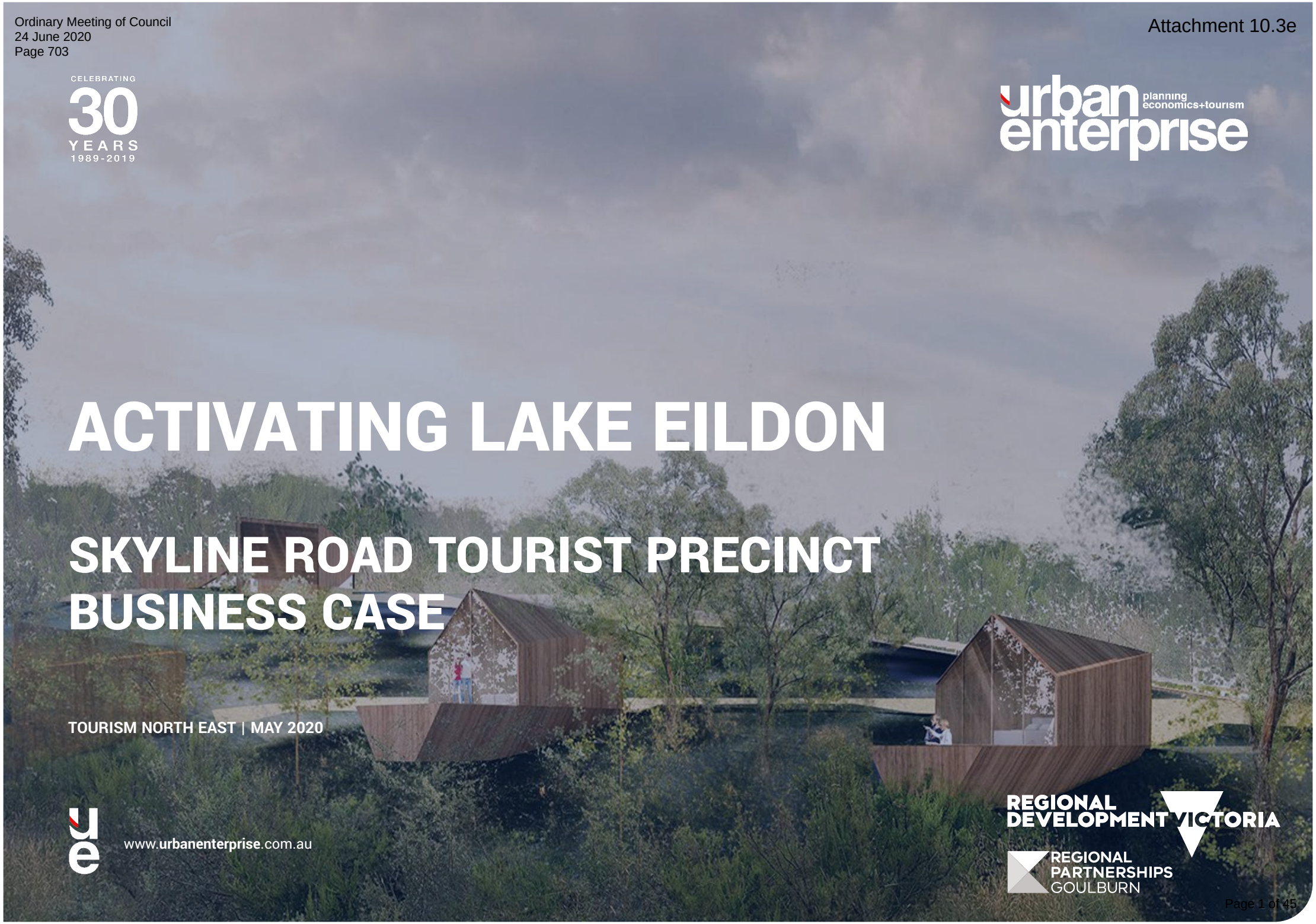
CELEBRATING 30 YEARS 1989-2019

urban enterprise planning economics+tourism



# ACTIVATING LAKE EILDON

## SKYLINE ROAD TOURIST PRECINCT BUSINESS CASE

TOURISM NORTH EAST | MAY 2020

www.urbanenterprise.com.au

REGIONAL DEVELOPMENT VICTORIA

REGIONAL PARTNERSHIPS GOULBURN

**AUTHORS**

Agathy Patsouris, Consultant

Mike Ruzzene, Director

**FILE**

Skyline Road Precint Business Case_Urban Enterprise 2020

**DISCLAIMER**

Neither Urban Enterprise Pty. Ltd. nor any member or employee of Urban Enterprise Pty. Ltd. takes responsibility in any way whatsoever to any person or organisation (other than that for which this report has been prepared) in respect of the information set out in this report, including any errors or omissions therein. In the course of our preparation of this report, projections have been prepared on the basis of assumptions and methodology which have been described in the report. It is possible that some of the assumptions underlying the projections may change. Nevertheless, the professional judgement of the members and employees of Urban Enterprise Pty. Ltd. have been applied in making these assumptions, such that they constitute an understandable basis for estimates and projections. Beyond this, to the extent that the assumptions do not materialise, the estimates and projections of achievable results may vary.

**COPYRIGHT**

© Copyright, Urban Enterprise Pty Ltd, 2020

This work is copyright. Apart from any uses permitted under Copyright Act 1963, no part may be reproduced without written permission of Urban Enterprise Pty Ltd.

**COVID-19 DISCLAIMER**

The following report has been prepared prior to the COVID-19 Novel Coronavirus pandemic. COVID-19 has the potential to impact some of the assumptions in this report, however the report has been prepared under a 'business as usual' scenario.

**PARTNERS**

**L1 302-304 Barkly St, Brunswick VIC 3056**

**+61 3 9482 3888 urbanenterprise.com.au**

# CONTENTS

**EXECUTIVE SUMMARY** 1
**1. INTRODUCTION** 3
1.1. BACKGROUND 3
1.2. PROCESS 3
1.3. LAKE EILDON CONTEXT 4
**2. STRATEGIC CONTEXT** 5
2.1. INTRODUCTION 5
2.2. STRATEGIC POLICY CONTEXT 5
2.3. TOURISM CONTEXT 5
2.1. MASTERPLAN FRAMEWORK 7
**3. CONCEPT** 11
3.1. INTRODUCTION 11
3.2. THE SITE 11
3.3. THE PROJECT 12
3.4. PRECEDENTS 16
3.5. STRATEGIC CONSIDERATIONS 18
3.6. PROJECT BENEFITS 18
**4. INVESTMENT LOGIC** 19
4.1. INTRODUCTION 19
4.2. PROJECT DRIVERS 19
4.3. PROBLEMS 19
4.4. INTERVENTIONS 19
4.5. THE SOLUTION 19
**5. PROJECT DRIVERS** 22
**6. PROJECT BENEFITS** 24
6.1. INTRODUCTION 24
6.2. QUANTITATIVE BENEFITS 24
6.3. QUALITATIVE BENEFITS 25
**7. COST BENEFIT ASSESSMENT** 26
7.1. INTRODUCTION 26
7.2. VISITOR DEMAND PROJECTIONS 26
7.3. PROJECT ECONOMIC BENEFITS 28
7.4. PROJECT EXPENDITURE 29
7.5. COST-BENEFIT SUMMARY 29
**8. ECONOMIC IMPACT ASSESSMENT** 30
8.1. TYPES OF ECONOMIC BENEFITS 30
8.2. ECONOMIC IMPACT – CONSTRUCTION PHASE 31
8.3. ECONOMIC IMPACT – OPERATIONAL PHASE (ONGOING) 31
**9. DELIVERY ACTION PLAN** 32
**APPENDICES** 33
APPENDIX A ECONOMIC MODELLING FOR SKYLINE ROAD TOURIST PRECINCT 33
APPENDIX B ECONOMIC TERMS AND DEFINITIONS 37

## FIGURES

F1. LAKE EILDON REGIONAL CONTEXT 4
F2. MASTERPLAN FOR LAKE EILDON REGION 10
F3. DINNYS LOOKOUT SITE 11
F4. SKYLINE ROAD TOURIST PRECINCT – CONCEPT PLAN 13
F5. SKYLINE ROAD TOURIST PRECINCT - CONCEPT DRAWINGS 14
F6. GREAT OCEAN ROAD TOURING ROUTE 16
F7. THREE CAPES TRACK LODGES 16
F8. CAPE BYRON DISTILLERY 17

## TABLES

T1. OVERVIEW OF TOURISM PRODUCT AND EXPERIENCE CONTEXT 6
T2. PRELIMINARY PROJECT COSTINGS FOR SKYLINE ROAD TOURIST PRECINCT 15
T3. INVESTMENT LOGIC MAP 21
T4. ESTIMATED VISITOR DEMAND (YEAR 1) 27
T5. ESTIMATED PROJECTED BENEFITS (YEAR 1) 28
T6. COST-BENEFIT SUMMARY 29
T7. SHORT-TERM ECONOMIC IMPACT – CONSTRUCTION PHASE 31
T8. ONGOING ECONOMIC IMPACT – OPERATIONAL PHASE (ANNUAL) 31
T9. ACTION PLAN FOR SKYLINE ROAD TOURIST PRECINCT 32

# EXECUTIVE SUMMARY

## OVERVIEW

Historically, Lake Eildon has suffered from a lack of investment due to a range of challenges over the past two decades, including severe long-term drought, global financial crisis, inconsistent governance and lack of leadership, unsuitable land zoning for development, and lack of supporting infrastructure to facilitate private sector investment.

The Activating Lake Eildon Project has identified four business case projects to proceed with in the short term that will grow the visitor economy in the Lake Eildon region by providing new products, infrastructure and experiences. These business cases will assist in attracting private sector investment and lead to new visitor markets visiting the Lake Eildon region, which will increase visitation and yield.

**This business case is prepared for the establishment of Skyline Road as a Tourist Precinct.**

## CONCEPT OVERVIEW

Capitalising on the immersive views of Lake Eildon and the High Country from Skyline Road, the development of the Skyline Road Tourist Precinct will provide a new iconic touring experience in the region. If sealed, the road would strengthen the link between the two largest towns of Lake Eildon: Eildon and Bonnie Doon.

Key features of the concept include:

- Road sealing of approximately 18 kms of road between Eildon-Bonnie Doon;
- Development of a Great Lake Touring Route, including development of architectural lookouts at key vantage points;
- Rezoning of land to accommodate commercial tourism development with views; and
- Development of a boutique distillery with small scale boutique accommodation.

## ESTIMATED PROJECT COSTS

Preliminary costings for the Skyline Road Tourist Precinct indicates a total construction cost of approximately $25 million, based on preliminary costings developed by Quantity Surveyors WTP Partnership:

- Road sealing cost of $6.5 million, with the following preliminary costs per Shire:
  - Mansfield Shire road sealing cost estimated at $2.9 million based on approximately 8 kms of road sealing required.
  - Murrindindi Shire road sealing cost estimated at $3.6 million based on approximately 10 kms of road sealing required.
- Self-contained accommodation Construction Cost of $2.7 million;
- Costs for land rezoning (i.e. Amendment Costs) estimated at $500,000;
- Distillery and restaurant construction cost (including reception, parking, walkways) estimated at $15.3 million.

**The project requires an estimated $7 million in Government funding to commence, this includes sealing of the Skyline Road, lookout points and Planning Scheme Amendments to support private sector investment.**

## PROJECT BENEFITS

The project will deliver the following benefits:

- Attracting a greater proportion of the High Country's Lifestyle Leader market;
- Increasing spend of existing visitors through additional food and beverage opportunities, and through increased activities (i.e. touring);
- Improving the Lake Eildon brand by delivering high quality infrastructure, product and experiences;
- Supporting the development of sporting and touring events around the Lake;
- Attraction of private sector investment in accommodation, food and beverage;
- Safety improvements for users of the currently unsealed roads;
- Increased connectivity and reduced travel time for Bonnie Doon and Eildon residents.

## ECONOMIC IMPACT ASSESSMENT

### Cost benefit

- Cost of $25 Million in total investment;
- $7 Million ask for Government funding;
- Cost benefit from direct impacts: 4.6

### Short Term Economic Impact:

- Total output of $54 million in the Hume Region;
- 148 jobs across the Hume Region.

### Ongoing Economic Impact:

- Total output of $52.6 million in the Hume Region;
- 275 jobs across the Hume Region

# 1. INTRODUCTION

## 1.1. BACKGROUND

The following business case is a result of extensive research and project work undertaken over the past 18 months for the two-phase Activating Lake Eildon Project. Urban Enterprise has been engaged for both Stages of the project, led by Regional Development Victoria, Hume Region and administered by Tourism North East.

The Activating Lake Eildon Project includes two stages of work:

- Stage 1: An economic impact of the value of tourism and recreation within the Lake Eildon region; and
- Stage 2: A masterplan and four business cases to prioritise investment and provide a cohesive strategy for land and water assets.

Lake Eildon has suffered from a lack of investment over the past two decades, due to a range of challenges including severe long-term drought, inconsistent governance and lack of leadership due to multiple land managers, unsuitable land zoning for development, and lack of supporting infrastructure to facilitate private sector investment.

As a result, a Masterplan has been prepared to guide strategic investment across the Lake Eildon region. Four business cases have been prepared for the top 4 game-changing projects identified in the Lake Eildon Tourism Masterplan, in order to address the key issues and opportunities for the Lake Eildon region.

**This business case will focus on investment in the Skyline Road Tourist Precinct.**

## 1.2. PROCESS

These business cases are for implementation of the Lake Eildon Masterplan, undertaken by Urban Enterprise. These business cases are underpinned by the following research and detailed methodology.

- Market research and economic modelling as part of Stage 1 to understand the economic value of tourism and recreation at Lake Eildon;
- Extensive consultation with over 10 workshops in Mansfield and Murrindindi Shires and more than 30 one to one consultations, across Local and State Government, industry and community;
- Audits and gap analysis of tourism product, infrastructure and experiences across the Lake Eildon region, to inform product development needs to reach target markets;
- Development of masterplan, identification of four Business Case projects and over 25 priority projects (Tier 1 and 2); and
- Concept plans and concept drawings developed by Cumulus Studio Architects for 4 key concepts.

Previous studies undertaken which have supported the development of the business cases include:

- Activating Lake Eildon Project: Stage 1 Economic Impact of Tourism and Recreation (Urban Enterprise, 2019)
- Lake Eildon Recreational Boating Facilities Improvement Plan (Goulburn-Murray Water)
- Lake Eildon Land And On-Water Management Plan (Goulburn-Murray Water, 2012)

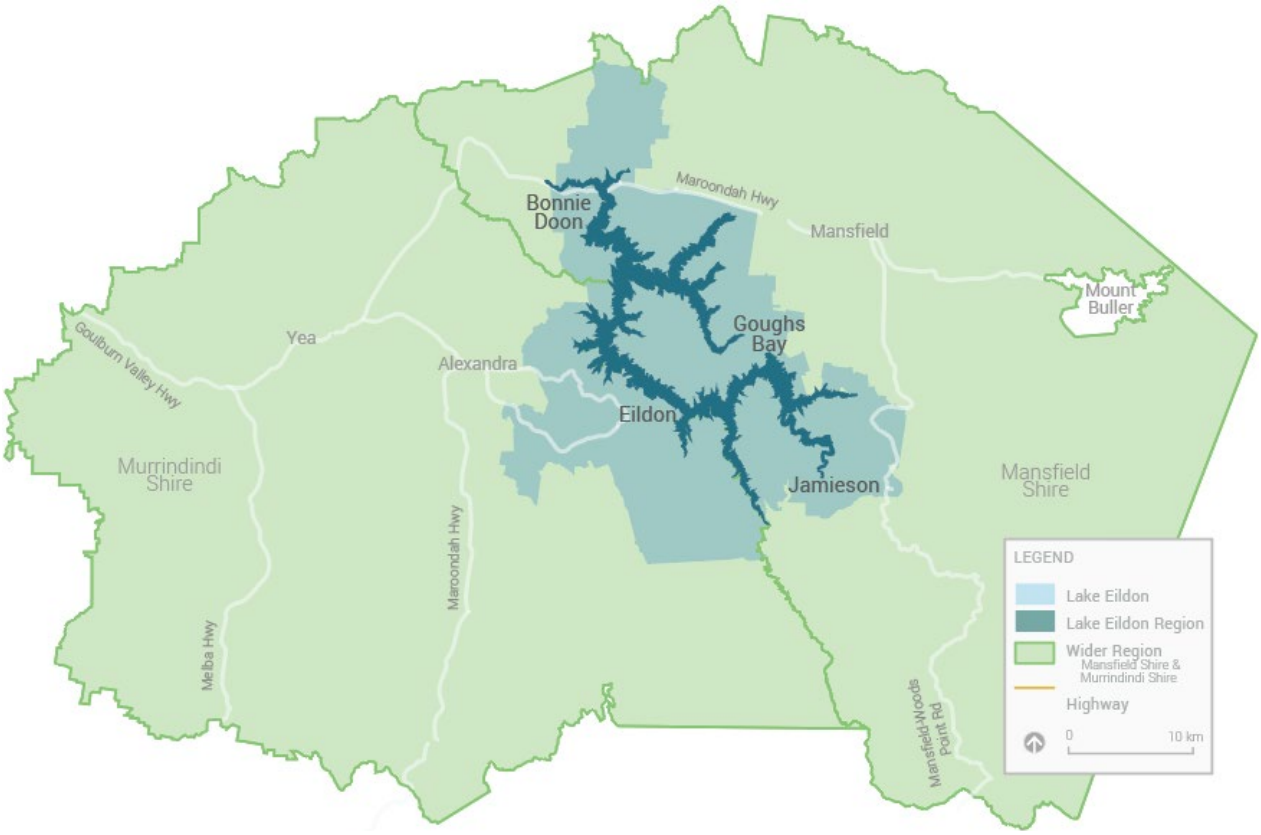
## 1.3. LAKE EILDON CONTEXT

Lake Eildon is located in North East Victoria, approximately two hours' drive from Melbourne. Lake Eildon is Victoria's largest inland water storage, which provides a dual irrigation and recreation role.

The Lake Eildon region spans across both Murrindindi and Mansfield Shires as shown in Figure F1. The Lake Eildon region is defined as the Lake and the surrounding towns, villages and National Park land.

Key townships across the region include Eildon, Bonnie Doon, Goughs Bay and Jamieson. These townships are popular destinations for visitors to the region, many of whom are frequent visitors owning holiday homes, caravans and houseboats.

F1. LAKE EILDON REGIONAL CONTEXT




Source: Urban Enterprise, 2020.

# 2. STRATEGIC CONTEXT

## 2.1. INTRODUCTION

This section provides an overview of the Lake Eildon region context, including an overview of strategic policy context, existing tourism context and a summary of the masterplan context.

## 2.2. STRATEGIC POLICY CONTEXT

A range of federal, state and local strategies and policies have been analysed to understand the current strategic context of Lake Eildon and the wider region.

In line with Australia's federal and state tourism strategies, there is significant opportunity for the Lake Eildon region to further enhance and support its own natural assets through improved infrastructure, investment in high-quality tourism products and experiences, as well as through skills development for local industry.

Common tourism development themes across these strategies include:

- Growing and attracting private sector investment in quality tourism experiences;
- Maintaining a diverse product mix;
- Leveraging natural assets through supporting infrastructure and amenity;
- Developing authentic Aboriginal experiences;
- Leveraging growing demand from Asia; and
- Developing international awareness and readiness for business owners.

Numerous local management studies have been developed for Lake Eildon that are relevant to the Activating Lake Eildon Project, including:

- Lake Eildon Recreational Boating Facilities Improvement Plan;
- Lake Eildon Land and On-Water Management Plan;
- Fraser Visitor Experience Area Strategic Plan;
- Lake Eildon National Park Management Plan;
- Victorian Boating Behaviour Report by Transport Safety Victoria; and
- Eildon Structure Plan.

There are a vast amount of actions identified across the studies, with a focus on localised infrastructure improvements such as boat ramps and public realm projects. The Activating Lake Eildon Project needs to prioritise investment across the region, given the scale of investment required. This will ensure that funding is provided to areas that have both the greatest potential for return on investment, and also meet development objectives that will enhance tourism outcomes for the region.

## 2.3. TOURISM CONTEXT

### 2.3.1. VISITOR ECONOMY OVERVIEW

The Lake Eildon region received 869,958 visitors to in 2018, comprised of 89% overnight visitors and 11% daytrip visitors. Overnight visitation is driven by caravan/camping visitors (48%), followed by visitors staying in commercial accommodation (30%).

The total economic impact of tourism and recreation within the Lake Eildon region is estimated at $486 million in output and 2,548 jobs to the Hume region. This accounts for direct visitor expenditure within the Lake Eildon region, as well as expenditure by holiday home and houseboat owners within both Mansfield and Murrindindi Shires.

Visitors to the Lake Eildon region are relatively low yielding, spending an average of $153 per person per trip compared to $340 for visitors to the High Country. 70% of overnight visitors are mainly self-supporting, either not paying for or paying very little for accommodation (i.e. caravan/camping, holiday home and houseboat visitors).

### 2.3.2. TARGET MARKETS

Key target markets for the Lake Eildon region include the low-yielding, mainly self-sustaining Habitual Market, and the higher-yielding, experience-seeking Lifestyle Leader market. The Lake Eildon region is currently attracting mainly low-yield Habituals who tend to visit only in peak periods, and very low levels of Lifestyle Leaders. There is a critical need to deliver quality contemporary tourism experiences that will assist in attracting the Lifestyle Leader market, as well as delivering projects that will extract greater yield from the Habitual market.

### 2.3.3. PROJECTED VISITATION

The Lake Eildon region is projected to grow by an additional 604,922 visitors by 2030, to reach 1,474,800 visitors. This highlights the need for both private and public sector investment to provide a unique, attractive and contemporary experience to service these visitors. This should include leveraging and enhancing primary and secondary product strengths, as well as fulfilling the critical gaps in the tourism product and infrastructure such as quality food and beverage, contemporary commercial accommodation, family-friendly activities and Indigenous cultural touring.

### 2.3.4. TOURISM CONTEXT

The Lake Eildon region is primarily a nature-based destination, with key strengths in both water-based and land-based natural assets and associated activities. Key natural assets include Lake Eildon, numerous rivers, and Lake Eildon National Park.

Table T1 provides an overview of tourism product within the Lake Eildon region.

**T1. OVERVIEW OF TOURISM PRODUCT AND EXPERIENCE CONTEXT**

| Product Type | Description |
|---|---|
| **Primary Strengths** | |
| Waterways (Lake/Rivers) | Lake Eildon, and Goulburn, Howqua, Jamieson, Big and Delatite Rivers. |
| Significant parks and landscapes | Natural assets including Lake Eildon National Park, Rubicon State Forest & Snobs Creek. |
| Fishing | Well-regarded for Murray Cod, Trout Cod and Macquarie perch native fishing. |
| Boating and other water-based activities | E.g. powered boats, yachts, wakeboarding, water skiing, jet skiing, kayaking and flyboarding. |
| Four-wheel driving | Popular summer activity for Habitual visitors. |
| Hunting | Niche experience but popular amongst Habituals. |
| Outdoor education | Outdoor education operators and school camps. |
| Camping | Driven by basic or informal camping at Lake Eildon National Park, Delatite Arm Reserve, and along creeks and rivers. |
| **Secondary Strengths** | |
| Events | Various small-scale events but no major attractions. |
| Walking | Range of walking trails but limited investment. |
| Cycling | Well-regarded for road cycling, and growing number of mountain bike trails. |
| Houseboats | Lake Eildon has the largest fleet of houseboats in Victoria, with 722 registered boats, and is the only inland Lake with authorised use of houseboats. |
| **Gaps/Opportunities for Product Development** | |
| Food and beverage | Gap in high quality food and beverage. |
| Commercial accommodation | Lack of quality, contemporary commercial accommodation. |
| Family-friendly activities | Gap in activities for existing and future visitor markets. |
| Indigenous cultural touring | Limited Indigenous cultural touring experiences. |

## 2.1. MASTERPLAN FRAMEWORK

The Masterplan Framework has been developed in response to key issues, opportunities and considerations for investment in the Lake Eildon region. These have been developed through significant primary and secondary research, and have guided the preparation of each of the four business case projects.

### VISION

The Lake Eildon region will fulfil its potential as Australia's premier inland water destination, with enhancement of its water-based tourism assets, activation of nature-based tourism, and improvement to the visitor experience in the key destination villages surrounding the Lake.

### OBJECTIVES

The following are strategic objectives that respond to the issues and opportunities identified through preparation of the masterplan:

- Attract Lifestyle Leader market segments to the region;
- Improve the experience of current water-based and nature-based visitors;
- Grow visitor yield through investment in accommodation, food and beverage product and nature based tours and experiences;
- Improve the general amenity of the region, in particular the key towns and villages;
- Focus investment to create a critical mass of product at key visitor nodes;
- Support improved activation of and access to the Lake;
- Deliver improved governance and management of visitor services, tourism infrastructure, marketing and investment attraction.

### STRATEGIC FRAMEWORK

The following themes for tourism investment have been developed, in line with the vision and strategic objectives for the Lake Eildon region.

