



Ararat Rural City

# MINUTES

## COUNCIL MEETING

**Tuesday 27 January 2026**

**Held in the Council Chambers, Shire Offices  
(Livestreamed)**

**Commenced at 6.00pm**

**Council:**

**Cr Bob Sanders (Mayor)**

**Cr Jo Armstrong**

**Cr Rob Armstrong**

**Cr Peter Joyce**

**Cr Teli Kaur**

**Cr Luke Preston**

**Cr Bill Waterston**

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

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

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

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**PRESENT:** Cr J Armstrong, Cr Peter Joyce, Cr Teli Kaur, Cr Luke Preston, Cr Bob Sanders, Cr Bill Waterston, Dr Tim Harrison - Chief Executive Officer, Phuong Au - Deputy 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 -***

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

#### ***Opening Prayer***

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

#### ***Councillors Pledge***

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

### 1.3 APOLOGIES

#### RECOMMENDATION

*That the apology of Cr R Armstrong be accepted.*

#### MOVED CR J ARMSTRONG SECONDED CR KAUR

**That the apology of Cr R Armstrong be accepted.**

**No Councillors spoke for or against the motion.**

#### CARRIED 6/0 5269/26

#### 1.4 CONFIRMATION OF MINUTES

##### RECOMMENDATION

*That the Minutes of the Council Meeting held on 25 November 2025 be confirmed.*

**MOVED CR PRESTON  
SECONDED CR KAUR**

**That the Minutes of the Council Meeting held on 25 November 2025 be confirmed.**

**No Councillors spoke for or against the motion.**

**CARRIED 6/0  
5270/26**

## 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 CONSIDERATION OF ANNUAL REPORT 2024/2025

**RESPONSIBLE OFFICER:** CHIEF EXECUTIVE OFFICER  
**DEPARTMENT:** CEO'S OFFICE  
**REFERENCE:** 26438

#### OFFICER DECLARATION OF INTEREST:

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

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

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#### EXECUTIVE SUMMARY

The Annual Report is prepared in accordance with the Local Government Act 2020, Local Government Act 1989 and Local Government (Planning and Reporting) Regulations 2014.

The Annual Report 2024/2025 will be forwarded to the Minister for Local Government once complete. It is important to note that adoption of the 2024/2025 has been delayed due to approval of the 2024/2025 annual accounts by the Victorian Auditor General's Office. Failure to adopt the Annual Report 2024/2025 was reported to Council's Audit and Risk Committee and Local Government Victoria. The failure to meet the prescribed timeframe was subsequently investigated by the Local Government Inspectorate, who have found that it only represented a technical breach of the Local Government Act 2020 and no further action was taken.

The purpose of this report is to provide the opportunity for the Mayor to formally present the Annual Report 2024/2025 to Council.

#### DISCUSSION

The Annual Report 2024/2025 outlines the activities undertaken during the financial year.

In accordance with section 98, 99 and 100 of the Act, an Annual Report must contain the following in respect of the financial year reported on:

- Report of operations of the Council
- Audited performance statement
- Audited financial statements
- Copy of the auditor's report on the performance statement
- Copy of the auditor's report on the financial statements under Part 3 of the Audit Act 1994
- Any other matter required by the regulations

Additional information outlined in the attached Annual Report includes:

- A summary of Council's activities and performance
- Information on Council's service delivery
- Information pertaining to governance activities undertaken by Council
- Information pertaining to the structure of our organisation
- Report on Council's compliance and accountability

The Annual Report is the primary means of advising the community about Council's operations and performance during the year ended 30 June 2025.

Several highlights to note from the Annual Report 2024/2025 are as follows:

\$7.3 million secured from the Federal Government to build crucial enabling infrastructure that will support the development of up to 90 new homes in Ararat.

- A further \$1 million for the upgrade of Buangor – Ben Nevis Road, in addition to the previously committed \$2.143 million.
- \$1,490,000 secured in grant funding for a new covered sports arena for the Ararat Pony Club
- \$330,000 upgrade to Tatyoon Recreation Reserve, including a new irrigation and drainage system, which will provide a high-quality, year-round playing surface for the football and netball clubs.
- \$200,000 interior upgrade to the Ararat Library, including new flooring, mobile shelving, a new customer service desk, updated signage, two new public computers, and comfortable new furniture for reading and quiet study
- \$100,000 of grant funding secured for a new off-leash dog park at Ararat's Centenary Park.
- Completion of the Pomonal Tennis Court playing surface upgrade, which will provide a safer, high-quality playing surface for all seasons
- Continued delivery of Free TAFE Certificate 3 in Early Childhood Education and Care to the Ararat Jobs and Technology Precinct, in conjunction with Federation University Australia.
- Established a Child Friendly Cities and Communities (CFCC) Working Group to safeguard the best interests of our youngest residents, and to develop strategies to ensure every child has the opportunity to thrive in our community

### **Issues around delay in adoption of the 2024/2025 Annual Report**

Council provided its draft audited statements to the Victorian Auditor General's Office (VAGO) on 8 October 2025 and there was subsequent discussion between Council's external auditor and the Director Financial Audit at VAGO, regarding treatment of valuations of formation under road assets.

Our external auditor believed that it should be treated as a prior period error whereas VAGO considered that it should be considered a current year valuation adjustment. Following considerable consideration, it was agreed the accounting treatment should be as a prior period error. It is understood that Mr. Derricott was on leave during part of this period. Council received VAGO's Independent Auditors Report on 9 December 2025.

Council informed its Audit and Risk Committee of a likely delay in finalising the 2024/2025 annual accounts via email on 11 October 2025 and informed Local Government Victoria of its failure to meet the statutory deadline on 3 November 2025.

Council received notification from the Local Government Inspectorate, on 12 December 2025, that they wished to understand the reasons behind the failure to meet its obligations under Section 100(2)(b) of the Local Government Act 2020. Council responded to the request on 17 December 2025. Council received correspondence from the Local Government Inspectorate on 30 December 2025 indicating that it was considered a technical breach of the Local Government Act and no further action will be taken.

## **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.*

The Annual Report 2024/2025 reports on the progress in achieving the strategic objectives as listed in the Council Plan 2021-2025 (Year 4).

### **Budget Implications**

Costs associated with the production of the Annual Report are included in the Budget for 2024/2025.

### **Policy/Relevant Law**

The breach of Section 100(2)(b) of the Local Government Act 2020 has been discussed in the body of the report.

Sections 98 to 100 of the Local Government Act 2020 outlines the requirements that Council must meet in preparing and considering the Annual Report for 2024/2025.

### **Sustainability Implications**

This report does not raise any sustainability implications.

### **Risk Assessment**

Council must meet the legislative requirements of the Act in relation to the preparation and consideration of the Annual Report 2024/2025.

### **Innovation and Continuous Improvement**

None identified.

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

Various Council officers have been involved in the preparation of the Annual Report 2024/2025.

Financial statements and performance statements were presented to the 14 October 2025 Council Meeting. These statements have been signed by the Victorian Auditor-General and are incorporated into the Annual Report 2024/2025.

A copy of the Annual Report 2024/2025 will be submitted to the Minister for Local Government following adoption at the January 2026 Council Meeting.

### **RECOMMENDATION**

**That**

1. *Council receive and note the Annual Report 2024/2025.*

### **MOVED CR J ARMSTRONG**

### **SECONDED CR KAUR**

**That**

1. **Council receive and note the Annual Report 2024/2025.**

**Cr J Armstrong and Cr Kaur spoke for the motion.**

### **CARRIED 6/0**

**5271/26**

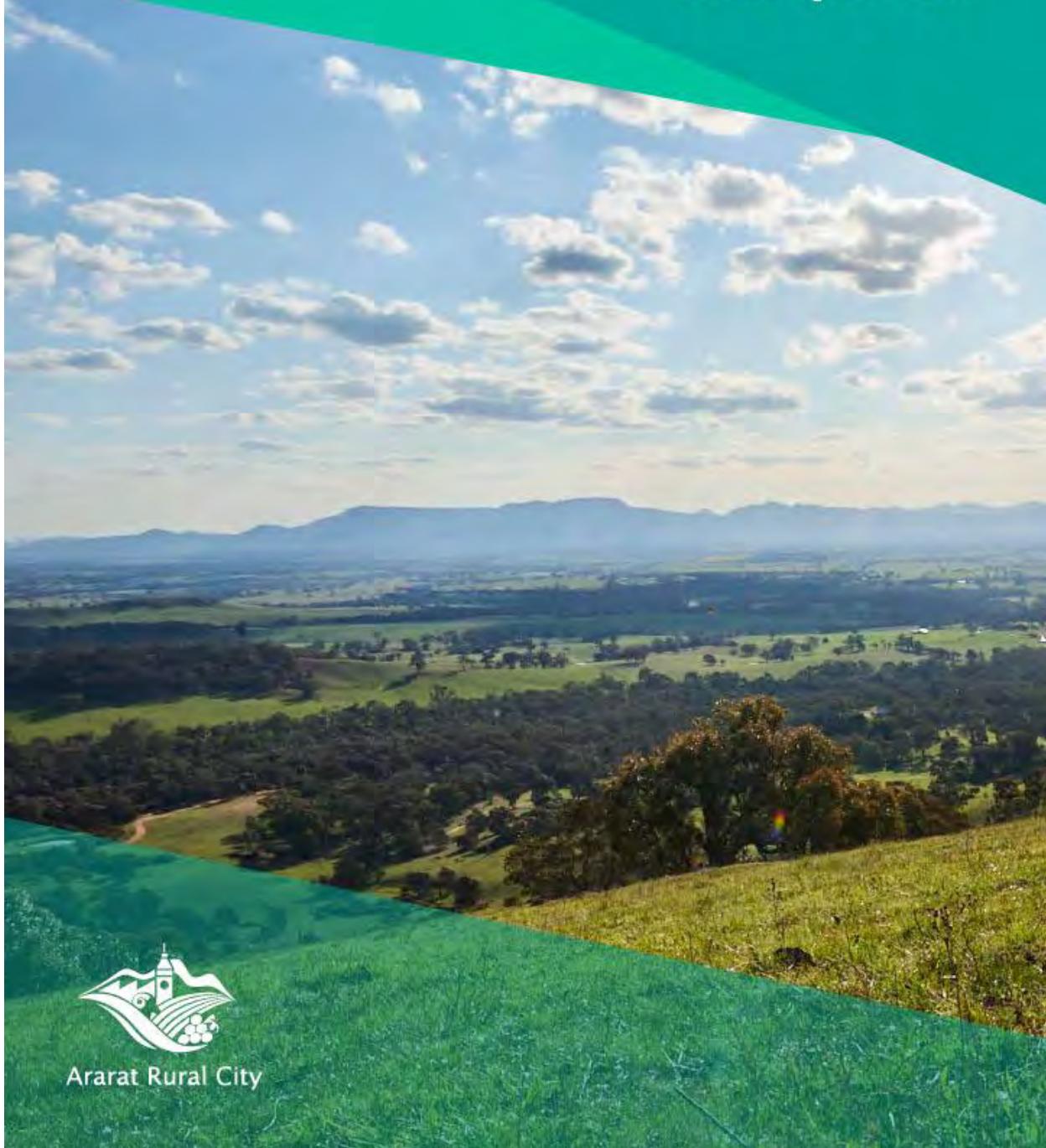
### **ATTACHMENTS**

A Draft copy of the Annual Report 2024/2025 is provided as Attachment 3.1

ARART RURAL CITY COUNCIL

# Annual Report

## 2024/2025



Ararat Rural City

## **Traditional Acknowledgement**

Ararat Rural City Council acknowledges the Traditional Owners of the land on which we live and work, the Eastern Maar, Wotjobaluk, Jaadwa, Jadawadjali, Wergaia, Jupagulk, and Wadawurrung peoples, and recognise their connection to the land and waterways.

We pay our respects to their Elders past, present and emerging, and to all Aboriginal and Torres Strait Islander people.

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## Introduction

Ararat Rural City Council is pleased to present our Annual Report for 2024/2025.

We are committed to transparent reporting and accountability to our community and the Annual Report for 2024/2025 is the primary means of advising the Ararat Rural City community about Council's operations and performance during the financial year.

Our Annual Report is designed to be accessible and informative for all stakeholders, including residents, ratepayers, businesses, investors, community groups, government agencies, funding bodies, and present and future staff.

In accordance with the Local Government Act 2020, all Councils must present an Annual Report to the Council Meeting within four months after the end of the financial year. The Annual Report must include a copy of Council's audited financial statements for the relevant financial year, and it must contain assessment of Council's performance against the objectives stated in the relevant municipal Plan.

In addition to meeting our legislative obligations, the objectives of this report are to:

- Communicate our vision and strategic direction for the municipality and impart community confidence in our leadership and ability to deliver on our promises
- Demonstrate our commitment to good governance as an accountable and transparent local government
- Build confidence and satisfaction in the partnerships that are being created with other levels of government, community groups, local business and industry leaders through key projects and services
- Acknowledge the achievements of our organisation and promote Council as an employer of choice for current and future staff.



# The Year in Review



## Message from the Mayor



I am pleased to present Ararat Rural City Council's Annual Report for 2024/2025 to the community.

This report provides an overview of Council's operational performance, assessing its alignment with the primary goals and strategies outlined in our Council Budget for the 2024/2025 financial year, and the final year of our 2021 to 2025 Council Plan.

This year, we marked the twelve-month anniversary of the February 2024 Pomonal and Bayindeen bushfires and reflected on the incredible resilience of our community. Despite facing a second major bushfire event with the devastating Yarram Gap Bushfires in December 2024, our community has continued its recovery journey with immense solidarity and resilience.

The past year has been defined by community spirit, with residents, volunteers, and the wider community uniting to support recovery efforts for those impacted. Their energy and determination have been unwavering.

We acknowledge that the path forward is still a challenge for many, and we reaffirm our commitment to supporting their ongoing recovery, helping the community to not just recover but to really thrive.

We've continued to strategically implement measures to maintain stability, amidst continuing economic challenges. Our dedication to strong financial management and timely project completion remains a top priority. By delivering on our capital works program and providing high-quality services, we've earned the confidence of our community and local businesses. This has fuelled a continued rise in employment and economic growth for Ararat Rural City.

We've completed several significant projects from our \$15.513 million Capital Works Program to upgrade our local roads and infrastructure. Key upgrades included Churchill Avenue in Ararat, a significant expansion of our program to seal urban gravel roads and resurfacing many existing gravel roads. We also continued using the innovative OTTA sealing for a number of urban roads in Ararat, such as Warrayatkin Road, as well as various rural roads including Sugarloaf Road, Tatyoon North Road and several roads in the Moyston township. We also completed other key infrastructure projects, including new footpaths on Barkly, Queen, and Maude Streets in Ararat. Additionally, we finished drainage improvements at the Ararat Cemetery, Thompson and Kneale Streets, and a major stormwater drainage upgrade on Queen Street in Ararat.

Other notable achievements that highlight Council's advocacy efforts and our resolve to deliver significant projects include:

- \$7.3 million secured from the Federal Government to build crucial enabling infrastructure that will support the development of up to 90 new homes in Ararat.
- A further \$1 million for the upgrade of Buangor – Ben Nevis Road, in addition to the previously committed \$2.143 million.
- \$1,490,000 secured in grant funding for a new covered sports arena for the Ararat Pony Club.

- \$330,000 upgrade to Tatyoon Recreation Reserve, including a new irrigation and drainage system, which will provide a high-quality, year-round playing surface for the football and netball clubs.
- \$200,000 interior upgrade to the Ararat Library, including new flooring, mobile shelving, a new customer service desk, updated signage, two new public computers, and comfortable new furniture for reading and quiet study.
- \$100,000 of grant funding secured for a new off-leash dog park at Ararat's Centenary Park.
- Completion of the Pomonal Tennis Court playing surface upgrade, which will provide a safer, high-quality playing surface for all seasons.
- Continued delivery of Free TAFE Certificate 3 in Early Childhood Education and Care to the Ararat Jobs and Technology Precinct, in conjunction with Federation University Australia.
- Established a Child Friendly Cities and Communities (CFCC) Working Group to safeguard the best interests of our youngest residents, and to develop strategies to ensure every child has the opportunity to thrive in our community.

We're committed to ensuring our community has a voice in the decisions that affect them. In 2024/2025, we sought community input on several key initiatives, including our Community Vision 2035 and the Council Plan 2025-2029. These documents capture our community's aspirations and outline our strategic direction for achieving them.

For the upcoming year, Council's main focus will be on the timely completion of these projects and the continued improvement of our essential services, which are really crucial to the well-being of our community.

Cr Jo Armstrong  
Mayor



## Message from the CEO



### Thank you for your interest in Ararat Rural City Council's 2024/2025 Annual Report.

I trust that this document provides a comprehensive overview of our activities and highlights our commitment to serving the community.

Our community faced another major bushfire event in 2024-2025, the Yarram Gap Bushfires. Occurring less than twelve months after the Pomonal and Bayindeen bushfires of February 2024, these events had a profound environmental, economic, and psychological impact. This report reflects these challenges and demonstrates Council's continued dedication to providing meaningful support and improved services in their aftermath.

Council once again scored above the state-wide average across every performance measure in the 2025 Community Satisfaction Survey. Council had an overall performance score of 64 out of 100 points, significantly outperforming the state-wide average of 53 by 11 points, and exceeding the average of other small rural councils (54 points) by 10 points. Our highest performing service areas were Arts Centres and Libraries (75 points), Emergency and Disaster Management (75 points), and Waste Management (73 points). While we're performing well in comparison to

other small rural councils, we recognise there's still more to be done. We remain committed to engaging with the community to deliver better services across all areas.

We have continued to build genuine trust with our local business community. The investments they make and the local jobs they create are a testament to their dedication to our municipality. We're also actively working to position Ararat Rural City as a prime mover in the circular economy, championing renewable energy solutions to ensure a sustainable future for our region.

Additionally, we have maintained our strong commitment to responsible financial management, high-quality services, and timely project completion. By focusing on service delivery, our capital works program, and providing services in-house, we've helped foster sustained growth in employment and the local economy.

Council delivered its 2025/2026 Budget, which is focused on providing value to the community. We're keeping rate increases to a minimum while continuing to invest significantly in capital works to renew our community assets. The Budget represents our continued commitment to responsible financial management, allowing us to continue to deliver essential services and invest in crucial infrastructure while minimising the impact on ratepayers.

I'm incredibly proud of our Council staff and the dedication and versatility they've shown throughout what has been a challenging year. They work with a strong sense of purpose and commitment and seeing them implement Council's strategies to the best of their abilities, and it is a privilege to work with them as CEO.

**Dr Tim Harrison  
Chief Executive Officer**



2024/25 Financial Summary

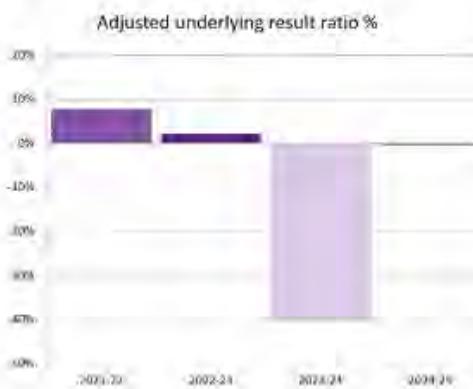
## Financial Summary

Council's short term financial position continues to remain sound. A summary of our performance is outlined below. Detailed information relating to Council's financial performance is included within the Financial Statements and Performance Statement sections of this Report.

### Operating Position

Council recorded a surplus of \$1.157 million in 2024/2025, compared to the prior year deficit of \$6.626 million in 2023/2024. The adjusted underlying deficit of Council, after removing non-recurrent capital grants, cash capital contributions and non-monetary capital contributions, is \$0.127 million (or -0.35% when compared to adjusted underlying revenue). This result is an increase compared with a deficit of \$9.751 million in 2023/2024 (or -40.25%). This indicator is within Local Government Victoria's expected range of -20% to 20%.

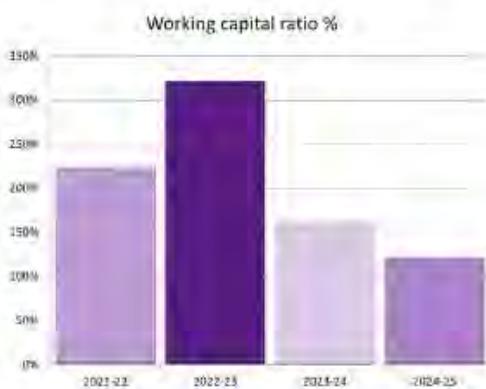
In 2023/2024 there was a change in timing of the financial assistance grants resulting in \$6.656 million being received early in July 2024, compared to \$7.426 million being received in advance in June 2023.



Sustaining an adjusted underlying surplus is a critical financial strategy that provides capacity to renew community assets under Council's control. The budget for 2025/2026 includes an adjusted underlying surplus of \$0.560 million or 1.70%.

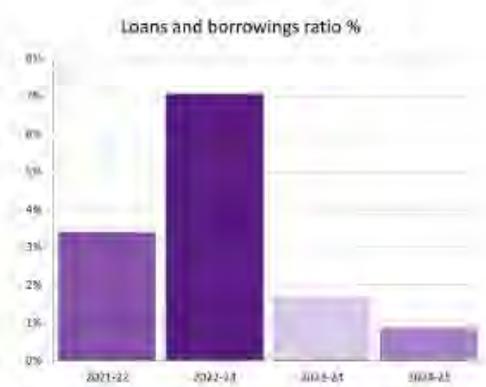
### Liquidity

The working capital ratio which assesses Council's ability to meet current commitments is calculated by measuring Council's current assets as a percentage of current liabilities. Council's result of 122% in 2024/2025 is an indicator of satisfactory financial position and within Local Government Victoria's expected range of 100% to 400%.



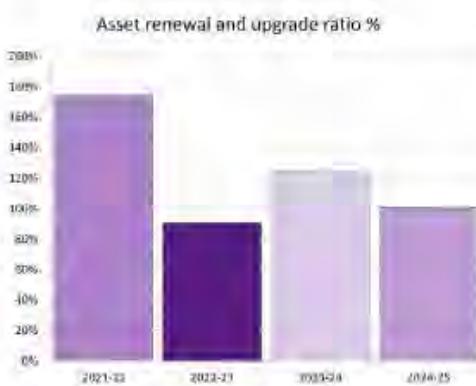
### Obligations

At the end of 2024/2025, Council's debt ratio, which is measured by comparing interest bearing loans and borrowings to rate revenue, was 0.86% which was within the expected target band of 0%-70%.



Council aims to ensure that it can maintain its infrastructure assets at the expected levels, while at the same time continuing to deliver the services needed by the community. During 2024/2025 Council completed \$11.704 million in capital works with \$11.172 million relating to the renewal and upgrade of assets.

Council's asset renewal and upgrade ratio, which is measured by comparing asset renewal and upgrade expenditure to depreciation, was 101% in 2024/2025 compared with 125% in 2023/2024. The expected range for this indicator is between 40% and 130%, and Council is within the expected range as it continues to prioritise capital works.

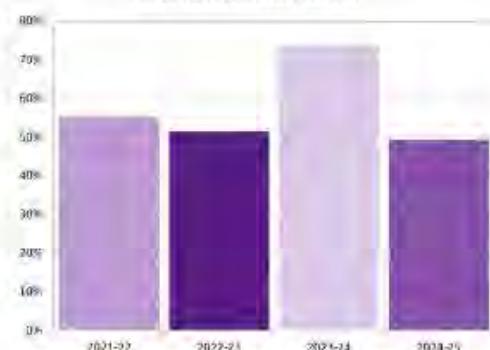


## Stability and Efficiency

Council raises a wide range of revenues including rates, user fees, fines, grants and contributions, relying heavily on rates and grants to fund services. Council's rates concentration, which compares rate revenue to adjusted underlying revenue, was 49% for 2024/2025 compared with 74% in 2023/2024. In 2023/2024 revenue from rates represents a larger proportion of Council's income, due to a change in the timing of financial assistance grants resulting in \$6,656 million being received early in July 2024, compared to \$7,426 million being received in advance in June 2023. Local Government Victoria's expected range is 30%-80%.

## Financial Stability and Efficiency

Rates concentration ratio %

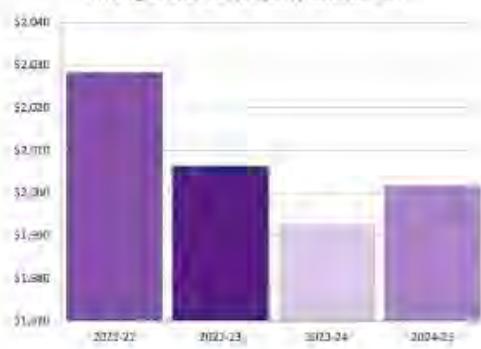


The average rates per property assessment is the total rate revenue (general rates and municipal charges) divided by the number of property assessments. It excludes other charges listed on the rate notice such as waste management charges and the fire services levy.

The average rate per assessment was \$2,002 in 2024/2025 compared to \$1,993 in 2023/2024. Council has delivered a net rate rise of 0% over the seven-year period up to 2024/2025. The rate cap set by the State Government was 2.75% for 2024/2025.

Local Government Victoria's expected range for average rate per assessment is \$700 to \$2,000, which is the same range set for the average residential rate per residential property assessment. This range has not changed since 2015/2016.

Average rates per property assessment



## Description of Operations

Ararat Rural City Council is responsible for more than 150 services, from community services, heritage and culture, recreation, transport and waste management; to matters concerning business development, planning for appropriate development and ensuring accountability for Council's budget. This broad range of community services and infrastructure for residents supports the wellbeing and prosperity of our community. Council's Vision, Strategic Objectives and strategies to further improve services and facilities are described in our Council Plan and the associated Budget 2024/2025 and reported upon in this document. Refer to the section on Our Performance for more information about Council services.

The delivery of services, facilities, support and advocacy to achieve the Strategic Objectives is measured by a set of service performance indicators and measures. Council also has a wide range of responsibilities under Victorian and Australian legislation.

### Economic Factors

Council provides several regional city style services, but with a smaller population than most cities providing such a level of service. Council is committed to reducing the renewal gap, redirecting cost savings identified during the year to renewal works. Council has returned an efficiency dividend to the community through a minimal rate rise and an ongoing dedication to renewing the community's assets through investment in capital works.

### Capital Works

|  | \$'000        |
|--|---------------|
| Buildings                              | 618           |
| Plant, machinery and equipment         | 495           |
| Library books                          | 42            |
| Roads                                  | 9,276         |
| Bridges                                | 131           |
| Footpaths and cycleways                | 578           |
| Drainage                               | 564           |
| <b>Total capital works expenditure</b> | <b>11,704</b> |

During 2024/2025 the capital works included the below:

- Building capital works included \$0.228 million for the Ararat Library upgrade.
- Roadworks included reseals and reconstruction of various roads across the municipality. Council received funding through the Federal Government's Roads to Recovery Program and the Local Roads and Community Infrastructure Program to assist with the cost of works.
- Footpaths and cycleways included new, and renewal works in various urban locations.
- Drainage works included renewal works in various locations across the municipality.

### Major Changes

Following the ongoing flattening of the organisational structure which resulted from the 2018 review, our staff have been tasked with more autonomy over their work, placing the focus of staff resources into roles that directly service the community.

### Major Achievements

Council's Capital Works Program has exceeded \$11 million. All significant road projects set out in Council's Budget 2024/2025 have been tendered and yielded significant value for ratepayers and contributed to an uplift in local jobs.

Other highlights of major infrastructure projects that are creating local jobs and driving economic expansion include:

- Major works on Churchill Avenue in Ararat including new kerb and channel, reconstructed footpaths, and improved drainage.
- Significant interior upgrade works completed at the Ararat Library.
- Completion of major stormwater drainage works at Queen Street, Ararat.

# Our Council



## Our Vision

The Community Vision 2035 enhances the connection between Council and the community, providing a shared vision to work towards.

Council's Community Vision 2035 is characterised by:

1. Strong population growth trajectories that buck trends in rural Victoria
2. Continuous and sustainable economic development which is focused on job creation through value adding in agriculture, advanced manufacturing and tourism
3. Leadership in pragmatic approaches to local environmental management
4. Sustainable and effective local transport networks underpinned by careful technical and financial planning undertaken jointly between asset users and asset owners
5. Communities that are enhanced by access to artistic, cultural, sporting and recreational opportunities that meet needs and expectations
6. Strong and robust democratic processes underpinned by transparent governance, good financial management and organisational innovation

Guided by the Community Vision 2035, the Council Plan sets the strategic direction for Council over four years.

The Council Plan 2025-2029 highlights six key 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



## Municipal Profile

Ararat Rural City is the gateway to the Grampians region in south-west Victoria, situated at an important junction of the Western and Pyrenees highways 198 kilometres north-west of Melbourne, approximately a quarter of the way between Melbourne and Adelaide.

The land has a wealth of natural attractions that set the region apart, such as Mount Langi Ghiran, Mount Cole and the Ararat Hills National Park, which frame our townships with scenic views and unique landscapes. Offering a fantastic regional lifestyle with a diverse economy underpinned by full employment, the recent shift in population to the regions has delivered an uplift in local investment and confidence.

Our diverse economy is fortified by advanced manufacturing, premium agriculture, nature-based tourism, healthcare and renewable energy. The region is known for its superior produce, wine production, agriculture and tourism. Diverse retail and manufacturing industries are spearheading a growing economy.

Ararat also has the region's best transport connections, including a high-speed divided highway to Melbourne, 62 weekly passenger rail services on the V/Line network, and interstate passenger rail services via the Overland.

Community groups and volunteers underpin community inclusion and our way of life. We have a proud history of embracing cultural diversity, inclusion, and looking out for one another. Active sport and recreation is the lifeblood of every town and community in the municipality. We are the birthplace of Australian Rules Football, which was inspired by the Indigenous game Marngrook, developed here at Moynton.

Our municipality includes vast riches of Aboriginal cultural heritage. Our landscape carries the stories, songs and languages which have been passed down over tens of thousands of years and are showcased at the iconic Lake Bolac Eel Festival.

The region's arts and cultural scene supports the creativity of local artists and performers. The historic Town Hall Performing Arts Centre is one of the premier performance venues in the state and Ararat Gallery TAMA showcases the creative works of local, national and international collections.

### Municipal Snapshot



**11,686**

Population



**4,211 km<sup>2</sup>**

Area



**2,454 km**

Length of local roads



**7,447**

Rateable properties



**133**

Number of employees EFT

**7**

Number of Councillors



**\$18.093m**

Rate and charge revenue

**\$37.526m**

Total revenue

## Where We Live

Ararat Rural City Council includes the city of Ararat and the rural townships of Buangor, Elmhurst, Lake Bolac, Mininera, Moyston, Pomonal, Streatham, Tatyoon, Warrak, Westmere, Wickliffe and Willaura.

Ararat Rural City has a smaller proportion of young people, and a larger proportion of people aged over 60 years, compared to the Victorian average. 2021 Census data shows that 20% of the population is aged 0-19, while those aged 60 and over make up 32.3%.

While 92.0% of the population is non-Indigenous, 1.9% is Aboriginal and/or Torres Strait Islander. Over 80% of residents were born in Australia. The next most common birthplaces are England (1.9%), New Zealand (1.6%), India (1.1%), and the Philippines (0.7%). Almost one-fifth of the population has at least one parent born overseas.

In the 2021 Census, Mandarin was the most common language spoken at home after English (0.6%), followed by Punjabi and Urdu, both at 0.4%. Overall, 5.9% of households reported speaking a language other than English.

## Council Offices

**Depots:**

24 Flattely Street, Ararat  
32 Leach Road, Lake Bolac

**Municipal Offices:**

59 Vincent Street, Ararat VIC 3377

**Telephone:**

(03) 5355 0200

**Fax:**

(03) 5352 1695

**Email:**

council@ararat.vic.gov.au

**Website:**

[www.ararat.vic.gov.au](http://www.ararat.vic.gov.au)

**Postal address:**

PO Box 246  
Ararat VIC 3377



## Our Councillors

The Council was elected to provide leadership for the good governance of the municipal district and the local community. In 2024 the Ararat Rural City Council community elected this Council for a four-year term. The municipality is an unsubdivided Council, represented by seven Councillors. The Councillors are the elected representatives of all residents and ratepayers across the municipality. They have responsibility for setting the strategic direction for the municipality, policy development, identifying service standards and monitoring performance across the organisation.

The Councillors are listed below.



**Cr Jo Armstrong - Mayor**

Date elected: 22 October 2016  
E: [jarmstrong@ararat.vic.gov.au](mailto:jarmstrong@ararat.vic.gov.au)  
M: 0437 132 896



**Cr Bob Sanders – Deputy Mayor**

Date elected: 24 October 2020  
E: [bsanders@ararat.vic.gov.au](mailto:bsanders@ararat.vic.gov.au)  
M: 0427 939 734



**Cr Rob Armstrong**

Date elected: 24 October 2020  
E: [rarmstrong@ararat.vic.gov.au](mailto:rarmstrong@ararat.vic.gov.au)  
M: 0436 832 526



**Cr Luke Preston**

Date elected: 26 October 2024  
E: [lpreston@ararat.vic.gov.au](mailto:lpreston@ararat.vic.gov.au)  
M:



**Cr Teli Kaur**

Date elected: 26 October 2024  
E: [tkaur@ararat.vic.gov.au](mailto:tkaur@ararat.vic.gov.au)  
M:



**Cr Peter Joyce**

Date elected: 26 October 2024  
E: [pjoyce@ararat.vic.gov.au](mailto:pjoyce@ararat.vic.gov.au)  
M:



**Cr Bill Waterston**

Date elected: 24 October 2020  
E: [bwaterston@ararat.vic.gov.au](mailto:bwaterston@ararat.vic.gov.au)  
M: 0437 312 193

### Outgoing Councillors



**Cr Gwenda Allgood**

Date elected: August 1982  
Did not stand for re-election at the  
October 2024 election.



**Cr Peter Beales**

Date elected: 22 October 2016  
Not re-elected on 26 October 2024.



**Cr Henry Burridge**

Date elected: 24 October 2020  
Did not stand for re-election at the  
October 2024 election.

# Our People



## Organisational Structure

Council is the governing body that appoints the Chief Executive Officer. The CEO has responsibility for the day-to-day management of operations in accordance with the strategic directions of the Council Plan.

Council and the CEO are proud of its employees and commitment to the work they are carrying out on behalf of our community.

The results of the 2025 Local Government Community Satisfaction Survey show that Ararat Rural City continues to outperform most other councils. In every core measure, Council significantly outperformed or scored higher than the state-wide average.

These results are a testament to our consistent work and achievements of the past year.

A chart setting out the organisational structure of the Council is provided on the following page. Ararat Rural City Council is a relatively small, serviced based organisation.

We employ around 133 equivalent full time (EFT) staff, and our focus is on service delivery. We do not need to have a large, costly and unwieldy management structure – we need to have great people focused on delivery of services to our community.

Our organisation is structured by 'service streams', all of which deliver services directly to our community or supporting those who do. Senior staff, including the CEO, are expected to do real work that supports service outcomes.



**Dr Tim Harrison**  
**Chief Executive Officer**

Commenced: 1 October 2018

Ararat Rural City Council Annual Report 2024/2025

| SERVICE STREAMS               |  |
|-------------------------------|--|
| Organisational Transformation | IT systems<br>Organisational performance management<br>KPI program   |
| Human Resources               | Human resources management<br>Staff performance management<br>Payroll  |
| Economic Development          | Major economic development projects<br>GABNet<br>Tourism   |
| Governance and Risk           | Governance<br>Risk management<br>Statutory reporting<br>Occupational health and safety                         |
| Communication                 | Media<br>Council website<br>Social media   |
| Design and Project Management | Capital project design and costing<br>Capital works project management<br>Capital works planning               |
| Asset Management              | Asset valuation<br>GIS<br>Asset condition reporting  |
| Operations                    | Local road maintenance<br>Parks and gardens<br>Building maintenance<br>Road construction<br>Bridge maintenance |
| Arts, Culture and Heritage    | Ararat Art Gallery (TAMA)<br>Performing Arts Centre  |
| Emergency Management          | Emergency Planning<br>MEMO & MRM roles   |
| Waste Management              | Circular economy<br>Kerbside collection<br>Transfer stations   |
| Sustainability                | Roadside pest management<br>Environment<br>Vegetation management and offsets                                   |
| Community events              | Support community events<br>Community event funding<br>Community Support Funding Program                       |
| Recreation Services           | Ararat Leisure Centre<br>Outdoor Pools<br>Recreation Officer role  |
| Function spaces               | Alexandra Oval Community Centre<br>Gum San Great Hall<br>Sporting club relationships                           |
| Library Services              | Ararat Library<br>Lake Bolac Business and Information Centre<br>Mobile library services                        |
| Child Services                | Maternal and child health  |
| Customer Service              | Vincent St customer service centre<br>Telephone service<br>Customer charter development                        |
| Finance and rating            | Financial accounting<br>Management accounting<br>Rates management  |
| Procurement                   | Procurement management<br>Purchasing policy compliance<br>Vehicle fleet management                             |
| Planning                      | Statutory planning<br>Strategic planning<br>Planning compliance  |
| Municipal Building Surveyor   | Statutory Building Surveying<br>Emergency Service Measure project  |
| Environmental Health          | Food safety programs<br>Wastewater systems<br>Public health programs   |
| Community Safety              | Animal management<br>Parking management<br>Local Laws management   |

## Council Employees

A summary of the number of full time equivalent (FTE) council staff by organisational structure based on the Council Plan strategic objectives, employment type and gender is set out below.

|   | Permanent |           |          |              |             |          | Casual      |             |          | Total         |  |
|---|-----------|-----------|----------|--------------|-------------|----------|-------------|-------------|----------|---------------|--|
|   | Full Time |           |          | Part Time    |             |          | W           | M           | X        |               |  |
|   | W         | M         | X        | W            | M           | X        |             |             |          |               |  |
| <b>Growing Our Place</b>  | 2         | 2         | 0        | 1.42         | 0           | 0        | 0           | 0           | 0        | 5.42          |  |
| <b>Building Robust Local Economies</b>                          | 3         | 1         | 0        | 0            | 0           | 0        | 0           | 0           | 0        | 4             |  |
| <b>Preserving Our Environment</b>                               | 0         | 19        | 0        | 1.30         | 0           | 0        | 0           | 0.83        | 0        | 21.13         |  |
| <b>Developing &amp; Maintaining Key Enabling Infrastructure</b> | 6         | 37        | 0        | 2.36         | 0           | 0        | 0           | 1.85        | 0        | 47.21         |  |
| <b>Enhancing Community Life</b>                                 | 7         | 8         | 0        | 7.00         | 0.34        | 0        | 6.85        | 2.04        | 0        | 31.23         |  |
| <b>Strong &amp; Effective Governance</b>                        | 14        | 4         | 0        | 4.84         | 0           | 0        | 0.35        | 0.77        | 0        | 23.96         |  |
| <b>Total Staff</b>  | <b>32</b> | <b>71</b> | <b>0</b> | <b>16.92</b> | <b>0.34</b> | <b>0</b> | <b>7.20</b> | <b>5.49</b> | <b>0</b> | <b>132.95</b> |  |

Legend: W - Women; M - Men; X - Persons of self-described gender

A summary of the number of all employees – casual, permanent and fixed term – shown as full time equivalent (FTE) and categorised by employment classification and gender is detailed below.

| Employment Classification | Female FTE   | Male FTE     | X FTE       | Total FTE     |
|---------------------------|--------------|--------------|-------------|---------------|
| Band 1                    | 4.67         | 0.65         | 0.00        | 5.32          |
| Band 2                    | 5.78         | 4.23         | 0.00        | 10.01         |
| Band 3                    | 5.77         | 25.94        | 0.00        | 31.71         |
| Band 4                    | 9.54         | 19.00        | 0.00        | 28.54         |
| Band 5                    | 9.84         | 14.00        | 0.00        | 23.84         |
| Band 6                    | 6.51         | 4.00         | 0.00        | 10.51         |
| Band 7                    | 3.50         | 2.00         | 0.00        | 5.50          |
| Band 8                    | 7.00         | 4.00         | 0.00        | 11.00         |
| Senior Officers           | 0.00         | 2.00         | 0.00        | 2.00          |
| Maternal and Child Health | 2.52         | 0.00         | 0.00        | 2.52          |
| Apprentices               | 0.00         | 0.00         | 0.00        | 0.00          |
| Trainees                  | 1.00         | 1.00         | 0.00        | 2.00          |
| <b>Total</b>              | <b>56.13</b> | <b>76.82</b> | <b>0.00</b> | <b>132.95</b> |

## Other Staff Matters

### Gender Equality Action Plan (GEAP)

Council has continued to progress its Gender Equality Action Plan (GEAP), reinforcing our commitment to creating an inclusive, safe and equitable workplace and community. The GEAP provides a clear framework for addressing barriers to equality, promoting diversity, and ensuring that all staff and community members have the opportunity to participate fully and fairly in civic life.

June 30 marked the conclusion of Council's first GEAP, which is now under review to inform the development of our second plan. During 2024-25, Council focussed on developing practical tools to embed gender equality into everyday practice, making requirements such as Gender Impact Assessments easier to complete. This has led to an increase in the number of assessments undertaken across the organisation. Council also continued to participate in the 16 Days of Activism campaign, once again receiving funding to support this important initiative.

In addition, we reviewed several key policies in this space, including the Equity, Diversity & Inclusion Policy and the Workplace Flexibility Policy. By embedding gender equality principles across our operations, we are building a culture where equity is valued and sustained, supporting both our workforce and the broader community we serve.

### Professional Development

Council remains committed to building the capability of its workforce through ongoing education and training. Over the past year, many employees have taken up these opportunities, participating in programs delivered online, face-to-face, and through flexible learning formats. These opportunities not only strengthen professional skills but also support personal growth, leadership capability, and career progression across the organisation.

In addition to a wide range of professional development opportunities offered each year, new employees benefit from a comprehensive induction program, supported by compliance-focused e-learning modules that embed safe and consistent work practices.

Council's investment in training is guided by strategic priorities while also responding to the individual development needs of staff, ensuring our workforce is skilled, adaptable, and well-prepared to meet the evolving needs of our community. This commitment to learning and growth fosters a culture of continuous improvement and positions Council as an employer of choice.

### Prevention of Violence Against Women

Council recognises that gender inequality is the primary driver of violence against women and is committed to building a gender equitable, safe, and inclusive workplace and community. This commitment is reflected in Council's leadership role in promoting respect, challenging harmful attitudes, and embedding equality across the organisation.

As a member of the CoRE (Communities of Respect & Equality) Alliance, Council works alongside partners to prevent violence against women and family violence across the region. Over the past year, Councillors and employees have taken part in education and awareness initiatives to strengthen understanding and champion equality in their roles. Council also participated in the annual 16 Days of Activism campaign, raising awareness and encouraging action to end gender-based violence. Together, these initiatives strengthen community resilience and reinforce Council's role in driving positive social change.

### Health and Safety

The health and safety of our employees and the community is of paramount importance to Council and as such we are continually updating and reviewing our systems and processes, along with maintaining safe working environments for all.

Training has included Health and Safety Representative Initial and Refresher training, and Manager and Supervisors Health and Safety training.

## Service Recognition

To officially recognise and thank long-term employees for their ongoing service and commitment, Council rewards full-time and part-time employees with a 'service' lapel badge and certificate after 5, 10, 15 and 20 years of service.

Employees who have completed 25 years or more of continuous service receive an engraved award and certificate of service. These service recognitions are celebrated in December each year.

During the 2024/2025 financial year, the following employee milestones were reached:



**5 years**  
Bill Reid  
Brian Harrison  
Caitlyn Nicholson  
Colleen Butler  
Havana Madex  
James Hosking  
Karen McIntyre  
Kieren Blizzard  
Marianne Wilson  
Nathan Cox  
Paul Fenn  
Sharron Bond  
Shirley Lawson  
Stephen Madex  
Sue Gardner  
Thomas Duncan  
Tim Lewis  
Tom Sutton  
Wilf Dickeson



**15 years**  
Ainsley Cameron  
Melanie Roberts  
Paul Young  
Therese Arnott



**25 years**  
Paula Davidson  
Rebecca Rodger



**45 years**  
Monica Thomas



**10 years**  
Amanda Tucker  
Andrew Cameron  
Charlie Mason  
Ian Ord  
Nathan Gardiner

# Our Performance



# Integrated Strategic Planning and Reporting Framework

Part 4 of the Local Government Act 2020 requires Councils to prepare the following:

- A Community Vision (for at least the next 10 financial years);
- A Council Plan (for at least the next 4 financial years);
- A Financial Plan (for at least the next 10 financial years);
- An Asset Plan (for at least the next 10 financial years);
- A Revenue and Rating Plan (for at least the next 4 financial years);
- An Annual Budget (for the next 4 financial years);

- A Quarterly Budget Report;
- An Annual Report (for each financial year); and
- Financial Policies.

The Act also requires Councils to prepare:

- A Workforce Plan; (including projected staffing requirements for at least 4 years);

The following diagram shows the relationships between the key planning and reporting documents that make up the integrated strategic planning and reporting framework for local government. It also shows that there are opportunities for community and stakeholder input and feedback.



## Council Plan

The Ararat Rural City Council Plan 2021-2025 includes Strategic Objectives, strategies for achieving these for the four-year period, strategic indicators for monitoring achievement of the Strategic Objectives and a strategic resource plan. The following are the six Strategic Objectives as detailed in the Council Plan.

|  |   |
|--|---|
| <b>1. Growing Our Place</b>                                      | 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.   |
| <b>2. Building Robust Local Economies</b>                        | We will develop strong relationships to build and strengthen a diverse local economy, focused on creating jobs and wealth through adding value to existing strengths in agriculture, manufacturing, tourism and hospitality.              |
| <b>3. Preserving Our Environment</b>                             | We will take pragmatic approaches to ensuring that Ararat Rural City Council takes a regional lead in responsible environmental management and engagement with the circular economy.  |
| <b>4. Developing and Maintaining Key Enabling Infrastructure</b> | We will ensure that we plan, fund and develop new infrastructure in ways that deliver strong public value. Existing infrastructure will be managed, renewed, and maintained to ensure that it continues to serve identified public needs. |
| <b>5. Enhancing Community Life</b>                               | We will work with the communities of Ararat Rural City to maintain social cohesion, support community activity and cultural life, and enhance safety.   |
| <b>6. Strong and Effective Governance</b>                        | 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.   |

## Performance

Council's performance for the 2024/2025 year has been reported against each Strategic Objectives to demonstrate how Council is performing in achieving the 2021-2025 Council Plan.

Performance has been measured as follows:

- Results achieved in relation to the strategic indicators in the Council Plan
- Progress in relation to the major initiatives identified in the budget
- Services funded in the budget and the persons or sections of the community who are provided those services
- Results against the prescribed service performance indicators and measures

| Key       |   |
|-----------|---|
| Completed | ✓ |
| Ongoing   | → |

Ararat Rural City Council Annual Report 2023/24

## Strategic Objective 1: Growing Our Place

The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan. The statement also reviews the progress of Council in relation to major initiatives identified in the 2024/2025 budget for the year.

| Strategic Indicator/Measure   | Result | Comments  |
|---|--------|---|
| Develop a new planning scheme for Ararat Rural City that is clear in its intention, supports growth and builds confidence and certainty around land use.      | ✓      | The 'Reframing the Planning Scheme' project encountered a significant setback due to the unforeseen impacts of the Windfall Gains Tax. At the September 2023 Council Meeting, Council adopted a revised plan which will inform the next review of the Ararat Planning Scheme occurring in 2026. |
| Support innovative housing models that work to overcome market failure and create the capacity to increase the population of Ararat Rural City.               | ✓      | The New Settlement Program Workforce Pilot and Local Jobs – Local Recovery Initiatives have supported 63 new settlers in Ararat, along with a further 16 settlers from CALD backgrounds who engaged with our officers outside these programs, achieving a retention rate of over 82%.           |
| Work with other levels of government, business, and not-for-profits to develop programs to increase in-migration to Ararat Rural City to grow our population. | ✓      | The New Settlement Program Workforce Pilot and Local Jobs – Local Recovery Initiatives have supported 63 new settlers in Ararat, along with a further 16 settlers from CALD backgrounds who engaged with our officers outside these programs, achieving a retention rate of over 82%.           |

The following statement provides information in relation to the services funded in the 2024/2025 budget and the persons or sections of the community who are provided the service. The figures presented are based on the cash basis of accounting.

| Service              | Description   | Net Cost<br>Actual<br>Budget<br>Variance<br>\$000 |
|----------------------|---|---|
| Planning             | This statutory planning service is responsible for administering the Ararat Rural City Council Planning Scheme. It considers new planning scheme amendment proposals and reviews the Municipal Strategic Statement of the Ararat Planning Scheme  | 510<br>411<br>(99)                                |
| Building Control     | This service provides statutory building services to the community including processing of building permits, fire safety inspections, audits of swimming pool barriers and investigations of complaints and illegal works.  | 284<br>236<br>(48)                                |
| Environmental Health | This service protects the community's health and wellbeing by coordinating food safety programs, Tobacco Act activities, and overseeing wastewater systems and installations. The service also works to rectify any public health concerns relating to unreasonable noise emissions, housing standards and pest controls. | 50<br>134<br>84                                   |

Statutory Planning Service Performance Indicators

The following statement provides the results of the prescribed service performance indicators and measures including explanation of results in comments.

| Service/Indicator/Measure  | Result<br>2021/2022 | Result<br>2022/2023 | Result<br>2023/2024 | Result<br>2024/2025 | Council Explanation   |
|--|---------------------|---------------------|---------------------|---------------------|---|
| <b>Statutory Planning</b>  |                     |                     |                     |                     |   |
| <b>Timeliness</b><br><i>Time taken to decide planning applications. (The median number of days between receipt of a planning application and a decision on the application)</i>  | 41                  | 44                  | 58                  | 35                  | Council made 99 planning application decisions within the reporting period, 29 less than last year. A lower volume of applications, along with a period of stability in staff resourcing has seen a 39% decrease in time taken to decide planning applications since last year.   |
| <b>Service standard</b><br><i>Planning applications decided within required time frames. [(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100</i> | 90.98%              | 74.78%              | 78.91%              | 79.80%              | Council has a target of 85% of applications decided in required timeframes, with a commitment to improvement in this area. Although not quite meeting this target, a result of 79% has remained steady with last year's result and well above state average for this indicator.   |
| <b>Service cost</b><br><i>Cost of statutory planning service. (Direct cost of statutory planning service / Number of planning applications received)</i>   | \$2340.69           | \$1854.77           | \$2649.99           | \$3365.80           | A combination of a decreased number of planning applications processed this reporting period (16 less than the previous year) and legal costs associated with a VCAT hearing have seen a 27% increase in the cost of the statutory planning service. Council expect the number of planning applications to increase over the next financial year following significant bushfires earlier in 2025. |
| <b>Decision-making</b><br><i>Council planning decisions upheld at VCAT. (Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications) x100</i>  | 100.00%             | 100.00%             | 0.00%               | 100.00%             | One Council decision was taken to VCAT in the 2024/2025 financial year. The decision was upheld (not set aside).  |

2024-2025 City Council Annual Plan Performance

| Service/Indicator/Measure  | Result<br>2021/2022 | Result<br>2022/2023 | Result<br>2023/2024 | Result<br>2024/2025 | Council Explanation   |
|--|---------------------|---------------------|---------------------|---------------------|---|
| <b>Food Safety</b>   |                     |                     |                     |                     |   |
| <b>Timeliness</b><br><i>Time taken to action food complaints</i><br><i>[Number of days between receipt and first response action for all food complaints / Number of food complaints]</i>  | 1.00                | 1.00                | 1.20                | 3.80                | Council received 5 food complaints for the 2025 year. Environmental health officers have continued to prioritise food complaints and food safety, having responded to/ acknowledged 3 out of the 5 complaints received within 1 business day. The other complaints were dealt with promptly however Council's reporting system did not record initial response times. This reporting weakness will be corrected within Council's systems for next reporting period. |
| <b>Service standard</b><br><i>Food safety assessments</i><br><i>[Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100</i> | 94.55%              | 100.00%             | 100.00%             | 100.00%             | Council undertook 100% of required food safety assessments on local food businesses for 2025.   |
| <b>Service cost</b><br><i>Cost of food safety service</i><br><i>[Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]</i>   | \$688.20            | \$746.53            | \$739.41            | \$904.60            | There has been a 22% increase in the cost of Council's food safety service per registered food premises in 2024/2025. This is a result of a combination of less food businesses registered this reporting period, and a slight increase in the cost of our food safety contractors.   |
| <b>Health and safety</b><br><i>Critical and major non-compliance outcome notifications</i><br><i>[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about food premises] x100</i>                            | 83.33%              | 0.00%               | 100.00%             | 100.00%             | There was 1 major non-compliance issue for this reporting period, with this followed up with a compliant result in a timely manner. Council's Environmental Health service continues to work with businesses to ensure regulatory standards are met.  |

Ararat Rural City Council Annual Report 2024/25

| Service/Indicator/Measure  | Result<br>2021/2022 | Result<br>2022/2023 | Result<br>2023/2024 | Result<br>2024/2025 | Council Explanation   |
|--|---------------------|---------------------|---------------------|---------------------|---|
| <b>Foot Safety (cont'd)</b>  |                     |                     |                     |                     |   |
| <b>Health and safety</b><br>Food safety samples<br>(Number of food samples obtained / Required number of food samples) x 100 | New                 | New                 | New                 | 110.00%             | Council's environmental health team completed 33 food samples in 2024, with 30 samples being the required amount under Section 32 of the Food Act 1984. |

## Strategic Objective 2: Building Robust Local Economies

The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan. The statement also reviews the progress of Council in relation to major initiatives identified in the 2024/2025 budget for the year.

| Strategic Indicator/Measure   | Result | Comments  |
|---|--------|---|
| Partner with Federation University Australia to deliver the Ararat Jobs and Technology Precinct (AJTP).   | ✓      | Construction of the Ararat Jobs and Technology Precinct (AJTP) was completed in 2023. It has since opened the Fab Lab, a new space that showcases a range of cutting-edge technologies that industry, researchers, students and members of the public can experiment with. The Ararat Co-Working Space is also located at AJTP and the venue has hosted a range of local agricultural, industrial and business seminars aimed at transforming the economy through the application of research into partnerships with industry. The Co-working space includes several desks and meeting rooms that are bookable by the general public. This service has proven popular with the community, with regular weekly bookings for the space. |
| 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" energy. | →      | Council is continuing to work with Invest Victoria, Regional Development Victoria and a number of private sector partners to deliver a circular economy industrial precinct.  |
| Engage with Grampians Wimmera Mallee Tourism and local businesses to drive growth in high yield tourist outcomes.   | ✓      | Council has worked with Grampians Wimmera Mallee Tourism to deliver the Grampians Destination Management Plan 2023-2030 and the Grampians Strategic Tourism Investment Plan. Council has also supported the establishment of new tourism sector businesses, such as Mountains of Chocolate with a Facade Improvement Grant, as well as supported businesses in Pomonal and across the municipality through two major bushfires.   |

Ararat Rural City Council Annual Report 2024-25

The following statement provides information in relation to the services funded in the 2024/2025 Budget and the persons or sections of the community who are provided the service. The figures presented are based on the cash basis of accounting.

| Service              | Description  | Net Cost<br>Actual<br>Budget<br>Variance<br>\$000 |
|----------------------|--|---|
| Economic Development | The economic development service assists in facilitation of business opportunity across the municipality. It aims to grow the local business sector and provide support for growth and development in employment. This service includes the Visitor Information Centre operations. | 576<br>748<br>172                                 |

## Strategic Objective 3: Preserving Our Environment

The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan. The statement also reviews the progress of Council in relation to major initiatives identified in the 2024/2025 budget for the year.

| Strategic Indicator/Measure   | Result | Comments  |
|---|--------|---|
| 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.                            | ✓      | Council introduced the four-bin system in 2022 through its Revolution Ararat program, separating waste into four categories: general waste, recycling, organics, and glass. The 2024 residential bin survey found that the average household generates 2.6kg less waste per week than in 2022. Using green waste collected within the municipality, a joint project between Council and Gaia EnviroTech is making high quality and reasonably priced compost available to the community. Council has partnered with Pharmacycle to recycle household and commercial medicinal blister packs. Council has also installed solar panels on a number of its buildings, including the Ararat Library, Ararat Fitness Centre, Council Offices, and other community buildings. |
| Develop innovative energy solutions utilising locally produced waste  | →      | Council continues to strongly support the Valorify biogas plant, which will use agricultural waste products to produce renewable gas.   |
| Partner with local organisations and scientific experts to develop an appropriate and pragmatic local government Environment Strategy, focused on the circular economy, emission reduction through renewable energy and management of Council assets. | ✓      | Council adopted the Environmental Sustainability Strategy 2024 – 2034 at the November 2024 Council Meeting. Implementation of this strategy is now a strategic objective of the Council Plan 2025-29.   |

Ararat Rural City Council Annual Report 2024/25

The following statement provides information in relation to the services funded in the 2024/2025 budget and the persons or sections of the community who are provided the service. The figures presented are based on the cash basis of accounting.

| Service                                       | Description  | Net Cost<br>Actual Budget<br>Variance<br>\$000 |
|---|--|--|
| <b>Waste Management</b>                       | This service provides for collection and processing of four materials streams from household collection: general waste, mixed recyclables, glass and green organics. Council has committed to local processing where possible. Council has local processing of green organics and glass at the Ararat Transfer Station. To achieve budget efficiencies and maintain low rates, Council will consolidate waste services by closing the Willaura and Pomonal Transfer Stations on 30 June 2025. Declining usage alongside ongoing operation costs render the sites no longer financially viable. Elmhurst and Moyston Transfer Stations will transition to opening biannually from 1 July 2025. Ararat and Lake Bolac Transfer Stations will remain open to service the community's needs. | 889<br>162<br>(727)                            |
| <b>Natural Resources &amp; Sustainability</b> | This service promotes environmentally sustainable development principles, coordinates and implements environmental projects, and works with other services to improve Council's environmental performance. Projects include roadside weeds and pests and renewable energy projects.  | (21)<br>9<br>(30)                              |
| <b>Parks and Gardens</b>                      | This service covers a range of areas such as grass and turf cutting, tree pruning, planting, removal, planning and street tree strategies, management of conservation and parkland areas, creeks and other areas of environmental significance. This function is responsible for playground maintenance and safety improvement programs.   | 1,715<br>1,548<br>(167)                        |
| <b>Emergency Services Management</b>          | This service includes emergency services management and fire prevention.   | 299<br>82<br>(217)                             |



Statement of Service Performance Indicators

The following statement provides the results of the prescribed service performance indicators and measures including explanation of results in comments.

