Debtors totalled \$19.524 million compared to \$2.466 million as at 30 June 2025, an increase of \$17.058 million. In percentage terms 5.5% of the rates raised have been collected at 31 July 2025 compared to 5.1% up to 31 July 2024. Outstanding rates are currently charged 10% interest. Council issues approximately 7,900 rate notices. In 2024/25 there were 2,158 assessments paying by instalments compared with 2,640 assessments in 2023/24.	87.8%	5.5%
Indicator – Asset Renewal & Upgrade Measure - Asset renewal & Upgrade compared to depreciation 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.	99.92%	36.12%

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 month of the year to pay for the outstanding accounts at year end.

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.

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



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

There are no economic, social or environmental implications in relation to the item

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.

Stakeholder Collaboration and Community Engagement

Council's financial performance reports will continue to be published monthly.

RECOMMENDATION

That the Comprehensive Income Statement, Balance Sheet, Statement of Cash Flows and Financial Performance Indicators for the period ended 31 July 2025 be received.

RECEIVED

ATTACHMENTS

Comprehensive Income Statement, Balance Sheet, Statement of Cash Flows and Financial Performance Indicators for the period ended 31 July 2025 are provided as Attachment 3.1

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



3.2 FINANCIAL STATEMENTS AND PERFORMANCE STATEMENT FOR THE YEAR ENDED 30 JUNE 2025

Aligns with Audit and Risk Committee Charter 5.3 Review the annual financial report and annual performance statement

Aligns with Audit and Risk Committee Charter 5.6: Review the appropriateness of the format and content of periodic management financial reports and performance statements

BACKGROUND

Part of the Audit and Risk Charter requires that the Audit and Risk Committee review the draft Annual Financial Report and the draft Annual Performance Statement.

DISCUSSION

Council's external auditors have been completing the end of year audit remotely. The draft Financial Statements and draft Performance Statement compiled by Council officers have been sent to the auditors for review. These Statements may change depending on the outcomes of the auditor's review.

Financial Report

The Draft Comprehensive Income Statement shows total income in 2025 of \$37.526 million compared with \$27.347 million in 2024. Rates & Charges income increased by \$0.210 million, Government Grants for operations increased by \$11.197 million, and Government Grants for capital works decreased by \$0.852 million. The increase in operating grants was predominantly due to the change in the timing of payment of financial assistance grants, with a payment of \$6.656 million for 2025 being received in July 2024, compared to \$7.426 million for 2004 being received in advance in June 2023. Council has received grant payments of \$6.659 million for non-recurrent operating grants, \$2.282 million for non-recurrent capital grants and \$0.386 million for recurrent capital grants that have not yet been recognised as income due to the grant performance obligations not being met at the end of the financial year.

Council received the following non-recurrent operating grants in 2025:

	Budget 2024/25 \$'000	Income 2024/25 \$'000	Unearned Income \$'000
Non-Recurrent Operating Grants			
Ararat Housing Transition	-	-	300
Digital Twin Victoria	-	4	950
Free Public WiFi Services	-	-	1,243
Supported Playgroups	65	61	-
Ararat Rural City Sport, Active Recreation & Open Space Strategy	-	-	36
CALD Outreach Workers Initiative	-	64	-
Tiny Towns Fund - Pomonal Community Hub	-	-	119
Natural Disaster Relief	-	160	-
Council Support Fund – Pomonal Fires	-	750	-
Centenary Park Dog Park	-	-	25
Tatyoan Oval Upgrade Grant	-	250	-
Queen Street Housing Program	-	-	3,483
Ararat Hills Adventure Sports Precinct	-	-	400
Early Career Educators	-	-	103
Other Minor Grants (under \$30,000)	-	126	-
	65	1,415	6,659

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



Council received the following non-recurrent capital grants in 2025:

	Budget 2024/25 \$'000	Income 2024/25 \$'000	Unearned Income \$'000
Non-Recurrent Capital Grants			
Mt William Road reconstruction	5,000	-	-
Back Bolac Road reconstruction	-	228	-
Churchill Avenue reconstruction	843	777	-
Pedestrian Infrastructure Program	-	20	50
Tiny Towns Fund - Buangor Recreation Reserve Pavillion	-	-	25
Tiny Towns Fund - Pomonal Community Hub	-	81	-
Tiny Towns Fund - Buangor Cobb & Co Stables	-	-	30
Pony Club Sports Arena	-	14	433
Queen Street Housing Program	-	-	1,683
Ararat Library Lighting & Exterior Upgrade	-	-	51
Other Minor Grants (under \$30,000)	-	-23	10
	5,843	1,097	2,282

Total expenses in 2025 were \$36.369 million compared with \$33.973 million in 2024, an increase of \$2.396 million. The increased expenditure has resulted as Council continues to deliver outcomes for several large project grants, and to complete projects carried forward from the previous year. Council also incurred over \$0.343 million expenditure for emergency and reinstatement works, and operating relief and recovery centres in response to the bushfire events in December 2024 and January 2025. Employee costs have increased by \$0.268 million. Depreciation has increased by \$1.311 million based on the revaluation of infrastructure as at 1 July 2024.