#### T1: IMPROVE THE EXPERIENCE FOR EXISTING VISITOR MARKETS

Focus: Improve the visitor experience for existing visitor markets through infrastructure and amenity improvements, and investment in contemporary product.

#### T2: NEW PRODUCT TO REACH TARGET MARKETS

Focus: Deliver new contemporary products that are unrelated to water-based activities to grow year round visitation and attract new visitor markets.

#### T3: INVESTMENT IN ENABLING INFRASTRUCTURE

Focus: Deliver enabling infrastructure that will unlock investment potential at strategic locations.

#### T4: IMPROVED DESTINATION MANAGEMENT

Focus: Deliver improved governance and resources to facilitate visitor servicing, activation and marketing.

## PROJECT ASSESSMENT CRITERIA

The following assessment criteria has been used to prioritise projects. Projects which meet the greatest number of these criteria have been identified to be developed as Business Case projects or Tier 1 level projects.

1. Large scale project scale/game changer. The project will produce a significant change to the current experience of tourism in the Lake Eildon region, either through attraction of new visitor markets or investment in unique, large-scale tourism product.
2. Enabling infrastructure and investment. The project will act as a catalyst for further public and/or private sector investment, through either delivery of infrastructure or product that will unlock development potential.
3. Expands regional product offer. Creates new experiences which are not available in the region, and enhances the perception of Lake Eildon as a nature-based destination rather than just a water-based destination.
4. Improves awareness and perception of the region. Project builds awareness/positively influences perception of Lake Eildon.
5. Aligns to high-value target markets. Projects that positively influence the perception of Lake Eildon as a desirable visitor destination for high-value target markets.
6. Increases visitor yield. Extracts greater yield from existing visitor markets, and develops a product offering to attract yield from new target markets.
7. Seasonal dispersal. Draws visitors outside of peak periods, helping to create a more sustainable tourism industry for the region.
8. Increases visitation. Increases visitation through motivating new visitors, converting daytrip to overnight visitors, and increasing overnight visitor's length of stay.
9. Improves community liveability and lifestyle attractiveness. Creates visitor outcomes which positively impact on the local community's liveability and also improve lifestyle amenity for potential new residents.

## BUSINESS CASE PROJECTS

### Assessment of Business Case Projects

Four large projects have business cases developed for them. These projects align to the project assessment criteria and have the following attributes:

- Large scale project;
- Large economic impact;
- Can be delivered within short time frame; and
- Requires substantial funding.

### Identified Business Case Projects

The following projects have been identified as 'game-changers' for the Lake Eildon region, as they fulfil a critical product or experience gap in the region, and will help to support further investment in tourism. These projects have been developed into Business Cases to provide strategic justification for investment. These projects include:

- Large-scale Accommodation Investment. The development of large-scale accommodation in Goughs Bay and Eildon will fulfil a critical gap in commercial accommodation and conferencing and events facilities, appeal to a broad market, and provide key entertainment, dining and leisure facilities that are currently lacking within the region. Large-scale integrated accommodation will also promote off-peak visitation to the region.
- Premier Nature-Based Precincts at Mt Pinniger (Eildon) and Fry Bay (Goughs Bay). Development of nature-based precincts will create visitor destinations with high-quality trails and treetop experiences, outdoor activities, integrated dining facilities at key vantage points, low-impact eco-accommodation, and development of iconic walking trails.
- Skyline Road Tourist Precinct. Capitalising on the immersive views of Lake Eildon from Skyline Road, the development of the Skyline Road Tourist Precinct will include formalisation of the Great Lake Touring Route, boutique food and

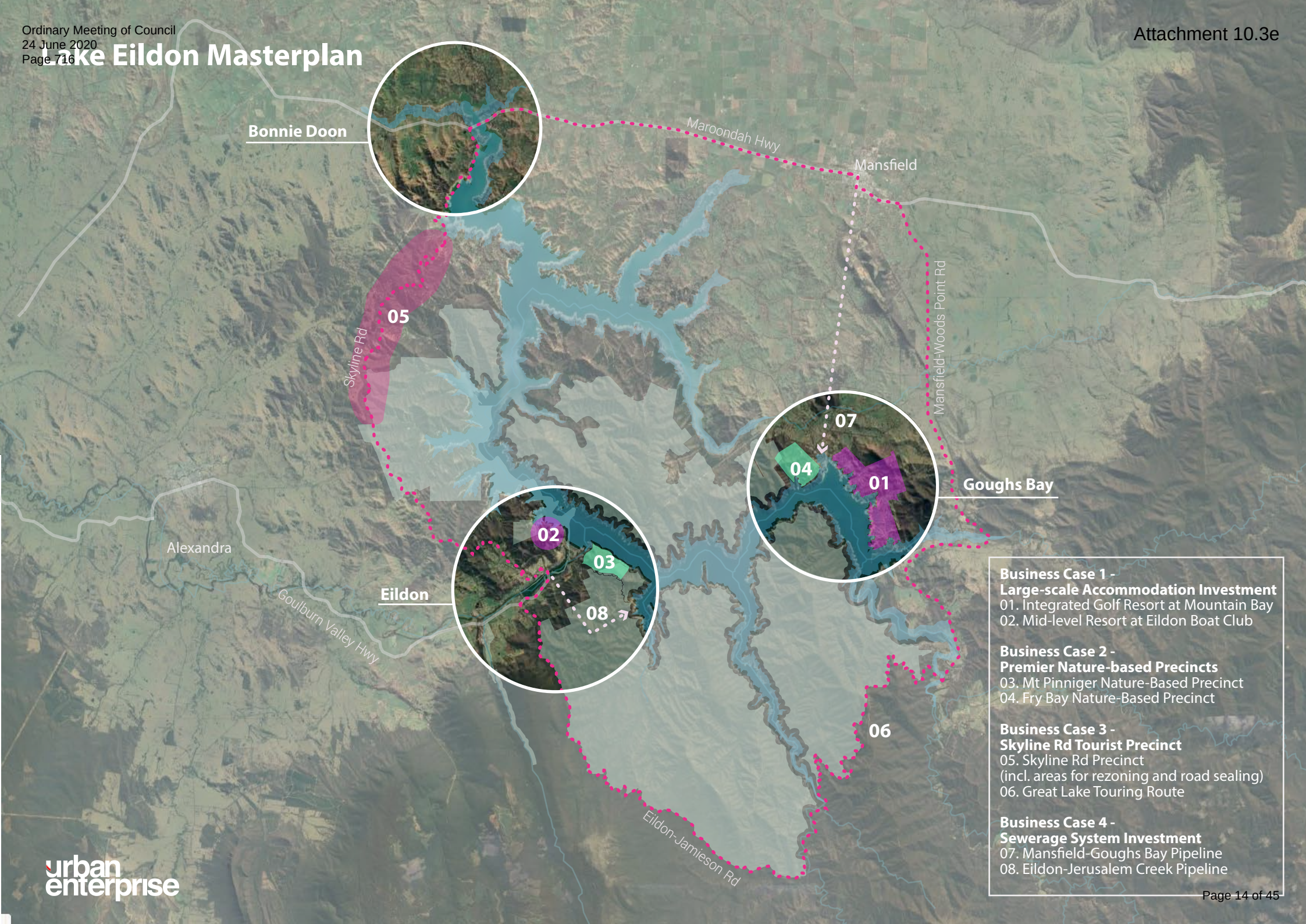
dining experiences, architectural look out points, and experiential accommodation overlooking Lake Eildon.

- Sewerage System Investment. Investment in sewerage infrastructure will help to build the visitor nodes of Goughs Bay and Jerusalem Creek into key visitor destinations, by unlocking development potential through the removal of infrastructure barriers that can often deter potential investors, as well as improving environmental outcomes.

Figure F2 overleaf shows the Masterplan for the Lake Eildon region, which considers the projects involved in the four business cases.

Further information on additional projects and investment for the region can be found in the Lake Eildon Masterplan Report.

# Lake Eildon Masterplan




**Business Case 1 -**
**Large-scale Accommodation Investment**
01. Integrated Golf Resort at Mountain Bay
02. Mid-level Resort at Eildon Boat Club

**Business Case 2 -**
**Premier Nature-based Precincts**
03. Mt Pinniger Nature-Based Precinct
04. Fry Bay Nature-Based Precinct

**Business Case 3 -**
**Skyline Rd Tourist Precinct**
05. Skyline Rd Precinct
(incl. areas for rezoning and road sealing)
06. Great Lake Touring Route

**Business Case 4 -**
**Sewerage System Investment**
07. Mansfield-Goughs Bay Pipeline
08. Eildon-Jerusalem Creek Pipeline

urban enterprise

# 3. CONCEPT

## 3.1. INTRODUCTION

This section provides a detailed description of the Skyline Road Tourist Precinct project, including concept drawings developed by Cumulus Studio for the precinct.

An overview of project costs, strategic considerations and project benefits are provided for the project, which are explored in further detail throughout this report.

## 3.2. THE SITE

### 3.2.1. SITE DETAILS

The Skyline Road is a highly scenic road between that connects Eildon and Bonnie Doon. There is around 18 kms of the road that is unsealed, which poses safety risks for users of the road, including drivers and cyclists.

For the purposes of this report, the entire road has been identified as 'Skyline Road', however this also includes portions of the road named Maintongoon Road and Sonnberg Drive.

**Site Location:** Bonnie Doon, Mansfield Shire and Eildon, Murrindindi Shire.

**Roads:** Skyline Road, Maintongoon Road and Sonnberg Drive

**Land Ownership:** Council owned roads, privately owned surrounding land, and National Park land towards Eildon township.

**Land Zoning:** Farming Zone.

### 3.2.2. SITE CHARACTERISTICS

Skyline Road is a picturesque drive, with a number of key vantage points that have views across Lake Eildon and the surrounding High Country.

The drive traverses through a mix of private and public land holdings including Lake Eildon National Park. Many of the private land sites are not suitable for farming, due to being vegetated or on very steep slopes. All private land is currently zoned Farming Zone.

F3. DINNYS LOOKOUT SITE

Source: Urban Enterprise, 2020.

## 3.3. THE PROJECT

### 3.3.1. PROJECT DESCRIPTION

Capitalising on the immersive views of Lake Eildon from Skyline Road, the development of the Skyline Road Tourist Precinct will include the Great Lake Touring Route, architectural look out points, and boutique experiential accommodation and dining overlooking Lake Eildon.

The Skyline Road tourism precinct considers the following attributes:

- Road sealing of approximately 18 kms of road between Eildon-Bonnie Doon;
- Development of a Great Lake Touring Route, including development of architectural lookouts at key vantage points;
- Rezoning of land to accommodate commercial development with views; and
- Development of a boutique distillery with small scale boutique accommodation.

If sealed, the road would strengthen the link between the two largest towns of Lake Eildon. Sealing of the road and attraction of investment along Skyline Road will create a must visit tourism precinct and facilitate the Great Lake Touring Concept, which would allow visitors to tour Lake Eildon.

#### Concepts

Figure F4 shows the location of the Skyline Road precinct, including the length of road sealing and land parcels to be investigated for rezoning.

Figure F5 shows concept plans and drawings that have been prepared by Cumulus Studio architects to visualise the Skyline Road Tourist Precinct with investment in a distillery and accommodation establishment with immersive views of Lake Eildon.

These designs are conceptual only and would require further investigation and development.

### 3.3.2. CONCEPT COMPONENTS

#### BOUTIQUE DISTILLERY

**Dining type:** Distillery and restaurant, open for both lunch and dinner

**Capacity:** 200 (includes both indoor and outdoor dining)

**Target markets:** The distillery will attract the Lifestyle Leader market, visitors touring the region on the newly developed 'Great Lake Touring Route', visitors to Eildon and Bonnie Doon, and other visitors to the region who may visit the distillery/restaurant.

#### ACCOMMODATION

**Type of Accommodation:** Boutique self-contained accommodation

**Rooms:** 6 self-contained suites

**Room facilities:** Each room will have a range of facilities, including heating/cooling, television, Wi-Fi access, kitchenette, lounge space, and balcony with views over Lake Eildon.

**Target markets:** The self-contained suites will attract the Lifestyle Leader market, particularly those seeking an experiential escape to nature with all the comforts of contemporary, commercial accommodation.

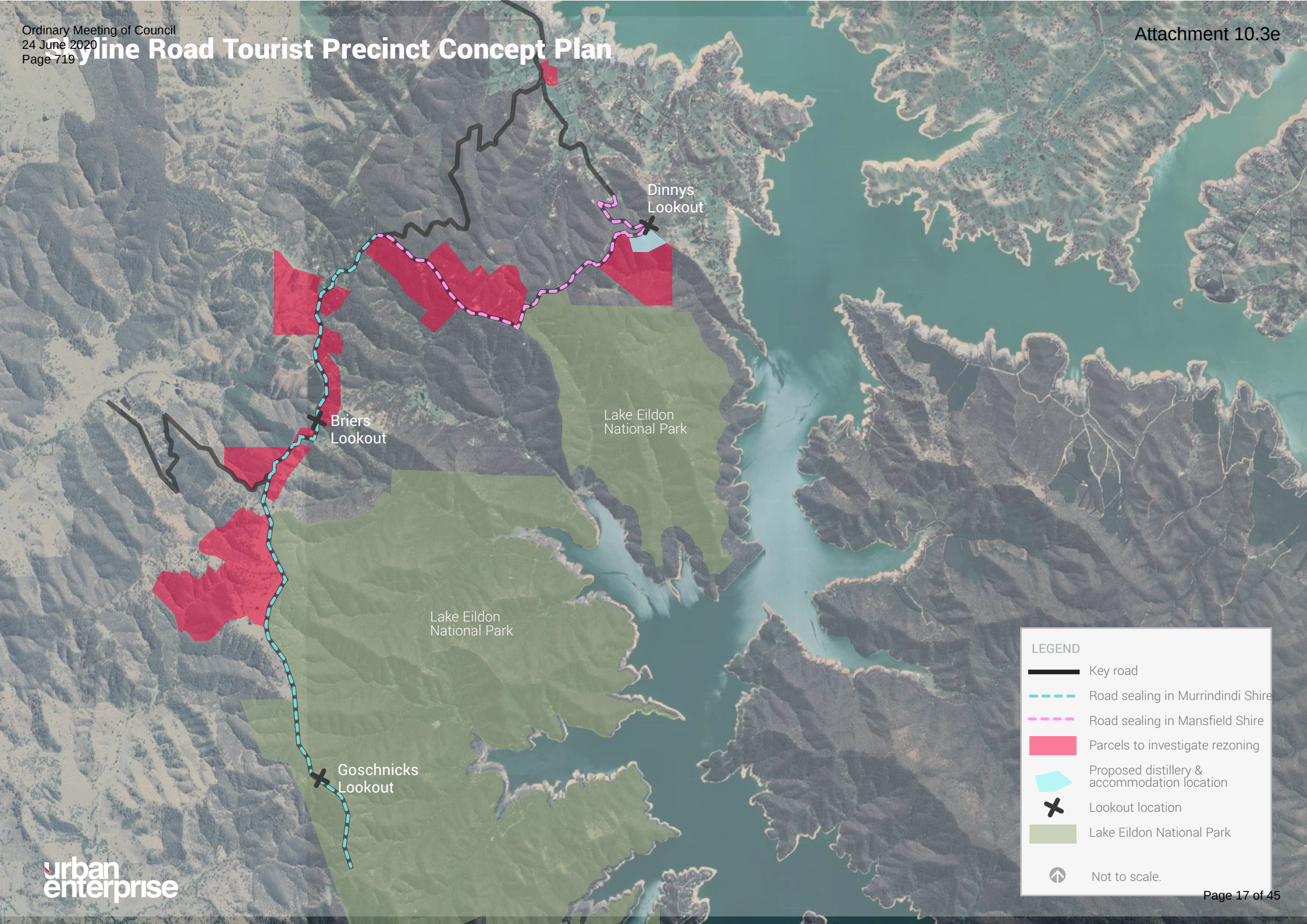
#### TOURING EVENTS

**Potential Event Types:** Cycling gran fondos, Car rallies, multi-sport events

**Target markets:** Existing visitors to events in the region through expansion of existing events, sporting event spectators and other event visitors.

# Skyline Road Tourist Precinct Concept Plan






urban enterprise

# Skyline drive - Plan

**5. Lake Eildon Master Plan** Cumulus Studio

**Revision B**

# Skyline drive - View

# Skyline drive - View

# Skyline drive - View

### 3.3.3. PRELIMINARY PROJECT COSTINGS

Preliminary costings for the Skyline Road Tourist Precinct indicates a total construction cost of approximately **$25 million**[1], based on preliminary costings developed by WTP Partnership.

This does not include planning and design costs and post-work costs. A detailed costing assessment should be undertaken once detailed designs for the site are completed.

**T2. PRELIMINARY PROJECT COSTINGS FOR SKYLINE ROAD TOURIST PRECINCT**

| Investment Type | Item | Cost |
|---|---|---|
| Public | Road Sealing | $6.5 million |
| | *Mansfield Shire Road Sealing* | *$2.9 million based on 8 km road sealing* |
| | *Murrindindi Shire Road Sealing* | *$3.6 million based on 10 km road sealing* |
| | Amendment Costs* | $500,000 |
| Private | Distillery and restaurant construction | $15.3 million |
| | Self-contained accommodation | $2.7 million |
| Total** | | $25 million |

Source: WTP Partnership, 2020 and Urban Enterprise 2020.

*Cost shared between Shires but assumed to be absorbed within budget for planning scheme amendments required as a result of the Lake Eildon Masterplan project.

**Does not include planning and design costs, consultant fees, contingencies, escalation, locality factor.

[1] Preliminary costings have been provided by WT Partnership. These are a high level indicative opinion only, and have a range of exclusions such as major services, reticulation, furniture and fittings etc.

## 3.4. PRECEDENTS

### Case Study: Great Ocean Road Touring Route

The Great Ocean Road is an iconic touring route, with a number of self-drive itineraries that can range from a few hours to a few days. The route receives year-round visitation and receives significant international visitation.

The itineraries include stopover at a range of locations, including natural assets such as beaches and tourism assets such as destination food and beverage establishments. There are also a number of additional attractions promoted as a deter from the route, such as Erskine Falls, which are promoted as add-ons to the experience and help to drive greater dispersal across the region.

F6. GREAT OCEAN ROAD TOURING ROUTE

Source: Visit Victoria

### Case Study: Three Capes Track Lodges

The Three Capes Track Lodges have been developed along the Three Capes Track in the Tasman National Park in Tasmania. The self-contained accommodation is for exclusive use by groups undertaking private walking tours along the Three Capes Track.

Each Lodge is discreetly placed along the trail, offering hot showers, shared facilities, relaxation and lounge areas and twin share accommodation.

There is potential to link the accommodation at Skyline Road with a walking track into the Lake Eildon National Park in future.

F7. THREE CAPES TRACK LODGES

Source: Three Capes Track

### Case Study: Cape Byron Distillery

Cape Byron Distillery is in private farmland in the hinterland of Byron Bay, which has views across the hinterland to the East Coast.

The distillery includes a range of experiences, such as distillery tours, gin tastings, cellar door and tours of the property. This provides an additional spend opportunity for visitors to the region, and provides a quality experience for visitors.

F8. CAPE BYRON DISTILLERY

Source: Cape Byron Distillery

## 3.5. STRATEGIC CONSIDERATIONS

Road sealing would enable the development of a Great Lake Touring Route, which could become an iconic touring route for the Lake Eildon region through activation of the right product mix, investment in supporting product such as quality food and beverage and accommodation, and dedicated branding and marketing for the route.

There is currently a lack of commercial accommodation in the Lake Eildon region, which constrains the potential of the visitor economy and limits the ability of the region to attract high yield visitors. The development of boutique accommodation in the Skyline Road precinct will fulfil a critical gap in experiential accommodation.

This project is designed to help the Lake Eildon region fulfil its potential as a more successful visitor destination in the following ways:

- Enhance existing nature-based assets through investment on sites with premium lake views, and general landscaping and amenity improvements;
- Attract a greater proportion of the High Country's lifestyle leader market through provision of contemporary quality accommodation and increased quality food and beverage offerings;
- Increase visitor dispersal across the region through the development of a touring route;
- Broad market appeal of the distillery to all markets, including Habituals and Lifestyle Leaders;
- Road sealing will improve connectivity between Bonnie Doon and Eildon, reducing travel time for visitors and residents;
- Decrease seasonality through a range of activities that encourage year-round visitation, including a distillery, experiential accommodation and a new touring route;
- Provide opportunities for additional visitor spend on food and beverage, for both existing visitors and new visitors.
- Sealing of the road would facilitate development of touring events, such as rally car events and road cycling granfondos

## 3.6. PROJECT BENEFITS

Providing contemporary and large-scale commercial accommodation for the Lake Eildon region is likely to generate several benefits for the region, including:

- Attracting a greater proportion of the High Country's Lifestyle Leader market;
- Increasing spend of existing visitors through additional food and beverage opportunities, and through increased activities (i.e. touring);
- Improving the Lake Eildon brand by delivering high quality infrastructure, product and experiences;
- Supporting the development of sporting and touring events around the Lake;
- Safety improvements for users of the currently unsealed roads;
- Increased connectivity and reduced travel time for Bonnie Doon and Eildon residents.

These benefits are explored further in Section 5 and Section 6 of this report.

# 4. INVESTMENT LOGIC

## 4.1. INTRODUCTION

Below is an outline of the project drivers and problems, interventions required and solution. These project drivers are covered in further detail in the following section.

## 4.2. PROJECT DRIVERS

- Opportunity to support new events including cycling and rally car events. Skyline road is already used in some sections for car and bicycle touring. The scenic nature of the road would make it an excellent location for events such as rallies and bike gran fondos.
- Opportunity to create a new iconic touring route. The sealing of skyline road would complete a touring route around Lake Eildon that could be developed into an icon of the region.
- Limited investment at waterfront locations or locations with prime views of Lake Eildon. While the lake is the hero product, there are very few visitor accommodation establishments of quality that overlook the lake.
- Low visitor yield due to lack of quality tourism product. Other than the lake itself, the Lake Eildon region has limited tourism product. Skyline Road would create another tourism product and provide opportunity for the private sector to leverage from the scenic touring link.
- High seasonal variability due to limited diversity and low quality of tourism product. Lake Eildon has primarily water based tourism.
- Extending length of stay and spend for existing visitors by delivering new product. By delivering new product and experiences, additional visitor yield and length of stay can be delivered to the region.
- Investment in food and beverage experiences will support visitation and also become destinations in themselves. There are limited quality food and beverage experiences in the region. Skyline road will provide the backdrop to support new boutique food and beverage experiences.

## 4.3. PROBLEMS

- Unsealed road can be dangerous, as well as unclear directional signage. The unsealed road poses safety risks and there is poor signage along the route.
- Poor connectivity between Bonnie Doon and Eildon. The two towns are relatively close in distance, however the gravel road is a deterrent to connecting the two townships.
- Lack of appropriately zoned land to support tourism development. Land is predominantly Farming Zone and places limitations on development of sites less than 40 hectares.
- Low awareness of Lake Eildon as a nature-based destination. Lake Eildon is primarily viewed as a water based destination. However the nature based assets are of a quality that would attract further visitor markets if enhanced.