| Service/Indicator/Measure  | Result<br>2021/2022 | Result<br>2022/2023 | Result<br>2023/2024 | Result<br>2024/2025 | Council Explanation  |
|--|---------------------|---------------------|---------------------|---------------------|--|
| <b>Waste Collection</b>  |                     |                     |                     |                     |  |
| <b>Service standard</b><br><i>[Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x 10,000</i>         | 4.80                | 16.63               | 7.59                | 10.36               | Following the implementation of a 4 bin system in 2023, along with the provision of a pick up service to every household in the municipality, Council's waste team have worked hard to refine this service. The number of missed bins has unfortunately increased by 36% this reporting period. Staff changes in this area, along with some reporting inconsistencies with the introduced system are factors attributing to this. The accuracy of reporting missed bins will be addressed for next reporting period. |
| <b>Service cost</b><br><i>[Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]</i>  | \$181.96            | \$186.99            | \$203.70            | \$216.93            | The cost of Council's kerbside waste collection service has increased slightly due to an increase in landfill fees.  |
| <b>Cost of kerbside recyclables collection service</b><br><i>[Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]</i>             | \$88.30             | \$78.53             | \$82.15             | \$93.61             | The cost of Council's kerbside recyclables collection service has increased by 13% due to an increase in fees related to the processing of recycling.  |
| <b>Waste Diversion</b><br><i>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</i> | 21.02%              | 22.90%              | 25.17%              | 61.21%              | The amount of waste diverted from landfill has increased significantly this reporting period, due to it now being possible for Council to report on glass and green waste weights diverted from landfill. Previous reporting only included recycling weights. This reporting improvement has lead to a much more accurate figure.  |

Ararat Rural City Council Annual Report 2024/25

## Strategic Objective 4: Developing and Maintaining Key Enabling Infrastructure

The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan. The statement also reviews the progress of Council in relation to major initiatives identified in the 2024/2025 budget for the year.

| Strategic Indicator/Measure  | Result | Comments   |
|--|--------|--|
| Ensure that asset development and renewal during the planning period matches that identified in Council's Asset Plan 2021-2031                           | ✓      | The Council Asset Plan was adopted in 2022 for a period of 10 years. The planning and development of the annual Capital Works Program matched the Council's Asset Plan 2022-32. The four-year asset management plans have been developed and implemented for key asset classes. Council continues to deliver its gravel-to-seal and urban drainage improvement programs. |
| Work directly with asset users to manage and develop new and existing assets.  | ✓      | Council has worked directly with asset users over the 2021 to 2025 period and delivered significant positive outcomes for users. Examples include OTTA sealing of roads in Moyston, Willaura, and Ararat, Helendoite Road bridge upgrade in Maroona, Gordon Street Recreation Reserve and the Tatyoon Oval Upgrade.  |
| Deliver infrastructure outcomes that support economic growth, promote community wellbeing and safety, and align with Council's financial sustainability. | ✓      | Examples of infrastructure delivered to achieve this strategic direction includes the kerb, channel and footpath upgrades in Willaura, Pomonal tennis court upgrade, and school crossing safety upgrades.  |

The following statement provides information in relation to the services funded in the 2024/2025 budget and the persons or sections of the community who are provided the service. The figures presented are based on the cash basis of accounting.

| Service                        | Description   | Net Cost<br>Actual<br>Budget<br>Variance<br>5000 |
|--------------------------------|---|--|
| Design & Project Management    | This service conducts capital works planning for Council's main civil infrastructure assets including roads, laneways, carparks, foot/bike paths, drains, and bridges. This service undertakes design and supervision of Council's capital works program. Most staffing and design costs are capitalised within completed projects. | 279<br>209<br>(70)                               |
| Property Maintenance & Capital | This service prepares maintenance management programs for Council's property assets including municipal buildings, pavilions and other community buildings. The service also includes emergency building and facility maintenance.  | 1,431<br>1,001<br>(430)                          |
|                                | This service includes capital expenditure on Council's property assets in order to optimise their strategic value and service potential.  |  |

Annual Statement of Council Service Delivery Financials

| Service   | Description   | Net Cost<br>Actual<br>Budget<br>Variance<br>\$000 |
|---|---|---|
| <b>City Services</b>                            | This service includes street lighting, Aerodrome operations and the operations, maintenance, and cleaning of public conveniences throughout the municipality.                                     | 853<br>815<br>(38)                                |
| <b>Infrastructure – Miscellaneous</b>           | This service includes private works, maintenance of water supplies and emergency bores.   | 49<br>72<br>23                                    |
| <b>Road Maintenance</b>                         | This service provides for management and maintenance on Council's infrastructure incorporating roads, bridges, drainage, footpaths, kerb and channel, street furniture, line marking and signage. | 2,895<br>3,344<br>449                             |
| <b>Major Plant</b>                              | This service operates and maintains Council's major plant and equipment, to meet functionality and safety needs and to maximise the performance and minimise the operational cost of the fleet.   | 1,234<br>1,040<br>(194)                           |
| <b>Major Plant Recoups</b>                      | Plant used on works generates plant hire income used to fund operations and maintenance and the replacement of the major plant.   | (660)<br>(1,800)<br>(1,140)                       |
| <b>Minor Plant</b>                              | This service purchases and maintains Council's minor plant and equipment, including trailers.   | (24)<br>(17)<br>7                                 |
| <b>Infrastructure Capital</b>                   | This service provides for capital expenditure on Council's infrastructure incorporating roads, bridges, drainage, footpaths, kerb and channel, streetscapes and car parks.                        | 6,558<br>3,155<br>(3,403)                         |
| <b>Funded Infrastructure Projects - Capital</b> | This service includes the delivery of one-off capital infrastructure projects partly or wholly funded by non-recurrent government grants.   | (1,941)<br>1,550<br>3,491                         |
| <b>Asset Management</b>                         | This service predominantly provides asset management services. The service also approves and supervises infrastructure works associated with private development activities.                      | 104<br>98<br>(6)                                  |

The following statement provides the results of the prescribed service performance indicators and measures including explanation of results in comments.

| Service/Indicator/measure   | Result<br>2021/2022 | Result<br>2022/2023 | Result<br>2023/2024 | Result<br>2024/2025 | Council Explanation  |
|---|---------------------|---------------------|---------------------|---------------------|--|
| <b>Roads</b>  |                     |                     |                     |                     |  |
| <b>Satisfaction of use</b>  | 4.64                | 7.07                | 6.08                | 5.53                | Council continues to encourage the community to submit a customer request to log issues with Council maintained roads. These requests have remained steady, with a slight decrease this reporting period compared to last financial year. Council are aware that the condition of roads remain a concern by the community. This is again recognised in Council's 2025/2026 budget which includes a significant emphasis on capital works and road renewal. |
| <i>Sealed local road requests<br/>(Number of sealed local road requests / Kilometres of sealed local roads) x 100</i> |                     |                     |                     |                     |  |

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| Service/Indicator/measure   | Result<br>2021/2022 | Result<br>2022/2023 | Result<br>2023/2024 | Result<br>2024/2025 | Council Explanation   |
|---|---------------------|---------------------|---------------------|---------------------|---|
| <b>Condition</b><br>Sealed local roads maintained to condition standard<br>[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100 | 100.00%             | 100.00%             | 100.00%             | 100.00%             | Council has had no roads fall below the renewal intervention level this year. A proactive approach by Council's roads team has seen maintenance conducted regularly and preemptively, to ensure sealed roads remain at condition standard.  |
| <b>Service cost</b><br>Cost of sealed local road reconstruction<br>[Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]  | \$42.80             | \$53.32             | \$35.13             | \$39.44             | With a strong focus on cost-efficiency, Council was able to maintain a similar cost for sealed local road reconstruction in 2024/2025, a minimal increase attributed to slightly higher material costs.   |
| Cost of sealed local road resealing<br>[Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]  | \$6.70              | \$5.57              | \$6.06              | \$6.51              | 2024/2025 saw a small increase in seal cost per square metre. Council is confident that the cost per square metre specific to sealed road remains at a very competitive level and accurately reflects Council's diligence to seek best price for road sealing contracts.                  |
| <b>Satisfaction</b><br>Satisfaction with sealed local roads<br>[Community satisfaction rating out of 100 for how Council has performed on the condition of sealed local roads]                                      | 58                  | 51                  | 54                  | 56                  | This result reflects an improvement in community satisfaction with Council's local roads compared to recent years. It is envisaged that the ongoing investment in road renewal outlined in Council's budget 2025/2026 will continue to improve community satisfaction in the longer term. |



## Strategic Objective 5: Enhancing Community Life

The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan. The statement also reviews the progress of Council in relation to major initiatives identified in the 2024/2025 budget for the year.

| Strategic Indicator/Measure   | Result | Comments  |
|---|--------|---|
| Open up Council's arts and culture assets to greater community participation, ownership, and engagement in decision-making.                                 | ✓      | Council's efforts in this strategic direction has resulted in the number of attendees to the Art Gallery's scheduled programs increasing from 697 in 2021/22 (Year 1) to 2,171 attendees in 2024/25 (Year 4). The number of bookings for the Auditorium at the Town Hall also increased from 111 in 2021/22 to 153 bookings in 2024/25. |
| Develop models of volunteering that recognise, support, and properly utilise the skills that community volunteers bring to community life.                  | ✓      | Council celebrates and promotes volunteers each year with events for National Volunteer Week and by running an annual Volunteer Expo. This strategic direction has been maintained as a priority for Council into the next Council Plan 2025-29.  |
| Partner with community groups, not-for-profits, and traditional owner organisations to develop Ararat Rural City as a more inclusive and diverse community. | ✓      | Council has partnered with a wide range of community groups and organisations to deliver celebrations of diversity and inclusion, such as Welcoming Week, Harmony Day and the Multicultural Community Garden Party.   |

The following statement provides information in relation to the services funded in the 2024/2025 budget and the persons or sections of the community who are provided the service. The figures presented are based on the cash basis of accounting.

| Service                         | Description   | Net Cost      |                   |
|---------------------------------|---|---------------|-------------------|
|                                 |   | Actual Budget | Variance<br>\$000 |
| Ararat Gallery TAMA             | This service includes the operations, projects, exhibitions, acquisitions and administration of the Ararat Gallery TAMA.  | 403           |                   |
|                                 |   | 343           | (60)              |
| Ararat Town Hall                | This service operates and manages the Ararat Town Hall which provides artistic programs for the region.   | 538           |                   |
|                                 |   | 440           | (98)              |
| Gum San Chinese Heritage Museum | Management of Gum San has been handed over to the Friends of Gum San. Council has an MoU with the group and continues to provide financial and maintenance support.                     | 24            |                   |
|                                 |   | 25            | 1                 |
| Community and Events Support    | This service provides for the employment of community development staff who work with communities to develop community action plans and implement other community building initiatives. | 66            |                   |
|                                 |   | 56            | (10)              |
| Recreation Services             | This service provides some services to young people. Most of the recreational services function has been rolled into the Ararat Fitness Centre activity.                                | 15            |                   |
|                                 |   | 114           | 99                |

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| Service   | Description   | Net Cost<br>Actual Budget<br>Variance<br>\$000 |
|---|---|--|
| <b>Ararat Fitness Centre and Outdoor Pools</b>        | This service operates and maintains a range of recreational facilities including aquatic facilities, indoor (1) and outdoor (3) swimming pools. The Ararat Fitness Centre provides an extensive range of recreational programs and opportunities accessible to individuals of all ages, sexes and abilities which contribute to the general wellbeing of the community.   | 734<br>646<br>(88)                             |
| <b>Alexandra Oval Community Centre and Great Hall</b> | This service operates and maintains the Alexandra Oval Community Centre and Great Hall. The facility provides the Ararat and greater Grampians community, clubs and businesses with centrally located, high quality, modern, flexible and dynamic multipurpose community and recreation spaces.   | 45<br>20<br>(25)                               |
| <b>Library Services</b>                               | This service provides public library services at the Ararat Library and the Lake Bolac Business and Information Centre and through the mobile library outreach service to rural communities.  | 224<br>290<br>66                               |
| <b>Positive Ageing</b>                                | This service includes Senior Citizens support and grant funding for service system resourcing.  | 6<br>7<br>1                                    |
| <b>Children Services</b>                              | This service provides family-oriented support services including maternal and child health, immunisation and early childhood education and support.   | (2)<br>50<br>52                                |
| <b>Community Safety</b>                               | This service maintains and improves the health and safety of people, animals and the environment in Council by providing animal management services including a cat trapping program, a dog and cat collection service, a pound service, a registration and administration service, and an after-hours emergency service. This service also includes local laws and parking enforcement and the operations of the school crossings. | 188<br>131<br>(57)                             |
| <b>Funded Recreation Projects - Capital</b>           | This service includes the delivery of one-off capital building projects partly or wholly funded by non-recurrent government grants.   | 190<br>0<br>(190)                              |



2024/25 Council Annual Service Statement

The following statement provides the results of the prescribed service performance indicators and measures including explanation of results in comments.

| Service/Indicator/Measure  | Result<br>2021/2022 | Result<br>2022/2023 | Result<br>2023/2024 | Result<br>2024/2025 | Council Explanation  |
|--|---------------------|---------------------|---------------------|---------------------|--|
| <b>Animal Management</b>   |                     |                     |                     |                     |  |
| <b>Timeliness</b><br><i>Time taken to action animal management requests<br/>(Number of days between receipt and first response action for all animal management requests / Number of animal management requests)</i> | 1                   | 1                   | 1                   | 1                   | All animal management requests received by Council were acknowledged within 1 business day. Council places a strong emphasis on responsible pet ownership and community safety.  |
| <b>Service standard</b><br><i>Animals reclaimed<br/>(Number of animals reclaimed / Number of animals collected) x 100</i>  | 63.64%              | 30.95%              | 39.72%              | 48.57%              | The number of animals collected that were reclaimed by their owners has increased by 22% this reporting period. The total number of animals collected has dropped compared to last financial year. This along with an increase in reclaimed animals, is positive for Council's animal management team and the community. Council's aim is to ensure as many impounded animals as possible are reclaimed by their owners, utilising communication channels and implementing pet owner education programs. |
| <b>Animals rehomed</b><br><i>(Number of animals rehomed / Number of animals collected) x 100</i>   | 25.13%              | 11.11%              | 24.71%              | 37.04%              | The percentage of animals rehomed during this reporting period has increased from 24% last year to almost 49% this financial year. This is a positive result for Council's animal management team, who aim to ensure as many surrendered animals as possible are rehomed. Less animals collected, an excellent working relationship with adoption agencies, as well as subsidised adoption fees (some of the lowest in the state) are all factors attributing to this increase.                          |
| <b>Service cost</b><br><i>Cost of animal management service per population<br/>Direct cost of the animal management service / Population</i>   | \$22.12             | \$20.02             | \$22.96             | \$20.21             | A small decrease in the cost of the animal management service in 2024/2025 is due to a lower FTE level within the Community Safety team.   |

2021-2025 City Council Annual Report Summary

| Service/Indicator/Measure   | Result<br>2021/2022 | Result<br>2022/2023 | Result<br>2023/2024 | Result<br>2024/2025 | Council Explanation   |
|---|---------------------|---------------------|---------------------|---------------------|---|
| <b>Animal Management (cont'd)</b>   |                     |                     |                     |                     |   |
| <b>Health and safety</b><br>Animal management prosecutions<br>(Number of successful animal management prosecutions / Number of animal management prosecutions) x 100  | 0%                  | 100%                | 0%                  | 0%                  | There were no animal management prosecutions during this reporting period.  |
| <b>Maternal and Child Health (MCH)</b>  |                     |                     |                     |                     |   |
| <b>Service standard</b><br>Infant enrolments in the MCH service<br>(Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received) x 100               | 100.00%             | 100.00%             | 97.89%              | 101.16%             | Enrolments in Council's Maternal Child Health service remain consistently high. Council's result of over 100% this reporting period is due to a new family moving from outside the municipal area.  |
| <b>Service cost</b><br>Cost of the MCH service<br>(Cost of the MCH Service / Hours worked by MCH nurses)  | \$71.86             | \$80.82             | \$82.24             | \$80.85             | The cost of the Maternal Child Health service remains steady compared with previous years.  |
| <b>Participation</b><br>Participation in the MCH service<br>(Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service) x 100                      | 85.53%              | 84.87%              | 87.11%              | 83.35%              | Participation levels have slightly decreased on last reporting period, with Council continuing to review engagement practices within the maternal and child health service to increase participation rates.   |
| Participation in the MCH service by Aboriginal children<br>(Number of aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service) x 100 | 87.50%              | 90.48%              | 89.47%              | 87.10%              | Participation levels remain steady amongst aboriginal children in the service. Low numbers in this indicator creates sensitivity when reporting in percentages, however attendance in the program continues to be strong.   |
| <b>Satisfaction</b><br>Participation in 4-week Key Age and Stage visit<br>(Number of 4-week Key Age and Stage visits / Number of birth notifications received) x 100  | 99.20%              | 104.67%             | 90.53%              | 108.14%             | This indicator shows the percentage of infants enrolled in the MCH service who participated in a 4 week Key Age and Stage visit. This percentage is over 100% due to the timing difference that can occur between birth notices being received and the home visit being completed across reporting periods. |

2024/2025 Council Annual Report Summary

| Service/Indicator/Measure  | Result<br>2021/2022 | Result<br>2022/2023 | Result<br>2023/2024 | Result<br>2024/2025 | Council Explanation   |
|--|---------------------|---------------------|---------------------|---------------------|---|
| <b>Aquatic Facilities</b>  |                     |                     |                     |                     |   |
| <b>Service standard</b><br><i>Health Inspections of aquatic facilities<br/>[Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]</i> | 1.00                | 1.00                | 1.00                | 1.00                | All four of Council's aquatic facilities underwent an inspection during the 2024/2025 financial year. Aquatics staff also assess water quality four times daily, and records of results are maintained at all locations.  |
| <b>Utilisation</b><br><i>Utilisation of aquatic facilities<br/>[Number of visits to aquatic facilities / Municipal population]</i>   | 2.65                | 3.05                | 4.91                | 5.67                | For the second year in a row, Council made the decision to make entry to all municipal outdoor pools free for the 2024/2025 season. This, along with a warmer summer season, has seen visitor numbers to our pools continue to grow.  |
| <b>Service cost</b><br><i>Cost of aquatic facilities<br/>[Direct cost of aquatic facilities less income received / Number of visits to aquatic facilities]</i>                                 | \$23.46             | \$16.24             | \$13.02             | \$11.09             | Council are pleased to see a further 14% decrease in the cost per head of our aquatic facilities. For the second year in a row, Council made the decision to make entry to all municipal pools free for the 2024/2025 season. This has again seen an increase in visitation this reporting period. Although the net cost across all 4 pools has reduced slightly from last year, the free entry has seen an increase in costs over the 2 year period (increased usage has meant additional staffing, maintenance, etc). |
| <b>Libraries</b>   |                     |                     |                     |                     |   |
| <b>Resource currency</b><br><i>Recently purchased library collection<br/>[Number of library collection items purchased in the last 5 years / Number of library collection items] x 100</i>     | 48.67%              | 54.92%              | 51.21%              | 53.29%              | The purchasing of book stock is managed under a service agreement with the City of Ballarat, who ensures a modern and relevant library collection. A shelving upgrade early 2025 was an opportunity for Ararat Library to reduce its collection of older stock. There is also an increasing focus on digital stock, including e-audio, e-magazines and e-books to meet demand in this area.   |
| <b>Service cost</b><br><i>Cost of library service per population<br/>[Direct cost of the library service / Population]</i>   | \$24.67             | \$29.83             | \$28.96             | \$30.20             | The cost of Council's Library service per head of population has remained fairly steady this reporting period. A slight increase in running costs of the library service has seen a 4% increase.  |

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| Service/Indicator/Measure  | Result<br>2021/2022 | Result<br>2022/2023 | Result<br>2023/2024 | Result<br>2024/2025 | Council Explanation  |
|--|---------------------|---------------------|---------------------|---------------------|--|
| <b>Libraries (cont'd)</b>  |                     |                     |                     |                     |  |
| <b>Utilisation</b><br><i>Loans per head of population</i><br><i>(Number of library collection item loans / Population)</i> | New                 | New                 | New                 | 2.46                | This indicator is an assessment of the degree to which Council's library items are utilised by the community. Council's result of 2.46 loans per head is 33% lower than the previous year. This is an interesting statistic, as visitor numbers to the Library have increased over this same period. Factors explaining this may be attributed to more people visiting the Library for alternative reasons (attending programs, internet use etc) rather than borrowing. The Ararat library was also closed for 1 month during this reporting period to undertake upgrade works, with only a limited borrowing service available during this time. |
| <b>Participation</b><br><i>Library membership</i><br><i>(Number of registered library members / Population) x1 00</i>      | New                 | New                 | New                 | 19.12%              | This indicator is an assessment of the degree to which the community participate in Council's library service. Council's result of 19.12% is reflective of a small rural Council and has remained steady from the previous year. Following an interior upgrade in early 2025, Council is actively working to encourage new members and borrowers with new and varied programs and membership drives.   |
| <i>Library visits per head of population</i><br><i>(Number of library visits / Population)</i>                             | New                 | New                 | New                 | 2.17                | The Ararat Library service (incorporating Lake Bolac Library) had 2.17 visits per head of population during this reporting period, almost 10% higher than last reporting period. This is a positive outcome for the Library team, as this reporting period also included an interior upgrade where the Library ran a limited service for a month. Council has actively worked to encourage new members and increase programming following this upgrade, resulting in an increase in visitation.  |

2024/2025 City Council Annual Financial Statement

## Strategic Objective 6: Strong and Effective Governance

The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan. The statement also reviews the progress of Council in relation to major initiatives identified in the 2024/2025 budget for the year.

| Strategic Indicator/Measure  | Result | Comments  |
|--|--------|---|
| Deliver responsible budget outcomes, linked to strategy, which deliver value, innovation, and rating fairness.   | ✓      | Each of the four Budgets developed and delivered in the four-year Council Plan 2021-25 period achieved responsible budget outcomes that were linked to strategy, and delivered value, innovation and rating fairness. Monthly financial performance reporting commenced in February 2025.   |
| Ensure appropriate risk management is applied to Council and organisational decisions. Council's internal audit function is applied to areas of perceived risk.  | ✓      | A new risk management system was developed. Opportunities for improvement identified through the internal audit process have been implemented. The status of any outstanding items is reported to each quarterly Audit and Risk Committee meeting.  |
| 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. | ✓      | Increased staffing in the communication and engagement function has enabled improved communication around major projects. Council's Engage Ararat page has been extensively used to provide information and gather feedback on a range of key initiatives. Council have also established a Community e-Newsletter to provide important information about our community, including infrastructure updates, upcoming event information and the latest Council news stories. |

The following statement provides information in relation to the services funded in the 2024/2025 budget and the persons or sections of the community who are provided the service. The figures presented are based on the cash basis of accounting.

| Service                   | Description   | Net Cost<br>Actual Budget<br>Variance<br>\$'000 |
|---------------------------|---|---|
| <b>Corporate Revenue</b>  | This service includes Council's rates and charges revenue, interest income and general-purpose grant funds received from the Victorian Local Government Grants Commission.  | (20,762)<br>(20,556)<br>206                     |
| <b>Financial Services</b> | This service predominantly provides financial based services to both internal and external customers including the management of Council's finances, procurement practices and contracting of services, raising rates and charges and the processing of accounts payable and receivables. This service also includes property management and corporate expenses including stationery, telecommunications, revenue collection fees and valuations. | 1,119<br>1,075<br>(44)                          |
| <b>Customer Services</b>  | This service includes the customer service operations of the Municipal Office.  | 353<br>324<br>(29)                              |

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| Service                          | Description  | Net Cost<br>Actual Budget<br>Variance<br>\$000 |
|----------------------------------|--|--|
| <b>Property Operations</b>       | This service is responsible for the operations of Council's assets, including insurances and utility charges such as water and electricity. The service also includes Council's building, land and property leases and licenses.   | (45)<br>(111)<br>(66)                          |
| <b>Vehicles</b>                  | This service operates, maintains and purchases Council vehicles, excluding major plant and equipment, to meet functionality and safety needs and to maximise the performance and minimise the operational cost of the fleet.   | 222<br>196<br>(26)                             |
| <b>CEO's Office</b>              | This area includes Chief Executive Officer and executive support. This service includes media and communications, marketing and government relations.  | 1,184<br>1,129<br>(55)                         |
| <b>Funded Operating Projects</b> | This service includes the delivery of one-off operating projects partly or wholly funded by non-recurrent government grants.   | (3,026)<br>(22)<br>3,004                       |
| <b>Community Support Grants</b>  | This service provides support grants to community organisations for projects, sponsorships, and minor capital and community infrastructure.  | 53<br>100<br>47                                |
| <b>Human Resources</b>           | This service provides Council with strategic and operational organisation development support. The service develops and implements strategies, policies and procedures through the provision of human resources and industrial relations services. This service includes training programs and business excellence. This service also includes payment of salaries and wages to Council employees.         | 391<br>407<br>16                               |
| <b>Governance</b>                | This service provides support to the Mayor, Councillors and executive support. This service provides statutory and corporate support services to Council, including coordination of business papers for meetings of the Council and maintenance of statutory registers. This service also provides facilities maintenance grants for recreation reserves and public halls and coordinates risk management. | 1,106<br>1,214<br>108                          |
| <b>Business Transformation</b>   | This service includes service reviews and business improvement.  | 504<br>492<br>(12)                             |
| <b>Information Services</b>      | This service provides, supports and maintains reliable and cost effective communications and computing systems, facilities and infrastructure to Council staff enabling them to deliver services in a smart, productive and efficient way.   | 1,366<br>738<br>(628)                          |



Service Performance Indicators

The following statement provides the results of the prescribed service performance indicators and measures including explanation of results in comments.

| Service/Indicator/Measure  | Result<br>2021/2022 | Result<br>2022/2023 | Result<br>2023/2024 | Result<br>2024/2025 | Council Explanation  |
|--|---------------------|---------------------|---------------------|---------------------|--|
| <b>Governance</b>  |                     |                     |                     |                     |  |
| <b>Transparency</b><br><i>Council decisions made at meetings closed to the public</i><br><i>(Number of council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of councillors, closed to the public / Number of council resolutions made at ordinary or special meetings of council or at meetings of a special committee consisting only of councillors) x 100</i> | 25.18%              | 20.33%              | 19.55%              | 11.45%              | Council have reviewed how items are taken to Council meetings with an eye to ensuring maximum transparency around Council decision making. Majority of Council decisions this reporting period were made in open Council meetings, with only 11% made in closed meetings. Council made 131 resolutions over the reporting period, of these only 15 were confidential resolutions (Pertaining to contracts/tenders etc).                    |
| <b>Consultation and engagement</b><br><i>Satisfaction with community consultation and engagement</i><br><i>(Community satisfaction rating out of 100 with how council has performed on community consultation and engagement)</i>  |                     |                     |                     |                     |  |
|  | 62                  | 60                  | 59                  | 59                  | Council set a target of 65 for community satisfaction with consultation and engagement. Although failing to reach this, Council has maintained consistency with a result of 59, the same as the previous reporting period. This result has remained steady over the last 3 years. Council is continuing its commitment to listening to and addressing community concerns, and will continually set high performance targets in this space. |
| <b>Attendance</b><br><i>Council attendance at Council meetings</i><br><i>(The sum of the number of councillors who attended each ordinary and special Council Meeting / (Number of ordinary and special Council Meetings) x (Number of councillors elected at the last Council general election)) x100</i>   |                     |                     |                     |                     |  |
|  | 94.29%              | 96.43%              | 92.66%              | 91.67%              | Councillor attendance at Council meetings remains consistently high, reflecting Councillor's commitment to active participation in decision making.  |

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| Service/Indicator/Measure  | Result<br>2021/2022 | Result<br>2022/2023 | Result<br>2023/2024 | Result<br>2024/2025 | Council Explanation  |
|--|---------------------|---------------------|---------------------|---------------------|--|
| <b>Governance (cont'd)</b>   |                     |                     |                     |                     |  |
| <b>Service cost</b>  |                     |                     |                     |                     |  |
| Cost of elected representation<br>[Direct cost of the governance service / Number of councillors elected at the last Council general election]   | \$37,598.47         | \$39,746.14         | \$41,735.57         | \$43,567.71         | The cost of elected representation remains steady, a slight increase is due to required induction and training costs of the newly elected Council.   |
| <b>Satisfaction</b><br>Satisfaction with Council decisions<br>[Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community] | 65                  | 60                  | 61                  | 59                  | Satisfaction with Council making decisions in the interest of the community decreased by two points compared to the previous year. The state average result for similar sized Councils is 50. Council is committed to continuous and ongoing improvement in this area. |

### Reconciliation of Cash Result with Operating Result

|  | Net Cost<br>Revenue<br>\$'000 |
|--|-------------------------------|
| Growing Our Place                                      | 844                           |
| Building Robust Local Economies                        | 576                           |
| Preserving Our Environment                             | 2,882                         |
| Developing and Maintaining Key Enabling Infrastructure | 10,778                        |
| Enhancing Community Life                               | 2,431                         |
| Strong and Effective Governance                        | (17,535)                      |
| <b>Total</b>   | <b>(24)</b>                   |
| Less capital expenditure on fixed assets               | (11,704)                      |
| Add depreciation                                       | 11,089                        |
| Add depreciation – right of use assets                 | 363                           |
| Add written down value of assets sold                  | 549                           |
| Less fair value adjustments for investment property    | (1,080)                       |
| Add increase in unearned revenue                       | 5,723                         |
| Less share of net profit in joint venture              | (29)                          |
| Less contribution to joint venture                     | (1,000)                       |
| Add decrease in prepayments                            | 356                           |
| Less repayment of borrowings                           | (150)                         |
| Less repayment of lease liabilities                    | (324)                         |
| Add transfer from reserves                             | 4,052                         |
| Less transfer to reserves                              | (8,978)                       |
| <b>Operating (Surplus) / Deficit for the Year</b>      | <b>(1,157)</b>                |

# Governance, Management and Other Information



## Governance

Ararat Rural City Council is constituted under the Act to provide leadership for the good governance of the municipal district and the local community. Council has a number of roles including:

- Taking into account the diverse needs of the local community in decision-making
- Providing leadership by establishing strategic objectives and monitoring achievements
- Ensuring that resources are managed in a responsible and accountable manner
- Advocating the interests of the local community to other communities and governments
- Fostering community cohesion and encouraging active participation in civic life.

Council is committed to effective and sustainable forms of democratic and corporate governance as the key to ensuring that Council and its administration meet the community's priorities. The community has many opportunities to provide input into Council's decision-making processes including community consultation, public forums and the ability to make submissions to Council.

Council's formal decision-making processes are conducted through Council meetings. Council delegates the majority of its decision-making to Council employees. These delegations are exercised in accordance with adopted Council policies.

### SPECIAL COMMITTEES

Council does not have any Special Committees

### COUNCIL CODE OF CONDUCT

Council adopted its revised Code of Conduct on 28 January 2025. It sets out the Councillor Conduct Principles, which assist Councillors in maintaining the highest standard of conduct and behaviour as well as providing a means to deal with problems they may encounter.

### CONFLICT OF INTEREST

Council has a comprehensive procedure in place to accommodate the disclosure of a conflict of interest. Declaration of Conflict of Interest is a standard Council Meeting agenda item. During 2024/2025, 3 conflicts of interest were declared at Council Meetings.

### COMMUNITY ENGAGEMENT

Council adopted its Community Engagement Policy on 23 February 2021.

## Meetings of Council

Council conducts open public meetings on the last Tuesday of each month.

Council continues to livestream Council Meetings to drive engagement with members of the community. Livestreaming began on 17 April 2018.

Council Meetings also provide the opportunity for community members to submit a request to address Council or make a submission or presentation. For the 2024/2025 term Council held the following meetings:

- 11 ordinary Council Meetings
- 0 unscheduled meetings
- 1 statutory meeting.

The following table provides a summary of Councillors' attendance at Council Meetings and Special Council Meetings for the 2024/2025 financial year.

| Councillors                     | Council Meetings | Statutory Meeting | Unscheduled Council Meetings | Total |
|---------------------------------|------------------|-------------------|------------------------------|-------|
| Cr Jo Armstrong* (Mayor)        | 10               | 1                 | 0                            | 11    |
| Cr Bob Sanders** (Deputy Mayor) | 10               | 1                 | 0                            | 11    |
| Cr Rob Armstrong                | 11               | 1                 | 0                            | 12    |
| Cr Peter Joyce                  | 7                | 1                 | 0                            | 8     |
| Cr Teli Kaur                    | 7                | 1                 | 0                            | 8     |
| Cr Luke Preston                 | 6                | 1                 | 0                            | 7     |
| Cr Bill Waterston               | 9                | 1                 | 0                            | 10    |
| Cr Gwenda Allgood               | 4                | 0                 | 0                            | 4     |
| Cr Peter Beales                 | 3                | 0                 | 0                            | 3     |
| Cr Henry Burridge               | 3                | 0                 | 0                            | 3     |

\* Deputy Mayor until Election Period

\*\* Mayor until Election Period

## Delegated Committees

The Act allows councils to establish one or more delegated committees consisting of:

- Councillors
- Council staff
- Other persons
- Any combination of the above.

The following table contains a list of delegated committees established by the council that are in operation and the purpose for which each committee was established.

| Delegated committee  | Councillors | Officers | Other | Purpose  |
|--|-------------|----------|-------|--|
| Alexandra Hall Community Asset Committee <sup>1</sup>                      | 0           | 1        | 8     |  |
| Buangor Community Sport Centre Community Asset Committee <sup>1</sup>      | 0           | 1        | 11    |  |
| Elmhurst Public Hall Community Asset Committee <sup>1</sup>                | 0           | 1        | 10    |  |
| Lake Bolac Memorial Hall Community Asset Committee <sup>1</sup>            | 0           | 1        | 7     |  |
| Maroona Recreation Reserve Community Asset Committee <sup>1</sup>          | 0           | 1        | 9     |  |
| Mininera Recreation Reserve Community Asset Committee <sup>1</sup>         | 0           | 1        | 7     |  |
| Moyston Public Hall Community Asset Committee <sup>1</sup>                 | 0           | 1        | 8     | To assist Council to economically manage community assets and assist in the management, control and maintaining of the facility. |
| Pomonal Hall Community Asset Committee <sup>1</sup>                        | 0           | 1        | 7     |  |
| Streatham Memorial Hall Community Asset Committee <sup>1</sup>             | 0           | 1        | 13    |  |
| Tatyoon Hall and Recreation Reserve Community Asset Committee <sup>1</sup> | 0           | 1        | 12    |  |
| Warrak Public Hall Community Asset Committee <sup>1</sup>                  | 0           | 1        | 8     |  |
| Wickliffe Recreation Reserve Community Asset Committee <sup>1</sup>        | 0           | 1        | 17    |  |
| Willaura Recreation Reserve Community Asset Committee <sup>1</sup>         | 0           | 1        | 9     |  |
| Yalla-Y-Poora Community Centre Community Asset Committee <sup>1</sup>      | 0           | 1        | 9     |  |

<sup>1</sup>Has delegated functions, duties or powers

### Mayor, Deputy Mayor and Councillor Allowances

In accordance with Section 39 of the Local Government Act 2020, Councillors are entitled to receive an allowance while performing their duty as a Councillor. The Mayor and Deputy Mayor are also entitled to receive a higher allowance.

From 18 December 2021, Mayor, Deputy Mayor and Councillor allowances are set by the Victorian Independent Remuneration Tribunal. Allowances are divided into three categories. Ararat Rural City Council is recognised as a Category One Council.

The following table contains details of allowances for the Mayor, Deputy Mayor and Councillors during the financial year.

| Councillors       | Allowance \$ |
|-------------------|--------------|
| Cr Gwenda Allgood | 8,429        |
| Cr Jo Armstrong*  | 67,546       |
| Cr Rob Armstrong  | 25,793       |
| Cr Peter Beales   | 8,429        |
| Cr Henry Burridge | 8,429        |
| Cr Peter Joyce    | 17,364       |
| Cr Teli Kaur      | 17,364       |
| Cr Luke Preston   | 17,364       |
| Cr Bob Sanders*   | 53,454       |
| Cr Bill Waterston | 25,793       |

\*includes Mayor Allowance and Deputy Mayor Allowance

## Councillor Expenses

In accordance with Section 40 of the Local Government Act 2020, Council is required to reimburse a Councillor for expenses incurred whilst performing their duties as a Councillor. Council is also required to adopt and maintain a policy in relation to the reimbursement of expenses for Councillors. The policy provides guidance for the payment of reimbursements of expenses and the provision of resources, facilities and other support to the Mayor and Councillors to enable them to discharge their duties. Council also publishes in its Annual Report the details of the expenses, including reimbursement of expenses for each Councillor paid by the Council.

The details of the expenses, including reimbursement of expenses for each Councillor paid by the Council for the 2024/2025 year, are set out in the following table.

| Councillor     | Attendances<br>Meals/Dining<br>\$ | Travel<br>\$  | Conferences<br>and Training<br>\$ | Information and<br>Communication<br>Technology<br>\$ | Mayoral<br>Vehicle<br>(car mileage<br>expenses)<br>\$ | Total<br>\$     |
|----------------|-----------------------------------|---------------|-----------------------------------|--|---|-----------------|
| Cr Allgood     |                                   |               |                                   | 381.00   |   | <b>381.00</b>   |
| Cr J Armstrong | 45.00                             | 782.00        | 3368.00                           | 381.00   | 3013.66   | <b>7589.66</b>  |
| Cr R Armstrong |                                   |               |                                   | 163.00   |   | <b>163.00</b>   |
| Cr Beales      |                                   |               |                                   | 381.00   |   | <b>381.00</b>   |
| Cr Burridge    |                                   |               |                                   | 163.00   |   | <b>163.00</b>   |
| Cr Joyce       | 140.00                            |               |                                   | 87.00  |   | <b>227.00</b>   |
| Cr Kaur        | 70.00                             | 108.00        |                                   | 87.00  |   | <b>265.00</b>   |
| Cr Preston     | 140.00                            |               |                                   | 87.00  |   | <b>227.00</b>   |
| Cr Sanders     | 510.00                            |               | 1446.00                           | 163.00   | 1131.44   | <b>3250.44</b>  |
| Cr Waterston   |                                   |               |                                   | 163.00   |   | <b>163.00</b>   |
| <b>Totals</b>  | <b>905.00</b>                     | <b>890.00</b> | <b>4814.00</b>                    | <b>2056.00</b>                                       | <b>4145.10</b>  | <b>12810.10</b> |

# Management

Council has implemented a number of statutory and better practice items to strengthen its management framework. Having strong governance and management frameworks leads to better decision-making by Council. The Act requires Council to undertake an assessment against the prescribed governance and management checklist and include this in its report of operations.

The following items have been highlighted as important components of the management framework.

## Audit and Risk Committee

The Audit and Risk Committee was established to support Council in discharging its oversight responsibilities related to financial and performance reporting, risk management, fraud prevention, maintenance of a sound internal control environment, assurance activities including internal and external audit, and Council's performance with regard to compliance with its policies and legislative and regulatory requirements.

The Audit and Risk Committee consists of three independent members – Ms Jessica Adler (Chair), Ms Janet Dore and Mr Greg Jakob – and two Councillors, Cr Jo Armstrong and Cr Bob Sanders. Independent members are appointed for a three-year term. Independent members may be reappointed for two additional three-year terms subject to satisfactory performance, that is, a maximum of nine years. The Chair is elected by Council.

The Audit and Risk Committee meets four times a year. The Internal Auditor, Chief Executive Officer, Financial Services Coordinator and Governance and Risk Lead attend all Audit Committee meetings. Other management representatives attend as required to present reports. The external auditors and internal auditors attend as required to present reports.

The minutes of each Audit and Risk Committee meeting are subsequently reported to Council for information.

## Internal Audit

Council's internal audit function provides independent and objective assurance that the appropriate processes and controls are in place across Council. Council uses the services of an external provider who has extensive local government experience to carry out the internal audit function. A risk-based four-year Strategic Internal Audit Plan (SIAP) is revised annually to ensure the audit resources remain focused on the appropriate areas.

The review process considers Council's risk framework; the Council Plan; the impact of any change on operations, systems or the business environment; prior audit coverage; and outcomes and management input. The SIAP is reviewed and approved by the Audit and Risk Committee annually.

The Internal Auditor attends Audit and Risk Committee meetings as required to report on the status of the SIAP, to provide updates on the implementation of audit recommendations, and to present findings of completed reviews. All audit issues identified are risk rated. Recommendations are assigned to the responsible officers and tracked through Council's internal compliance framework.

The Internal Auditor completed the following reviews during 2024/2025:

- Depot Costing Review
- Fraud and Corruption Framework
- Overhead Allocations Review
- Risk Assessment & Strategies Internal Audit Program Development

### External Audit

Council is externally audited by the Victorian Auditor-General. For the 2024/2025 year the annual external audit of Council's Financial Statements and Performance Statement was conducted by the Victorian Auditor-General's representative. The external auditors attend Audit and Risk Committee meetings as required, to present the annual audit plan and Independent Audit Report. The external audit management letter and management's responses are also provided to the Audit and Risk Committee.

### Risk Management

Council's commitment to risk management has supported its progression towards an embedded risk management culture. Council continues to work towards being an organisation that works to reduce risk in all its operations whilst balancing risk with innovation by meeting the requirements of the Strategic Objectives in the Council Plan 2021-2025.

In April 2024 Council adopted the Risk Management Policy and Risk Management Framework in line with best practice in the management of business enterprise risks and current AS/NZS ISO 31000 principles and guidelines. The Risk Management Policy and Risk Management Framework addresses such items as:

- Risk management culture
- Communication and training
- Best practice in risk management
- Responsibilities of and to internal and external stakeholders
- Risk registers and risk management software
- The Council planning cycle, budget cycle and annual audit cycle
- A performance measurement system to determine the effectiveness of the policy and framework.

### 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.
- 6.2 Ensure appropriate risk management is applied to Council and organisational decisions. Council's internal function is applied to areas of perceived risk.
- 6.3 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.

## Governance and Management Checklist

The following are the results in the prescribed form of Council's assessment against the prescribed governance and management checklist.

| Governance and Management Items   | Assessment   |
|---|--|
| 1 <b>Community Engagement Policy</b><br>(policy under section 55 of the Act outlining Council's commitment to engaging with the community on matters of public interest)                                  | Adopted in accordance with section 55 of the Act<br>Date adopted: 23 February 2021   |
| 2 <b>Community Engagement Guidelines</b><br>(guidelines to assist staff to determine when and how to engage with the community)   | Community Engagement Policy includes:<br>Appendix 2 Community Engagement Template and Appendix 3 Engagement Checklist included<br>Date adopted: 23 February 2021 |
| 3 <b>Financial Plan</b><br>(plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years)                                       | Adopted in accordance with section 91 of the Act<br>Date adopted: 27 May 2025  |
| 4 <b>Asset Plan</b><br>(plan under section 92 of the Act setting out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)                         | Adopted in accordance with section 92 of the Act<br>Asset Plan<br>Date adopted: 31 October 2023  |
| 5 <b>Revenue and Rating Plan</b><br>(plan under section 93 of the Act setting out the rating structure of Council to levy rates and charges)  | Adopted in accordance with section 93 of the Act<br>Date adopted: 27 May 2025  |
| 6 <b>Annual Budget</b><br>(plan under section 94 of the Act setting out the services to be provided and initiatives to be undertaken during the budget year and the funding and other resources required) | Adopted in accordance with section 94 of the Act<br>Date adopted: 27 May 2025  |
| 7 <b>Risk Policy</b><br>(policy outlining Council's commitment and approach to minimising the risks to Council's operations)  | Policy<br>Date of commencement of current policy:<br>30 April 2024   |
| 8 <b>Fraud Policy</b><br>(policy outlining Council's commitment and approach to minimising the risk of fraud)   | Policy<br>Date of commencement of current policy:<br>30 April 2024   |
| 9 <b>Municipal Emergency Management Plan</b><br>(plan under section 60ADB of the Emergency Management Act 2013 for emergency mitigation, response and recovery)   | Prepared and maintained in accordance with section 60ADB of the Emergency Management Act 2013<br>Date of preparation: 21 July 2020                               |

| Governance and Management Items |   | Assessment   |
|---------------------------------|---|--|
| 10                              | <b>Procurement Policy</b><br>(policy under section 108 of the Act outlining the principles, processes and procedures that will apply to the purchase of goods and services by Council)                                  | Adopted in accordance with section 108 of the Act<br>Date adopted: 17 June 2025  |
| 11                              | <b>Business Continuity Plan</b><br>(plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster)  | Business Continuity Plan<br>Date of commencement of current plan: 27 August 2024   |
| 12                              | <b>Disaster Recovery Plan</b><br>(plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)   | Disaster Recovery Plan<br>Date of commencement of current plan: 27 January 2010  |
| 13                              | <b>Risk Management Framework</b><br>(framework outlining Council's approach to managing risks to Council's operations)  | Risk Management Framework<br>Date of commencement of current framework: 30 April 2024  |
| 14                              | <b>Audit and Risk Committee</b><br>(see sections 53 and 54 of the Act)  | Established in accordance with section 53 of the Act<br>Date established: 17 June 1997   |
| 15                              | <b>Internal Audit</b><br>(independent accounting professionals engaged by Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)                        | Engaged<br>Date of engagement of current provider: 23 December 2008  |
| 16                              | <b>Performance Reporting Framework</b><br>(a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 98 of the Local Government Act 2020)      | Framework<br>Date of operation of current framework: 01 July 2014  |
| 17                              | <b>Council Plan Report</b><br>(report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year) | Council Plan Action Report<br>Date of report: 27 May 2025  |
| 18                              | <b>Financial reporting</b><br>(quarterly statements to Council under section 97(1) of the Local Government Act 2020, comparing actual and budgeted results and an explanation of any material variations)               | Reports presented to Council in accordance with section 97(1) of the Local Government Act 2020<br>Data reports presented:<br>29 September 2024, 26 November 2024, 28 January 2025, 25 February 2025, 25 March 2025, 29 April 2025, 27 May 2025, 17 June 2025 |
| 19                              | <b>Risk reporting</b><br>(6-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)  | Reports<br>Date of Reports:<br>3 September 2024, 4 March 2025, 3 June 2025   |
| 20                              | <b>Performance Reporting</b><br>(6-monthly reports of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 98 of the Local Government Act 2020)    | Reports<br>Date of Reports:<br>29 September 2024, 26 November 2024, 28 January 2025, 25 February 2025, 25 March 2025, 29 April 2025, 27 May 2025, 17 June 2025   |

| Governance and Management Items |  | Assessment  |
|---------------------------------|--|---|
| 21                              | <b>Annual Report</b><br>(annual report under sections 98, 99 and 100 of the Local Government Act 2020 containing a report of operations and audited financial and performance statements)                                | Presented at a meeting of Council in accordance with section 100 of the Act<br>Date presented:<br>8 October 2024  |
| 22                              | <b>Councillor Code of Conduct</b><br>(Code under section 139 of the Act setting out the standards of conduct to be followed by Councillors and other matters)  | Reviewed and adopted in accordance with section 139 of the Act<br>Date reviewed: 28 January 2025  |
| 23                              | <b>Delegations</b><br>(documents setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff, in accordance with sections 11 and 47 of the Act) | Reviewed in accordance with section 11(7) of the Act and a register kept in accordance with sections 11(8) and 47(7) of the Act<br><br>Date of reviews:<br>S5 26 November 2024<br>S6 25 February 2025<br>S7 10 September 2024<br>S12 6 September 2024<br>S13 9 September 2024<br>S14 6 February 2023<br>S16 23 March 2023<br>S18 28 February 2023 |
| 24                              | <b>Meeting Procedures</b><br>(Governance Rules under section 60 of the Act governing the conduct of meetings of Council and delegated committees)  | Governance Rules adopted in accordance with section 60 of the Act<br>Date adopted:<br>25 March 2025   |

I certify that this information presents fairly the status of Council's governance and management arrangements.

  
Dr Tim Harrison  
Chief Executive Officer  
Dated: 27 January 2026

  
Cr Jo Armstrong  
Mayor  
Dated: 27 January 2026

# Statutory Information

The following information is provided in accordance with legislative and other requirements applying to Council.

## Public Transparency Policy

The Public Transparency Policy supports Council in its ongoing drive for good governance and the importance of transparent, open and accountable conduct and how Council information is to be made publicly available. It gives effect to the *Public Transparency Principles* of:

- (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.

## Freedom of Information

In accordance with section 7(4AA)(a) and 7(4AA)(b) of the Freedom of Information Act 1982, Council is required to publish certain statements in their Annual Report, or in a separate location such as its website, concerning its functions and information available.

Council received seventeen requests during the year for information relating to the Freedom of Information Act 1982. The following is a summary of the application and operation of the Freedom of Information Act 1982.

Access to documents may be obtained through written request to the Freedom of Information Officer, as detailed in section 17 of the Freedom of Information Act 1982 and in summary as follows:

- it should be in writing
- it should identify as clearly as possible which document is being requested
- it should be accompanied by the appropriate application fee (the fee may be waived in certain circumstances).

Requests for documents in the possession of Council should be addressed to the Freedom of Information Officer. Requests can also be lodged online or by email.

Access charges may also apply once documents have been processed and a decision on access is made (e.g., photocopying, search and retrieval charges).

Further information regarding FOI can be found at [www.foi.vic.gov.au](http://www.foi.vic.gov.au) or on the Council website [www.ararat.vic.gov.au](http://www.ararat.vic.gov.au).

### Contracts

During the year Council did not enter into any contracts valued at \$225,000 or more for services, or \$300,000 or more for works, without engaging in a competitive process.

Council issued 8 tenders in 2024/2025, covering the following service categories:

- consultancy and other work
- capital and infrastructure works
- operational services/trade services

### Disability Action Plan

In accordance with section 38 of the Disability Act 2006, Council has a Disability Action Plan, which is referred to as the Community Access Strategy. Council must report on the implementation of the strategy/plan in its Annual Report.

During 2024/2025, Council ensured that during the Yarram-Gap bushfires the Emergency Relief Centre was accessible for all abilities, or alternative arrangements were made to ensure everyone who attended the Centre was able to access a safe place to stay until they were able to return to their home. Council has also engaged with community to ensure that accessibility actively considered, for example, as part of the Sport and Active Recreation Strategy and in the planning and development of the disability drop-off zones in Barkly Street, Ararat.

Council have commenced the process of developing a new Disability Action Plan, which will be finalised in the 2025/2026 year.

### Domestic Animal Management Plan (DAMP) Statistics and Data (2024/2025)

In accordance with the Domestic Animals Act 1994 section 68a, Council is required to prepare a Domestic Animal Management Plan at four-yearly intervals and evaluate its implementation in the Annual Report.

Council adopted an amendment to the Domestic Animal Management Plan 2021-2025 in September 2022. The amended plan was developed through consultation with council's Community Safety Team and input from other Council departments.

The new DAMP was provided for public exhibition, with the community and partner agencies invited to give input.

Council continued to work with rescue organisations over the past year, resulting in Council achieving the target of less than 7% of dogs (4.7%) entering the pound being euthanised.

Of the 147 dogs processed, over 71% were returned to their owners and 17% were rehoused, adopted, or taken in by a rescue organisation. Seven dogs were euthanised due to aggressive behaviours making them unsuitable for rehousing.

Of the 92 cats processed, 58 were euthanised as part of the feral trapping program and 8 for aggressive behaviours making them unsuitable for rehousing. A total of 27% of impounded cats were returned directly to their owners, adopted, or rehoused with a rescue organisation.

### Food Act Ministerial Directions

In accordance with section 7E of the Food Act 1984, Council is required to publish a summary of any Ministerial Directions received during the financial year in its Annual Report. No such Ministerial Directions were received by Council during the financial year.

### Public Interest Disclosure Procedures

Council is committed to a culture of corporate compliance and ethical behaviour and supports the aims and objectives of the Public Interest Disclosure Act 2012. It recognises the value of transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal improper conduct. It does not tolerate improper conduct by the organisation, its employees or Councillors, nor the taking of detrimental action in reprisal against those who come forward to disclose such conduct.

As per the requirements of the Act, Council has a procedure in place outlining the requirements for making a Public Interest Disclosure complaint regarding improper conduct. The procedure is available on Council's website.

For the 2024/2025 year zero disclosures were notified to Council officers appointed to receive disclosures, or to the Independent Broad Based Anti-Corruption Commission (IBAC).

Ararat Rural City Council Annual Report 2024/2025

### Road Management Act Ministerial Direction

In accordance with section 22 of the Road Management Act 2004, Council must publish a copy or summary of any Ministerial direction in its Annual Report. No such Ministerial Directions were received by Council during the financial year.

### Infrastructure and Development Contributions

In accordance with section 46GM and 46QD of the Planning and Environment Act 1987, a Council that is a collecting or development agency must prepare and give a report to the Minister for Planning on infrastructure and development contributions including levies and works in kind. No such infrastructure or development contributions were received by Council this financial year.



## Glossary

|  |   |
|--|---|
| <b>Act</b>   | means the Local Government Act 2020.  |
| <b>Annual Report</b>   | means a report of the council's operations of the previous financial year and contains a report of operations, audited financial statements and an audited performance statement.   |
| <b>Appropriateness</b>                                       | means indicators or measures that provide users with sufficient information to assess the extent to which an entity has achieved a pre-determined target, goal or outcome.  |
| <b>Budget</b>  | means a plan setting out the services and initiatives to be funded for the financial year and how they will contribute to achieving the Strategic Objectives specified in the Council Plan.   |
| <b>Council Plan</b>  | means a plan setting out the medium-term strategic objectives, strategies, strategic indicators and resources reflecting vision and aspirations of the community for the next four years.   |
| <b>Financial performance indicators</b>                      | means a prescribed set of indicators and measures that assess the effectiveness of financial management in a council covering operating position, liquidity, obligations, stability and efficiency.   |
| <b>Financial Plan</b>  | means a plan of the financial and non-financial resources for at least the next ten years required to achieve the Strategic Objectives in the Council Plan. It is also referred to as a long-term financial plan.   |
| <b>Financial statements</b>                                  | means the financial statements and notes prepared in accordance with the Local Government Model Financial Report, Australian Accounting Standards and other applicable standards as they apply to the general purpose financial reports, and a statement of capital works, and included in the Annual Report. |
| <b>Financial year</b>  | means the period of 12 months ending on 30 June each year.  |
| <b>Governance and management checklist</b>                   | means a prescribed checklist of policies, plans and documents that councils must report the status of in the report of operations, covering engagement, planning, monitoring, reporting and decision-making.  |
| <b>Indicator</b>   | means what will be measured to assess performance.  |
| <b>Initiatives</b>   | means actions that are one-off in nature and/or lead to improvements in service.  |
| <b>Integrated strategic planning and reporting framework</b> | means the key statutory planning and reporting documents that are required to be prepared by councils to ensure accountability to local communities in the performance of functions and exercise of powers under the Act.   |
| <b>Major initiative</b>                                      | means significant initiatives that will directly contribute to the achievement of the Council Plan during the current year and have a major focus in the budget.  |
| <b>Measure</b>   | means how an indicator will be measured and takes the form of a computation, typically including a numerator and denominator.   |
| <b>Minister</b>  | means the Minister for Local Government.  |

Ararat Rural City Council Annual Report 2024/2025

|  |   |
|--|---|
| <b>Performance statement</b>           | means a statement including the results of the prescribed service outcome indicators, financial performance indicators and sustainable capacity indicators for the financial year and included in the annual report.  |
| <b>Regulations</b>                     | means the Local Government (Planning and Reporting) Regulations 2020.   |
| <b>Relevance</b>                       | means indicators or measures that have a logical and consistent relationship to an entity's objectives and are linked to the outcomes to be achieved.   |
| <b>Report of operations</b>            | means a report containing a description of the operations of the council during the financial year and included in the Annual Report.   |
| <b>Services</b>                        | means assistance, support, advice and other actions undertaken by a council for the benefit of the local community.   |
| <b>Service outcome indicators</b>      | means the prescribed service performance indicators to be included in the performance statement which measure whether the stated service objective has been achieved.   |
| <b>Service performance indicators</b>  | means a prescribed set of indicators measuring the effectiveness and efficiency of council services covering appropriateness, quality, cost and service outcomes.   |
| <b>Strategic Objectives</b>            | means the outcomes a council is seeking to achieve over the next four years and included in the Council Plan.   |
| <b>Strategies</b>                      | means high level actions directed at achieving the Strategic Objectives in the Council Plan.  |
| <b>Sustainable capacity indicators</b> | means a prescribed set of indicators measuring whether councils have the capacity to meet the agreed service and infrastructure needs of the local community and absorb foreseeable changes and unexpected shocks into the future covering financial performance, capacity and governance and management. |



## Contact Council

**Depots:**

24 Flattely Street, Ararat  
32 Leach Road, Lake Bolac

**Municipal Offices:**

59 Vincent Street, Ararat VIC 3377

**Telephone:**

(03) 5355 0200

**Fax:**

(03) 5352 1695

**Email:**

council@ararat.vic.gov.au

**Website:**

[www.ararat.vic.gov.au](http://www.ararat.vic.gov.au)

**Postal address:**

PO Box 246  
Ararat VIC 3377

To reduce environmental impact, residents and interested parties are encouraged to access the report via Council's website, [www.ararat.vic.gov.au](http://www.ararat.vic.gov.au).

# Financial Report



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Financial Report  
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Ararat Rural City Council  
2024/2025 Financial Report

### Certification of the Financial Statements

In my opinion, the accompanying financial statements have been prepared in accordance with the Local Government Act 2020, the Local Government (Planning and Reporting) Regulations 2020, the Australian Accounting Standards and other mandatory professional reporting requirements.



Kassie Hagan, BCom, CPA  
Principal Accounting Officer  
Dated : 3 December 2025  
Ararat

In our opinion, the accompanying financial statements present fairly the financial transactions of the Ararat Rural City Council for the year ended 30 June 2025 and the financial position of the Council as at that date.

At the date of signing, we are not aware of any circumstances that would render any particulars in the financial statements to be misleading or inaccurate.

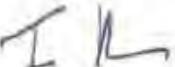
We have been authorised by the Council and by the Local Government (Planning and Reporting) Regulations 2020 to certify the financial statements in their final form.