The surplus for 2025 was therefore \$1.157 million compared with a deficit of \$6.626 million in 2024.

Property and infrastructure assets were revalued at 1 July 2024 with an indexation revaluation applied at 30 June 2025. These revaluations have resulted in an increase in value of property assets of \$65.157 million and an increase in value of infrastructure assets of \$65.087 million.

The Cash Flow Statement shows a net increase in cash and cash equivalents of \$11.792 million compared with a decrease of \$8.408 million in 2024. At 2024 year-end Council held a \$3 million term deposit with a six-month term, that resulted in the funds being excluded from the cash and cash equivalents balance at the end of the financial year.

The Cash Flow Statement shows net cash provided by operating activities was \$21.875 million in 2025 compared with \$2.048 million in 2024, representing an increase of \$19.827 million. This is largely due to the change in the timing of payment of financial assistance grants resulting in a payment of \$6.656 million for 2025 being received in July 2024, compared to \$7.426 million for 2004 being received in advance in June 2023.

Net cash used in investing activities (e.g. payments for property, infrastructure, plant and equipment) was \$9.503 million in 2025 compared with \$9.283 million in 2024, representing an increase of \$0.220 million. In 2025 Council has invested \$1.000 million contribution to its joint venture, Ararat Housing Enterprise Pty Ltd, which represents the agreed contributions of \$0.500 million for both 2024 and 2025.

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



Net cash used in financing activities was \$0.580 million in 2025. In comparison net cash used in financing activities was \$1.173 million in 2024, which included the repayment of two equipment finance loans.

The Statement of Capital Works shows \$11.704 million invested in 2025 compared with \$15.033 million in 2024, a decrease of \$3.329 million. Total property works decreased by \$3.186 million with the completion of several projects including the Gordon Street Recreation Reserve redevelopment.

Performance Statement

Council is required to prepare and include a performance statement within its annual report.

Councils must describe the prescribed indicators and measures in the performance statement, so it is clear to the audience what is being measured. In addition, the performance statement must include the results achieved in relation to the prescribed service performance outcome, financial performance and sustainable capacity for the financial year and three preceding years.

For the financial performance indicators and measures, the performance statement includes the target budget for the current year and the forecast results for four years based on the financial statements included in Council's annual budget.

Reporting trend information helps the reader understand changes in Council performance over time and acts as a point of reference for results. The regulations require that Councils must also provide an explanation of any material variations in the results between the current year and other years disclosed, to enable the reader to form an understanding of the reason for the variation.

Part of the performance reporting framework includes the State Government setting expected ranges for each indicator. Based on the draft financial statements and performance statement Council is within the expected range for most indicators. The reasons for the material variations are included in the performance statement.

The draft Financial Statements and Performance Statement included in this agenda are still subject to change based on the feedback from either Johnsons MME or by the Auditor General.

RECOMMENDATION

That the Audit and Risk Committee recommends:

1. Council authorise Cr Jo Armstrong, Cr Bob Sanders (Audit and Risk Committee Members) and Dr. Tim Harrison, Chief Executive Officer to certify the Financial Statements in their final form, and
2. Council authorise Cr Jo Armstrong, Cr Bob Sanders and Dr. Tim Harrison, Chief Executive Officer to certify the Performance Statement in its final form.

COMMITTEE HAS PUT THIS MOTION ON HOLD UNTIL THEY RECEIVE THE FINANCIAL STATEMENTS AND PERFORMANCE STATEMENT IN ITS FINAL FORM

ATTACHMENTS

The Draft Financial Statements and Draft Performance Statement are included as Attachment 3.2

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



SECTION 4 – INTERNAL CONTROLS

4.1 COUNCIL POLICY REVIEW UPDATE

Aligns with Audit and Risk Committee Charter 5.7: Review the adequacy and effectiveness of key policies, systems and controls for providing a sound internal control environment.

BACKGROUND

Council policies are reviewed on an ongoing and procedure review process.

This report outlines two Administrative and Council Policies which are currently being reviewed.

DISCUSSION

Council has committed to reviewing policies through review process to ensure that all Council policies meet legislative requirements and established internal processes.