## 4.4. INTERVENTIONS

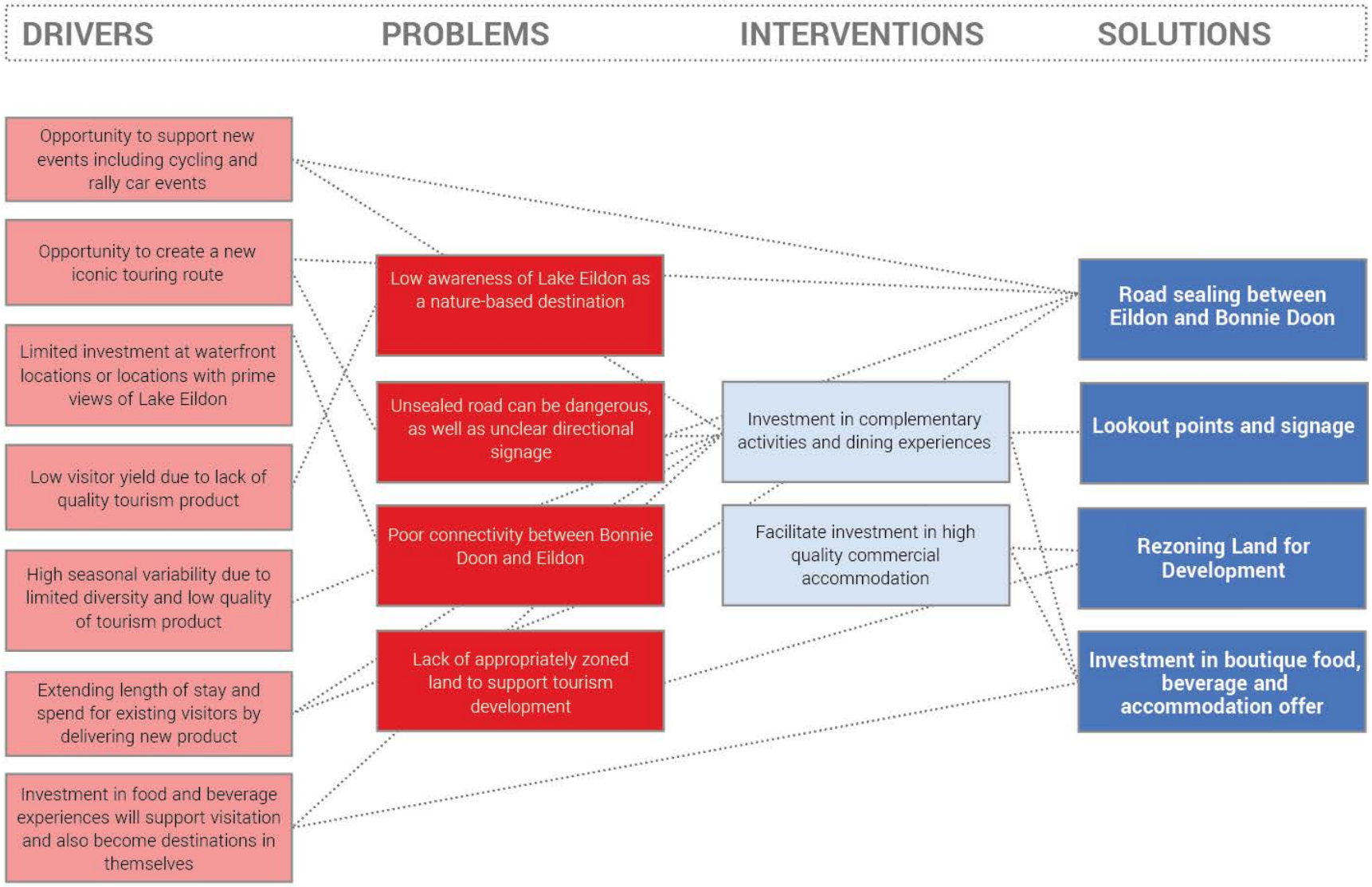
- Investment in complementary activities and dining experiences, which will assist to attract off peak visitation, extract greater yield from existing visitors, and provide complementary tourism experiences to attract Lifestyle Leaders.
- Facilitate investment in high quality commercial accommodation that is contemporary and attractive to the Lifestyle Leader market.

## 4.5. THE SOLUTION

- Road sealing. Sealing of the Skyline Road will provide a premium touring link between Eildon and Bonnie Doon.
- Lookout points, signage. Delivery of signage and lookout points to provide a high quality visitor experience.
- Rezoning land for development. Rezoning of private land holdings to an appropriate zone that will support tourism investment is required.

- **Investment in boutique food, beverage and accommodation offer.** The delivery of food, beverage and accommodation will support growth in target markets and increase visitor yield and improve experience.

T3. INVESTMENT LOGIC MAP



# 5. PROJECT DRIVERS

### Poor connectivity between Bonnie Doon and Eildon

Skyline Road is the key route between Bonnie Doon and Eildon, taking approximately 50 minutes to drive between the two. The travel time is significantly longer due to a lack of road sealing and portions of the road that have a width of less than 2 lanes.

The route between Bonnie Doon and Eildon that is currently used by most visitors is via the Maroondah Highway and Goulburn Valley Highway, passing through Alexandra. Mansfield and Alexandra currently capture a large proportion of expenditure from Lake Eildon, as they act as a hub for visitor services and retail. Strengthening the link between Bonnie Doon and Eildon and reducing the travel time between the two towns will also assist to keep visitor expenditure within the Lake Eildon region and may decrease some of the yield that is lost to Alexandra.

### Lack of appropriately zoned land to support tourism development

The Skyline Road precinct has significant opportunity for tourism development, as the areas is highly scenic and there is a significant amount of vacant rural property.

Limitations exist in the current Farming zone to support some tourism activities that could be developed, including development of holiday homes, boutique farmgate experiences and small-scale commercial accommodation such as self-contained huts or glamping experiences.

### Low awareness of Lake Eildon as a nature-based destination

There is low awareness of Lake Eildon as a visitor destination with quality nature-based products and experiences, resulting from limited marketing and branding of the Lake Eildon region, lack of visitor servicing, and low levels of investment in nature-based assets.

This is reflected in the number of repeat visitors, most of whom are familiar with the region and are repeat visitors. 22% of visitors surveyed were visiting the Lake Eildon Region for the first time, whereas 78% of visitors were repeat visitors, with a high proportion of these repeat visitors visiting on a regular basis. This indicates low awareness of Lake Eildon to other visitor markets.

### Opportunity to support new events including cycling and rally car events

The sealing of Skyline Rd, Maintongoon Rd, and Sonnberg Drive will facilitate investment in large-scale tourism events, such as cycling gran fondos and rally car events.

A number of successful events in Victoria have been developed as a result of a key road being sealed and providing the opportunity for a touring event. An example of this is the Three Peaks challenge, which was able to be established as a result of the road between Falls Creek to Anglers Rest being sealed. This is a popular event that receives approximately 2,500 visitors annually.

### Opportunity to create a new iconic touring route

There is opportunity to create an iconic touring route, with the benefits of this demonstrated by other sealed touring routes.

A local case study – the Mansfield to Wangaratta link demonstrated growth in touring visitors by 40% from 2001 and 2011. Of note is the 88% increase in visitation during the off peak, with visitors extending their stay by 1 night.

### Limited investment at waterfront locations or locations with prime views of Lake Eildon

The Lake Eildon region has attracted little investment in waterfront visitor accommodation or dining experiences. The only waterfront dining establishment available for public use is Aqua Bar, and commercial waterfront accommodation is limited to a few lake-side tourist parks and a few tourist parks on the Eildon Pondage.

Development of a distillery and self-contained accommodation adjacent to Dinnys Lookout will provide a destination experience for visitors, with impressive views of

Lake Eildon and the surrounding High Country, whilst remaining isolated and retaining a natural feel.

### Low visitor yield due to lack of quality tourism product

The average spend for visitors to the Lake Eildon Region ($153 pp) is significantly lower than visitors to the High Country who spend an average of $308 per visitor. This is a low yielding market, spending mostly on self-catering petrol and alcohol, with very limited spend on accommodation, dining, entertainment and shopping/gifts/souvenirs by all visitors.

As previously mentioned, this is partly due to a lack of quality commercial accommodation making it difficult for the region to attract the Lifestyle Leader market, as well as a lack of complementary tourism product to engage and attract visitors.

### High seasonal variability due to limited diversity and low quality of tourism product

Visitation to both shires is highly seasonal, with visitation skewed to the warmer months of the year between January and April, with peak periods over the Australia day long weekend and Easter long weekend. This is due to popularity of the region as a destination for camping and caravan visitors, boating visitors, houseboat visitors and holiday home visitors, who are drawn to the region for its s water-based assets.

44% of overnight visits to Mansfield Shire occur between January and April, whilst 38% of overnight visits to Murrindindi Shire occur over the same period.[2] Development of tourism product that is not dependent on weather, such as a distillery/restaurant and a road touring loop, will encourage year-round visitation and assist to decrease seasonality impacts on the Lake Eildon region visitor economy.

### Extending length of stay and spend for existing visitors by delivering new product

Food and beverage tourism experiences are almost non-existent in the region. There has been reinvestment in Bonnie Doon Hotel, Jamieson Hotel and a new café in Bonnie Doon. Other than these there is a major lack of contemporary food and beverage experiences in the Lake Eildon region.

The average spend for visitors to the Lake Eildon Region ($153 pp) is significantly lower than visitors to the High Country who spend an average of $308 per visitor. This is a low yielding market, spending mostly on self-catering petrol and alcohol, with very limited spend on accommodation, dining, entertainment and shopping/gifts/souvenirs by all visitors

Development of boutique food and beverage experiences within a high quality natural setting will generate additional yield from existing visitors through extended length of stay.

### Investment in food and beverage experiences will support visitation and also become destinations in themselves

There is opportunity for Skyline Road to become a premier food and beverage destination, should it attract investors. Food and beverage investment will provide options for existing visitor markets to Bonnie Doon and Eildon and also be a destination for new Lifestyle Leader markets.

[2] TRA Overnight visitation by month returned from trip, 5 Year Average, Calendar Year 2014-18.

# 6. PROJECT BENEFITS

## 6.1. INTRODUCTION

There are a range of benefits that will be shared across the entire Lake Eildon region with investment in the Skyline Road Tourist Precinct. This includes quantitative (economic) benefits, and qualitative benefits (social and environmental).

## 6.2. QUANTITATIVE BENEFITS

### INCREASE IN VISITOR SPEND

Investing in experiential accommodation and food and wine experiences will assist the Lake Eildon region to attract a greater proportion of new, high-yielding visitors from within the Lifestyle Leader market. It is projected that investment the precinct will inject an additional $10.2 million into the regional economy through direct visitor expenditure. This is detailed further in Section 7.

An increase in visitor expenditure of existing visitors will be received through additional food and beverage opportunities and increased activities (i.e. touring).

### PROVIDING LOCAL EMPLOYMENT OPPORTUNITIES

Investment in the Skyline Road Precinct will create and support new jobs from a variety of sources, including sealing and maintenance of the road, operation of the accommodation establishment and distillery, and construction jobs created through investment in rezoned land across the precinct. The distillery/restaurant/ and accommodation facility will increase the number of local business operators in the region, which will generate economic activity and contribute to additional employment opportunities.

Providing job opportunities at the site (in the tourism and hospitality industries), as well as job training and skills development, could help address areas of socio-economic disadvantage by: providing local employment opportunities for youth in the region; increasing income levels and promoting educational attainment.

### BENEFITS SERVICE INDUSTRIES IN MANSFIELD AND ALEXANDRA

Service industries in Mansfield and Alexandra, such as commercial cleaning, grocers and produce suppliers, and other hospitality sectors, will be greatly benefited by investment in a boutique distillery and accommodation business. This will support year-round employment for these sectors and decrease the seasonality of these businesses who are often driven by peak summer and ski season trade.

### OPPORTUNITIES FOR RURAL LIFESTYLE AND HOLIDAY HOME PROPERTY DEVELOPMENT

Investment in road infrastructure and undertaking rezoning of land is likely to stimulate additional residential and tourism investment in Bonnie Doon and Eildon, as the there will be more suitably zoned land for tourism development and holiday home property development.

Furthermore, the area will likely increase further in popularity as a tourist and holiday home destination following investment in the distillery and accommodation, which will further stimulate investment in residential property and flow-on investment in commercial and community facilities.

## 6.3. QUALITATIVE BENEFITS

In addition to the quantitative economic benefits detailed above, the Skyline Road Tourist Precinct project is likely to generate several qualitative benefits (e.g. social impacts) for the local and regional community.

### IMPROVING THE TOURISM 'BRAND' AND REVITALISING THE REGION

By providing a boutique nature-based experience, with distillery/restaurant and contemporary accommodation suited to visitor expectations, investment the Skyline Road Precinct could enhance the status of Lake Eildon as a desirable visitor destination, particularly for visitors seeking high-quality nature-based experiences.

In particular, visitors to the Lake would have greater choice of accommodation, higher quality food and beverage destinations to dine out, and better infrastructure and amenity through road sealing and its associated benefits.

This project is, therefore, a critical step to improving the Lake Eildon region's profile for tourists.

### FLOW-ON EFFECTS TO LOCAL BUSINESSES

With likely increases in visitation to both the Eildon and Bonnie Doon town centres, there would be additional flow-on benefits for local tourism and hospitality businesses in the private sector (across the Shire). This would be realised through increases in visitor expenditure and increases in demand for visitor amenities, including retail and food and beverage.

### INCREASED VISITOR DISPERSAL

The sealing of Skyline Rd, Maintongoon Rd and Sonnberg Drive will provide improved access between Bonnie Doon and Eildon town centres for visitors. This will increase visitor dispersal between the two Shires, provide increased visitation to both Eildon and Bonnie Doon town centres, and improve access to Lake Eildon National Park.

The project is also likely to attract a greater number of touring visitors through the creation and promotion of a 'Great Lake Touring Route'. This will enable visitors across the entire Lake Eildon region to tour the region, providing flow-on benefits for local businesses along the length of the route.

### HEALTH AND WELLBEING IMPROVEMENTS FOR RESIDENTS

The sealing of the road between Bonnie Doon will have a range of health and well-being improvements for residents. This includes:

- Greater opportunities for active recreation, through road cycling opportunities as a result of road sealing;
- Reduced travel time between Eildon and Bonnie Doon which will reduce the strain on residents commuting between the two towns; and
- Improved community connectivity between Eildon and Bonnie Doon.

# 7. COST BENEFIT ASSESSMENT

## 7.1. INTRODUCTION

A cost-benefit model was developed for the Skyline Road Precinct project over a 10-year cash flow period, showing the operation from commencement in 2021 (Year 1) through to 2030 (Year 10)[3] This assessment draws on projected usage of the accommodation establishments (i.e. visitor demand) and includes an estimate of:

- Capital and development costs;
- Ongoing operating costs; and
- Ongoing project benefits, which is derived from additional visitor spend.

From this analysis, the overall Return on Investment (ROI) has been identified by calculating the Net Present Value (NPV) and Benefit Cost Ratio (BCR). This helps to determine whether the project is financially viable and sustainable.

Unless indicated otherwise, it is assumed that all financial estimates are in current (2020) dollars and all figures have been inflated by 2.5% per annum.

Although the following is an overview of the financial model and cost-benefit assessment, more detailed information can be found in Appendix A. This includes a detailed 10-year financial model, financial model assumptions, and financial impact assumptions (NPV, BCR, ROI, etc.).

[3] Project construction/development is expected to be completed during the 2019-20 financial year (before operation), which is defined as Year 0.

## 7.2. VISITOR DEMAND PROJECTIONS

### 7.2.1. TARGET MARKETS

The development of the two accommodation establishments has the potential to impact the demand and behaviour of several visitor markets, detailed below.

#### LIFESTYLE LEADER MARKET

The development of a boutique distillery/restaurant and contemporary commercial accommodation will help the Lake Eildon region to attract a greater proportion of the Lifestyle Leader market. Integral to attracting this market to the region is delivering tourism product aligned to their wants and needs, including high-quality accommodation and food and beverage destinations.

Attracting greater numbers of Lifestyle Leaders will help to increase visitor yield across the region, and decrease seasonality impacts across the year.

#### HABITUAL VISITORS

Whilst the Skyline Road will attract new higher yield visitor markets, it will also service the existing habitual visitor market to Lake Eildon Region. Touring is a popular activity among a range of markets and habitual visitors are also likely to engage in a touring product.

#### RESIDENTS

Road sealing between Bonnie Doon and Eildon will be used significantly by local residents travelling between the two towns.

The food and beverage establishments are also likely to be used by residents, however their usage has not been calculated in the demand assessment as they are assumed to visit dining establishments substantially less than visitors to the region.

### 7.2.2. ESTIMATED VISITOR DEMAND

To calculate the net impact of investment in the Skyline Road Tourist Precinct, the following visitor impact scenarios were adopted each visitor segment to calculate the number of *additional* visitors generated by each facility.

Projected demand for Year 1 is shown in Table T4, which estimates an impact of 176,378 additional visits to the region through investment the Skyline Road Tourist Precinct.

Projected demand for Year 1 is based on the following assumptions for the target markets:

- Accommodation visitors. This is based on total capacity of 6 self-contained rooms and predicted 50% occupancy in Year 1. Occupancy is forecast to grow to the regional average of 70% over the 10 year period.
- Touring visitors. Based on an increased number of existing visitors to the Lake Eildon region (i.e. 869,958 visitors in 2018) touring on the Great Lake Touring Route as a result of road sealing. A penetration rate of 6% of existing visitors to the Lake Eildon region has been used, based on the difference between visitors sightseeing and touring the Lake Eildon Region (31%) compared to the High Country region (37%)[4].
- Distillery/Restaurant visitors. Based on usage of the distillery/restaurant by both accommodation visitors, additional touring and event visitors, as well as a proportion of existing visitors to the Lake Eildon region. A penetration rate of 16% of existing visitors to the Lake Eildon region has been used, based on the difference between visitors dining out in the Lake Eildon Region (43%) compared to the High Country region (59%)[5].
- Event visitors. This is based on the assumption that sealing of Skyline Road could create opportunities for an additional 5 events per annum, with a total of 5,000 visitors in Year 1.

T4. ESTIMATED VISITOR DEMAND (YEAR 1)

| Summary | Skyline Road Tourist Precinct |
|---|---|
| Accommodation Visitors | 2,190 |
| Touring Visitors | 52,197 |
| Distillery/Restaurant Visitors | 116,991 |
| Event Visitors | 5,000 |
| Total Visitors | **176,378** |

Source: Urban Enterprise, 2020.

[4] Uses Intercept Survey research and TRA Activities research.

[5] Uses Intercept Survey research and TRA Activities research.

## 7.3. PROJECT ECONOMIC BENEFITS

As mentioned previously, investment in the Skyline Road Tourist Precinct is likely to generate benefits to the region through additional visitor expenditure.

To estimate the net impact of visitor expenditure (i.e. additional visitor yield), the total level of expenditure was estimated for each visitor segment, as it varies according to the level of demand and type of expenditure.

Table T5 details the estimated visitor expenditure for each visitor segment, as well as the residential spend that will be facilitated by investment in Skyline Road Tourist Precinct.

Overall, the total benefit provided investment in Skyline Road Tourist Precinct in Year 1 is expected to be $12.5 million, including a benefit of $10.2 million in visitor expenditure and $1.9 million in expenditure from increased residential development. This is based on the following assumptions:

- **Accommodation visitors.** Each accommodation visitor is estimated to spend an average of $502[6] per trip.
- **Tourists visitors.** Each touring visitor is expected to spend an additional $64 dollars[7], based on an extended stay of 5 hours.
- **Distillery/Restaurant visitors.** Based on average food and beverage spend of $52 per visitor[8].
- **Event visitors.** Each touring visitor is expected to spend an additional day in the region as a result of visiting an event, which equates to an additional spend of $102 dollars[9].
- **Residential Development.** It is assumed rezoning of land across the Skyline Road Tourist Precinct will facilitate additional residential investment of 6 per annum (3 per Shire), at an average spend of $316,500[10] per property.

All figures are inflated by 2.5% per annum over the 10-year cash flow period.

T5. ESTIMATED PROJECTED BENEFITS (YEAR 1)

| Summary | Skyline Road Tourist Precinct |
|---|---|
| Accommodation Visitors | $1,099,380 |
| Touring Visitors | $3,327,589 |
| Distillery/Restaurant Visitors | $5,269,864 |
| Event Visitors | $510,000 |
| Residential Expansion | $1,899,000 |
| Total Benefit | **$12,105,834** |

Source: Urban Enterprise, 2020.

[6] Average spend per trip for overnight visitors to High Country Region, YE Sept 2019, Business Victoria.

[7] Average spend per trip for day trip visitors to High Country Region ($102 per day), YE Sept 2019, Business Victoria.

[8] TRA, Local Expenditure by type, TRA 2019.

[9] Average spend per trip for day trip visitors to High Country Region ($102 per day), YE Sept 2019, Business Victoria.

[10] Average dwelling build cost for Victoria, ABS, 2018.

## 7.4. PROJECT EXPENDITURE

### 7.4.1. CAPITAL EXPENDITURE

Total investment in the Skyline Road Tourist Precinct is estimated to cost $25 million. The project costs are further broken down in *Section 3.3.4 Preliminary Project Costings*.

### 7.4.2. OPERATING EXPENDITURE

The operating expenses for the project assumes ongoing maintenance costs for each section of the trail as follows (note: these figures are constant across all scenarios):

- **Staffing costs**. 30 FTE staff p.a. for the distillery/restaurant and accommodation, with an average wage cost of $60,000 p.a.
- **Facility Maintenance and Operation costs**.
  - Maintenance costs of $30 per square metre for the distillery/restaurant and accommodation, totalling $44,730 in Year 1; and
  - Maintenance costs for the sealed road, totalling $93,600 in Year 1.

Therefore, overall operating expenses are relatively low, increasing from a total of $6.3 million in Year 1 to $7.9 million in Year 10 (as all figures are inflated by 2.5% per annum over the 10-year cash flow period).

## 7.5. COST-BENEFIT SUMMARY

Based on the estimated visitation[11], revenue and (capital and operating) expenditure over a 10-year period, the cost-benefit results for each investment is shown in Table T6. The key findings are summarised below:

- The project is likely to generate a positive net impact for investment in the Skyline Road Tourist Precinct, due to its effect on additional visitor expenditure and additional residential development. Net impact of investment in the Skyline Road Precinct ranges from $11.4 million in Year 1, increasing to $28.8 million in Year 10.
- Importantly, the project is also likely to generate a positive return on investment for each scenario, demonstrated by:
  - A positive NPV of $85 million; and
  - A BCR greater than 1[12] – 4.6.

**T6. COST-BENEFIT SUMMARY**

| Summary | Skyline Road Tourist Precinct |
|---|---|
| Visitation - Year 1 | 176,378 |
| Visitation - Year 10 | 392,215 |
| Benefit - Year 1 | $12,105,834 |
| Benefit - Year 10 | $29,720,681 |
| Expenditure - Year 1 | $738,330 |
| Expenditure - Year 10 | $922,073 |
| CAPEX | $24,989,020 |
| Net Impact - Year 1 | $11,367,504 |
| Net Impact - Year 10 | $28,798,608 |
| NPV | $85,845,469 |
| BCR | 4.6 |

Source: Urban Enterprise, 2020.

These cost-benefit results suggest that, even with conservative visitation estimates, investment in the Skyline Road Tourist Precinct is likely to be a high-value project and financially viable. This can be attributed to the relatively low level of capital and operating expenditure, which is more than offset by the increases in visitor expenditure.

[11] Excluding residents, as the project does not generate additional spend from this market.

[12] The NPV and BCR are calculated using a discount rate of 7%, which is consistent with Victorian Treasury guidelines;

# 8. ECONOMIC IMPACT ASSESSMENT

This section of the report identifies the likely economic benefits that investment in the Skyline Road Tourist Precinct could generate for the Hume Region, by adopting the impacts from the cost-benefit assessment.

## 8.1. TYPES OF ECONOMIC BENEFITS

This project is likely to be of a size, scale and function to deliver the following (direct and indirect) economic benefits to the Hume Region:

- Economic output;
- Value-added; and
- Number of jobs created and subsequent increase in wages.

The impacts are calculated using the input-output method[13]. Definitions for key economic terms are provided in Appendix B.

The economic benefits listed above can be attributed to a combination of additional touring, event and accommodation visitors, food and beverage spend from existing visitors and also new visitors to the region, as well as flow-on impacts from construction.

These benefits are quantified over two distinct phases as follows:

- **The construction** phase**.** This includes the following short-term direct and indirect impacts occurring during the construction of the proposal:
  - The *direct* effect of the construction phase is defined by the development costs (e.g. construction costs, land acquisition, etc.); and
  - The indirect effect of this phase is typified by the subsequent flow-on impacts on other sectors of the economy, particularly the supply-chain.
- **The ongoing operational phase.** This considers the annual (i.e. ongoing) economic impact from the final year of the cashflow period[14], which is derived from additional visitor spend identified in Section 7.3. The ongoing direct and indirect impacts are defined as follows:
  - The direct effect is represented by additional visitor expenditure in the region; and
  - The indirect effect reflects the additional, flow-on output generated by other sectors of the economy, particularly the supply-chain.

Please note that all assumptions in this section have been benchmarked against suitable comparators and industry standards. As such, these figures are indicative only and subject to further investigation and market testing.

[13] Developed by REMPLAN and applied by Urban Enterprise

[14] Note: Refers to Year 10, when the project is fully operational and established.

## 8.2. ECONOMIC IMPACT – CONSTRUCTION PHASE

The total capital expenditure of $25 million is expected to generate the following economic benefits (direct and indirect) during the short-term construction phase in the 2020 calendar year (see Table T7):

- Total output of $54 million.
- 148 jobs, resulting in an increase in wages of $10.3 million; and
- $20.2 million in value-added.

### T7. SHORT-TERM ECONOMIC IMPACT – CONSTRUCTION PHASE

| | Output | Employment | Wages | Value-added |
|---|---|---|---|---|
| **Impact of Skyline Road Tourist Precinct** | | | | |
| Direct Effect | $24,989,000 | 57 | $4,029,000 | $7,894,000 |
| Indirect Effect | $29,177,000 | 91 | $6,276,000 | $12,342,000 |
| **Total Effect** | **$54,166,000** | **148** | **$10,305,000** | **$20,236,000** |

Source: Urban Enterprise, 2020.

## 8.3. ECONOMIC IMPACT – OPERATIONAL PHASE (ONGOING)

The ongoing (i.e. annual) benefits from the operation of the Skyline Road Tourist Precinct is calculated by applying total projected visitor expenditure to the input-output model. This is likely to generate the following ongoing economic benefits (see Table T8).

- Total output of $52.6 million, based on:
- 275 jobs across both Murrindindi and Mansfield Shires, resulting in an increase in wages of $12.9 million; and
- $23.1 million in value-added.