Jo Armstrong  
Councillor  
Dated : 3 December 2025  
Ararat



Bob Sanders  
Councillor  
Dated : 3 December 2025  
Ararat



Dr Tim Harrison  
Chief Executive Officer  
Dated : 3 December 2025  
Ararat

# VAGO

Victorian Auditor-General's Office

## Independent Auditor's Report

### *To the Councillors of Ararat Rural City Council*

|   |  |
|---|--|
| <b>Opinion</b>  | <p>I have audited the financial report of Ararat Rural City Council (the council) which comprises the:</p> <ul style="list-style-type: none"><li>balance sheet as at 30 June 2025</li><li>comprehensive income statement for the year then ended</li><li>statement of changes in equity for the year then ended</li><li>statement of cash flows for the year then ended</li><li>statement of capital works for the year then ended</li><li>notes to the financial statements, including material accounting policy information</li><li>certification of the financial statements.</li></ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2025 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 4 of the <i>Local Government Act 2020</i>, the Local Government (Planning and Reporting) Regulations 2020 and applicable Australian Accounting Standards.</p> |
| <b>Basis for Opinion</b>                                      | <p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>  |
| <b>Councillors' responsibilities for the financial report</b> | <p>The Councillors are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the <i>Local Government Act 2020</i> and the Local Government (Planning and Reporting) Regulations 2020, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>   |

|   |  |
|---|--|
| <b>Auditor's responsibilities for the audit of the financial report</b> | <p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.</p>   |
|   | <p>As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:</p> <ul style="list-style-type: none"><li>• identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.</li><li>• obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control</li><li>• evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors</li><li>• conclude on the appropriateness of the Councillors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.</li><li>• evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.</li></ul> <p>I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.</p> |

MELBOURNE  
9 December 2025

Travis Derricott  
as delegate for the Auditor-General of Victoria

*Ararat Rural City Council  
2024/2025 Financial Report*

**Comprehensive Income Statement  
For the Year Ended 30 June 2025**

|  | Note | 2025<br>\$'000 | 2024<br>\$'000 |
|--|------|----------------|----------------|
| <b>Income / revenue</b>  |      |                |                |
| Rates and charges  | 3.1  | 18,093         | 17,883         |
| Statutory fees and fines   | 3.2  | 266            | 369            |
| User fees  | 3.3  | 1,719          | 1,620          |
| Grants - operating   | 3.4  | 14,343         | 3,146          |
| Grants - capital   | 3.4  | 1,477          | 2,329          |
| Contributions - monetary   | 3.5  | 397            | 1,190          |
| Net gain (or loss) on disposal of property, infrastructure, plant and equipment    | 3.6  | (388)          | 23             |
| Fair value adjustments for investment property                                     | 6.3  | 1,080          | 46             |
| Share of net profits (or loss) of joint ventures                                   | 6.2  | 29             | (3)            |
| Other income   | 3.7  | 510            | 744            |
| <b>Total income / revenue</b>  |      | <b>37,526</b>  | <b>27,347</b>  |
| <b>Expenses</b>  |      |                |                |
| Employee costs   | 4.1  | 12,241         | 11,973         |
| Materials and services   | 4.2  | 12,222         | 11,595         |
| Depreciation   | 4.3  | 11,089         | 9,778          |
| Depreciation - right of use assets   | 5.7  | 363            | 149            |
| Borrowing costs  |      | 6              | 44             |
| Finance costs - leases   |      | 100            | 35             |
| Other expenses   | 4.4  | 348            | 399            |
| <b>Total expenses</b>  |      | <b>36,369</b>  | <b>33,973</b>  |
| <b>Surplus/(deficit) for the year</b>  |      | <b>1,157</b>   | <b>(6,626)</b> |
| <b>Other comprehensive income</b>  |      |                |                |
| <b>Items that will not be reclassified to surplus or deficit in future periods</b> |      |                |                |
| Net asset revaluation gain/(loss)  | 6.1  | 130,244        | 8,340          |
| <b>Total other comprehensive income</b>  |      | <b>130,244</b> | <b>8,340</b>   |
| <b>Total comprehensive result</b>  |      | <b>131,401</b> | <b>1,714</b>   |

The above comprehensive income statement should be read in conjunction with the accompanying notes.

*Ararat Rural City Council  
2024/2025 Financial Report*

**Balance Sheet**  
**As at 30 June 2025**

|   | Note | 2025<br>\$'000 | 2024<br>\$'000 | Restated |
|---|------|----------------|----------------|----------|
| <b>Assets</b>                                 |      |                |                |          |
| <b>Current assets</b>                         |      |                |                |          |
| Cash and cash equivalents                     | 5.1  | 14,841         | 3,049          |          |
| Trade and other receivables                   | 5.1  | 3,066          | 5,212          |          |
| Other financial assets                        | 5.1  | -              | 3,040          |          |
| Inventories                                   | 5.2  | 71             | 71             |          |
| Prepayments                                   | 5.2  | -              | 360            |          |
| <b>Total current assets</b>                   |      | <b>17,978</b>  | <b>11,732</b>  |          |
| <b>Non-current assets</b>                     |      |                |                |          |
| Trade and other receivables                   | 5.1  | 4              | 5              |          |
| Investments in joint arrangements             | 6.2  | 1,527          | 498            |          |
| Property, infrastructure, plant and equipment | 6.1  | 639,714        | 509,405        |          |
| Right-of-use assets                           | 5.7  | 1,784          | 1,359          |          |
| Investment property                           | 6.3  | 2,615          | 1,535          |          |
| <b>Total non-current assets</b>               |      | <b>645,644</b> | <b>512,802</b> |          |
| <b>Total assets</b>                           |      | <b>663,622</b> | <b>524,534</b> |          |
| <b>Liabilities</b>                            |      |                |                |          |
| <b>Current liabilities</b>                    |      |                |                |          |
| Trade and other payables                      | 5.3  | 2,357          | 1,024          |          |
| Trust funds and deposits                      | 5.3  | 315            | 303            |          |
| Contract and other liabilities                | 5.3  | 9,337          | 3,372          |          |
| Provisions                                    | 5.5  | 2,175          | 2,104          |          |
| Interest-bearing liabilities                  | 5.4  | 156            | 150            |          |
| Lease liabilities                             | 5.7  | 426            | 275            |          |
| <b>Total current liabilities</b>              |      | <b>14,766</b>  | <b>7,228</b>   |          |
| <b>Non-current liabilities</b>                |      |                |                |          |
| Provisions                                    | 5.5  | 286            | 293            |          |
| Interest-bearing liabilities                  | 5.4  | -              | 156            |          |
| Lease liabilities                             | 5.7  | 1,412          | 1,100          |          |
| <b>Total non-current liabilities</b>          |      | <b>1,698</b>   | <b>1,549</b>   |          |
| <b>Total liabilities</b>                      |      | <b>16,464</b>  | <b>8,777</b>   |          |
| <b>Net assets</b>                             |      | <b>647,158</b> | <b>515,757</b> |          |
| <b>Equity</b>                                 |      |                |                |          |
| Accumulated surplus                           |      | 295,501        | 299,270        |          |
| Reserves                                      | 9.1  | 351,657        | 216,487        |          |
| <b>Total Equity</b>                           |      | <b>647,158</b> | <b>515,757</b> |          |

2024 comparative balances have been restated as detailed in Note 11.

The above balance sheet should be read in conjunction with the accompanying notes.

**Statement of Changes in Equity  
For the Year Ended 30 June 2025**

|   | Note | Total<br>\$'000 | Accumulated<br>Surplus<br>\$'000 | Revaluation<br>Reserve<br>\$'000 | Other<br>Reserves<br>\$'000 |
|---|------|-----------------|----------------------------------|----------------------------------|-----------------------------|
| <b>2025</b>                                 |      |                 |                                  |                                  |                             |
| Balance at beginning of the financial year  |      | 515,757         | 299,270                          | 208,123                          | 8,364                       |
| Surplus/(deficit) for the year              |      | 1,157           | 1,157                            | -                                | -                           |
| Net asset revaluation gain/(loss)           | 6.1  | 130,244         | -                                | 130,244                          | -                           |
| Transfers to other reserves                 | 9.1  | -               | (8,978)                          | -                                | 8,978                       |
| Transfers from other reserves               | 9.1  | -               | 4,052                            | -                                | (4,052)                     |
| <b>Balance at end of the financial year</b> |      | <b>647,158</b>  | <b>295,501</b>                   | <b>338,367</b>                   | <b>13,290</b>               |

|  |     | Total<br>\$'000 | Accumulated<br>Surplus<br>\$'000 | Revaluation<br>Reserve<br>\$'000 | Other<br>Reserves<br>\$'000 |
|--|-----|-----------------|----------------------------------|----------------------------------|-----------------------------|
| <b>2024</b>                                      |     |                 |                                  |                                  |                             |
| Balance at beginning of the financial year       |     | 312,899         | 92,600                           | 199,783                          | 20,516                      |
| Correction of prior period error - retrospective | 11  | 201,144         | 201,144                          | -                                | -                           |
| Surplus/(deficit) for the year                   |     | (6,626)         | (6,626)                          | -                                | -                           |
| Net asset revaluation gain/(loss)                |     | 8,340           | -                                | 8,340                            | -                           |
| Transfers to other reserves                      | 9.1 | -               | (2,628)                          | -                                | 2,628                       |
| Transfers from other reserves                    | 9.1 | -               | 14,780                           | -                                | (14,780)                    |
| <b>Balance at end of the financial year</b>      |     | <b>515,757</b>  | <b>299,270</b>                   | <b>208,123</b>                   | <b>8,364</b>                |

The above statement of changes in equity should be read in conjunction with the accompanying notes.

**Statement of Cash Flows**  
**For the Year Ended 30 June 2025**

|   | Note | 2025<br>Inflows/<br>(Outflows)<br>\$'000 | 2024<br>Inflows/<br>(Outflows)<br>\$'000 |
|---|------|--|--|
| <b>Cash flows from operating activities</b>                         |      |  |  |
| Rates and charges   |      | 17,942                                   | 17,520                                   |
| Statutory fees and fines  |      | 270                                      | 368                                      |
| User fees   |      | 1,805                                    | 1,985                                    |
| Grants - operating  |      | 18,821                                   | 3,210                                    |
| Grants - capital  |      | 5,702                                    | 2,226                                    |
| Contributions - monetary  |      | 278                                      | 1,294                                    |
| Interest received   |      | 347                                      | 589                                      |
| Trust funds and deposits taken                                      |      | 374                                      | 428                                      |
| Other receipts  |      | 168                                      | 162                                      |
| Net GST refund/(payment)  |      | 2,042                                    | 2,011                                    |
| Employee costs  |      | (13,240)                                 | (12,110)                                 |
| Materials and services  |      | (11,912)                                 | (14,794)                                 |
| Trust funds and deposits repaid                                     |      | (369)                                    | (431)                                    |
| Other payments  |      | (353)                                    | (410)                                    |
| <b>Net cash provided by/(used in) operating activities</b>          | 9.2  | <b>21,875</b>                            | <b>2,048</b>                             |
| <b>Cash flows from investing activities</b>                         |      |  |  |
| Payments for property, infrastructure, plant and equipment          | 6.1  | (11,704)                                 | (15,033)                                 |
| Proceeds from sale of property, infrastructure, plant and equipment |      | 161                                      | 788                                      |
| Payments for investments  |      | (1,000)                                  | (3,040)                                  |
| Proceeds from sale of investments                                   |      | 3,040                                    | 8,002                                    |
| <b>Net cash provided by/(used in) investing activities</b>          |      | <b>(9,503)</b>                           | <b>(9,283)</b>                           |
| <b>Cash flows from financing activities</b>                         |      |  |  |
| Finance costs   |      | (6)                                      | (44)                                     |
| Repayment of borrowings   |      | (150)                                    | (945)                                    |
| Interest paid - lease liability                                     |      | (100)                                    | (38)                                     |
| Repayment of lease liabilities                                      |      | (324)                                    | (146)                                    |
| <b>Net cash provided by/(used in) financing activities</b>          |      | <b>(580)</b>                             | <b>(1,173)</b>                           |
| Net increase (decrease) in cash and cash equivalents                |      | 11,792                                   | (8,408)                                  |
| Cash and cash equivalents at the beginning of the financial year    |      | 3,049                                    | 11,457                                   |
| <b>Cash and cash equivalents at the end of the financial year</b>   | 5.1  | <b>14,841</b>                            | <b>3,049</b>                             |

The above statement of cash flows should be read in conjunction with the accompanying notes.

**Statement of Capital Works  
For the Year Ended 30 June 2025**

|  | Note | 2025<br>\$'000 | 2024<br>\$'000 |
|--|------|----------------|----------------|
| <b>Property</b>                        |      |                |                |
| Land                                   |      | -              | 88             |
| Land improvements                      |      | -              | 608            |
| Buildings                              |      | 618            | 3,108          |
| <b>Total property</b>                  |      | <b>618</b>     | <b>3,804</b>   |
| <b>Plant and equipment</b>             |      |                |                |
| Plant, machinery and equipment         |      | 495            | 581            |
| Library books                          |      | 42             | 45             |
| <b>Total plant and equipment</b>       |      | <b>537</b>     | <b>626</b>     |
| <b>Infrastructure</b>                  |      |                |                |
| Roads                                  |      | 9,276          | 8,599          |
| Bridges                                |      | 131            | 1,025          |
| Footpaths and cycleways                |      | 578            | 732            |
| Drainage                               |      | 564            | 247            |
| <b>Total infrastructure</b>            |      | <b>10,549</b>  | <b>10,603</b>  |
| <b>Total capital works expenditure</b> | 6.1  | <b>11,704</b>  | <b>15,033</b>  |
| <b>Represented by:</b>                 |      |                |                |
| New asset expenditure                  |      | 532            | 2,847          |
| Asset renewal expenditure              |      | 9,877          | 10,247         |
| Asset upgrade expenditure              |      | 1,295          | 1,939          |
| <b>Total capital works expenditure</b> |      | <b>11,704</b>  | <b>15,033</b>  |

The above statement of capital works should be read in conjunction with the accompanying notes.

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**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**Note 1 OVERVIEW**

**Introduction**

The Ararat Rural City Council was established by an Order of the Governor in Council on 22 September 1994 and is a body corporate. The Council's main office is located at 59 Vincent Street, Ararat.

**Statement of compliance**

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these financial statements. The general purpose financial report complies with the Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 2020*, and the *Local Government (Planning and Reporting) Regulations 2020*.

The Council is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to a not-for-profit entity under the Australian Accounting Standards.

**Accounting policy information**

**1.1 Basis of accounting**

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. Specific accounting policies applied are disclosed in sections where the related balance or financial statement matter is disclosed.

The accrual basis of accounting has been used in the preparation of these financial statements, except for the cash flow information, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

The financial statements are based on the historical cost convention unless a different measurement basis is specifically disclosed in the notes to the financial statements.

The financial statements have been prepared on a going concern basis. The financial statements are in Australian dollars. The amounts presented in the financial statements have been rounded to the nearest thousand dollars unless otherwise specified. Minor discrepancies in tables between totals and the sum of components are due to rounding.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.1)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.1)
- the determination of employee provisions (refer to Note 5.5)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of AASB 15 Revenue from Contracts with Customers or AASB 1058 Income of Not-for-Profit Entities (refer to Note 3)
- the determination, in accordance with AASB 16 Leases, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.7)
- other areas requiring judgements

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

**Goods and Services Tax (GST)**

Income and expenses are recognised net of the amount of associated GST. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

**1.2 Impact of emergencies and natural disasters**

During 2024-25 Council's operations were impacted by the Yarram Gap fires which occurred in December 2024 and January 2025. Council has noted the following significant impacts on its financial operations:

- Additional revenue – Council submitted claims for Natural Disaster Financial Assistance for costs incurred. Claims totalling \$0.158 million have been approved in July and August 2025. Council has also received reimbursement of \$0.064 million for costs related to essential water replacement.
- Additional costs – Council incurred costs of \$0.343 million as a result of the Yarram Gap Fires, including \$0.126 million in staff salaries, \$0.056 million for water deliveries, \$0.060 million for mental health support, \$0.074 million for plant and equipment hire, and road maintenance works, \$0.027 million for relief Centre supplies, meals and accommodation.

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**Note 2 ANALYSIS OF OUR RESULTS**

**2.1 Performance against budget**

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variances. Council has adopted a materiality threshold of \$250,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

These notes are prepared to meet the requirements of the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

**2.1.1 Income / Revenue and expenditure**

|  | Budget<br>2025 | Actual<br>2025 | Variance<br>\$'000 | Variance<br>% | Ref |
|--|----------------|----------------|--------------------|---------------|-----|
| <b>Income / Revenue</b>  |                |                |                    |               |     |
| Rates and charges  | 17,950         | 18,093         | 143                | 1%            |     |
| Statutory fees and fines   | 272            | 266            | (6)                | -2%           |     |
| User fees  | 1,515          | 1,719          | 204                | 13%           |     |
| Grants - operating   | 8,323          | 14,343         | 6,020              | 72%           | 1   |
| Grants - capital   | 7,304          | 1,477          | (5,827)            | -80%          | 2   |
| Contributions - monetary   | 100            | 397            | 297                | 297%          | 3   |
| Net gain/(loss) on disposal of property, infrastructure, plant and equipment | -              | (388)          | (388)              | 100%          | 4   |
| Fair value adjustments for investment property                               | -              | 1,080          | 1,080              | 100%          | 5   |
| Share of net profits/(losses) of associates and joint ventures               | -              | 29             | 29                 | 100%          |     |
| Other income   | 723            | 510            | (213)              | -29%          |     |
| <b>Total income / revenue</b>  | <b>36,186</b>  | <b>37,526</b>  | <b>1,340</b>       | <b>4%</b>     |     |
| <b>Expenses</b>  |                |                |                    |               |     |
| Employee costs   | 11,333         | 12,241         | (908)              | -8%           | 6   |
| Materials and services   | 8,259          | 12,222         | (3,963)            | -48%          | 7   |
| Depreciation   | 7,681          | 11,089         | (3,408)            | -44%          | 8   |
| Depreciation - right of use assets   | 302            | 363            | (61)               | -20%          |     |
| Borrowing costs  | 6              | 6              | -                  | 0%            |     |
| Finance costs - leases   | 74             | 100            | (26)               | -35%          |     |
| Other expenses   | 368            | 348            | 20                 | 5%            |     |
| <b>Total expenses</b>  | <b>28,023</b>  | <b>36,369</b>  | <b>(8,346)</b>     | <b>-30%</b>   |     |
| <b>Surplus/(deficit) for the year</b>  | <b>8,163</b>   | <b>1,157</b>   | <b>(7,006)</b>     | <b>-86%</b>   |     |

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**(i) Explanation of material variations**

| Variance Ref | Item   | Explanation  |
|--------------|--|--|
| 1            | Grants - operating   | Council received \$4.608 million more than budget for financial assistance grants due to 50% of the estimated annual allocation for 2025-2026 being received in June 2025. Council was successful in obtaining several grants that had not been budgeted for, including \$0.250 million to upgrade Tatyoona Oval and \$0.910 million for emergency support and community recovery.   |
| 2            | Grants - capital   | The budget included a \$5.000 million grant towards Mount William Road reconstruction and \$0.843 million towards Buangor-Ben Nevis Road reconstruction. Works have not yet commenced on these roads due to delays in obtaining cultural heritage management plans. Grant funds will be received in 2025/26 once the works have commenced.   |
| 3            | Contributions - monetary   | Additional contributions include \$0.151 million received for infrastructure development works completed by Council, \$0.074 million for upgrades to community facilities and \$0.057 million received for open space contributions.   |
| 4            | Net gain/(loss) on disposal of property, infrastructure, plant and equipment | Some plant and equipment was sold at auction for less than the value recorded in the accounts. Low depreciation rates meant the equipment's recorded values stayed relatively high over time and the sale prices did not cover these values, resulting in a loss on disposal. Additionally, a review of Council's fixtures fittings and furniture assets identified a number of items that are obsolete or no longer held, which have now been treated as disposals. |
| 5            | Fair value adjustments for investment property                               | A fair value assessment of Council's investment properties has resulted in a revaluation adjustment of \$1.080 million that was not included in the budget.  |
| 6            | Employee costs   | Council has incurred increased staffing costs associated with responding to bushfire emergency events, including the operation of relief and recovery centres. Council has received government funding for additional staff positions that had not been included in the budget and there has also been some organisational changes resulting in redundancies.  |
| 7            | Materials and services   | Materials and services are higher than budget with increased operating expenditure to deliver the outcomes for the additional operating grants, and to complete projects funded from income 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.                    |
| 8            | Depreciation   | Depreciation increased by \$1.311 million compared to the previous year due to property and infrastructure asset valuations undertaken as at 1 July 2024. This outcome differed from initial discussions with the valuer, which had anticipated a reduction in depreciation, which was reflected in the budget for 2024/2025.  |

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**2.1.2 Capital works**

|  | Budget<br>2025<br>\$'000 | Actual<br>2025<br>\$'000 | Variance<br>\$'000 | Variance<br>% | Ref |
|--|--------------------------|--------------------------|--------------------|---------------|-----|
| <b>Property</b>                        |                          |                          |                    |               |     |
| Buildings                              | 550                      | 618                      | 68                 | 12%           |     |
| <b>Total property</b>                  | <b>550</b>               | <b>618</b>               | <b>68</b>          | <b>12%</b>    |     |
| <b>Plant and equipment</b>             |                          |                          |                    |               |     |
| Plant, machinery and equipment         | -                        | 495                      | 495                | 100%          | 1   |
| Library books                          | 40                       | 42                       | 2                  | 5%            |     |
| <b>Total plant and equipment</b>       | <b>40</b>                | <b>537</b>               | <b>497</b>         | <b>1243%</b>  |     |
| <b>Infrastructure</b>                  |                          |                          |                    |               |     |
| Roads                                  | 13,693                   | 9,276                    | (4,417)            | -32%          | 2   |
| Bridges                                | 80                       | 131                      | 51                 | 64%           |     |
| Footpaths and cycleways                | 400                      | 578                      | 178                | 45%           |     |
| Drainage                               | 750                      | 584                      | (186)              | -25%          |     |
| <b>Total infrastructure</b>            | <b>14,923</b>            | <b>10,549</b>            | <b>(4,374)</b>     | <b>-29%</b>   |     |
| <b>Total capital works expenditure</b> | <b>15,513</b>            | <b>11,704</b>            | <b>(3,809)</b>     | <b>-25%</b>   |     |
| <b>Represented by:</b>                 |                          |                          |                    |               |     |
| New asset expenditure                  | 138                      | 532                      | 394                | 286%          |     |
| Asset renewal expenditure              | 13,434                   | 9,877                    | (3,557)            | -26%          |     |
| Asset upgrade expenditure              | 1,941                    | 1,295                    | (646)              | -33%          |     |
| <b>Total capital works expenditure</b> | <b>15,513</b>            | <b>11,704</b>            | <b>(3,809)</b>     | <b>-25%</b>   |     |

**(i) Explanation of material variations**

| Variance<br>Ref | Item                           | Explanation  |
|-----------------|--------------------------------|--|
| 1               | Plant, machinery and equipment | The budget did not allow for the purchase of any new plant or equipment, however during the year it became necessary to replace two vehicles. Council also purchased a Hook Lift Waste Truck which will result in future savings in contract costs. This purchase was funded from the waste management reserve.  |
| 2               | Roads                          | Council experienced delays in obtaining cultural heritage management plans and assessment reports and were unable to commence works on Mount William Road or Buangor-Ben Nevis Road. These works are being funded from grants of \$6 million which will not be received until the works have commenced. Additional resheeting and reseal works were undertaken in advance to ensure that a high level of capital works were still completed for 2024/2025. |

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**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**2.2 Analysis of Council results by program**

Council delivers its functions and activities through the following programs.

**2.2.1 Growing our place**

The program brings together the planning, building and environmental health service areas to align Council's strategic objectives to support growth, community amenity, and public health.

**Building robust local economies**

The program combines Council's economic development and tourism services to elevate the region's status as an agriculture powerhouse that drives high yield returns for producers and operators in the Grampians.

**Preserving our environment**

The program combines waste management, sustainability, parks and gardens and emergency management, delivering a circular economy strategy via Revolution Ararat, revitalising our public parks, and preparedness planning for fire and flood.

**Developing and maintaining key enabling infrastructure**

The program provides project design and management, property maintenance, city services, road maintenance, major and minor plant, infrastructure works and asset management to support infrastructure upgrades and renewal that underpin freight efficiency and town development.

**Enhancing community life**

The program recognises the role of arts, culture, education, and community participation in enhancing community life, and is responsible for managing our cultural venues, library services, positive ageing programs, children's services, public recreation, and community events support.

**Strong and effective governance**

The program is focused on establishing a strong governance framework that secures public value through efficient financial management, rating, procurement, council operations, civic functions, and public engagement.

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**2.2.2 Summary of income / revenue, expenses, assets and capital expenses by program**

|  | Income /<br>revenue | Expenses      | Surplus /<br>(deficit) | Grants<br>included in<br>income /<br>revenue | Total assets   |
|--|---------------------|---------------|------------------------|--|----------------|
|  | \$'000              | \$'000        | \$'000                 | \$'000                                       | \$'000         |
| <b>2025</b>  |                     |               |                        |  |                |
| Growing our place                                      | 382                 | 1,170         | (788)                  | 7  | -              |
| Building robust local economies                        | 32                  | 847           | (615)                  | 3  | 1,502          |
| Preserving our environment                             | 3,883               | 6,284         | (2,401)                | 1,062  | 2,387          |
| Developing and maintaining key enabling infrastructure | 5,723               | 16,691        | (10,968)               | 5,652  | 584,951        |
| Enhancing community life                               | 2,825               | 4,958         | (2,133)                | 1,731  | 53,781         |
| Strong and effective governance                        | 24,681              | 6,619         | 18,062                 | 7,385  | 21,021         |
|  | <b>37,526</b>       | <b>36,369</b> | <b>1,157</b>           | <b>15,820</b>                                | <b>663,622</b> |

|  | Income /<br>revenue | Expenses      | Surplus /<br>(deficit) | Grants<br>included in<br>income /<br>revenue | Total assets   |
|--|---------------------|---------------|------------------------|--|----------------|
|  | \$'000              | \$'000        | \$'000                 | \$'000                                       | \$'000         |
| <b>2024</b>  |                     |               |                        |  |                |
| Growing our place                                      | 718                 | 1,047         | (331)                  | 229  | -              |
| Building robust local economies                        | 26                  | 493           | (467)                  | 3  | 500            |
| Preserving our environment                             | 3,715               | 5,850         | (2,135)                | 75   | 675            |
| Developing and maintaining key enabling infrastructure | 2,617               | 16,259        | (13,642)               | 2,330  | 480,599        |
| Enhancing community life                               | 3,622               | 4,572         | (950)                  | 2,591  | 21,573         |
| Strong and effective governance                        | 16,651              | 5,752         | 10,899                 | 247  | 12,187         |
|  | <b>27,347</b>       | <b>33,973</b> | <b>(6,626)</b>         | <b>5,475</b>                                 | <b>524,534</b> |

Ararat Rural City Council  
2024/2025 Financial Report

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**Note 3 FUNDING FOR THE DELIVERY OF OUR SERVICES**

**3.1 Rates and charges**

|  | 2025<br>\$'000 | 2024<br>\$'000 |
|--|----------------|----------------|
|--|----------------|----------------|

Council uses the Capital Improved Valuation as the basis of valuation of all properties within the municipal district. The Capital Improved Valuation of a property is its approximate market value at a given date of 1 January 2024.

The valuation base used to calculate general rates for 2024/25 was \$6,698 million (2023/24 \$6,739 million). The 2024/25 rate in the Capital Improved Valuation dollar was General 0.3507, Farm 0.1350, Commercial 0.4910, and Industrial 0.4910 (2023/24 General 0.3508, Farm 0.1333, Commercial 0.5052, and Industrial 0.5052).

Council has delivered a net zero percent rate rise for the seven year period up to 2024/25, with the minimal growth in general rates and charges resulting from supplementary rates adjustments.

|                                |               |               |
|--------------------------------|---------------|---------------|
| General                        | 7,194         | 7,070         |
| Commercial                     | 786           | 745           |
| Industrial                     | 252           | 240           |
| Farm                           | 6,054         | 6,054         |
| Municipal charge               | 642           | 635           |
| Waste management charge        | 2,451         | 2,422         |
| Interest on rates and charges  | 161           | 164           |
| Revenue in lieu of rates       | 573           | 553           |
| <b>Total rates and charges</b> | <b>18,093</b> | <b>17,883</b> |

The date of the general revaluation of land for rating purposes within the municipal district was 1 January 2024 and the valuation was first applied in the rating year commencing 1 July 2024.

Annual rates and charges are recognised as income when Council issues annual rates notices. Supplementary rates are recognised when a valuation and reassessment is completed and a supplementary rates notice issued.

**3.2 Statutory fees and fines**

|                                       |            |            |
|---------------------------------------|------------|------------|
| Infringements and costs               | 30         | 23         |
| Town planning fees                    | 182        | 300        |
| Land information certificates         | 16         | 14         |
| Permits                               | 38         | 32         |
| <b>Total statutory fees and fines</b> | <b>266</b> | <b>369</b> |

Statutory fees and fines are recognised as income when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

**3.3 User fees**

|                                    |              |              |
|------------------------------------|--------------|--------------|
| Leisure centre and recreation      | 527          | 529          |
| Child care/children's programs     | 6            | 5            |
| Registration and other permits     | 140          | 134          |
| Building services                  | 50           | 53           |
| Waste management services          | 473          | 491          |
| Ararat Town Hall Charges           | 162          | 145          |
| Visitor Information Centre         | 5            | 6            |
| Alexandra Oval/ Gordon Street Oval | 137          | 109          |
| Road occupancy                     | 14           | 11           |
| Private works                      | -            | 3            |
| Other fees and charges             | 205          | 134          |
| <b>Total user fees</b>             | <b>1,719</b> | <b>1,620</b> |

**User fees by timing of revenue recognition**

|   |              |              |
|---|--------------|--------------|
| User fees recognised at a point in time | 1,719        | 1,620        |
| <b>Total user fees</b>                  | <b>1,719</b> | <b>1,620</b> |

User fees are recognised as revenue at a point in time, or over time, when (or as) the performance obligation is satisfied. Recognition is based on the underlying contractual terms.

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For the Year Ended 30 June 2025

|  | 2025<br>\$'000 | 2024<br>\$'000 |
|--|----------------|----------------|
| <b>3.4 Funding from other levels of government</b> |                |                |
| Grants were received in respect of the following:  |                |                |
| <b>Summary of grants</b>                           |                |                |
| Commonwealth funded grants                         | 13,456         | 2,180          |
| State funded grants                                | 2,384          | 3,295          |
| <b>Total grants received</b>                       | <b>15,820</b>  | <b>5,475</b>   |
| <b>(a) Operating Grants</b>                        |                |                |
| <i>Recurrent - Commonwealth Government</i>         |                |                |
| Financial Assistance Grants                        | 12,047         | 328            |
| <i>Recurrent - State Government</i>                |                |                |
| Aged care  | 3              | 4              |
| School crossing supervisors                        | 16             | 15             |
| Libraries  | 155            | 155            |
| Maternal and child health                          | 374            | 457            |
| Environment  | 145            | 82             |
| Culture  | 140            | 140            |
| Administration                                     | 48             | 45             |
| <b>Total recurrent operating grants</b>            | <b>12,928</b>  | <b>1,226</b>   |
| <i>Non-recurrent - Commonwealth Government</i>     |                |                |
| Community development                              | 10             | 10             |
| <i>Non-recurrent - State Government</i>            |                |                |
| Natural disaster                                   | 910            | 1,255          |
| Community development                              | 2              | 162            |
| Maternal and child health                          | 71             | 95             |
| Culture  | 7              | -              |
| Employment   | 3              | 62             |
| Planning and development                           | 162            | 310            |
| Recreation   | 250            | 28             |
| <b>Total non-recurrent operating grants</b>        | <b>1,415</b>   | <b>1,920</b>   |
| <b>Total operating grants</b>                      | <b>14,343</b>  | <b>3,146</b>   |
| <b>(b) Capital Grants</b>                          |                |                |
| <i>Recurrent - Commonwealth Government</i>         |                |                |
| Roads to recovery                                  | 380            | 222            |
| <b>Total recurrent capital grants</b>              | <b>380</b>     | <b>222</b>     |
| <i>Non-recurrent - Commonwealth Government</i>     |                |                |
| Transport  | 1,005          | 158            |
| Recreation   | 14             | 1,462          |
| <i>Non-recurrent - State Government</i>            |                |                |
| Transport  | -              | 419            |
| Recreation   | 78             | 88             |
| <b>Total non-recurrent capital grants</b>          | <b>1,097</b>   | <b>2,107</b>   |
| <b>Total capital grants</b>                        | <b>1,477</b>   | <b>2,329</b>   |

**Notes to the Financial Report  
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**(c) Recognition of grant income**

Before recognising funding from government grants as revenue the Council assesses whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with *AASB 15 Revenue from Contracts with Customers*. When both these conditions are satisfied, the Council:

- identifies each performance obligation relating to revenue under the contract/agreement;
- determines the transaction price;
- recognises a contract liability for its obligations under the agreement; and
- recognises revenue as it satisfies its performance obligations, at the point in time or over time when services are rendered.

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, the Council applies *AASB 1058 Income of Not-for-Profit Entities*.

Grant revenue with sufficiently specific performance obligations is recognised over time as the performance obligations specified in the underlying agreement are met. Where performance obligations are not sufficiently specific, grants are recognised on the earlier of receipt or when an unconditional right to receipt has been established. Grants relating to capital projects are generally recognised progressively as the capital project is completed. The following table provides a summary of the accounting framework under which grants are recognised.

|  | 2025<br>\$'000      | 2024<br>\$'000     |
|--|---------------------|--------------------|
| <b>Income recognised under AASB 1058 <i>Income of Not-for-Profit Entities</i></b>    |                     |                    |
| General purpose  | 12,047              | 328                |
| Specific purpose grants to acquire non-financial assets                              | 1,477               | 2,329              |
| Other specific purpose grants  | 1,958               | 2,095              |
| <b>Revenue recognised under AASB 15 <i>Revenue from Contracts with Customers</i></b> |                     |                    |
| Specific purpose grants  | 338                 | 723                |
|  | <hr/> <u>15,820</u> | <hr/> <u>5,475</u> |

**(d) Unspent grants received on condition that they be spent in a specific manner**

*Operating*

|   |                    |                    |
|---|--------------------|--------------------|
| Balance at start of year  | 2,981              | 2,593              |
| Received during the financial year and remained unspent at balance date | 4,018              | 578                |
| Received in prior years and spent during the financial year             | (330)              | (190)              |
| Balance at year end   | <hr/> <u>6,669</u> | <hr/> <u>2,981</u> |

*Capital*

|   |                    |                  |
|---|--------------------|------------------|
| Balance at start of year  | 391                | 475              |
| Received during the financial year and remained unspent at balance date | 2,643              | 391              |
| Received in prior years and spent during the financial year             | (386)              | (475)            |
| Balance at year end   | <hr/> <u>2,668</u> | <hr/> <u>391</u> |

Unspent grants are determined and disclosed on a cash basis.

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**Notes to the Financial Report  
For the Year Ended 30 June 2025**

|                            | 2025<br>\$'000 | 2024<br>\$'000 |
|----------------------------|----------------|----------------|
| <b>3.5 Contributions</b>   |                |                |
| Monetary                   | 397            | 1,190          |
| <b>Total contributions</b> | <u>397</u>     | <u>1,190</u>   |

Monetary and non monetary contributions are recognised as income at their fair value when Council obtains control over the contributed asset.

**3.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment**

|   |              |           |
|---|--------------|-----------|
| Proceeds of sale  | 161          | 788       |
| Written down value of assets disposed   | (549)        | (765)     |
| <b>Total net gain/(loss) on disposal of property, infrastructure, plant and equipment</b> | <u>(388)</u> | <u>23</u> |

The profit or loss on sale of an asset is determined when control of the asset has passed to the buyer.

**3.7 Other income**

|                            |            |            |
|----------------------------|------------|------------|
| Interest                   | 347        | 589        |
| Investment property rental | 163        | 155        |
| <b>Total other income</b>  | <u>510</u> | <u>744</u> |

Interest is recognised as it is earned.

Other income is measured at the fair value of the consideration received or receivable and is recognised when Council gains control over the right to receive the income.

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**Notes to the Financial Report  
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**Note 4 THE COST OF DELIVERING SERVICES**

**4.1 (a) Employee costs**

|                             | 2025<br>\$'000 | 2024<br>\$'000 |
|-----------------------------|----------------|----------------|
| Wages and salaries          | 10,616         | 10,532         |
| WorkCover                   | 302            | 200            |
| Superannuation              | 1,268          | 1,163          |
| Fringe benefits tax         | 55             | 78             |
| <b>Total employee costs</b> | <b>12,241</b>  | <b>11,973</b>  |

**(b) Superannuation**

Council made contributions to the following funds:

**Defined benefit fund**

|  |           |           |
|--|-----------|-----------|
| Employer contributions to Local Authorities Superannuation Fund (Vision Super) | 10        | 14        |
|  | <b>10</b> | <b>14</b> |

Employer contributions payable at reporting date.

**Accumulation funds**

|  |              |              |
|--|--------------|--------------|
| Employer contributions to Local Authorities Superannuation Fund (Vision Super) | 717          | 676          |
| Employer contributions - other funds   | 541          | 473          |
| <b>Total</b>   | <b>1,258</b> | <b>1,149</b> |

Employer contributions payable at reporting date.

Contributions made exclude amounts accrued at balance date. Refer to note 9.3 for further information relating to Council's superannuation obligations.

**4.2 Materials and services**

|                                     |               |               |
|-------------------------------------|---------------|---------------|
| Materials and services              | 8,639         | 7,956         |
| Contract payments                   | 510           | 690           |
| Plant and equipment maintenance     | 1,059         | 1,702         |
| Utilities                           | 863           | 785           |
| Consultants                         | 551           | 462           |
| <b>Total materials and services</b> | <b>12,222</b> | <b>11,595</b> |

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

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**Notes to the Financial Report  
For the Year Ended 30 June 2025**

|                           | 2025<br>\$'000 | 2024<br>\$'000 |
|---------------------------|----------------|----------------|
| <b>4.3 Depreciation</b>   |                |                |
| Property                  | 2,060          | 1,955          |
| Plant and equipment       | 819            | 918            |
| Infrastructure            | 7,810          | 6,907          |
| <b>Total depreciation</b> | <b>11,089</b>  | <b>9,778</b>   |

*Refer to note 5.7 and 6.1 for a more detailed breakdown of depreciation and accounting policy.*

**4.4 Other expenses**

|   |            |            |
|---|------------|------------|
| Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals | 47         | 55         |
| Auditors' remuneration - Other External Audits  | -          | 1          |
| Auditors' remuneration - Internal Audit   | 51         | 91         |
| Councillors' allowances   | 250        | 252        |
| <b>Total other expenses</b>   | <b>348</b> | <b>399</b> |

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

| <b>Note 5 INVESTING IN AND FINANCING OUR OPERATIONS</b>           | 2025          | 2024         |
|---|---------------|--------------|
| 5.1 Financial assets  | \$'000        | \$'000       |
| <b>(a) Cash and cash equivalents</b>                              |               |              |
| Cash on hand  | 4             | 4            |
| Cash at bank  | 9,833         | 3,045        |
| Term deposits   | 5,004         | -            |
| <b>Total cash and cash equivalents</b>                            | <b>14,841</b> | <b>3,049</b> |
| <b>(b) Other financial assets</b>                                 |               |              |
| Current   |               |              |
| Term deposits   | -             | 3,040        |
| <b>Total current other financial assets</b>                       | <b>-</b>      | <b>3,040</b> |
| <b>Total other financial assets</b>                               | <b>-</b>      | <b>3,040</b> |
| <b>Total cash and cash equivalents and other financial assets</b> | <b>14,841</b> | <b>6,089</b> |

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.

Other financial assets are valued at fair value, at balance date. Term deposits are measured at original cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

Other financial assets include term deposits and those with original maturity dates of three to 12 months are classified as current, whilst term deposits with maturity dates greater than 12 months are classified as non-current.

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**Notes to the Financial Report  
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|  | 2025<br>\$'000 | 2024<br>\$'000 |
|--|----------------|----------------|
| <b>(c) Trade and other receivables</b>               |                |                |
| <b>Current</b>                                       |                |                |
| Statutory receivables                                |                |                |
| Rates debtors  | 2,466          | 2,320          |
| Net GST receivable                                   | 6              | 403            |
| Non statutory receivables                            |                |                |
| Other debtors  | 594            | 2,489          |
| <b>Total current trade and other receivables</b>     | <b>3,066</b>   | <b>5,212</b>   |
| <b>Non-current</b>                                   |                |                |
| Statutory receivables                                |                |                |
| Special rate scheme                                  | 4              | 5              |
| <b>Total non-current trade and other receivables</b> | <b>4</b>       | <b>5</b>       |
| <b>Total trade and other receivables</b>             | <b>3,070</b>   | <b>5,217</b>   |

Short term receivables are carried at invoice amount. An allowance for expected credit losses is recognised based on past experience and other objective evidence of expected losses. Long term receivables are carried at amortised cost using the effective interest rate method.

**(d) Ageing of Receivables**

The ageing of the Council's trade and other receivables (excluding statutory receivables) that are not impaired was:

|  |            |              |
|--|------------|--------------|
| Current (not yet due)                    | 463        | 2,367        |
| Past due by up to 30 days                | 57         | 102          |
| Past due between 31 and 180 days         | 63         | 12           |
| Past due between 181 and 365 days        | 10         | 3            |
| Past due by more than 1 year             | 1          | 5            |
| <b>Total trade and other receivables</b> | <b>594</b> | <b>2,489</b> |

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

| 5.2 Non-financial assets          | 2025      | 2024      |
|-----------------------------------|-----------|-----------|
|                                   | \$'000    | \$'000    |
| <b>(a) Inventories</b>            |           |           |
| Inventories held for sale         | 18        | 23        |
| Inventories held for distribution | 52        | 48        |
| <b>Total inventories</b>          | <b>71</b> | <b>71</b> |

Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. All other inventories are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

| (b) Other assets          |          |            |
|---------------------------|----------|------------|
|                           | -        | 360        |
| <b>Total other assets</b> | <b>-</b> | <b>360</b> |

**5.3 Payables, trust funds and deposits and contract and other liabilities**

| (a) Trade and other payables                  |              |              |
|---|--------------|--------------|
| Current                                       |              |              |
| <i>Non-statutory payables</i>                 |              |              |
| Trade payables                                | 2,264        | 689          |
| Accrued expenses                              | 93           | 335          |
| <b>Total current trade and other payables</b> | <b>2,357</b> | <b>1,024</b> |

| (b) Trust funds and deposits                  |            |            |
|---|------------|------------|
| Current                                       |            |            |
| Refundable deposits                           | 66         | 51         |
| Fire services levy                            | 109        | 90         |
| Retention amounts                             | 45         | 69         |
| Other refundable deposits                     | 95         | 93         |
| <b>Total current trust funds and deposits</b> | <b>315</b> | <b>303</b> |

| (c) Contract and other liabilities          |              |              |
|---|--------------|--------------|
| Contract liabilities                        |              |              |
| Current                                     |              |              |
| Grants received in advance - operating      | 6,659        | 2,981        |
| Other                                       | 10           | -            |
| <b>Total contract liabilities</b>           | <b>6,669</b> | <b>2,981</b> |
| <br>  |              |              |
| Other liabilities                           |              |              |
| Current                                     |              |              |
| Deferred capital grants                     | 2,668        | 391          |
| <b>Total other liabilities</b>              | <b>2,668</b> | <b>391</b>   |
| <br>  |              |              |
| <b>Total contract and other liabilities</b> | <b>9,337</b> | <b>3,372</b> |

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**Trust funds and deposits**

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited. Trust funds that are forfeited, resulting in council gaining control of the funds, are to be recognised as revenue at the time of forfeit.

**Contract liabilities**

Contract liabilities reflect consideration received in advance from customers in respect of government grants. Contract liabilities are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 3.

**Other liabilities**

Grant consideration was received from government to support the construction of assets. Grant consideration is recognised as income following specific guidance under AASB 1058 as the asset is constructed. Income is recognised to the extent of costs incurred-to-date because the costs of construction most closely reflect the stage of completion. As such, Council has deferred recognition of a portion of the grant consideration received as a liability for outstanding obligations.

**Purpose and nature of items**

Refundable deposits - Deposits are taken by council as a form of surety in a number of circumstances, including in relation to building works and for the use of civic facilities.

Fire Service Levy - Council is the collection agent for fire services levy on behalf of the State Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the state government in line with that process.

Retention Amounts - Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warrant or defect period has elapsed. Subject to the satisfactory completion of the contractual obligations, or the elapsing of time, these amounts will be paid to the relevant contractor in line with Council's contractual obligations.

**5.4 Interest-bearing liabilities**

|   | 2025<br>\$'000 | 2024<br>\$'000 |
|---|----------------|----------------|
| <b>Current</b>  |                |                |
| Other borrowings - secured                            | 156            | 150            |
| <b>Total current interest-bearing liabilities</b>     | <b>156</b>     | <b>150</b>     |
|   |                |                |
| <b>Non-current</b>                                    |                |                |
| Other borrowings - secured                            | -              | 156            |
| <b>Total non-current interest-bearing liabilities</b> | <b>-</b>       | <b>156</b>     |
| <b>Total</b>  | <b>156</b>     | <b>306</b>     |

Borrowings are secured by Council's rates

(a) The maturity profile for Council's borrowings is:

|   |            |            |
|---|------------|------------|
| Not later than one year                           | 156        | 150        |
| Later than one year and not later than five years | -          | 156        |
|   | <b>156</b> | <b>306</b> |

Borrowings are initially measured at fair value, being the cost of the interest bearing liabilities, net of transaction costs. The measurement basis subsequent to initial recognition depends on whether the Council has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method. The classification depends on the nature and purpose of the interest bearing liabilities. The Council determines the classification of its interest bearing liabilities based on contractual repayment terms at every balance date.

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**5.5 Provisions**

|   | 2025           | 2024           |
|---|----------------|----------------|
| <b>Employee</b>   | <b>\$ '000</b> | <b>\$ '000</b> |
| Balance at beginning of the financial year                        | 2,397          | 2,207          |
| Additional provisions   | 1,198          | 1,266          |
| Amounts used  | <u>(1,134)</u> | <u>(1,076)</u> |
| Balance at the end of the financial year                          | <b>2,461</b>   | <b>2,397</b>   |
| <br><i>Provisions - current</i>                                   | <br>2,175      | <br>2,104      |
| <i>Provisions - non-current</i>                                   | 288            | 293            |
| <br><b>(a) Employee provisions</b>                                |                |                |
| Current provisions expected to be wholly settled within 12 months |                |                |
| Annual leave  | 691            | 698            |
| Other leave   | 70             | 76             |
|   | <b>761</b>     | <b>774</b>     |
| Current provisions expected to be wholly settled after 12 months  |                |                |
| Annual leave  | 203            | 225            |
| Long service leave  | 1,211          | 1,105          |
|   | <b>1,414</b>   | <b>1,330</b>   |
| Total current employee provisions                                 | <b>2,175</b>   | <b>2,104</b>   |
| <br><b>Non-current</b>  |                |                |
| Long service leave  | 288            | 293            |
| Total non-current employee provisions                             | <b>286</b>     | <b>293</b>     |
| <br>Aggregate carrying amount of employee provisions:             |                |                |
| Current   | 2,175          | 2,104          |
| Non-current   | 288            | 293            |
| Total aggregate carrying amount of employee provisions            | <b>2,461</b>   | <b>2,397</b>   |

The calculation of employee costs and benefits includes all relevant on-costs and are calculated as follows at reporting date.

*Annual leave*

A liability for annual leave is recognised in the provision for employee benefits as a current liability because the Council does not have an unconditional right to defer settlement of the liability. Liabilities for annual leave are measured at:

- nominal value if the Council expects to wholly settle the liability within 12 months
- present value if the Council does not expect to wholly settle within 12 months.

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

*Long service leave*

Liability for long service leave (LSL) is recognised in the provision for employee benefits. Unconditional LSL is disclosed as a current liability as the Council does not have an unconditional right to defer settlement. Unconditional LSL is measured at nominal value if expected to be settled within 12 months or at present value if not expected to be settled within 12 months. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability and measured at present value.

*Key assumptions:*

|                 |        |        |
|-----------------|--------|--------|
| - discount rate | 4.203% | 4.348% |
| - index rate    | 4.250% | 4.450% |

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**5.6 Commitments**

The Council has entered into the following commitments. Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value and presented inclusive of the GST payable.

| 2025                                     | Not later than<br>1 year<br>\$'000 | Later than 1<br>year and not<br>later than 2<br>years           |  | Later than 2<br>years and not<br>later than 5<br>years |   | Later than 5<br>years<br>\$'000 | Total<br>\$'000 |
|--|------------------------------------|---|--|--|---|---------------------------------|-----------------|
|  |                                    | Later than 1<br>year and not<br>later than 2<br>years<br>\$'000 | Later than 2<br>years and not<br>later than 5<br>years<br>\$'000 |  |   |                                 |                 |
|  |                                    | Later than 5<br>years<br>\$'000                                 |  |  |   |                                 |                 |
| <b>Operating</b>                         |                                    |   |  |  |   |                                 |                 |
| Consultancies                            | 166                                | -   | -  | -  | - |                                 | 166             |
| Digital Twin Victoria Monitoring Project | 225                                | -   | -  | -  | - |                                 | 225             |
| <b>Total</b>                             | <b>391</b>                         | -   | -  | -  | - |                                 | <b>391</b>      |
| <b>Capital</b>                           |                                    |   |  |  |   |                                 |                 |
| Roads                                    | 79                                 | -   | -  | -  | - |                                 | 79              |
| Digital Twin Victoria Equipment          | 132                                | -   | -  | -  | - |                                 | 132             |
| <b>Total</b>                             | <b>211</b>                         | -   | -  | -  | - |                                 | <b>211</b>      |
| 2024                                     | Not later than<br>1 year<br>\$'000 | Later than 1<br>year and not<br>later than 2<br>years           |  | Later than 2<br>years and not<br>later than 5<br>years |   | Later than 5<br>years<br>\$'000 | Total<br>\$'000 |
|  |                                    | Later than 1<br>year and not<br>later than 2<br>years<br>\$'000 | Later than 2<br>years and not<br>later than 5<br>years<br>\$'000 |  |   |                                 |                 |
|  |                                    | Later than 5<br>years<br>\$'000                                 |  |  |   |                                 |                 |
| <b>Operating</b>                         |                                    |   |  |  |   |                                 |                 |
| Consultancies                            | 69                                 | -   | -  | -  | - |                                 | 69              |
| Digital Twin Victoria Monitoring Project | 225                                | -   | -  | -  | - |                                 | 225             |
| <b>Total</b>                             | <b>294</b>                         | -   | -  | -  | - |                                 | <b>294</b>      |
| <b>Capital</b>                           |                                    |   |  |  |   |                                 |                 |
| Buildings                                | 67                                 | -   | -  | -  | - |                                 | 67              |
| Roads                                    | 246                                | -   | -  | -  | - |                                 | 246             |
| Drainage                                 | 207                                | -   | -  | -  | - |                                 | 207             |
| Digital Twin Victoria Equipment          | 132                                | -   | -  | -  | - |                                 | 132             |
| <b>Total</b>                             | <b>652</b>                         | -   | -  | -  | - |                                 | <b>652</b>      |

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For the Year Ended 30 June 2025**

**5.7 Leases**

At inception of a contract, Council assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To identify whether a contract conveys the right to control the use of an identified asset, it is necessary to assess whether:

- The contract involves the use of an identified asset;
- Council has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- Council has the right to direct the use of the asset.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

As a lessee, Council recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentives received; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, an appropriate incremental borrowing rate. Generally, Council uses an appropriate incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that Council is reasonably certain to exercise, lease payments in an optional renewal period if Council is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless Council is reasonably certain not to terminate early.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

| <i>Right-of-Use Assets - Plant &amp; Equipment</i> | <b>2025</b>   | <b>2024</b>   |
|--|---------------|---------------|
|  | <b>\$'000</b> | <b>\$'000</b> |
| Opening balance                                    | 1,359         | -             |
| Additions  | 788           | 1,508         |
| Depreciation charge                                | (363)         | (149)         |
| <b>Closing balance</b>                             | <b>1,784</b>  | <b>1,359</b>  |

**Lease Liabilities**

|  |              |              |
|--|--------------|--------------|
| Maturity analysis - contractual undiscounted cash flows    |              |              |
| Less than one year   | 544          | 348          |
| One to five years  | 1,583        | 1,226        |
| <b>Total undiscounted lease liabilities as at 30 June:</b> | <b>2,127</b> | <b>1,574</b> |

**Lease Liabilities included in the Balance Sheet at 30**

|                                |              |              |
|--------------------------------|--------------|--------------|
| Current                        | 426          | 275          |
| Non-current                    | 1,412        | 1,100        |
| <b>Total lease liabilities</b> | <b>1,838</b> | <b>1,375</b> |

Notes to the Financial Report  
For the Year Ended 30 June 2025

**Note 6 ASSETS WE MANAGE**

**6.1 Property, infrastructure, plant and equipment**

**Summary of property, infrastructure, plant and equipment**

|                                    | Carrying amount (restated)*   |                             |                             |                               |                    |                     | Carrying amount<br>30 June 2025<br>\$'000 |
|------------------------------------|-------------------------------|-----------------------------|-----------------------------|-------------------------------|--------------------|---------------------|---|
|                                    | 30 June 2024<br>\$'000        | Additions<br>\$'000         | Revaluation<br>\$'000       | Depreciation<br>\$'000        | Disposal<br>\$'000 | Transfers<br>\$'000 |   |
| Property                           | 77,151                        | 578                         | 65,157                      | (2,660)                       | -                  | 184                 | 140,410                                   |
| Plant and equipment                | 7,635                         | 537                         | -                           | (819)                         | (549)              | -                   | 6,804                                     |
| Infrastructure                     | 423,189                       | 9,267                       | 65,087                      | (7,610)                       | -                  | 1,142               | 491,075                                   |
| Work in progress                   | 1,428                         | 1,322                       | -                           | -                             | (1,326)            | -                   | 1,425                                     |
|                                    | <b>509,404</b>                | <b>11,704</b>               | <b>130,244</b>              | <b>(11,089)</b>               | <b>(549)</b>       | <b>-</b>            | <b>639,714</b>                            |
| <hr/>                              |                               |                             |                             |                               |                    |                     |   |
| <b>Summary of Work in Progress</b> | <b>Opening WIP<br/>\$'000</b> | <b>Additions<br/>\$'000</b> | <b>Transfers<br/>\$'000</b> | <b>Closing WIP<br/>\$'000</b> |                    |                     |   |
| Property                           | 184                           | 40                          | (184)                       | 40                            |                    |                     |   |
| Infrastructure                     | 1,245                         | 1,262                       | (1,142)                     | 1,365                         |                    |                     |   |
| <b>Total</b>                       | <b>1,429</b>                  | <b>1,322</b>                | <b>(1,326)</b>              | <b>1,425</b>                  |                    |                     |   |

\* 2024 balances have been restated as detailed in Note 11

Notes to the Financial Report  
For the Year Ended 30 June 2025

(a) Property

|  | Land<br>\$'000 | Land under<br>roads<br>improvements<br>\$'000 | Land<br>Improvements<br>\$'000 | Total Land &<br>Land<br>Improvements<br>\$'000 | Buildings -<br>specialised<br>\$'000 | Buildings -<br>non<br>specialised<br>\$'000 | Total<br>Buildings<br>\$'000 | Work in<br>Progress<br>\$'000 | Total<br>Property<br>\$'000 |
|--|----------------|---|--------------------------------|--|--------------------------------------|---|------------------------------|-------------------------------|-----------------------------|
| At fair value 1 July 2024                    | 17,796         | 301   | 1,849                          | 19,946   | 143,342                              | 748   | 144,090                      | 184                           | 164,220                     |
| Accumulated depreciation at 1 July 2024      | -              | (670)   | (670)                          | (65,649)                                       | (85,649)                             | (568)                                       | (86,215)                     | -                             | (86,885)                    |
|  | <b>17,796</b>  | <b>301</b>                                    | <b>1,179</b>                   | <b>19,276</b>                                  | <b>57,693</b>                        | <b>182</b>                                  | <b>57,875</b>                | <b>184</b>                    | <b>77,335</b>               |
| <b>Movements in fair value</b>               |                |   |                                |  |                                      |   |                              |                               |                             |
| Additions                                    | -              | -   | -                              | -  | 578                                  | -   | 578                          | 40                            | 618                         |
| Revaluation                                  | 28,396         | 6   | (73)                           | 28,329   | 32,243                               | (510)                                       | 31,733                       | -                             | 60,062                      |
| Transfers                                    | -              | -   | -                              | -  | 184                                  | -   | 184                          | (184)                         | -                           |
|  | <b>28,396</b>  | <b>6</b>                                      | <b>(73)</b>                    | <b>28,329</b>                                  | <b>33,005</b>                        | <b>(510)</b>                                | <b>32,495</b>                | <b>(144)</b>                  | <b>60,680</b>               |
| <b>Movements in accumulated depreciation</b> |                |   |                                |  |                                      |   |                              |                               |                             |
| Depreciation and amortisation                | -              | -   | (46)                           | (46)   | (2,608)                              | (6)   | (2,614)                      | -                             | (2,660)                     |
| Revaluation                                  | -              | -   | 79                             | 79   | 4,449                                | 567   | 5,016                        | -                             | 5,095                       |
|  | -              | -   | <b>33</b>                      | <b>33</b>                                      | <b>1,841</b>                         | <b>561</b>                                  | <b>2,402</b>                 | -                             | <b>2,435</b>                |
| <b>At fair value 30 June 2025</b>            | <b>46,192</b>  | <b>307</b>                                    | <b>1,776</b>                   | <b>48,275</b>                                  | <b>176,347</b>                       | <b>238</b>                                  | <b>176,585</b>               | <b>40</b>                     | <b>224,900</b>              |
| Accumulated depreciation at 30 June 2025     | -              | (637)   | (637)                          | (83,808)                                       | (83,808)                             | (5)   | (83,813)                     | -                             | (84,450)                    |
| <b>Carrying amount</b>                       | <b>46,192</b>  | <b>307</b>                                    | <b>1,139</b>                   | <b>47,638</b>                                  | <b>92,539</b>                        | <b>233</b>                                  | <b>92,772</b>                | <b>40</b>                     | <b>140,450</b>              |

Notes to the Financial Report  
For the Year Ended 30 June 2025

(b) Plant and Equipment

|  | Plant<br>machinery<br>and<br>equipment<br>\$'000 | Fixtures<br>fittings and<br>furniture<br>\$'000 | Library books<br>\$'000 | Artworks<br>\$'000 | Total plant<br>and<br>equipment<br>\$'000 |
|--|--|---|-------------------------|--------------------|---|
| At fair value 1 July 2024                    | 10,302   | 1,003   | 1,302                   | 2,105              | 14,882                                    |
| Accumulated depreciation at 1 July 2024      | (5,434)  | (898)   | (835)                   | -                  | (7,257)                                   |
|  | <b>4,958</b>                                     | <b>115</b>                                      | <b>457</b>              | <b>2,105</b>       | <b>7,535</b>                              |
| <b>Movements in fair value</b>               |  |   |                         |                    |   |
| Additions                                    | 495  | -   | 42                      | -                  | 537                                       |
| Disposal                                     | (943)  | (898)   | -                       | -                  | (1,841)                                   |
|  | <b>(448)</b>                                     | <b>(898)</b>                                    | <b>42</b>               | <b>-</b>           | <b>(1,304)</b>                            |
| <b>Movements in accumulated depreciation</b> |  |   |                         |                    |   |
| Depreciation and amortisation                | (787)  | (9)   | (23)                    | -                  | (819)                                     |
| Accumulated depreciation of disposals        | 470  | 822   | -                       | -                  | 1,292                                     |
|  | <b>(317)</b>                                     | <b>813</b>                                      | <b>(23)</b>             | <b>-</b>           | <b>473</b>                                |
| At fair value 30 June 2025                   | 9,944  | 105   | 1,434                   | 2,105              | 13,588                                    |
| Accumulated depreciation at 30 June 2025     | (5,751)  | (75)  | (968)                   | -                  | (6,784)                                   |
| <b>Carrying amount</b>                       | <b>4,193</b>                                     | <b>30</b>                                       | <b>476</b>              | <b>2,105</b>       | <b>6,804</b>                              |

Notes to the Financial Report  
For the Year Ended 30 June 2025

(c) Infrastructure

|  | Roads<br>(restated)*<br>\$'000 | Bridges<br>\$'000 | Footpaths<br>and<br>cycleways<br>\$'000 | Drainage<br>\$'000 | Work In<br>Progress<br>\$'000 | Total<br>Infrastructure<br>\$'000 |
|--|--------------------------------|-------------------|---|--------------------|-------------------------------|-----------------------------------|
| At fair value 1 July 2024                    | 564,188                        | 48,582            | 11,820                                  | 14,546             | 1,245                         | 600,371                           |
| Accumulated depreciation at 1 July 2024      | (200,203)                      | (22,538)          | (5,285)                                 | (8,108)            | (235,937)                     |                                   |
|  | <b>384,190</b>                 | <b>26,024</b>     | <b>6,335</b>                            | <b>6,440</b>       | <b>1,245</b>                  | <b>424,434</b>                    |
| <b>Movements in fair value</b>               |                                |                   |   |                    |                               |                                   |
| Additions                                    | 8,081                          | 44                | 578                                     | 564                | 1,282                         | <b>10,549</b>                     |
| Revaluation                                  | (4,470)                        | 23,204            | 2,816                                   | (1,519)            | -                             | <b>20,221</b>                     |
| Transfers                                    | 941                            | -                 | 87                                      | 114                | (1,142)                       | -                                 |
|  | <b>4,552</b>                   | <b>23,338</b>     | <b>3,381</b>                            | <b>(841)</b>       | <b>140</b>                    | <b>30,770</b>                     |
| <b>Movements in accumulated depreciation</b> |                                |                   |   |                    |                               |                                   |
| Depreciation and amortisation                | (6,448)                        | (661)             | (305)                                   | (166)              | -                             | <b>(7,610)</b>                    |
| Revaluation                                  | 49,159                         | (5,747)           | 200                                     | 1,254              | -                             | <b>44,866</b>                     |
|  | <b>42,711</b>                  | <b>(6,438)</b>    | <b>(105)</b>                            | <b>1,088</b>       | <b>-</b>                      | <b>37,256</b>                     |
| At fair value 30 June 2025                   | 588,750                        | 71,900            | 16,401                                  | 13,705             | 1,385                         | <b>691,141</b>                    |
| Accumulated depreciation at 30 June 2025     | (157,297)                      | (28,976)          | (5,390)                                 | (7,018)            | -                             | <b>(198,681)</b>                  |
| <b>Carrying amount</b>                       | <b>431,453</b>                 | <b>42,924</b>     | <b>10,011</b>                           | <b>6,687</b>       | <b>1,385</b>                  | <b>492,460</b>                    |

\* 2024 roads balances have been restated as detailed in Note 11

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**Acquisition**

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. Refer also to Note 8.4 for further disclosure regarding fair value measurement.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

In accordance with Council's policy, the threshold limits have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

|  | Depreciation Period | Depreciation Period | Threshold Limit |
|--|---------------------|---------------------|-----------------|
| <i>Asset recognition thresholds and depreciation periods</i> | 2023-24             | 2024-25             | \$'000          |
| Land & land improvements                                     |                     |                     |                 |
| land   | -                   | -                   | 10,000          |
| land under roads   | -                   | -                   | 10,000          |
| land improvements  | 20 years            | 31-80 years         | 10,000          |
| Buildings  |                     |                     |                 |
| buildings  | 25 - 193 years      | 6 - 400 years       | 10,000          |
| Plant and Equipment  |                     |                     |                 |
| plant, machinery and equipment                               | 5 - 25 years        | 5 - 25 years        | 3,000           |
| fixtures, fittings and furniture                             | 10 years            | 10 years            | 3,000           |
| library books  | 20 years            | 20 years            | 1               |
| Infrastructure   |                     |                     |                 |
| roads - pavements and seals                                  | 10 - 50 years       | 10 - 60 years       | 10,000          |
| roads - substructure   | 30 -100 years       | 15 - 200 years      | 10,000          |
| roads - kerb, channel and minor culverts and other           | 80 - 120 years      | 68 - 120 years      | 10,000          |
| bridges  | 100 - 125 years     | 78 - 150 years      | 10,000          |
| footpaths and cycleways                                      | 20 - 125 years      | 11 - 85 years       | 10,000          |
| drainage   | 80 years            | 68 - 120 years      | 10,000          |

**Land under roads**

Land under roads acquired after 30 June 2008 are brought to account using the fair value basis. Council does not recognise land under roads that it controlled prior to that period in its financial report.