All Council policies are accessible to Councillors, Audit and Risk Committee and staff through Microsoft Teams, hard copies in tearooms at the Depot and Municipal Offices and on Council website.

The below table outlines all policies that will be presented to the Audit and Risk Committees as they come up for review.

Council Policy	Due	Audit and Risk Committee
Asset Management Policy	Jan-15	Sept 25
Audit and Risk Committee Charter	Dec 25	Dec 25
Community Engagement Policy	Feb-25	Jun 25
Complaints Handling Policy	Mar-25	Jun 25
Compliance Framework and Policy	Jan 27	Dec 26
Council Expenses and Support Policy	Jul 28	Jun 28
Councillor Code of Conduct	Dec 28	Dec 28
Councillor Gifts Policy	Feb-25	Jun 25
Election Period 2020 Policy	Apr 28	Mar 28
Fraud and Corruption Policy	Dec 25	Dec 25
International and Interstate Travel Policy	Mar-28	Mar 28
Investment Policy	Feb-25	Sept 25
Prevention of Sexual Harassment Policy	Sep-24	Sep-25
Privacy Policy (<i>prev Privacy & Data Protection & Health Records Policy</i>)	Jan-25	Sept 25
Procurement Policy	Jun- 28	Jun 28
Public Transparency Policy	Jul-24	Sept 25
Risk Management Policy	Dec 25	Dec 25
Social Media Policy	Feb 28	Dec 27
Valuation Policy - Major Asset Classes	May-26	Mar-26

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



Administration Policy		
Conflict of Interest Policy	Nov 28	Sept 28
Corporate Purchase Card Policy	Oct 27	Dec 27
Disposal and Sale of Items at Transfer Station Policy	Mar-26	Mar-26
Disposal and sale of minor assets policy	Sep-25	Sep-25
Equal Employment Opportunity Policy	Mar-26	Mar-26
Equity, Diversity and Inclusion Policy	Nov 28	Sept 28
Essential Safety Measures Policy	Mar-24	Sept 25
Health and Wellbeing Policy	Mar-24	Sep-25
Injury Management Policy	Sep-25	Sep-25
Municipal Emergency Policy	May-25	Jun 25
Occupational Health and Safety Policy	Sept 26	Sep 26
OHS Workplace Emergency Evacuation Policy	Nov-25	Dec-25
Prevention of Sexual Harassment in the Workplace	Aug-24	Sep-25
Public Interest Disclosures Procedure	Oct 25	Sept 25
Risk Management Framework	Dec 25	Dec 25
Staff Code of Conduct	Aug-25	Sep-25
Staff Gift Policy	Sep-25	Sep-25
Staff Grievances Policy	Sept-27	Sep-27
Vehicle Policy	July 25	Sept 25
Workplace Anti-Discrimination & Harassment Policy	Jun 26	Jun 26

There are four policies / frameworks being presented for review at this meeting which are:

- Health and Wellbeing Policy
- Prevention of Sexual Harassment in the Workplace
- Councillors Gift Policy
- Public Transparency Policy

The table below provides a list of the reviewed policies noting the main changes and a copy of the policies with track changes are attached.

Administrative / Council	Policy Title	Last review and adopted	Current Review Date ready for Adoption	Next Review
Admin	Health and Wellbeing Policy	March 2020	September 2025	September 2029
Administrative	Prevention of sexual harassment in the workplace	August 2020	August 2025	August 2028
Council	Councillor Gifts Policy	18 May 2021	September 2025	September 2029
Council	Public Transparency Policy	21 July 2020	September 2025	September 2029

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



The health and Wellbeing Policy have been reviewed. This policy now outlines councils commitment to the safe, healthy and supportive workplace. Its also has delved deeper into the responsibilities at all levels and lined the procedures.

The Prevention of Sexual Harassment in the Workplace Policy may seem like there are many changes however the procedure has been incorporated into the policy. There is also more inclusive language, which aligns with our responsibilities under the Gender Equality Act. This review is based on the APSC model policy of 2024, which includes our relatively new "positive duty" requirements under the Sex Discrimination Act, while the 2020 policy as based on the VPSC model policy at the time.

Councilor Gifts Policy has been review and bench marked against like policies that have been put on the Local Government Inspectorate website as model policies. Track changers have been provided to highlight the changes in the policy. The major change to this policy is that it uses everyday language as oppose to the last revision quoted much of the Local Government Act 2020.

The Public Transparency Policy has also been reviewed against model policies on the Local Government Inspectorate website. The main changes are administrative. Some minor clarifications and rewording have been made to improve the readability and alignment with legislative requirements. These changes aim to enhance clarity, ensure compliance with updated legislation and streamline the document for better usability.