### T8. ONGOING ECONOMIC IMPACT – OPERATIONAL PHASE (ANNUAL)

| | Output | Employment | Wages | Value-added |
|---|---|---|---|---|
| **Impact of Skyline Road Tourist Precinct** | | | | |
| Direct Effect | $29,720,000 | 200 | $7,831,000 | $12,207,000 |
| Indirect Effect | $22,834,000 | 75 | $5,023,000 | $10,934,000 |
| **Total Effect** | **$52,554,000** | **275** | **$12,854,000** | **$23,141,000** |

Source: Urban Enterprise, 2020.

**Importantly, the ongoing operation of the investments will generate substantial annual economic benefits for both Shires**.

# 9. DELIVERY ACTION PLAN

The following action plan outlines the key steps for delivery of the Skyline Road Tourist Precinct.

**T9. ACTION PLAN FOR SKYLINE ROAD TOURIST PRECINCT**

| Action | | Delivery Lead | Cost | Timeframe |
|---|---|---|---|---|
| ACTION 1.1 | **Undertake drawings for road sealing and lookout points.** | Mansfield Shire and Murrindindi Shire Council | $300,000 | 2020/21 |
| ACTION 1.2 | **Advocate for road sealing and investment in lookouts and signage.** | Murrindindi and Mansfield Shire Councils, Regional Development Victoria | | 2020/21 |
| ACTION 1.3 | **Councils to undertake road sealing of Skyline Rd - Maintongoon Rd - Sonnberg Drive (approximately 8 kms of road for Mansfield Shire and 10 kms for Murrindindi Shire).** | Murrindindi Shire Council and Mansfield Shire Council | $6.5 million total<br>*$2.9 million Mansfield Shire*<br>*$3.6 million Murrindindi Shire* | 2021 |
| ACTION 1.4 | **Develop a marketing and branding strategy for the 'Great Lake Touring Route' as a subset of the broader marketing strategy for the region.** | Tourism North East | $50,000 | 2022 |
| ACTION 1.5 | **Investigate potential land parcels to be rezoned from Farming Zone to Rural Activity Zone or Special Use Zone.** | Mansfield and Murrindindi Shires | $60,000 | 2020-21 |
| ACTION 1.6 | **Undertake the planning scheme amendment process, along with other parcels of land to be rezoned in Murrindindi Shire, to rezone the designated parcels of Farming Zone land to Rural Activity Zone.** | Murrindindi Shire Council | $100,000 | 2020-21 |
| ACTION 1.7 | **Promote development of key sites to investors through a Lake Eildon investment portal.** | Tourism North East | N/A – To be absorbed within investment attraction budget | 2022 |
| ACTION 1.8 | **Undertake architectural and planning concept work for distillery and accommodation proposal.** | Private client | | 2023 |

# APPENDICES

## APPENDIX A ECONOMIC MODELLING FOR SKYLINE ROAD TOURIST PRECINCT

### DETAILED FINANCIAL MODEL (10 YEAR CASH FLOW)

| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Demand/Usage** | | **Year 1** | **Year 2** | **Year 3** | **Year 4** | **Year 5** | **Year 6** | **Year 7** | **Year 8** | **Year 9** | **Year 10** |
| Accommodation Visitors | | 2,190 | 2,409 | 2,409 | 2,628 | 2,628 | 3,066 | 3,066 | 3,066 | 3,066 | 3,066 |
| Touring Visitors (from Rezoning) | | 52,197 | 57,104 | 62,472 | 68,344 | 74,769 | 81,797 | 89,486 | 97,897 | 107,100 | 117,167 |
| Distillery visitors | | 116,991 | 128,001 | 139,807 | 152,941 | 167,071 | 182,966 | 199,877 | 218,377 | 238,617 | 260,758 |
| Event visitors (due to rezoning) | | 5,000 | 5,470 | 5,984 | 6,547 | 7,162 | 7,835 | 8,572 | 9,378 | 10,259 | 11,223 |
| **Total demand** | | **176,378** | **192,984** | **210,672** | **230,460** | **251,629** | **275,665** | **301,001** | **328,718** | **359,041** | **392,215** |
| | | | | | | | | | | | |
| **Project Benefits** | | **Year 1** | **Year 2** | **Year 3** | **Year 4** | **Year 5** | **Year 6** | **Year 7** | **Year 8** | **Year 9** | **Year 10** |
| Accommodation Visitors (ave spend) | | $1,099,380 | $1,239,551 | $1,270,540 | $1,420,694 | $1,456,212 | $1,741,387 | $1,784,921 | $1,829,544 | $1,875,283 | $1,922,165 |
| Touring Visitors (from Rezoning) - ave spend | | $3,327,589 | $3,731,392 | $4,184,197 | $4,691,949 | $5,261,317 | $5,899,778 | $6,615,716 | $7,418,533 | $8,318,772 | $9,328,255 |
| Distillery visitors (ave spend) | | $5,269,864 | $5,909,969 | $6,616,427 | $7,418,969 | $8,306,978 | $9,324,763 | $10,441,267 | $11,692,883 | $13,095,997 | $14,668,984 |
| Event visitors (due to rezoning) - ave spend | | $510,000 | $571,889 | $641,287 | $719,107 | $806,371 | $904,224 | $1,013,952 | $1,136,995 | $1,274,969 | $1,429,687 |
| Residential Expansion | | $1,899,000 | $1,946,475 | $1,995,137 | $2,045,015 | $2,096,141 | $2,148,544 | $2,202,258 | $2,257,314 | $2,313,747 | $2,371,591 |
| **Total visitor spend** | | **$12,105,834** | **$13,399,276** | **$14,707,587** | **$16,295,735** | **$17,927,019** | **$20,018,696** | **$22,058,114** | **$24,335,270** | **$26,878,768** | **$29,720,681** |

| **Operating Expenditure** | | **Year 1** | **Year 2** | **Year 3** | **Year 4** | **Year 5** | **Year 6** | **Year 7** | **Year 8** | **Year 9** | **Year 10** |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Total Staffing Costs | 10 FTE STAFF | $600,000 | $615,000 | $630,375 | $646,134 | $662,288 | $678,845 | $695,816 | $713,211 | $731,042 | $749,318 |
| Accommodation & Distillery Area - Maintenance Costs | $30 per sqm | $44,730 | $45,848 | $46,994 | $48,169 | $49,374 | $50,608 | $51,873 | $53,170 | $54,499 | $55,862 |
| Accommodation Area (sqm) | 1,491 | | | | | | | | | | |
| Road Sealing Maintenance Costs | $5,200 per km | $93,600 | $95,940 | $98,339 | $100,797 | $103,317 | $105,900 | $108,547 | $111,261 | $114,043 | $116,894 |
| MTB Trails - Length (m) | 18 | | | | | | | | | | |
| **Total Ongoing Expenditure** | | **$738,330** | **$756,788** | **$775,708** | **$795,101** | **$814,978** | **$835,353** | **$856,236** | **$877,642** | **$899,583** | **$922,073** |

| **Capital Expenditure** | **Itemised Cost** | **Total Cost** |
|---|---|---|
| Self-contained accommodation Construction Cost | | $ 2,700,000 |
| Road Sealing Cost | $ 362 | 6,509,020 |
| Costs for Rezoning (i.e. Ammendment Costs) | | 500,000 |
| Distillery Construction Cost (incl all extras e.g. roads, parking) | | 15,280,000 |
| **Total Capital Costs** | | **$24,989,020** |

| | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| **Net Impact** | **($24,989,020)** | **$11,367,504** | **$12,642,487** | **$13,931,880** | **$15,500,635** | **$17,112,041** | **$19,183,343** | **$21,201,878** | **$23,457,627** | **$25,979,185** | **$28,798,608** |

## FINANCIAL MODEL ASSUMPTIONS

| **ASSUMPTIONS** | |
|---|---|
| Inflation | 2.5% |
| Forecast growth rate | 9.4% |
| Visitors to Eildon/Taylor Bay (2018) | 224,926 |
| Visitors to Bonnie Doon | 135,096 |
| Visitors to both subregions | 360,022 |
| Visitors to Lake Eildon Region | 869,958 |
| Road Sealing Length (m) | 18,000 |
| Additional events p.a. | 5 |
| Average event visitation | 1,000 |

**DEMAND/USAGE**

| Accommodation visitors | | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Self-contained Accommodation Number | 6.00 | | | | | | | | | | |
| Occupancy | 70.00% | 50.00% | 55.00% | 55.00% | 60.00% | 60.00% | 70.00% | 70.00% | 70.00% | 70.00% | 70.00% |
| Average visitors per room | 2.00 | | | | | | | | | | |
| Accommodation visitors | | 2,190 | 2,409 | 2,409 | 2,628 | 2,628 | 3,066 | 3,066 | 3,066 | 3,066 | 3,066 |

| Touring visitors | | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| *Penetration Rate* | *6%* | | | | | | | | | | |
| Touring visitors | | 52,197 | 57,104 | 62,472 | 68,344 | 74,769 | 81,797 | 89,486 | 97,897 | 107,100 | 117,167 |

| Food and Beverage visitors | | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Food and Beverage visitors (site users) | | 59,387.48 | 64,983.04 | 70,865.00 | 77,518.87 | 84,558.61 | 92,698.09 | 101,123.50 | 110,340.91 | 120,424.75 | 131,456.47 |
| *Penetration Rate* | *16%* | | | | | | | | | | |
| Food and Beverage visitors (additional visitors) | | 57,604 | 63,018 | 68,942 | 75,423 | 82,512 | 90,268 | 98,754 | 108,036 | 118,192 | 129,302 |
| Total F&B visitors | | 116,991 | 128,001 | 139,807 | 152,941 | 167,071 | 182,966 | 199,877 | 218,377 | 238,617 | 260,758 |

| Event visitors | | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Event visitors | | 5,000 | 5,470 | 5,984 | 6,547 | 7,162 | 7,835 | 8,572 | 9,378 | 10,259 | 11,223 |

| Ave Visitor Expenditure | | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Overnight ave spend/trip | $502 | $502 | $515 | $527 | $541 | $554 | $568 | $582 | $597 | $612 | $627 |
| *Daytrip Visitor Spend* | $102 | $102 | $105 | $107 | $110 | $113 | $115 | $118 | $121 | $124 | $127 |
| *F&B Daytrip Spend* | $45 | $45 | $46 | $47 | $49 | $50 | $51 | $52 | $54 | $55 | $56 |

| Self-contained Accommodation visitors (total spend) | | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| *Spend* | $502.00 | | | | | | | | | | |
| **Accommodation visitors** | | **1,099,380** | **1,239,551** | **1,270,540** | **1,420,694** | **1,456,212** | **1,741,387** | **1,784,921** | **1,829,544** | **1,875,283** | **1,922,165** |

| Touring visitors (total spend) | | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| *Additional Length of Stay (hrs)* | *5.00* | | | | | | | | | | |
| **Touring visitors** | | **$ 3,327,589** | **$ 3,731,392** | **$ 4,184,197** | **$ 4,691,949** | **$ 5,261,317** | **$ 5,899,778** | **$ 6,615,716** | **$ 7,418,533** | **$ 8,318,772** | **$ 9,328,255** |

| Food and Beverage visitors (total spend) | | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| *Spend* | $ 45.05 | | | | | | | | | | |
| Food and Beverage visitors | | $ 5,269,864 | $ 5,909,969 | $ 6,616,427 | $ 7,418,969 | $ 8,306,978 | $ 9,324,763 | $10,441,267 | $11,692,883 | $13,095,997 | $14,668,984 |

| Event visitors | | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| *Additional length of stay (day)* | *1* | | | | | | | | | | |
| **Event visitors** | | **$ 510,000** | **$ 571,889** | **$ 641,287** | **$ 719,107** | **$ 806,371** | **$ 904,224** | **$ 1,013,952** | **$ 1,136,995** | **$ 1,274,969** | **$ 1,429,687** |

| Residential Expansion | | Year 1 | Year 2 | Year 3 | Year 4 | Year 5 | Year 6 | Year 7 | Year 8 | Year 9 | Year 10 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Spend Per Property | *$316,500* | *$316,500* | *$324,413* | *$332,523* | *$340,836* | *$349,357* | *$358,091* | *$367,043* | *$376,219* | *$385,625* | *$395,265* |
| *Additional Lots Developed (p.a - 3 each Shire)* | *6* | $ 1,899,000 | $ 1,946,475 | $ 1,995,137 | $ 2,045,015 | $ 2,096,141 | $ 2,148,544 | $ 2,202,258 | $ 2,257,314 | $ 2,313,747 | $ 2,371,591 |
| **Total spend** | | **$1,899,000** | **$1,946,475** | **$1,995,137** | **$2,045,015** | **$2,096,141** | **$2,148,544** | **$2,202,258** | **$2,257,314** | **$2,313,747** | **$2,371,591** |

## FINANCIAL IMPACT ASSUMPTIONS (NPV, BCR)

| Discount rate | 7.0% | | | | | | |
|---|---|---|---|---|---|---|---|
| Year | Benefits | Costs | Discount factor | Discounted benefits | Discounted costs | Discounted net benefits | Net benefits |
| 0 | | $ 24,989,020 | 1.00 | $ - | $24,989,020 | -$ 24,989,020 | -$24,989,020 |
| 1 | $ 12,105,834 | $ 738,330 | 0.93 | $ 11,313,863 | $ 690,028 | $ 10,623,835 | $11,367,504 |
| 2 | $ 13,399,276 | $ 756,788 | 0.87 | $ 11,703,446 | $ 661,008 | $ 11,042,438 | $12,642,487 |
| 3 | $ 14,707,587 | $ 775,708 | 0.82 | $ 12,005,772 | $ 633,209 | $ 11,372,564 | $13,931,880 |
| 4 | $ 16,295,735 | $ 795,101 | 0.76 | $ 12,431,938 | $ 606,578 | $ 11,825,360 | $15,500,635 |
| 5 | $ 17,927,019 | $ 814,978 | 0.71 | $ 12,781,717 | $ 581,068 | $ 12,200,649 | $17,112,041 |
| 6 | $ 20,018,696 | $ 835,353 | 0.67 | $ 13,339,302 | $ 556,631 | $ 12,782,671 | $19,183,343 |
| 7 | $ 22,058,114 | $ 856,236 | 0.62 | $ 13,736,685 | $ 533,221 | $ 13,203,464 | $21,201,878 |
| 8 | $ 24,335,270 | $ 877,642 | 0.58 | $ 14,163,349 | $ 510,796 | $ 13,652,553 | $23,457,627 |
| 9 | $ 26,878,768 | $ 899,583 | 0.54 | $ 14,620,269 | $ 489,314 | $ 14,130,955 | $25,979,185 |
| 10 | $ 29,720,681 | $ 922,073 | 0.51 | $ 15,108,487 | $ 468,735 | $ 14,639,752 | $28,798,608 |
| | | | | | | | |
| Present value benefits | | | | $ 116,096,342 | | | |
| Present value costs | | | | | $24,989,020 | | |
| Net Present Value | | | | | | $85,845,469 | |
| Benefit-cost ratio | | | | | | | 4.6 |

## APPENDIX B ECONOMIC TERMS AND DEFINITIONS

Output data represents the gross revenue generated by businesses/organisations in each of the industry sectors in a defined region. Gross revenue is also referred to as total sales or total income.

Employment data represents the number of people employed by businesses / organisations in each of the industry sectors in a defined region. Employment data presented in this report is destination of work data. That is, no inference is made as to where people in a defined region reside. This employment represents total numbers of employees without any conversions to full-time equivalence. Retail jobs for instance represent typical employment profiles for that sector, i.e. some full time, some part time and some casual.

The increase in direct and indirect output and the corresponding creation of jobs in the economy are expected to result in an increase in the wages and salaries paid to employees. A proportion of these wages and salaries are typically spent on consumption and a proportion of this expenditure is captured in the local economy.

Value-Added data represents the marginal economic value that is added by each industry sector in a defined region. Value-Added can be calculated by subtracting local expenditure and expenditure on regional imports from the output generated by an industry sector, or alternatively, by adding the Wages & Salaries paid to local employees, the gross operating surplus and taxes on products and production. Value-Added by industry sector is the major element in the calculation of Gross Regional Product / Gross State Product / Gross Domestic Product.

Gross State Product (GSP) is the total value of final goods and services produced in the region over the period of one year. This includes exports.

Impacts used in this assessment include the following terms:

- Direct effects – Direct output or value of development or construction activity.
- Indirect effects:
  - Supply-Chain effects - The increased output generated by servicing industry sectors in response to the direct change in output and demand; and
  - Consumption effects - As output increases, so too does employment and wages and salaries paid to local employees. Part of this additional income to households is used for consumption in the local economy which leads to further increases in demand and output region.

| | |
|---|---|
| **Title:** | **Communication Policy** |
| **Type:** | **Council** |
| **Adopted:** | 24 June 2020 (TBC) |
| **File No:** | 20/37341 |
| **Attachments:** | N/A |

## 1. Purpose

The purpose of this Policy is to provide direction for Council's approach to its communication, including the use of communication tools and interactions with media. The Policy aims to ensure

- Council communicates effectively across a range of platforms
- consistency in quality, accuracy and appropriateness of external communication
- transparency of communication between Council and the community

## 2. Rationale

Council's reputation in the community is linked to the quality of its communication with the community. Inadequate, inaccurate or poorly-judged communication can damage the community's trust and confidence in Council's activities, decisions and effectiveness. Importantly, Council's external communication underpins its efforts to enhance community engagement across the Shire, and to ensure the transparency of Council's decisions and activities.

To be effective, Council's approach to communicating must be flexible and responsive. Council must use a diverse range of platforms to meet our community's different communication needs and preferences, while also ensuring best value for money.

## 3. Scope

This Policy applies to

- representatives of Council (at all times and for all forms of communication) about Council's business, services, role or staff, councillors, contractors and volunteers
- all media and platforms by which Council communicates, including its social media channels

This Policy does not apply to

- representatives of Council's private use of social media, where no reference is made or could be perceived to have been made, to Murrindindi Shire Council or representatives of Council, Council policies, practices or services, suppliers or other stakeholders.
    - However, Council's Codes of Conduct apply to all online activities at all times.

Responsible Officer: Manager Customer Experience
24 June 2020 (TBC)
TRIM Reference: 20/37341

## 4. Definitions

| Reference Term | Definition |
|---|---|
| Council Staff | Includes employees, contractors (agencies and individuals who provide services to the Council) volunteers and contractors appointed to undertake Council business. |
| Representatives of Council | Councillors and all Council staff (as defined above) |
| Media | Includes print, radio, television, video, social media, websites and other online channels. |
| Digital media | Digitised content that can be transmitted or broadcast via the internet, including text, images, audio, video, live-streamed content, graphics, online surveys and e-newsletters. Digital media also include platforms which can hold or transmit digitised content, including websites and social media. |
| Social Media | Any web-based or mobile technology to which people may add comment, contribute, create, forward, link, tag, post, upload and share digital or other content. |
| Intellectual Property | Describes the ownership of works that are a result of creativity and knowledge and are often intangible in nature, including trademarks, designs, logos, stories, songs or photos. |
| Printed Media (regardless of whether despatched in digitised form or otherwise) | Includes flyers, posters, bulk direct mailouts, letters, advertising, speeches, Frequently Asked Questions, surveys, forms, media releases, rates and animal registration notices, annual reports, council plans, articles, invitations, notices to the public, signage, banners, programs and calendars of events. |

## 5. Policy

### 5.1 Communication Principles

Council's external communication will be guided by the following principles:

- We will keep the community informed about what we are doing, give the community opportunities to engage in two-way conversation with us and the ability to participate meaningfully in the democratic process
- Our communication will be
    - inclusive and pleasant in tone
    - clear and unambiguous through use of plain language
    - free from jargon and acronyms
    - consistent in quality and style
- We will be responsive to our community through timely communication, by listening and by engaging with our communities
- We will target our communication to ensure it is relevant, useful and interesting
- We will be strategic and creative in looking for new means by which to boost the reach of our communication and the communication methods and platforms we use will be informed by the needs of the community and customers
- Our communication will reflect a whole-of-organisation view
- We will respect other's Intellectual Property rights and expect others also to respect Council's Intellectual Property rights

Responsible Officer: Manager Customer Experience
24 June 2020 (TBC)
TRIM Reference: 20/37341

The tone of, and standards, for Council's communication is set by *Murrindindi Shire Council's 2020 Style Guide*. The Guide is to be used to assist in the production of all external Council communication. The Guide must also be observed when Council logos and branding assets are used by a third-party, e.g., by other government agencies, or for Council-sponsored projects or events.

### 5.2 Council's spokespersons

While all councillors can make public statements, the Mayor (or Deputy Mayor, in the Mayor's absence) is Council's official spokesperson and is authorised to speak on behalf of Council. Close liaison between the Mayor and Chief Executive Officer is important to ensure timely and informed communication. The Mayor may delegate this authority to another councillor or officer of Council. All Councillors must ensure that there is a clear delineation between personal Facebook accounts and statements, and those made in their official role as Councillor.

The CEO is the spokesperson for all operational matters, including regarding delivery of services and the implementation of Council policy. The CEO can delegate this responsibility to an officer of Council. In times of emergency, the CEO is Council's official spokesperson.

In the event of an approach by the media or other body seeking official comment or media appearances on behalf of Council, contact must be made in the first instance with the Communications Unit.

### 5.3 Communication Platforms and Media

Council will use multiple methods and platforms to ensure its messages reach the largest possible number of residents and accommodates a wide-range of preferences for receiving Council's communications.

*a. Traditional media*

Traditional media such as newspaper and radio are important mainstays for Council's communication across the Shire, particularly for those residents who do not use digital communication.

All printed media produced for external distribution (except routine correspondence) must be approved by the relevant departmental manager and the Communications Unit before despatch.

*b. Social Media*

Social media is a valuable tool to help Council reach rapidly expanding online communities in a timely manner. Social media will enhance Council's ability to communicate with, and listen to, its community and enables fast and two-way information flow. Use of social media supplements and enhances traditional channels of communication.

Only officers authorised to do so can post on Council's social media pages. Council staff seeking to use social media for Council-related business should contact the Communications Unit for approval.

*c. Conduct on Social Media Platforms*

Council staff authorised to use social media on Council's behalf will

- be accurate, transparent, respectful and professional on social media, including to those who express criticisms
- discuss only publicly available information and won't post or comment on issues outside their work area/area of expertise

Responsible Officer: Manager Customer Experience
24 June 2020 (TBC)
TRIM Reference: 20/37341

- not commit Council or Council staff to actions or undertakings without the express authority to do so
- be cautious in protecting their own privacy and the privacy of those with whom they are communicating
- ensure consistency with other sources of Council information
- acknowledge and correct any errors or misleading information as soon as possible
- get permission before uploading images or video of, or from, others on social media and ensure we attribute ownership of content appropriately
- not suggest you represent Council when using social media for personal communication

*d. General Use of Social Media by Councillors*

Councillors might wish to use social media to promote their activities, and Council's work, to the communities within their wards. Given their public roles, Councillors

- must have and use only an official 'councillor' social media account if they are commenting on Council matters. Councillor pages are the personal responsibility of the individual Councillor
- should be alert to the chance that any comment they make might be interpreted as a statement on behalf of Council. In addition to the standards and expectations set out elsewhere in this document, Councillors should ensure it is clear that the content or views they post or upload are their own and not those of the Council
- are encouraged to 'like' and 'share' Council pages and posts but in doing so, need to be conscious of the principles set out in this Policy
- should ensure they abide by the provisions of Council's Election Caretaker Policy in using social media in the lead up to Council elections

e. *Customer Service and Record Keeping*

Social media is another communication channel through which customer requests and feedback can be provided to Council. Staff must ensure information received on social media is processed and handled in accordance with policies and procedures relating to customer service, customer feedback and complaints and information management.

Councillors must forward to officers in a timely way any communication they receive by any means which requires information from, or action by, Council or which constitutes feedback for Council.

*f. Protection of Privacy and Reputation Online*

Council has a duty of care to ensure the privacy and reputations of staff are protected. Council will not tolerate 'trolling' of Representatives of Council and will take action to protect staff from such behaviour. Instances of such behaviour online should be brought to the immediate attention of the Manager Customer Experience.

*g. Website*

Council's corporate website is the central hub of Council's diverse communication model. While Council uses many means to disseminate information, each of these must drive the community back to the website to seek information and access to our services. All information that appears via other media must also be on (or accessible via) the website. It is the responsibility of directors, managers, coordinators and the local 'web champion' to ensure content pertaining to their area of responsibility is current and accurate.

Responsible Officer: Manager Customer Experience
24 June 2020 (TBC)
TRIM Reference: 20/37341

Council will from time-to-time create sub-sites for specific purposes. Proposals to create new official websites for specific purposes must be discussed in advance with the Communications Unit to ensure consistency of style and branding.

## 6. Related Policies, Strategies and Legislation

- Privacy Policy
- Equal Opportunity Policy
- Customer Services Policy
- Customer Complaints and Feedback Policy
- Councillor Code of Conduct
- Election Caretaker Policy
- Council Employee Code of Conduct
- Prevention of Bullying and Occupational Violence
- Disability Discrimination Act 1992
- Web Content Accessibility Guidelines 2.0
- Community Engagement Policy
- Conflict of Interest Policy
- Local Government (Rules of Conduct) Regulations 2007
- Local Government Act 2020
- Information Management Policy

## 7. Council Plan

This Policy supports and underpins a range of strategies in the Council Plan 2017-2021, including the 'Our Promise' strategy to expand our communication and two-way engagement with the community.