**Depreciation and amortisation**

Buildings, land improvements, plant and equipment, infrastructure, and other assets having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and residual values and a separate depreciation rate is determined for each component.

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.

Artworks are not depreciated.

Straight line depreciation is charged based on the residual useful life as determined each year.

Depreciation periods used are listed above and are consistent with the prior year unless otherwise stated.

**Repairs and maintenance**

Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**Valuation of artworks**

Valuation of artworks were undertaken by qualified independent valuer, Simon Storey Valuers.

The valuation is at fair value based on current replacement cost as at the date of valuation.

The date and type of the current valuation is detailed in the following table.

Details of Council's artworks and information about the fair value hierarchy as at 30 June 2025 are as follows:

|          | Level 1<br>\$'000 | Level 2<br>\$'000 | Level 3<br>\$'000 | Date of<br>Valuation | Type of<br>Valuation |
|----------|-------------------|-------------------|-------------------|----------------------|----------------------|
| Artworks | -                 | 2,105             | -                 | Jun-23               | full                 |
| Total    | -                 | 2,105             | -                 |                      |                      |

**Valuation of land and buildings**

Valuation of land and buildings were undertaken as at 1 July 2024 by a qualified independent valuer, Jake Musgrave of APV Valuers and Asset Management, Certified Practicing Valuer 113610. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions.

Land under roads are valued at fair value using site values adjusted for englollo (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Any significant movements in the unobservable inputs for land and land under roads will have a significant impact on the fair value of these assets.

The date and type of the current valuation is detailed in the following table. In addition to the full valuation performed as at 1 July 2024, an indexed based revaluation was conducted for the period from 1 July 2024 to 30 June 2025, based on the ABS Producer Price Index for building construction in Victoria for land improvement and building assets. No indexation was applied to land assets due to minimal indexation rates. A full revaluation of land and building assets will be conducted in 2027/28.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2025 are as follows:

|                   | Level 1 | Level 2 | Level 3 | Date of<br>Valuation | Type of<br>Valuation |
|-------------------|---------|---------|---------|----------------------|----------------------|
| Land              | -       | 46,192  | -       | Jul-24               | full                 |
| Land under roads  | -       | -       | 307     | Jul-24               | full                 |
| Land Improvements | -       | -       | 1,139   | Jul-24               | full                 |
| Buildings         | -       | 233     | 92,539  | Jul-24               | full                 |
| Total             | -       | 46,425  | 93,985  | Jun-25               | index                |

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For the Year Ended 30 June 2025**

**Valuation of infrastructure**

Valuation of infrastructure assets has been determined in accordance with an independent valuation undertaken as at 1 July 2024 by Janaka Weerasinghe of APV Valuers and Asset Management, Bachelor of Engineering - Civil Engineering.

The date and type of the current valuation is detailed in the following table. In addition to the full valuation performed as at 1 July 2024, an indexed based revaluation was conducted for the period from 1 July 2024 to 30 June 2025, based on the ABS Producer Price Index for road and bridge construction in Victoria for roads, bridge and footpath assets and the ABS Producer Price Index for other heavy and civil engineering construction in Victoria for drainage assets. A full revaluation of these assets will be conducted in 2027/28.

The valuation is at fair value based on current replacement cost less accumulated depreciation as at the date of valuation.

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2025 are as follows:

|                         | Level 1  | Level 2  | Level 3        | Date of Valuation | Type of Valuation |
|-------------------------|----------|----------|----------------|-------------------|-------------------|
| Roads                   | -        | -        | 431,453        | Jul-24<br>Jun-25  | full<br>index     |
| Bridges                 | -        | -        | 42,924         | Jul-24<br>Jun-25  | full<br>index     |
| Footpaths and cycleways | -        | -        | 10,011         | Jul-24<br>Jun-25  | full<br>index     |
| Drainage                | -        | -        | 8,887          | Jul-24<br>Jun-25  | full<br>index     |
| <b>Total</b>            | <b>-</b> | <b>-</b> | <b>491,075</b> |                   |                   |

**Description of significant unobservable inputs into level 3 valuations**

**Specialised land under roads** is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use results in a reduction to land values of 90%. The market value of land under roads varies significantly depending on the location of the land and the current market conditions. Currently land under roads values range between \$0 and \$15 per square metre.

**Specialised buildings** are valued using a current replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis and ranges from \$242 to \$181,800 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 1 year to 265 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

**Infrastructure assets** are valued based on the current replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 1 year to 195 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

|   | 2025          | 2024          |
|---|---------------|---------------|
| <b>Reconciliation of specialised land</b> | <b>\$'000</b> | <b>\$'000</b> |
| Land under roads                          | 307           | 301           |
| Parks and reserves                        | -             | 10,725        |
| <b>Total specialised land</b>             | <b>307</b>    | <b>11,026</b> |

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

|  | 2025   | 2024   |
|--|--------|--------|
|  | \$'000 | \$'000 |

**(a) Investments in joint venture**

- Ararat Housing Enterprise Pty Ltd is 50% owned by Council

**Ararat Housing Enterprise Pty Ltd**

*Background*

Council has entered a joint venture with a private investor to address the availability of affordable housing for the growing labour force within the municipality, with the construction of 60 new homes over 15 years. The structure of the project will be to build four new houses a year over 15 years, with the purpose of leasing the properties for a period of four years and then selling the properties.

|   |              |            |
|---|--------------|------------|
| Fair value of Council's investment in Ararat Housing Enterprise Pty Ltd | 1,527        | 498        |
| Council's share of accumulated surplus/(deficit)                        |              |            |
| Council's share of accumulated surplus/(deficit) at start of year       | (2)          | 1          |
| Reported surplus/(deficit) for year                                     | 29           | (3)        |
| Council's share of accumulated surplus/(deficit) at end of year         | <u>27</u>    | <u>(2)</u> |
| <b>Movement in carrying value of specific investment</b>                |              |            |
| Carrying value of investment at start of year                           | 498          | 501        |
| Share of surplus/(deficit) for year                                     | 29           | (3)        |
| Contribution to joint venture   | 1,000        | -          |
| Carrying value of investment at end of year                             | <u>1,527</u> | <u>498</u> |
| <b>Council's share of expenditure commitments</b>                       |              |            |
| Capital commitments   | 311          | -          |
| Council's share of expenditure commitments                              | <u>311</u>   | <u>-</u>   |

Interests in joint ventures are accounted for using the equity method. Under this method, the interests are initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise Council's share of the post-acquisition profits or losses and movements in other comprehensive income in profit or loss and other comprehensive income respectively.

**6.3 Investment property**

|  |              |              |
|--|--------------|--------------|
| Balance at beginning of financial year | 1,535        | 1,661        |
| Transfers                              | -            | (172)        |
| Fair value adjustments                 | 1,080        | 46           |
| Balance at end of financial year       | <u>2,615</u> | <u>1,535</u> |

Investment property is held to generate long-term rental yields. Investment property is measured initially at cost, including transaction costs. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefit in excess of the originally assessed performance of the asset will flow to the Council. Subsequent to initial recognition at cost, investment property is carried at fair value, determined annually by independent valuers. Changes to fair value are recorded in the comprehensive income statement in the period that they arise.

**Valuation of investment property**

Valuation of investment property has been determined in accordance with an independent valuation by Peter Wigg of Wigg and Partners Pty Ltd, Certified Practicing Valuer 62580, who has recent experience in the location and category of the property being valued. The date of valuation is 30 June 2025. The valuation is at fair value, based on the current market value for the property.

Ararat Rural City Council  
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Notes to the Financial Report  
For the Year Ended 30 June 2025

**Note 7 PEOPLE AND RELATIONSHIPS**  
7.1 Council and key management remuneration

(a) Related Parties

*Parent entity*

Ararat Rural City Council

*Subsidiaries and Joint arrangements*

Interests in joint ventures are detailed in Note 6.2.

(b) Key Management Personnel

Key management personnel (KMP) are those people with the authority and responsibility for planning, directing and controlling the activities of Ararat Rural City Council. The Councillors, Chief Executive Officer and Senior Managers are deemed KMP.

Details of KMP at any time during the year are:

|  |  | 2025<br>No. | 2024<br>No. |
|--|--|-------------|-------------|
| <b>Councillors</b>   | Councillor Jo Armstrong (to 26/10/2024, from 8/11/2024, Deputy Mayor to 26/10/2024, Mayor from 12/11/2024)<br>Councillor Bob Sanders (to 26/10/2024, from 8/11/2024, Mayor to 26/10/2024, Deputy Mayor from 12/11/2024)<br>Councillor Gwenda Allgood (to 26/10/2024)<br>Councillor Rob Armstrong (to 26/10/2024, from 8/11/2024)<br>Councillor Peter Beales (to 26/10/2024)<br>Councillor Henry Burridge (to 26/10/2024)<br>Councillor Bill Waterston (to 26/10/2024, from 8/11/2024)<br>Councillor Peter Joyce (from 8/11/2024)<br>Councillor Teli Kaur (from 8/11/2024)<br>Councillor Luke Preston (from 8/11/2024)<br>Chief Executive Officer<br>Manager Development & Regulation | 10          | 7           |
| <b>Total Number of Councillors</b>   |  | 2           | 2           |
| <b>Total of Chief Executive Officer and other Key Management Personnel</b> |  | 12          | 9           |
| <b>Total Number of Key Management Personnel</b>                            |  | 12          | 9           |

(c) Remuneration of Key Management Personnel

Remuneration comprises employee benefits including all forms of consideration paid, payable or provided by Council, or on behalf of the Council, in exchange for services rendered. Remuneration of Key Management Personnel and Other senior staff is disclosed in the following categories.

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Other long-term employee benefits include long service leave, other long service benefits or deferred compensation.

Post-employment benefits include pensions, and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Termination benefits include termination of employment payments, such as severance packages.

|  | 2025<br>\$'000 | 2024<br>\$'000 |
|--|----------------|----------------|
| Total remuneration of key management personnel was as follows: |                |                |
| Short-term employee benefits                                   | 715            | 668            |
| Other long-term employee benefits                              | 18             | 17             |
| Post-employment benefits                                       | 47             | 43             |
| <b>Total</b>   | <b>780</b>     | <b>728</b>     |

The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:

|                       | 2025<br>No. | 2024<br>No. |
|-----------------------|-------------|-------------|
| \$0 - \$9,999         | 3           | -           |
| \$10,000 - \$19,999   | 3           | -           |
| \$20,000 - \$29,999   | 2           | 5           |
| \$50,000 - \$59,999   | 1           | 1           |
| \$60,000 - \$69,999   | 1           | 1           |
| \$70,000 - \$79,999   | -           | -           |
| \$80,000 - \$99,999   | -           | -           |
| \$100,000 - \$199,999 | 1           | 1           |
| \$280,000 - \$289,999 | -           | 1           |
| \$330,000 - \$339,999 | 1           | -           |
| <b>Total</b>          | <b>12</b>   | <b>9</b>    |

In accordance with accounting standards, the remuneration amounts include wages and salaries, employer superannuation contributions, vehicle benefits and movements in unused leave.

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(d) Remuneration of other senior staff

Other senior staff are officers of Council, other than Key Management Personnel, whose total remuneration exceeds \$170,000 and who report directly to a member of the KMP.

|  | 2025<br>\$'000 | 2024<br>\$'000 |
|--|----------------|----------------|
| Total remuneration of other senior staff was as follows: |                |                |
| Short-term employee benefits                             | -              | 153            |
| Other long-term employee benefits                        | -              | 5              |
| Post-employment benefits                                 | -              | 17             |
| <b>Total</b>   | <b>-</b>       | <b>175</b>     |

The number of other senior staff are shown below in their relevant income bands:

| Income Range:         | 2025<br>No. | 2024<br>No. |
|-----------------------|-------------|-------------|
| \$170,000 - \$179,999 | -           | 1           |

Total remuneration for the reporting year for other senior staff included above, amounted to:

|  | 2025<br>\$'000 | 2024<br>\$'000 |
|--|----------------|----------------|
|--|----------------|----------------|

**7.2 Related party disclosure**

(a) Transactions with related parties

During the period Council entered into the following transactions with related parties within normal customer relationships on terms and conditions no more favourable than those available in similar arm's length dealings.

|  |       |   |
|--|-------|---|
| Locksmith, engraving and site camera installation services supplied to Council by a business that is a related party of a former Councillor. | 1     | 4 |
| Council provided a community grant to support a community event organised by a business that is a related party of a Councillor.             | 5     | - |
| Council made a capital contribution to its joint venture in accordance with the terms of the joint venture agreement.                        | 1,000 | - |

(b) Outstanding balances with related parties

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

(c) Loans to/from related parties

The aggregate amount of loans in existence at balance date that have been made, guaranteed or secured by the council to a related party are as follows:

(d) Commitments to/from related parties

The aggregate amount of commitments in existence at balance date that have been made, guaranteed or secured by the council to a related party are as follows:

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**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**Note 8 MANAGING UNCERTAINTIES**

**8.1 Contingent assets and liabilities**

Contingent assets and contingent liabilities are not recognised in the Balance Sheet, but are disclosed and if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable, respectively.

**(a) Contingent assets**

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council.

At balance date the Council are not aware of any contingent assets.

**(b) Contingent liabilities**

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council; or
- present obligations that arise from past events but are not recognised because:
- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability.

**Superannuation**

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

**Gravel pits**

Council operates a number of gravel pits. Council will have to carry out site rehabilitation works in the future. At balance date Council is unable to accurately assess the financial implications of such works.

**Liability Mutual Insurance**

Council is a participant of the MAV Liability Mutual Insurance (LMI) Scheme. The LMI scheme provides public liability and professional indemnity insurance cover. The LMI scheme states that each participant will remain liable to make further contributions to the scheme in respect of any insurance year in which it was a participant to the extent of its participant's share of any shortfall in the provision set aside in respect of that insurance year, and such liability will continue whether or not the participant remains a participant in future insurance years.

**8.2 Change in accounting standards**

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2025 reporting period. Council assesses the impact of these new standards. As at 30 June 2025 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2025 that are expected to impact Council.

In September 2024 the Australian Accounting Standards Board (AASB) issued two Australian Sustainability Reporting Standards (ASRS). This followed Commonwealth legislation establishing Australia's sustainability reporting framework. Relevant entities will be required to undertake mandatory reporting of climate-related disclosures in future financial years. Public sector application issues remain under consideration and Council will continue to monitor developments and potential implications for future financial years.

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**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**8.3 Financial instruments**

**(a) Objectives and policies**

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the material accounting policy information and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in the notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

**(b) Market risk**

Market risk is the risk that the fair value or future cash flows of council financial instruments will fluctuate because of changes in market prices. The Council's exposure to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

**Interest rate risk**

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes council to fair value interest rate risk. Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 2020*. Council manages interest rate risk by adopting an investment policy that ensures:

- diversification of investment product;
- monitoring of return on investment; and
- benchmarking of returns and comparison with budget.

There has been no significant change in the Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

**(c) Credit risk**

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council have exposure to credit risk on some financial assets included in the balance sheet. Particularly significant areas of credit risk exist in relation to outstanding fees and fines as well as loans and receivables from sporting clubs and associations. To help manage this risk:

- council have a policy for establishing credit limits for the entities council deal with;
- council may require collateral where appropriate; and
- council only invest surplus funds with financial institutions which have a recognised credit rating specified in council's investment policy.

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with the council's financial assets is minimal because the main debtor is secured by a charge over the rateable property.

There are no material financial assets which are individually determined to be impaired.

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when council provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 8.1(b).

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any allowance for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral.

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**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**(d) Liquidity risk**

Liquidity risk includes the risk that, as a result of Council's operational liquidity requirements, it will not have sufficient funds to settle a transaction when required or will be forced to sell a financial asset at below value or may be unable to settle or recover a financial asset.

To help reduce these risks Council:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet, and is deemed insignificant based on prior periods' data and current assessment of risk.

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 5.4.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

**(e) Sensitivity disclosure analysis**

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months:

- A parallel shift of + 2% and - 2% in market interest rates (AUD) from year-end rates of 3.85%.

These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.

**8.4 Fair value measurement**

*Fair value hierarchy*

Council's financial assets and liabilities are not valued in accordance with the fair value hierarchy. Council's financial assets and liabilities are measured at amortised cost.

Council measures certain assets and liabilities at fair value where required or permitted by Australian Accounting Standards. AASB 13 Fair value measurement, aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards.

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. For assets, where the Council adopts a current replacement cost approach to determine fair value, the Council now considers the inclusion of site preparation costs, disruption costs and costs to restore another entity's assets in the underlying valuation.

The AASB 13 amendments apply prospectively, comparative figures have not been restated.

Council has been unable to reliably quantify what portion of valuation movements result from the initial application of the AASB 13 amendments, distinct from other valuation movements. In addition, Council does not have data available to quantify the portion of the fair value of property and infrastructure assets at 1 July 2024 attributable to disruption of other entities' assets.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;  
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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*Revaluation*

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. For plant and equipment carrying amount is considered to approximate fair value given short useful lives. At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of artworks, land, buildings, and infrastructure assets on a regular basis ranging from 3 to 5 years. The valuation is performed either by experienced council officers or independent experts. The following table sets out the frequency of revaluations by asset class.

| Asset class             | Revaluation frequency |
|-------------------------|-----------------------|
| Artworks                | 5 years               |
| Land                    | 3 years               |
| Land improvements       | 3 years               |
| Buildings               | 3 years               |
| Roads                   | 3 years               |
| Bridges                 | 3 years               |
| Footpaths and cycleways | 3 years               |
| Drainage                | 3 years               |

Where the assets are revalued, the revaluation increases are credited directly to the asset revaluation reserve except to the extent that an increase reverses a prior year decrease for that class of asset that had been recognised as an expense in which case the increase is recognised as revenue up to the amount of the expense. Revaluation decreases are recognised as an expense except where prior increases are included in the asset revaluation reserve for that class of asset in which case the decrease is taken to the reserve to the extent of the remaining increases. Within the same class of assets, revaluation increases and decreases within the year are offset.

*Impairment of assets*

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

**8.5 Events occurring after balance date**

No matters have occurred after balance date that require disclosure in the financial report.

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**Note 9 OTHER MATTERS**

|   | Balance at<br>beginning of<br>reporting period<br>\$'000 | Increase<br>(decrease)<br>\$'000 | Balance at end<br>of reporting<br>period<br>\$'000 |
|---|--|----------------------------------|--|
| <b>9.1 Reserves</b>                     |  |                                  |  |
| <b>(a) Asset revaluation reserves</b>   |  |                                  |  |
| <b>2025</b>                             |  |                                  |  |
| Artworks                                |  |                                  |  |
| Artworks                                | 1,255  | -                                | 1,255  |
|   | <b>1,255</b>   | <b>-</b>                         | <b>1,255</b>                                       |
| Property                                |  |                                  |  |
| Land and land improvements              | 14,509   | 28,408                           | 42,917   |
| Buildings                               | 36,254   | 36,749                           | 73,003   |
|   | <b>50,763</b>  | <b>65,157</b>                    | <b>115,920</b>                                     |
| Infrastructure                          |  |                                  |  |
| Roads                                   | 128,352  | 44,689                           | 173,041  |
| Bridges                                 | 20,399   | 17,547                           | 37,946   |
| Footpaths and cycleways                 | 6,034  | 3,116                            | 9,150  |
| Drainage                                | 1,320  | (265)                            | 1,055  |
|   | <b>156,105</b>   | <b>65,087</b>                    | <b>221,192</b>                                     |
| <b>Total asset revaluation reserves</b> | <b>208,123</b>   | <b>130,244</b>                   | <b>338,367</b>                                     |
| <b>2024</b>                             |  |                                  |  |
| Artworks                                |  |                                  |  |
| Artworks                                | 1,255  | -                                | 1,255  |
|   | <b>1,255</b>   | <b>-</b>                         | <b>1,255</b>                                       |
| Property                                |  |                                  |  |
| Land                                    | 14,509   | -                                | 14,509   |
| Buildings                               | 33,898   | 2,356                            | 36,254   |
|   | <b>48,407</b>  | <b>2,356</b>                     | <b>50,763</b>                                      |
| Infrastructure                          |  |                                  |  |
| Roads                                   | 123,429  | 4,923                            | 128,352  |
| Bridges                                 | 19,720   | 679                              | 20,399   |
| Footpaths and cycleways                 | 5,871  | 163                              | 6,034  |
| Drainage                                | 1,101  | 219                              | 1,320  |
|   | <b>150,121</b>   | <b>5,984</b>                     | <b>156,105</b>                                     |
| <b>Total asset revaluation reserves</b> | <b>199,783</b>   | <b>8,340</b>                     | <b>208,123</b>                                     |

The asset revaluation reserve is used to record the increased (net) value of Council's assets over time.

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|                             | Balance at<br>beginning of<br>reporting period<br>\$'000 | Transfer from<br>accumulated<br>surplus<br>\$'000 | Transfer to<br>accumulated<br>surplus<br>\$'000 | Balance at end<br>of reporting<br>period<br>\$'000 |
|-----------------------------|--|---|---|--|
| <b>(b) Other reserves</b>   |  |   |   |  |
| <b>2025</b>                 |  |   |   |  |
| Capital works and projects  | 2,580  | 8,921   | (2,580)   | 8,921  |
| Recreational land           | 213  | 57  | (165)   | 105  |
| Building capital            | 4,958  | -   | (1,000)   | 3,958  |
| Environmental projects      | 95   | -   | -   | 95   |
| Waste management            | 518  | -   | (307)   | 211  |
| <b>Total Other reserves</b> | <b>8,364</b>   | <b>8,978</b>                                      | <b>(4,052)</b>                                  | <b>13,290</b>                                      |
| <b>2024</b>                 |  |   |   |  |
| Capital works and projects  | 14,780   | 2,580   | (14,780)  | 2,580  |
| Recreational land           | 165  | 48  | -   | 213  |
| Building capital            | 4,958  | -   | -   | 4,958  |
| Environmental projects      | 95   | -   | -   | 95   |
| Waste management            | 518  | -   | -   | 518  |
| <b>Total Other reserves</b> | <b>20,516</b>  | <b>2,628</b>                                      | <b>(14,780)</b>                                 | <b>8,364</b>                                       |

Description of the nature and purpose of each reserve:

Capital works and projects – specific purpose reserve used to fund major capital works projects.

Recreational land – specific purpose reserve used to fund public open space works.

Building capital – specific purpose reserve used to fund major building capital works.

Environmental projects – specific purpose reserve used to fund innovative environmental projects.

Waste management – specific purpose reserve used to fund works at waste management facilities.

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

| 9.2 Reconciliation of cash flows from operating activities to surplus/(deficit) | 2025<br>\$'000 | 2024<br>\$'000 |
|---|----------------|----------------|
| Surplus/(deficit) for the year  | 1,157          | (6,626)        |
| <i>Non-cash adjustments:</i>  |                |                |
| Depreciation  | 11,452         | 9,927          |
| Profit/(loss) on disposal of property, infrastructure, plant and equipment      | 388            | (23)           |
| Fair value adjustments for investment property                                  | (1,080)        | (46)           |
| Borrowing costs   | 6              | 44             |
| Lease interest  | 100            | 35             |
| Share of net profits (or loss) of joint ventures                                | (29)           | 29             |
| <i>Change in assets and liabilities:</i>  |                |                |
| (Increase)/decrease in trade and other receivables                              | 2,147          | (701)          |
| (Increase)/decrease in inventories  | -              | 3              |
| (Increase)/decrease in prepayments  | 360            | (345)          |
| Increase/(decrease) in trade and other payables                                 | 1,333          | (741)          |
| Increase/(decrease) in trust funds and deposits                                 | 12             | (2)            |
| Increase/(decrease) in contract and other liabilities                           | 5,965          | 304            |
| Increase/(decrease) in provisions   | 64             | 190            |
| Net cash provided by/(used in) operating activities                             | <b>21,875</b>  | <b>2,048</b>   |

**9.3 Superannuation**

Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Obligations for contributions to the Fund are recognised as an expense in the Comprehensive Income Statement when they are made or due.

*Accumulation*

The Fund's accumulation category, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2025, this was 11.5% as required under Superannuation Guarantee (SG) legislation (2024: 11.0%)).

*Defined Benefit*

Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

*Funding arrangements*

Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary.

As at 30 June 2024, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category.

The vested benefit index (VBI) of the Defined Benefit category as at 30 June 2024 (of which Council is a contributing employer) was 105.4%. The financial assumptions used to calculate the VBI were:

|                        |          |
|------------------------|----------|
| Net investment returns | 5.67% pa |
| Salary inflation       | 3.5% pa  |
| Price inflation (CPI)  | 2.7% pa  |

## Notes to the Financial Report For the Year Ended 30 June 2025

As at 30 June 2025, an interim actuarial investigation is underway as the Fund provides lifetime pensions in the Defined Benefit category. It is expected to be completed by 31 October 2025.

Vision Super has advised that the VBI at 30 June 2025 was 110.5%. Council was notified of the 30 June 2025 VBI during August 2025 (2024: August 2024). The financial assumptions used to calculate this VBI were

|                        |         |
|------------------------|---------|
| Net investment returns | 5.7% pa |
| Salary information     | 3.5% pa |
| Price inflation (CPI)  | 2.6% pa |

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2024 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

### ***Employer contributions***

#### ***(a) Regular contributions***

On the basis of the results of the 2024 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2025, this rate was 11.5% of members' salaries (11.0% in 2023/24). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2023 triennial valuation.

In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

#### ***(b) Funding calls***

If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 98% from 26 July 2024 (previously 97%).

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up.

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

### ***The 2024 interim actuarial investigation surplus amounts***

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2024 while a full investigation was conducted as at 30 June 2023.

The Fund's actuarial investigation identified the following for the Defined Benefit category of which Council is a contributing employer:

|   | 2024<br>(Interim) | 2023<br>(Triennial) |
|---|-------------------|---------------------|
|   | \$m               | \$m                 |
| - A VBI Surplus                         | 108.4             | 84.7                |
| - A total service liability surplus     | 141.4             | 123.6               |
| - A discounted accrued benefits surplus | 156.7             | 141.9               |

## Notes to the Financial Report For the Year Ended 30 June 2025

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2024.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2024.

The discounted accrued benefits surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2024.

### *The 2025 interim actuarial investigation*

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2025 as the Fund provides lifetime pensions in the Defined Benefit category.

Vision Super has advised that the VBI at 30 June 2025 was 110.5%. Council was notified of the 30 June 2025 VBI during August 2025 (2024: August 2024). The financial assumptions used to calculate the 30 June 2024 VBI were:

|                        |         |
|------------------------|---------|
| Net investment returns | 5.7% pa |
| Salary inflation       | 3.5% pa |
| Price inflation (CPI)  | 2.6% pa |

It is anticipated that this actuarial investigation will be completed by October 2025.

### *The 2023 triennial investigation*

The last triennial actuarial investigation conducted prior to 30 June 2023 was at 30 June 2020. This actuarial investigation was completed by 31 December 2020. The financial assumptions for the purposes of that investigation was:

|                       | 2023<br>Triennial<br>investigation | 2020<br>Triennial<br>investigation                  |
|-----------------------|------------------------------------|---|
| Net investment return | 5.7% pa                            | 5.6% pa   |
| Salary inflation      | 3.5% pa                            | 2.5% pa for two<br>years and 2.75% pa<br>thereafter |
| Price inflation       | 2.8% pa                            | 2.0% pa   |

### **Superannuation contributions**

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2025 are detailed below:

| Scheme            | Type of Scheme   | Rate                  | 2025<br>\$'000 | 2024<br>\$'000 |
|-------------------|------------------|-----------------------|----------------|----------------|
| Vision super      | Defined benefits | 11.5%<br>(2024:11.0%) | 10             | 14             |
| Vision super      | Accumulation     | 11.5%<br>(2024:11.0%) | 717            | 676            |
| Other super funds | Accumulation     | 11.5%<br>(2024:11.0%) | 541            | 473            |

There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2025.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2026 is \$9,000.

**Notes to the Financial Report  
For the Year Ended 30 June 2025**

**Note 10 CHANGE IN ACCOUNTING POLICY**

There have been no changes to accounting policies in the 2024-25 year.

**Note 11 ERRORS AND CHANGES IN ACCOUNTING ESTIMATES**

**11.1 Correction of error relating to previous reporting period - retrospective**

During the revaluation of infrastructure assets Council found road earthworks assets that had not previously been reflected in previous asset valuations. These found assets have been brought to account as an adjustment to Council's prior year asset balance comparatives and to accumulated surplus for the 2023-24 year.

Adjustments to the comparative figures for the year ended 30 June 2024

|   | Original Balance<br>30 June 2024<br>\$'000 | Impact<br>Increase /<br>(decrease)<br>\$'000 | Restated Balance<br>30 June 2024<br>\$'000 |
|---|--|--|--|
| <b>Balance Sheet</b>  |  |  |  |
| Property, infrastructure, plant and equipment                 | 308,261                                    | 201,144                                      | 509,405                                    |
| <b>Total non-current assets</b>                               | <b>311,658</b>                             | <b>201,144</b>                               | <b>512,802</b>                             |
| <b>Total assets</b>   | <b>323,390</b>                             | <b>201,144</b>                               | <b>524,534</b>                             |
| <b>Net assets</b>   | <b>314,613</b>                             | <b>201,144</b>                               | <b>515,757</b>                             |
| Accumulated surplus   | 98,126                                     | 201,144                                      | 299,270                                    |
| <b>Total Equity</b>   | <b>314,613</b>                             | <b>201,144</b>                               | <b>515,757</b>                             |
| <b>Note 6.1 Property, infrastructure, plant and equipment</b> |  |  |  |
| Roads   | 183,046                                    | 201,144                                      | 384,190                                    |
| <b>Total infrastructure assets</b>                            | <b>222,045</b>                             | <b>201,144</b>                               | <b>423,189</b>                             |
| <b>Total Property, infrastructure, plant and equipment</b>    | <b>308,261</b>                             | <b>201,144</b>                               | <b>509,405</b>                             |

# Performance Statement



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### Certification of the Performance Statement

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.



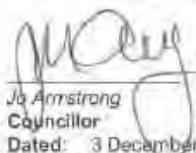
Kassia Hogan, BCom, CPA  
Principal Accounting Officer  
Dated: 3 December 2025

In our opinion, the accompanying performance statement of the Ararat Rural City Council for the year ended 30 June 2025 presents fairly the results of Council's performance in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate.

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2020* to certify this performance statement in its final form.



Jo Armstrong  
Councillor  
Dated: 3 December 2025



Bob Sanders  
Councillor  
Dated: 3 December 2025



Dr Tim Harrison  
Chief Executive Officer  
Dated: 3 December 2025

# VAGO

Victorian Auditor-General's Office

## Independent Auditor's Report

### *To the Councillors of Ararat Rural City Council*

**Opinion** I have audited the accompanying performance statement of Ararat Rural City Council (the council) which comprises the:

- description of municipality for the year ended 30 June 2025
- service performance indicators for the year ended 30 June 2025
- financial performance indicators for the year ended 30 June 2025
- sustainable capacity indicators for the year ended 30 June 2025
- notes to the accounts
- certification of the performance statement.

In my opinion, the performance statement of Ararat Rural City Council in respect of the year ended 30 June 2025 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 4 of the *Local Government Act 2020* and Local Government (Planning and Reporting) Regulations 2020.

**Basis for Opinion** I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the performance statement* section of my report.

My independence is established by the *Constitution Act 1975*. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the performance statement in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Councillors' responsibilities for the performance statement** The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the *Local Government Act 2020* and Local Government (Planning and Reporting) Regulations 2020 and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of a performance statement that is free from material misstatement, whether due to fraud or error.

**Auditor's responsibilities for the audit of the performance statement**

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement. As part of an audit in accordance with the Australian Standards on Assurance Engagements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether performance statement represents the underlying events and results in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



MELBOURNE  
9 December 2025

Travis Derricott  
*as delegate for the Auditor-General of Victoria*

## Section 1. Description of municipality

Ararat Rural City is the gateway to the Grampians region in south-west Victoria, situated at an important junction of the Western and Pyrenees highways 198 kilometres north-west of Melbourne, approximately a quarter of the way between Melbourne and Adelaide.

The land has a wealth of natural attractions that set the region apart, such as Mount Langi Ghiran, Mount Cole and the Ararat Hills National Park, which frame our townships with scenic views and unique landscapes.

It includes the city of Ararat and the rural townships of Buangor, Elmhurst, Lake Bolac, Mininera, Moyston, Pomonal, Streatham, Tatyoon, Warrak, Westmere, Wickliffe and Willaura.

Our diverse economy is fortified by advanced manufacturing, premium agriculture, nature-based tourism, healthcare and renewable energy. The region is known for its superior produce, wine production, agriculture and tourism. Diverse retail and manufacturing industries are spearheading a growing economy.

### Municipal Snapshot

Population » 11,686 (Australian Bureau of Statistics – Population Estimates by Local Government Area)

Area » 4,211 square kilometres

Rateable properties » 7,447

Number of Councillors » 7

Rates and charges revenue » \$18.093 million

Total revenue » \$37.526 million

Length of sealed local roads » 759 kms

Length of unsealed local roads » 1,443 kms

Length of natural surface roads » 252 kms

Total road length » 2,454 kms

## Section 2. Service performance indicators

For the year ended 30 June 2025.

| Service / indicator / measure / [formula]  | Results |         |         |                      |         |  | Comments  |  |
|--|---------|---------|---------|----------------------|---------|--|---|--|
|  | 2022    | 2023    | 2024    | 2025                 |         |  |   |  |
|  | Actual  | Actual  | Actual  | Target as per budget | Actual  |  |   |  |
| <b>Aquatic Facilities</b><br><b>Utilisation</b><br><i>Utilisation of aquatic facilities</i><br>[Number of visits to aquatic facilities / Municipal population]   | 2.65    | 3.05    | 4.91    | 4.00                 | 5.67    |  | For the second year in a row, Council made the decision to make entry to all municipal outdoor pools free for the 2024/2025 season. This, along with a warmer summer season, has seen visitor numbers to our pools continue to grow.                  |  |
| <b>Animal Management</b><br><b>Health and safety</b><br><i>Animal management prosecutions</i><br>[Number of successful animal management prosecutions / Number of animal management prosecutions] x 100  | 0.00%   | 100.00% | 0.00%   | 0.00%                | 0.00%   |  | There were no animal management prosecutions during this reporting period.  |  |
| <b>Food Safety</b><br><b>Health and safety</b><br><i>Critical and major non-compliance outcome notifications</i><br>[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100 | 83.33%  | 0.00%   | 100.00% | 100.00%              | 100.00% |  | There was 1 major non-compliance issues for this reporting period, with this followed up with a compliant result in a timely manner. Council's Environmental Health service continues to work with businesses to ensure regulatory standards are met. |  |

| Service / indicator / measure / [formula]  | 2022   | 2023   | 2024   | 2025                 |        | Comments   |
|--|--------|--------|--------|----------------------|--------|--|
|  | Actual | Actual | Actual | Target as per budget | Actual |  |
| <b>Governance</b><br><b>Consultation and engagement</b><br>Satisfaction with community consultation and engagement<br>[Community satisfaction rating out of 100 with how council has performed on community consultation and engagement]   | 62     | 60     | 59     | 65                   | 59     | Council set a target of 65 for community satisfaction with consultation and engagement. Although failing to reach this, Council has maintained consistency with a result of 59, the same as the previous reporting period. This result has remained steady over the last 3 years. Council is continuing its commitment to listening to and addressing community concerns, and will continually set high performance targets in this space. |
| <b>Libraries</b><br><b>Participation</b><br>Library membership<br>[Number of registered library members / Population] x100   | N/A    | N/A    | 19.11% | 20.00%               | 19.12% | This indicator is an assessment of the degree to which the community participate in Council's library service. Council's result of 19.12% is reflective of a small rural Council and has remained steady from the previous year. Following an interior upgrade in early 2025, Council is actively working to encourage new members and borrowers with new and varied programs and membership drives.                                       |
| <b>Maternal and Child Health (MCH)</b><br><b>Participation</b><br>Participation in the MCH service<br>[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100    | 85.53% | 84.87% | 87.11% | 85.00%               | 83.35% | Participation levels have slightly decreased on last reporting period, with Council continuing to review engagement practices within the maternal and child health service to increase participation rates.  |
| <b>Participation</b><br>Participation in the MCH service by Aboriginal children<br>[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100 | 87.50% | 90.48% | 89.47% | 85.00%               | 87.10% | Participation levels remain steady amongst aboriginal children in the service. Low numbers in this indicator creates sensitivity when reporting in percentages, however attendance in the program continues to be strong.  |

| Service / indicator / measure / [formula]   | 2022    | 2023    | 2024    | 2025                 |         | Comments   |
|---|---------|---------|---------|----------------------|---------|--|
|   | Actual  | Actual  | Actual  | Target as per budget | Actual  |  |
| <b>Roads</b><br><b>Condition</b><br><i>Sealed local roads below the intervention level</i><br>[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100]   | 100.00% | 100.00% | 100.00% | 100.00%              | 100.00% | Council has had no roads fall below the renewal intervention level this year. A proactive approach by Council's roads team has seen maintenance conducted regularly and pre-emptively, to ensure sealed roads remain at condition standard.  |
| <b>Statutory Planning</b><br><b>Service standard</b><br><i>Planning applications decided within required time frames</i><br>[(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100 | 91.49%  | 80.41%  | 78.91%  | 85.00%               | 79.80%  | Council has a target of 85% of applications decided in required timeframes, with a commitment to improvement in this area. Although not quite meeting this target, a result of 79% has remained steady with last year's result and well above state average for this indicator.  |
| <b>Waste Management</b><br><b>Waste diversion</b><br><i>Kerbside collection waste diverted from landfill</i><br>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100   | 21.02%  | 22.90%  | 25.17%  | 35.00%               | 61.21%  | The amount of waste diverted from landfill has increased significantly this reporting period, due to it now being possible for Council to report on glass and green waste weights diverted from landfill. Previous reporting only included recycling weights. This reporting improvement has led to a much more accurate figure. |

### Section 3. Financial performance indicators

For the year ended 30 June 2025

| Dimension / Indicator / measure / formula   | 2022       | 2023       | 2024       | 2025                 |            | 2026       | 2027       | 2028       | 2029       | Material Variations and Comments  |
|---|------------|------------|------------|----------------------|------------|------------|------------|------------|------------|---|
|   | Actual     | Actual     | Actual     | Target as per budget | Actual     | Forecast   | Forecast   | Forecast   | Forecast   |   |
| <b>Efficiency</b>   |            |            |            |                      |            |            |            |            |            |   |
| <i>Expenditure level</i><br>Expenses per property assessment<br>[Total expenses / Number of property assessments]                                 | \$4,064.44 | \$4,615.87 | \$4,591.57 | \$3,787.00           | \$4,935.81 | \$4,348.06 | \$4,349.06 | \$4,379.18 | \$4,431.59 | Expenditure in 2024/25 has increased as Council continues to deliver outcomes for several large project grants, and to complete projects carried forward from the previous year. The reduced indicator in the target and future years is based on minimal non-recurrent operating grants being received that would require increased expenditure. |
| <b>Revenue level</b><br>Average rate per property assessment<br>[Sum of all general rates and municipal charges / Number of property assessments] | \$2,028.33 | \$2,006.30 | \$1,992.70 | \$1,997.00           | \$2,001.88 | \$2,046.60 | \$2,077.10 | \$2,108.05 | \$2,139.43 | This indicator has remained fairly consistent as Council has delivered a 0% net rate rise for the seven years up to 2024/2025. Additionally, the number of properties within the municipality continues to grow. The indicator is forecast to increase in future years based on annual rate increases being included.                             |

| Dimension / indicator / measure / [formula]  | 2022    |         |         | 2023                 |         | 2024     |          | 2025     |          | 2026     |          | 2027     |          | 2028     |          | 2029     |          | Material Variations and Comments  |
|--|---------|---------|---------|----------------------|---------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|---|
|  | Actual  | Actual  | Actual  | Target as per budget | Actual  | Forecast |   |
| <b>Liquidity</b><br><b>Working capital</b><br><i>Current assets compared to current liabilities</i><br>[Current assets / Current liabilities] x100 | 224.65% | 321.83% | 162.31% | 158.00%              | 121.75% | 235.33%  | 241.79%  | 260.15%  | 262.81%  |          |          |          |          |          |          |          |          | Current assets have increased with \$9.693 million in grant funds received in June 2025. However, unearned revenue has increased by \$5.965 million with grant performance obligations not yet satisfied. Trade payables have also increased by \$1.33 million. This indicator is forecast to increase in future years when unearned revenue is expected to reduce upon completion of the grant requirements. |

| Dimension / indicator / measure / [formula]  | 2022   |        |         | 2024                 |        | 2025     |          | 2026     |          |          | 2027     |          | 2028     |          | 2029     |          | Material Variations and Comments  |
|--|--------|--------|---------|----------------------|--------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|---|
|  | Actual | Actual | Actual  | Target as per budget | Actual | Forecast |   |
| <b>Unrestricted cash</b><br>Unrestricted cash compared to current liabilities<br>[Unrestricted cash / Current liabilities] x100                            | 64.66% | 64.43% | -12.98% | 145.00%              | 34.50% | 163.87%  | 173.70%  | 192.22%  | 214.27%  |          |          |          |          |          |          |          | Unrestricted cash has increased since last year, however the indicator is still lower than the target and future forecasts due to the higher level of unearned revenue and trade payables at year end. The forecast indicators are based on minimal unearned revenue held as current liabilities in future years. |
| <b>Obligations</b><br><b>Loans and borrowings</b><br>Loans and borrowings compared to rates<br>[Interest bearing loans and borrowings / Rate revenue] x100 | 3.41%  | 7.07%  | 1.71%   | 0.90%                | 0.86%  | 0.00%    | 0.00%    | 0.00%    | 0.00%    |          |          |          |          |          |          |          | Council has one loan which is due to be repaid in April 2026.   |

| Dimension / Indicator / measure / formula  | 2022   | 2023   | 2024   | 2025                 |        | 2026     | 2027     | 2028     | 2029     | Material Variations and Comments   |
|--|--------|--------|--------|----------------------|--------|----------|----------|----------|----------|--|
|  | Actual | Actual | Actual | Target as per budget | Actual | Forecast | Forecast | Forecast | Forecast |  |
| <i>Loans and borrowings repayments compared to rates</i><br>[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100 | 12.51% | 1.20%  | 5.53%  | 0.90%                | 0.86%  | 0.86%    | 0.00%    | 0.00%    | 0.00%    | The indicator is forecast to reduce in future years as the loan will be repaid in April 2026.  |
| <i>Indebtedness</i><br>Non-current liabilities compared to own source revenue<br>[Non-current liabilities / Own source revenue] x100                         | 3.30%  | 5.47%  | 7.49%  | 4.60%                | 7.83%  | 3.87%    | 2.23%    | 1.34%    | 1.30%    | Council's own source revenue increased minimally with small increases resulting from supplementary rates and a fair value adjustment for investment properties. The non-current liabilities increased with an additional \$0.312 million held in lease liabilities. This indicator is forecast to reduce in future years based on Council's lease repayments reducing the level of non-current liabilities in future years. No further borrowings or leases have been factored into the forecast indicators. |

| Dimension / Indicator / measure / formula   | 2022    | 2023   | 2024    | 2025                 |         | 2026     | 2027     | 2028     | 2029     | Material Variations and Comments  |
|---|---------|--------|---------|----------------------|---------|----------|----------|----------|----------|---|
|   | Actual  | Actual | Actual  | Target as per budget | Actual  | Forecast | Forecast | Forecast | Forecast |   |
| <b>Asset renewal and upgrade</b><br><i>Asset renewal and upgrade compared to depreciation</i><br>[Asset renewal and asset upgrade expense / Asset depreciation] x100                            | 174.50% | 90.93% | 124.63% | 200.20%              | 100.75% | 103.25%  | 106.48%  | 107.84%  | 107.84%  | In 2022/2023 and 2023/2024 there was an increase in capital works expenditure, however there was also a higher proportion spent on new assets. In 2024/2025 this indicator has been adversely affected by the significant increase in depreciation of \$1.311 million resulting from property and infrastructure asset revaluations. The target included increased capital grant funding for road reconstructions, however these projects have been deferred until 2025/2026. |
| <b>Operating position</b><br><b>Adjusted underlying result</b><br><i>Adjusted underlying surplus (or deficit)</i><br>[Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100 | 7.64%   | 2.06%  | -40.25% | 7.60%                | -0.35%  | 1.70%    | 3.10%    | 3.62%    | 3.63%    | Expenditure increased in 2024/2025 to deliver the outcomes for several large project grants and works carried forward from the previous year. Depreciation has increased by \$1.311 million predominantly as a result of asset revaluations. The higher target reflected \$1.461 million in recurrent capital grants, while the forecasts are based on minimal non-recurrent operating grants.  |

| Dimension / Indicator / measure / [formula]  | 2022   | 2023   | 2024   | 2025                 |        | 2026     | 2027     | 2028     | 2029     | Material Variations and Comments  |
|--|--------|--------|--------|----------------------|--------|----------|----------|----------|----------|---|
|  | Actual | Actual | Actual | Target as per budget | Actual | Forecast | Forecast | Forecast | Forecast |   |
| <b>Stability</b><br><b>Rates concentration</b><br><i>Rates compared to adjusted underlying revenue</i><br><i>[Rate revenue / Adjusted underlying revenue] x100</i> | 55.29% | 51.46% | 73.82% | 59.20%               | 49.39% | 56.09%   | 56.06%   | 56.18%   | 56.31%   | In 2023/2024 rate revenue represented a larger share of Council's income despite a % net rate rise over the seven years to 2024/2025. Adjusted underlying revenue decreased in 2023/2024 due to timing changes in financial assistance grants, with \$6.656 million being received in July 2024, compared to \$7.426 million being received in advance in June 2023. In 2024/2025 Council also received 50% of the 2025/26 grant allocation in advance. Targets and forecasts are based on a single annual allocation being received. |
| <b>Rates effort</b><br><b>Rates compared to property values</b><br><i>[Rate revenue / Capital improved value of rateable properties in the municipality] x100</i>  | 0.41%  | 0.29%  | 0.27%  | 0.30%                | 0.27%  | 0.28%    | 0.28%    | 0.28%    | 0.29%    | Property values within the municipality increased by 44.85% between 2021/2022 and 2022/2023, and have remained fairly consistent since that time. Additionally, Council has delivered a net rate rise of 0% for the seven years up to 2024/2025.  |

#### Section 4. Sustainable capacity indicators

For the year ended 30 June 2025

| Indicator / measure / [formula]   | Results        |                |                |                | Comments  |
|---|----------------|----------------|----------------|----------------|---|
|   | 2022<br>Actual | 2023<br>Actual | 2024<br>Actual | 2025<br>Actual |   |
| <b>Population</b><br>Expenses per head of municipal population<br>[Total expenses / Municipal population] | \$2,454.62     | \$2,868.75     | \$2,908.16     | \$3,145.39     | Expenditure increased in 2024/2025 to deliver the outcomes for several large project grants, and works carried forward from the previous year. Depreciation has increased by \$1.311 million predominantly as a result of asset revaluations. In 2021/2022 there was significantly less non-recurrent expenditure compared to recent years. |
| Infrastructure per head of municipal population<br>[Value of infrastructure / Municipal population]       | \$21,849.19    | \$23,628.31    | \$24,836.43    | \$50,762.88    | The significant increase in 2024/2025 has resulted from a revaluation of property and infrastructure assets of \$130.244 million and the inclusion of road earthworks assets of \$201.144 million.  |
| Population density per length of road<br>[Municipal population / Kilometres of local roads]               | 4.86           | 4.78           | 4.77           | 4.76           | This indicator has remained consistent to the previous year.  |

| Indicator / measure / formula  | 2022       | 2023       | 2024       | 2025       | Comments  |
|--|------------|------------|------------|------------|---|
|  | Actual     | Actual     | Actual     | Actual     |   |
| <b>Own-source revenue</b><br>Own-source revenue per head of municipal population<br>[Own-source revenue / Municipal population]  | \$1,623.47 | \$1,743.89 | \$1,770.52 | \$1,856.67 | Following a fair value assessment of Council's investment properties a revaluation adjustment was included in revenue for \$1.080 million, increasing Council's own source revenue.   |
| <b>Recurrent grants</b><br>Recurrent grants per head of municipal population<br>[Recurrent grants / Municipal population]  | \$921.74   | \$916.70   | \$123.94   | \$1,138.80 | Recurrent grants were significantly lower in 2023/2024, due to a change in the timing of financial assistance grants for 2024/2025 resulting in \$6.656 million being received early in July 2024, compared to \$7.426 million being received in advance in June 2023. In 2024/2025 Council also received 50% of the annual allocation of the financial assistance grants in advance for 2025/2026. |
| <b>Disadvantage</b><br>Relative Socio-Economic Disadvantage<br>[Index of Relative Socio-Economic Disadvantage by decile]   | 1.00       | 2.00       | 2.00       | 2.00       | The Australian Bureau of Statistics revised Council's Socio-Economic Index for Areas (SEIFA) in 2022/2023 with the municipality now considered to be less disadvantaged than in prior years.  |
| <b>Workforce turnover</b><br>Percentage of staff turnover<br>[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100 | 16.8%      | 23.4%      | 7.6%       | 17.4%      | In 2024-25 there have been a number of organisational changes, including some redundancies, resulting in higher workforce turnover.   |

## Section 5. Notes to the accounts

### 5.1. Basis of preparation

Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed service performance, financial performance and sustainable capacity indicators and measures together with a description of the municipal district, an explanation of material variations in the results and notes to the accounts. This statement has been prepared to meet the requirements of the *Local Government Act 2020* and *Local Government (Planning and Reporting) Regulations 2020*.

Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from council information systems or from third parties (e.g. Australian Bureau of Statistics or the Council's satisfaction survey provider).

The performance statement presents the actual results for the current year and the previous three years, along with the current year's target, if mandated by *the Local Government (Planning and Reporting) Regulations 2020*. Additionally, for the prescribed financial performance indicators and measures, the performance statement includes the target budget for the current year and the results forecast for the period 2025-26 to 2028-29 from the Council's annual budget.

The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

## 5.2. Definitions

| Key term                                     | Definition  |
|--|---|
| Aboriginal children                          | means a child who is an Aboriginal person   |
| Aboriginal person                            | has the same meaning as in the Aboriginal Heritage Act 2006   |
| adjusted underlying revenue                  | means total income other than: <ul style="list-style-type: none"> <li>non-recurrent grants used to fund capital expenditure; and</li> <li>non-monetary asset contributions; and</li> <li>contributions to fund capital expenditure from sources other than those referred to above</li> </ul>         |
| adjusted underlying surplus (or deficit)     | means adjusted underlying revenue less total expenditure  |
| annual report                                | means an annual report prepared by a council under section 98 of the Act  |
| asset renewal expenditure                    | means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability  |
| asset upgrade expenditure                    | means expenditure that— (a) enhances an existing asset to provide a higher level of service; or (b) extends the life of the asset beyond its original life  |
| critical non-compliance outcome notification | means a notification received by council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorised officer under that Act, of a deficiency that poses an immediate serious threat to public health  |
| current assets                               | has the same meaning as in the Australian Accounting Standards  |
| current liabilities                          | has the same meaning as in the Australian Accounting Standards  |
| food premises                                | has the same meaning as in the <i>Food Act 1984</i>   |
| intervention level                           | means the level set for the condition of a road beyond which a council will not allow the road to deteriorate and will need to intervene  |
| local road                                   | means a sealed or unsealed road for which the council is the responsible road authority under the <i>Road Management Act 2004</i>   |
| major non-compliance outcome notification    | means a notification received by a council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorised officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken |
| MCH  | means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age   |
| non-current assets                           | means all assets other than current assets  |
| non-current liabilities                      | means all liabilities other than current liabilities  |
| own-source revenue                           | means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)   |

| Key term                             | Definition   |
|--------------------------------------|--|
| population                           | means the resident population estimated by council   |
| rate revenue                         | means revenue from general rates, municipal charges, service rates and service charges   |
| relative socio-economic disadvantage | in relation to a municipal district, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipal district is located according to the Index of Relative Socio-Economic Disadvantage of SEIFA               |
| restricted cash                      | means cash, cash equivalents and financial assets, within the meaning of the Australian Accounting Standards, not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year |
| SEIFA                                | means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet site   |
| unrestricted cash                    | means all cash and cash equivalents other than restricted cash   |

### 5.3. Other Matters

#### Overview of 2025

During the financial year Council has undertaken several significant projects including completion of the Tatyoon Recreation Reserve upgrade, substantial re-sheeting of gravel roads and continued the use of innovative Otta sealing to a number of rural and urban gravel roads, an increased road sealing program, a significant interior upgrade to the Ararat Library, bushfire emergency and recovery works, and establishment of a Child Friendly Cities and Communities (CFCC) Working Group.