RECOMMENDATION

That the Council Policy Review Update be noted.

NOTED

ATTACHMENTS

- Draft review of Health and Wellbeing Policy is attached as Attachment 4.1.1
- Draft review of Procurement Policy is attached as Attachment 4.1.2
- Draft review of Councilors Gift Policy is attached as Attachment 4.1.3
- Draf review of the Public Transparency Policy is attached as Attachment 4.1.4

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



4.2 INSURANCE PROGRAM - Confidential

Aligns with Audit and Risk Committee Charter 5.16 Review the insurance program annually prior to renewal

RECOMMENDATION

That the Insurance report be noted.

NOTED

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



SECTION 5- RISK MANAGEMENT

5.1 STRATEGIC RISK REGISTER REVIEW AND RISK REGISTER PROGRAM UPDATE

Aligns with Audit and Risk Committee Charter 5.14: Review Council's risk profile and the changes occurring in the profile from meeting to meeting and 5.15 Review Councils treatment plans for significant risks

BACKGROUND

Council's Strategic Risk Register is reviewed by the Chief Executive Officer on a regular basis and is presented to the Audit and Risk Committee.

DISCUSSION

The Chief Executive Officer ensures that strategic risks are identified and assessed, treatment options are prioritized and implemented, actions are assigned, and performance is monitored and reviewed.

The Chief Executive Officer has a yearly plan for viewing strategic risks with Ararat Rural City Council. The suggest program is outlined below which focuses on the highest risk areas earlier on in the program. Strategic risk reviews are currently up to date.

July 2025	Fraud and Corruption; Cyber Attack	January 2026	Legislative Compliance
August 2025	Asset Management	February 2026	Business Continuity
September 2025	Business Continuity	March 2026	Procurement; and Emergency Management
October 2025	Financial Sustainability	April 2026	Waste Management; and Occupational Health and Safety
November 2025	IT Infrastructure	May 2026	Strategic Leadership and Advocacy
December 2025	Governance	June 2026	Climate Change; and Records Management

The Chief Operating officer continues to work with service owners to review the operational risks and set ongoing review dates. The table below outlines the timeframe for each of these reviews to take place over the next 6 months and continuing training for key service providers in using the system. June and Julys service areas have been reviewed to date.

Month	Service Area
June	Local Laws, Municipal Building Services, Planning, Environmental Health, Environmental Management and Sustainability
July	Risk Management, Governance, Emergency Management, Insurance Management
August	Design and Project Management, Information Technology, Asset Management, Records Management, Graphic Information Systems,
September	Maternal & Child Health, Occupational Health and Safety, Library Service, Events, Human Resource, Customer Services
October	Art Gallery / TAMA, Sport and recreation, Tourism, Town Hall, Media and Communications, Economic Development
November	Depot, Waste management, Contracts and Procurement, Finance, Property Rates and Valuation,

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



RECOMMENDATION

That the Strategic Risk Review and Update Report be received.

RECEIVED

ATTACHMENTS

The Strategic Risk Register is provided as Attachment 5.1

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



SECTION 6- FRAUD PREVENTION

No reports tabled at this meeting

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



SECTION 7- INTERNAL AUDIT

7.1 INTERNAL AUDIT – PAST ISSUES REVIEW

Aligns with Audit and Risk Committee Charter 5.25 Review reports on internal audit reviews, including recommendations for improvement arising from those review

BACKGROUND

Council appointed AFS & Associates from Bendigo as Council's Internal Auditors. Council has reviewed the recommendations made by the Internal Auditor in relation to the internal audit reviews and these are presented as an attachment to this report.

DISCUSSION

An Audit Review Recommendation Action Plan was developed to capture the recommendations highlighted in the various internal audits conducted by AFS.

AFS, as the internal auditors, conduct reviews of the audits to confirm that the actions taken by management have addressed the risks raised by internal audits. The review focuses on the internal audit agreed management actions where a risk rating was assigned to the issue raised and management has actioned the agreed management action.

AFS has found 4 moderate findings and 8 minor findings to now be completed and attached is the full past issues review which will outline each on these findings.

The Audit Recommendation Outcomes Action Plan, list the recommendations and subsequent outcomes and projected completion dates.

RECOMMENDATION

The Audit Recommendation Outcome Updates report be received

RECEIVED

ATTACHMENTS

The Audit Recommendation Outcomes Update Action Plan is included as Attachment 7.1.1

The Internal Audit Report Past issues review is included as Attachment 7.1.2

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



7.2 INTERNAL AUDIT – STRATEGIC INTERNAL AUDIT PROGRAM STATUS UPDATE

Aligns with Audit and Risk Committee Charter 5.23 Review progress of annual internal audit plan

BACKGROUND

Council appointed AFS & Associates from Bendigo as Council's Internal Auditors. This report outlines the audit program that was presented and accepted at the last Audit and Risk Committee meeting with the current status.