## 8. Management and Review

The Manager Customer Service is responsible for management of this Policy and for its review no later than June 2024.

## 9. Consultation

This Policy follows, and is informed by, consultation with staff and external stakeholders through the creation of Council's Communication Strategy and Social Media Strategy.

## 10. Human Rights Charter

This Policy has been developed with consideration of the requirements under the Charter of Human Rights and Responsibilities.

Responsible Officer: Manager Customer Experience
24 June 2020 (TBC)
TRIM Reference: 20/37341

| | |
|---|---|
| **Title:** | Asset Management |
| **Type:** | Council |
| **Adopted:** | **24 June 2020 (TBC)** |
| **File No:** | **20/24727** |
| **Attachments:** | **"[Insert references to any attachments]"** |

## 1. Purpose

Council is committed to ensuring that all Council assets are appropriately managed and relevant to community needs. This Policy is intended to:

- Establish a framework to ensure that asset management is undertaken in a structured, coordinated, cost effective and financially sustainable manner;
- Guide the ongoing review and updating of Council's Asset Management Strategy and Asset Management Plans;
- Ensure Council budgets include discretionary and non-discretionary elements;
- Budgets are set such that appropriate levels of non-discretionary funding is made available for renewal, maintenance and operation of existing assets ahead of discretionary funding for new assets and asset upgrades to ensure ongoing provision of existing levels of services; and
- Guide Council's decision making with respect to life cycle costing, the Capital Works Program, the Long Term Financial Plan, service reviews and annual budgets

## 2. Rationale

This Policy has been written to guide the future management of all Council assets to meet community needs within financial and other practical constraints.

Council has responsibility for the stewardship of assets for the benefit of current and future generations. The most recent valuation of Council's asset portfolio was $350 million at fair value (2018/19 Financial Report). Millions of dollars are spent annually managing and maintaining these assets. It is therefore important that Council employs sound asset management practices to ensure all Council assets are managed effectively and sustainably.

Implementation of the Policy is expected to ensure that:

- Council assets are well managed throughout their lifecycle and fully utilised to achieve agreed desired service levels;
- Council assets support triple bottom line outcomes of environmental, financial and social sustainability;
- Asset management decisions are based on an integrated process, which includes community participation, has a long term focus, and balances competing social, financial and environmental priorities;
- Council is accountable to the community regarding asset performance and its asset management activities;
- Non-discretionary funding for the maintenance, operation and renewal of existing assets is prioritised ahead of discretionary funding of new assets; and
- Council's exposure to risk is minimised, in regard to asset failures, property risk exposure, damage, loss and climate change.

## 3. Scope

This Policy provides the guiding principles for long-term sustainable management of Council's asset portfolio.

This Policy is applicable to all Council owned assets and all Council-managed assets (including leased assets) that:

- are used by the community;
- support the delivery of services provided for the benefit of the community; or
- are held by Council for future use

This Policy applies to the Council and all Council officers involved in the creation, operation maintenance, upgrade, renewal and rationalisation of Council assets. The Policy applies to all contracts applicable in these areas. It also applies to all officers responsible for the delivery of services that make use of Council assets.

## 4. Definitions

| Reference Term | Definition |
|---|---|
| Asset | A physical item that is owned or controlled by Council, and provides or contributes to the provision of services to the community. Assets include:<br>• infrastructure assets (i.e. roads, footpaths, cycle paths, kerbs and channels, street furniture, signage, street trees, bridges, buildings, drains, playgrounds, open space and sporting reserves);<br>• cultural assets (i.e. art collections);<br>• office equipment (software, desks, computers, etc.);<br>• vehicles; plant equipment and associated infrastructure required for the delivery of Council services (which may be non-Council and managed or utilised through a formal agreement).<br>• Intangible asset – an identifiable non-monetary asset without physical substance (eg, Software) |
| (AM) Asset Management | The process applied to manage assets over each stage of their service life including asset needs analysis, creation, operation, maintenance, renewal and disposal. The objective of asset management is to ensure the assets deliver the required level of service in the most effective and efficient manner now and intothe future. |
| Fixed asset (also known as a non-current asset) | Any item of land, buildings, plant and equipment, infrastructure and IT assets which has a life expectancy (i.e. usage period) of more than one year. Items with a life expectancy of one year or less are considered to be consumable items. |
| Responsible person | The person responsible for managing the assets of a functional area, ensuring compliance with related procedures, performing stocktakes and being a local contact for the Organisation. |
| Environmental Sustainability | A proactive approach to environmental management that conserves natural resources and minimises the environmental impact on the natural world. |

| | |
|---|---|
| Financial Sustainability | The financial sustainability of a Council is determined by its ability to manage expected financial requirements and financial risks over the long term without the use of disruptive revenue or expenditure measures; which is determined by:<br>(i) healthy finances in the current period and long term outlook demographic developments; and based on continuation of the Council's present spending and funding policies and given likely economic and demographic developments; and<br>(ii) ensuring infrastructure renewals/replacement expenditure matches forward looking Asset Management Plan expenditure needs. |
| Lifecycle Cost | Total expenditure required throughout the life of an asset in order to fund the creation, design, construction, operation, maintenance, renewal and disposal of the asset, so that the asset can deliver the desired service level over its life. |
| Non-Discretionary Funding | The concept is that once an asset is owned, Council has a responsibility to maintain its serviceability. This responsibility is non-discretionary and therefore funding for asset risk mitigation, maintenance and renewal, which are necessary to maintain the asset in a condition suitable for service delivery, is non- discretionary. |
| Service | A combination of tangible and intangible benefits that can be produced and consumed. |
| Level of Service | A relevant measurable standard or target that reflects the required performance to meet agreed community expectations in relation to the type, quality and quantity of services delivered by Council. |
| Renewal Gap | The difference between *Current Renewal Expenditure* and the *Required Renewal Expenditure* considered necessary to renew assets to enable services to continue at their desired level. |

Note that asset renewal, upgrade, expansion and new assets are defined in the Asset Capitalisation Policy

## 1. Policy

**This Policy is expected to deliver the following vision for asset management practices:**

- As stewards of community assets, Council will provide assets that support the provision of best value services. Council assets will be accessible, safe and suitable for community use. The approach to asset management will be sustainable. It will balance competing community social, environmental and economic needs for the benefit of current and future generations.
- To realise Council's vision and to meet increasing service delivery demands requires a functional and cost effective asset base. To achieve this, an integrated and multi-disciplinary approach to asset management is necessary.
- Achieving best value in relation to both short and long-term service needs requires an understanding of the total costs associated with each asset over its lifecycle (from creation to disposal). Adopting a best practice approach to asset management will enable Council to safeguard the considerable investment required to sustain its asset portfolio for current and future generations.

Asset Management

**Council's asset management practices will be guided by the following core principles:**

- Ensure assets support the services provided by Council;
- Community involvement in decision-making;
- Focus on long-term sustainability;
- Sustainable investment in capital works;
- Continuous improvement in data and asset management information systems;
- Compliant asset accounting;
- Legislative and regulatory compliance;
- Compliance with insurance obligations;
- Continuous improvement in risk management;
- On-going training and skill development; and
- Effective monitoring and reporting.

**Principle 1: Ensure Assets Support the Services Provided by Council**

**This will be achieved by:**

- Council will aim to provide assets in a condition that is suitable to support service objectives;
- Council will ensure that assets are constructed and maintained to meet Council's commitment to social, environmental and economic policies and principles.
- Council's asset management plans and service provision strategies and plans will aim to be seamlessly integrated;
- The Service Delivery Model (Appendix 1) will be used to clarify the roles and responsibilities of Service Managers and Asset Managers as well as define management practices applicable to all phases of the service and asset lifecycle;
- The Executive Management Team (EMT) and Managers will actively support cross organisational collaboration to deliver best practice service and asset management outcomes;
- Officers responsible for the management of Council services and assets will work together to ensure that Council's asset management practices support sustainable delivery of the services that Council provides to the community;
- Council will continue to invest in enhancing its knowledge in service planning, asset management and operational practices with a commitment to a continuous improvement approach;
- Managers, through their service planning projects, will seek to understand current and future customer expectations, predict changes in service and asset needs, set performance targets and measure outcomes;
- Community and Technical Service Levels will be developed for all Council services that make use of Council assets;
- Decisions to provide new services or assets to the community will be based on information that justifies initial expenditure and demonstrates the long term, triple bottom line, on-going benefits, as well as the necessary investment required to ensure the services and assets can continue to perform over the life of the service;
- Council will aim to systematically upgrade current assets, where possible, to optimise accessibility to Council services;
- Decisions to modify or rationalise existing assets will be aligned with service requirements;
- Grants will only be pursued to meet existing service needs and for the provision of new or upgraded assets, which would have been provided even if grant funding were not available.

**Principle 2: Community Involvement in Decision Making**

**This will be achieved by:**

- Council will commit to understanding community needs and expectations regarding the management of Council assets;

- Service levels will be developed in a manner that includes community consultation so that informed decisions can be made in partnership with the community;
- Service levels will be documented in Council's Asset Management Plans;
- Service level targets will be determined by consideration of a number of factors including: funding levels, triple bottom line objectives set out in relevant Council policy and strategy documents, as well as through community consultation;
- For each asset group, Council's current asset management performance, service levels targets and asset management activities will be reported to the community via consultation associated with the adoption of Asset Management Plans;
- Community service level targets will be articulated in a manner that can be understood by the community;
- Technical service levels will be developed to support delivery of community service levels. These will act as a guide for decision makers to ensure assets are provided in a desirable form and perform to the required standard;
- Progress toward delivery of community service level targets will be reported to the community;
- Prior to any new asset acquisition and / or major redevelopment / upgrade or disposal, a detailed cost-benefit analysis will be developed. For assets that affect community services, community consultation will be undertaken.

**Principle 3: Focus on Long-term Sustainability**

**This will be achieved by:**

- Assets will be managed using a lifecycle approach as described in *Appendices 1 and 2*) and in accordance with best practice asset management techniques detailed in the International Infrastructure Management Manual (Australia/New Zealand Edition) and ISO 5000;
  Assets will be utilised to their fullest potential to maximise usage, community benefit and economic value;
- Council will aim to develop effective and affordable preventative maintenance programs aimed at minimising life cycle costs and maximising the service potential of assets;
- Council will aim to ensure its current and future asset base has minimal impact on the environment;
- Design/components/construction techniques will be used that minimise environmental impacts including on biodiversity, energy and water consumption and the generation of waste to landfill wherever possible;
- Assets will be regularly, proactively maintained to ensure that they continue to function as efficiently as possible and as intended for the duration of their life;
- Council will proactively inspect and protect its asset inventory and actively seek compensation from any parties who damage municipal assets;
- Council will aim to prioritise the provision of funding for legal compliance, renewal, maintenance, and operation of existing assets in preference to financing new works or asset upgrades;
- Predictive financial modelling (including renewal modelling) will be included in all Asset Management Plans;
- Asset Management Plans for each asset group will link to the Long Term Financial Plan;
- On an annual basis, Council will prepare a minimum 10 year capital works program with the Long Term Financial Strategy;

- Funding for the purchase, maintenance, rehabilitation and replacement of all assets will be guided by Council's Asset Management Plans and included in the capital works program, Long Term Financial Plan, annual budgetary process, and annual Business Plans;
- Council will proactively seek grants and partnership opportunities to supplement investment in lifecycle asset management;
- Assets that have low community benefit or are surplus to community needs will be considered for rationalisation and/or integration with other assets;
- Innovative and cost effective work practice improvements will be put in place to ensure enhanced resource efficiency and continuous improvement in service and asset management outcomes;
- Consideration of lifecycle costing will inform decisions to create or upgrade a Council-owned asset or accept an asset from a third party;
- Council will not accept any asset created by a third party until it satisfies minimum acceptable quality standards.

**Principle 4: Sustainable Investment in Capital Works**

**This will be achieved by:**

- Capital investment in infrastructure will be evaluated and prioritised giving due consideration to risk, service needs, social, environmental and financial sustainability;
- Council will aim to address any backlog of renewal works identified in Council's Asset Management Plans in an appropriate and timely manner;
- Council will aim to avoid a future backlog of assets in poor condition by providing renewal funding at a level that matches the predicted deterioration rate of the asset portfolio;
- Council will prioritise the funding of works to address legal compliance or fit for purpose issues in preference to financing new works or asset upgrades;
- Priority will be given to fund asset renewal needs ahead of the creation of new assets;
- All options will be considered to reduce the renewal gap such as rationalising assets, sharing facilities, upgrading single use facilities to multi-purpose and maximising partnership opportunities;
- Where possible, Council will seek to support the asset renewal budget through the disposal of identified surplus or obsolete assets;
- New assets will only be funded where there is a demonstrated community need and all viable options such as upgrading and sharing existing assets have been analysed; Capital works projects will only be approved following documented evidence that the projects can be delivered in the proposed timeframe (e.g. project implementation plan);
- Capital works projects will only be approved if lifecycle costs have been estimated and documented;
- Lifecycle costs will be included in the Long Term Financial Plan and recurrent operational budgets once capital works projects have been approved;
- Upon approving a capital works project for the creation of a new asset or redevelopment / upgrade of an existing asset, Council will also commit to provide appropriate non-discretionary funding for renewal, maintenance and operation of the assets in future capital and operational budgets; and
- The disposal of any Council asset will be in accordance with Council's "Asset Disposal Policy"

**Principle 5: Continuous Improvement in Asset Knowledge and Information Systems**

**This will be achieved by:**

- Council will continue to invest in improving its asset knowledge;
- Council will maintain a fully integrated corporate Asset Management Information System that is integrated with the Financial, Customer Request and Geographic Information systems;

- Council's Asset Management Information System will include a centralised asset register that stores all data pertaining to assets owned by Council or under Council management;
- When established, the centralised assets register data will be used for strategic and operational purposes;
- The Asset Management Information System will enable staff to proactively manage all phases of the lifecycle of a Council asset;
- The Asset Management Information System will enable staff to generate maintenance and renewal programs and the associated cash flow forecasts and monitor delivery.
- Council will aim to continuously improve its asset data and maintain an up-to-date register of its asset inventory;
- Research will be undertaken to ensure Council knows what assets it owns and for what it is responsible;
- Council will continue to invest in regular asset condition audits to collate data to assist in making informed decisions. This data will be stored in the asset register;
- Data pertaining to occupancy arrangements (including leases and licences) will be integrated within the asset register;
- Information relating to insurance claims will be linked to the asset register;
  Information regarding asset valuations and insurance replacement values will be linked to the asset register; and
- All new and upgraded assets will be recorded in Council's asset register.

**Principle 6: Legislative Compliance**

**This will be achieved by:**

- Council will manage its asset inventory in a manner that ensures it is compliant with relevant legislation and regulations;
- Council will be responsive to changes in legislation and regulations and provide appropriate funding to ensure compliance occurs in a timely manner; and
- Council will monitor the maintenance of road related assets to ensure ongoing compliance with the Road Management Plan.

**Principle 7: Compliant Asset Accounting**

**This will be achieved by:**

- The valuation of Council assets will be in accordance with the accounting standards applicable for local governments within the State of Victoria;
- Economic asset life estimates will be set at levels that reflect the service potential of the relevant asset category;
- Economic asset lives may be adjusted on the basis of reliable asset performance data through the Financial Management & Asset Management Framework for Local Government;
- Asset Management expenditure reporting will be categorised in terms of operational, maintenance, renewal, upgrade and new expenditure classifications; and
  Council's budget framework will include Discretionary and Non- Discretionary elements as described in Appendix 2.

**Principle 8: Risk Management**

**This will be achieved by:**

- Council will proactively insure all assets for loss, property damage and public indemnity;
- A risk management approach is to be adopted for property management, public safety and environmental and social impacts of assets and their associated service delivery in accordance with ISO31000 International Risk Management Standard;

- Council will monitor, audit and review its asset portfolio, to identify potential risks and ensure they are appropriately managed;
- Council will proactively seek continuous improvement in risk management techniques and processes to minimise insurance premiums and mitigate the community's exposure to risk;
- Demarcation agreements will be developed to clarify risk management and maintenance responsibilities shared with a third party;
- Council will maintain occupancy agreements (including leases and licences) with all third party occupants which clearly demarcate the maintenance and renewal responsibilities;
- Prudent and comprehensive preparation, review, administration, and enforcement of occupancy agreements (including building leases and licenses) will be undertaken to ensure all buildings are appropriately maintained;
- Specific legal advice shall be obtained for the preparation and review of occupancy agreements, particularly in instances of complicated ownership arrangements;
- Proactive inspections of Council's assets (including leased buildings) will be undertaken to monitor compliance with occupancy agreements and asset deterioration;
- Council will establish and deliver maintenance service standards that preserve assets, mitigate risk and meet the desired service outcomes;
- In the event that a damaged or deteriorated asset represents an extreme or high public safety risk, temporary protection works will be undertaken to mitigate the risk. The effectiveness of all temporary works measures will be monitored until a more permanent repair is undertaken; and
- In the event an asset can no longer be maintained in a safe condition, it will be removed from service and secured to ensure unauthorised access is prevented.

**Principle 9: Training and Skill Development**

**This will be achieved by:**

- To fulfil its asset management obligations, Council will conduct familiarisation sessions for Councillors and staff in financial and asset management practices including the importance of service planning and property risk exposure minimisation;
- The Asset Management Working Group (AMWG) will be charged with responsibility for identifying financial and asset management training needs of all staff; and
- The Director Assets and Development will use the AMWG meeting forums to provide basic training, as well as guidance on relevant training programs available to meet identified needs.

**Principle 10: Effective Monitoring and Reporting**

**This will be achieved by:**
In accordance with the International Infrastructure Management Manual improvement tasks shall be grouped under the following headings in an Improvement Plan.

- Asset Management Preparation/Corporate Overview
- Asset Management Process Improvement
- Asset Management information system improvements
- Asset Management data improvements
- Organisational/People Issues
- Asset Management Commercial Tactics.

Each task will need to be prioritised by the asset management team balancing organisational objectives, risk and cost. These tasks are allocated to a responsible person accountable for ensuring delivery within the target date and budget listed in the improvement plan.

Improvement tasks shall be monitored on an annual basis ensuring progress is reported to the Executive Management Team and/Council.

The improvement program should be consistent with the National Asset Management Assessment Framework in the IPWEA format, preferably using the ISO 55001 maturity assessment format.

- The National Financial & Asset Management Assessment Framework will be used to assess Council's asset management practices including the development of Council's Asset Management Plans;
- Council will participate in the annual Victorian Auditor General's Office (VAGO) financial sustainability review;
- Annual budget and asset information will continue to be reported to the Department of Victorian Communities Local Government Asset Performance Measures program. This will effectively report Council's renewal gap; and
- Council will continue to participate in annual audits undertaken by Council's insurers.
- Progress toward the implementation of Council's Asset Management Improvement Strategy and improvement actions set out in the Asset Management Plans will be monitored by the Community Assets Manager and reported annually to Council;
- Financial reporting will be categorised in terms of operational, maintenance, renewal, upgrade and new expenditure classifications;
- Council's Road Management Plan (a statutory document) will be reviewed and updated in accordance with the Road Management Act;
- Within resource constraints, regular audits will be undertaken to monitor compliance with regulatory obligations and the principles set out in this Policy. Non-compliances will be reported to the Executive Management Team;
- Within resource constraints, reviews will be undertaken for all asset classes to ensure that performance outcomes are delivered in line with agreed service levels set out in adopted Asset Management Plans. Gaps will be reported in relevant Asset Management Plans and via the Asset Management Working Group meetings;
- The Asset Management Working Group will review Council's design and material standards to ensure current best practice is achieved;
- Council will continue to monitor community satisfaction regarding asset management; and
- Council will monitor the utilisation and condition of assets to provide information on the possible rationalisation or disposal of assets.

**Roles and responsibilities:**
All Council employees and contractors are accountable for the care of Council assets under their control.

Accountable Officers should also consider their organisation's alignment with the processes and principles outlined in the international standard *ISO 55000 Asset Management Series* as appropriate.

**Council shall:**

- Act as custodians and stewards of community assets;
- Be aware of best practice asset management principles;
- Ensure commitment to sustainable asset management principles is incorporated in the Council Plan;
- Ensure that legal and statutory compliance obligations are met;
- Approve Council's Asset Management Policy, Strategy and Plans;
- Approve the alteration and/or rationalisation of under-utilised or surplus Council assets; and
- Ensure appropriate financial resources for non-discretionary asset management activities are made available.

**Chief Executive (CEO) and Executive Management Team (EMT)**

- Act as custodians and stewards of community assets;
- Be aware of best practice asset management principles;
- Ensure that legal and statutory compliance obligations are met;
- Oversee the implementation of Council's Asset Management Policy, Strategy and Plans with agreed resources;
- Facilitate the effective operation of Council's Asset Management Working Group (AMWG);
- Include asset management requirements in relevant staff position descriptions and performance plans;
- Ensure that accurate and reliable information is presented to Council for decision-making; and
- Ensure that Councilors and staff are adequately trained and skilled in sustainable financial, environmental and asset management practices.

**Director Assets and Development (DAD) shall**

- Establish and facilitate the effective operation of Council's Asset Management Working Group (AMWG);
- Monitor, and report to the Executive Management Team, on the delivery of Council's Asset Management Policy, Strategy and Plans;
- Monitor, evaluate and report to Council, on progress regarding the implementation of asset management improvement projects/ actions; and
- Provide the AMWG with feedback and direction from the Executive Management Team and Council.

**Asset Management Working Group (AMWG)**

- Have a broad understanding of asset management issues and the continuous improvement approach being adopted;
- Support the delivery of the Asset Management Policy, Strategy and Plans;
- Monitor, evaluate and assist in the delivery of asset management improvement projects/ actions;
- Review and implement, where possible, external audit recommendations relating to asset management;
- Raise awareness throughout the organisation as to the many benefits of adopting a formal approach to asset management;
- Identify opportunities for improvement in relation to the planning, development and management of Council assets;
- Review design and construction standards for Council assets;
- Review the annual capital works program in order to identify opportunities for integration and greater efficiency of delivery;
- Support the development of specific processes and practices to support planning, development and management of Council's assets;

- Guide, support and inform the development of project implementation plans, for all capital works projects;
- Guide and inform the development of Service Plans and Asset Management Plans;
- Communicate, to others in the organisation, the strategic implications and outcomes of asset management initiatives being pursued;
- Advocate for improved asset management outcomes; and
- Check adherence of project activities to standards of best practice, both within the organisation and in a wider context.

**Manager Community Assets and Coordinator Asset Management**

- Raise awareness throughout the organisation as to the many benefits of adopting a formal approach to asset management;
- Coordinate the development, implementation and continuous improvement of Council's Asset Management Information System (including the asset register);
- Coordinate the development and review of Asset Management Plans for all major asset groups;
- Coordinate the implementation of asset management initiatives and improvement projects;
- Monitor, and report to the Executive Management Team, on the delivery of Council's Asset Management Policy, Strategy and Plans;
- Develop annual and long-term capital works programs;
- Ensure that Council is adequately informed about asset management;
- Identify asset management training needs for staff;
- Review and implement, where possible, external audit recommendations relating to asset management;
- Ensure that the organisation's asset management improvement program is developed and implemented in a logical and structured manner;
- Review existing Asset Management Policy, Strategy, Plans, Practices, Standards, Guidelines, Procedures and Systems, in consultation with relevant service and asset planners/ managers;
- Integrate Service Plan requirements into the strategic Asset Management Plans;
- Oversee the progress of individual asset management activities including data capture, data analysis and preparation of Service Plans and Asset Management Plans;
- Develop and implement a Capital Works Assessment Procedures;
- Implement the Asset Management Policy, Strategy and Plans with allocated resources;
- Review and update Service Plans and Asset Management Plans for individual asset groups ensuring that they comply with the National Asset Management Assessment and Financial Framework;
- Develop maintenance, refurbishment and capital works programs in accordance with Asset Management Plans, Risk Management Policy, Annual Plan and Budget;
- Develop Key Performance Indicators that measure Council's performance to deliver the agreed levels of service, monitor and report progress towards achieving those Key Performance Indictors;
- Present regular reports to AMWG and Council outlining Council's performance in delivering the Capital Works Program and Asset Management Plans; and
- Present information to AMWG, Council, Chief Executive and Executive Management Team in terms of lifecycle risks and costs associated with various asset investment decisions.