Ararat Rural City

[www.ararat.vic.gov.au](http://www.ararat.vic.gov.au)

### 3.2 ROAD NAMING PROPOSAL - SPARROWS LANE

**RESPONSIBLE OFFICER:** **CHIEF EXECUTIVE OFFICER**  
**DEPARTMENT:** **CEO'S OFFICE**  
**REFERENCE:** **26439**

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

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

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

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#### **EXECUTIVE SUMMARY**

At its meeting held on 25 November 2025, Council resolved to advertise its intention to name the unnamed laneway adjoining 118 Barkly Street, Ararat as Sparrows Lane.

This report presents the submissions received during the consultation period and recommends that Council consider the submissions and determine whether to proceed with formally naming the laneway Sparrows Lane.

#### **DISCUSSION**

As part of the consultation process for the proposed name Sparrows Lane, adjoining ratepayers were consulted and the proposal was presented to the community for consultation and public submissions. Community feedback was invited via the Engage Ararat platform, by post, or by email between 10 December and 10 January 2026.

A total of 66 submissions were received and are provided in the attachment to this report. Of these submissions, 32 were in favour of the proposal, 29 were against, and 5 submissions were undetermined, providing comments without clearly indicating support or opposition.

Submissions demonstrated a strongly divided range of views.

Supportive submissions generally cited the historical significance of Ararat being the site of one of the first releases of sparrows in Australia and supported the recording of this event as part of the town's broader history. Several submitters noted that, while sparrows are an introduced species, the naming of the laneway was viewed as an opportunity to acknowledge history rather than celebrate it. Many supporters also welcomed the proposed public art trail, describing it as a creative enhancement to the streetscape, a point of interest for residents and visitors, and a positive contribution to Ararat's cultural and tourism offerings. Some submissions emphasised the importance of preserving history in all its forms, including events that are now understood to have had negative impacts.

Opposing submissions raised significant concerns about naming a laneway after an introduced pest species. A recurring theme was that sparrows are widely recognised as invasive, with impacts on native bird species, agriculture, and urban infrastructure. Many submitters felt that commemorating the introduction of sparrows was inappropriate in light of current environmental knowledge, and likened the proposal to naming places after other introduced pests. Several respondents suggested that the laneway name should instead reflect native wildlife, Aboriginal culture, or other aspects of Ararat's heritage.

Additional themes raised included requests that any associated artwork be locally produced and reflect Ararat's heritage character.

Overall, the consultation revealed strong community interest in the proposal, with submissions reflecting differing perspectives on how Ararat's history should be acknowledged and represented in public place naming.

Council is now asked to consider the feedback received and determine whether to proceed with formally adopting the name Sparrows Lane.

A map showing the lane and surrounding area is provided below.



## KEY CONSIDERATIONS

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

#### **6 STRONG AND EFFECTIVE GOVERNANCE**

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

### ***Budget Implications***

There are no budget implications arising from this report.

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

Schedule 10 of the Local Government Act 1989 provides Council with the power to name roads. The Geographic Place Names Act 1998 provides for the naming and registration of place names.

### ***Sustainability Implications***

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

### ***Risk Assessment***

Low.

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

Council's intention to name the road was published on Engage Ararat. Abutting landowners and relevant stakeholders were also consulted as part of the process.

**RECOMMENDATION**

*That Council:*

1. Consider submissions received during the consultation period;
2. Adopt the name Sparrows Lane; and
3. Submit Sparrows Lane to the Registrar of Geographic Names.

**MOVED CR WATERSTON**

**SECONDED CR JOYCE**

**That Council:**

1. Consider submissions received during the consultation period;
2. Adopt the name Sparrows Lane; and
3. Submit Sparrows Lane to the Registrar of Geographic Names.

**Cr Waterston, Cr Joyce and Cr J Armstrong spoke for the motion.**

**CARRIED 6/0**

**5272/26**

**ATTACHMENTS**

The Community Consultation Report - Road Naming Proposal, Sparrows Lane is provided as Attachment 3.2



Ararat Rural City

## Community Consultation Report: Road Naming Proposal

The proposal to formally name the currently unnamed laneway adjoining 118 Barkly Street, Ararat, was presented to the community for consultation and public submissions. Community feedback was invited via the Engage Ararat platform, by post, or by email between 10 December and 10 January 2026.

A total of 66 submissions were received during the consultation period. These submissions are provided in the table below.

We thank all submitters for their feedback and suggestions.

### Submissions for the proposed naming of Prospectors Lane, Moyston

Name the lane Sparrow Lane. As adjoining property owners we are in favour of the proposed name.. Can we also suggest that South Right of Way be renamed. Maybe a name that honours one of the migrant trader families. Eg Pinzones or aphee.

I cant believe you're honouring exotic pest birds under the guise of 'acclimatisation'! I'd prefer to see the small native birds, which now have to compete with sparrows, recognised for their resistance. Here's a start: Willy Wag Tail, White-browed babbler, White-plumed honeyeater, tree creeper, blue wren, New holland honeyeater, Robin red breast.

Sparrows are a pest and eat our grain and poop and spread diseases. Plus i see sparrows in Woolies flying around the bakery section which is disgusting.

It's an embarrassment that one of the first sparrow releases was in Ararat let alone wanting to name a laneway after the sparrows

Would you support the naming of a lane way after the fox or the cane toad or rabbits? All mistakes having them introduced. Foxes kill our sheep and chooks and sparrows kill the poor Fairy wrens.

Now knowing the ecological impact that its had in 2026, if you could travel back in time to 1867 and have that decision to not introduce a pest to Australia. What would you choose?

Please name it Blue Wren Lane or Kingfisher Lane or something that celebrates our awesome Aussie wildlife not a pest from england.

I want to be proud of our town and all the great things we have.

I object to naming Sparrows Lane after introducing non native birds that are now feral.Crimson Rosellas are iconic Ararat native birds that are so beautiful and would make a fabulous art work. I suggest you call the laneway Rosella Lane. Sparrows are pests and nobody likes them so get real we are in Australia not England.

I think the idea of commemorating native birds after consultation with traditional owners would be much better than sparrows. An Aboriginal name for a native bird, combined with plaques that explained the changing knowledge about preserving the natural environment could both commemorate the past as well as celebrate a better future

We definately support the name Sparrows Lane! Ararat history?

I think it is a fitting name for the lane. It will create interest and a great talking point for residents and visitors to Ararat.

While the proposed naming of "Sparrows Lane" and associated art trail may initially appear to be a creative or historically interesting idea, I do not support naming the laneway after sparrows or commemorating their introduction through public art.

House sparrows are widely recognised as a pest in Australia. They aggressively compete with native birds for nesting sites, are known to destroy eggs and chicks, and breed rapidly with multiple broods per year. They occupy tree hollows, roof cavities, wall cavities, sheds and nest boxes, displacing native species including superb fairy-wrens, tree martins, welcome swallows and small honeyeaters. In towns such as Ararat, where hollow-bearing trees are already limited, these impacts are amplified.

The introduction of sparrows forms part of the 19th-century acclimatisation movement, which sought to introduce European species to "improve" Australian nature. This approach ignored ecological complexity and has since been shown to cause long-term environmental harm. Modern conservation policy explicitly rejects this ideology and instead focuses on mitigating its impacts. We have learned more since 1867, and our public spaces should reflect that learning.

In Australian environmental policy, introduced species are managed, controlled or discouraged, not celebrated. Sparrows are not protected wildlife and are included in pest-management frameworks at both State and Federal levels, with control measures permitted in both agricultural and urban settings.

Sparrows also cause agricultural damage and create infrastructure and sanitation issues in urban environments, including fouling of buildings and increased maintenance costs. They can carry parasites and diseases that further impact native bird populations.

Public place-naming and permanent artwork are acts of commemoration rather than neutral documentation. Given Council's responsibilities in governance, environmental stewardship and risk management, avoiding the commemoration of an introduced pest species would be the more prudent and defensible approach.

Council may also wish to consider a range of native-themed alternatives that reflect locally occurring species, landscape or ecological values, rather than commemorating the introduction of an invasive species.

Dear Council

I wish to object to the proposal to name the laneway, Sparrows Lane. By all means place some interpretative signage here to "commemorate" the event, but please explain its significance to the public, including in the context of the documented damage the House Sparrow causes to our environment and native species.

In Western Australia the DPI states "All sparrows are prohibited declared pests under the Biosecurity and Agriculture Management Act 2007". The NSW DPI states "Sparrows are considered the most significant pest of crops in New Zealand and commonly cause damage to fruit, vegetable, grain and oilseed crops in Australia. Significant losses have been recorded in pear, apple, berry, cherry, grape, nectarine, apricot, plum, peach, and loquat orchards. Vegetables and cereals such as tomatoes, lettuce, lucerne, peas, wheat, maize, sunflower, soya bean and rice are often damaged and germinating shoots and seedlings removed."

The Federal Bureau of Rural Sciences quotes the House Sparrow as a "moderate pest" in the same category as feral horses, feral camels and black rats. They state "Pest birds are becoming an increasing problem as the area of horticultural and wine grape production increases."

Given the position of our Federal and State Departments of Agriculture and the local significance of Agriculture to our community I don't believe the naming of the laneway and the bronze sculptures are appropriate.

Particularly, I don't agree to commemorate an introduced species, like the sparrow.

|  |
|--|
| <p>Hi Ararat Rural City</p> <p>I would like to strongly support the naming on the lane to be Sparrows Lane.</p> <p>I would also support the establishment of the Artwork and trail.</p> <p>I also support the heritage plaque emphasising the acclimatisation movement's role in the release of the sparrows and its disastrous results. The plaque should not be a celebration of the release, but more just its significance historically.</p> <p>An excellent improvement to the city, especially when someone generously donates the project to us.</p>  |
| <p>I have previously provided my comment to support the proposal to name Sparrows Lane and the supporting historical information and art.</p> <p>I have become aware of a campaign supporting the environmental consequences of the introduction of sparrows and of naming Sparrows Lane and a request to have native birds as the supporting art.</p> <p>Views have changed over the years but this doesn't mean that history should be relegated or ignored because these days life's different. History can't be changed and needs to be recorded in whatever way. So please name the lane Sparrows lane with the proposed story boards and art.</p>  |
| <p>I am totally opposed to celebrating the introduction of sparrows to Ararat. I spent my part of my youth shooting them with a slug gun! They build nests in house and shed eaves which are a major fire hazard and displace other native seed eating birds.</p> <p>Perhaps we should have a shrine to Australian Bustards which were hunted/shot to local extinction in the Wimmera and Western District as they flew over Ararat to feed in the also now also highly threatened native grasslands.</p>  |
| <p>I know there is (unfortunate) history with sparrows and Ararat! but to me it would be the same as calling the lane Fox Lane, BlackBerry Lane, Cane Toad Lane, Feral Camel Lane, or any of the other introduced pest species. There are so many spectacular and worthy native birds and animals more deserving.</p>  |
| <p>I do not agree with the proposed naming of 'Sparrows Lane'</p> <p>I do not think that the release of the introduced house sparrow is anything to celebrate.</p> <p>It is a pest species, that is aggressive and interferes with our beloved small native birds. Even though it is an historic event that created interest at the time, we know better in this enlightened age.</p> <p>For example, we do not celebrate the release or introduction of rabbits, european carp, cane toads, varroa mite, fire ants, rats foxes.....the list goes on.</p> <p>I do think that Adam Haddow and Michael Combs are on the right track with wanting an Arts Trail.</p> <p>Here is my suggestion:</p> <p>Celebrate the native small birds who have survived the onslaught of the sparrow. Cast them and let them lead the public to a more appropriately named laneway, where a brief reference can be made to the historical releasing of the sparrows.</p> <p>Perhaps through further research we can come up with a better narrative and more appropriate name for the laneway.</p> |
| <p>Ararat should look forward and embrace its native wildlife and rural aspect rather than looking back.</p>   |
| <p>This is a unilateral proposal with no alternatives offered. It is an odd form of community consultation where only one positive outcome is offered, Sparrow Lane or nothing.</p> <p>I suggest that if the naming of the lane is important then the community should be consulted for options prior to any request for public feedback.</p>  |
| <p>Ararat is a great place to live but I am not in favour of this proposal. I feel introduced sparrows have negative connotations and would prefer that the historical event was not commemorated at all!</p>  |
| <p>My husband and I actually think that's a great name for this lane way .. we hope the community of ararat think the same</p>   |

|   |
|---|
| Council have my support to lane name Sparrow Lane and I think the private commissioning of the sparrows is a fantastic way to bring back a little piece of history.   |
| I think it is a great idea as it is synonymous with the history   |
| I agree with this proposal as it records the history of the area.   |
| I support the proposal  |
| I think it is a great idea, linking with the history of our city.   |
| I strongly oppose to this project because sparrows are a pest who are destroying native birdlife habitat and their food source. I would rather see money spent in celebrating stories about indigenous connection to country and the preservation of the environment from which we have the privilege to benefit today. Instead of commemorating the destruction that colonisation brought to this land.  |
| Sounds like a great idea  |
| I appreciate that sparrows are an introduced species, however this is a truly unique event in Ararat's history and I feel, as a town, we're wise to record all of our history, misguided or not. I'm also a firm supporter of the addition of more public art to Ararat's streets and this is a very generous gesture by the developers. It's a marvellous idea and all of our history - good, bad, weird or indifferent, should be recorded or celebrated. |
| It sounds like a novel and adventurous blending of creative art and Ararat's history. Some would say money would be better spent elsewhere but art has its place.   |
| I think it's a great idea and am for the proposed name Sparrows Lane  |
| I cannot believe this!! These birds are an introduced species. They compete with our indigenous wildlife for food. Why would there be a "celebration" for the release of these birds? Along with all the other introduced birds, animals, plants and trees, so many problems for our country's environment could have been avoided.   |
| I think it's a marvellous idea  |
| I think council is missing the mark with this one and am not in favour of the name Sparrows Lane.   |
| You do not have to search far to find information about Acclimatisation Societies and the negative impact that continues today through their introduction of many European species to Australia of which the Sparrow is one. The Australian Museum and Macquarie University both talk to this.  |
| The Sparrow is a highly invasive species that competes against our native birdlife, and has a negative impact agriculturally also.  |
| Sticking with the bird theme some alternative suggestions are:<br>Emu Lane<br>Kookaburra Lane<br>Magpie Lane  |
| Great idea!   |
| I think it is a great idea.   |
| Why would a council choose to celebrate the release of an invasive species by the colonial-settler? White washing the true history of the area. Shameful!   |
| Despite sparrows being an awful introduced species, this was a historic event which has changed the Australian environment forever. As such I am very happy for it to be recognised (rather than celebrated) with the naming of the lane. And congratulations to the young men for improving Ararat's streetscape.  |

No, no, no!!

Sparrows are an introduced species, and, if the story you tell is true, then Ararat's role in introducing the species is shameful. It is most definitely NOT something to celebrate.

Indigenous history in the area seems to mostly be ignored - another source of shame. How about working with the Djab Wurrung elders to find a more fitting name to commemorate that we were not the first to live here.

What about Lange Ghiran lane? I would assume all councillors know the etymology of the name. I am not Ararat born and bred I know it - Langi means "home of" and Ghiran is the English language approximation of the aboriginal word for the yellow-tailed black cockatoo.

I'm not indigenous, but a google search easily finds words/names to consider. Some other local indigenous words include Womindjeka (welcome), Wurruwurru (bird), cheecheer (blue-headed wren). I suggest you work with the local djabwurrung to find a more fitting name (to them) that celebrates the region's indigenous history, not hide it.

I was raised in Ararat and my folks are still alive living in Ararat in their 80's with generations past but I had never known about the Sparrows. Sounds like a piece of history that really needs to be preserved, very fitting to call the lane Sparrows Lane :)

I dont understand why a laneway would be named after a invasive animal that was introduced, and hasn't ended well ??? There would have to be better names to use surely

The release of a pest into the Australian environment does not seem like a worthy naming opportunity.

Could council please rethink this and perhaps name this lane after our indigenois fauna or a name commemorating our Aboriginal people who are very unrepresented in our local street names.

Thank you

Absolutely terrible idea, celebrating the introduction of a pest species that has wreaked havoc on indigenous birds?! You've completely missed the mark here. We should not be celebrating huge failures by our European ancestors. Really awful idea. What is next, we'll celebrate the release of foxes and rabbits? Ararat council apparently living in the 1800's.

Absolutely ludicrous!!! What an embarrassment to the town. I get its history but it's not something to be proud of & flaunt.

Please don't do this. Celebrating an introduced pest in 2026 is really quite embarrassing. How about we look forward instead of back. Not everything has to be about the past.

Whats the point in asking for help on picking a name when you have already named it. You have only provided one name to choose from.

Aptly named Sparrow Lane, this place holds a surprisingly rich story. While sparrows are often seen as a pest, their history within the town offers a unique narrative.

The trail would celebrate creativity, acknowledge the sparrow's place in the town's history, and create a distinctive cultural experience that supports and attracts visitors through art, story and place.

I think it's fabulous we are thinking of ways to enhance the town. The celebration of the release of a pest species is not a forward thinking strategy. The Rural city of Ararat is surrounded by beautiful landscape, native animals and avians, can we have a similar concept with a native focus?

Should be named eddy's lane. After Brian Edmondson who lived in a old shed there for years, he worked at the fish and chip shop cutting chips.

A great idea to go with the name Sparrow's Lane especially considering the amount of trouble Adam Haddow is going to with supporting this part of our history.

A waste of money. Spend it on our roads.

|   |
|---|
| I don't think you should name a lane after an invasive species. Better to choose something, or someone, native or local to the area. There is no celebration in promoting a pest.   |
| Although I recognize some introduced birds and animal have been a benefit to the making of our great country Australia I would object to a bird such as a sparrow to be recognized with a street sign in Ararat, especially with the spread and damage they do in Australia. It would be similar to calling it "Feral St." As a suggestion maybe "Wool Store Lane " to recognize the old blue stone building that was used as a wool store for so many years. |
| Surely you can come up with a name other than Sparrow. Very invasive introduced species also commonly known as a pest!!   |
| Great idea and will be a awesome thing for tourist to do to help them explore ararat and spend more money in town. Will also be visually appealing. Yes they are invasive but we could just opening talk about this and promote education around keeping wild life safe.  |
| This is a lovely idea and I hope it goes ahead. Well done everyone involved!  |
| I'd support this. I've never heard the story but it charming nonetheless and would add character to the street  |
| I like the idea and support the proposed name. The sparrow artworks will be a lovely addition to our streetscape.   |
| Could you please provide the full costings for this project?  |
| Celebrating the introduction of non native imported birds? Sparrows are a nuisance, why honour them? Dont think its a good idea at all  |
| I think a more realistic/ antique looking sparrow would look nicer than this modern looking sparrow. We are a country town and should lean into more heritage look that goes with some of our older buildings.  |
| Also a local artist to the region should be used! We have many incredible artists in the Grampians area...We should be supporting local people/ businesses during this cost of living crisis - dont give the work to someone from Sydney, give the opportunity to someone from our own backyard!  |
| Host Lane (collective noun for Sparrows)  |
| I think that would be a wonderful addition to Ararat and having the lane named would help also.   |
| Great idea.   |
| Sparrows are know as "mice with wings" and were yet another misguided attempt to make Australia reminiscent of Bonny England. Surely with the natural beauty of the Grampians on our doorstep a tribute to our own fauna and flora would be more fitting.   |
| A lovely idea.  |
| With so many local welders / artists creating amazing art locally (such as Nathan Bendelle) is would like to see the sparrows be created locally, making it even more special!  |
| I would rather a mural incorporating sparrows, that artwork isn't in keeping with the town.   |
| I absolutely love this idea.  |

### 3.3 ROAD NAMING PROPOSAL - WITHERS LANE

**RESPONSIBLE OFFICER:** **CHIEF EXECUTIVE OFFICER**  
**DEPARTMENT:** **CEO'S OFFICE**  
**REFERENCE:** **26440**

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

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

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

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#### **EXECUTIVE SUMMARY**

Council is undertaking the formal process of naming the unnamed road off Moyston-Dunkeld Road, opposite White Patch Road in Moyston.

At its meeting held on 26 August 2025, Council resolved to give public notice of its intention to name the road Prospectors Lane and to consider any submissions received during the consultation period at a future Council meeting. Council received twenty-one submissions during this consultation. Nine respondents suggested the name 'Withers Lane' instead, noting the Withers family's long-standing connection to Moyston and the Ararat district, as well as their contributions to the history of the goldfields and Eureka.

At its meeting held on 25 November 2025, Council considered the submissions received and resolved to give public notice of its intention to name the road Withers Lane, based on the submissions received, and to consider any further submissions at a future Council meeting.

This report presents the outcomes of the public consultation process for Withers Lane and recommends that Council consider the submissions received and determine whether to proceed with formally naming the road Withers Lane.

#### **DISCUSSION**

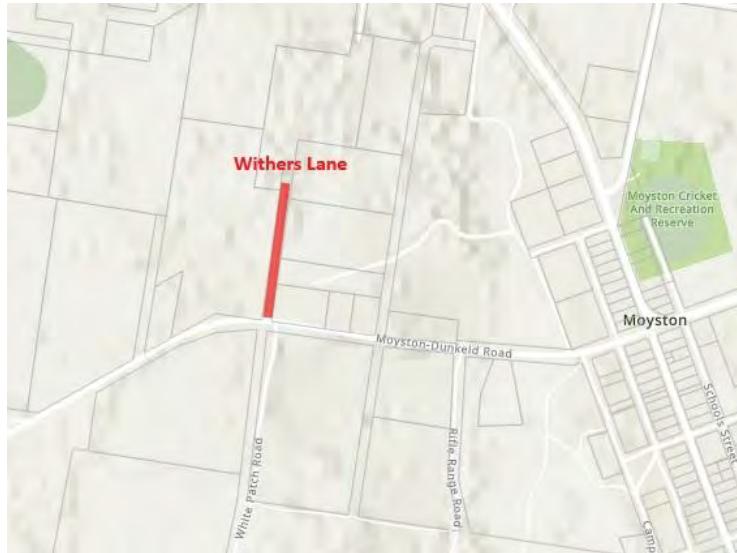
As part of the public consultation process for the proposed name Withers Lane, adjoining ratepayers were consulted and the proposal was again presented to the community for public submissions via the Engage Ararat platform. Submissions remain open for community voting in a Yes/No format until 17 January 2026.

As at 11:00am on Monday 12 January 2026, Council has received a total of fifteen submissions. Ten respondents have voted Yes in favour of the name Withers Lane, while five respondents voted No against the proposal.

Two of the submissions opposing the proposal were received via email from adjoining landholders directly impacted by the naming process. One respondent stated, "*I stand with my original suggestion of Atkins Lane,*" while another stated, "*I personally would prefer Prospectors Lane as this would be more inclusive than Withers Lane.*"

Council is now asked to consider the feedback received and determine whether to proceed with formally adopting the name Withers Lane.

A map showing the road and surrounding area is provided below.



## KEY CONSIDERATIONS

### 6 STRONG AND EFFECTIVE GOVERNANCE

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

#### **Budget Implications**

There are no budget implications arising from this report.

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

Schedule 10 of the Local Government Act 1989 provides Council with the power to name roads. The Geographic Place Names Act 1998 provides for the naming and registration of place names.

#### **Sustainability Implications**

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

#### **Risk Assessment**

Low.

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

Council's intention to name the road was published on Engage Ararat. Abutting landowners and relevant stakeholders were also consulted as part of the process.

## RECOMMENDATION

That Council:

1. Consider submissions received during the consultation period;
2. Adopt the name Withers Lane; and
3. Submit Withers Lane to the Registrar of Geographic Names.

**MOVED CR PRESTON  
SECONDED CR J ARMSTRONG**

**That Council:**

1. Consider submissions received during the consultation period;
2. Adopt the name Withers Lane; and
3. Submit Withers Lane to the Registrar of Geographic Names.

**Cr Preston and Cr J Armstrong spoke for the motion.**

**CARRIED 6/0  
5273/26**

**ATTACHMENTS**

There are no Attachments relating to this item.

### 3.4 INSTRUMENT OF DELEGATION UNDER PLANNING & ENVIRONMENT ACT 1987 - S6A

**RESPONSIBLE OFFICER:** **CHIEF OPERATOR OFFICER**  
**DEPARTMENT:** **CEO'S OFFICE**  
**REFERENCE:** **26441**

#### **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 purpose of this report is for Council to consider adoption of the new Instrument of Delegation under Planning & Environment Act 1987.

#### **DISCUSSION**

Delegation to Council staff is necessary to enable Council to conduct business efficiently by enabling Council staff to make routine decisions under different Acts.

Various Acts, including the Local Government Act 2020, empower Council to delegate statutory functions, powers and duties.

There have been recent changes to the Planning and Environment Act 1987 (as amended) (Act) which commenced on the 25 November 2025.

The Consumer and Planning Legislation Amendment (Housing Statement Reform) Act 2025 made several changes to the Act, including Council's powers and functions which may be delegated under S188. The new Delegation refers to members of Council staff under S188 of the Act.

This Delegation provides new Council powers:

- The amendments to the Act include a revised mechanism in relation to preparing amendments to the planning scheme, which will generally require authorization from the Minister as set out in the new Division 1AA of Part 3 (ss16A - 16N)
- Other changes relevant to Council relate to the abandoning of amendments, and the ability of the Minister to continue with the amendment despite the abandonment.

The Delegation repealed the following Council powers

- Some provisions of the Act have been replaced which previously set out delegable powers and functions of Council, namely in ss8A and 8B. Those powers have largely been replaced by new powers in Division 1AA of Part 3.

Other key amendments include:

- While this report includes changes required for Council's instruments, there are a number of other amendments to the Act which Council should note there include
  - Levy exemption certificates (s96UB), which Council is required to keep a record of (s 96Z)
  - Duty not to refer frivolous, vexatious or wholly irrelevant submissions to the panel (s 23(6); and;
  - The Minister being able to issue guidelines on material detriment (s52A), which Council will be required to consider (ss 52(1D), 57B92A) 96C(1A)

#### **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 arising from the review of the S6A Instrument of Delegation - Council to Members of Council Staff under S188 of the Act.

### **Policy/Relevant Law**

The Council is required to keep a register of delegations, and it must be made available for public inspection. This report is presented to reflect the changes in legislation and staff. The Council can amend or revoke any delegated power at any time. Council must review all delegations within a period of 12 months after a general election.

### **Sustainability Implications**

There are no economic, social or environmental implications in relation to S6A Instrument of Delegation - Council to Members of Council Staff under S188 of the Act

### **Risk Assessment**

The formal delegation of legislated powers, duties and functions via instruments of delegation, supported by consistent policies allows Council staff to perform day-to-day duties and make decisions that may otherwise need to be decided upon Council.

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

Instruments of Delegation from Council to Members of Council staff under S188 that have been created using Maddocks Lawyers Delegation Service and RelianSys software.

The Chief Executive Officer and relevant officers have reviewed this document.

## RECOMMENDATION

That:

*In the exercise of the powers conferred by the legislation referred to in the attached instrument of delegation, Ararat Rural City Council (Council) resolve that:*

1. *There be delegated to the members of Council staff holding, acting in or performing the duties of the offices or positions referred to in the attached Instrument of Delegation Council to Member of Council Staff (S6A) under S188 of the Act, the powers, duties and functions set out in that instrument, subject to the conditions and limitations specified in that Instrument;*
2. *The instrument comes into force immediately the common seal of Council is affixed to the instrument*
3. *On the coming into force of the instrument all previous delegations to members of Council staff (other than the Chief Executive Officer) are revoked;*
4. *The duties and functions set out in the instrument must be executed, in accordance with any guidelines or policies of Council that it may from time to time adopts; and*
5. *The instrument be signed under the seal of the Council.*

**MOVED CR JOYCE  
SECONDED CR KAUR**

**That:**

**In the exercise of the powers conferred by the legislation referred to in the attached instrument of delegation, Ararat Rural City Council (Council) resolve that:**

1. **There be delegated to the members of Council staff holding, acting in or performing the duties of the offices or positions referred to in the attached Instrument of Delegation Council to Member of Council Staff (S6A) under S188 of the Act, the powers, duties and functions set out in that instrument, subject to the conditions and limitations specified in that Instrument;**
3. **The instrument comes into force immediately the common seal of Council is affixed to the instrument**
4. **On the coming into force of the instrument all previous delegations to members of Council staff (other than the Chief Executive Officer) are revoked;**
5. **The duties and functions set out in the instrument must be executed, in accordance with any guidelines or policies of Council that it may from time to time adopts; and**
6. **The instrument be signed under the seal of the Council.**

**Cr Joyce and Cr Kaur spoke for the motion.**

**CARRIED 6/0  
5274/26**

**ATTACHMENTS**

The Instrument of Delegation from Council to Members of Council Staff S6A under S188 of the Act is provided as Attachment 3.4



ARARAT RURAL CITY COUNCIL

INSTRUMENT OF DELEGATION

S6A INSTRUMENT OF DELEGATION UNDER THE PLANNING AND  
ENVIRONMENT ACT 1987

27 JANUARY 2026

### Instrument of Delegation

In exercise of the powers conferred by the Planning and Environment Act 1987 (Act), the legislation referred to in the attached Schedule, and in accordance with section 188 of the Act, the Council:

1. delegates each duty and/or function and/or power described in column 1 of the Schedule (and summarised in column 2 of the Schedule) to the member of Council staff holding, acting in or performing the duties of the office or position described opposite each such duty and/or function and/or power in column 3 of the Schedule;

2. records that references in the Schedule are as follows:

CEO means Chief Executive Officer

MDR means Manager Development & Regulation

3. declares that:

3.1 this Instrument of Delegation is authorised by a resolution of the Ararat Rural City Council passed on 27 January 2026; and

3.2 the delegation:

3.2.1 comes into force immediately when the common seal of Council is affixed to this Instrument of Delegation or, where the Chief Executive Officer of Council is authorised under resolution, the Chief Executive Officer executes the Instrument of Delegation;

3.2.2 remains in force until varied or revoked;

3.2.3 is subject to any conditions and limitations set out in sub-paragraph 3.3, and the Schedule; and

3.2.4 must be exercised in accordance with any guidelines or policies which Council from time to time adopts;

3.3 the delegate must not determine the issue, take the action or do the act or thing:

3.3.1 if the issue, action, act or thing is an issue, action or thing which Council has previously designated as an issue, action, act or thing which must be the subject of a Resolution of Council;

3.3.2 if the determining of the issue, taking of the action or doing of the act or thing would or would be likely to involve a decision which is inconsistent with a

(a) policy; or

(b) strategy

adopted by Council;

3.3.3 if the determining of the issue, the taking of the action or the doing of the act or thing cannot be the subject of a lawful delegation; or

3.3.4 if the determining of the issue, the taking of the action or the doing of the act or thing is already the subject of an exclusive delegation to another member of Council staff or delegated committee; and

3.4 acknowledges that this delegation only affects the current S6 Instrument of Delegation to members of Council staff to the extent that the provisions in the Schedule are marked as 'amended' or 'repealed' as appropriate.

The COMMON SEAL of the  
ARARAT RURAL CITY COUNCIL  
was affixed hereto in accordance with  
the resolution of Council made on  
27 January 2026

Mayor \_\_\_\_\_

Chief Executive Officer \_\_\_\_\_

Date: .....



**Delegation Sources**

- Planning and Environment Act 1987

**S6A Instrument of Delegation under the Planning and Environment Act 1987**

| Planning and Environment Act 1987 |   |          |  |
|-----------------------------------|---|----------|--|
| Provision                         | Power and Functions Delegated   | Delegate | Conditions and Limitations   |
| s 8A(2)                           | Power to prepare amendment to the planning scheme where the Minister has given consent under s 8A   | CEO, MDR | <p>This provision has been repealed, as of 25 November 2025, and should not be exercised.</p> <p>Refer to section 231 for treatment of amendments on foot before the repeal of this section.</p> |
| s 8A(3)                           | Power to apply to Minister to prepare an amendment to the planning scheme   | CEO, MDR | <p>This provision has been repealed, as of 25 November 2025, and should not be exercised.</p> <p>Refer to section 231 for treatment of amendments on foot before the repeal of this section.</p> |
| s 8A(5)                           | Function of receiving notice of the Minister's decision   | CEO, MDR | <p>This provision has been repealed, as of 25 November 2025, and should not be exercised.</p> <p>Refer to section 231 for treatment of amendments on foot before the repeal of this section.</p> |
| s 8A(7)                           | Power to prepare the amendment specified in the application without the Minister's authorisation if no response received after 10 business days | CEO, MDR | <p>This provision has been repealed, as of 25 November 2025, and should not be exercised.</p> <p>Refer to section 231 for treatment of amendments on foot before the repeal of this section.</p> |

| Planning and Environment Act 1987 |  |          |  |
|-----------------------------------|--|----------|--|
| Provision                         | Power and Functions Delegated  | Delegate | Conditions and Limitations   |
| s 8B(2)                           | Power to apply to the Minister for authorisation to prepare an amendment to the planning scheme of an adjoining municipal district   | CEO, MDR | <p>This provision has been repealed, as of 25 November 2025, and should not be exercised.</p> <p>Refer to section 231 for treatment of amendments on foot before the repeal of this section.</p> |
| 16B                               | <p>Duty (upon receiving a request to prepare an amendment to the planning scheme) to decide:</p> <ul style="list-style-type: none"> <li>- to apply to the Minister for authorisation to prepare the amendment, with or without changes, under section 16F, or</li> <li>- to refuse the request.</li> </ul> <p>Note: see also sections 16A, 16D, 16E and 16K.</p> | CEO, MDR |  |
| 16C(1)                            | <p>Duty to give written notice of its decision under section 16B to the person who made the request within 10 business days of making the decision.</p> <p>Note: The notice must contain prescribed information, and reasons if it is a refusal.</p>   | CEO, MDR |  |
| 16C(4)                            | Duty to give a copy of the request and the notice under subsection 16C(1) to the Minister.   | CEO, MDR |  |
| 16F                               | Power to apply to the Minister for authorisation to prepare an amendment to the State standard provisions or the local   | CEO, MDR |  |

| Planning and Environment Act 1987 |  |          |   |
|-----------------------------------|--|----------|---|
| Provision                         | Power and Functions Delegated  | Delegate | Conditions and Limitations  |
|                                   | <p>provisions of a planning scheme in force in the municipal district.</p> <p>Note: see also sections 16G and 16K.</p>   |          |   |
| 16F                               | Power to prepare an amendment to the planning scheme where the Minister has authorised Council to do so under section 16F  | CEO, MDR |   |
| 16H                               | <p>Power to prepare an amendment specified in an application without the Minister's authorisation if no response received after 10 business days</p> <p>Note: see also section 16K.</p>  | CEO, MDR | Does not apply in relation to an application for the preparation of an amendment that will apply to land to which a Suburban Rail Loop planning area declaration applies. |
| 16I                               | Power to apply to the Minister for authorisation to prepare an amendment to any part of the State standard provisions and local provisions of a planning scheme applying to an area adjoining its municipal district.                      | CEO, MDR |   |
| 16I                               | <p>Power to prepare amendment to the planning scheme applying to an area adjoining Council's municipal district where the Minister has authorised Council to do so under section 16I.</p> <p>Note: see also sections 16D, 16G and 16J.</p> | CEO, MDR |   |
| 23A(2)                            | Power to:  | CEO, MDR | Where Council is the planning authority.  |

| Planning and Environment Act 1987 |   |          |   |
|-----------------------------------|---|----------|---|
| Provision                         | Power and Functions Delegated   | Delegate | Conditions and Limitations  |
|                                   | <ul style="list-style-type: none"> <li>- change the amendment in the manner requested;</li> <li>- not change the amendment in the manner requested; or</li> <li>- abandon the amendment or part of the amendment.</li> </ul>  |          | After considering a submission which requests a change to a 'low-impact' amendment (as described in section 16N). |
| 28(1)                             | Duty to notify the Minister if abandoning an amendment, with a copy of any submission considered, and a statement of reasons for the decision.  | CEO, MDR | Note: the power to make a decision to abandon an amendment cannot be delegated                                    |
| 28C                               | <p>Duty to comply with directions of the Minister after abandoning the amendment with respect to:</p> <ul style="list-style-type: none"> <li>- providing relevant documentation; and</li> <li>- providing assistance with steps to be taken for the amendment.</li> </ul> | CEO, MDR |   |
| 48A                               | <p>Power to notify an applicant that the application is incomplete</p> <p>Note: The notice must set out any required fees or information, the date for payment or production, and the effect of non-compliance set out in section 48B(1).</p>                             | CEO, MDR | Where Council is the responsible authority  |
| 48C                               | Power to refund a fee paid for an application which is void and of no effect under section 48B(1)   | CEO, MDR | Where Council is the responsible authority  |

| Planning and Environment Act 1987 |  |             |   |
|-----------------------------------|--|-------------|---|
| Provision                         | Power and Functions Delegated  | Delegate    | Conditions and Limitations  |
| 96A(2)                            | Power to agree to consider an application for permit concurrently with preparation of proposed amendment   | CEO,<br>MDR | The request to prepare the amendment must be made under section 16A. Delegate must not agree to consider the application for the permit concurrently with the preparation of the proposed amendment unless it has made a decision under section 16B(a) to apply to the Minister for authorisation to prepare the amendment, with or without changes, under section 16F. |
| 96Z                               | Duty to keep levy certificates and levy exemption certificates given to it under ss 47 or 96A for no less than 5 years from receipt of the certificate | CEO,<br>MDR |   |
| 158F                              | Power to make submissions in response to a directions panel  | CEO,<br>MDR |   |

### 3.5 FRAUD AND CORRUPTION CONTROL POLICY AND FRAUD AND CORRUPTION CONTROL PLAN

**RESPONSIBLE OFFICER:** CHIEF OPERATING OFFICER  
**DEPARTMENT:** CEO'S OFFICE  
**REFERENCE:** 26442

#### OFFICER CONFLICT OF INTERESTS:

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

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

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#### EXECUTIVE SUMMARY

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

The Fraud and Corruption Control Policy has been reviewed and is presented to the January 2026 Council Meeting for consideration. The Fraud and Corruption Control Plan is also presented to Council and is used in conjunction with the Policy.

#### DISCUSSION

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

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

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

The main changes to the Policy and Plan was to incorporate and reference conflicts of interest, risks connected to gifts, benefits and hospitality, increase emergency and cyber fraud as recommended by internal auditors. The other change was to expand the Audit and Risk Committee role to give great transparency of their role. Lastly, changes were made to the language to be more inclusive and minor administration.

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

#### 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.

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

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

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

**Policy/Relevant Law**

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

**Risk Assessment**

Clarity and transparency of Council Policies.

**Innovation and Continuous Improvement**

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

**Stakeholder Collaboration and Community Engagement**

Members of Council's Audit and Risk Committee have reviewed and endorsed the Fraud and Corruption Control Policy along with the Fraud and Corruption Control Plan on the 2 December 2025

The Chief Executive Officer presented the Fraud and Corruption Control Policy and Plan to the Councillor briefing held on 20 January 2026

**RECOMMENDATION**

*That Council*

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

**MOVED CR J ARMSTRONG**

**SECONDED CR JOYCE**

**That Council**

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

**Cr J Armstrong and Cr Joyce spoke for the motion.**

**CARRIED 6/0**

**5275/26**

**ATTACHMENTS**

The Fraud and Corruption Control Policy and; the Fraud and Corruption Control Plan are provided as Attachment 3.5



Ararat Rural City

# Fraud and Corruption Control Policy

## DOCUMENT CONTROL

Category Type: Policy

Type: Council

Responsible Officer: Chief Operating Officer

Last Review Date: 30 April 2024

Date Approved: XX January 2026

Next Review Date: December 2026

Revision No: 8

Stakeholder Engagement:

Audit and Risk Committee

Councillors

Chief Executive Officer

Financial Services Coordinator

Chief Operating Officer

# Fraud and Corruption Control Policy



Ararat Rural City

## 1 INTENT

Ararat Rural City Council (Council) is committed to establishing and maintaining an environment in which fraud and corruption is not tolerated. Stakeholders, including staff, contractors and volunteers are encouraged to actively protect Council's assets, reputation and ethical standing.

The purpose of the Fraud and Corruption Control Policy (the Policy) is to set out how Council will prevent and deter fraud and corruption from occurring and how any incidence of fraud or corruption will be detected, investigated and dealt with.

Fraud and corruption can lead to financial loss, and loss of public confidence in the way that public money and other resources are being used. It is therefore important that Council have robust systems and procedures in place to ensure that the risk of impropriety is minimised, as far as possible, and that where instances do occur, there is a prompt and effective response to them.

## 2 SCOPE OF POLICY

This policy applies to all Councillors, staff, volunteers, contractors, sub-contractors and volunteers of Council.

## 3 POLICY STATEMENT

Fraud and corruption is a risk to the organisation and can have a similar impact on Council as other types of enterprise risk in terms of:

- Financial loss;
- Reputational impact;
- Diversion of management energy;
- Organisational morale;
- Organisational disruption;
- Loss of employment;
- Reduced performance; and
- Diminished safety.

As such Council is committed to managing this risk as part of its overall risk management approach. This policy is part of that approach and covers the following main areas:

- a) Roles and responsibilities of Councillors, officers, auditors and the Audit and Risk committee;
- b) Response to allegations and concerns raised internally and externally; and
- c) Actions to be taken when fraud is discovered.

## 4 ROLES AND RESPONSIBILITIES

### 4.1 Councillors

Councillors have a duty to ensure that Council property is safeguarded from fraud and corruption and to ensure that Council's powers, duties and responsibilities are exercised in an open, fair and proper manner to the highest standards of probity.

## Fraud and Corruption Control Policy



Ararat Rural City

These issues need to be borne in mind when considering reports, making decisions and scrutinising Councils activities.

Councillors should endorse and support all policies and measures taken to prevent, deter, detect and resolve instances, or suspected instances, of fraud and corruption throughout Council. This includes disclosure of actual, potential or perceived conflicts of interest and completing the bi-annual personal interest returns, adhering to the Councillors gifts policy

### 4.2 Chief Executive Officer

The Chief Executive Officer (CEO) has primary responsibility for the management of Council resources and the development and implementation of systems and practices to minimise the risk of fraud and corruption.

The Chief Executive Officer, as principal officer, must under section 57 of the Independent Broad-based Anti-corruption Commission Act 2011 notify the IBAC of any matters which the person suspects on reasonable grounds involves corrupt conduct occurring or having occurred. The CEO will complete the bi-annual personal interest return.

The Chief Executive Officer will report regularly on any fraudulent activity.

### 4.3 Officers, Coordinators, Team Leaders and Supervisors

Officers are responsible for ensuring there are adequate measures to prevent and detect fraud and corruption within the areas under their control by:

- a) Identifying risk exposures to corrupt and fraudulent activities within their areas;
- b) Senior Officers will complete the bi-annual personal interest return.
- c) Establishing controls and procedures for prevention and detection of such activities including the growing risk of cyber crime and technology-enabled fraud.;
- d) Complying with legislation and Council policies and procedures including disclosure of actual, potential or perceived conflicts of interest.;
- e) Ensuring staff understand their responsibilities through adequate supervision, acting within their delegated powers, written procedures and position descriptions;
- f) Responding positively to matters raised and advice given by internal and external audit.
- g) Maintain registers for Conflict of Interest and Gifts, Hospitality and other benefits.

### 4.4 Staff, Volunteers and Contractors

Staff, volunteers and contractors have a duty to make management aware of any concerns they have about the conduct of Council affairs or the use of Council property or resources. Any matters raised by them should be taken seriously and properly investigated.

Council has policy and procedures to follow under the Public Interest Disclosure Act 2012 which protects people from unjust recrimination where they have an honest and reasonable suspicion of fraud or corruption and they act on it.

Council, in the interests of probity and good practice, encourage all staff to raise concerns so they can be properly investigated.

## Fraud and Corruption Control Policy



Ararat Rural City

### 4.5 Internal Audit

While primary responsibility for the identification of fraud and corruption rests with management, Council recognise that internal auditing can be, in the context of addressing all business risks, an effective part of the overall control environment to identify the indicators of fraud and corruption.

Internal Audit therefore has an important role in assisting management in the prevention and detection of fraud and corruption by:

- a) Independently reviewing systems, procedures and controls to ensure that there are adequate safeguards to prevent, deter and detect fraud and corruption; with particular attention paid to areas where there is a greater risk;
- b) Through specific audits and testing of systems, identifying areas of concern;
- c) Responding to requests for advice from managers on controls to put in systems;
- d) Independently investigating suspected frauds and irregularities and reporting the conclusions to the Audit and Risk Committee and management;
- e) Producing and advising on the production of rules, regulations and policies which deter fraud and corruption.

### 4.6 External Auditors

External Auditors certify that Council's accounts represent a true and fair view of Council's financial position. They have limited time and resources to carry out this work and consequently there needs to be a high level of cooperation with Council's Internal Auditors who can examine Council's activities in more detail.

Senior management and the Audit and Risk Committee will undertake discussions with the external auditor in terms of the audit strategy and procedures that will be carried out during the audit. These are aimed at detecting material misstatements in Council's financial statements due to fraud or error.

## 5 RESPONSE TO ALLEGATIONS AND CONCERNS

- a) Allegations and concerns about fraudulent or corrupt activity may come from different sources e.g.:
  - Members of the public, sometimes anonymously;
  - Other local authorities;
  - Councillors;
  - Staff; and
  - Resulting from internal or external audit reviews.
- b) Wherever these concerns come from they must be treated seriously, and confidentiality must be respected as far as possible. A thorough investigation will be made of all concerns, but the level of resources applied will be dependent on the nature of the concern e.g. sums or resources involved, sensitivity of the area, source of concern, evidence provided or available, inherent risk to the area.

## Fraud and Corruption Control Policy



Ararat Rural City

- c) For cases of internal fraud and data breaches investigations should be closely managed and documented in accordance with Council procedures.
- d) At all times confidentiality must be maintained and information disclosed only to those who need to know it, in order not to prejudice any disciplinary or criminal action.

### 6 ACTIONS TO BE TAKEN

- a) Where there is sufficient evidence of fraud, or there is strong suspicion, but internal investigations are unable to obtain further evidence required, the Police should be involved, where it is in the Council's/Public's best interests.
- b) Determination of the "Council's/Public's best interest" include factors such as the sums or resources involved, the strength of the evidence obtained or available, the potential cost to the Council in pursuing the matter and the sensitivity of the area concerned. Referral to the Police will be the normal course of action unless there is a strong case not to do so.
- c) Where involvement of the Police is not appropriate, the strongest action possible should be taken. This may involve disciplinary action including dismissal and the recovery of any sums of money or resources misappropriated.
- d) At the conclusion of any fraud or corruption investigation, systems and procedures will be reviewed to ensure that any lessons learned will be used to improve the systems and processes against future risk.

### 7 PUBLIC INTEREST DISCLOSURES

All staff, volunteers and contractors have the option to report a suspected fraud and/or corrupt behaviour via Council's Public Interest Disclosure Policy which is available on Council's website.

### 8 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.

### 9 DEFINITIONS

| TERM       | DEFINITION   |
|------------|--|
| Corruption | dishonest activity in which a Councillor, staff, contractor or Council Volunteer acts contrary to the interests of the organisation and abuses their position of trust in order to achieve some personal gain or advantage for themselves or for another person or entity. Corruption is any conduct that is improper, immoral and fraudulent. Corrupt behaviours include but are not limited to; <ul style="list-style-type: none"><li>• Acceptance or offer of bribes, gifts or benefits;</li><li>• Nepotism, favouritism, or other abuses of decision-making authority;</li><li>• Misrepresentation or misuse of Council information</li><li>• Release of confidential information for other than a proper business purpose in exchange for some form of non-financial benefit or advantage accruing to the staff releasing the information; or</li></ul> |

## Fraud and Corruption Control Policy



|                  |   |
|------------------|---|
|                  | <ul style="list-style-type: none"><li>Collusive tendering (the act of multiple tenderers for a particular contract colluding in preparation of their bids).</li></ul>   |
| Fraud            | <p>dishonest activity causing actual or potential loss to the Council (including theft of money or other property) and where deception is used at the time, immediately before or following the activity. This also includes the deliberate falsification, concealment, destruction, or use of (or intention to use) falsified documentation and the improper use of information or position for personal financial benefit.</p> <p>Examples of fraud and corruption include:</p> <ul style="list-style-type: none"><li>unauthorised use of a credit card;</li><li>theft or unauthorised use of plant and equipment or inventory;</li><li>theft of fuel;</li><li>theft of funds or cash (usually involving some form of concealment);</li><li>fraudulent financial or performance reporting;</li><li>creating a fictitious invoice claiming payment for goods and services not delivered or exaggerating the value of goods delivered or services provided;</li><li>obtaining 'kickbacks' or bribes from suppliers or contractors;</li><li>theft of intellectual property or other confidential information;</li><li>misappropriation or misdirection of Council's remittances received from a customer;</li><li>any computer related activity involving the alteration, destruction, forgery or manipulation of data for fraudulent purposes or misappropriation of Council-owned software;</li><li>any claim for reimbursement of expenses that is not made for the exclusive benefit of the Council;</li><li>omitting to submit leave forms when taking leave;</li><li>falsifying academic or training credentials in an employment application;</li><li>inappropriately providing benefits/making decisions or issuing permits or licenses; or</li><li>acting in self-interest rather than the public interest.</li></ul> |
| Relevant Officer | A member of Council staff who oversees their designated department and supervises the staff allocated to that department.   |
| Staff            | For the purpose of this policy includes all staff, Contractors, Consultants, Work Experience Students, Volunteers or the employee of anybody providing services on the Council's behalf.  |

### 10 COUNCIL POLICIES

- Complaints Handling Policy
- Councillor Code of Conduct
- Councillors Conflict of Interest Policy
- Councillor Gifts Policy
- Equal Employment Opportunity Policy
- Fraud & Corruption Control Policy
- Performance Management Employee Discipline Policy and Procedure
- Procurement Policy
- Public Interest Disclosure Procedure
- Risk Management Policy

# Fraud and Corruption Control Policy



- Risk Management Framework
- Staff Code of Conduct
- Staff Conflict of Interest Policy
- Staff Gifts Policy
- Workplace Anti-discrimination & Harassment Policy

## 11 REFERENCES

- Strategic Risk Register
- Declaration of Outside Employment Form
- Local Government Act 2020
- Public Interest Disclosure Act 2012
- Australian Standard AS 8001-2021 Fraud and Corruption Control

## 11 APPENDICES

Nil.



Ararat Rural City

## Fraud and Corruption Control Plan



# Fraud and Corruption Control Plan

#### DOCUMENT CONTROL

Category Type: Policy

Type: Council

Responsible Officer: Governance and Risk Lead

Last Review Date: 30 April 2024

Date Approved: xx January 2026

Next Review Date: December 2026

Revision No: 4

Stakeholder Engagement:

Asset and Risk Committee

Councillors

Chief Executive Officer

Financial Services Coordinator

Chief Operating Officer

## Fraud and Corruption Control Plan



### 1. PURPOSE

The purpose of the Fraud and Corruption Control Plan is to establish an appropriate framework that defines management and staff responsibilities and to ensure the implementation of robust practices for the effective detection, investigation and prevention of fraud and corruption of any description.

### 2. DEFINITIONS

|                                  |  |
|----------------------------------|--|
| Control<br>(or internal control) | Control is defined as an existing process, policy, device, practice or other action that acts to minimise negative risks or enhance positive opportunities.  |
| Corruption                       | <p>Is defined as dishonest activity in which a Councillor, staff, contractor or volunteer of Council acts contrary to the interests of the organisation and abuses their position of trust in order to achieve some personal gain or advantage for themselves or for another person or entity. Corruption is any conduct that is improper, immoral and fraudulent.</p> <p>Examples of corruption include:</p> <ul style="list-style-type: none"><li>• Release of confidential information for other than a proper business purpose in exchange for some form of non-financial benefit or advantage accruing to the staff releasing the information;</li><li>• Collusive tendering (the act of multiple tenderers for a particular contract colluding in preparation of their bids);</li><li>• Acceptance or offer of bribes, gifts or benefits;</li><li>• Nepotism, favouritism, or other abuses of decision-making authority; or</li><li>• Misrepresentation or misuse of Council information</li></ul> |
| Fraud                            | <p>Is defined as any dishonest activity causing actual or potential loss to any person or Council (including theft of money or other property) by Council officers or persons external to the organisation and whether or not deception is used at the time, immediately before or following the activity. This also includes the deliberate falsification, concealment, destruction or use of (or intention to use) falsified documentation and the improper use of information or position for personal financial benefit.</p> <p>Fraud examples include the following activities that result in actual or potential financial loss:</p> <ul style="list-style-type: none"><li>• Forgery or alteration of cheques, invoices, computer records and other documents;</li><li>• Any misappropriation of funds, securities, supplies or any other assets;</li><li>• Any irregularity in the handling or reporting of monetary transactions;</li></ul>  |

## Fraud and Corruption Control Plan



|                         |  |
|-------------------------|--|
|                         | <ul style="list-style-type: none"><li>• Unauthorised use or misuse of Council property, equipment, materials or records;</li><li>• Any computer related activity involving the alteration, destruction, forgery or manipulation of data for fraudulent purposes or misappropriation of Council owned software; or</li><li>• Any claim for reimbursement of expenses that is not made for the exclusive benefit of Council.</li></ul> |
| <b>Prima Facie</b>      | Prima facie is a Latin term meaning "at first look" or "on its face" and refers to evidence which, unless rebutted, would be sufficient to prove the case.   |
| <b>Relevant Officer</b> | A member of Council staff who oversees their designated department and supervises the staff allocated to that department.  |

### 3. SCOPE

This plan applies to all Councillors, staff, contractors and volunteers of Council.

### 4. CONTEXT

This plan forms the foundation of fraud and corruption control at Council and is to be read in conjunction with the following policies:

- Complaints Handling Policy
- Councillor Code of Conduct
- Councillor Conflict of Interest Policy
- Councillor Gifts Policy
- Equal Employment Opportunity Policy
- Fraud & Corruption Control Policy
- Performance Management Employee Discipline Policy and Procedure
- Procurement Policy
- Public Interest Disclosure Procedure
- Risk Management Policy
- Risk Management Framework
- Staff Code of Conduct
- Staff Conflict of Interest Policy
- Staff Gifts Policy
- Workplace Anti-discrimination & Harassment Policy

## Fraud and Corruption Control Plan



### 5. PLAN

#### 5.1 Prevention

In balancing fraud and corruption control considerations with the organisation's objectives, every effort has been made to ensure fraud and corruption minimisation strategies are efficient and effective and take account of these objectives and their financial impact.

Fraud and corruption control is an essential element of sound corporate governance and is integral to internal risk control. Council believes that an emphasis on prevention and detection is the best way to deal with fraud and corruption.

The underlying thrust of Council's policy on fraud and corruption prevention is to encourage the public and staff to understand that fraudulent acts against Council are unacceptable, may constitute a criminal offence and will be prosecuted.

An important element of any fraud and corruption control program is awareness in the minds of all staff of the various aspects of fraud and corruption risks and how to respond if fraud or corruption is suspected. Experience has shown that one of the most common ways to detect fraud or corruption is by observation, investigation and reporting by fellow workers of the perpetrator/s.

#### 5.2 Responsibilities for Fraud and Corruption Control

##### Chief Executive Officer (CEO)

The CEO has the ultimate responsibility for the prevention, control and minimisation of fraud and corruption across Council.

The CEO and relevant officers are responsible for monitoring the corporate implementation and performance of the Fraud & Corruption Control Policy and the Fraud & Corruption Control Plan, which includes promoting an environment where fraud and corruption are not tolerated.

With increasing technology-enabled fraud and cyber fraud, the CEO must make sure the sufficient resources are allocated to prevent and identify fraudulent activities where it is reasonably practicable.

In the instance that the CEO is the subject of a fraud or corruption allegation, the reporting person is directed to enact the Public Interest Disclosure Procedure.

##### Audit and Risk Committee

The Audit and Risk Committee is responsible for adopting the internal audit plan and reviewing audit reports. It has an overseeing role on behalf of Council of risk management activities relating to fraud and corruption minimisation. The internal auditor reports on findings and makes

## Fraud and Corruption Control Plan



recommendations to management and the Audit and Risk Committee. The CEO will report fraud and suspected fraud activities to the Audit and Risk Committee as part of the CEO quarterly report.

### Relevant Officers

As a key factor in fraud prevention, officers must exhibit to staff and customers a genuine and strong commitment to fraud and corruption control.

Relevant officers are required to manage risk, control costs, monitor and improve systems, institute proper controls and foster an ethical working environment, as well as:

- Delegation of duties to staff where practical;
- Continuously promote ethical behaviour by their actions and advice;
- Identifying high fraud risk areas;
- Developing/modifying local practices to reduce fraud risks;
- Assessing the cost benefit of introducing anti-fraud procedures;
- Reporting suspected fraud; and
- Adhere to the procedures to follow once fraud has been alleged and/or identified.

### Staff

Staff must:

- Comply with internal control requirements, policies and procedures;
- Be aware of the signs of acts of misconduct, fraud and corruption;
- Report suspected acts of fraud, data breaches, corruption or misconduct; and
- Assist with any enquiries and investigations pertaining to fraud, corruption or misconduct.

### Public Interest Coordinator

The Chief Operating Officer fulfils the role of Public Interest Disclosure Coordinator and Investigator for the purposes of Public Interest Disclosures made under the *Public Interest Disclosure Act 2012*.

Under certain circumstances, a person is entitled to statutory protection from any retaliation for having made a "Public Interest Disclosure". However, those statutory protections are not available in all cases and further detail can be obtained from the Chief Operating Officer or by consulting Council's Public Interest Disclosure Procedure.

## Fraud and Corruption Control Plan



### 5.3 Fraud and Corruption Risk Assessment

Council has a Risk Management Framework which facilitates the systematic identification, analysis and evaluation of risks within its business operations. The register includes identification of fraud risk and the controls in place to mitigate it.

This methodology considers the combined influences of the following factors on the activities of Council:

- The environment (both internal and external) within which Council operates;
- The timeframe and deadlines in which Council operates; and
- An overall assessment of Council's internal controls.

The effectiveness of internal controls needs to be measured regularly through internal reviews and on the basis of findings from a number of internal audits.

Further work is required to undertake more specific risk assessments of fraud in each high-risk area from a strategic and operational perspective.

The relevant officer will undertake a review of all fraud and corruption risk assessments annually to ensure there is a check on the implementation of all actions identified in the risk register. Council, in conducting and reviewing risks will take into account industry trends and incidents.

This Fraud Control Plan operates within an existing legislative and strategic framework. The diagram below shows the interdependency of a good plan with complimentary programs and processes.

## Fraud and Corruption Control Plan



### Communicating Intent

A fraud and corruption prevention policy and code of conduct are key mechanisms for clearly articulating a Council's objectives and expected outcomes in managing fraud or corruption.