DISCUSSION

AFS & Associates have provided the internal Audit Program Review document which outlines the forward rolling four-year program for Council.

This Status Update includes:

- The current status of SIAP
- Status of previous Strategic Internal Audit Program

RECOMMENDATION

The Strategic Audit Program Status Update be received

RECEIVED

ATTACHMENTS

The Strategic Internal Audit Program Status Update as Attachment 7.2

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



SECTION 8- EXTERNAL AUDIT

8.1 REVIEW CHANGES TO THE LOCAL GOVERNMENT PERFORMANCE REPORTING FRAMEWORK

Aligns with Audit and Risk Committee Charter 5.2 Review changes to the Local Government Performance Reporting Framework.

BACKGROUND

Part of the Audit and Risk Charter requires that the Audit and Risk Committee Review changes to the Local Government Performance Reporting Framework.

DISCUSSION

The primary objective of the Local Government Performance Reporting Framework (LGPRF) is to provide comprehensive performance information that meets the needs of multiple audiences. Local Government Victoria provides Councils with updates to the framework.

There have been no changes to the service performance, financial performance and sustainability capacity indicators that will be measured between 2024-2025 and 2025-2026. Only minor amendments have been made to the guidance material for 2025-2026 to provide clarification.

RECOMMENDATION

That the Local Government Performance Reporting Framework changes report be received

RECEIVED

ATTACHMENTS

There are no attachments in relation to this item.

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



8.2 EXTERNAL AUDIT – DRAFT FINAL MANAGEMENT LETTER FOR THE FINANCIAL YEAR ENDING 30 JUNE 2025

Aligns with Audit and Risk Committee Charter 5.3 Review with management and the external auditors the results of the audit.

BACKGROUND

The Victoria Auditor General appoints a service provider to undertake the annual financial audit. Mr Ryan Schischka of Johnsons MME has been appointed by the Victoria Auditor-General's office to undertake the annual financial audit for the year ending 30 June 2025.

DISCUSSION

Johnsons MME has conducted the year-end financial audit remotely and have issued a draft final management letter. There are currently no new issues and one open issue from the prior period. However, at the time of preparing this agenda the auditors are still working to finalise their review, including their review of the management's assessment of the asset revaluations.

VAGO also included in the letter four recommendations that are specific to all councils, based on the findings in their report to parliament, *Results of 2023-24 audits – Local Government*. Three of these recommendations were resolved during the interim audit and one remains unresolved at the time of issuing the draft letter.

Mr Ryan Schischka of Johnsons MME will attend the meeting remotely to provide an update on the Audit progress.

RECOMMENDATION

That:

- 1 The Draft Final Management Letter for the financial year ending 30 June 2025 be received; and
- 2 The Final Management Letter be distributed to the Audit & Risk Committee members once it has been finalised.

RECEIVED

ATTACHMENTS

The Draft Final Management Letter is provided as Attachment 8.2

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



8.3 EXTERNAL AUDIT – DRAFT CLOSING REPORT FOR THE FINANCIAL YEAR ENDING 30 JUNE 2025

Aligns with Audit and Risk Committee Charter 5.3 Review with management and the external auditors the results of the audit.

BACKGROUND

The purpose of the Closing Report is to summarise the results of the audit and communicate any significant audit findings to those in charge of governance.

DISCUSSION

Johnsons MME has provided a draft closing report for the year-end financial audit.

The report notes that there are still a number of outstanding audit matters at the date of the draft report that need to be resolved before audit reports will be issued.

The report outlines the adjusted and unadjusted differences in the financial report and performance statement identified by the auditor during preparation of the draft closing report. The unadjusted disclosure differences have since been updated in the most recent draft financial and performance statements provided to the auditor for review. The audit is still in progress, particularly with regard to audit testing of asset revaluations, and any changes to the adjusted and unadjusted differences will be reflected in the final closing report.

RECOMMENDATION

That:

- 1 The Draft Closing Report for the financial year ending 30 June 2025 be received; and
- 2 The Closing Report be distributed to the Audit & Risk Committee members once it has been finalised.