**Managers and Coordinators**

- Implement the Asset Management Policy, Strategy and relevant Asset Management Plans with allocated resources;
- Manage infrastructure assets in consideration of long term sustainability;
- Implement tactical plans (such as maintenance programs, capital works programs) in accordance with the relevant Asset Management Plan and Annual Plan;
- Establish service delivery needs and define service levels in consultation with local community stakeholders, taking into account relevant demographic, social, economic, technical, budgetary and other considerations;
- Ensure that appropriate infrastructure is provided and maintained to meet service delivery needs;
- Ensure that operational performance of Council's asset portfolio is optimised and operational costs are managed in a sustainable way;
- Monitor and review service needs and levels periodically;

- Participate in the review and update of Service Plans and Asset Management Plans for individual asset groups ensuring that they comply with the National Asset Management Assessment and Financial Framework;
- Participate in the development of Key Performance Indicators (KPIs) that measure Council's performance toward delivery of the agreed levels of service set out in Asset Management Plans;
- Deliver levels of service to agreed risk and cost standards;
- Ensure a change-of-use evaluation process is undertaken whenever an asset is no longer required to support the current service;
- Monitor and report progress towards achieving levels of service KPIs; and
- Participate in AMWG initiatives.

**Staff**

- Deliver levels of service to agreed risk and cost standards;
- Comply with the Asset Management Policy, Strategy and relevant Asset Management Plans;
- Deliver on actions and implement outcomes of the approved Service Plans and Asset Management Plans;
- Provide timely advice and input asset data into Council's Corporate Systems in line with corporate procedures;
- Participate in appropriate training to develop the skill sets required to undertake asset management tasks as appropriate for the responsibility of the role or position; and
- Ensure the Executive Management Team is made aware of any asset loss or damage or potential Council exposure to loss or damage due to asset management practices.

**Policy non-compliance**

Failure to comply with this Policy is likely to result in increased risk of:

- Unsafe infrastructure;
- Infrastructure that is not fit for purpose;
- Assets that do not comply with Council's social, environmental and economic priorities;
- Assets with excessive on-going operational costs;
- Excess assets
- Underinsured assets;
- Property damage;
- Service disruption;
- An increase in the renewal gap; and/or
- Reduced grant funding from the Federal Government due to a lack of compliance with the National Financial & Asset Management Framework.
- Performance management for staff who fail to adhere to the Policy

**Implementation of the policy:**

Following adoption of this policy the Asset Management Working Group (AMWG) Terms of Reference will be reviewed. The AMWG will be charged with responsibility for implementation of this Policy and supporting documents such as the Asset Management Strategy and Asset Management Plans. The AMWGT will meet regularly. The Team will be composed of a representative of from all areas of Council.

The AMWG meetings, and other existing internal communication mediums, will be utilised to explain the key features of this policy to all affected staff.

Implementation of this policy requires development and adoption of revised Service Plans and Asset Management Plans informed by the principles outlined in this policy.

## 2. Related Policies, Strategies and Legislation

This Policy may link to various other Council and external documents that will be identified further in the Asset Management Strategy and Asset Management Plans. Specifically, this Policy is to be read in conjunction with the following documents:

- The Council Plan 2017-2021
- Asset Management Strategy
- Asset Management Plans
- Long Term Financial Plan
- Murrindindi Municipal Public Health and Wellbeing Plan 2017-2021

Other related documents:

- Local Government Act 2020
- Local Government Act 1989
- Road Management Act 2004
- Strategic Resource Plan
- Asset Disposal Policy
- Capital Works Expenditure Policy

## 3. Council Plan

Council's Strategic Resource Plan and a number of other high-level strategic documents, including this Policy, support the delivery of the strategic objectives set out in the Council Plan.

This Policy relates to the Council Plan 2017-2021 Our Promise strategy 'maintain Council's financial sustainability through sound financial and asset management'.

## 4. Management and Review

This Policy is to be reviewed in conjunction with any relevant changes to the Council Plan by the Manager Community Assets, otherwise to be reviewed every four years.

## 5. Consultation

All revised Asset Management Plans will be adopted by Council and will be informed by community consultation and local government financial reporting frameworks. The Asset Management Plans will incorporate service level targets, and include predictive financial modelling that will inform Council's future Long Term Financial Plan and budgets.

## 6. Human Rights Charter

This Policy has been developed with consideration of the requirements under the Charter of Human Rights and Responsibilities.

**APPENDIX 1**

The following summarises the management objectives for each phase of the service and asset lifecycles. Key integration functions are also outlined and should be read with reference to **Figure 1 The Service Delivery Model**.

**SERVICE LIFECYCLE PHASE HORIZON SCANNING**

**Objectives**

- Gain an understanding of Council's internal and external environment.
- Use this knowledge to define current service demand, community needs and expectations and predict future changes.
- Determine Council's role(s) in the provision of services to meet community needs in a sustainable manner.

**Service Feasibility Analysis**

- Assess the appropriateness of current services.
- Determine the best approach for Council to meet current and future community needs.
- Define service objectives so that analysis can be undertaken to compare a range of options including:
  - Introduction of a new service
  - Alteration of an existing service (or aspects of a service)
  - Discontinuation of an existing service (or aspect of a service).

**Formulation**

- Broadly define all requirements to enable service delivery.
- Translate detailed service requirements into physical asset needs and measurable service standards and targets.

**Establishment**

- Set up/revise the operating structure, systems, standards, resources and performance measures required to enable operation and monitoring of the service.

**Operation**

- Operate and monitor delivery of the service to sustainably meet community needs.

**Adjustment**

- Undertake a service feasibility analysis to determine whether the current service is still aligned with community expectations and the operating environment.
- Identify service and asset adjustments required to ensure service objectives are met.
- Adjust internal service agreements, organisation structure, systems, resources and performance measures to ensure service objectives can be monitored and met.
- Communicate adjustments to affected parties

**Discontinuation**

- Ensure Council has a considered approach to the termination of services (or aspects of a service) no longer required in a manner that minimises community disruption

**ASSET LIFECYCLE PHASE MANAGEMENT OBJECTIVES**

**Asset Option Analysis**

- Consider the asset requirements necessary to support objectives of all services.
- Undertake analysis to ensure the best asset solutions are provided to meet service needs within physical, financial, legislative and other constraints.

**Design**

- Prepare requisite documentation to ensure delivered assets will meet service needs throughout the expected service life and be able to be created, maintained and renewed in a sustainable manner.

**Creation**

- Ensure acquired and constructed assets added to Council's asset portfolio deliver desired outcomes within financial and other constraints.

**Maintenance**

- Preserve assets to ensure they continuously meet service expectations. Monitor asset condition. Act to repair deteriorated assets to mitigate potential risks and ensure the assets are able to achieve their expected useful life.

**Renewal**

- Assess asset condition and prioritise replacement (or rehabilitation) of existing assets that have deteriorated to a level that reduces functionality.

**Upgrade**

- Assess asset performance and prioritise works to improve the level of service provided by the assets.

**Disposal**

- Ensure assets that have no current (or foreseeable future use) are removed from Council's asset portfolio.

**INTEGRATION FUNCTIONS OBJECTIVES**

**Access & Inclusion**

- Support consideration of access and inclusion initiatives.
- Ensure assets are not constructed in a manner that adversely impacts accessibility.

**Communication**

- Support the development and implementation of internal and external communication strategies to support decision makers across all phases of the service and asset lifecycles.

**Community Engagement**

- Support appropriate levels of community engagement at each stage of the service and asset lifecycles.

**Data Management**

- Support the management of data created and required at each stage of the service and asset lifecycles. This includes: identification of available data sources data collection data processing/ analysis.

**Environmental Sustainability**

- Support consideration of environmentally sustainable initiatives at all phases of the service and asset lifecycles.

**Financial Sustainability**

- Support assessment of lifecycle cost implications at all stages of the service and asset lifecycles.
- Ensure Council's long term financial plan incorporates future asset maintenance, operating, renewal and disposal costs.

**Governance**

- Ensure decision makers at all stages of the service and asset lifecycles, are aware of, and meet all legal and regulatory obligations.
- Ensure Council policies are developed, implemented, reviewed, updated and terminated as appropriate.
- Ensure third party agreements are developed, implemented, reviewed, updated and terminated as appropriate.
- Monitor conformance with agreements and enforce agreement conditions.

**Human Resource Management**

- Ensure appropriate human resource strategies are developed, implemented, reviewed, updated and terminated as appropriate.
- Develop training programs to support service and asset management objectives

## INTEGRATION FUNCTIONS OBJECTIVES

### Knowledge Management & Development

- Coordinate and support the development, retention and transfer of knowledge across the organisation via education programs and other knowledge sharing processes.

### Service Integration

- Align business and service plan objectives for all services.
- Integrate directions from related policies and plans.

### Asset Integration

- Optimise use of existing assets to deliver service objectives.
- Integrate directions from related policies and plans
- Ensure asset design, creation; maintenance, renewal and disposal are aligned to service needs.
- Ensure asset related improvement recommendations documented in adopted Council strategies and plans are considered during business planning and implemented by decision makers.

### Protocols, Standards & Process Development & Documentation

- Support the development and implementation of processes, templates and standards to be used by service and asset managers.

### Public Relations

- Manage the flow of information between the organisation and the public to cultivate a positive relationship

## PERFORMANCE MEASUREMENT & REPORTING

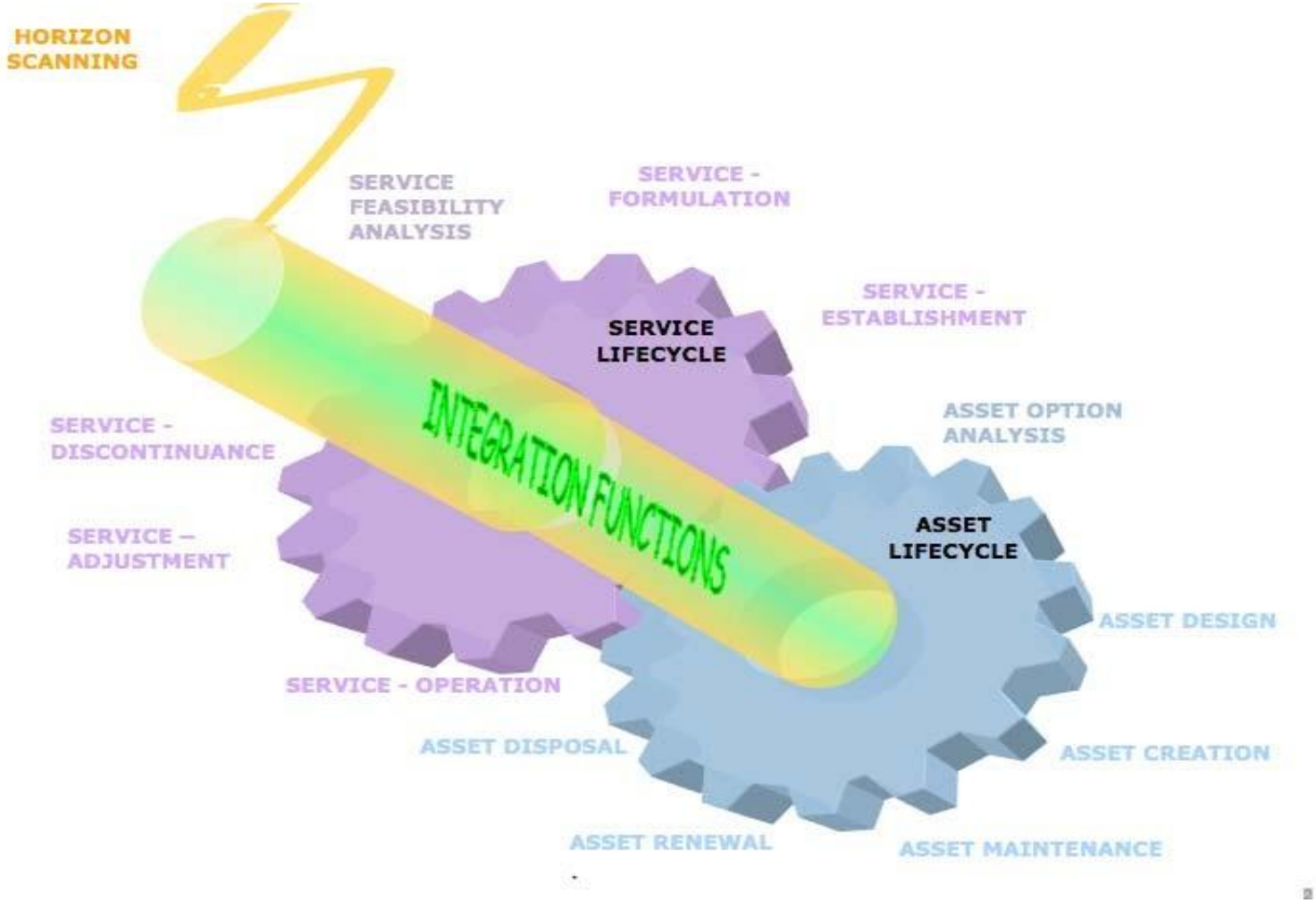
### Organisation Development

- Audit and monitor the following:
  - Compliance with regulatory requirements
  - Delivery of service level targets
  - Implementation of improvement projects.
- Support managers and others to develop and reinforce a positive culture consistent with Council's documented core values.

## SERVICE DELIVERY MODEL

The Service Delivery Model illustrated below is intended to describe the relationship between community demand for services and Council's responsibilities when managing a service and the supporting assets.

Figure 1 – The Service Delivery Model




In the event that a service requires use of an asset then service expectations must be translated into asset requirements so that an analysis can be undertaken to identify asset options and select the option that best delivers service objectives within physical, financial and other practical constraints. Assessment of asset options will include consideration of lifecycle cost implications and opportunities to optimise the use of the existing asset portfolio.

The **asset** management **lifecycle stages** are: assets options analysis, design, creation, maintenance, renewal and disposal and should be guided by the **Service Delivery Model** outlined in **Figure 1**

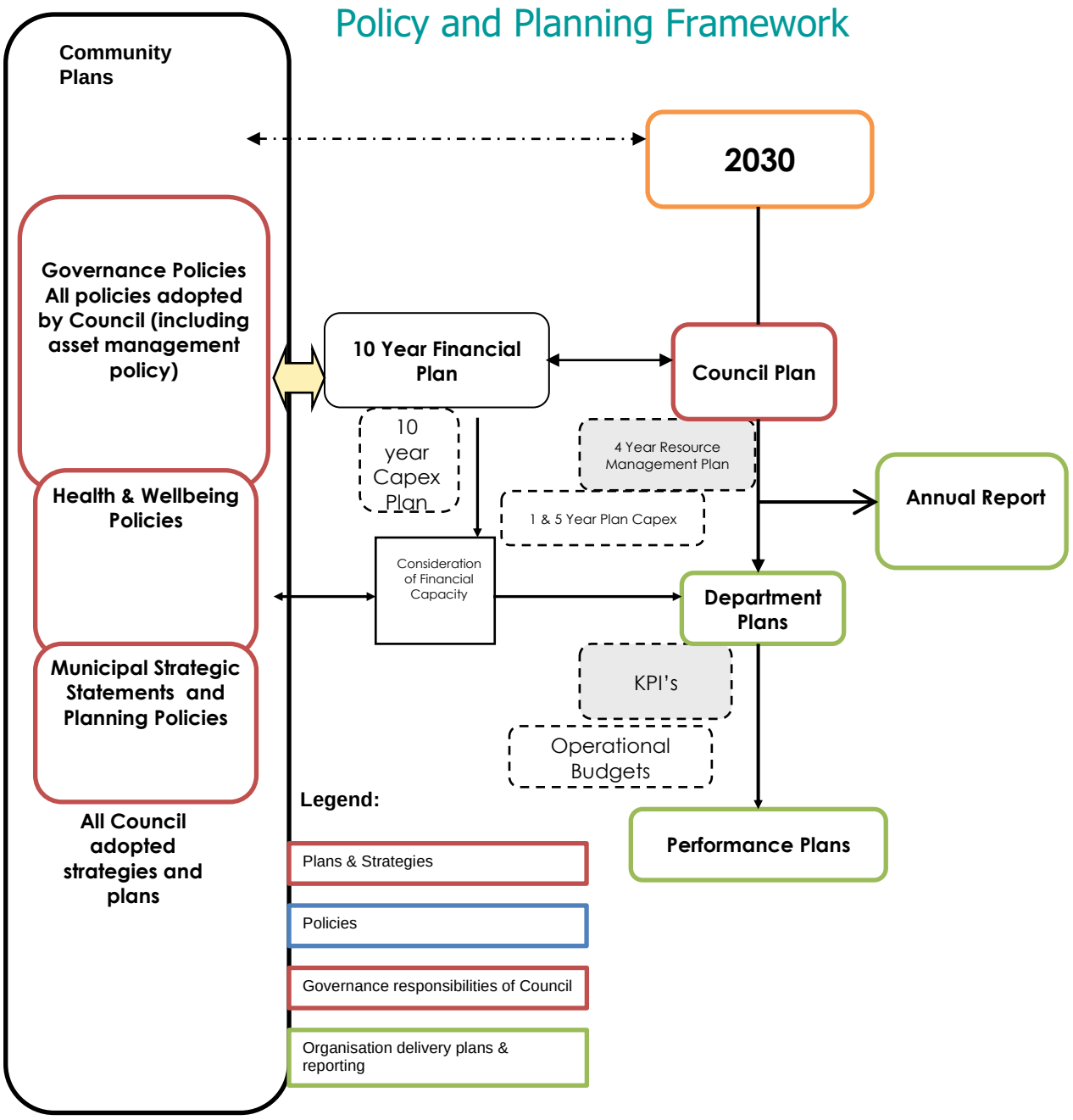
**Related documents:**

The diagram below illustrates how this Policy is related to other Council documents.

Council currently is developing a policy and integrated framework and below is an example of such a framework.

A Council Policy and Planning framework is fundamentally guided by legislative requirements. The framework is also informed by community expectations.

**Figure 1 – Typical Council's Policy and Planning Framework (to be developed)**



**APPENDIX 2 – BUDGET FRAMEWORK**

Asset management practices must ensure that Council's infrastructure asset base is sustained into the future. In order to meet this need and also to meet State and Federal requirements this policy requires that:

- Expenditure reporting is broken down into categories of: operational, maintenance, renewal, upgrade and new; and
- (Funding allocations are broken down into "Discretionary" & "Non- Discretionary" components in both recurrent and capital budgets.

As described in the table below, "Non-Discretionary" Capital Funding is the commitment to fund on-going asset renewal requirements to ensure longevity of Council's assets and ensure assets comply with relevant regulations.

Where operational or capital funding is required to mitigate risk it is also 'Non-Discretionary'. During a critical incident that requires immediate funding, Council may consider diverting funding towards this immediate incident. Diversion from discretionary funding should take precedence over non-discretional funding to ensure there is minimal impact on service delivery.

"Discretionary" Recurrent/Operational Funding enables the introduction of new or upgraded services. It also enables master planning, strategy development and feasibility studies to be undertaken prior to the approval of discretionary capital projects.

"Discretionary" Capital Funding enables new and upgraded assets to be created and should only occur when all Non-Discretionary Funding obligations have been met. When Council considers discretionary capital expenditure for new and upgraded assets, it is essential to recognise the impact these have on the recurrent maintenance and operational budget. Additional budget is required to support the additional operational and maintenance costs associated with new and upgraded assets. Future renewal costs will also be incurred when a new or upgraded asset reaches the end of its serviceable life.

This additional consequential recurrent funding, due to approved new/expanded services, is classified as a Non-Discretionary operational cost. If this funding is not provided Council can expect a reduction in the level of service that can be provided to the community as funds will be diverted from existing services and assets to help maintain the new / expanded service.

**Capital Investment Evaluation Process**

As new and upgraded projects are identified and considered in the annual budget, an assessment of their environmental, social and financial impacts is presented to Council. The financial impact relates to any consequential on-going operational, maintenance and renewal costs that are determined through a lifecycle assessment for the life of the service or asset.

Each new/upgrade capital project will have a social, environmental and lifecycle assessment conducted as part of completing the project implementation plan that is conducted during the development of the capital works program.

Responsible Officer: Manager Community Assets
"[Insert Date Approved / Adopted]"
TRIM Reference: 20/24727

Table 1 – Asset Management Expenditure Categories

| **Capital Expenditure** | |
|---|---|
| **Renewal** | **Legal Compliance** |
| **'Non-Discretionary'** | |
| Funds to renew (i.e. replace/ rehabilitate) existing assets.<br>These funds are necessary in order for the existing assets to remain in a condition that is safe for use and to retain their capacity to deliver specified levels of service.<br>Funding must allow for renewal of all additional new and upgraded assets created for new or improved services. | Funds to address any non-compliance with relevant regulatory obligations.<br>These funds are necessary to mitigate risk associated with assets that are not compliant with relevant regulations. |
| **New** | **Upgrade** |
| **'Discretionary'** | |
| Funding for the provision of new assets to support delivery of new, improved, or expanded services.<br>Funds should only be allocated only when all non-discretionary requirements are met. | Funding for the provision of improved or expanded assets to support delivery of new, improved, or expanded services.<br>Funds should only be allocated only when all non-discretionary requirements are met. |

| **Recurrent Expenditure** | |
|---|---|
| **Maintenance** | **Operational** |
| **'Discretionary'** | |
| Funds for the introduction of new asset maintenance services. | Funds for the introduction of new or upgraded services and to enable master planning/ strategy development and feasibility studies to be undertaken prior to the approval of capital works projects. |
| **Maintenance** | **Operational** |
| **'Non-Discretionary'** | |
| Funds to maintain existing asset stocks and mitigate risks so that existing services are maintained to approved service standards. | Funds to operate existing asset stocks so that existing services can be delivered to approved service standards. |

| **Consequential Recurrent Expenditure** | |
|---|---|
| **Maintenance** | **Operational** |
| **'Non-Discretionary'** | |
| Funds to undertake the additional maintenance (as determined by the lifecycle cost analysis) that will be incurred as a result of the creation of new and upgraded assets. | Funds for the operation of new and upgraded assets (as determined by the lifecycle cost analysis) that will be incurred as a result of the creation of new and upgraded assets. |

Responsible Officer: Manager Community Assets
"[Insert Date Approved / Adopted]"
TRIM Reference: 20/24727

# MURRINDINDI SHIRE COUNCIL

# 2020/21 ANNUAL BUDGET

Murrindindi Shire Council

# Contents

Page

Mayor's Introduction 3

**Budget Reports**

1. Link to the Council Plan 5
2. Services and service performance indicators 7
3. Financial statements 17
4. Notes to the financial statements 24
5. Financial Performance Indicators 42

**Appendix**

A. Fees & Charges Schedule 43

# Mayor Introduction

I am pleased to introduce the Budget for Murrindindi Shire Council for 2020/2021. This budget is the last for this Council, which was elected to serve the community from 2017-2021. It is a budget which has been created under, and which we hope responds to, an extraordinary set of circumstances – a global pandemic.

When we began planning the Budget in September 2019, no one had heard the term 'Coronavirus'. We had set in place a normal budget process. We asked the community for ideas for inclusion in the budget. We considered the goals we, in consultation with the community, had set for ourselves at the start of our elected term. We considered what emerging needs the community might have, and how best to prioritise resources and funding to meet those needs in the coming financial year.

Officers then set about creating a draft budget for consideration by Council and in late February scheduled it for consideration by Council at its 25 March Meeting. On 15 March, the Victorian State Government declared a State of Emergency to help manage the COVID-19 pandemic.

Council immediately postponed discussion of that Budget until 22 April to allow time to consider the likely needs of our community over the coming financial year when the crisis has passed.

We are proud that the resulting Budget meets a range of needs for our community. The Budget provides immediate relief for individuals and businesses, many of whom are directly or indirectly affected by this pandemic.

Most significantly, the Budget includes a 0% property rate rise for the coming financial year. We note in this regard that the Victorian Government has set the cap on rate increases at 2%, but we believe the community should not have to fund additional rate costs at this time.

We have also removed the 25% rate premium normally paid by commercial and industrial property owners for the financial year to help support business recovery in our Shire.

The decision not to raise rates and to remove the commercial/industrial differential rate premium will have a significant impact on Council's revenue projections in future years. However, under the current circumstances, we consider this is still a prudent step given our healthy financial position and our ability to manage the effects of this reduction in revenue through future savings, deferral of non-essential spending and the re-prioritisation of expenditure.

Before the pandemic, we had planned to deliver a balanced budget for 2020/2021. Due to the measures we are now taking, the Budget will now carry a small deficit, in the order of $55,000. Again, we believe this is reasonable under the current circumstances.

In this Budget, we have also created a $500,000 relief and recovery package to fund initiatives which will support our community and businesses to get through this crisis. To do this we will be accessing funds currently held in reserve, from the 2009 bushfire government assistance provided by the State Government to Council to support our ongoing operations. We will work with our community and stakeholders to develop our recovery plan and the best way to use these funds.

The 2020/2021 Budget must of course also support the normal business of Council. We believe the budgetary measures we are taking in response to the pandemic should not limit our ambitions for our community and our wonderful Shire over the coming year and should not hinder Council's day to day operations and the normal services Council provides to the community.

I am pleased to say that we have managed to retain in this Budget funding for all of the new initiatives for the next financial year we had hoped to deliver before the pandemic struck. A few of the highlights are

- an increased Capital Works Program, including almost $4 million on roads and paths and funding for a wide range of works to improve community safety and community facilities in towns across the Shire.

• provision for free public entry to our Swimming Pools in Alexandra, Eildon, Marysville and Yea and a one year trial of late-night pool openings on Fridays and Saturdays at our busiest Swimming Pools in Alexandra and Yea.