An effective fraud and corruption control policy clearly establishes Council's attitude and approach to fraud and corruption control, while a code of conduct promotes high standards of ethical behaviour expected of staff and Council's commitment to these standards.

### Identifying Risks

Developing an effective fraud control framework requires having a good understanding of Council's key fraud risks.

The fraud risk assessment should cover all the discrete functions and operations of a Council. To ensure an integrated and consistent approach, the assessment should also form part of Council's overall risk management strategy.

### Limiting Opportunities

Once Council has established its fraud risk profile through a risk assessment process, it needs to implement dedicated internal controls — system processes and procedures — that will minimise those risks.

## Fraud and Corruption Control Plan



### Raising Awareness

Fraud awareness training is an effective method of ensuring that all Councillors, staff, contractors and volunteers are aware of their responsibilities for fraud control, data protection and of expectations for ethical behaviour in the workplace.

### Monitoring

Audit and Risk Committee oversight is critical to the success of the fraud control framework. The Audit and Risk Committee should regularly review Council's internal controls, risk management processes and fraud control strategies.

### **5.1 Monitoring and Review**

Internal fraud and corruption controls should be proactive – meaning they should be in place from the beginning, before an incident occurs, rather than after and they should be cost effective.

A good system of internal fraud controls will lessen the chance of misuse of funds and resources, through appropriate documentation and procedures and will help to identify the cause of a problem.

Fraud and corruption control measures should be supported by regular testing and review of the control framework (such as that undertaken by internal audit and other compliance and assurance functions).

### **5.2 Fraud and Corruption Education, Awareness and Training Ethics**

In seeking to prevent fraudulent and corrupt activity, two of the most important factors are:

- Establishing and maintaining a sound ethical culture amongst all staff and volunteers; and
- Heightening awareness of the exposures and risks of fraud and data breaches at all levels of management.

Relevant officers are required to manage risk, control costs, monitor and improve systems, institute proper controls and foster an ethical environment. Council expects all staff to behave ethically and to be responsible for minimising any possibility of fraud and corruption within Council.

Where staff are faced with ethical dilemmas, they need assistance in deciding the appropriate course of action. This assistance is provided in the form of guidelines, established procedures and by maintaining an open environment in which staff are prepared to discuss ethical dilemmas. Council provides a number of resources to assist staff and volunteers including a Code of Conduct and an Employee Assistance Program.

### **Fraud and Corruption Awareness Training**

Council recognise that the primary purpose of education and training in the area of fraud and corruption is to raise the general level of awareness amongst personnel about what fraudulent practices are and to make it very clear that they will not be tolerated under any circumstances.

## Fraud and Corruption Control Plan



All staff participate in a compulsory bi-annual compliance training where fraud and corruption awareness is one topic covered.

### Fraud and Corruption Risk Assessment.

Risk assessments will be undertaken for all identified fraud and corruption risks in accordance with Council's current Risk Management approach.

Risks that can be assessed include:

- Theft of cash;
- Theft of material or equipment;
- Misuse of equipment;
- Misuse of credit cards and purchasing cards;
- Accounts payable;
- Payroll practices, including not recording leave;
- Data breaches;
- Procurement; and
- Recruitment.

Additional risks will be identified through normal business unit operations and through the regular review of the risk register in accordance with the Risk Management Framework.

## 6 DETECTION AND REPORTING

### 6.1 Internal reporting

A range of options are available to report instances of behaviour involving possible fraud or corruption.

The reporting options are:

1. Reporting the incident to the staff member's supervisor;
2. Reporting the incident to Chief Operating Officer;
3. Making a Public Interest Disclosure under the Public Interest Disclosure Act 2012. Further detail can be obtained from the Public Interest Disclosure Coordinator (the Chief Operating Officer) or by consulting Council's Public interest Disclosure Procedure.
4. Public Interest Disclosures in Victoria can be made anonymously.

The information provided in a report should include:

- Details relating to the suspecting offence; and

## Fraud and Corruption Control Plan



- Details of the suspected offender(s) where known.

Under certain circumstances statutory protections are available to staff disclosing fraud or corruption as a Public Interest Disclosure under the Public Interest Disclosure Act 2012. Individuals wishing to explore this option should confidentially contact the Public Interest Disclosure Coordinator.

### 6.2 Internal Auditors role in detecting fraud and corruption

Management and the internal audit activity have differing roles with respect to fraud detection. The normal course of work for the internal audit activity is to provide an independent appraisal, examination and evaluation of an organisation's activities as a service to the organisation. The objective of internal auditing in fraud detection is to assist members of the organisation in the effective discharge of their responsibilities by furnishing them with analysis of controls, appraisals, recommendations, counsel and information concerning the activities reviewed.

## 7 RESPONSE

### 7.1 Internal reporting by staff and volunteers

Subject to the conditions mentioned in clause 6.1, instances of fraud and corruption will be reported to the police where:

- The monetary value of the fraud case is material;
- Any non-financial benefit or advantage gained results in a significant loss to Council; or
- The fraud undermines confidence in a program or system.

Fraudulent or corrupt activity falling below the reporting threshold may be reported to the police where there is reasonable cause to believe that the activity:

- Is part of a conspiracy or involves collusion;
- Is part of a pattern of activity or is linked with previous patterns of activity (either of an individual or an organisation);
- Involves bribery or other forms of corruption;
- Involves the inappropriate or unjustified use of a Corporate Credit Card; or
- Involves disclosure of sensitive or classified information.

The requirement for Council to report information on fraud does not detract from Council's authority to determine the appropriate remedy to be applied, i.e. prosecution, administrative action, civil remedy, recovery action, use of internal disciplinary procedures, or whether any further action will be taken in the matter.

Council staff should in all instances seek the advice and guidance of the Chief Operating Officer who

## Fraud and Corruption Control Plan



will determine whether disciplinary or legal action is appropriate.

### 7.2 External reporting to outside authorities

In the event that there is a reasonable suspicion that, in a particular matter, an offence has occurred, and that the matter may have implications for another agency, then a report on that matter, excluding personal information unless *prima facie* evidence exists, will be provided to the relevant agency at the earliest opportunity.

### 7.3 Investigations

Public Interest Disclosures will be dealt with as per Council's Public Interest Disclosure Procedure.

In the case of allegations of fraud or corruption made by staff, volunteers, contractor, or external party, and where the fraud or corruption report is not being made as a Public Interest Disclosure, the officer taking the report should:

- Meet with the informant without delay and take detailed notes of the facts;
- Review the facts and establish that the allegations are being made in good faith;
- Report the matter to the Fraud Control Officer (Chief Operating Officer).

As the public disclosure of the making of an allegation of fraud or corruption could expose Council to a civil action, all staff receiving a complaint are bound to:

- Maintain confidentiality at all times around all allegations raised and as to the identity of any individuals involved;
- Not attempt to personally undertake an investigation;
- Not contact any staff who are the subject of the allegations;
- Not discuss the complaint with any other staff other than as directed by an authorised investigating officer; and
- Not compromise the integrity of any evidence supporting allegations.

### 7.4 External Investigation

Where the initial investigation discloses:

- Instances of fraud as outlined in clause 7.1; or
- In the case of a Public Interest Disclosure under the Public Interest Disclosure Act 2012, at the direction of the Victorian Ombudsman.

The matter will be referred to the Victoria Police for further investigation. Council and its insurers will actively pursue the recovery of any money/property lost through fraud.

## Fraud and Corruption Control Plan



### 8 REFERENCES

- Declaration of Outside Employment Form
- Councillor and Staff Conflict of Interest Forms
- Public Interest Disclosures Act 2012
- Local Government Act 2020
- Strategic Risk Register
- Australian Standard AS 8001-2021 Fraud and Corruption Control

### 3.6 COMMUNITY ENGAGEMENT POLICY

**RESPONSIBLE OFFICER:** CHIEF OPERATING OFFICER  
**DEPARTMENT:** CEO'S OFFICE  
**REFERENCE:** 26443

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

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

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

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#### EXECUTIVE SUMMARY

Section 55(3) of the Local Government Act 2020 states that a Council must adopt a community engagement policy. This is a review of the Community Engagement Policy presented to the January 2026 Council Meeting for consideration

#### DISCUSSION

Council is committed to engaging with residents and stakeholders when making decisions that impact the community. A Community Engagement Policy required under s55 of the Local Government Act 2020, which is built on the principles of outlined in s56.

The Community Engagement Policy has been reviewed and benchmarked against like policies that have been displayed on the Local Government Inspectorate website as model policies. Main changes were in the introduction to use ore welcoming language and not to have such a strong legislative tone.

The revised Community Engagement Policy will be updated on the Council website following adoption. Forms referenced in this policy will be updated to reflect any necessary changes.

#### 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.

**6.3** Continuously improved 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

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

There are no budget implications arising

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

Section 55(1) of the Local Government Act 2020 - A Council must adopt and maintain a community engagement policy.

Section 55(3) of the Local Government Act 2020 - A Council must adopt the first community engagement policy under this section on or before 1 March 2021.

Section 56 of the Local Government Act 2020 - The Community Engagement Principles.

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

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

**Risk Assessment**

Clarity and transparency of Council Policies.

**Stakeholder Collaboration and Community Engagement**

The revised policy was presented to the Audit and Risk Committee on the 2 December 2025 and the Councillor briefing held on 20 January 2026

**RECOMMENDATION**

**That:**

1. *Council adopt the Community Engagement Policy*

**MOVED CR J ARMSTRONG**

**SECONDED CR KAUR**

**That:**

1. **Council adopt the Community Engagement Policy**

**Cr J Armstrong and Cr Kaur spoke for the motion.**

**CARRIED 6/0**

**5276/26**

**ATTACHMENTS**

The Community Engagement Policy is provided as Attachment 3.6



Ararat Rural City

# Community Engagement Policy

## DOCUMENT CONTROL

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

Last Review Date: 23 February 2021  
Date Approved: xx January 2026  
Next Review Date: January 2030

Revision No: 1

Stakeholder Engagement:  
Councillors  
Chief Executive Officer  
Audit and Risk Committee

## Community Engagement Policy



### 1 INTRODUCTION

Ararat Rural City Council is committed to listening to and understanding our community. We consider community engagement and public participation to be an essential component of good governance and leadership. The Ararat Rural City community is culturally diverse and engaged, rich with experience and expertise, whose participation is valued by Council.

This policy provides the community engagement and public participation framework for engagement activities undertaken by Council. It also outlines our commitment to provide the community with genuine opportunities to contribute to and inform projects, strategies, services and decisions that affect them.

Council is committed to:

- offering opportunities for the community to contribute to the decisions made by Council
- effective communication of information between Council and the community
- ensuring effective community representation
- decision making that is transparent and works in the interest of the community, considering our diverse stakeholders
- ensuring effective community engagement planning.

### 2 POLICY

The objectives of the policy are to:

- articulate Council's commitment to engage with the community on decisions and development of plans and policies that affect them
- improve understanding of community and stakeholder engagement
- outline how community engagement is integrated into Council activities in order to support decision making and strengthen relationships and partnerships.

### 3 SCOPE

This policy applies to the planning, design, implementation and evaluation of community engagement activities as directed by Council, recommended by staff, or legislated by the Victorian Local Government Act 2020. Community engagement is the responsibility of all Council service areas, teams and employees. It also applies to contractors and consultants undertaking work on behalf of Council.

The policy does not apply to community engagement processes that are subject to prescribed processes imposed by other Victorian legislation such as land-use planning applications or other Council processes such as service requests or complaints.

### 4 WHAT IS COMMUNITY ENGAGEMENT?

Community engagement is about having conversations with people who are potentially impacted by Council decisions. It can also involve discerning issues that are important to the community, or to groups within the community, in order to advocate to state and federal government and other

## Community Engagement Policy



bodies that have influence in our area. In our engagement we listen, we consult, we act and we report back to our community.

Community engagement is a planned process with the specific purpose of working with identified groups of people, connected by geographic location, special interest or affiliation, or issues affecting their wellbeing. Engagement must be inclusive and accessible, reflecting the diversity that exists within our community.

Community engagement is a part of public participation and is often used interchangeably with that term. "Participation" implies more than just communication, participation means being involved in decisions.

The International Association for Public Participation (IAP2) defines the public participation as "the involvement of those affected by a decision in the decision making process. We use the term public participation to describe these situations, though the same activities are also described as community or stakeholder consultation, engagement and participation.

### 5 PRINCIPLES AND COUNCIL'S COMMITMENT TO THE COMMUNITY

Council adopts the following principles and commitments which will inform all community engagement processes. These principles are set out in Section 56 of the Local Government Act 2020. Council has built on these principles to describe our commitment which reflects the values and expectations of the Ararat Rural City community as determined in consultation with the community.

| Principle  | Our Commitment   |
|--|--|
| The community engagement process has a clearly defined objective and scope.  | <ul style="list-style-type: none"><li>• All community engagement is planned by clearly identifying the purpose, scope and objectives of the community's participation, in the community engagement plan.</li><li>• We will communicate the reasons for engagement with participants.</li></ul>                   |
| Participants in community engagement will have access to objective, relevant and timely information to inform their participation. | <ul style="list-style-type: none"><li>• We will ensure the community has the information necessary to participate meaningfully in the engagement activities.</li><li>• We will endeavour to provide information that is objective, relevant, timely and easy to understand.</li></ul>                            |
| Participants in community engagement will be representative of the persons and groups affected by the matter.                      | <ul style="list-style-type: none"><li>• We will identify the people, communities and stakeholders who are affected by and interested in the topic of engagement.</li><li>• We will reach out to our community to involve and hear from participants that represent the affected and interested groups.</li></ul> |
| Participants in community engagement are entitled to reasonable support to enable  | <ul style="list-style-type: none"><li>• We will reduce physical, social and cultural barriers to participation.</li></ul>  |

## Community Engagement Policy



Ararat Rural City

|   |   |
|---|---|
| meaningful and informed engagement.   | <ul style="list-style-type: none"><li>• We will consider the needs and perspectives of all groups that may want to be involved in the process.</li><li>• We will seek to obtain the views of a broad cross section of the community, especially when there is a quiet majority.</li><li>• We will allow sufficient time for review of information and participation in varied engagement activities.</li></ul>  |
| Participants in community engagement are informed of the ways in which the community engagement process will influence Council decision making. | <ul style="list-style-type: none"><li>• We recognise the International Association for Public Participation (IAP2) as the international standard for effective community engagement. We will be guided by IAP2 recommendations.</li><li>• We will inform participants of the level of influence they will have, as described in the IAP2 spectrum's promise to the public, and we will ensure they know the outcomes of any decisions made.</li></ul> |

### 5 LEADERSHIP OF COMMUNITY ENGAGEMENT

Council will call for different levels of engagement, having regard to the significance, complexity and anticipated level of impact of what is being proposed, and the stakeholders we need to target.

This policy adopts the International Association for Public Participation's (IAP2) Public Participation Spectrum to guide the range and extent of participation at each of the five levels. The five levels of engagement outlined on the IAP2 spectrum shown below will be utilised in every instance to meet our commitment to the community:

**INFORM:** To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.

**CONSULT:** To obtain public feedback on analysis, alternatives and/or decisions.

**INVOLVE:** To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.

**COLLABORATE:** To partner with the public in each aspect of the decision including the development of alternatives and identification of the preferred solution.

**EMPOWER:** To place final decision-making in the hands of the public.

*(c) International Association for Public Participation [www.iap2.org](http://www.iap2.org)*

The levels of community engagement will be identified on the IAP2 spectrum at the project planning stage following an analysis of the desired outcomes (see Appendix A). The community engagement plan will identify the most appropriate communication tool and timeframes to ensure the particular target group(s) are well informed of both the issue and the engagement opportunities.

## Community Engagement Policy



### 6 TYPE OF COMMUNITY ENGAGEMENT

Community engagement may include multiple levels of public participation, both at different stages of the process and because different stakeholders will choose to engage at different levels. The type or form of engagement practices undertaken can be broadly described as either deliberative or participatory. Many of Council's community engagement projects are likely to include both types of practice.

#### Deliberative engagement

Deliberative practices take place at the highest three levels of influence on the IAP2 spectrum, 'Involve', 'Collaborate' or 'Empower'. Deliberative engagement allows for discussion and the possibility of consensus if needed. The key features of a deliberative process are to come to a decision after considering all information and prioritising and weighing solutions. By its very name, it requires a level of engagement that is measured, considered and has the involvement of others. Deliberation can be scaled to fit the size and impact of the project. Some projects may require skilled facilitators to ensure a fair and equitable process.

Examples of deliberative practices are

- working with advisory groups
- online proposals and ideas are discussed by a panel of community members
- participants are asked to consider and prioritise ideas
- a representative group participates in a series of sessions of information exchange in order to reach consensus.

Projects most suited to a deliberative approach include those where the outcome will have a far-reaching or long-term effect, and issues where there is considerable community concern or division about the alternatives.

#### Participatory engagement

Participatory practices take place at the first two levels of influence on the spectrum, 'Inform' and 'Consult' and involve one-way information exchange either from Council to community or community to Council. Participatory engagement typically occurs when feedback is invited on ideas, alternatives or draft documents.

Examples of participatory practices are

- Surveys
- Polls, ideas gathering
- Submissions

Participation at this level can be very broad, including by stakeholders who choose to track the project but offer no direct input.

#### *Submissions process*

On matters where the only form of community participation is an invitation to make submissions, and engagement on the matter was formerly governed by section 223 of the Local Government Act

## Community Engagement Policy



1989, Council will continue to proceed in a manner modelled on section 223 of the Local Government Act 1989.

### 7 STATUTORY REQUIREMENTS

Some elements of community engagement are directed by statutory requirements. Under the Local Government Act 2020 Council has a statutory obligation to develop a long-term Community Vision, Financial Plan and Asset Plan, as well as a four-year Council Plan. Under the Public Health and Wellbeing Act 2008 Council has a statutory requirement to develop a four-year Municipal Public Health and Wellbeing Plan. Council will meet its statutory obligations by ensuring the community will have an opportunity to participate in the development of these plans.

### 8 COMMUNITY ENGAGEMENT PLANNING, IMPLEMENTATION AND EVALUATION

To ensure effective community engagement, Council implements the following eight steps to design, deliver and complete community engagement.

1. Clearly define the purpose and scope of the community engagement.
2. Understand stakeholder and community interests.
3. Design an appropriate community engagement process.
4. Deliver genuine and respectful engagement.
5. Review and interpret the engagement data.
6. Apply the outcomes of the engagement to inform the decision-making process.
7. Evaluate the community engagement process for improvement.
8. Close the loop on the community engagement.

### 9 INFORMING THE COMMUNITY OF OUTCOMES

Reporting of outcomes and updates will always be available online through Council's Have Your Say engagement platform, as well as provided directly to those who asked to be kept informed and have provided contact details.

### 10 COMMUNITY ENGAGEMENT DEFINITIONS

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

|                      |  |
|----------------------|--|
| Community            | Refers to the people who have a stake and interest in the Ararat Rural City and includes people who: <ul style="list-style-type: none"><li>• Live, work, study or conduct business or are involved in local community groups or organisations in the municipality</li><li>• Visit, use or enjoy the services, facilities and public places located within the municipality</li></ul> |
| Community engagement | Community engagement is a planned process with the specific purpose of working with individuals and groups to encourage active involvement in decisions that affect them or are of interest to them.   |
| Consultation         | The activity of seeking input on a matter.   |
| Deliberation         | Deliberation is an approach to decision-making in which citizens consider relevant facts from multiple points of view, converse with one another to think critically   |

## Community Engagement Policy



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|             |  |
|-------------|--|
|             | about options before them and enlarge their perspectives, opinions, and understandings.  |
| Process     | A relationship between key steps, activities, tasks, policies and / or resources. Public participation A term used by IAP2 meaning the involvement of those affected (interested or impacted) by a decision in the decision-making process. We use the term interchangeably with Community Engagement, Stakeholder Engagement or Consultation. |
| Stakeholder | An individual or group with a strong interest in the decisions of Council and are directly impacted by their outcomes.   |

### 11 HUMAN RIGHTS CHARTER

This Policy has been assessed against the Charter of Human Rights and Responsibilities Act 2006 as being consistent with that Act and, in particular, as promoting the rights of members of the Community:

- not to have their privacy interfered with (section 13); and
- take part in public life (section 18), by having the opportunity to:
  - participate in the conduct of Council's affairs; and
  - have access to Council and Council Information.

### 12 RESPONSIBILITIES

Responsibilities for implementing this policy are shared as follows:

| Party/parties                                 | Roles and responsibilities   |
|---|--|
| Councillors                                   | Ensure that matters under consideration are informed by the planned level of community engagement.<br><br>Balance the range of stakeholder views and concerns on an issue when making a decision.  |
| Chief Executive Officer and Senior Management | <ul style="list-style-type: none"> <li>• Consult with councillors to establish the engagement process to be used.</li> <li>• Champion better practice community engagement through policy, process and leadership.</li> <li>• Monitor implementation and compliance with this policy.</li> </ul> |
| Managers                                      | Manage areas of responsibility to ensure community engagement is consistent with this policy.  |
| Staff   | Undertake to make community engagement activities consistent with this policy.   |

### 13 MONITORING, EVALUATION AND REVIEW

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

## Community Engagement Policy



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### 14 REFERENCES

- Public Transparency Policy
- Privacy Policy
- Charter of Human Rights and Responsibilities Act 2006
- Local Government Act 1989
- Local Government Act 2020
- Privacy and Data Protection Act 2014
- Equal Opportunity Act 2010
- IAP2 Spectrum of Public Participation
- Rural Councils Victoria – Community Engagement Checklist

## Community Engagement Policy



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### APPENDIX 1

#### IAP2 Spectrum of Public Participation

IAP2's Spectrum of Public Participation was designed to assist with the selection of the level of participation that define the public's role in any public participation process. The Spectrum is used internationally, and it is found in public participation plans around the world.

| Public participation goal  | Inform  | Consult  | Involve   | Collaborate   | Empower                            |
|--|---|--|---|---|------------------------------------|
| To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions. | To obtain public feedback on analysis, alternatives and/or decisions. | To work directly with the public throughout the process to ensure concerns and aspirations are understood and considered.                        | To partner with the public in each aspect of the decision including the development of alternatives and the identification of a preferred solution.                                       | To place the final decision making in the hands of the public.  |                                    |
| Promise to the public  | We will keep you informed.  | We will keep you informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision. | We will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how public input influenced the decision. | We will look to you for advice and innovation in formulating solutions and incorporate your advice and recommendations into the decisions to the maximum extent possible. | We will implement what you decide. |

(c) International Association for Public Participation [www.iap2.org](http://www.iap2.org)

## Community Engagement Policy



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### APPENDIX 2

#### COMMUNITY ENGAGEMENT TEMPLATE

##### Project Summary:

| Item            | Details |
|-----------------|---------|
| Project Name    |         |
| Project Manager |         |
| Project Details |         |
| Project Purpose |         |
| Start Date      |         |
| End Date        |         |

##### Engagement Summary:

| Item                   | Details/Actions  | Start Date | End Date |
|------------------------|--|------------|----------|
| Purpose of Engagement  | <i>What is Council engaging on and why?</i>  |            |          |
| Key Stakeholders       | <i>Who will be impacted by any decision?</i>   |            |          |
| Target Audience        | <i>Who will engagement be conducted with?</i>  |            |          |
| Engagement Design      | <i>How will the engagement be undertaken?</i><br><ul style="list-style-type: none"><li>Method/s</li><li>Venue/s</li><li>Time/s</li><li>Location/s</li><li>Resource/s</li></ul> <i>List, expand and repeat for all planned activities</i> |            |          |
| Engagement findings    | <i>How will the information gathered be used?</i>  |            |          |
| Outcomes of engagement | <i>How will the community be updated or informed?</i>  |            |          |

##### Other relevant information for the engagement:

*May include stakeholders, multiple phases of engagement, questions, methods of promotion, etc.*

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## Community Engagement Policy



### APPENDIX 3 – ENGAGEMENT CHECKLIST

| Stage 1 – Prepare   | Addressed |
|---|-----------|
| Preparation is integral to developing a relevant, targeted, and successful engagement program that is tailored to the expectations and needs of persons and groups affected by the subject matter. A thorough understanding of the subject matter will set a strong basis for framing and design. |           |
| Research and understand the context, scope and purpose of the Plan, Strategy or Project. Also conduct research into industry trends, best practice examples and drivers.  |           |
| Be aware of any legislative compliance matters including reporting and deadlines for the completion of the project.   |           |
| Review the Council community engagement policy to understand the underlying approach, principles, and governance structures.  |           |
| Identify Council resources including human, equipment and technology that will be required to take part in the project.   |           |
| Research current Council plans, strategies and projects that are interlinked to your project to ensure consistency.   |           |

| Stage 2 – Frame   | Addressed |
|---|-----------|
| Your engagement should have a robust framework, identifying key issues, internal and external stakeholders, and performance measures. Building your framework will increase transparency and the level of participation as you will have clarity of scope when discussing the engagement with participants.                   |           |
| Convene a project control group including Council officers you have identified through your resources review and allocate responsibilities.   |           |
| Collaborate with the project control group to define the problem and articulate: <ul style="list-style-type: none"> <li>• Issues that need to be addressed/answered/resolved.</li> <li>• Negotiables and non-negotiables.</li> <li>• Who the final decision maker is.</li> <li>• The decision makers ideal outcome</li> </ul> |           |
| Prepare a stakeholder analysis to identify internal and external stakeholders with an interest in the subject matter. Identify issues and the best communication channels for stakeholder groups.   |           |
| Conduct a risk assessment including identification of internal and external parameters.   |           |
| Determine the desired level of public participation, and the weighting their input will have on decision making (you may choose to use the IAP2 Spectrum of Public Participation as a guide).   |           |
| Set key performance indicators regarding level of engagement, satisfaction with engagement methods and outcomes of engagement.  |           |
| Confirm your engagement budget for the project.   |           |

## Community Engagement Policy



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| Stage 3 – Design  | Addressed |
|---|-----------|
| <p>The design of your engagement plan brings together the key decisions you make in Stages 1 and 2. How you design your engagement will impact the evaluation and reporting elements of the project.</p> <p>Extend the problem definition work already conducted. Consider the best way to seek input from the public including:</p> <ul style="list-style-type: none"> <li>• What is the purpose of the question? Am I seeking data or more in-depth feedback?</li> <li>• What engagement tools will be most effective for the stakeholders I am seeking to engage?</li> <li>• How will I record the feedback? (Survey link? Post its? Written form?)</li> <li>• Is this question understandable and free of jargon?</li> <li>• o Is the question relevant and related to an aspect of the project that the community will influence through their feedback?</li> </ul>                          |           |
| <p>Develop an engagement plan that is tailored to promote the inclusion, participation, and accessibility of stakeholder groups by:</p> <ul style="list-style-type: none"> <li>• Identifying engagement tools and techniques that will be used to maximise participation.</li> <li>• Considering a design thinking approach that outlines the phases and timeframes for key milestones including,</li> <li>• The release of information in a format that is easily accessible to stakeholders,</li> <li>• The rollout of engagement activities.</li> <li>• Providing feedback to the project control group, engagement participants and the community.</li> <li>• Dates for submission and approval of key documents.</li> <li>• Reporting requirements for key performance indicators.</li> <li>• o Identify the resources that will need to be used at each stage of the engagement.</li> </ul> |           |
| <p>Your engagement plan should be complemented by a communications strategy which outlines:</p> <ul style="list-style-type: none"> <li>• Deadlines for the provision of information to engagement participants, the project control group and decisionmakers.</li> <li>• Channels to communicate with potential participants (social media, newspaper advertisements, media releases, mailing lists, engagement platforms, webinars, seeking the assistance of stakeholder groups to distribute information).</li> <li>• o How you are going to measure the reach and effectiveness of communication channels.</li> </ul>   |           |
| Reach out to stakeholder groups and leaders to seek their input into the engagement design.   |           |

## Community Engagement Policy



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| Stage 4 – Execute  | Addressed |
|--|-----------|
| The execution of your engagement plan relies on your planning and preparation.   |           |
| Test any platform you will be using, particularly for online engagement. Develop comfort with its functionality and be sure to provide basic trouble shooting advice to participants.  |           |
| Consider occupational health and safety when you are packing, transporting, and setting up engagement activities. Also check if there are any permit or site-specific requirements to address.   |           |
| Conduct a pre engagement brief with your engagement representatives. It is important that participants know that representatives are informed and understand the key issues that are affecting them. The briefing should also identify any potential 'hot topics' and provide representatives with the tools to discuss them in a constructive manner with the community.  |           |
| When talking with participants: <ul style="list-style-type: none"> <li>• Acknowledge the scope of the engagement and any limitations or constraints. o Be clear about participants level of influence decision making.</li> <li>• Be open to new ideas, connections and partnerships that may be established through engagement – exciting!</li> <li>• Ask questions that extend the thoughts and ideas of participants to test robustness. Don't be afraid to ask the 'what if' or 'have you considered' questions. And don't be afraid of answers that don't meet your own values</li> <li>• If you are unsure you have understood the input, check back in by rephrasing the participants thoughts to make sure you understood them correctly.</li> <li>• Remember, you do not have to provide a solution to every issue that is raised on the day. The important thing is to hear what a participant is saying and respond with authenticity and an open mind.</li> <li>• o Have a mechanism for referring issues that do not relate to the engagement that participants raise on the day. It is important to bring participants back to the subject at hand while giving them concrete pathways to follow up their other concerns.</li> </ul> |           |
| Take the time to pack down neatly. Trust us – you will thank us later!   |           |
| Conduct a debrief straight after the engagement to ensure you are able to identify key learnings and areas for further exploration or follow up.   |           |

## Community Engagement Policy



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| Stage 5 – Report   | Addressed |
|--|-----------|
| <p>The purpose of this stage is to advise participants, stakeholders and decision makers about the findings of the engagement and how the input has been used to make decisions. This part of the engagement plan is often referred to as 'closing the loop'.</p> <p>Examine the findings of your engagement and determine:</p> <ul style="list-style-type: none"> <li>• Major themes from feedback.</li> <li>• Any data trends that are evident.</li> <li>• Any contrary views, what level of support they have, and how can they be compared to the support of major themes.</li> <li>• What projects, propositions or idea have strong or weak support.</li> <li>• Areas for further investigation.</li> <li>• Difference in feedback between demographics (gender, age, income, education).</li> <li>• o Difference in the feedback offered by different townships and regions.</li> </ul> |           |
| Feedback the findings to participants, stakeholders and decision makers through mechanisms identified in your communications plan. Present the analysis in a format that is understandable to a broad audience, and provide an avenue for participants, stakeholders and decision makers to offer clarification if required.   |           |
| Record the analysis of engagement and articulate how it has been used in determining scope, content and direction of the piece of work.  |           |

| Stage 6 – Evaluate   | Addressed |
|--|-----------|
| Reflective practice allows us to refine and continually improve our practices. Evaluation is an important element of any engagement activity.                  |           |
| Seek feedback from participants, stakeholders and decision makers about the process.   |           |
| Measure your progress against the KPI's you set during stage 2 regarding level of engagement, satisfaction with engagement methods and outcomes of engagement. |           |
| Ensure any changes in practice align with your Council's continuous improvement mechanisms.  |           |

### 3.7 COUNCIL POLICY REVIEW - COMPLAINTS HANDLING POLICY

**RESPONSIBLE OFFICER:** CHIEF OPERATING OFFICER  
**DEPARTMENT:** CEO'S OFFICE  
**REFERENCE:** 26444

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

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

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

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#### **EXECUTIVE SUMMARY**

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

The Complaints Handling Policy has been reviewed and is presented to the January 2026 Council Meeting for consideration:

#### **DISCUSSION**

Section 107 of the Act states that Council must develop and maintain a complaint policy. This review of the Complaints Handling Policy includes the requirements of section 107 of the Act.

The policy has also been updated utilising the model policy template outlined in the Victorian Ombudsman "Good Practice Guide to Handling Complaints 2016".

The Complaints Handling Policy has been reviewed and benchmarked against like policies that have been displayed on the Local Government inspectorate website as model policies. This policy has had some major changes to the working to make it more accessible to the general public for use and whilst covering the legislative requirements, reducing the bureaucratic jargon.

The Complaints Handling Policy will be updated on the Council website following adoption.

#### **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 relating to the adoption of the Complaints Handling Policy.

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

Section 107 of the Local Government Act 2020 - A Council must develop and maintain a complaints policy.

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

Clarity and transparency of Council Policies.

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

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

**Stakeholder Collaboration and Community Engagement**

This draft policy was presented to the Audit and Risk Committee on 2 December 2025.

This policy was presented the Complaints Handling Policy to the Councillor briefing held on 20 January 2026.

**RECOMMENDATION**

**That:**

1. *Council adopt the Complaints Handling Policy.*

**MOVED CR JOYCE  
SECONDED CR PRESTON**

**That:**

1. **Council adopt the Complaints Handling Policy.**

**Cr Joyce and Cr Preston spoke for the motion.**

**CARRIED 6/0  
5277/26**

**ATTACHMENTS**

Complaints Handling Policy is provided as Attachment 3.7



Ararat Rural City

# Complaints Handling Policy

## DOCUMENT CONTROL

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

Last Review Date: 16 March 2021  
Date Approved: XX January 2026  
Next Review Date: December 2029

Revision No: 4

Stakeholder Engagement:  
Councillors  
Chief Executive Officer  
HR Business Partner  
Audit and Risk Committee

## Complaints Handling Policy



### INTENT

Dealing with complaints is a core part of Council business. We value complaints and encourage people to contact us when they have a concern with our services, actions, decisions and policies. We are committed to:

- Enabling members of the public to make a complaint
- Responding to complaints by taking action to resolve complaints as quickly as possible, wherever practicable,
- Learning from complaints to improve our services.

We treat every complaint received on its individual merits through clear and consistent processes. Our policy applies to all complaints from members of the public about Council staff, Council contractors and decisions made at Council meetings. This policy does not apply to complaints about individual Councillors.

This policy applies to all Councillors, Council staff, volunteers and third-party contractors carrying out services on behalf of Council as well as the general public in making a complaint.

### POLICY

#### WHAT IS A COMPLAINT?

A complaint includes a communication (verbal or written) to the council which expresses dissatisfaction about:

- The quality of an action, decision or service provided by council staff or a contractor.
- A delay by council staff or a council contractor in taking an action, making a decision or delivering a service.
- A policy or decision made by the council, a council staff or a council contractor.

This is defined in the Local Government Act 2020. For the purposes of this Policy, routine requests for services are not treated as complaints.

#### Guiding Principles

This policy is based on seven (7) principles.

|                            |  |
|----------------------------|--|
| 1 Commitment               | We are committed to resolving complaints and have a culture that recognises an individual's right to complain. We value complaints and recognise them as being part of our business of serving our communities and improving service delivery. |
| 2 Accessibility            | People with a range of needs can easily complain and staff actively assist them to navigate the complaints process.  |
| 3 Transparency             | We make it clear how to complain, where to complain and how the complaint will be handled. The steps taken to respond to a complaint are recorded and will stand up to scrutiny.   |
| 4 Objectivity and fairness | Complaints are dealt with courteously, impartially, within established timeframes and are assessed on merit.   |
| 5 Privacy                  | Complaint information is handled according to privacy laws and other relevant legislation. We provide clear information about how we handle  |

## Complaints Handling Policy



|                          |  |
|--------------------------|--|
|                          | personal information. Complaint data is de-identified if reported on more widely.  |
| 6 Accountability         | We are accountable internally and externally for decision making and complaint handling performance. Explanations and reasons for decisions are provided, and ensure that decisions are subject to appropriate review processes. |
| 7 Continuous improvement | Acting on, learning from and using complaint data helps us identify problems and improve services.   |

### How to Make a Complaint

A person can make a complaint in several ways:

- Telephone 5355 0200
- Email [council@ararat.vic.gov.au](mailto:council@ararat.vic.gov.au)
- Letter PO Box 246, Ararat VIC 3377
- In person Municipal Offices, 59 Vincent St, Ararat VIC 3377

Note: any comments or requests made through Social Media (i.e. Facebook) are not considered, nor treated as an official complaint.

### Anonymous Complaints

Anyone who has been affected by a decision or action (including a failure to make a decision or take action) can make a complaint.

Anonymous complaints will be accepted, and Council will carry out an investigation of the issues raised where there is sufficient information provided to substantiate the complaint.

### Complaints about Contractors

Where Council receives complaints about contractors, Council will monitor the way contractors deal with complaints and have clear oversight of their complaint handling process.

Contractors will liaise with the relevant staff member about the response to be provided to complaints.

If a complainant is not satisfied with the outcome of the complaint, he or she can ask council to review the decision. All outcome letters written by contractors in relation to complaints will include the name and contact details of the member of council staff to whom the complainant may escalate their complaint if they are not satisfied with the outcome the contractor has provided.

### Remedial action

Where Council have found that an error has been made, Council staff members will take steps to redress the situation. Possible remedies include, but are not limited to:

- an explanation of why the error occurred and the steps taken to prevent it from happening again
- a reversal of a decision
- an ex gratia payment or compensation
- disciplinary action taken against a staff member
- providing the means of redress requested by the complainant

Where Council identifies an error, Council staff members will consider offering a genuine apology to the complainant, in addition to any other remedies offered, irrespective of whether the complainant specifically requests this.

## Complaints Handling Policy



### OUR COMPLAINT PROCESS

#### Overview

We take a four-tiered approach to complaint handling as follows:

1. Frontline resolution: frontline staff receive the complaint, assess it, and resolve it immediately if possible.
2. Investigation: if frontline staff cannot resolve the complaint, they will refer it on for investigation
3. Internal review: If the complainant is aggrieved with the process or outcome of the frontline resolution and corresponding investigation, they can request an internal review
4. Access to external review: if the complainant is aggrieved with the process or outcome of the internal review, we inform them of any available external review options.

#### Procedure

##### Frontline Resolution

- When a complaint is received, it will be acknowledged by the frontline staff member who will clarify and attempt to resolve the complaint within five business days.
- If the officer can resolve this complaint, there is no requirement to escalate it further
- If Council is not the correct organisation to respond to the complaint, the complainant will be referred to an organisation that can help.
- If the Council officer cannot resolve the complaint, they may refer the complaint to another staff member to provide advice and the complaint will be dealt with at operational level.
- The customer will be advised who is dealing with their complaint,

##### Investigation

- If frontline staff cannot resolve the complaint, they will be assigned to an appropriate officer to investigate.
- The officer handling the complaint will advise the complainant who the contact person is, provide their detail, and advise the complainant how long it will take to respond to the complaint.
- Officers handling complaints will aim to resolve all complaints within 14 days
- If it takes longer than 14 days to resolve a complaint, the officer will contact the complainant to explain the reasons for the delay.
- Complaints that are not resolved within 14 days may be escalated if necessary.
- The officer responsible for handling the complaint will write to the complainant to advise them of the outcome. The outcome letter will contain reasons for the decision made and the contact information for the responsible officer.
- The officer handling the complaint may contact the complainant to discuss the outcome of their complaint prior to sending the outcome letter.

##### Internal review

- If the complainant cannot be satisfactorily resolved, then the complainant has the right to request an Internal Review. This will then entail an internal review by a senior Council officer who has not had any prior involvement with your complaint. This will be an officer that has not been involved in providing the service subject to the complaint or the original decision, action or investigation in relation to the complaint.
- \* A request for an internal review process must be in writing, outlining the complaint, including the reason why they are dissatisfied with the way the complaint was handled by the relevant staff member during the investigation.

## Complaints Handling Policy



- The internal review process will be completed within 14 days of receipt of request.
- The Chief Executive Officer will provide a response to the complainant at the conclusion of the internal review.
- If the complaint remains unresolved then the complainant may wish to escalate a complaint further to an appropriate external body.

### External Review

- There are external bodies that can deal with different types of complaints about us.
- A complaint can request an external review from the following organisation.

| Complaint   | Organisation to contact for external review   |
|---|---|
| Actions or decisions of a Council, Council staff and contractors This includes failure to consider human rights or failure to act compatibly with a human right under the Charter of Human rights and Responsibilities Act 2006 (Vic) | Victorian Ombudsman<br><a href="http://www.ombudsman.vic.gov.au">www.ombudsman.vic.gov.au</a>   |
| Breaches of the Local Government Act 2020   | Local Government Inspectorate<br><a href="http://www.lgi.vic.gov.au">www.lgi.vic.gov.au</a>   |
| Breach of Privacy<br>Complaint about a Freedom of Information application   | Office of the Victorian Information Commission<br><a href="http://www.ovic.vic.gov.au">www.ovic.vic.gov.au</a>                        |
| Corruption or public interest disclosure (whistleblower) complaints   | Independent Broad-based anti-corruption Commission<br><a href="http://www.ibac.vic.gov.au">www.ibac.vic.gov.au</a>                    |
| Discrimination  | Victorian Human Rights and Equal Opportunity Commission<br><a href="http://www.humanrights.vic.gov.au">www.humanrights.vic.gov.au</a> |
| Council Elections   | Victorian Election Commission<br><a href="http://www.vec.vic.gov.au">www.vec.vic.gov.au</a>   |

### COMPLAINTS THAT WILL NOT BE INVESTIGATED

This policy does not apply to the following matters or complaints, which are managed through other processes:

- a request for service and or action by Council (unless there was inaction or an otherwise unsatisfactory response to the first request for service);
- a request for information or an explanation of a policy or process;
- a complaint made under the *Public Interest Disclosures Act 2012*;
- decisions made under legislation which provides for separate avenues of appeal (e.g. prosecutions under Local Laws, decisions under the *Planning and Environment Act 1987* and *Building Act 1993*);
- an alleged breach under the Councillors Code of Conduct;
- an alleged breach of the *Privacy and Data Protection Act 2014* or *Health Records Act 2001*; and

## Complaints Handling Policy



- complaints about Council that are received from external agencies such as the Victorian Inspectorate, Independent Broad-based Anti-Corruption Commission (IBAC), Victorian Ombudsman and Office of the Victorian Information Commissioner.

The Chief Executive Officer may determine that a complaint will not be investigated where the matter

- Is considered frivolous, vexatious or not made in good faith
- Relates to a decision awaiting determination by Council
- Related to conduct before a court, coroner or tribunal
- Is under investigation by a Minister of Local government or any other government department including the Victorian Police Service
- relates to the appointment or dismissal of any employee or an industrial or disciplinary issue
- Relates to the actions or conduct of a private individual
- Involves threats made against Council or Council Staff

Where the Chief Executive Officer determines that a complaint will not be investigated, the complainant will be advised accordingly in writing.

All formal complaints, except those dealt with through other mechanisms must be forwarded to the Chief Executive Officer.

If Council determine that the complaint is extremely serious in nature and may be a criminal offence i.e. Sexual Assault, Council may involve Police to undertake any investigation.

Council will ensure that people making complaints are not adversely affected because a complaint has been made by them or on their behalf.

### UNREASONABLE COMPLAINT CONDUCT

Council is committed to balancing the right of individuals to make a complaint with

- the right of councillors and officers to carry out their roles in an environment where their health, safety and security is protected and prioritised; and
- The equitable, effective and proportionate allocation of resources across all requests for service and complaints received by council.

It is acknowledged that unreasonable complaint conduct does not necessarily preclude there being a valid underlying issue to be addressed. Council will continue to assess all complaints based on their merits, in an impartial and equitable manner.

#### What is unreasonable complaint conduct?

Unreasonable complaint conduct for the purposes of the Policy is behaviour by an external customer that, because of this intensity, nature or frequency, impacts negatively on the health, safety or security of councillors and staff, and/or requires substantial and disproportionate allocations of council resources.

Unreasonable complaint conduct can be divided into five categories of conduct:

- Unreasonable persistence: continued, incessant and unrelenting conduct by a complainant that has a disproportionate and unreasonable impact on our organisation staff, time and/or

## Complaints Handling Policy



resources.

- Unreasonable demands: demands (express or implied) made by a complainant that have a disproportionate and unreasonable impact on our organisation, staff, services, time, and/or resources
- Unreasonable lack of cooperation: unwillingness and/or inability by a complainant to cooperate with our organisation, staff, or complaints system and processes, that results in disproportionate and unreasonable use of our services, time and/or resources
- Unreasonable arguments: arguments not based in reason or logic, that are incomprehensible, false or inflammatory, trivial or delirious and that have a disproportionate and unreasonable impact on our organisation, staff, services, time, and/or resources
- Unreasonable behaviours: conduct that is unreasonable in all circumstances – regardless of how stressed, angry or frustrated that a complainant is – because it unreasonable compromises the health, safety and security of our staff, other service users or the complainant.

### Responding to unreasonable complaint conduct

Where a person is deemed to have engaged in unreasonable complaint conduct under this Policy, it may be necessary for limitations to be placed on their contact with council.

A determination to limit contact with council will:

- Be made by the Chief Executive Officer or a senior manager
- Take into account the guidelines for such determinations contained in the Victorian ombudsman good practice guide to dealing with challenging behaviour, or such other document as may be released as a replacement for that guide in future.
- Be notified to the affected person in writing (unless another form of communication is more appropriate) and will explain the reasons for the decision, set a timeframe for reviewing the limitation and explain the person's options for complaining about the decision.

Examples of possible responses to unreasonable complaint conduct include but are not limited to:

- A written warning regarding the unreasonable complaint conduct
- Restricting the method, frequency or location of contact, or restricting contact to an individual council officer.
- Advising no further communication will be entered into on an issue for a specified period of time or that further correspondence will be received and assessed but only acknowledged or response to if, in the view of council, it raises a new matter or additional information warranting a review or further action.

### **PRIVACY**

We keep your personal information secure. We use your information to respond to your complaint; and may also analyse the information you have provided for the purpose of improving services that relate to your complaint.

Where we publish complaint data, personal information or details that may identify an individual or group are removed.

### **HOW WE LEARN FROM COMPLAINTS**

Complaints from people who use or who are affected by our services provide us with valuable feedback about how we are performing.

## Complaints Handling Policy



We may analyse our complaint data to identify trends and potential issues that deserve further attention. We use this information to come up with solutions about how we can improve our services.

Council will provide training to Council staff members to assist them to deal with unreasonable complainant conduct and support them where the conduct is affecting their wellbeing.

### DEFINITIONS

| TERM             | DEFINITION  |
|------------------|---|
| Complainant      | A person or organisation who has expressed dissatisfaction with Council's services, systems or staff.   |
| Complaint        | Includes the communication, whether orally or in writing, to the Council by a person of their dissatisfaction with: <ul style="list-style-type: none"><li>the quality of an action taken, decision made, or service provided by a member of Council staff, volunteer or a contractor engaged by Council;</li><li>a delay by a member of Council staff, volunteer or a contractor engaged by the Council in taking an action, making a decision or providing a service; or</li><li>a policy or decision made by a Council or a member of Council staff, volunteer or contractor.</li></ul> |
| Contractor       | Third parties carrying out services on behalf of Council.   |
| Customer         | The person/people (resident, ratepayer, business owner, visitor) who has expressed dissatisfaction (refer to Complaint definition above)  |
| Formal Complaint | A concern which has not been resolved informally, and which is then set out in writing, and forwarded to the Chief Executive Officer.   |
| Frontline Staff  | Any Council staff member (including volunteers) who has direct contact with customers. This is not limited to the function of Customer Services.  |

| TERM                | DEFINITION   |
|---------------------|--|
| Informal Complaint  | A concern, dissatisfaction, or frustration which can be resolved informally and without the need for further action.   |
| Request for Service | Contact with Council to seek assistance, access to a new service, advice or to inform/make a report about something which Council has responsibility.  |
| Resolution          | A complaint is resolved after an initial investigation has taken place and the customer has been updated with what service recovery action has or will take place or a plan has been implemented |

### REFERENCES

Charter of Human Rights and Responsibilities Act 2006  
Child Wellbeing and Safety Act 2005  
Equal Opportunity Act 2010

## Complaints Handling Policy



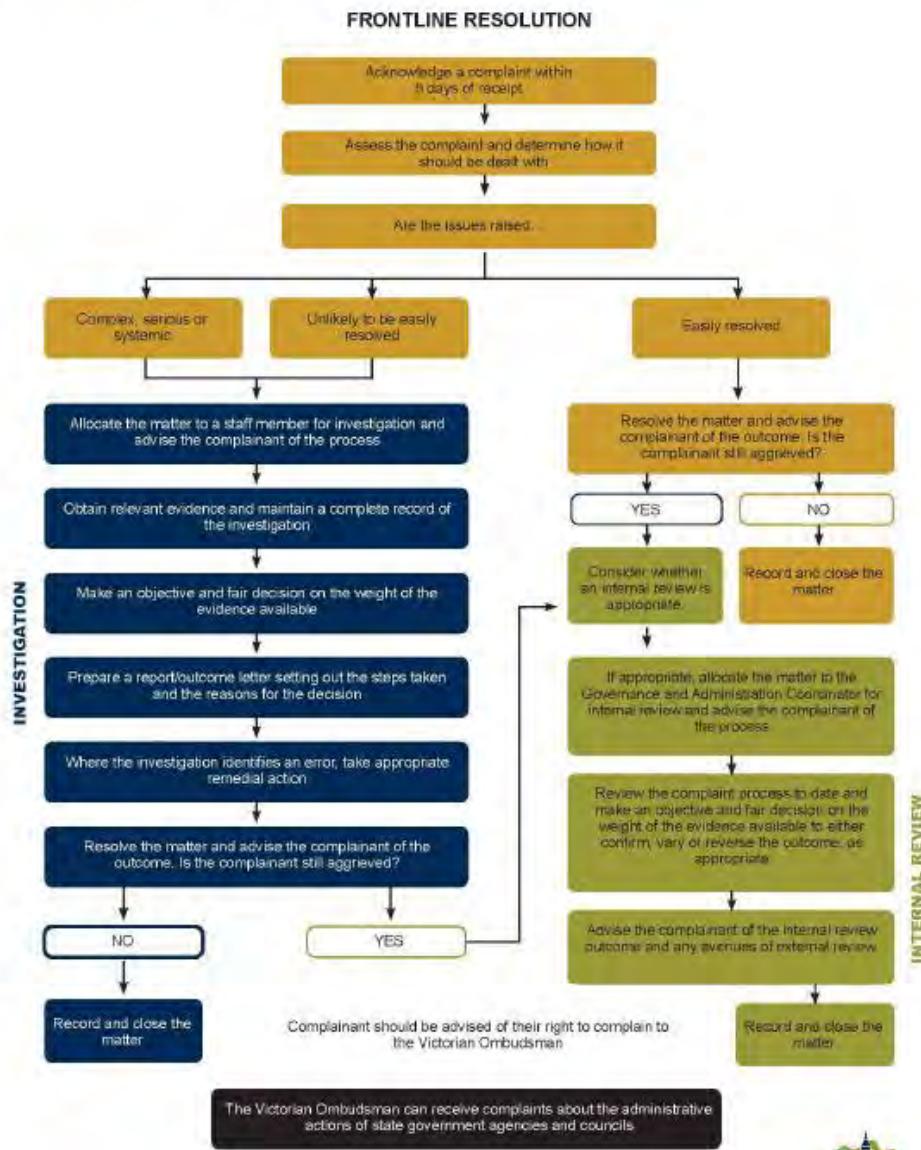
Freedom of Information Act 1982  
Information Privacy Act 2000  
Local Government Act 2020  
Public Interest Disclosure Act 2012  
Privacy and Data Protection Act 2014  
Health Records Act 2001

Victorian Ombudsman's Revisiting Councils and Complaints (October 2019)  
Victorian Ombudsman's Councils and Complaints - A good practice guide (February 2015)  
AS/NZS 10002:2018 - Guidelines for complaints handling in organisations.  
Councillor Code of Conduct  
Staff Code of Conduct  
Council's Privacy Policy  
Public Interest Disclosure Procedure

## Complaints Handling Policy



### ATTACHMENT 1 COMPLAINT HANDLING PROCEDURE FLOWCHART



### 3.8 AUDIT AND RISK COMMITTEE CHARTER

**RESPONSIBLE OFFICER:** **CHIEF OPERATIONS OFFICER**  
**DEPARTMENT:** **CEO'S OFFICE**  
**REFERENCE:** **26445**

#### **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**

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

#### **DISCUSSION**

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

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

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

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

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

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

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

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

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

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

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

The current Audit and Risk Committee members are:

- Ms Jessica Adler (Chair)
- Mr Greg Jakob
- Ms Janet Dore
- Cr Bob Sanders
- Cr Peter Joyce

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

## **KEY CONSIDERATIONS**

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

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

#### **6. 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***

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

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

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

### ***Sustainability Implications***

None identified.

### ***Risk Assessment***

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

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

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

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

The revised Audit and Risk Charter was presented to the Audit and Risk Committee on 2 December 2025.

The revised Audit and Risk Charter was presented to the Council briefing on 20 January 2026.

**RECOMMENDATION**

**That:**

1. *Council approves the Audit and Risk Charter*

**MOVED CR JOYCE  
SECONDED CR KAUR**

**That:**

1. **Council approves the Audit and Risk Charter**

**Cr Joyce and Cr Kaur spoke for the motion.**

**CARRIED 6/0  
5278/26**

**ATTACHMENTS**

The Audit and Risk Committee Charter is provided as attachment 3.8



Ararat Rural City

# Audit and Risk Committee Charter

## DOCUMENT CONTROL

Category Type: Policy

Type: Council

Responsible Officer: Chief Executive Officer

Last Review Date: 30 April 2024

Date Approved XX January 2026

Next Review Date: December 2026

Revision No: 2

Stakeholder Engagement:

Councillors

Chief Executive Officer

Audit and Risk Committee

## Audit and Risk Committee Charter



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## Audit and Risk Committee Charter



### 1 PURPOSE

Ararat Rural City Council has established an Audit & Risk Committee (the Committee) pursuant to Section 53 of the Local Government Act 2020 (the Act) to support Council in discharging its oversight responsibilities related to financial and performance reporting, risk management, fraud prevention, maintenance of a sound internal control environment, assurance activities including internal and external audit and Council's performance with regard to compliance with its policies and legislative and regulatory requirements. It acts in this capacity by monitoring, reviewing, endorsing and advising on the above matters as set out in this Charter. This Charter has been developed in accordance with Section 54 of the Act.

The appointment of independent members to the Committee as outlined in this Charter enables the Committee to provide advice to Council on matters related to its responsibilities based on broader skills and experience than might otherwise be the case and in so doing bring additional benefits to Council.

The Committee has no executive authority and no delegated financial responsibilities and is therefore independent of management.

### 2 AUTHORITY

The Committee is directly responsible to Council for discharging its responsibilities as set out in this Charter. The Committee will have no delegated authority from Council.

The Committee has the authority to:

- Endorse key documents and reports that must be approved by Council, including annual financial reports, annual performance statements, new or revised policies and other documents that assist in maintaining a strong internal control environment;
- Approve internal and external audit plans, including internal audit plans with an outlook of greater than one year;
- Provide advice and make recommendations to Council on matters within its areas of responsibility;
- Retain counsel of relevant independent experts where it considers that is necessary in order to execute its responsibilities, subject to prior agreement with the Chief Executive Officer;
- Seek any relevant information it requires from Council, Council Officers (who are expected to co-operate with the Committee's requests) and external parties;
- Meet with Council Officers, internal and external auditors and other parties as required to discharge its responsibilities.

The Committee will, through the Chief Executive Officer, have access to appropriate management support to enable it to discharge its responsibilities effectively.

## Audit and Risk Committee Charter



### 3 MEMBERSHIP AND TENURE

The Committee will consist of five members, appointed by Council, three of whom must be independent members. Council employees cannot be members of the Committee. Details of membership and tenure are set out below:

#### *Independent Members*

- 3.1 Independent members will be appointed for three-year terms;
- 3.2 Independent members may be reappointed for two additional three-year terms subject to satisfactory performance, that is, a maximum of nine years;
- 3.3 Independent members will collectively possess a proficiency in financial management, reporting, and risk management, coupled with extensive experience in public sector management.
- 3.4 Independent members terms of appointment will be set so that as far as possible only one member retires at a time in order to minimise the loss of knowledge of Council's business that may occur on change of membership;
- 3.5 Remuneration will be paid to independent members as approved by Council from time to time;

#### *Councillor Members*

- 3.6 Councillor members will be appointed to the Committee by Council annually;
- 3.7 Councillors are not entitled to a fee for sitting as a member of the Committee; should an appointed Councillor member not be able to attend a Committee meeting, Council may appoint an alternate member to act in such circumstances, either on a meeting by meeting basis or for the entire year;

#### *Chairperson*

- 3.8 The Chairperson of the Committee must be an independent member;
- 3.9 Council will appoint the Chairperson of the Committee;
- 3.10 If the Chairperson is unable to attend a meeting, the members in attendance at the meeting will appoint a Chairperson for that meeting from among the attending members;

#### *Quorum for Meetings*

- 3.11 A quorum shall comprise at least one Councillor member and two independent members

### 4 MEETINGS

The Committee will meet four times a year, with authority to convene additional meetings, as circumstances require;

- 4.1 A schedule of meetings will be developed annually and agreed by members;

## Audit and Risk Committee Charter



- 4.2 All Committee members are expected to attend each meeting in person, although in special circumstances members can attend through electronic means;
- 4.3 The Committee will invite members of Council's management team, the internal and external auditors and other personnel as appropriate to attend meetings, in consultation with the Chief Executive Officer. The Chief Executive Officer and Chief Operating Officer will attend all meetings, except for confidential matters;
- 4.4 Committee members and the internal and external auditors can request the Chairperson to convene additional meetings if they feel that is justified to address unexpected matters that may have arisen;
- 4.5 Meeting agendas and appropriate briefing materials will be provided to members at least one week before each meeting;
- 4.6 Minutes will be prepared for all meetings;

### 5 RESPONSIBILITIES

The Committee will be responsible for:

#### Financial and Performance Reporting

- 5.1 At least annually review significant accounting and external reporting issues, including complex or unusual transactions, transactions and balances in areas where judgement is required, changes to accounting policies, recent accounting, professional and regulatory pronouncements and legislative changes, and understand their effect on the annual financial report and the audit thereof;
- 5.2 At least annually review changes to the Local Government Performance Reporting Framework and understand the impact of those changes on Council's performance indicators;
- 5.3 Review the annual financial report and annual performance statement and consider whether they are complete, consistent with information known to Committee members, reflect appropriate accounting treatments and adequately disclose Council's financial performance and position;
- 5.4 Review with management and the external auditors the results of the audit, including any difficulties encountered by the auditors and how they were resolved;
- 5.5 Recommend the adoption of the annual financial report and annual performance statement to Council; and
- 5.6 Review the appropriateness of the format and content of periodic management financial reports and performance statements to Council as required.

#### Internal Control Environment

- 5.7 Review the adequacy and effectiveness of key policies, systems and controls for providing a sound internal control environment. This should be done on a rotational basis over a three to four year period;
- 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;
- 5.10 Ensure that a program is in place to test compliance with systems and controls;
- 5.11 Assess whether the control environment is consistent with Council's Governance Principles.