RECEIVED

ATTACHMENTS

The Draft Closing Report is provided as Attachment 8.3

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



8.4 EXTERNAL AUDIT – ASSESSMENT OF EXTERNAL REVALUATIONS

Aligns with Audit and Risk Committee Charter 5.32 Discuss with the external auditor any audit issues encountered in the normal course of audit work including any restriction on scope of work or access to information

BACKGROUND

Council engaged an independent external valuer, APV Valuers and Asset Management, to conduct revaluations on all property and infrastructure asset classes, with an effective date of 1 July 2024.

An assessment of the final valuations has been undertaken to ensure that the valuations:

- Are consistent with the requirements of AASB 13 *Fair Value Measurement*
- Appropriately reflect the fair value of Council's non-current physical assets
- Are reasonable and can be relied upon for inclusion in the financial statements

DISCUSSION

In compliance with amendments and clarifications to AASB 13, under the revaluations:

- each asset is disaggregated into different parts to identify the different useful life of each component
- each component of the asset is now depreciated separately
- the replacement cost is calculated using the gross replacement cost
- assets have been assessed as to whether the highest and best use differs from their current use
- restrictions on land have been re-assessed

Management has reviewed the external valuer's reports and notes the following:

- **Qualifications and Independence:** Each valuer engaged holds appropriate professional qualifications and is independent of Council.
- **Methodology:** Valuation approaches (market value, gross replacement cost) are consistent with AASB 13.
- **Assumptions:** Construction cost indices, condition assessments, and unit rates applied are considered reasonable and supportable.

Assessment of Results

Management considers the valuation reports to be compliant with relevant accounting standards.

Movements are within expectations based on observed market trends and cost indices.

The impact of the revaluations is material and requires recognition in the financial statements.

Adjustments to valuations

Management's review of the external valuations has resulted in the following adjustments to valuation amounts:

Asset Class	External Valuer Amount	Management Adjustment	Final Revalued Amount
Property Assets			
Land	46,498,590		46,498,590
Buildings	95,694,010	-2,148,163	93,545,847
Playgrounds	1,171,562		1,171,562
Sports Fields	1,358,000	-1,358,000	0
	144,722,162	-3,506,163	141,215,999

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



Infrastructure Assets				
Road Seal	21,119,777			21,119,777
Sealed Road Pavement	163,503,259			163,503,259
Unsealed Roads	24,380,245			24,380,245
Kerb & Channel	12,915,126			12,915,126
Bridges	52,327,733	-10,148,069		42,179,664
Footpaths	9,405,098			9,405,098
Drainage	6,074,668			6,074,668
	289,725,906	-10,148,069		279,577,837

- An error in a bridge length resulted in fair value being overstated by \$10.148 million
- Sports fields values have been excluded as the fair value and useful lives do not accurately reflect the asset value. The primary asset value is already included in the land valuations.
- Stormwater pits have been excluded as the value of each pit is below Council's capitalisation threshold of \$10,000 for infrastructure assets.
- The valuer recommended that low value building assets, such as sheds and shelters, that had previously been fully depreciated and removed from Council's financial reporting, be included in the valuation on the basis that their gross replacement cost was likely to now be over Council's capitalisation threshold of \$10,000 for building assets. Management has reviewed the resulting valuations and identified assets not likely to be replaced and excluded the values due to obsolescence.
- Council identified an additional building that would not be replaced and has applied a discount to adjust the value for obsolescence.
- A comparison of building assets to the previous valuation identified several building assets not included in the revaluation. The previously held values have been reviewed and have been considered an appropriate estimate of fair value.
- The valuation included property assets currently accounted for under AASB 140 Investment Property

Based on the review undertaken, management is satisfied that the external valuations:

- Provide a reliable measure of fair value for Council's property and infrastructure assets.
- Comply with the requirements of AASB 13
- Have been appropriately reviewed and adopted, subject to the above-mentioned adjustments

Accordingly, the following revalued amounts (with adjustments) have been incorporated into Council's financial reporting for 2024-2025.

Asset Class	Fair Value 30/06/2024	Fair Value 01/07/2024	Variance \$	Variance %
Property Assets				
Land	18,097,119	46,498,590	28,401,471	156.9%
Buildings	57,875,740	93,545,847	35,670,107	61.6%
Playgrounds	1,178,698	1,171,562	-7,136	-0.6%
	77,151,557	141,215,999	64,064,442	83.0%

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



Infrastructure Assets				
Road Seal	15,075,697	21,119,777	6,044,080	40.1%
Sealed Road Pavement	138,634,072	163,503,258	24,869,186	17.9%
Unsealed Roads	22,567,052	24,380,245	1,813,193	8.0%
Kerb & Channel	6,769,216	12,915,127	6,145,911	90.8%
Bridges	26,024,123	42,179,664	16,155,541	62.1%
Footpaths	6,534,710	9,405,098	2,870,388	43.9%
Drainage	6,440,153	6,074,668	-365,485	-5.7%
	222,045,023	279,577,837	57,532,814	25.9%

Council has considered the amendments to AASB 13 Fair Value Measurement that apply for the 2024-25 financial year as a result of AASB 2022-10 Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities. Following consultation and advice from the external valuer, Council is unable to estimate the actual impact of the AASB 13 amendments on the financial statements, as it cannot be reliably measured.