• the much-needed addition of an arborist to Council's staff and a $100,000 increase to funding for tree works, reflecting increased need given recent storm events and changing climate patterns.

• funding to implement the new Murrindindi Shire Tourism and Events Strategy, which will help us support and re-energise this crucial sector when pandemic-related restrictions are eventually eased.

Our vision for this Budget is to ensure we can continue to deliver – and in some cases enhance – our existing services, while also bringing in a range of measures to help mitigate the worst effects of this pandemic for our community in coming months and years.

We are confident that if we work together, we can get through this together. Council's Budget for 2020/2021 will make a contribution to this goal.

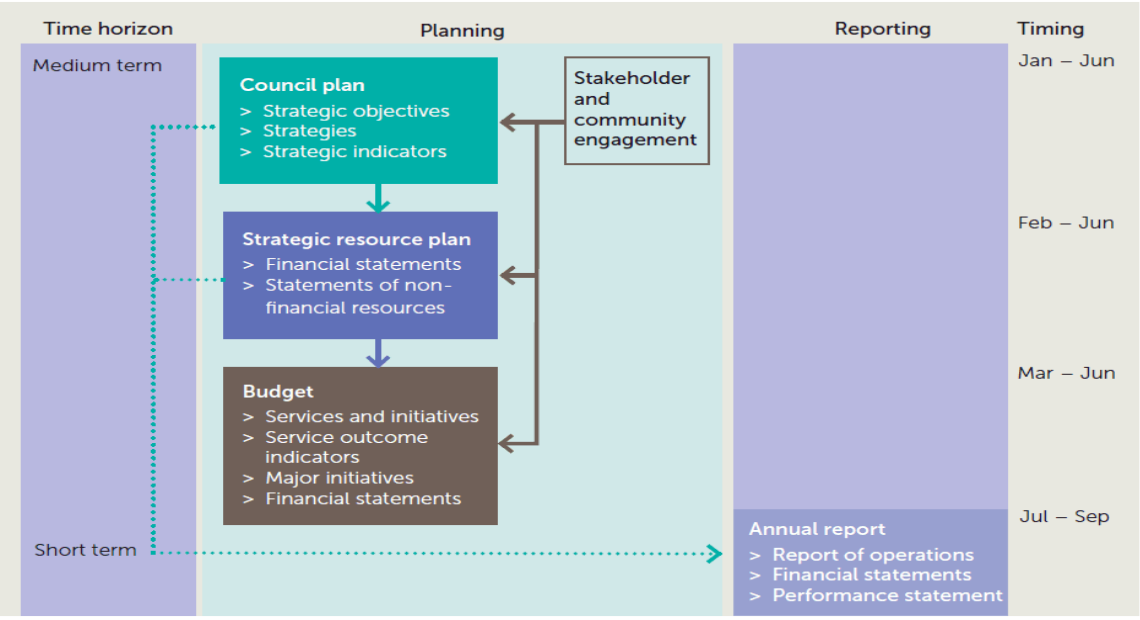
**Mayor - Cr Leigh Dunscombe**

# 1. Link to the Council Plan

This section describes how the Annual Budget links to the achievement of the Council Plan within an overall planning and reporting framework. This framework guides the Council in identifying community needs and aspirations over the long term (Murrindindi 2030 Vision), medium term (Council Plan) and short term (Annual Budget) and then holding itself accountable (Annual Report).

## 1.1 Planning and accountability framework

The Strategic Resource Plan, part of and prepared in conjunction with the Council Plan, is a rolling four-year plan that outlines the financial and non-financial resources that Council requires to achieve the strategic objectives described in the Council Plan. The Annual Budget is framed within the Strategic Resource Plan, considering the services and initiatives which contribute to achieving the strategic objectives specified in the Council Plan. The diagram below depicts the planning and accountability framework that applies to local government in Victoria.




Source: Department of Environment, Land, Water and Planning

In addition to the above, Council has a long term plan which articulates a community vision, mission and values. The Council Plan is prepared with reference to Council's long term Community Plan.

The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes.

## 1.2 Our purpose

### Our vision

*In 2030 Murrindindi Shire is sustainable, vibrant and resilient. We focus on growing our business opportunities. Our communities are safe and connected, enjoying a healthy and productive lifestyle within our wonderful natural environment.*

### Our values

**Collaboration:** *We will operate as a cohesive team, we will work together with the community through accessible and inclusive engagement, and we will strive to build effective working relationships.*

**Stewardship:** *We will endeavour to make careful and responsible decisions, and we will strive to make decisions that do not limit the opportunities or aspirations of those who follow in the future.*

**Equity & Fairness:** *We will be fair, even-handed and impartial in our decision making and our dealings with others, we will consider the merits of each case while upholding legislated requirements and ensuring consistency and justice in our decision making, and we will strive to ensure all have access to similar opportunities and experiences.*

**Respect:** *We will respect the views, contributions, feelings, wishes and rights of others, we will actively seek to understand others experiences, ideas and perspectives, we will embrace and appreciate diversity or origin, viewpoint, experience and lifestyle, and we will recognise the achievements of others.*

**Accountability & Honesty:** *We will make our decisions openly and publicly whenever possible, we will take responsibility for our actions and decisions, we will honour our commitments, we will act with integrity and honesty in all our dealings, and we will openly report our performance and acknowledge our mistakes.*

## 1.3 Strategic objectives

We have committed to delivering on four key strategic objectives which will drive the work we do, and the services we deliver in partnership with our community.

We believe these objectives reflect the values, priorities and aspirations of the Murrindindi community as expressed in our 'Have Your Say' community engagement.

They address the things about the Murrindindi Shire that our community says are important to support opportunity, quality of life, wellbeing and the liveability of our towns and places.

| Strategic Objective | Description |
|---|---|
| **1. Our People** | Together we will celebrate and encourage diverse, caring and connected communities. |
| **2. Our Place** | We will maintain and enhance places to be attractive and liveable, in balance with our natural environment. |
| **3. Our Prosperity** | In partnership with the community we will promote an environment in which business and community can thrive. |
| **4. Our Promise** | We will all work in collaboration with our communities to deliver the best possible outcomes in all that we do. |

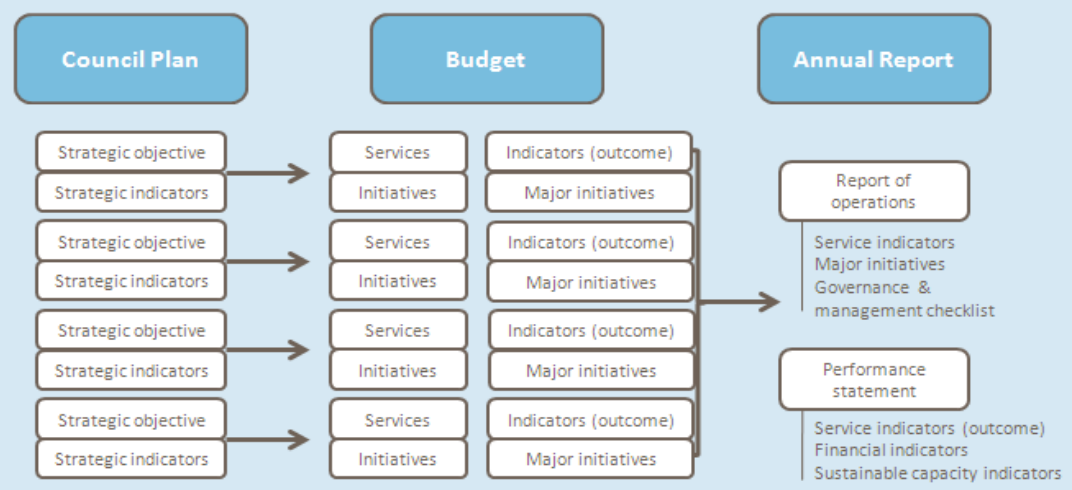
Council delivers activities and initiatives under 26 major service categories. Each contributes to the achievement of one of these strategic objectives as set out in our Council Plan for the 2017-2021 years.

## 2. Services and service performance indicators

This section provides a description of the services and initiatives to be funded in the Budget for the 2020/21 year and how these will contribute to achieving the strategic objectives outlined in the Council Plan. It also describes several initiatives and service performance outcome indicators for key areas of Council's operations.

Council is required by legislation to identify major initiatives, initiatives and service performance outcome indicators in the Budget and report against them in their Annual Report to support transparency and accountability. These indicators correlate to the annually audited indicators that are declared on the "Know Your Council" website that provides a comparison to all municipalities in Victoria, as well as to averages across the State and to averages for small rural Shire.

The relationship between these accountability requirements in the Council Plan, the Budget and the Annual Report is shown below:




Source: Department of Environment, Land, Water and Planning

## 2.1 Strategic Objective 1: OUR PEOPLE

***Together we will celebrate and encourage diverse, caring and connected communities.***

**Services**

| Service area | Description of services provided | | 2018/19 Actual $'000 | 2019/20 Forecast $'000 | 2020/21 Budget $'000 |
|---|---|---|---|---|---|
| Aged & Disability Services | This service area provides a range of services for the aged and people with disabilities including delivered and group meals, domestic support, personal care, social activities and outings, home maintenance and senior citizens clubs. *Note: Council withdrew from the provision of Aged & Disability Services during 2019/20.* | *Exp* | 2,408 | 2,029 | 182 |
| | | *Rev* | 2,092 | 1,088 | 78 |
| | | *NET* | 316 | 941 | 104 |
| Children & Family Services | This service area provides family orientated support services including maternal and child health and home based childcare. | *Exp* | 1,765 | 1,873 | 1,777 |
| | | *Rev* | 1,519 | 1,555 | 1,521 |
| | | *NET* | 246 | 318 | 256 |
| Library Services | This service area provides libraries in Alexandra, Yea and Kinglake and the mobile library to the Shire's more remote communities The service caters for cultural, recreational and educational needs of residents and provides a focal point for the community to meet, relax and enjoy the facilities and services offered. | *Exp* | 510 | 505 | 550 |
| | | *Rev* | 161 | 165 | 166 |
| | | *NET* | 349 | 340 | 384 |
| Community Service Administration | This includes the cost of management and general administration across all of Council's community services. *Note: 2018/19 Revenue includes Community Planning Initiative grant which was carried forward (in part) to 2019/20 Budget* | *Exp* | 384 | 696 | 539 |
| | | *Rev* | 200 | 0 | 0 |
| | | *NET* | 184 | 696 | 539 |
| Emergency Services | This is funding of Council's statutory emergency services obligations, including the provisions of the annual roadside slashing program. | *Exp* | 306 | 300 | 317 |
| | | *Rev* | 66 | 68 | 66 |
| | | *NET* | 240 | 232 | 251 |
| Recreation, Aquatic and Youth Services | This service area provides strategic planning to inform the development of recreation and youth services and infrastructure and coordinates council services including recreation facilities, swimming pools and Council's recreation and youth responsibilities within the municipality. *Note: Grant funding for Spring Valley Recreation Reserve received in 2018/19 was expended in 2019/20.* | *Exp* | 672 | 815 | 537 |
| | | *Rev* | 288 | 118 | 27 |
| | | *NET* | 384 | 697 | 510 |

**Major Initiatives**

1) Encourage activities and events that celebrate our vibrant, diverse and creative people and communities.
2) Work with our community and groups to connect, collaborate and plan for our future.

**Other Initiatives**

3) Work with our partner agencies to ensure people of all ages can access the health and community services they need.
4) Create a positive environment that supports our young people to grow, participate and be happy.
5) Promote opportunities for people of all ages to connect with and be involved in their community.

**Service Performance Outcome Indicators**

| Service | Indicator | Performance Measure | Computation |
|---|---|---|---|
| Libraries | Participation | Active library members. (Percentage of the municipal population that are active library members) | [Number of active library members / municipal population] x100 |
| Aquatic Facilities | Utilisation | Utilisation of aquatic facilities. (Number of visits to aquatic facilities per head of municipal population) | Number of visits to aquatic facilities / Municipal population |
| Maternal and Child Health | Participation | Participation in the MCH service. (Percentage of children enrolled who participate in the MCH service) | [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100 |
| Maternal and Child Health | Participation by Aboriginal children | Participation in MCH service by Aboriginal children. (Percentage of Aboriginal children enrolled who participate in the MCH service) | [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 |

## 2.2 Strategic Objective 2: OUR PLACE

***We will maintain and enhance places to be attractive and liveable, in balance with our natural environment.***

**Services**

| Service area | Description of services provided | | 2018/19 Actual $'000 | 2019/20 Forecast $'000 | 2020/21 Budget $'000 |
|---|---|---|---|---|---|
| Environmental Management | This service includes management of Council's environmental impacts including sustainable resource use, energy consumption, roadside biodiversity management and pest plant and animal control. *Note: Prior years included grant funding for Environmental Roadside & Energy Efficiency Programs.* | *Exp* | 353 | 353 | 254 |
| | | *Rev* | 41 | 38 | 1 |
| | | *NET* | 312 | 315 | 253 |
| Waste Management Services | This service provides kerbside rubbish and recycling collection, management of Resource Recovery Centres at Alexandra, Yea, Eildon, Kinglake and Marysville and landfill operations in Alexandra. These operations generate funds above the annual cost requirements to ensure that Council's waste reserve is able to provide for future waste management works (i.e. future cell construction, rehabilitation requirements and management of landfills). | *Exp* | 2,364 | 3,259 | 3,348 |
| | | *Rev* | 4,588 | 4,455 | 4,552 |
| | | *NET* | (2,224) | (1,196) | (1,204) |
| Building Control | This service provides statutory building services to the council and community including processing of building permits, fire safety inspections, audits of swimming pool barriers and investigations of complaints and illegal works.<br><br>Revenue and costs for this service include the shared service arrangement with Mansfield Shire Council for the provision of municipal building surveying services. | *Exp* | 379 | 395 | 414 |
| | | *Rev* | 442 | 451 | 472 |
| | | *NET* | (63) | (56) | (58) |
| Community Safety | This service facilitates a safer community through the provision of school crossing supervision, traffic management, domestic animal management, regulation and enforcement of local laws and community fire prevention as well as community education regarding these public safety programs. *Note: Additional resources allocated in 2020/21 to improve co-ordination of services delivered.* | *Exp* | 383 | 390 | 506 |
| | | *Rev* | 173 | 191 | 237 |
| | | *NET* | 210 | 199 | 269 |

| Service area | Description of services provided | | 2018/19 Actual $'000 | 2019/20 Forecast $'000 | 2020/21 Budget $'000 |
|---|---|---|---|---|---|
| Development Approvals | This service involves processing all planning applications, provides advice and makes decisions about development proposals that require a planning permit in accordance with the Victorian Planning Provisions (VPP), as well as representing Council at the Victorian Civil and Administrative Tribunal (VCAT) where necessary. The service also monitors the Murrindindi Planning Scheme as well as preparing major policy documents shaping the future of the shire. It also prepares and processes amendments to the Murrindindi Planning Scheme. | *Exp* | 917 | 977 | 959 |
| | | *Rev* | 424 | 383 | 397 |
| | | *NET* | 493 | 594 | 562 |
| Environmental Health | This service involves protecting the community's health and well being by coordinating food safety support programs, septic tank permit administration and immunisation programs. *Note: Rubicon Waste Water project funding in 2018/19 & 2020/21 is forecast to be partly expended in 2019/20 with balance expended in 2020/21.* | *Exp* | 272 | 458 | 466 |
| | | *Rev* | 359 | 172 | 378 |
| | | *NET* | (87) | 286 | 88 |
| Infrastructure Maintenance | Council has a vast network of infrastructure assets including buildings, roads, bridges, drains, and footpaths. This expenditure provides for ongoing maintenance of Council's infrastructure assets. | *Exp* | 5,800 | 5,064 | 5,139 |
| | | *Rev* | 2,468 | 2,002 | 1,855 |
| | | *NET* | 3,332 | 3,062 | 3,284 |
| Parks, Gardens & Open Space Management | This service provides planning, development and maintenance to our public open space, road reserves and parks. | *Exp* | 1,235 | 1,443 | 1,569 |
| | | *Rev* | 0 | 0 | 0 |
| | | *NET* | 1,235 | 1,443 | 1,569 |

**Major Initiatives**

1) Support recreation opportunities for our residents and visitors that encourage participation and community connections.
2) Improve links and make Murrindindi Shire easier to navigate and its services and destinations easier to find
3) Through good land use planning enhance the liveability, prosperity and the rural character of our Shire.

**Other Initiatives**

4) Strengthen the environmental sustainability of our communities, protect our natural environment and reduce resource consumption.
5) Recognise and embrace the history, culture and identity of our towns and communities.
6) Enhance community safety, resilience and liveability through improved planning, community engagement, and a fair and transparent approach to compliance.

**Service Performance Outcome Indicators**

| Service | Indicator | Performance Measure | Computation |
|---|---|---|---|
| Statutory planning | Decision making | Council planning decisions upheld at VCAT. (Percentage of planning application decisions subject to review by VCAT that were not set aside) | [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 |
| Waste collection | Waste diversion | Kerbside collection waste diverted from landfill. (Percentage of garbage, recyclables and green organics collected from kerbside bins that is diverted from landfill) | [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100 |
| Roads | Satisfaction | Satisfaction with sealed local roads. (Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads) | Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads. |
| Animal Management | Health and safety | Animal management prosecutions. (Number of successful animal management prosecutions) | Number of successful animal management prosecutions |
| Food safety | Health and safety | Critical and major non-compliance notifications. (Percentage of critical and major non-compliance notifications that are followed up by Council) | [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100 |

## 2.3 Strategic Objective 3: OUR PROSPERITY

***In partnership with the community we will promote an environment in which business and community can thrive.***

**Services**

| Service area | Description of services provided | | 2018/19 Actual $'000 | 2019/20 Forecast $'000 | 2020/21 Budget $'000 |
|---|---|---|---|---|---|
| Tourism | Provides support to local visitor information centres, events and regional tourism marketing. Council is also the responsible authority for overseeing the management of the leases for the Yea and Marysville Caravan Parks. *Note: Increased focus and resources for Tourism & Events in 2020/21.* | *Exp* | 587 | 552 | 805 |
| | | *Rev* | 199 | 205 | 132 |
| | | *NET* | 388 | 347 | 673 |
| Business Development | This service assists business investment and growth and facilitates access to local employment. *Note: 2018/19 includes carry forwards for the Business Grant Program and Doing Business Better Program. Carry forward of Council's unspent Business Grants Program and the Eildon Floating Cities Project increased the forecast expenditure in 2019/20.* | *Exp* | 465 | 1,365 | 221 |
| | | *Rev* | 472 | 393 | 18 |
| | | *NET* | (7) | 972 | 203 |
| Saleyards | This area covers the management and operations of the Yea Saleyards. | *Exp* | 311 | 305 | 337 |
| | | *Rev* | 537 | 456 | 449 |
| | | *NET* | (226) | (151) | (112) |

**Major Initiatives**

1) Use a fresh approach to attract new and existing business investment.
2) Work with our businesses, regional partners and communities to support a diverse visitor experience that promotes our natural assets, and a vibrant range of events.
3) Support and encourage local businesses to work together, thrive and grow, through networking, start-up assistance, mentoring, and access to skills.

**Other Initiatives**

4) Advocate for high quality opportunities for education and training to meet community and business needs.
5) Advocate for improved infrastructure and access to public land to realise social and economic opportunities.

## 2.4 Strategic Objective 4: OUR PROMISE

***We will all work in collaboration with our communities to deliver the best possible outcomes in all that we do.***

**Services**

| Service area | Description of services provided | | 2018/19 Actual $'000 | 2019/20 Forecast $'000 | 2020/21 Budget $'000 |
|---|---|---|---|---|---|
| Councillors | This includes the cost of Council elections, Council chambers, Mayor and Councillors' expenses, Councillor development and civic events. *Note: Election expenses make up the bulk of the increased expenditure in 2020/21.* | *Exp* | 345 | 365 | 533 |
| | | *Rev* | 1 | 0 | 12 |
| | | *NET* | 344 | 365 | 521 |
| Chief Executive and Executive Team | This area includes Chief Executive Officer and Executive Management Team and associated support which cannot be easily attributed to the direct service provision areas. | *Exp* | 1,061 | 1,412 | 1,418 |
| | | *Rev* | 0 | 0 | 0 |
| | | *NET* | 1,061 | 1,412 | 1,418 |
| Communications and Publications | This includes facilitation of communications, publications, regular radio spots and media releases issued as well as annual reports, strategic documents, the provision of Council's website, social media and community engagement activities. *Note: All advertising expenditure is now allocated to this area.* | *Exp* | 448 | 565 | 544 |
| | | *Rev* | 5 | 5 | 5 |
| | | *NET* | 443 | 560 | 539 |
| Financial Services | These services include the management of Council's finances, payroll, accounts payable and receivable, raising and collection of rates and charges and valuation of properties throughout the municipality. *Note: Revenue from Interest on Investment is reducing due to current low interest rates.* | *Exp* | 1,043 | 1,155 | 1,134 |
| | | *Rev* | 1,203 | 929 | 898 |
| | | *NET* | (160) | 226 | 236 |
| Corporate Services | These services include statutory and corporate support services to Council, including the coordination of business papers for meetings of Council and its committees and the coordination of Council's procurement. It is also responsible for enterprise risk management and the provision of document and information management support services to Council, including compliance with statutory obligations under Freedom of Information, Public Records, Information Privacy and Local Government Acts. | *Exp* | 823 | 1,031 | 1,108 |
| | | *Rev* | 85 | 24 | 26 |
| | | *NET* | 738 | 1,007 | 1,082 |

| Service area | Description of services provided | | 2018/19 Actual $'000 | 2019/20 Forecast $'000 | 2020/21 Budget $'000 |
|---|---|---|---|---|---|
| Human Resources | This has a focus on management of OH&S risk and organisational well being and improving performance through the continuous development, improvement and implementation of our strategies, policies, procedures and employee training opportunities in relation to human resources. *Note: All training expenditure is now allocated to this area.* | *Exp* | 360 | 369 | 502 |
| | | *Rev* | 0 | 0 | 0 |
| | | *NET* | 360 | 369 | 502 |
| Information Technology | This area provides support, and maintains communications and computing systems, facilities and infrastructure to enable staff to deliver services in a smart, productive and efficient way. | *Exp* | 630 | 639 | 657 |
| | | *Rev* | 0 | 0 | 0 |
| | | *NET* | 630 | 639 | 657 |
| Customer Services | This unit provides front counter services at Alexandra, Yea and Kinglake offices including reception, telephone, receipting of payments, connecting customers with relevant departments, customer request coordination, hall bookings, as well as the provision of a number of other civic services. | *Exp* | 861 | 880 | 918 |
| | | *Rev* | 5 | 4 | 5 |
| | | *NET* | 856 | 876 | 913 |
| Asset Planning and Management | This unit strategically manages the capital works planning and renewal requirements of all of Council's $300m worth of public assets. | *Exp* | 1,509 | 1,263 | 1,100 |
| | | *Rev* | 1,686 | 688 | 601 |
| | | *NET* | (177) | 575 | 499 |

**Major Initiatives**

1) Represent and advocate for our community in a transparent and equitable way.
2) Ensure our culture, systems and technologies encourage and enable innovation in our business practices and service delivery.
3) Ensure the range of services we provide and the way we provide them are best aligned with community priorities and Council's resources.
4) Commit to developing a stronger customer-focused culture that makes us easier to deal with.

**Other Initiatives**

5) Expand our communication and two-way engagement with the community.
6) Maintain Council's financial sustainability through sound financial and assets management.
7) Support a skilled, engaged and flexible workforce that can respond to changing needs.

**Service Performance Outcome Indicators**

| Service | Indicator | Performance Measure | Computation |
|---|---|---|---|
| Governance | Satisfaction | Satisfaction with Council decisions. (Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community) | Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community |

## 2.5 Reconciliation with budgeted operating result

| | Net Cost (Revenue) $'000 | Expenditure $'000 | Revenue $'000 |
|---|---|---|---|
| Our People | 2,044 | 3,902 | 1,858 |
| Our Place | 4,763 | 12,655 | 7,892 |
| Our Prosperity | 764 | 1,363 | 599 |
| Our Promise | 6,367 | 7,914 | 1,547 |
| **Total** | **13,938** | **25,834** | **11,896** |
| | | | |
| ***Expenses added in:*** | | | |
| Depreciation (ex.plant) | 8,363 | | |
| COVID-19 relief and recovery package | 500 | | |
| Finance costs | 25 | | |
| Net (gain)/loss on disposal of property, infrastructure, plant & equip. | 600 | | |
| ***Deficit before funding sources*** | **23,426** | | |
| | | | |
| **Funding sources added in:** | | | |
| Rates & charges revenue (not including waste charges) | 18,060 | | |
| Grants commission - operating grant (ex. local roads) | 3,176 | | |
| Grants - capital | 2,135 | | |
| ***Total funding sources*** | **23,371** | | |
| **Operating surplus/(deficit) for the year** | **(55)** | | |

# 3. Financial Statements

This section presents information in regard to the Financial Statements and Statement of Human Resources. The budget information for the year 2020/21 has been supplemented with projection to 2023/24 extracted from the Strategic Resource Plan.