## Audit and Risk Committee Charter



### Risk Management

- 5.12 Review annually the effectiveness of Council's risk management framework;
- 5.13 Review Council's risk appetite statement and the degree of alignment with Council's risk profile;
- 5.14 Review Council's risk profile and the changes occurring in the profile from meeting to meeting;
- 5.15 Review Council's treatment plans for significant risks, including the timeliness of mitigating actions and progress against those plans;
- 5.16 Review the insurance program annually prior to renewal; and
- 5.17 Review the approach to business continuity planning arrangements, including whether business continuity and disaster recovery plans have been regularly updated and tested.

### Fraud Prevention Systems and Controls

- 5.18 Review Council's Fraud Prevention policies and controls, including the Fraud Control Plan and fraud awareness programs at least every two years;
- 5.19 Receive reports from management about actual or suspected instances of fraud or corruption including analysis of the underlying control failures and action taken to address each event; and
- 5.20 Review reports by management about the actions taken by Council to report such matters to the appropriate integrity bodies.

### Internal Audit

- 5.21 Review the Internal Audit Charter regularly to determine that it provides an appropriate functional and organisational framework to enable Council's internal audit function to operate effectively and without limitations;
- 5.22 Review and approve the three-year strategic internal audit plan, the annual internal audit plan and any significant changes to them;
- 5.23 Review progress on delivery of annual internal audit plan;
- 5.24 Review and approve proposed 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;
- 5.26 Meet with the leader of the internal audit function at least annually in the absence of management;
- 5.27 Monitor action by management on internal audit findings and recommendations;
- 5.28 Review the effectiveness of the internal audit function and ensure that it has appropriate authority within Council and has no unjustified limitations on its work;
- 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, including being appropriately briefed on the need for any proposed change;
- 5.30 Recommend to Council, if necessary, the termination of the internal audit contractor.

### External Audit

- 5.31 Annually review and approve the external audit scope and plan proposed by the external auditor;
- 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;
- 5.33 Ensure that significant findings and recommendations made by the external auditor, and management's responses to them, are appropriate and are acted upon in a timely manner;
- 5.34 Review the effectiveness of the external audit function and ensure that the Victorian Auditor General's Office (VAGO) is aware of the Committee's views;

## Audit and Risk Committee Charter



- 5.35 Consider the findings and recommendations of any relevant performance audits undertaken by VAGO and monitor Council's responses to them; and
- 5.36 Meet with the external auditor at least annually in the absence of management.

### Compliance Management

- 5.37 Review the systems and processes implemented by Council for monitoring compliance with relevant legislation and regulations and the results of management's follow up of any instances of non-compliance;
- 5.38 Review the processes for communicating Council's Employee Code of Conduct to employees and contractors and for monitoring compliance with the Code;
- 5.39 Obtain briefings on any significant compliance matters; and
- 5.40 Receive reports from management on the findings of any examinations by regulatory or integrity agencies (whether related to investigations at Council or other agencies), such as the Ombudsman, IBAC, Victoria Government Inspectorate, etc. and monitor Council's responses.

## 6 REPORTING TO COUNCIL

- 6.1 Minutes of Committee meetings will be provided to Council at the first available opportunity after clearance by the Committee Chairperson following each Committee meeting;
- 6.2 The Chairperson will prepare a report to Council through the Chief Executive Officer on the Committee's activities twice per annum. One of these reports will be prepared after the meeting at which the annual financial report and the annual performance statement have been considered and recommended to Council for adoption, such report indicating how the Committee has discharged its responsibilities as set out in this Charter for the previous year.

## 7 PERFORMANCE EVALUATION

The Committee shall undertake a process to evaluate its performance annually and report the outcomes of the evaluation process to Council through the Chief Executive Officer, including recommendations for any opportunities for improvement. The evaluation will include feedback from both Committee members and senior officers who have regular interactions with the Committee.

## 8 COMMITTEE MEMBER REGULATORY OBLIGATIONS

Committee members are expected to be aware of their obligations under Section 53 of the Act. These obligations relate to misuse of position as a member of the Committee (Section 123), confidential information (Section 125) and conflict of interest (Sections 126 to 131). Details about these obligations are included in Appendix A to this Charter.

## 9 REVIEW OF CHARTER

## Audit and Risk Committee Charter



The Committee shall review and assess the adequacy of the Charter every two years or earlier if necessary and submit requests to Council through the Chief Executive Officer for revisions and improvements for approval.

### 10 ANNUAL WORK PROGRAM

Section 54(3) of the Local Government Act 2020 requires that an Audit and Risk Committee must adopt an annual work program. Details of the annual work program is included in Appendix B.

## Audit and Risk Committee Charter



### Appendix A Committee Member Regulatory Obligations

#### Guidance to Members

| LGA Section  | LGA Requirement   |
|--|---|
| <b>Misuse of Position</b>  |   |
| 123(1)   | A Committee member must not intentionally misuse their position to: <ul style="list-style-type: none"> <li>a) Gain or attempt to gain, directly or indirectly, an advantage for themselves or for any other person; or</li> <li>b) Cause, or attempt to cause, detriment to the Council or another person</li> </ul>  |
| 123(3)   | Circumstances involving misuse of a position by a member of the Committee include: <ul style="list-style-type: none"> <li>a) Making improper use of information acquired as a result of being a member of the Committee; or</li> <li>b) Disclosing information that is confidential information; or</li> <li>c) Directing or improperly influencing, or seeking to direct or improperly influence, a member of Council staff; or</li> <li>d) Exercising or performing, or purporting to exercise or perform, a power, duty or function that the person is not authorised to exercise or perform; or</li> <li>e) Using public funds or resources in a manner that is improper or unauthorised; or</li> <li>f) Participating in a decision on a matter in which the member has a conflict of interest.</li> </ul> |
| <b>Confidential Information</b>  |   |
| 125  | A member of the Committee must not intentionally or recklessly disclose information that the member knows, or should reasonably know, is confidential information. There are some exemptions to this requirement, the key one being that if the information disclosed by the member has been determined by Council to be publicly available.  |
| <b>Conflicts of Interest</b>   |   |
| 126  | A member of the Committee has a conflict of interest if the member has: <ul style="list-style-type: none"> <li>a) A general conflict of interest as described in Section 127; or</li> <li>b) A material conflict of interest as described in Section 128.</li> </ul>  |
| 127  | A member of the Committee has a general conflict of interest in a matter if an impartial, fair-minded person would consider that the members private interests could result in that member acting in a manner that is contrary to their public duty as a member of the Committee.   |
| 128  | A member of the Committee has a material conflict of interest in a matter if an affected person would gain a benefit or suffer a loss depending on the outcome of the matter.   |
| <b>Please Note</b>   |   |
| <p><i>The above guidance is not verbatim from the Act and does not include all details as explained in Part 6, Division 1 of the Act. For a full understanding of the requirements of the Act in relation to the matters summarised above, members are expected to make themselves fully aware of the requirements of the Act.</i></p> |   |

## Audit and Risk Committee Charter



Ararat Rural City

### Appendix B

#### Committee Annual Work Plan

| Financial and Performance Reporting   |   |      |     |     |     |        |
|---------------------------------------|---|------|-----|-----|-----|--------|
| Ref.                                  | Item  | Sept | Dec | Mar | Jun | As req |
| 5.1                                   | Review significant accounting and external reporting issues   | ✓    |     |     |     |        |
| 5.2                                   | Review changes to the Local Government Performance Reporting Framework  | ✓    |     |     |     |        |
| 5.3                                   | Review the annual financial report and annual performance statement   | ✓    |     |     |     |        |
| 5.4                                   | Review with management and the external auditors the results of the audit   | ✓    |     |     |     |        |
| 5.5                                   | Recommend the adoption of the annual financial report and annual performance statement to Council                               | ✓    |     |     |     |        |
| 5.6                                   | Review the appropriateness of the format and content of periodic management financial reports and performance statements        |      | ✓   |     |     |        |
| Internal Control Environment          |   |      |     |     |     |        |
| Ref.                                  | Item  | Sept | Dec | Mar | Jun | As req |
| 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 |      | ✓   |     |     |        |
| 5.10                                  | Ensure that a program is in place to test compliance with systems and controls  |      |     | ✓   |     |        |
| 5.11                                  | Assess whether the control environment is consistent with Council's Governance Principles                                       |      |     | ✓   |     |        |
| Risk Management                       |   |      |     |     |     |        |
| Ref.                                  | Item  | Sept | Dec | Mar | Jun | As req |
| 5.12                                  | Review annually the effectiveness of Council's risk management framework  |      |     |     | ✓   |        |
| 5.13                                  | Review Council's risk appetite statement and the degree of alignment with Council's risk profile                                |      |     |     | ✓   |        |
| 5.14                                  | Review Council's risk profile and the changes occurring in the profile from meeting to meeting                                  |      |     |     | ✓   |        |
| 5.15                                  | Review Council's treatment plans for significant risks  |      |     |     | ✓   |        |
| 5.16                                  | Review the insurance program annually prior to renewal  |      |     |     | ✓   |        |
| 5.17                                  | Review the approach to business continuity planning arrangements  |      |     |     | ✓   |        |
| Fraud Prevention Systems and Controls |   |      |     |     |     |        |
| Ref.                                  | Item  | Sept | Dec | Mar | Jun | As req |
| 5.18                                  | Review Council's Fraud Prevention policies and controls, including the Fraud Control Plan and fraud awareness programs          |      |     | ✓   |     |        |
| 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.     |      |     |     |     | ✓      |

\*relates to Audit and Risk Committee Rolling Four Year Review of Internal Control Environment

## Audit and Risk Committee Charter



Ararat Rural City

| Internal Audit        |  |      |     |     |     |        |
|-----------------------|--|------|-----|-----|-----|--------|
| Ref.                  | Item   | Sept | Dec | Mar | Jun | As req |
| 5.21                  | Review the Internal Audit Charter regularly  |      |     | ✓   |     |        |
| 5.22                  | Review and approve the three-year strategic internal audit plan, the annual internal audit plan  |      |     | ✓   |     |        |
| 5.23                  | Review progress on delivery of annual internal audit plan  |      |     |     | ✓   |        |
| 5.24                  | Review and approve proposed 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   | ✓    | ✓   | ✓   | ✓   |        |
| 5.26                  | Meet with the leader of the internal audit function at least annually in the absence of management   |      |     |     | ✓   |        |
| 5.27                  | Monitor action by management on internal audit findings and recommendations  | ✓    | ✓   | ✓   | ✓   |        |
| 5.28                  | Review the effectiveness of the internal audit function and ensure that it has appropriate authority within Council and has no unjustified limitations on its work           |      |     |     | ✓   |        |
| 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   |      |     |     |     | ✓      |
| External Audit        |  |      |     |     |     |        |
| Ref.                  | Item   | Sept | Dec | Mar | Jun | As req |
| 5.31                  | Annually review and approve the external audit scope and plan proposed by the external auditor   |      |     | ✓   |     |        |
| 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       | ✓    |     |     |     |        |
| 5.33                  | Ensure that significant findings and recommendations made by the external auditor, and management's responses to them, are appropriate and are acted upon in a timely manner | ✓    |     |     |     |        |
| 5.34                  | Review the effectiveness of the external audit function and ensure that the Victorian Auditor General's Office (VAGO) is aware of the Committee's views                      | ✓    |     |     |     |        |
| 5.35                  | Consider the findings and recommendations of any relevant performance audits undertaken by VAGO and monitor Council's responses to them                                      |      | ✓   |     |     |        |
| 5.36                  | Meet with the external auditor at least annually in the absence of management  | ✓    |     |     |     |        |
| Compliance Management |  |      |     |     |     |        |
| Ref.                  | Item   | Sept | Dec | Mar | Jun | As req |
| 5.37                  | Review the systems and processes implemented by Council for monitoring compliance with relevant legislation and regulations  |      |     | ✓   |     |        |
| 5.38                  | Review the processes for communicating Council's Employee Code of Conduct to employees and contractors and for monitoring compliance with the Code;                          |      |     | ✓   |     |        |

## Audit and Risk Committee Charter



|      |   |  |  |   |  |  |
|------|---|--|--|---|--|--|
| 5.39 | Obtain briefings on any significant compliance matters  |  |  | ✓ |  |  |
| 5.40 | Receive reports from management on the findings of any examinations by regulatory or integrity agencies |  |  | ✓ |  |  |

| Ref. | Item                          | Other |     |     |     |  | As req |
|------|-------------------------------|-------|-----|-----|-----|--|--------|
|      |                               | Sept  | Dec | Mar | Jun |  |        |
| 6    | Biannual report to Council    | ✓     |     | ✓   |     |  |        |
| 7    | Annual performance evaluation |       | ✓   |     |     |  |        |

### 3.9 2026-27 BUDGET DEVELOPMENT AND ENGAGEMENT PLAN

**RESPONSIBLE OFFICER:** CHIEF EXECUTIVE OFFICER  
**DEPARTMENT:** CEO'S OFFICE  
**REFERENCE:** 26447

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

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

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

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#### EXECUTIVE SUMMARY

Council will shortly be commencing development of the 2026/27 Budget for adoption prior to 30 June 2026. The 2026/27 Budget will be developed consistent with the key financial drivers adopted at the July 2022 Council Meeting.

The Budget will be developed and go through a process of community engagement consistent with the requirements of Sections 94 and 96 of the Local Government Act 2020. A budget development and community engagement plan for the 2026/27 Budget are presented for endorsement by Council.

#### DISCUSSION

Section 94 of the Local Government 2020 requires that Council adopt a budget for 2026/27 by 30 June 2026. To meet this deadline, Council staff will develop a draft budget with proposed new initiatives and projects for presentation to Councillors in March, and undertake community consultation prior to recommending its adoption.

The 2026/27 Budget will be developed based on the Key Financial Drivers adopted by Council at the July 2022 Council Meeting. These Key Drivers are:

##### **Rating**

Maintenance of the "pie model" to provide some form of long-term rating equity and reduce rate shock across rating sectors based on annual valuation fluctuations.

##### **Debt**

Debt is only used to fund strategic infrastructure outcomes with an emphasis on intergenerational equity

##### **Asset Preservation**

Maintain the asset renewal and upgrade ratio to at least 110% of depreciation

##### **Surplus budgets**

Maintain cash and operating surpluses in each financial year

##### **Managing expenditure**

Managing expenditure is a key driver of financial sustainability at Ararat Rural City Council

##### **Rate rises**

Rate rises will be kept to a minimum based on seeking organisational efficiency. These efficiencies will be returned to the ratepayer as a dividend through lower rate rises or rate cuts.

##### **Service standards**

Expenditure savings and ratepayer dividends will not come at the price of lower service standards.

The timeframe for development and engagement of the 2026/27 Budget is summarised in the table below:

| Activity                       | Timeframe                      |
|--------------------------------|--------------------------------|
| Budget development by Council  | January - February 2026        |
| Public release of Draft Budget | 20 March 2026                  |
| Community engagement sessions  | 23 to 31 March 2026            |
| Closure of public submissions  | Friday 24 April 2026 (5 weeks) |
| Adopt 2026/27 Budget           | 27 May 2025                    |

### Community Engagement

Section 96 of the Local Government Act 2020 requires that Council undertake community engagement around its budget in a form that is consistent with its Community Engagement Policy. It is recommended that Council endorse a plan for community engagement for the 2026/27 budget. This will include several mechanisms of engagement including:

- use of the Engage Ararat website
- distribution of plain language budget summaries across the municipality
- face to face "town hall" meetings
- social media posts to encourage community engagement
- summaries be placed in local newspapers
- mainstream media engagement around major 2026/2027 Budget initiatives

The process is designed to ensure maximum engagement with key geographic locations and communities of interest across the municipality. Residents and ratepayers will be encouraged to engage with the budget process and to make submission on matters of interest or concern.

| Engagement Activity  | Timeframe   |
|--|---|
| Posting of Council's 2026/27 Draft Budget on Engage Ararat   | By 5:00pm on Friday 20 March 2026                                 |
| Development of a summary of key budget deliverables - Distributed to sites across the municipality   | 31 March 2026   |
| "Town Hall" meetings in the following communities: <ul style="list-style-type: none"> <li>Ararat</li> <li>Buangor</li> <li>Elmhurst</li> <li>Lake Bolac</li> <li>Moyston</li> <li>Pomonal</li> <li>Tatyoon</li> <li>Willaura</li> </ul> Times and exact locations will be available on the Engage Ararat website and promoted through print and social media | Between Monday 23 March and Tuesday 31 March 2026                 |
| Promotion of key budget elements across mainstream and social media  | Ongoing during the budget consultation period until 30 April 2026 |

### KEY CONSIDERATIONS

#### Alignment to Council Plan Strategic Objectives

Council's Budget is a key strategic document that resources the delivery of the Council Plan 2025-29. In particular the Budget 2026/27 relates to the following:

#### 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.

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

**Budget Implications**

As this item relates to the development of the 2026/27 Budget it has no direct or significant budget implications for the 2025/26 Budget. The 2026/27 budget will be framed around the key financial drivers adopted by Council at the July 2022 Council Meeting.

**Policy/Relevant Law**

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

**Sustainability Implications**

N/A

**Risk Assessment**

The timeframe for development, consultation and adoption of the 2026/27 Budget by May 2026 allows for an additional time contingency of 1 month in the event of an exceptional and unforeseen event that may cause a delay to the completion of the budget setting process. This reduces the risk of the budget not being adopted by the deadline of 30 June, and enables Council staff to begin planning for the delivery of new projects and initiatives prior to the commencement of the new financial year. However, not all inputs, such as funding figures from State and Federal governments or valuations from the Valuer-General's Office may be available at this earlier timeframe. The risks associated with this are managed with fiscally conservative assumptions and forecasts on these inputs.

**Stakeholder Collaboration and Community Engagement**

This agenda item relates directly to a process of community engagement around the development of the 2026/27 Budget.

**RECOMMENDATION**

**That Council:**

1. **Endorse the timeframe for development and adoption of the Budget 2026/27,**
2. **Endorse the community engagement plan relating to the 2026/27 Budget.**

**MOVED CR KAUR**

**SECONDED CR J ARMSTRONG**

**That Council:**

1. **Endorse the timeframe for development and adoption of the Budget 2026/27,**
2. **Endorse the community engagement plan relating to the 2026/27 Budget.**

**C Kaur and Cr J Armstrong spoke for the motion.**

**CARIED 6/0**

**5279/26**

**ATTACHMENTS**

There are no Attachments relating to this item

### 3.10 MONTHLY PERFORMANCE REPORT

**RESPONSIBLE OFFICER:** **CHIEF EXECUTIVE OFFICER**  
**DEPARTMENT:** **CEO'S OFFICE**  
**REFERENCE:** **26448**

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

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

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

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#### **EXECUTIVE SUMMARY**

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

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

#### **DISCUSSION**

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

#### **Key Financial information:**

##### **Income Statement (Attachment 1)**

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

Attachment 1 shows that Council generated \$24.606 million in revenue and \$18.628 million in expenses to 31 December 2025. This has resulted in an operating surplus of \$5.978 million for the six months ended 31 December 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 \$18.108 million has been recognised as income for the six months ended 31 December 2025.

**User fees** account for 5% of the total budgeted income for 2025/26 and \$0.976 million has been received to 31 December 2025. The majority of this relates to transfer station fees, fitness centre income and commercial waste management charges.

**Recurrent Operating Grants** total \$2.748 million to 31 December 2025, including \$1.253 million from the Victorian Local Government Grants Commission for general purpose grants and \$0.813 million for the local roads grants.

**Non-recurrent Operating Grants** total \$1.111 million to 31 December 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<br>2025/26<br>\$'000 | Income<br>2025/26<br>\$'000 | Unearned<br>Income<br>\$'000 |
|--|-----------------------------|-----------------------------|------------------------------|
| Ararat Housing Transition  | -                           | -                           | 300                          |
| Digital Twin Victoria  | -                           | -                           | 950                          |
| Free Public WiFi Services  | -                           | -                           | 1,289                        |
| Supported Playgroups   | 67                          | 35                          | -                            |
| Ararat Rural City Sport, Active Recreation & Open Space Strategy | -                           | -                           | 36                           |
| CALD Outreach Workers Initiative                                 | 129                         | 129                         | -                            |
| Tiny Towns Fund - Pomonal Community Hub                          | -                           | 45                          | 75                           |
| Natural Disaster Relief  | -                           | 158                         | -                            |
| Council Support Fund - Pomonal Fires                             | -                           | -                           | -                            |
| Engage - Youth Events Activities & Happenings                    | 55                          | 55                          | -                            |
| Centenary Park Dog Park  | 100                         | 8                           | 67                           |
| Queen Street Housing Program                                     | -                           | 414                         | 5,282                        |
| Ararat Hills Adventure Sports Precinct                           | -                           | -                           | 400                          |
| Early Career Educators   | -                           | 55                          | 48                           |
| Ararat Active Bike Network                                       | 266                         | -                           | -                            |
| Ararat City Tennis Sports Lighting and Accessibility             | -                           | -                           | 280                          |
| Primary Producer Support Payment                                 | -                           | 125                         | -                            |
| Emergency Services and Volunteers Fund                           | -                           | 50                          | -                            |
| Other Minor Grants (under \$30,000)                              | -                           | 37                          | -                            |
|  | <b>617</b>                  | <b>1,111</b>                | <b>8,727</b>                 |

**Non-recurrent Capital Grants** total \$1.157 million to 31 December 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<br>2025/26<br>\$'000 | Income<br>2025/26<br>\$'000 | Unearned<br>Income<br>\$'000 |
|--|-----------------------------|-----------------------------|------------------------------|
| Pedestrian Infrastructure Program                                    | -                           | -                           | 50                           |
| Tiny Towns Fund - Buangor Recreation Reserve Pavillion Redevelopment | -                           | -                           | 25                           |
| Tiny Towns Fund - Buangor Cobb & Co Stables                          | -                           | 29                          | 25                           |
| Pony Club Sports Arena   | 1,490                       | 55                          | 378                          |
| Queen Street Housing Program   | -                           | -                           | 1,683                        |
| Ararat Library Lighting & Exterior Upgrade                           | -                           | 45                          | 6                            |
| TAC Safe Local Roads and Streets Program                             | -                           | 82                          | 409                          |
| Jack & Jill Kindergarten Upgrade                                     | -                           | 71                          | 3                            |
| Mount William Road Reconstruction                                    | -                           | 871                         | 1,129                        |
| Footpath-Ararat Retirement Village & Sports Precinct                 | -                           | -                           | 35                           |
| Other Minor Grants (under \$30,000)                                  | -                           | 4                           | 10                           |
|  | <b>1,490</b>                | <b>1,157</b>                | <b>3,753</b>                 |

#### 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 \$0.115 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 six months ended 31 December 2025 Council has incurred \$6.486 million in employee costs.

**Materials and Services** account for approximately 28% of the total budgeted expenditure for 2025/26. For the six months ended 31 December 2025, Council has incurred \$6.093 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 December 2025. Comparative figures have been provided as at 30 June 2025.

Council's current assets have increased by \$10.895 million from \$17.978 million as at 30 June 2025 to \$28.873 million as at 31 December 2025. Cash and cash equivalents have increased by \$1.218 million from \$14.841 million to \$16.059 million. Trade and other receivables have increased by \$9.649 million from \$3.066 million as at 30 June 2025 to \$12.715 million as at 31 December 2025.

Total liabilities have increased from \$16.464 million in 2024/25 to \$18.023 million in 2025/26. Trade and other payables have decreased by \$2.033 million and trust funds and deposits have increased by \$0.089 million. Unearned income/revenue increased by \$3.793 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 increased by \$1.218 million to \$16.059 million as at 31 December 2025.

Net cash of \$4.025 million was provided by operating activities, \$2.455 million was used in investing activities, and \$0.352 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 | 31/12/2025 |
|--|-----------|------------|
| <b>Working capital</b><br><i>Measure - Current assets compared to current liabilities.</i><br>Expected values in accordance with the Local Government Performance Reporting Framework 100% to 400%<br>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%      | 177%       |
| <b>Loans and borrowings</b><br><i>Measure - Loans and borrowings compared to rates.</i><br>Expected values in accordance with the Local Government Performance Reporting Framework - 0% to 70%<br>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%     | 0.44%      |
| <b>Indebtedness</b><br><i>Measure - Non-current liabilities compared to own source revenue</i><br>Expected values in accordance with the Local Government Performance Reporting Framework - 2% to 70%<br>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%     | 8.70%      |
| <b>Rates concentration</b><br><i>Measure - Rates compared to adjusted underlying revenue</i><br>Expected values in accordance with the Local Government Performance Reporting Framework - 30% to 80%<br>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%    | 77.34%     |
| <b>Expenditure level</b><br><i>Measure - Expenses per property assessment</i><br>Expected values in accordance with the Local Government Performance Reporting Framework \$2,000 to \$10,000<br>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   | \$2,490    |
| <b>Indicator - Revenue level</b><br><i>Measure - Average residential rate per residential property assessment</i><br>Expected values in accordance with the Local Government Performance Reporting Framework - \$700 to \$2,000<br>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   | \$2,036    |

| Indicator   | 30/6/2025 | 31/12/2025 |
|---|-----------|------------|
| <p><b>Indicator - Percentage of total rates collected</b></p> <p>The internal audit conducted in 2019 on Rates Revenue and Rate Debtor Management found no routine or regular reporting of large and long outstanding rates debtors.</p> <p>The outstanding Rates Debtors is reported in the Annual Financial report.</p> <p>As at 31 December 2025 the outstanding Rates Debtors totalled \$12.250 million compared to \$2.466 million as at 30 June 2025, an increase of \$9.784 million. In percentage terms 40.8% of the rates raised have been collected at 31 December 2025 compared to 31.9% up to 31 December 2024. The increased percentage at 31 December 2025 includes payments totalling \$2.491 million received under the Victorian Government's Drought Support Package for Primary Producer Support Payments, which represents a 40% rate reduction on farm-rated properties.</p> <p>Outstanding rates are currently charged 10% interest.</p> <p>Council issues approximately 7,900 rate notices. In 2025/26 there are 2,495 assessments paying by instalments compared with 2,653 assessments in 2024/25.</p> | 87.8%     | 40.8%      |
| <p><b>Indicator - Asset Renewal &amp; Upgrade</b></p> <p>Measure - Asset renewal &amp; Upgrade compared to depreciation</p> <p>Expected range in accordance with the Local Government Performance Reporting Framework - 40% to 130%</p> <p>Assessment of whether council assets are being renewed or upgraded as planned. It compares the rate of spending on existing assets through renewing, restoring, replacing or upgrading existing assets with depreciation. Ratios higher than 1.0 indicate there is a lesser risk of insufficient spending on Council's asset base.</p>   | 100.75%   | 44.54%     |

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.

### 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 December 2025 be received and adopted.*

**MOVED CR JOYCE**

**SECONDED CR PRESTON**

That:

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

**Cr Joyce and Cr Preston spoke for the motion.**

**CARRIED 6/0**  
**5280/26**

**ATTACHMENTS**

Comprehensive Income Statement, Balance Sheet, Statement of Cash Flows and Financial Performance Indicators are provided as Attachment 3.10

Attachment 1

Comprehensive Income Statement for the six months ended 31 December 2025

|   | Original<br>Budget<br>\$'000 | Current<br>Budget<br>\$'000 | YTD<br>Budget<br>\$'000 | YTD<br>Actual<br>\$'000 | YTD<br>Variance<br>\$'000 | Variance |
|---|------------------------------|-----------------------------|-------------------------|-------------------------|---------------------------|----------|
| <b>Income</b>   |                              |                             |                         |                         |                           |          |
| Rates and charges   | 18,425                       | 18,425                      | 18,085                  | 18,108                  | 23                        | 0%       |
| Statutocty fees and fines   | 277                          | 277                         | 139                     | 112                     | (27)                      | -19%     |
| User fees   | 1,631                        | 1,641                       | 910                     | 976                     | 66                        | 7%       |
| Contributions - cash capital  | -                            | -                           | -                       | 34                      | 34                        | 0%       |
| Contributions - cash operating  | 93                           | 93                          | 4                       | 15                      | 11                        | 275%     |
| Grants - operating (recurrent)  | 8,909                        | 4,721                       | 2,603                   | 2,748                   | 145                       | 6%       |
| Grants - operating (non-recurrent)  | 617                          | 7,276                       | 1,059                   | 1,111                   | 52                        | 5%       |
| Grants - capital (recurrent)  | 2,338                        | 2,724                       | 50                      | 36                      | (14)                      | -28%     |
| Grants - capital (non-recurrent)  | 1,490                        | 3,772                       | 1,141                   | 1,157                   | 16                        | 1%       |
| Net gain/(loss) on disposal of property, plant and equipment                                      | 20                           | 20                          | -                       | (33)                    | (33)                      | 0%       |
| Other income  | 630                          | 630                         | 315                     | 342                     | 27                        | 9%       |
| Fair value adjustments for investment property  | -                            | -                           | -                       | -                       | -                         | 0%       |
| Share of net profits/(losses) of associates and joint ventures accounted for by the equity method | -                            | -                           | -                       | -                       | -                         | 0%       |
| <b>Total income</b>   | <b>34,430</b>                | <b>39,579</b>               | <b>24,306</b>           | <b>24,606</b>           | <b>300</b>                |          |
| <b>Expenses</b>   |                              |                             |                         |                         |                           |          |
| Employee costs  | 11,961                       | 11,961                      | 6,337                   | 6,486                   | 149                       | 2%       |
| Materials and services  | 9,186                        | 13,357                      | 6,259                   | 6,093                   | (166)                     | -3%      |
| Bad and doubtful debts  | -                            | -                           | -                       | -                       | -                         | 0%       |
| Depreciation  | 10,469                       | 10,469                      | 5,235                   | 5,559                   | 324                       | 6%       |
| Amortisation - right of use assets  | 308                          | 308                         | 154                     | 230                     | 76                        | 49%      |
| Borrowing costs   | 2                            | 2                           | 1                       | 2                       | 1                         | 100%     |
| Finance costs - leases  | 60                           | 60                          | 30                      | 62                      | 32                        | 107%     |
| Other expenses  | 394                          | 394                         | 197                     | 196                     | (1)                       | -1%      |
| <b>Total expenses</b>   | <b>32,380</b>                | <b>36,551</b>               | <b>18,213</b>           | <b>18,628</b>           | <b>415</b>                |          |
| <b>Surplus for the year</b>   | <b>2,050</b>                 | <b>3,028</b>                | <b>6,093</b>            | <b>5,978</b>            | <b>(115)</b>              |          |
| <b>Other comprehensive income</b>   |                              |                             |                         |                         |                           |          |
| Net asset revaluation increment   | -                            | -                           | -                       | -                       | -                         |          |
| <b>Total comprehensive result</b>   | <b>2,050</b>                 | <b>3,028</b>                | <b>6,093</b>            | <b>5,978</b>            | <b>(115)</b>              |          |

**Attachment 2**

**Balance Sheet as at 31 December 2025**

|   | 31/12/2025<br>\$'000 | 30/06/2025<br>\$'000 |
|---|----------------------|----------------------|
| <b>Assets</b>                                 |                      |                      |
| <b>Current assets</b>                         |                      |                      |
| Cash and cash equivalents                     | 16,059               | 14,841               |
| Trade and other receivables                   | 12,715               | 3,066                |
| Financial assets                              | -                    | -                    |
| Inventories                                   | 99                   | 71                   |
| Prepayments                                   | -                    | -                    |
| <b>Total current assets</b>                   | <u>28,873</u>        | <u>17,978</u>        |
| <b>Non-current assets</b>                     |                      |                      |
| Trade and other receivables                   | 4                    | 4                    |
| Investments in joint venture                  | 1,527                | 1,527                |
| Property, plant and equipment, infrastructure | 636,587              | 639,714              |
| Right of use assets                           | 1,554                | 1,784                |
| Investment property                           | 2,615                | 2,615                |
| <b>Total non-current assets</b>               | <u>642,287</u>       | <u>645,644</u>       |
| <b>Total assets</b>                           | <u>671,160</u>       | <u>663,622</u>       |
| <b>Liabilities</b>                            |                      |                      |
| <b>Current liabilities</b>                    |                      |                      |
| Trade and other payables                      | 324                  | 2,357                |
| Trust funds and deposits                      | 404                  | 315                  |
| Unearned Income                               | 13,130               | 9,337                |
| Provisions                                    | 2,172                | 2,175                |
| Interest-bearing loans and borrowings         | 79                   | 156                  |
| Lease liabilities                             | 217                  | 426                  |
| <b>Total current liabilities</b>              | <u>16,326</u>        | <u>14,766</u>        |
| <b>Non-current liabilities</b>                |                      |                      |
| Provisions                                    | 285                  | 286                  |
| Interest-bearing loans and borrowings         | -                    | -                    |
| Lease liabilities                             | 1,412                | 1,412                |
| <b>Total non-current liabilities</b>          | <u>1,697</u>         | <u>1,698</u>         |
| <b>Total liabilities</b>                      | <u>18,023</u>        | <u>16,464</u>        |
| <b>Net Assets</b>                             | <u>653,137</u>       | <u>647,158</u>       |
| <b>Equity</b>                                 |                      |                      |
| Accumulated surplus                           | 301,479              | 295,501              |
| Reserves                                      | 351,658              | 351,657              |
| <b>Total Equity</b>                           | <u>653,137</u>       | <u>647,158</u>       |

**Attachment 3**  
**Statement of Cash Flows for the six months ended 31 December 2025**

|   | Six months to<br>31/12/2025 | Inflows/<br>(Outflows) | Forecast Year<br>End to<br>30/06/2026 | Inflows/<br>(Outflows) |
|---|-----------------------------|------------------------|---------------------------------------|------------------------|
|   |                             | \$'000                 |                                       | \$'000                 |
| <b>Cash flows from operating activities</b>                         |                             |                        |                                       |                        |
| Rates and charges   | 8,265                       |                        | 18,545                                |                        |
| Statutory fees and fines  | 113                         |                        | 277                                   |                        |
| User fees   | 1,315                       |                        | 1,794                                 |                        |
| Grants - operating  | 6,177                       |                        | 6,863                                 |                        |
| Grants - capital  | 2,988                       |                        | 3,370                                 |                        |
| Contributions - monetary  | 203                         |                        | 278                                   |                        |
| Interest received   | 290                         |                        | 500                                   |                        |
| Trust funds and deposits taken                                      | 132                         |                        | -                                     |                        |
| Other receipts  | 82                          |                        | 253                                   |                        |
| Net GST refund/payment  | (53)                        |                        | 733                                   |                        |
| Employee costs  | (7,002)                     |                        | (11,960)                              |                        |
| Materials and services  | (8,067)                     |                        | (15,777)                              |                        |
| Trust funds and deposits repaid                                     | (210)                       |                        | -                                     |                        |
| Other payments  | (208)                       |                        | (394)                                 |                        |
| <b>Net cash provided by (used in) operating activities</b>          | <b>4,025</b>                |                        | <b>4,482</b>                          |                        |
| <b>Cash flows from investing activities</b>                         |                             |                        |                                       |                        |
| Payments for property, plant and equipment, infrastructure          | (2,553)                     |                        | (12,999)                              |                        |
| Proceeds from sale of property, plant and equipment, infrastructure | 98                          |                        | 1,050                                 |                        |
| Proceeds from investments   | -                           |                        | -                                     |                        |
| Payments for investments  | -                           |                        | (500)                                 |                        |
| <b>Net cash provided by (used in) investing activities</b>          | <b>(2,455)</b>              |                        | <b>(12,449)</b>                       |                        |
| <b>Cash flows from financing activities</b>                         |                             |                        |                                       |                        |
| Finance costs   | (2)                         |                        | (2)                                   |                        |
| Repayment of borrowings   | (78)                        |                        | (156)                                 |                        |
| Proceeds from borrowings  | -                           |                        | -                                     |                        |
| Interest paid - lease liability                                     | (63)                        |                        | (60)                                  |                        |
| Repayment of lease liabilities                                      | (209)                       |                        | (296)                                 |                        |
| <b>Net cash provided by (used in) financing activities</b>          | <b>(352)</b>                |                        | <b>(514)</b>                          |                        |
| Net increase (decrease) in cash and cash equivalents                | 1,218                       |                        | (8,481)                               |                        |
| Cash and cash equivalents at the beginning of the financial year    | 14,841                      |                        | 14,841                                |                        |
| <b>Cash and cash equivalents at the end of the period</b>           | <b>16,059</b>               |                        | <b>6,360</b>                          |                        |

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Attachment 4  
Financial Performance Indicators for the six months ended 31 December 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

20.44%

Outside This indicator is high as the total  
Expected amount of rates & charges have  
Range been recognised as income,  
although the expenses are only for  
six 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*

177% No material variation

[Current assets / Current liabilities] x100

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*

14.82% No material variation

[Unrestricted cash / Current liabilities] x100

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*

0.44% No material variation

[Interest bearing loans and borrowings / Rate revenue] x100

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*

0.44% No material variation

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

Expected range in accordance with the Local Government Performance Reporting  
Framework

0% to 20%

Printed 15/01/2026

| Financial Performance Indicators for the six months ended 31 December 2025  | Result             | Material Variations  |
|---|--------------------|--|
| <b>Indicator - <i>Indebtedness</i></b>  |                    |  |
| <i>Measure - Non-current liabilities compared to own source revenue</i><br>[Non-current liabilities / Own source revenue] x100  | 8.70%              | 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 |                    |  |
| <b>Indicator - <i>Asset renewal and upgrade</i></b>   |                    |  |
| <i>Measure - Asset renewal &amp; Upgrade compared to depreciation</i><br>[Asset renewal expenses / Asset depreciation] x100   | 44.54%             | No material variation  |
| Expected range in accordance with the Local Government Performance Reporting Framework  | 40% to 130%        |  |
| Indicator of the broad objective that assets should be renewed as planned. High or increasing level of planned asset renewal being met suggests an improvement in the capacity to meet long term obligations  |                    |  |
| <hr/> <b>STABILITY</b>  |                    |  |
| <b>Dimension - Stability</b>  |                    |  |
| <b>Indicator - <i>Rates concentration</i></b>   |                    |  |
| <i>Measure - Rates compared to adjusted underlying revenue</i><br>[Rate revenue / Adjusted underlying revenue] x100   | 77.34%             | No material variation  |
| Expected range in accordance with the Local Government Performance Reporting Framework  | 30% to 80%         |  |
| Indicator of the broad objective that revenue should be generated from a range of sources. High or increasing range of revenue sources suggests an improvement in stability   |                    |  |
| <b>Indicator - <i>Rates effort</i></b>  |                    |  |
| <i>Measure - Rates compared to property values</i><br>[Rate revenue / Capital improved value of rateable properties in the municipality] x100   | 0.28%              | No material variation  |
| Expected range in accordance with the Local Government Performance Reporting Framework  | 0.15% to 0.75%     |  |
| Indicator of the broad objective that the rating level should be set based on the community's capacity to pay. Low or decreasing level of rates suggests an improvement in the rating burden  |                    |  |
| <hr/> <b>EFFICIENCY</b>   |                    |  |
| <b>Dimension - Efficiency</b>   |                    |  |
| <b>Indicator - <i>Expenditure level</i></b>   |                    |  |
| <i>Measure - Expenses per property assessment</i><br>[Total expenses / Number of property assessments]  | \$2,490.04         | No material variation  |
| Expected range in accordance with the Local Government Performance Reporting Framework  | \$2,000 to \$5,000 |  |
| Indicator of the broad objective that resources should be used efficiently in the delivery of services. Low or decreasing level of expenditure suggests an improvement in organisational efficiency   |                    |  |
| <b>Indicator - <i>Revenue level</i></b>   |                    |  |
| <i>Measure - Average rate per property assessment</i><br>[Total rate revenue (general rates and municipal charges) / Number of property assessments]  | \$2,036.49         | Outside The average rate per property assessment is slightly above the Range 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 COMMUNITY ENGAGEMENT PROGRAM - DECEMBER 2025 REPORT

**RESPONSIBLE OFFICER:** CHIEF EXECUTIVE OFFICER  
**DEPARTMENT:** CEO OFFICE  
**REFERENCE:** 26449

#### 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 a summary of the December 2025 round of engagement sessions from the Council's Community Engagement Program 2025/26, and the progress on items raised by community to date.

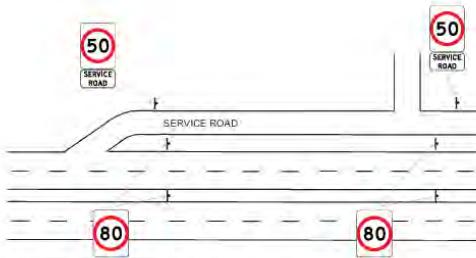
#### DISCUSSION

Council adopted the Community Engagement Program 2025/26 at the November 2025 Council Meeting. This Program outlined a schedule for engagement sessions to be held in December 2025, March and June 2026.

Council delivered the December 2025 round of engagements in Ararat, Buangor, Elmhurst, Lake Bolac, Mininera, Moyston, Pomonal, Willaura. The Ararat session was held at the library and the Lake Bolac and Mininera sessions were able to be scheduled to coincide with the community Christmas events in these locations. The Buangor session coincided with the last session of the cricket season, however the end of season celebrations ended up elsewhere. Moyston and Pomonal sessions were held at the General Stores, and the Willaura session was held next to the bakery. A total of 46 people were engaged across the 8 engagement sessions. A summary of the issues raised and the actions taken to date are provided below.

Table 1. Summary of issues raised and progress as at 15 January 2026.

| # | Issues Raised   | Progress as at 15 Jan 2026  |
|---|---|---|
|   | <b>Ararat</b>   |   |
| 1 | A person had great concerns for the safety of children being dropped off at a bus stop on View Point Street between Taylor Street and Banksia Street on the eastern side of the road, across from the intersection with Tobin Street. They observed that all of the children will cross Banksia Street travel south along View Point Street. They thought the bus stop should be moved further south to a safer location further south along View Point St towards Temple St. | This is in relation to a school bus stop. According to the Dept. Of Transport and Planning and Dept. Education, school bus variation requests are to be directed to the coordinating principal in the first instance, which would be the Principal at the Ararat Community College. A letter from Council has been sent to the Ararat College to refer the matter to them, and Council staff will follow up with the College when school resumes. The person who raised the issue has been kept informed. |
|   | <b>Buangor</b>  |   |
| 2 | Issues that had been previously raised at the Buangor Community Asset Committee (CAC) were discussed. These issues will continue to be addressed through the Buangor CAC processes. Another issue raised was the cracks on the tennis courts and if these could be fixed.   | Maintenance request lodged to inspect and seal the cracks in the Buangor tennis courts.   |
|   | <b>Elmhurst</b>   |   |

|   |   |  |
|---|---|--|
| 3 | The local community were very keen to see their local pub reopen, this was their top priority for the town. The business owners were present and discussed their progress.  | Council staff are liaising with the business owners to navigate and meet the regulatory requirements.  |
| 4 | The community wanted to say that the Council staff member who does the mowing in town does a great job.   | The positive feedback has been noted and passed on to the staff member.  |
|   | Asked whether Council could mow the grass at the church as well, because the church no longer has someone to mow.   | This request has been carefully considered. Council is unable to mow lawns for third parties, even churches. This is the responsibility of the property owner (or tenant or property manager, if applicable). The Chair of the Elmhurst Community Development Group has been informed of this outcome via phone.   |
|   | Community members raised concerns about sight distance and road safety Landsborough-Elmhurst Road, from the intersection with Pyrenees Highway to the end of the 'dog-leg' shape. They also asked if road safety can be improved at the intersection of the Pyrenees Highway and Landsborough-Elmhurst Road with an overtaking lane, turning lane, or similar. There is a rail crossing on Landsborough-Elmhurst Road approx. 20m from the Pyrenees Highway. When the rail crossing is closed for a train, there may be multiple vehicles and trucks waiting on the Pyrenees Highway, which could become a safety hazard. | Feedback regarding the road design and safety on Landsborough-Elmhurst Road, from the intersection with Pyrenees Highway to the end of the 'dog-leg' shape, has been passed onto the Council engineering team.<br><br>The community's concerns regarding the Pyrenees Highway section of this intersection were also lodged with VicRoads 30 December 2025 via the online form below:<br><a href="https://www.vicroads.vic.gov.au/traffic-and-road-use/report-a-road-issue">https://www.vicroads.vic.gov.au/traffic-and-road-use/report-a-road-issue</a> |
|   | Residents queried if the speed limit at the railway crossings on Pyrenees Highway can be changed from 60km/hr to 80km/hr.   | This query was lodged with VicRoads on 30 December 2025 via the online form below:<br><a href="https://www.vicroads.vic.gov.au/traffic-and-road-use/report-a-road-issue">https://www.vicroads.vic.gov.au/traffic-and-road-use/report-a-road-issue</a>  |
|   | Residents also asked if the speed limit through the town can be changed from 80km/hr to 60km/hr   | The Dept. Transport and Planning's Speed Zoning Policy and Speed Zoning Technical Guidelines were reviewed. The 80km/hr speed limit on the Pyrenees Highway through the township is consistent with the Policy and Guidelines, see image captured below from page 20 of the Guidelines:<br><br>  |
|   | There are some dirt roads where the grading has created mounds of dirt on the roadsides, which prevents access for their grass slashers and they become overgrown.  | Feedback has been lodged that mounds of dirt on roadsides is preventing the ability for locals to slash overgrown grass. An email will be sent to the Chair of the Elmhurst Community Development  |

|  |  |   |
|--|--|---|
|  |  | Group to pass on to the community to ask that they submit a Snap Send Solve to notify us of specific locations of the mounds.   |
|  | Several outer roads are in need of roadside slashing, Boundary Road was mentioned specifically.  | A request has been lodged to slash the roadsides on Boundary Road, and to inspect the other roadsides for slashing. Residents of Elmhurst will be asked to send a Snap Send Solve request roadside slashing is needed on other roads.   |
|  | Can the dust on some of the dirt roads be suppressed, possibly using Otta seals? The roads that were mentioned for dust suppression in the meeting included: <ul style="list-style-type: none"> <li>From the Bush Nursing Centre to the railway tracks</li> <li>From the police station to McKay St</li> <li>The road to the power substation (Pyrenees Shire road)</li> </ul> | OTTA seal of the first two sections will be considered as part of the Council's budget development process.<br><br>The request for dust suppression on the roads to the power substation (Wiltshires Lane and Easter Brooks Lane) have been passed to the Pyrenees Shire Council.   |
|  | Attendees were disappointed the 2026 bin calendars did not have magnets. Attendees discussed a solution of simply sticking the 2026 calendars onto the 2025 calendar. The community asked if the bin calendars for 2027 can have magnets on the back.  | This feedback and suggestion has been lodged.   |
|  | Can all bins be collected on the same day? The green bin is collected on a different day to the other bins.  | This feedback and suggestion has been lodged.   |
|  | Residents asked about the possibility of a hard rubbish collection for large items and metals.   | Based on the Victorian Auditor-General's Office report to Parliament 'Council Waste Management Services' (December 2021) <sup>1</sup> , in 2019/20, 43 out of 79 Victorian councils provided a kerbside hard waste collection service, and 31 of these were metropolitan councils. These 43 councils spent a total of approx. \$39.6 million on this service, or close to \$930,000 per council. If Ararat Rural City Council were to introduce this service based on the average 2019/20 cost per council, and without factoring in additional costs for the larger geographical distances for rural areas, Council would need to increase its 2025/26 waste charges by at least 37%. This increase is too high to impose onto ratepayers. It is therefore not financially viable to offer a kerbside hard rubbish collection service for Ararat Rural City.<br><br>A hard rubbish skip option has also been considered, but this would also require a ramp to be available to assist people to drop large, bulky items into the skip. There is currently no suitable site in Elmhurst that Council is aware of that is suitable for this purpose. |
|  | There is a very large pine tree that has fallen over on the edge of town to the west, can this be removed?   | Tree is located on the Pyrenees Highway in the 80km/hour zone, which is a VicRoads managed road. The fallen tree has been reported to VicRoads via their online form:   |

<sup>1</sup> [Council Waste Management Services](#)

|  |  |  |
|--|--|--|
|  |  | <a href="https://www.vicroads.vic.gov.au/traffic-and-road-use/report-a-road-issue">https://www.vicroads.vic.gov.au/traffic-and-road-use/report-a-road-issue</a>  |
|  | Managing waste from the Elmhurst Cemetery and several options were discussed during the drop in session.   | No further action required.  |
|  | The quality of the tap water was discussed, some locals have noticed an occasional odour in the water.   | Attendees were advised to contact GWMWater if they detect odour in their water supply again.   |
|  | Timing of the fire prevention inspections was discussed and a query was asked on whether the inspections had already occurred.   | The prevention inspections had already occurred and notices were issued in mid-December 2025.  |
|  | Concerns were raised about the state of the former Elmhurst Primary School and it being underutilised land.  | No further action by Council. Concerns were noted, community members were aware that this was State Government owned land.   |
|  | Query was asked about how many water tankers does Council have available to assist in the event of a bushfire.   | Council has 1 water tanker that is used for road maintenance and other infrastructure works.   |
|  | One local resident stopped receiving all mail from Council, including bin calendars, rates notice, etc.  | Rates department have spoken to the resident on 31 December 2025 and confirmed their postal address details. The resident was not receiving any of their mail from other entities as well and will be following up with the Post Office              |
|  | Concerns about cars being left on the roadside for long periods in a specific location in Elmhurst.  | Location was visited after the Drop In Session on the 17 <sup>th</sup> December 2025, all vehicles in the area appeared to be within private property boundaries. Community will be asked to report any other abandoned vehicles via Snap Send Solve |
|  | <b>Lake Bolac</b>  |  |
|  | The management of rabbits was raised by multiple people.   | Council officers will investigate potential options to use the Roadside Weeds and Pests grant funding or other mechanisms to help better manage the rabbit pest problem.   |
|  | There were several queries regarding roads that were managed by VicRoads/Dept. Transport and Planning.   | No further action required by Council  |
|  | Fire prevention inspections and notices were discussed   | No further action required by Council  |
|  | People asked about the McCrows Road Bridge Upgrade, it was reiterated that the bridge upgrade would not commence until after harvest.  | No further action required by Council. Notification of works and detours will be released in the lead up to the commencement of construction.  |
|  | <b>Mininera</b>  |  |
|  | An upgrade of the lighting at the oval was requested   | A grant application for this project will be submitted for funding to the current round of Sport and Recreation Victoria's Country Football Netball Program.   |
|  | The Mininera Recreation Reserve may seek another water tank in the future to help them maintain their oval green.  | Noted. No further action required by Council until further notice.   |
|  | <b>Moyston</b>   |  |
|  | There was general confusion about the change of speed limit on Ararat-Halls Gap Road from 100km/hr to 80km/hr. Comments included: why did the change occurred; concerns around the lack of consultation and signage about the changed speed limit, and the lack of speed limit | Council attendees reiterated that Council was notified at the same time as the general public about the speed change to 80km/hour. The road is a VicRoads road, attendees were advised to provide their feedback directly to VicRoads.               |

|  |  |   |
|--|--|---|
|  | signage on the roadside between Ararat and Moyston.  |   |
|  | Council was thanked for opening the Moyston Transfer Station in late October/early November 2025.  | The feedback was received and appreciated.  |
|  | Road safety outside the Moyston Primary School was raised as a serious concern, especially when detours are in place on the Western Highway that direct traffic through Moyston. Cars are seen driving through at above 40km/hr. Flashing signs were suggested to raise awareness of the school zone and speed limit during school hours.  | Ararat-Halls Gap Road is an arterial road managed by the Department of Transport and Planning. Council will advocate to the Department of Transport to install flashing signs at Moyston Primary School on the arterial road.<br><br>Council also currently has a TAC Local Government Grant submitted to prepare concept designs for road safety infrastructure treatments in Moyston from the School to the General Store and part of Brooke St. Outcomes are expected in early 2026. |
|  | Road safety at the intersection of Moyston-Great Western Road and Ararat-Halls Gap Road was raised. B-Double trucks often cut across the intersection.   | Feedback about this intersection has been passed to the Council's engineering team.   |
|  | On Moyston-Great Western Road, there is a section of road where the trees block the view of the road ahead. Could the trees be cut back or cut higher for further sight distance.  | Request has been submitted to see if overhanging branches can be trimmed higher.  |
|  | Concerns were raised about the safety of the intersection of Morocco Hill Road and Ararat Halls Gap Road, with the first section of Morocco Hill Road being a ramp up to a crest.  | Suggestion to close part of Morocco Hill Road has been sent to the engineering team.  |
|  | An approx. 200 metre section of Morocco Hill Road was resheeted with a gravel/rock mix and has since been very dusty. Could this section be Otta sealed to suppress the dust?  | OTTA seal of this section will be considered as part of the Council's budget development process.   |
|  | The locals like to go for walks from the Recreation Reserve, along Ararat-Halls Gap Road, Adelaide Hills Road, Morocco Hill Road, then Moyston-Great Western Road back to the Recreation Reserve. Some also like to continue along Adelaide Hills Road up to Rocky Point Road before heading back down on Moyston-Great Western Road. The roadside vegetation has become quite overgrown in places, leaving walkers with little room when a car drives past. Can these roadsides be tidied up? | Request has been submitted to tidy up the roadsides mentioned during the Drop In Session. Community members are encouraged to report overgrown roadsides via the Snap Send Solve app.   |
|  | Pest management of rabbits was discussed. The community wanted to learn more about what treatments were being used and in which locations.   | To be followed up when staff return from leave.   |
|  | During the engagement session, multiple trucks passed the Moyston General Store on Brook Street. Was there a traffic counter on this street and if so, what is the number of cars and trucks that use this road?   | We do not have recent traffic counts on this road available. New traffic counters will be purchased and installed, but it is unlikely to be installed before the end of the current harvest season.   |
|  | <b>Pomonal</b>   |   |
|  | Suggestions for how the Council Drop In Session could be better promoted in Pomonal  | The community member was thanked for their feedback, it was acknowledged that   |

|                 |  |   |
|-----------------|--|---|
|                 | were shared, including putting a poster in the General Store's community notice board, putting the events in the Pomonal community newsletter and making sure it's on Nadya's blackboard in the lead up to the event.  | communication is always a challenge and we will endeavour to improve the promotion of future sessions.  |
|                 | The change of speed limit between Ararat and Moyston was discussed. Similar to Moyston, there was confusion about what the current speed limit was, and why the limit was changed.   | Council attendees reiterated that Council was notified at the same time as the general public about the speed change to 80km/hour. The road is a VicRoads road, attendees were advised to provide their feedback directly to VicRoads.  |
|                 | Road safety outside the Pomonal Primary School was raised. Cars have been observed overtaking other cars that have slowed to 40km/hr in the school zone. Flashing signs were suggested, or whether it was possible to build a school pick up location somewhere off Ararat-Halls Gap Road. | Ararat-Halls Gap Road is an arterial road managed by the Department of Transport and Planning. Council will advocate to the Department of Transport to install flashing signs at Pomonal Primary School on the arterial road.<br><br>Building an alternative school pick up location has significant challenges because there are no other existing roads next to the school, and limited space within the school to build a new pickup area. |
|                 | People asked for the Pomonal Transfer Station to be reopened. The Halls Gap Transfer Station staff have been unfriendly and unwelcoming towards Pomonal residents. The option of requesting a second kerbside bin was discussed, as well as going to the Moyston Transfer Station.         | This feedback and request will be considered when the review of the Moyston and Elmhurst transfer station openings are reviewed at the end of this financial year.  |
|                 | There was a query about the status of the planning permit application for a new tourism development in Pomonal.  | The planning permit application and status is available on the <a href="#">Greenlight</a> and can be found by searching the Public Planning Register.   |
|                 | A person had a planning related query regarding their private property.  | Council planning department will liaise directly with the community member about their query.   |
| <b>Willaura</b> |  |   |
|                 | Can the line marking paint be refreshed at the intersection of Pyrenees Highway, Moyston-Willaura Road, Yarram Gap Road and Warranooke St?   | Request has been submitted to repaint the lines.  |
|                 | Can a dirt patches outside the Willaura Bakery, which used to have plants in them in the footpath, be patched up or filled in with asphalt and made the same as the surrounding path?  | Request has been submitted to patch the footpath.   |
|                 | The drainage in the laneway needs a tidy up.   | Request has been submitted to clear the drain   |
|                 | Request for a new community notice board near the park bench next to the supermarket.  | Request to investigate and install a new community notice board has been lodged.  |
|                 | One person wanted to learn more about how their rates were used to fund roads, paths, kerb & channel, community infrastructure and services. This was discussed on the day.  | No further action required.   |

### Improvements for Future Engagement Rounds

The Lake Bolac engagement session was held at the Lake Bolac Hotel. This was a good venue in terms of being able to engage with a larger number of people, however the evening became a busy night for trade and Council did not wish to occupy a table that could be available for patrons. Councillors and council staff moved to outside of the Lake Bolac Hotel to engage with community, but some community members attended the Hotel and were unable to locate the Council Drop In Session. In future rounds of

engagements where a hospitality venue is used, Council will aim to make the locations outside or close by, or book the sessions during quieter periods for the venue to reduce the likelihood of having a potentially negative impact on trade. Future sessions will also aim to have clearer signage so people can locate us if the area is crowded.

Contact details for attendees were not obtained unless they had a specific query that required follow up. In hindsight, this meant that responses to a number of general queries were not able to be given back to the attendees directly. A sign-in sheet requesting contact details for attendees who wish to receive updates will be available at future sessions.

## 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.

**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.

### **Budget Implications**

The Community Engagement Program 2025/2026 does not have any budget implications. This Program will be delivered within the existing resources and budget. The issues arising from the engagement sessions may have budget implications, these will be assessed on a case by case basis and may be considered for future budgets.

### **Policy/Relevant Law**

Ararat Rural City Council's Community Engagement Policy

### **Sustainability Implications**

The community engagement sessions will aim to coincide with other community events and activities, or locate the sessions in places where people may wish to visit. This is in recognition of the value of people's time and travel costs, and enables community members to achieve multiple activities in the one journey.

### **Risk Assessment**

The attached Community Engagement Program 2025/26 includes a risk analysis and mitigation measures. This is a low risk Program.

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

This Program supports stakeholder collaboration and community engagement.

## RECOMMENDATION

That:

1. Council receives the Community Engagement Program - December 2025 Report

**MOVED CR PRESTON  
SECONDED CR JOYCE**

**That:**

- Council receives the Community Engagement Program - December 2025 Report**

**Cr Preston and Cr Joyce spoke for the motion.**

**CARRIED 6/0  
5281/26**

**ATTACHMENTS**

There are no Attachments relating to this item.