RECOMMENDATION

That the Assessment of External Valuations be noted.

NOTED

ATTACHMENTS

The Land, Buildings and Playgrounds Valuation Report, Infrastructure Valuation Report, Infrastructure Summary Report and Infrastructure Methodology Report are provided as Attachment 8.4

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



SECTION 9- COMPLIANCE

9.1 JLT Public Sector – Public Sector Risk Report

Aligns with Audit and Risk Committee Charter 5.40 Receive reports from management on the findings of any examination by regulatory or integrity agencies.

BACKGROUND

The 2024 JLT Public Sector Risk Survey highlights the risks that local government face. The survey examined twelve key risks such as Financial Sustainability, the Management of Damage and Aging Assets and Infrastructure, Climate Change / adaption, Cybersecurity and People and Culture.

DISCUSSION

This is the 7th edition of the JLT Public Sector Risk Report which provides insights into the key strategic risks facing Australian local governments in 2025. The report highlights the complexity of the local government environment, driven by community expectations, financial sustainability and legislative frameworks.

5 Key risks identified include:

1. Financial Sustainability – this remains the top concern due to rising costs and fluctuating revenue. It affects councils' ability to invest in essential services, infrastructure, and community programs. Other risks, like ageing infrastructure and natural disasters worsen financial pressures.
2. Cybersecurity – ranked second, cyber security is critical for protecting digital assets and ensuring operational continuity. Cyber-attacks can disrupt services, damage reputations and lead to financial losses, further straining resources.
3. Asset & Infrastructure – managing ageing infrastructure is the third major concern with increase maintenance costs, safety risks, and service disruptions. Councils need strategic plans to balance immediate repairs with long-term investments.
4. Natural Hazards and Catastrophic Events – these unpredicted events, often linked to climate change, pose challenges for disaster management and infrastructure resilience.
5. People and Culture – councils face difficulties in retaining skilled staff, and fostering a strong organisational culture, which impacts governance and strategic initiatives.

The risk landscape for councils in Victoria has shifted over the previous 12 months, reflecting the evolving challenges faced in local government. Financial sustainability was the top concern for Victorian Councils as identified by 89.6% respondents which is a significant increase from 74.4% in the 2023 survey. This indicates a significant growing concern regarding fiscal health.

RECOMMENDATION

JLT Public Sector –Public Sector Risk Report be noted

NOTED

ATTACHMENTS

The JLT Public Sector Risk Report³ is provided as Attachment 9.1

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



SECTION 10- GENERAL BUSINESS

10.1 INDUSTRY UPDATE- RECENT REPORTS AND PUBLICATIONS OF INTEREST

BACKGROUND

AFS & Associates (AFS) are Council's Internal Auditors. AFS have provided an Industry Update report to be included in the agenda. The Industry Update report lists recent reports and publications that may be of interest to Ararat Rural City Council.

DISCUSSION

The Industry Update report lists 15 recent articles and reports, covering a range of different topics from sources such as: IBAC, VAGO and OVIC etc.

RECOMMENDATION

That the Industry Update report be noted.

NOTED

ATTACHMENTS

The Industry Update report is provided as Attachment 10.1.

**09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX**



SECTION 11 – FUTURE MEETINGS

11.1 FUTURE MEETING DATES

Future meetings of the Audit and Risk Committee are scheduled as follows:

- Tuesday 2 December 2025 1pm
- Tuesday 3 March 2026 1pm
- Tuesday 2 June 2026 1pm
- Tuesday 1 September 2026

09 SEPTEMBER 2025
AUDIT AND RISK COMMITTEE MINUTES
INDEX



SECTION 12- NEXT MEETING/CHARTER ITEMS

December 2025	
Ref. from Charter	
5.6	Review the appropriateness of the format and content of periodic management financial report and performance statements
5.7	Review the adequacy and effectiveness of key policies, systems and controls for providing a sound internal control environment*
5.8	Determine whether systems and controls are reviewed regularly and updated where required*
5.9	Monitor significant changes to systems and controls to assess whether those changes significantly impact Council's risk profile
5.19	Receive reports from management about actual or suspected instances of fraud or corruption
5.20	Review reports by management about the actions taken by Council to report such matters to the appropriate integrity bodies
5.24	Review and approve scopes for each review in the annual internal audit plan
5.25	Review reports on internal audit reviews, including recommendations for improvement arising from those reviews.
5.27	Monitor action by management on internal audit findings and recommendations
5.29	Ensure that the Committee is aware of and appropriately represented with regard to any proposed changes to the appointment of the internal audit service provider.
5.30	Recommend to Council, if necessary, the termination of the internal audit contractor.
5.35	Consider the findings and recommendations of any relevant performance audits undertaken by VAGO and monitor Council's response to them
7	Annual performance evaluation