## 4.2 PRESTIGE MILL INFRASTRUCTURE PROJECT - DECEMBER 2025 UPDATE

**RESPONSIBLE OFFICER:** CHIEF EXECUTIVE OFFICER  
**DEPARTMENT:** CEO OFFICE  
**REFERENCE:** 26450

### OFFICER DIRECT OR INDIRECT CONFLICT OF INTEREST:

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

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

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### EXECUTIVE SUMMARY

This report provides 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. To align this report to a more locally recognisable project name, this monthly report will be referred to as the 'Prestige Mill Infrastructure Project' update.

The subdivision plan has been drafted and the design work for the civil and utility infrastructure, such as roads, paths, water mains, sewer, power, NBN connections, etc, are underway.

### 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.

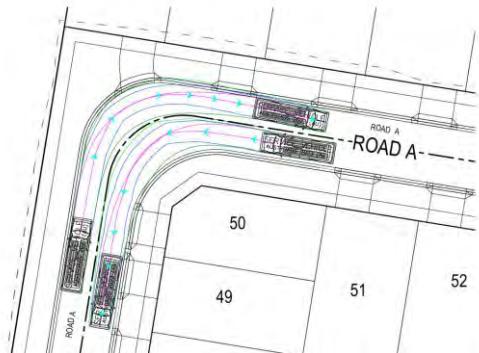
#### Progress to Date

A diagram of the draft subdivision plan is shown below. Residential lot sizes will average around 300-400m<sup>2</sup>, providing a wide range of housing options to meet diverse community needs. This has been provided on the Council's Engage Ararat website and in local print newspapers in December 2025:

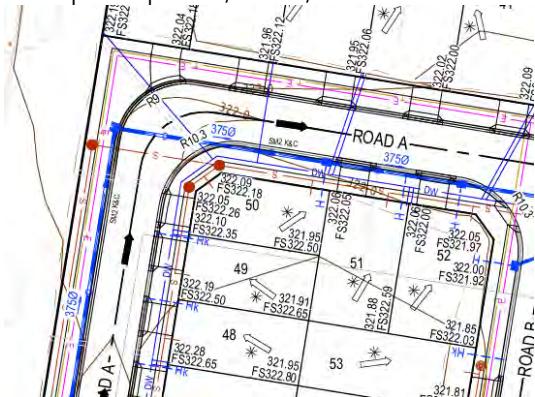


Engineering design work is progressing for the enabling infrastructure, such as for the roads, paths, water mains, sewer, power, NBN connections, etc. A snapshot of some of the draft drawings is provided below.

Example of a vehicle turning movement in the proposed new roads:



Example of power, water, sewer functional layouts to service the lots:



The engineering and civil design work will continue concurrently with the demolition works, with the goal to complete procurement and commence construction as soon as the demolition and site clearing works are completed in early 2026.

## 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***

Not applicable

## ***Sustainability Implications***

Not applicable

**Risk Assessment**

Demolition works are progressing in line with risk assessment and mitigation measures, ensuring that all identified hazards are being effectively managed and safety protocols are strictly followed.

**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 Prestige Mill Infrastructure Project - December 2025 Update report.*

**MOVED CR JOYCE  
SECONDED CR KAUR**

**That:**

1. **Council receives the Prestige Mill Infrastructure Project - December 2025 Update report.**

**Cr Joyce and Cr Kaur spoke for the motion.**

**CARRIED 6/0  
5282/26**

**ATTACHMENTS**

There are no Attachments relating to this item

#### 4.3 ANNUAL PLAN 2025/26 UPDATE (DECEMBER 2025)

**RESPONSIBLE OFFICER:** CHIEF EXECUTIVE OFFICER  
**DEPARTMENT:** CEO'S OFFICE  
**REFERENCE:** 26451

#### 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          | 10 (+3)           |
| In progress 51-99% | 14 (+11)          |
| In progress 0-50%  | 17 (-13)          |
| Not Started        | 1 (-1)            |
| 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 | In progress 0-50%  | Council officers are working with the Department of Transport and Planning's Regional Planning Hub on the Ararat Planning Scheme review. |
|  | 1.1.2 Establish annual targets for sustainable urban growth   | In progress 0-50%  | 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 51-99% | The first draft of the structure plan has been presented to GWMWater and PowerCor for feedback, a revised draft is in progress.          |
| 1.2 Support innovative housing models that work to overcome market   | 1.2.1 Deliver enabling infrastructure for well-located homes that   | In progress 0-50%  | Pre-construction planning and design for the enabling infrastructure is underway, and demolition and site                                |

|   |  |                    |   |
|---|--|--------------------|---|
| failure and create the capacity to increase the population of Ararat Rural City.  | address critical housing gaps in central Ararat, with support from the Housing Support Program: Community Enabling Infrastructure Stream.                |                    | clearing is progressing. See 'Housing Support Program Project Update' report for further details.   |
|   | 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%  | Two homes are nearing completion of construction. Another two homes are due to commence construction, and pre-construction planning for another two homes is underway.  |
|   | 1.2.3 Work with developers to submit EOI application/s to the National Housing Infrastructure Facility Crisis and Transitional Housing (NHIF CT) program | Complete           | The EOI application has been submitted. This action is marked complete, however if the EOI is successful, a full application will be submitted and further updates will be provided.  |
| 1.3 Work with other levels of government, business, educational institutions and not-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%  | Refurbishment works will commence in the April school holidays. Council is working closely with Y Kinders to minimise disruptions to families as much as possible during the works.   |
|   | 1.3.2 Establish a new childcare centre in Lake Bolac   | In progress 0-50%  | Council officers are continuing to liaise with potential childcare providers to deliver this project  |
|   | 1.3.3 Deliver the CALD Outreach Initiative   | In progress 51-99% | The CALD Outreach Officer is continuing to actively engage families and working closely with the kindergartens and childcare centres to support access to early childhood education. This project is a multi-year initiative, and it is now over half way complete for the 2025/26 year |
| 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                 | Complete           | The application has been submitted for a project titled 'Celebrating Science in Rural Communities'. Outcomes are expected in March 2026 and further engagement with stakeholders will occur afterwards if funding is awarded.   |
|   | 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, will continue in 2026.   |
| 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, | 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  | Ongoing            | Council continues to strongly support Valorify P/L.   |

|  |  |                    |  |
|--|--|--------------------|--|
| potentially leveraging "behind the meter" power.   | biogas plant in Ararat which uses straw as the major input.  |                    |  |
|  | 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%  | Investigation and development of other opportunities to produce higher value outputs from municipal waste is underway.   |
|  | 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.  |
|  | 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 is continuing to engage with State and Federal governments to advocate for stronger support for renewable gas generation.  |
| 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%  | Indigo Power has been announced as the successful tenderer to deliver the Powering Resilience in the Regions battery project for Pomonal, following a collaborative tender process with the Central Victorian Greenhouse Alliance and 10 partner councils. |
|  | 3.3.2 Deliver the Roadside Weeds and Pests Program   | In progress 51-99% | The tender for Roadside Weeds and Pest Program has been awarded and works are 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. | Complete           | The application to the Community Energy Upgrades Fund Round 2 was unsuccessful. Council will continue to liaise with interested community asset committees to explore rooftop solar and renewable energy options at community facilities.   |
| 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  | Complete           | The Asset Plan 2025-35 was adopted at the October 2025 Council Meeting  |
|   | 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)   |
|   | 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%  | The Gender Impact Assessments identified a number of improvements, these are in the process of being incorporated into the plans.   |
|   | 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 final 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 final 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 51-99% | The first artworks from the EOI process have been installed on the Community Wall (Christine Baines) and Laneway (Anne-Marie Randall). Planning for the rest of the community exhibition program for this financial year is nearing completion.   |
|   | 5.1.2 Increase participation in programs at Ararat Gallery TAMA   | In progress 51-99% | The Gallery hosted an excursion by Ararat West Primary School that complemented a unit the students completed called 'How is it Made?', which included how different fibres are used to create different products, such as the different textile artworks on exhibition at the Gallery. Artist talks were held in December, and planning for the National Gallery of Victoria (NGV) Kids on Tour was finalised to provide free school |

|   |   |                    |  |
|---|---|--------------------|--|
|   |   |                    | holiday art activities for kids at the Gallery in January.   |
|   | 5.1.3 Investigate ways to maximise scheduling of community events at the Town Hall                  | Complete           | The Town Hall has reviewed its previous bookings and schedules, and has identified that the number of events has been increasing each year, with a strong level of community usage. Auditorium utilisation has increased from 105 bookings in 2023/24, to 153 bookings in 2024/25. For 2025/26, the Town Hall has already delivered 91 bookings as at 31 December 2025. There is still scope for community to book parts of the Town Hall, such as the foyer for smaller community gatherings. Community are encouraged to reach out to the Town Hall as early as possible to secure their bookings. |
|   | 5.1.4 Identify innovative ways to increase the promotion and reach of performances at the Town Hall | Complete           | A staffing and structural update has occurred within the Arts Precinct to better integrate our arts, culture, visitor services and venue operations, as well as increase the promotion, reach and participation in events and programs. This includes the appointment of two part time Administration & Marketing Officers, following the retirement of the Town Hall's Admin Coordinator.   |
| 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 51-99% | The YEAH Crew have had great 2025, and they have co-designed an even bigger program for 2026.  |
|   | 5.2.2 Deliver young people's programs across schools, largely through the Crazy Ideas College       | In progress 51-99% | The Ararat Youth Activators introduced two new experiences for students in 2025, called 'First Jobs Matter' and 'Future of Ararat', in addition to their existing programs 'Social Innovators', 'Ideas2Life', and other program.   |
|   | 5.2.3 Work with community groups to deliver an annual Volunteer Expo                                | In progress 0-50%  | Planning for the National Volunteer Week celebrations has commenced. The feedback from the previous Ararat Volunteer Expos indicated that an annual Expo may not be the most effective way to help people who wish to volunteer to connect with organisations that are looking for volunteers. Potential alternative options are being investigated and considered.  |
|   | 5.2.4 Promote the benefits and achievements of volunteers, to encourage participation               | Ongoing            | Applications to join Council's volunteer team have opened. The application form and Frequently Asked Questions are available via Engage Ararat.  |
| 5.3 Partner with community groups, not-for-profits, and Traditional Owner organisations to develop Ararat Rural City into a                   | 5.3.1 Develop the Disability Action Plan  | In progress 0-50%  | The Expressions of Interest (EOI) for the Working Group closed on 19 December 2025 and invitations to the Working Group meetings were sent on 5 <sup>th</sup> January 2026. The first meeting will be held on 21 January 2026.   |

|  |   |                    |  |
|--|---|--------------------|--|
| more inclusive, welcoming, tolerant and diverse community.   | 5.3.2 Develop the Municipal Public Health and Wellbeing Plan 2025-29  | Complete           | The Municipal Public Health and Wellbeing Plan 2025-29 was adopted at the October 2025 Council Meeting.  |
|  | 5.3.3 Hold quarterly meetings of the Child Friendly Cities and Communities Working Group  | In progress 51-99% | A final quarterly meeting of the 2025 CFCC Working Group was held on 3rd December 2025. The EOI for the 2026 CFCC Working Group opened and will close on 14 February 2026.   |
|  | 5.3.4 Deliver multicultural events  | In progress 51-99% | Council partnered with the Grampians/ Gariwerd Rural Australians for Refugees, Ararat Neighbourhood House, and many other community organisations and groups to deliver the Ararat Cultural Showcase Lunch at Alexandra Oval Community Centre on 6 December 2025. The event was very successful. Plans are being developed for another potential event in 2025/26. |
| 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 51-99% | 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                                | Complete           | Multiple meetings have been held with insurance representatives and all opportunities for cost efficiencies have been found and implemented.   |
| 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 51-99% | IT infrastructure and systems upgrades are underway  |
|  | 6.2.2 Undertake the Strategic Internal Audit Program - 5 years.   | In progress 51-99% | 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 development of the 2026-30 GEAP in early 2026.   |
|  | 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 and report issues.   |
|  | 6.3.2 Develop a regular biannual program of face-to-face community engagement opportunities   | Complete           | A quarterly program is presented. Refer to the Community Engagement Program 2025/26 Council Report.  |

## 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 2025/26 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 - December 2025 report**

## MOVED CR J ARMSTRONG SECONDED CR KAUR

**That:**

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

**Cr J Armstrong and Cr Kaur spoke for the motion.**

## CARRIED 6/0 5283/26

## ATTACHMENTS

There are no Attachments relating to this item

#### 4.4 2025/2026 CAPITAL WORKS PROGRAM - DECEMBER 2025

**RESPONSIBLE OFFICER:** **CHIEF EXECUTIVE OFFICER**  
**DEPARTMENT:** **CEO'S OFFICE**  
**REFERENCE:** **26452**

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

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

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

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#### **EXECUTIVE SUMMARY**

The 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. The program's budget has substantial state and federal funding targeting road construction and 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 December 2025, 20% of the budget is expended.

Mt William Road reconstruction is currently underway with stage one works completed and the road reopened for the harvest season. Stage two is expected to commence in early February 2026. Bridge reconstruction on Buangor Ben Nevis Road commenced on 12 January 2026.

The works on Webb Street funded through the Roads to Recovery Funding are nearing completion with sealing work due to be undertaken in the next few weeks.

|   | Budget                   | Committed/<br>Contracted | Expended                        | %    | Notes  |
|---|--------------------------|--------------------------|---------------------------------|------|--|
| <b>PROPERTY - CAPITAL</b>                                 |                          |                          |                                 |      |  |
| Property Capital  | <b>\$911,000</b>         |                          |                                 |      |  |
| Funding Property Capital Co-Contributions Allocations     | -\$765,388               |                          |                                 |      |  |
| <b>Remaining Budget</b>                                   | <b>\$145,612</b>         | -                        | -                               |      | \$361,00 Council Co-Contributions added for Buangor Pavilion Redevelopment from approval at Council Meeting 29 July 2025.          |
| Mininera Recreation Reserve Toilet Upgrade                |                          | \$164,810                | \$4,010                         | 111% |  |
| Tatyoona Oval Upgrade                                     |                          |                          | \$11,165                        |      |  |
| Buangor - Septic Upgrade                                  |                          | \$201,000                |                                 |      |  |
| <b>TOTAL PROPERTY CAPITAL</b>                             | <b>\$365,810</b>         | <b>\$15,175</b>          | <b>261%</b>                     |      |  |
| <b>PLANT &amp; EQUIPMENT</b>                              |                          |                          |                                 |      |  |
| Vehicle Purchases   | <b>\$240,000</b>         |                          | \$204,131                       | 85%  | Replacement of 4 x Utilities and SUV   |
| Major Plant Purchases                                     | <b>\$260,000</b>         |                          |                                 |      |  |
| Fixtures, Fittings & Furniture                            | <b>\$100,000</b>         | \$19,682                 | \$15,990                        | 15%  | Town Hall Speaker Security Cameras - Ararat Skate Park & Ararat Fitness Centre   |
| Book stock - Library Book Replacement                     | <b>\$40,000</b>          |                          | \$24,038                        | 60%  |  |
| <b>TOTAL PLANT &amp; EQUIPMENT</b>                        | <b>\$19,682</b>          | <b>\$244,159</b>         | <b>41%</b>                      |      |  |
| <b>INFRASTRUCTURE</b>                                     |                          |                          |                                 |      |  |
| <b>Works by others</b>                                    |                          |                          |                                 |      |  |
| Woorndoo Streatham Road                                   | <b>\$683,000</b>         | -                        | -                               |      | Works for this road is being undertaken by Moyne Shire. The budget amount is Council's contribution.                               |
| <b>Roads</b>  |                          |                          |                                 |      |  |
| <b>Gravel Road Sheeting, Widening Alternative Sealing</b> | <b>&amp; \$1,800,000</b> |                          | \$182,620<br>(over spend 24/25) |      | \$1.982m of this budget expended in 2024/2025.   |
| Transferred from other Capital Works Line Items           | <b>\$1,500,000</b>       | -                        | \$276,431                       |      | Approved Council Meeting 29 July 2025.<br>Works include OTTA seal of<br>• Nott Road, Ararat (Pyrenees Hwy end)<br>• Sugarloaf Road |
| Total   | <b>\$3,300,000</b>       |                          | <b>\$459,051</b>                |      |  |

|  |                    |                    |           |      |  |
|--|--------------------|--------------------|-----------|------|--|
| <b>Reseal Program</b>  | <b>\$1,000,000</b> | -                  | -         | 100% | Linemarking undertaken in 24/25 payment not made in same financial year  |
| <b>Buangor Ben Nevis Road</b>                                      | <b>\$1,000,000</b> | 308,862            | \$41,882  | 4%   | Bridge Strengthening awarded and to commence around April 2026.  |
| <b>Urban Road Gravel to Seal</b>                                   | <b>\$1,000,000</b> | -                  | \$44,205  | 5%   | Works Allocated for: <ul style="list-style-type: none"> <li>Alexandra Avenue (in conjunction with SLRSP Funding)</li> <li>Coral &amp; McNeil Street</li> <li>Maude Street (in conjunction with Pony Club Project)</li> </ul> |
| <b>Road Reconstruction Program</b>                                 | <b>\$2,324,000</b> | -                  |           |      |  |
| Buangor Ben Nevis Road Contribution                                | -\$500,000         |                    |           |      |  |
| Mt William Road Contribution                                       | -\$1,250,000       |                    |           |      |  |
| Bike Network Contribution  | -\$133,000         |                    |           |      |  |
| Transferred to Gravel Road Sheetng, Widening & Alternative Sealing | -\$400,000         |                    |           |      |  |
| <b>Remaining Budget</b>  | <b>\$41,000</b>    |                    | \$31,771  | 75%  | Churchill Avenue final payments for maintenance between completion and sealing.  |
| <b>Major Patching</b>  | <b>\$100,000</b>   |                    | \$61,911  | 61%  |  |
| <b>Bridges</b>   | <b>\$0</b>         | -                  | \$2,624   |      | Transferred to Gravel Road Sheetng, Widening & Alternative Sealing   |
| <b>Footpath Renewal Program</b>                                    | <b>\$400,000</b>   | \$112,026          | \$94,313  | 51%  | Concreting works has been completed at Gordon Street Oval to complete the apron around the building. Works will commence on High Street when the contractor receives the MOA from VicRoads.                                  |
| <b>Urban Drainage Works</b>  | <b>\$750,000</b>   |                    |           |      |  |
| Transferred to Gravel Road Sheetng, Widening & Alternative Sealing | <b>-\$400,000</b>  | -                  | \$22,198  | 6%   |  |
| <b>Remaining Budget</b>  | <b>\$350,000</b>   |                    |           |      |  |
| Kerb and Channel   | <b>\$0</b>         | -                  | \$95,917  |      | Remaining funds transferred to Gravel Road Sheetng, Widening & Alternative Sealing   |
| <b>TOTAL INFRASTRUCTURE</b>  | <b>\$112,026</b>   | <b>\$853,872</b>   | <b>9%</b> |      |  |
|  |                    |                    |           |      |  |
| <b>TOTAL CAPITAL WORKS</b>   | <b>\$497,518</b>   | <b>\$1,113,206</b> | <b>9%</b> |      |  |

**FUNDED PROJECTS - PROPERTY CAPITAL**

| Current Funded Projects   | Budget      | Funding Amount | Council Contribution  | Community Contribution | Previous Years Expenditure | Committed Expenditure (25/26) | Expended (25/26) | Overall Total | %    | Notes   |
|---|-------------|----------------|---|------------------------|----------------------------|-------------------------------|------------------|---------------|------|---|
| <b>Former Cobb &amp; Co Staging Stables</b><br>(Disaster Recovery Heritage Program)             | \$60,000    | \$60,000       | Nil   |                        | \$1,237                    |                               | 30,371           | \$30,371      | 50%  | Ararat Maintenance Plumbing has completed works on this project & and acquitted.  |
| <b>Ararat Pony Club - Covered Sports Area</b><br>(Play our Way Program)                         | \$1,490,000 | \$1,490,000    | Nil   |                        | \$14,270                   | \$1,260,110                   | \$54,872         | \$1,329,252   | 89%  | The design and construction of the undercover arena has been awarded to MKM Constructions. Lighting installation has been awarded to Matt Peel Electrical - this includes the installation of 3-phase power.; |
| <b>Centenary Park - Dog Park</b><br>(Open Space for Everyone Program)                           | \$112,000   | \$100,000      | \$12,000  |                        | \$1,172                    | \$13,468                      | \$8,313          | \$22,958      | 20%  | Detailed design is being completed in-house and has been endorsed by the funding body. Procurement and works have commenced.  |
| <b>Buangor Sports Pavilion Redevelopment</b><br>(Tiny Towns Program)                            | \$631,000   | \$50,000       | \$581,000<br>(\$220k Property Capital)<br>(\$361k Property Reserve) |                        | \$303                      | \$542,738                     | \$87,959         | \$631,523     | 100% | Detailed design has been completed by the contractor, Hotondo Homes. The building permit has been submitted and is awaiting approval.   |
| <b>Jack and Jill Kindergarten Redevelopment</b><br>(Building Blocks improvement grants program) | \$745,000   | \$745,000      |   |                        | \$26,000                   | \$539,734                     | \$71,601         | \$637,335     | 85%  | Works for this project have been awarded to: Renovation Works - ISJ Building Painting Works - Grampians Painting and Decorating Flooring - Choices Ararat Switchboard Upgrade - CHS Electrical                |

| Project Description   | Budget    | Actual    | Spent     | Remaining | NA | Spent    | Remaining | Spent    | Remaining | Spent  | Spent % | Notes  |
|---|-----------|-----------|-----------|-----------|----|----------|-----------|----------|-----------|--|---------|--|
| <b>Ararat City Tennis Sports Lighting Installation and accessibility upgrade</b><br>(Regional Community Sports Infrastructure Fund) | \$700,000 | \$560,000 | \$120,000 | \$20,000  | NA | \$1920   | -         | -        | -         | -  | <1%     | New Grant Received July 2025. Detailed design drawings have been endorsed, and procurement is going to market at the end of January. |
| <b>Gordon Street Cricket Nets Upgrade</b><br>(Australian Cricket Infrastructure Grant)  | \$39,985  | \$15,000  | \$24,985  | -         | NA | \$13,850 | \$19,732  | \$33,852 | 82%       | Orders have been completed for synthetic carpet and concrete works have been completed.  |         |  |
| <b>Pomonal Hall Battery Project</b><br>(Powering Resilience in the Regions Program)   | \$148,760 | \$141,407 | \$7,353   | -         | NA | \$7,353  | \$7,353   | \$7,353  | 5%        | Council have paid their contribution to the project. Indigo Power have been awarded this project - any further expenditure will be paid by CVGA. |         |  |
| <b>Ararat Library Lighting and Exterior Upgrade.</b><br>(Living Libraries Infrastructure Program 2024-25)                           | \$51,026  | \$51,026  | -         | -         | NA | \$45,196 | \$45,196  | \$45,196 | 88%       | External Painting and lighting have been completed.  |         |  |

**FUNDED PROJECTS - ROADS & INFRASTRUCTURE**

| Current Funded Projects  | Budget      | Funding Amount | Council Contribution  | Previous Years Expenditure | Committed Expenditure (25/26) | Expended 25/26 | Overall Total | %   | Notes  |
|--|-------------|----------------|---|----------------------------|-------------------------------|----------------|---------------|-----|--|
| <b>Webb Street Reconstruction</b><br>(Roads to Recovery 24/25)                                     | \$400,000   | \$400,000      |   | \$13,822                   |                               | \$36,331       | \$50,153      | 12% | Works have been completed with sealing of the road expected in late January, early February.   |
| <b>Buangor Ben Nevis Road</b><br>(Roads to Recovery 24/25 & 25/26)                                 | \$3,143,000 | \$1,643,000    | \$500,000 (Roads Program 25/26)<br>\$1,000,000 (ARCC Capital Works 25/26) | \$269,592                  | \$308,862                     | \$41,882       | \$311,474     | 29% | Ecology and Vegetation works are currently being finalised for works to commence early in the new year.<br>Bridge Strengthening works has been awarded and will commence around Easter 2026.   |
| <b>Buangor Ben Nevis Road</b><br>(SILRP Funding 26/26)   | \$5,000,000 | \$5,000,000    |   |                            |                               |                |               |     | Council contribution of \$1,250,000 required in 26/27 Budget   |
| <b>Mt William Road</b><br>(HSVPP Funding 24/25)  | \$6,250,000 | \$5,000,000    | \$1,250,000 (Roads Program 25/26)   | \$217,582                  |                               | \$871,122      | \$1,088,704   | 17% | Stage 1 of the works are complete with sealing finalised in December 25. Stage 2 will commence at the conclusion of harvest. All works must be complete by 30 June 2026.   |
| <b>Buangor Ben Nevis Road - Bridge 7001.14 Design and Construct</b><br>(Roads to Recovery - 25/26) | \$1,300,000 | \$1,300,000    |   | \$68,723                   | \$877,148                     | \$244,772      | \$1,190,643   | 91% | Contract No. 731 - Awarded July 2025 \$1.109m - Road and Bridge Pty Ltd<br>\$100,000 allowance for Permits and Vegetation offsets.<br>Works commenced onsite on 12 January 2026.<br>Construction timeframe through until mid March 2026. |

|  |             |             |                                    |           |  |           |           |     |  |
|--|-------------|-------------|------------------------------------|-----------|--|-----------|-----------|-----|--|
| <b>McCrows Road Bridge</b><br>(Roads to Recovery - 24/25)  | \$350,000   | \$350,000   |                                    | \$17,738  |  | \$1,754   | \$19,492  | 5%  | Tenders have been readvertised due to error from previous tenderer - expected to be awarded at January Council Meeting.              |
| <b>Ararat Active Bike Network</b><br>(Active Transport Fund)   | \$399,000   | \$266,000   | \$133,000<br>(Roads Program 25/26) | \$13,525  |  | \$8,627   | \$22,152  | 5%  | No tenders were received on original tender call - works to be broken down and individually quoted.                                  |
| <b>Banfield Street - School Crossing</b><br>(Road Safety Program - School Safety Improvements 20-25)         | \$19,009    | \$19,009    |                                    | \$8,244   |  | \$4,369   | \$12,613  | 66% | These works are complete.  |
| <b>Queen Street Housing Support Program</b><br>(Housing Support Program - Community Enabling Infrastructure) | \$7,380,000 | \$7,380,000 |                                    | \$152,580 |  | \$452,554 | \$605,135 | 8%  | Sub-division planning and associated reporting are still in progress before submission to Council. Demolition works are progressing. |

#### SAFE LOCAL ROADS AND STREETS PROGRAM

|   |           |           |  |         |  |          |          |     |  |
|---|-----------|-----------|--|---------|--|----------|----------|-----|--|
| View Point, Tobin & Taylor St Intersections | \$224,000 | \$224,000 |  | \$581   |  | \$9,257  | \$9,838  | 4%  | The detailed design for this project is complete, and lighting design is being finalised, with procurement commencing in February 2026. This project will be run in conjunction with the Footpath project for Taylor Street. |
| Ingord Street - Raised Crossing             | \$110,000 | \$110,000 |  | \$600   |  | \$12,783 | \$13,383 | 12% | The detailed design for this project is complete, and procurement commencing in February 2026.   |
| King Street - Raised Crossing               | \$110,000 | \$110,000 |  | \$4,702 |  | \$11,286 | \$15,988 | 15% | Tenders have been received for this project and will be awarded in mid-January 2026.   |

|   |           |           |  |         |  |          |          |     |  |
|---|-----------|-----------|--|---------|--|----------|----------|-----|--|
| View Point & High St Intersection                   | \$117,000 | \$117,000 |  | \$1,526 |  | \$12,429 | \$13,955 | 12% | Tenders have been received for this project and will be awarded in mid-January 2026.   |
| Moore & Princes Street Intersection                 | \$131,000 | \$131,000 |  | \$145   |  | \$5,543  | \$5,688  | 4%  | The detailed design for this project is complete, and procurement will commence in February 2026.  |
| Vincent Street & Alexandra Avenue - Raised Crossing | \$321,000 | \$321,000 |  | \$239   |  | \$10,915 | \$11,154 | 3%  | The detailed design for this project has been received; some alterations are being requested to make the works more amenable to the location.<br>This project will be run in conjunction with the Gravel to Seal project for Alexandra Avenue. |
| Queen & Moore Street Roundabout                     | \$548,000 | \$548,000 |  | \$1,531 |  | \$20,140 | \$21,671 | 4%  | The detailed design for this project is complete, and the lighting design is being finalised, with procurement commencing in February 2026.  |

**SAFE SYSTEM PEDESTRIAN INFRASTRUCTURE PROGRAM (23/24)**

|   |           |           |          |       |          |         |           |     |   |
|---|-----------|-----------|----------|-------|----------|---------|-----------|-----|---|
| Barkly Street Raised Crossing   | \$312,232 | \$312,232 |          | \$398 |          | \$3,125 | \$105,214 | 34% | This project is awaiting final design approval from the department of transport for the works to commence.  |
| High Street Raised Crossing   |           |           |          |       | \$99,750 | \$2,338 |           |     | This project has been awarded to SHS Civil.   |
| Albert Street Footpath (Flexible Local Transport Solutions Program 25/26) | \$85,000  | \$42,500  | \$42,500 |       |          | \$2,044 | \$2,044   | 2%  | Improving Pedestrian Accessibility to the Ararat Retirement Village and Sports Precinct - New Grant received September 2025. These designs are ready for tendering. |

**FUNDED PROJECTS - MISCELLANEOUS**

| Current Funded Projects   | Budget   | Funding Amount | Council Contribution | Previous Years Expenditure | Committed Expenditure (25/26) | Expended (25/26) | Overall Total | %   | Notes  |
|---|----------|----------------|----------------------|----------------------------|-------------------------------|------------------|---------------|-----|--|
| <b>Roadside Weeds and Pest Program 25/26</b><br>(Funding of the same name)  | \$74,135 | \$74,135       |                      | NA                         |                               |                  | -             | 0%  | <i>This project has been awarded to Project Platypus, and they have commenced spraying and rabbit control in October.</i>  |
| <b>Sport &amp; Active Recreation Strategy</b><br>(Local Sports Infrastructure Funding 23/24)  | \$55,000 | \$40,000       | \$15,000             | \$12,452                   |                               |                  | \$12,452      | 23% | <i>CommunityVibe is undertaking the works associated with this project. Community engagement has been undertaken, and draft reporting is underway.</i>                                 |
| <b>Community Road Safety Action Plan</b><br>(TAC Local Govt Funding)  | \$49,540 | \$49,540       |                      | \$437                      |                               | \$582            | \$1,019       | 2%  | <i>DWB Engineering is undertaking the works associated with this project. Community engagement has been completed and draft reporting is being compiled</i>                            |
| <b>Unlocking Ararat North East</b><br>(Streamlining for Growth 22/23)   | \$85,000 | \$85,000       |                      | NA                         | \$13,888                      | \$34,827         | \$48,715      | 57% | <i>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.</i> |
| <b>Ararat City Tennis Sports Lighting Installation and accessibility upgrade - Participation Initiative.</b><br>(Regional Community Sports Infrastructure Fund) | \$50,000 | \$50,000       |                      | NA                         |                               |                  |               | 0%  | <i>This grant was received in July 2025 and will run in conjunction with the infrastructure project for Sports Lighting and accessibility upgrades.</i>                                |

|  |          |          |  |          |  |           |          |     |  |
|--|----------|----------|--|----------|--|-----------|----------|-----|--|
| <b>Lake Bolac Kindergarten Carpark</b><br>(YMCA received funding for work) | \$80,339 | \$80,339 |  | \$61,358 |  | \$12,5590 | \$73,917 | 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 is 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. DEVELOPING AND MAINTAINING KEY ENABLING INFRASTRUCTURE**

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

**4.1** Ensure that asset development and renewal during the planning period matches that identified in Council's Asset Plan 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. 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.

**6.1** 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 - December 2025 report.**

**MOVED CR KAUR  
SECONDED CR JOYCE**

**That:**

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

**Cr Kaur and Cr Joyce spoke for the motion.**

**CARRIED 6/0  
5284/26**

**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:** 26453

#### 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 2 December 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 2 December 2025

| Council Committees       | Councillor representative | Current meeting (as presented) | Next scheduled meeting/s |
|--------------------------|---------------------------|--------------------------------|--------------------------|
| Audit and Risk Committee | Cr Bob Sanders            | 2 December 2025                | 03 March 2026            |
| Audit and Risk Committee | Cr Peter Joyce            | 2 December 2025                | 03 March 2026            |

#### 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 02 December 2025 be received.*

**MOVED CR JOYCE**

**SECONDED CR PRESTON**

**That:**

1. **the Audit and Risk Committee Meetings minutes of 02 December 2025 be received.**

**Cr Joyce spoke for the motion.**

**CARRIED 6/0**

**5285/26**

**ATTACHMENTS**

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



# MINUTES

## Audit and Risk Committee

Tuesday 2 December 2025

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

Commencing at 1:00 pm

**Audit and Risk Committee:**

Cr Bob Sanders (Mayor)  
Cr Peter Joyce  
Ms Jessica Adler  
Mr Greg Jakob  
Ms Janet Dore

**In attendance:**

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

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AUDIT AND RISK COMMITTEE MINUTES  
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SECTION 1 – PROCEDURAL MATTERS

1.1 APOLOGIES  
No apologies

1.2 DECLARATION OF DISCLOSURE OF INTERESTS

Disclosure of Interests are to be made immediately prior to any relevant item being discussed.  
Jess Adler has disclosed Board Member of GWM Water

1.3 CONFIRMATION OF MINUTES

RECOMMENDATION

That the Minutes of the Internal Audit and Risk Committee Meeting held on 09 September 2025 be received.

MOVED – Greg Jakobs  
SECOND – Janet Dore

That the Minutes of the Internal Audit and Risk Committee Meeting held on 09 September 2025 be received.

1.4 CONFIRMATION OF CIRCULAR MOTION

On the 9 October 2025, a circular motion was put to the Audit and Risk Committee in relation to the Financial Statements and Performance Statement for the Year Ended 30 June 2025.

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.

MOVED: Greg Jakob  
SECOND: Janet Dore

That the Audit and Risk Committee recommends:

3. 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
4. Council authorise Cr Jo Armstrong, Cr Bob Sanders and Dr. Tim Harrison, Chief Executive Officer to certify the Performance Statement in its final form.

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SECTION 2- CEO UPDATE

2.1 CEO UPDATE – **CONFIDENTIAL**

The CEOs report was circulated prior to the meeting

**RECOMMENDATION**

That the CEO's report be received.

**RECEIVED**

**ATTACHMENTS**

CEO Confidential Report provided as Attachment 2.1

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**SECTION 3- FINANCE AND PERFORMANCE REPORTING**

**3.1 MONTHLY PERFORMANCE REPORT – ENDING 31 OCTOBER 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 October 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 \$21.939 million in revenue and \$12.804 million in expenses to 31 October 2025. This has resulted in an operating surplus of \$9.135 million for the four months ended 31 October 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 \$18.095 million has been recognised as income for the four months ended 31 October 2025.

User fees account for 5% of the total budgeted income for 2025/26 and \$0.713 million has been received to 31 October 2025. The majority of this relates to transfer station fees, fitness centre income and commercial waste management charges.

Recurrent Operating Grants total \$1.590 million to 31 October 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 \$1.032 million to 31 October 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.

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| Non-Recurrent Operating Grants                                   | Budget<br>2025/26<br>\$'000 | Income<br>2025/26<br>\$'000 | Unearned<br>Income<br>\$'000 |
|--|-----------------------------|-----------------------------|------------------------------|
| Ararat Housing Transition  | -                           | -                           | 300                          |
| Digital Twin Victoria  | -                           | -                           | 950                          |
| Free Public WiFi Services  | -                           | -                           | 1,243                        |
| Supported Playgroups   | 67                          | 23                          | -                            |
| Ararat Rural City Sport, Active Recreation & Open Space Strategy | -                           | -                           | 36                           |
| CALD Outreach Workers Initiative                                 | 129                         | 129                         | -                            |
| Tiny Towns Fund - Pomonal Community Hub                          | -                           | 31                          | 88                           |
| Natural Disaster Relief  | -                           | 158                         | -                            |
| Council Support Fund – Pomonal Fires                             | -                           | -                           | -                            |
| Engage - Youth Events Activities & Happenings                    | 55                          | 55                          | -                            |
| Centenary Park Dog Park  | 100                         | 8                           | 67                           |
| Queen Street Housing Program                                     | -                           | 376                         | 5,320                        |
| Ararat Hills Adventure Sports Precinct                           | -                           | -                           | 400                          |
| Early Career Educators   | -                           | 55                          | 48                           |
| Ararat Active Bike Network                                       | 266                         | -                           | -                            |
| Ararat City Tennis Sports Lighting and Accessibility             | -                           | -                           | 280                          |
| Primary Producer Support Payment                                 | -                           | 125                         | -                            |
| Emergency Services and Volunteers Fund                           | -                           | 50                          | -                            |
| Other Minor Grants (under \$30,000)                              | -                           | 22                          | -                            |
|  | 617                         | 1,032                       | 8,732                        |

Non-recurrent Capital Grants total \$0.176 million to 31 October 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<br>2025/26<br>\$'000 | Income<br>2025/26<br>\$'000 | Unearned<br>Income<br>\$'000 |
|---|-----------------------------|-----------------------------|------------------------------|
| Pedestrian Infrastructure Program                                   | -                           | -                           | 50                           |
| Tiny Towns Fund - Buangor Recreation Reserve Pavilion Redevelopment | -                           | -                           | 25                           |
| Tiny Towns Fund - Buangor Cobb & Co Stables                         | -                           | 29                          | 25                           |
| Pony Club Sports Arena  | 1,490                       | -                           | 433                          |
| Queen Street Housing Program  | -                           | -                           | 1,683                        |
| Ararat Library Lighting & Exterior Upgrade                          | -                           | 32                          | 19                           |
| TAC Safe Local Roads and Streets Program                            | -                           | 27                          | 441                          |
| Jack & Jill Kindergarten Upgrade                                    | -                           | 50                          | 25                           |
| Other Minor Grants (under \$30,000)                                 | -                           | 38                          | 10                           |
|   | 1,490                       | 176                         | 2,711                        |

Note

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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 \$0.325 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 four months ended 31 October 2025 Council has incurred \$4.461 million in employee costs.

**Materials and Services** account for approximately 28% of the total budgeted expenditure for 2025/26. For the four months ended 31 October 2025, Council has incurred \$4.305 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 October 2025. Comparative figures have been provided as at 30 June 2025.

Council's current assets have increased by \$13.126 million from \$17.978 million as at 30 June 2025 to \$31.104 million as at 31 October 2025. Cash and cash equivalents have increased by \$0.925 million from \$14.841 million to \$15.766 million. Trade and other receivables have increased by \$12.165 million from \$3.066 million as at 30 June 2025 to \$15.231 million as at 31 October 2025.

Total liabilities have increased from \$16.464 million in 2024/25 to \$18.127 million in 2025/26. Trade and other payables have decreased by \$0.686 million and trust funds and deposits have increased by \$0.098 million. Unearned income/revenue increased by \$2.458 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.

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The Cash and Cash Equivalents at the beginning of the financial year of \$14.841 million have increased by \$0.925 million to \$15.766 million as at 31 October 2025.

Net cash of \$2.749 million was provided by operating activities, \$1.563 million was used in investing activities, and \$0.261 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 | 31/10/2025 |
|--|-----------|------------|
| <b>Working capital</b><br><i>Measure - Current assets compared to current liabilities.</i><br>Expected values in accordance with the Local Government Performance Reporting Framework 100% to 400%<br>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%      | 189%       |
| <b>Loans and borrowings</b><br><i>Measure - Loans and borrowings compared to rates.</i><br>Expected values in accordance with the Local Government Performance Reporting Framework – 0% to 70%<br>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%     | 0.43%      |
| <b>Indebtedness</b><br><i>Measure - Non-current liabilities compared to own source revenue</i><br>Expected values in accordance with the Local Government Performance Reporting Framework – 2% to 70%<br>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%     | 8.91%      |
| <b>Rates concentration</b><br><i>Measure - Rates compared to adjusted underlying revenue</i><br>Expected values in accordance with the Local Government Performance Reporting Framework – 30% to 80%<br>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%    | 83.28%     |

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| Indicator  | 30/6/2025 | 31/10/2025 |
|--|-----------|------------|
| <b>Expenditure level</b><br><i>Measure - Expenses per property assessment</i><br>Expected values in accordance with the Local Government Performance Reporting Framework \$2,000 to \$10,000<br>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   | \$1,713    |
| <b>Indicator - Revenue level</b><br><i>Measure - Average residential rate per residential property assessment</i><br>Expected values in accordance with the Local Government Performance Reporting Framework - \$700 to \$2,000<br>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    |
| <b>Indicator – Percentage of total rates collected</b><br>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.<br>The outstanding Rates Debtors is reported in the Annual Financial report.<br>As at 31 October 2025 the outstanding Rates Debtors totalled \$14,277 million compared to \$2,466 million as at 30 June 2025, an increase of \$11,811 million.<br>In percentage terms 31.0% of the rates raised have been collected at 31 October 2025 compared to 21.6% up to 31 October 2024. The increased percentage at 31 October 2025 includes payments totalling \$2,491 million received under the Victorian Government's Drought Support Package for Primary Producer Support Payments, which represents a 40% rate reduction on farm-rated properties.<br><br>Outstanding rates are currently charged 10% interest.<br>Council issues approximately 7,900 rate notices. In 2025/26 there are 2,495 assessments paying by instalments compared with 2,653 assessments in 2024/25. | 87.8%     | 31.0%      |
| <b>Indicator – Asset Renewal &amp; Upgrade</b><br><i>Measure - Asset renewal &amp; Upgrade compared to depreciation</i><br>Expected range in accordance with the Local Government Performance Reporting Framework – 40% to 130%<br>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%   | 43.98%     |

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.

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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.

##### *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.

MOVED Greg Jakob  
SECOND Janet Dore

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

#### ATTACHMENTS

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

**ACTION:** Would like to see included the restricted cash rates as well as indicator bars to show where we should be to where the Council currently is. Would like to see split in the rates reporting on the four rating groups

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**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  | Mar 26                   |
| 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   | Sept-25 | Sept 29                  |
| 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  | Mar 26                   |
| Prevention of Sexual Harassment Policy                                  | Sept-24 | Mar 26                   |
| Privacy Policy (prev Privacy & Data Protection & Health Records Policy) | Jan-25  | Mar 26                   |
| Procurement Policy  | Jun- 28 | Jun 28                   |
| Public Transparency Policy  | Sept 25 | Sept 29                  |
| Risk Management Policy  | Dec 25  | Mar 26                   |
| Social Media Policy   | Feb 28  | Dec 27                   |
| Valuation Policy - Major Asset Classes                                  | May-26  | Mar-26                   |

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| 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  | Mar 26  |
| 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                           | Aug 25  | Sept 29 |
| Injury Management Policy                              | Sep-25  | Mar 26  |
| Municipal Emergency Policy                            | May-25  | Jun 25  |
| Occupational Health and Safety Policy                 | Sept 26 | Sep 26  |
| OHS Workplace Emergency Evacuation Policy             | Nov-25  | Mar 26  |
| Prevention of Sexual Harassment in the Workplace      | Aug 25  | Sept 28 |
| Public Interest Disclosures Procedure                 | Oct 25  | Mar 26  |
| Risk Management Framework                             | Dec 25  | Mar 26  |
| 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 | Mar 26  |
| Workplace Anti-Discrimination & Harassment Policy     | Jun 26  | Jun 26  |

There are six policies / plans being presented for review at this meeting which are:

- Staff Code of Conduct
- Staff Gift Policy
- Audit and Risk Committee Charter
- Community Engagement Policy
- Fraud and Corruption Policy and Plan
- Complaints Handling 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    |
|--------------------------|--------------------------------------|-------------------------|--|----------------|
| Administrative           | Staff Code of Conduct                | December 2021           | December 2025                          | August 2029    |
| Administrative           | Staff Gift Policy                    | September 2021          | December 2025                          | September 2029 |
| Council                  | Audit and Risk Committee Charter     | 18 May 2021             | September 2025                         | September 2029 |
| Council                  | Community Engagement Policy          | 21 July 2020            | September 2025                         | September 2029 |
| Council                  | Fraud and Corruption Policy and Plan | 30 April 2024           | January 2026                           | December 2026  |
| Council                  | Complaints Handling Policy           | 16 March 2021           | January 2026                           | December 2029  |

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The Staff Code of Conduct is currently out for review. Changes to this policy are minimal with some changes to language, removal or repeats and for the policy to flow better.

The Staff Gift Policy has been reviewed with the main changes were to include the roles and responsibilities of CEO, Officers and managers to report and monitor gifts ARCC giving of gifts externally and the gifts to officers for personal celebrations such as birthdays and anniversaries. Both of these additions were identified in an internal audit as a recommendation.

The Audit and Risk Charter is reviewed annually to identify any changes in the annual work plan. Other than position changes there are no other changes but have put to the Audit and Risk Committee to view and identify any changes necessary.

The Community Engagement Policy has been reviewed and benchmarked against like policies that have been displayed on the Local Government Inspectorate website as model policies. Main changes were in the introduction to use more welcoming language and not to have such a strong legislative tone

The Fraud and Corruption Policy and Plan have been reviewed and the main changes in to incorporate and reference conflicts of interest, risks connected to gifts ,benefits and hospitality, increase emergency and cyber fraud as recommended in internal audits. Other changes are to change the language to be more inclusive and position changes.

The Complaints Handling Policy has been reviewed and benchmarked against like policies that has been displayed on the Local Government Inspectorate website as model policies. This policy has had some major changes to the wording to make it more accessible to the general public for use and whilst covering the legislative requirements, reducing the bureaucratic jargon.

**RECOMMENDATION**

That the Council Policy Review Update be noted.

**RECEIVED**

**ATTACHMENTS**

Draft review of Staff Code of Conduct is attached as Attachment 4.1.1  
Draft review of Staff Gift Policy is attached as Attachment 4.1.2  
Draft review of Audit and Risk Committee Charter is attached as Attachment 4.1.3  
Draft review of the Community Engagement Policy is attached as Attachment 4.1.4  
Draft review Fraud & Corruption Control Plan is attached as Attachment 4.1.5  
Draft review Fraud & Corruption Control Policy is attached as Attachment 4.1.6  
Draft review Complaints Handling Policy is attached as Attachment 4.1.7

**ACTION:** Feedback provided for policies from the committee to be incorporated. Also would like a report on Freedom of Information with themes or trends.

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**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 | Workforce Planning   |
| September 2025 | Business Continuity                          | March 2026    | Procurement; and Emergency Management                              |
| October 2025   | Financial Sustainability                     | April 2026    | Waste Management; and Occupational Health and Safety, Staff Safety |
| November 2025  | IT Infrastructure & Business Continuity Plan | 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. Reviews have been completed up to the end of November.

| 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,  |
| October   | Sport and recreation, Tourism, Economic Development   |
| November  | Depot, Contracts and Procurement, Finance, Property Rates and Valuation,  |
| December  | Library Service, Events, Human Resource, Customer Services, Waste management  |
| January   | Art Gallery / TAMA, Town Hall, Media and Communications   |

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**RECOMMENDATION**

That the Strategic Risk Review and Update Report be received.

**RECEIVED**

**ATTACHMENTS**

The Strategic Risk Register is provided as Attachment 5.1

**ACTIONS:** To create a separate strategic risk of loss of key staff from council and a separate focus between external OHS and Internal OHS

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SECTION 6- FRAUD PREVENTION

No reports tabled at this meeting

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**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 and aligns with Audit and Risk Committee Charter 5.27 Monitor action by management on internal audit findings and recommendations.

**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.

Each year, AFS, as the internal auditors, conducts a review of the actions taken by management and confirm that they have been addressed the risks raised by the internal auditors. The next review will take place in May 2026, however this report is a progress report of those actions to date. Since the late Audit and Risk Committee meeting, there have been another 7 items which have been completed. By the next Audit meeting we are endeavouring to have another 16 items completed.

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

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**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

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**7.3 INTERNAL AUDIT – DATA ANALYTICS PAYROLL**

Aligns with Audit and Risk Committee Charter 5.24 Review and approve proposed scopes for each review in the annual internal audit plan

**BACKGROUND**

In accordance with Ararat Rural City Council's Internal Audit Program, an internal audit is to be undertaken to the rates/revenue function and associated internal controls.

**DISCUSSION**

The objective is to identify any significant adverse pay incidents or potential fraud within the payroll functions through the use of data analytics.

The attached document, outlines the scope and the approach on how this audit will be delivered as well as what is excluded from the scope.

The timeframe for this audit is scheduled for 16 February 2026 and the results to be presented to the June 2026 Audit and Risk Committee

**RECOMMENDATION**

That the Internal audit planning document for the Data Analytics to be received.

**RECEIVED**

**ATTACHMENTS**

The AFS & Associate Internal Audit Planning document for the Data Analytics - Payroll is provided as Attachment 7.3.

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**7.4 INTERNAL AUDIT – INTERNAL AUDIT REPORT: WASTE MANAGEMENT**

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

**BACKGROUND**

In accordance with Ararat Rural City Council's Internal Audit Program, an internal audit was undertaken of Waste Management

**DISCUSSION**

The objective of this internal audit was to examine how and to what extent Council is ensuring water management services are delivering value for money for ratepayers

The audit concluded there were 3 areas of strength and 1 moderate, 4 minor findings and 1 opportunity identified. All recommendations suggested to management have been agreed to. An update on the progress of the agreed to action items will be provided at the March 2026 Audit & Risk Committee meeting.

**RECOMMENDATION**

That the findings from the Waste Management audit be received.

**RECEIVED**

**ATTACHMENTS**

The AFS & Associate Audit of Waste Management report is provided as Attachment 7.4

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**7.5 INTERNAL AUDIT – INTERNAL AUDIT REPORT: ENVIRONMENTAL HEALTH SERVICE REVIEW**

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

**BACKGROUND**

In accordance with Ararat Rural City Council's Internal Audit Program, an internal audit was undertaken of Environmental Health.

**DISCUSSION**

The objective of this internal audit was to assess the effectiveness of Council's management and enforcement of compliance with relevant Environment Health legislation and regulations.

The report acknowledge that Council is fulfilling its statutory obligations through the outsourced EH functions. The partnership with Kernow Environmental Services has enabled consistent delivery of core services.

The audit concluded there were 13 areas of strength, 5 minor findings and 1 opportunity identified.

All recommendations suggested to management have been agreed to. An update on the progress of the agreed to action items will be provided at the March 2026 Audit & Risk Committee meeting.

**RECOMMENDATION**

That the findings from the Environmental Health – Service review audit be received.

**RECEIVED**

**ATTACHMENTS**

The AFS & Associate Audit of Environment Health Service Review report is provided as Attachment 7.5

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**7.6 INTERNAL AUDIT – INTERNAL AUDIT REPORT: RATES REVENUE & DEBTOR MANAGEMENT**

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

**BACKGROUND**

In accordance with Ararat Rural City Council's Internal Audit Program, an internal audit was undertaken of Rates Revenue and Debtor Management.

**DISCUSSION**

The objective of this was to assess the reliability and effectiveness of the current internal controls operating within the rate revenue and rates debtor management functions.

The audit found that ARCC has established a well-controlled and transparent framework for managing rates and revenue debtors. Furthermore, that the internal controls over the rating process are robust and consistently applied.

The audit concluded there were 9 areas of strength and 2 minor findings.

All recommendations suggested to management have been agreed to. An update on the progress of the agreed to action items will be provided at the March 2026 Audit & Risk Committee meeting.

**RECOMMENDATION**

That the findings from the Rates Revenue and Debtor Management audit be received.

**RECEIVED**

**ATTACHMENTS**

The AFS & Associate Audit of Rates Revenue and Debtor Management report is provided as Attachment 7.6

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**SECTION 8- EXTERNAL AUDIT**

No reports tabled at this meeting

Ryan Schischka gave a verbal update on the end of 24-25 Financials and the issues that have occurred with VAGO which has seen a delay in the annual report to be presented at Council.

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**SECTION 9- COMPLIANCE**

**9.1 JLT Public Sector –Top Cyber-Security Controls Review 2025**

Aligns with Audit and Risk Committee Charter 5.40 Receive reports from management on the findings of any examination by regulatory or integrity agencies and Aligns with Audit and Risk Committee Charter 5.9 Annual review of significant changes to key systems and consider impact of changes on Councils risk profile

**BACKGROUND**

Cyber risk is a highly dynamic environment and has been regularly identified by Local Government CEO's in the annual JLT Public Sector Risk Survey report as a top two risk. JLT Public Sector has created a laser-focused analysis of 12 Key Controls to assist in setting priorities within the Council.

**DISCUSSION**

There are 12 key controls assessed in which five of them scored greater than 80% meaning the adequate controls are in place across all or most categories of the specified area. While some controls may require attention or development, implementation has been largely achieved to an acceptable level.

Three of the key controls scored between 50-80% referring that, adequate controls are in place across some categories of the specified area. Numerous controls required further attention and priority to achieve an acceptable level of implementation.

The other four key controls rated below 50% suggest that there are inadequate controls are in place across all or most categories of the specified area. Significant attention and development are required to achieve acceptable levels of implementation.

**RECOMMENDATION**

JLT Public Sector – Top Cyber-Security Controls Review 2025 be received

**RECEIVED**

**ATTACHMENTS**

The JLT Top Cyber-Security Controls Review 2025 is provided as Attachment 9.1

**ACTIONS:** Would like a report on coordinate recovery and what this may look like. Patch management vulnerability, and which risk we are focusing on.

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**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 21 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.

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**SECTION 11 – FUTURE MEETINGS**

**11.1 FUTURE MEETING DATES**

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

- Tuesday 3 March 2026 1pm
- Tuesday 2 June 2026 1pm
- Tuesday 15 September 2026 1pm
- Tuesday 1 December 2026 1pm

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SECTION 12- NEXT MEETING/CHARTER ITEMS

March 2026

| Ref. from Charter |  |
|-------------------|--|
| 5.10              | Ensure that a program is in place to test compliance with systems and controls   |
| 5.11              | Assess whether the control environment is consistent with Council's Governance Principles  |
| 5.18              | Review Council's Fraud Prevention policies and controls, including the Fraud Control Plan and fraud awareness programs.  |
| 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   |
| 5.21              | Review the Internal Audit Charter regularly  |
| 5.22              | Review and approve the three-year strategic internal audit plan, the annual internal audit plan  |
| 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.  |
| 5.31              | Annually review and approve the external audit scope and plan proposed by the external auditor   |
| 5.37              | Review the systems and processes implemented by Council for monitoring compliance with relevant legislation and regulations  |
| 5.38              | Review the processes for communicating Council's Employee Code of Conduct to employees and contractors and for monitoring compliance with the Code                 |
| 5.39              | Obtain briefings on any significant compliance matters   |
| 5.40              | Receive reports from management on the findings of any examinations by regulatory or integrity agencies  |
| 6                 | Biannual report to Council   |

## SECTION 6 - INFORMAL MEETINGS

### 6.1 COUNCIL BRIEFINGS

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

#### OFFICER'S DECLARATION OF INTEREST

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

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

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#### EXECUTIVE SUMMARY

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

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

#### DISCUSSION

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

| INFORMAL MEETINGS                        |
|--|
| Council Briefing held on 20 January 2026 |

#### Matters discussed at the briefing:

- Annual Report 2024/25
- Possible new beneficial enterprise
- Football Club Seasonal User Agreements
- Road Naming Proposal - Sparrows Lane
- Road Naming Proposal - Withers Lane
- S6A - Instrument of Delegation under the Planning and Environment Act 1987
- Fraud and Corruption Control Plan and Policy
- Community Engagement Policy
- Complaints Handling Policy
- Audit & Risk Committee Charter
- Rail Freight Alliance Stance
- Budget Development and Engagement Plan
- December 2025 Community Engagement Sessions Report
- Monthly Performance Report - Prestige Mill Infrastructure Project Update - December 2025
- Monthly Plan - Council Plan - Annual Plan
- Monthly Performance Report - December 2025
- Capital Works Program - December 2025
- McCrows Road Bridge

- 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 ensuring that Councillors' roles as elected community representatives are understood and reflected in decision-making.

### **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 J ARMSTRONG SECONDED CR PRESTON

That:

1. the Informal Meetings of Councillors Report be received.

**No Councillors spoke for or against the motion.**

## CARRIED 6/0 5286/25

## ATTACHMENTS

The Summary of Council Briefings are provided as Attachment 6.1.

## Councillor Briefing Agenda



**Date: Tuesday 20 January 2026**

**Commencement: 5.00 pm**

**Location:** Council Chamber, Shire Offices

**Councillors:**  
Cr Jo Armstrong  
Cr Rob Armstrong  
Cr Peter Joyce  
Cr Teli Kaur  
Cr Luke Preston  
Cr Bob Sanders  
Cr Bill Waterston

**Officers:**  
CEO, Dr Tim Harrison  
Deputy CEO, Phuong Au  
Chief Operating Officer, Chandra Willmott  
Major Projects Lead, Rebecca Rodger

**Apologies:**

### 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** Annual Report 2024/25
- 3** Possible new beneficial enterprise
- 4** Football Club Seasonal User Agreements
- 5** Road Naming Proposal - Sparrows Lane
- 6** Road Naming Proposal - Withers Lane
- 7** Rate arrears
- 8** S6A - Instrument of Delegation under the Planning and Environment Act 1987
- 9** Fraud and Corruption Control Plan and Policy
- 10** Community Engagement Policy
- 11** Complaints Handling Policy
- 12** Audit and Risk Committee Charter
- 13** Rail Freight Alliance Stance
- 14** Budget Development and Engagement Plan
- 15** December 2025 Community Engagement Sessions Report
- 16** Monthly Progress Report - Prestige Mill Infrastructure Project Update - December 2025
- 17** Monthly Progress Report - Council Plan - Annual Plan
- 18** Monthly Performance Report - December 2025

## Councillor Briefing Agenda



- 19** Capital Works Program - December 2025
- 20** McCrows Road Bridge
- 21** Building approvals
- 22** 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 - Bridge Strengthening - McCrows Road Bridge

## 6:54PM - 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 J AMRSTRONG SECONDED CR KAUR

**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  
5287/26**

## 6:59PM - OPEN COUNCIL MEETING RECOMMENCEMENT

### RECOMMENDATION

*That the Open Council Meeting recommence.*

### MOVED CR JOYCE SECONDED CR PRESTON

**That the Open Council Meeting recommence.**

**No Councillors spoke for or against the motion.**

**CARRIED 6/0  
5289/26**

**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 PRESTON**

**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  
5290/25**

**Meeting closed at 7:00pm**

I HEREBY CERTIFY THAT PAGES 11972 - 12286 INCLUDING PAGES 897 - 900 OF THE CLOSED SESSION ARE CONFIRMED AND ARE A TRUE AND CORRECT RECORD.

**MAYOR - CR BOB SANDERS**