SECTION 6 - INFORMAL MEETINGS

6.1 COUNCIL BRIEFINGS

AUTHOR'S TITLE: ACTING CHIEF EXECUTIVE OFFICER
DEPARTMENT: CEO'S OFFICE
REFERENCE: 24015

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 16 September 2025

Matters discussed at the briefing:

- 2025 Victorian Transmission Plan
- Asset Plan
- Housing Support Program Project Update
- Draft Public Transparency Policy
- Draft Councillor Gifts Policy
- Financial Hardship Application - Rates Arrears
- Monthly Performance Report - August 2025
- Monthly Progress Report - Council Plan - Annual Plan
- Capital Works Program - August 2025
- Building approvals
- Planning approvals under delegation

KEY CONSIDERATIONS

Alignment to Council Plan Strategic Objectives

The report supports the strategic objective of the Council Plan 2025-2029:

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.

- 6.3** 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.*

MOVED CR JOYCE

SECONDED CR WATERSTON

That:

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

Cr Joyce and Cr Waterston spoke for the motion

CARRIED 6/0

5218/25

ATTACHMENTS

The Summary of Council Briefings are provided as Attachment 6.1.

Councillor Briefing Agenda



Date: Tuesday 16 September 2025

Commencement: 5.00 pm

Location: Council Chamber, Shire Offices

Councillors:	Cr Peter Joyce Cr Teli Kaur Cr Luke Preston Cr Bob Sanders Cr Bill Waterston
Officers:	CEO, Dr Tim Harrison
Apologies:	Cr Jo Armstrong Cr Rob Armstrong

Disclosure of Conflict of Interests

Disclosure of Interests are to be made immediately prior to any relevant item being discussed (**Local Government Act 2020 - Section 131 and Chapter 5, Section 6 of the Governance Rules**).

Matters Considered

- | | |
|----|--|
| 1 | Mayor's roundup |
| 2 | 2025 Victorian Transmission Plan |
| 3 | Asset Plan |
| 4 | Housing Support Program Project Update |
| 5 | Draft Public Transparency Policy |
| 6 | Draft Councillor Gifts Policy |
| 7 | Financial Hardship Applications - Rates Arrears |
| 8 | Monthly Performance Report - August 2025 |
| 9 | Monthly Progress Report - Council Plan - Annual Plan |
| 10 | Capital Works Program - August 2025 |
| 11 | Building approvals |
| 12 | Planning approvals under delegation |

Dr Tim Harrison

SECTION 7 - NOTICES OF MOTION

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

There were no Notices of Motion received.

SECTION 8 - URGENT BUSINESS

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

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

No Urgent Business arising.

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 - Rates Arrears - Financial Hardship Applications

6:23PM - 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.

**MOVED CR SANDERS
SECONDED CR R ARMSTRONG**

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.

No Councillors spoke for or against the motion

**CARRIED 6/0
5219/25**

6:33PM - OPEN COUNCIL MEETING RECOMMENCEMENT

RECOMMENDATION

That the Open Council Meeting recommence.

**MOVED CR SANDERS
SECONDED CR KAUR**

That the Open Council Meeting recommence.

No Councillors spoke for or against the motion

**CARRIED 6/0
5221/25**

Gallery invited to return to Council Chamber.

LIFTING OF CONFIDENTIALITY OF CLOSED SESSION RESOLUTIONS

RECOMMENDATION

That:

1. *The confidentiality of the report and decision in relation to Confidential Agenda Item 9.1 not be lifted on adoption of the motion.*

MOVED CR JOYCE SECONDED CR SANDERS

That:

1. **The confidentiality of the report and decision in relation to Confidential Agenda Item 9.1 not be lifted on adoption of the motion.**

No Councillors spoke for or against the motion

**CARRIED 6/0
5222/25**

Meeting closed at 6:34pm

I HEREBY CERTIFY THAT PAGES 11557 - 11665 ARE CONFIRMED AND ARE A TRUE AND CORRECT RECORD.

MAYOR - CR JO ARMSTRONG