This section includes the following financial statements prepared in accordance with the Local Government Act 1989 and the Local Government Planning and Reporting regulations 2014.

Comprehensive Income Statement
Balance Sheet
Statement of Changes in Equity
Statement of Cash Flows
Statement of Capital Works
Statement of Human Resources

## Comprehensive Income Statement

For the four years ending 30 June 2024

| | NOTES | Forecast Actual 2019/20 $'000 | Budget 2020/21 $'000 | Strategic Resource Plan Projections 2021/22 $'000 | 2022/23 $'000 | 2023/24 $'000 |
|---|---|---|---|---|---|---|
| **Income** | | | | | | |
| Rates and charges | 4.1.1 | 21,489 | 21,501 | 22,081 | 22,673 | 23,276 |
| Statutory fees and fines | 4.1.2 | 1,104 | 1,182 | 1,206 | 1,230 | 1,255 |
| User fees | 4.1.3 | 1,902 | 1,492 | 1,522 | 1,552 | 1,583 |
| Grants - Operating | 4.1.4 | 7,896 | 6,925 | 6,911 | 7,049 | 7,190 |
| Grants - Capital | 4.1.4 | 2,525 | 2,135 | 1,557 | 1,138 | 904 |
| Contributions - monetary | 4.1.5 | 124 | 54 | 54 | 54 | 54 |
| Contributions - non-monetary | 4.1.5 | 600 | 600 | 600 | 600 | 600 |
| Net gain/(loss) on disposal of property, infrastructure, plant and equipment | | (326) | (600) | (600) | (600) | (600) |
| Other income | 4.1.6 | 1,433 | 1,378 | 1,350 | 1,323 | 1,297 |
| **Total income** | | 36,747 | 34,667 | 34,681 | 35,019 | 35,559 |
| | | | | | | |
| **Expenses** | | | | | | |
| Employee costs | 4.1.7 | 15,076 | 14,180 | 14,464 | 14,753 | 15,048 |
| Materials and services | 4.1.8 | 12,436 | 11,186 | 10,910 | 11,128 | 11,201 |
| Depreciation and amortisation | 4.1.9 | 8,869 | 9,014 | 9,194 | 9,378 | 9,566 |
| Finance costs | | 37 | 25 | 14 | 6 | 1 |
| Other expenses | 4.1.10 | 320 | 317 | 323 | 329 | 336 |
| **Total expenses** | | 36,738 | 34,722 | 34,905 | 35,594 | 36,152 |
| | | | | | | |
| **Surplus/(deficit) for the year** | | 9 | (55) | (224) | (575) | (593) |
| | | | | | | |
| **Total comprehensive result** | | 9 | (55) | (224) | (575) | (593) |

## Balance Sheet

For the four years ending 30 June 2024

| | NOTES | Forecast Actual 2019/20 $'000 | Budget 2020/21 $'000 | Strategic Resource Plan Projections 2021/22 $'000 | 2022/23 $'000 | 2023/24 $'000 |
|---|---|---|---|---|---|---|
| **Assets** | | | | | | |
| **Current assets** | | | | | | |
| Cash and cash equivalents | | 34,094 | 31,332 | 29,391 | 29,685 | 30,193 |
| Trade and other receivables | | 3,353 | 3,259 | 3,292 | 3,325 | 3,358 |
| Other assets | | 407 | 405 | 405 | 405 | 405 |
| **Total current assets** | 4.2.1 | 37,854 | 34,996 | 33,088 | 33,415 | 33,956 |
| **Non-current assets** | | | | | | |
| Intangible assets | | 2,255 | 1,688 | 1,629 | 1,572 | 1,517 |
| Property, infrastructure, plant & equipment | | 353,932 | 356,919 | 358,285 | 357,094 | 355,776 |
| Trade and other receivables | | 13 | 6 | 6 | 6 | 6 |
| **Total non-current assets** | 4.2.1 | 356,200 | 358,613 | 359,920 | 358,672 | 357,299 |
| **Total assets** | | 394,054 | 393,609 | 393,008 | 392,087 | 391,255 |
| **Liabilities** | | | | | | |
| **Current liabilities** | | | | | | |
| Trade and other payables | | 3,021 | 2,948 | 2,977 | 3,007 | 3,037 |
| Trust funds and deposits | | 1,088 | 1,026 | 1,026 | 1,026 | 1,026 |
| Provisions | | 3,200 | 3,360 | 3,394 | 3,428 | 3,462 |
| Interest-bearing liabilities | 4.2.3 | 178 | 141 | 126 | 33 | - |
| **Total current liabilities** | 4.2.2 | 7,487 | 7,475 | 7,523 | 7,494 | 7,525 |
| **Non-current liabilities** | | | | | | |
| Provisions | | 6,217 | 5,980 | 5,681 | 5,397 | 5,127 |
| Interest-bearing liabilities | 4.2.3 | 300 | 159 | 33 | - | - |
| **Total non-current liabilities** | 4.2.2 | 6,517 | 6,139 | 5,714 | 5,397 | 5,127 |
| **Total liabilities** | | 14,004 | 13,614 | 13,237 | 12,891 | 12,652 |
| **Net assets** | | 380,050 | 379,995 | 379,771 | 379,196 | 378,603 |
| **Equity** | | | | | | |
| Accumulated surplus | | 133,123 | 135,221 | 139,039 | 139,141 | 139,639 |
| Reserves | | 246,927 | 244,775 | 240,732 | 240,055 | 238,964 |
| **Total equity** | | 380,050 | 379,996 | 379,771 | 379,196 | 378,603 |

## Statement of Changes in Equity

For the four years ending 30 June 2024

| | Total | Accumulated Surplus | Revaluation Reserve | Other Reserves |
|---|---|---|---|---|
| | $'000 | $'000 | $'000 | $'000 |
| **2020 Forecast Actual** | | | | |
| Balance at beginning of the financial year | 380,041 | 133,160 | 227,542 | 19,339 |
| Surplus/(deficit) for the year | 9 | 9 | - | - |
| Transfers to other reserves | - | (2,152) | - | 2,152 |
| Transfers from other reserves | - | 2,106 | - | (2,106) |
| **Balance at end of the financial year** | **380,050** | **133,123** | **227,542** | **19,385** |
| **2021 Budget** | | | | |
| Balance at beginning of the financial year | 380,050 | 133,123 | 227,542 | 19,385 |
| Surplus/(deficit) for the year | (55) | (55) | - | - |
| Transfers to other reserves | - | (1,794) | - | 1,794 |
| Transfers from other reserves | - | 3,946 | - | (3,946) |
| **Balance at end of the financial year** | **379,996** | **135,221** | **227,542** | **17,233** |
| **2022** | | | | |
| Balance at beginning of the financial year | 379,996 | 135,221 | 227,542 | 17,233 |
| Surplus/(deficit) for the year | (224) | (224) | - | - |
| Transfers to other reserves | - | (1,445) | - | 1,445 |
| Transfers from other reserves | - | 5,488 | - | (5,488) |
| **Balance at end of the financial year** | **379,772** | **139,040** | **227,542** | **13,190** |
| **2023** | | | | |
| Balance at beginning of the financial year | 379,772 | 139,040 | 227,542 | 13,190 |
| Surplus/(deficit) for the year | (575) | (575) | - | - |
| Transfers to other reserves | | (1,983) | - | 1,983 |
| Transfers from other reserves | - | 2,660 | - | (2,660) |
| **Balance at end of the financial year** | **379,197** | **139,142** | **227,542** | **12,513** |
| **2024** | | | | |
| Balance at beginning of the financial year | 379,197 | 139,142 | 227,542 | 12,513 |
| Surplus/(deficit) for the year | (593) | (593) | - | - |
| Transfers to other reserves | - | (1,593) | - | 1,593 |
| Transfers from other reserves | - | 2,684 | - | (2,684) |
| **Balance at end of the financial year** | **378,604** | **139,640** | **227,542** | **11,422** |

## Statement of Cash Flows

For the four years ending 30 June 2024

| | Forecast Actual 2019/20 $'000 | Budget 2020/21 $'000 | Strategic Resource Plan Projections 2021/22 $'000 | 2022/23 $'000 | 2023/24 $'000 |
|---|---|---|---|---|---|
| | Inflows (Outflows) | **Inflows (Outflows** | Inflows (Outflows) | Inflows (Outflows) | Inflows (Outflows) |
| **Cash flows from operating activities** | | | | | |
| Rates and charges | 21,440 | 21,605 | 21,750 | 22,333 | 23,127 |
| Statutory fees and fines | 1,100 | 1,154 | 1,156 | 1,158 | 1,160 |
| User fees | 2,581 | 1,669 | 1,672 | 1,675 | 1,678 |
| Grants - operating | 8,904 | 6,925 | 6,752 | 6,583 | 6,418 |
| Grants - capital | 2,526 | 2,135 | 1,557 | 1,138 | 904 |
| Contributions - monetary | 124 | 54 | 54 | 54 | 54 |
| Interest received | 795 | 700 | 686 | 672 | 659 |
| Other income | 772 | 746 | 761 | 776 | 792 |
| Net GST refund / payment | 1,015 | 933 | - | - | - |
| Net Trust funds and deposits | (127) | (62) | - | - | - |
| Employee costs | (15,145) | (14,077) | (14,319) | (14,605) | (14,898) |
| Materials and services | (12,406) | (12,555) | (10,801) | (11,019) | (11,089) |
| Other payments | (352) | (349) | (329) | (336) | (343) |
| **Net cash provided by/(used in) operating activities** | 11,227 | 8,878 | 8,939 | 8,429 | 8,462 |
| **Cash flows from investing activities** | | | | | |
| Payments for property, infrastructure, plant and equipment | (14,459) | (11,682) | (11,005) | (8,293) | (8,258) |
| Proceeds from sale of property, infrastructure, plant and equipment | 733 | 247 | 281 | 290 | 338 |
| Net cash provided by/ (used in) investing activities | (13,726) | (11,435) | (10,724) | (8,003) | (7,920) |
| **Cash flows from financing activities** | | | | | |
| Finance costs | (39) | (27) | (15) | (6) | (1) |
| Repayment of borrowings | (188) | (178) | (141) | (126) | (33) |
| Net cash provided by/(used in) financing activities | (227) | (205) | (156) | (132) | (34) |
| **Net increase/(decrease) in cash & cash equivalents** | (2,726) | (2,762) | (1,941) | 294 | 508 |
| Cash and cash equivalents at the beginning of the financial year | 36,820 | 34,094 | 31,332 | 29,391 | 29,685 |
| **Cash and cash equivalents at the end of the financial year** | 34,094 | 31,332 | 29,391 | 29,685 | 30,193 |

## Statement of Capital Works

For the four years ending 30 June 2024

| | NOTES | Forecast Actual 2019/20 $'000 | Budget 2020/21 $'000 | Strategic Resource Plan Projections 2021/22 $'000 | 2022/23 $'000 | 2023/24 $'000 |
|---|---|---|---|---|---|---|
| **Property** | | | | | | |
| Land | | 245 | - | - | - | - |
| Land improvements | | 170 | 90 | - | - | - |
| **Total land** | | 415 | 90 | - | - | - |
| Buildings | | 1,418 | 870 | 364 | 339 | 269 |
| **Total buildings** | | 1,418 | **870** | 364 | 339 | 269 |
| **Total property** | | 1,833 | **960** | 364 | 339 | 269 |
| **Plant and equipment** | | | | | | |
| Plant, machinery and equipment | | 2,232 | 1,021 | 924 | 938 | 1,267 |
| Computers and telecommunications | | 367 | 116 | 385 | 90 | 126 |
| Library books | | 102 | 100 | 100 | 100 | 100 |
| **Total plant and equipment** | | 2,701 | **1,237** | 1,409 | 1,128 | 1,493 |
| **Infrastructure** | | | | | | |
| Roads | | 6,313 | 4,664 | 2,482 | 3,188 | 2,814 |
| Bridges | | 528 | 110 | 300 | 100 | 100 |
| Footpaths and cycleways | | 355 | 659 | 555 | 495 | 404 |
| Drainage | | 441 | 35 | 272 | 280 | 346 |
| Recreational, leisure and community facilities | | 739 | 799 | 135 | 163 | 148 |
| Waste management | | 1,166 | 3,218 | 5,488 | 2,600 | 2,684 |
| Off street car parks | | 383 | - | - | - | - |
| **Total infrastructure** | | 9,925 | **9,485** | 9,232 | 6,826 | 6,496 |
| **Total capital works expenditure** | 4.3.1 | 14,459 | **11,682** | 11,005 | 8,293 | 8,258 |
| **Represented by:** | | | | | | |
| New asset expenditure | | 1,267 | 4,309 | 1,675 | - | 1,600 |
| Asset renewal expenditure | | 7,787 | 5,410 | 8,254 | 5,939 | 5,562 |
| Asset expansion expenditure | | 798 | 359 | 192 | 285 | 199 |
| Asset upgrade expenditure | | 4,607 | 1,604 | 884 | 2,069 | 897 |
| **Total capital works expenditure** | 4.3.1 | 14,459 | **11,682** | 11,005 | 8,293 | 8,258 |
| **Funding sources represented by:** | | | | | | |
| Grants | | 2,929 | **2,511** | 1,557 | 1,138 | 904 |
| Contributions | | 835 | **247** | 281 | 290 | 338 |
| Council cash | | 10,695 | **8,924** | 9,167 | 6,865 | 7,016 |
| **Total capital works expenditure** | 4.3.1 | 14,459 | **11,682** | 11,005 | 8,293 | 8,258 |

## Statement of Human Resources

For the four years ending 30 June 2024

| | Forecast Actual | Budget | Strategic Resource Plan Projections | | |
|---|---|---|---|---|---|
| | 2019/20 $'000 | 2020/21 $'000 | 2021/22 $'000 | 2022/23 $'000 | 2023/24 $'000 |
| **Staff expenditure** | | | | | |
| Employee costs - operating | 15,076 | **14,180** | 14,464 | 14,753 | 15,048 |
| Employee costs - capital | 122 | **422** | 431 | 441 | 451 |
| **Total staff expenditure** | 15,198 | **14,602** | 14,895 | 15,194 | 15,499 |
| | FTE | **FTE** | FTE | FTE | FTE |
| **Staff numbers** | | | | | |
| Employees | 152.7 | **144.4** | 145.0 | 145.0 | 145.0 |
| Total staff numbers | 152.7 | **144.4** | 145.0 | 145.0 | 145.0 |

A summary of human resources expenditure categorised according to the organisational structure of Council is included below:

| Department | Budget 2020/21 $'000 | Comprises Permanent Full Time $'000 | Permanent Part time $'000 | Casual $'000 | Temporary $'000 |
|---|---|---|---|---|---|
| Business development tourism and events | **388** | 240 | 148 | - | 160 |
| Business services | **1,482** | 635 | 847 | - | 29 |
| Community assets | **3,957** | 3,585 | 372 | - | 98 |
| Community wellbeing | **1,473** | 272 | 1,201 | 239 | 30 |
| Customer experience | **1,574** | 876 | 698 | 27 | - |
| Development services | **1,815** | 1,612 | 203 | - | 73 |
| Circular economy and environmental services | **865** | 484 | 381 | - | 115 |
| Executive team and support | **873** | 873 | - | - | - |
| Governance and risk | **982** | 786 | 196 | - | - |
| Total permanent staff expenditure | **13,409** | 9,363 | 4,046 | 266 | 505 |
| Casuals, temporary and other expenditure | **771** | | | | |
| Total employee costs - operating | **14,180** | | | | |
| Total employee costs - capital | **422** | | | | |
| **Total staff expenditure** | **14,602** | | | | |

A summary of the number of full time equivalent (FTE) positions in relation to the above expenditure is included below.

| Department | Budget 2020/21 FTE | Comprises Permanent Full Time FTE | Permanent Part time FTE | Casual | Temporary |
|---|---|---|---|---|---|
| Business development tourism and events | **3.70** | 2.00 | 1.70 | - | 2.00 |
| Business services | **14.28** | 5.00 | 9.28 | - | 0.40 |
| Community assets | **42.10** | 38.00 | 4.10 | - | 1.00 |
| Community wellbeing | **13.98** | 2.00 | 11.98 | 2.85 | 0.37 |
| Customer experience | **16.84** | 9.00 | 7.84 | 0.38 | - |
| Development services | **17.72** | 16.00 | 1.72 | - | 0.63 |
| Circular economy and environmental services | **9.23** | 5.00 | 4.23 | - | 1.00 |
| Executive team and support | **4.00** | 4.00 | 0.00 | - | - |
| Governance and risk | **8.93** | 7.00 | 1.93 | - | - |
| Total permanent staff expenditure | **130.77** | 88.00 | 42.77 | 3.23 | 5.40 |
| Casuals, temporary and other expenditure | **8.63** | | | | |
| Capitalised labour costs | **5.00** | | | | |
| **Total staff** | **144.40** | | | | |

# 4. Notes to the financial statements

This section presents detailed information on material components of the financial statements. Council needs to assess which components are material, considering the dollar amounts and nature of these components.

## 4.1 Comprehensive Income Statement

### 4.1.1 Rates and charges

Rates and charges are required by the Act and the Regulations to be disclosed in Council's annual budget.

In developing the Strategic Resource Plan, rates and charges are identified as Council's most important source of revenue. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process. The Fair Go Rates System ("FGRS") sets out the maximum amount councils may increase rates in a year. For 2020/21 the FGRS cap has been set at 2%. The cap applies to both general rates and municipal charges and is calculated on the basis of council's average rates and charges. It should be noted that the waste & recycling charges are not included in the FGRS cap calculation.

The level of required rates and charges has been considered in this context, with reference to Council's other sources of income and the planned expenditure on services and works to be undertaken for the community.

To achieve these objectives while maintaining service levels and a strong capital expenditure program, and in response to the COVID-19 pandemic, the average general rate and the municipal charge will increase by 0%. In addition, the 25% premium differential rate paid by commercial and industrial property owners has been removed for 2020/21.

This will raise total rates and charges for 2020/21 to $21.5M.

4.1.1(a) The reconciliation of the total rates and charges to the Comprehensive Income Statement is as follows:

| | Forecast Actual $'000 | Budget $'000 | Change $'000 | % |
|---|---|---|---|---|
| General rates* | 14,541 | **14,539** | - 2 | **-0.02%** |
| Municipal charge* | 3,290 | **3,290** | - 0 | **0.00%** |
| Waste management charge | 3,357 | **3,441** | 84 | **2.49%** |
| Special rates and charges | 87 | **-** | - 87 | **-100.00%** |
| Supplementary rates and rate adjustments | 148 | **165** | 17 | **11.59%** |
| Revenue in lieu of rates | 65 | **66** | 1 | **1.80%** |
| **Total rates and charges** | **21,489** | **21,501** | **12** | **0.06%** |

*These items are subject to the rate cap established under the FGRS

4.1.1(b) The rate in the dollar to be levied as general rates under section 158 of the Act for each type or class of land compared with the previous financial year

| Type or class of land | 2019/20 cents/$CIV* | 2020/21 cents/$CIV* | Change |
|---|---|---|---|
| General rate for rateable residential properties | 0.3052 | **0.2967** | **-2.79%** |
| General rate for rateable commercial/industrial properties | 0.3815 | **0.2967** | **-22.23%** |
| General rate for rateable vacant land properties | 0.4579 | **0.4450** | **-2.82%** |
| General rate for rateable rural 1 properties | 0.2137 | **0.2077** | **-2.81%** |
| General rate for rateable rural 2 properties | 0.3022 | **0.2937** | **-2.81%** |

4.1.1(c) The estimated total amount to be raised by general rates in relation to each type or class of rateable land, and the estimated total amount to be raised by general rates, compared with the previous financial year

| Type or class of land | 2019/20 $'000 | 2020/21 $'000 | Change $'000 | Change % |
|---|---|---|---|---|
| Residential | 6,622 | **6,845** | 223 | **3.37%** |
| Commercial / Industrial | 890 | **716** | - 174 | **-19.55%** |
| Vacant Land | 644 | **655** | 11 | **1.71%** |
| Rural 1 | 3,249 | **3,200** | - 49 | **-1.51%** |
| Rural 2 | 3,136 | **3,123** | - 13 | **-0.41%** |
| **Total amount to be raised by general rates** | **14,541** | **14,539** | **- 2** | **-0.01%** |

4.1.1(d) The number of assessments in relation to each type or class of rateable land, and the total number of assessments, compared with the previous financial year

| Type or class of land | 2019/20 Number | 2020/21 Number | Change Number | Change % |
|---|---|---|---|---|
| Residential | 5,662 | **5,724** | 62 | **1.10%** |
| Commercial / Industrial | 443 | **435** | - 8 | **-1.81%** |
| Vacant Land | 712 | **718** | 6 | **0.84%** |
| Rural 1 | 1,289 | **1,287** | - 2 | **-0.16%** |
| Rural 2 | 1,803 | **1,816** | 13 | **0.72%** |
| **Total number of assessments** | **9,909** | **9,980** | **71** | **0.72%** |

4.1.1(e) The basis of valuation to be used is the Capital Improved Value (CIV).

4.1.1(f) The estimated total value of each type or class of rateable land, and the estimated total value of land, compared with the previous financial year

| Type or class of land | 2019/20 $'000 | 2020/21 $'000 | Change $'000 | Change % |
|---|---|---|---|---|
| Residential | 2,169,704 | **2,307,172** | 137,468 | **6.34%** |
| Commercial / Industrial | 233,362 | **241,296** | 7,934 | **3.40%** |
| Vacant Land | 140,641 | **147,093** | 6,452 | **4.59%** |
| Rural 1 | 1,520,572 | **1,540,446** | 19,874 | **1.31%** |
| Rural 2 | 1,037,622 | **1,063,392** | 25,770 | **2.48%** |
| **Total value of land** | **5,101,901** | **5,299,399** | **197,498** | **3.87%** |

4.1.1(g) The municipal charge under Section 159 of the Act compared with the previous financial year

| Type of Charge | Per Rateable Property 2019/20 $ | Per Rateable Property 2020/21 $ | Change $ | Change % |
|---|---|---|---|---|
| Municipal | **341.00** | **341.00** | - | **0.00%** |

4.1.1(h) The estimated total amount to be raised by municipal charges compared with the previous financial year

| Type of Charge | 2019/20 $'000 | 2020/21 $'000 | Change $'000 | Change % |
|---|---|---|---|---|
| Municipal | 3,290 | **3,290** | - 0 | **0.00%** |

4.1.1(i) The rate or unit amount to be levied for each type of service rate or charge under Section 162 of the Act compared with the previous financial year

| Type of Charge | Per Rateable Property 2019/20 | Per Rateable Property 2020/21 | Change | |
|---|---|---|---|---|
| | $ | $ | $ | % |
| Kerbside Collection | 381.20 | **391.20** | 10.00 | **2.62%** |
| Recycling | 116.50 | **119.60** | 3.10 | **2.66%** |
| **Total** | **497.70** | **510.80** | **13.10** | **2.63%** |

For the purposes of clarification of "defined properties" for garbage and recycling charges, defined properties for compulsory garbage and recycling charges are described as follows;

- all townships (residential)
- all townships and low density residential zones;
- all other residential properties within the area as defined previously by Council. (no change).

For industrial or commercial properties, 75% of the garbage charge & recycling charge will be waived upon production of satisfactory evidence to Council that an alternative commercial waste disposal arrangement is in operation.

4.1.1(j) The estimated total amount to be raised by each type of service rate or charge, and the estimated total amount to be raised by service rates and charges, compared with the previous financial year

| Type of Charge | 2019/20 | 2020/21 | Change | |
|---|---|---|---|---|
| | $'000 | $'000 | $'000 | % |
| Kerbside Collection | 2,561 | **2,624** | 63 | **2.44%** |
| Recycling | 796 | **817** | 21 | **2.65%** |
| **Total** | **3,357** | **3,441** | **84** | **2.49%** |

4.1.1(k) The estimated total amount to be raised by all rates and charges compared with the previous financial year

| | 2019/20 | 2020/21 | Change | |
|---|---|---|---|---|
| | $'000 | $'000 | $'000 | % |
| General Rates | 14,541 | **14,539** | - 2 | **-0.02%** |
| Municipal Charge | 3,290 | **3,290** | - 0 | **0.00%** |
| Kerbside Collection and Recycling | 3,357 | **3,441** | 84 | **2.49%** |
| Special rates and charges | 87 | **-** | - 87 | **-100.00%** |
| Agreement in lieu of rates (Power Station) | 65 | **66** | 1 | **1.80%** |
| Supplementary rates and charges | 148 | **165** | 17 | **11.59%** |
| **Total Rates and charges** | **21,489** | **21,501** | **13** | **0.06%** |

4.1.1(l) Fair Go Rates System Compliance

Murrindindi Shire Council is fully compliant with the State Government's Fair Go Rates System, as demonstrated in the following table.

| | 2019/20 $'000 | 2020/21 $'000 |
|---|---|---|
| Total Rates | $ 17,382 | $ 17,997 |
| Number of rateable properties | 9,909 | 9,980 |
| Base Average Rates | $ 1,754 | $ 1,803 |
| Maximum Rate Increase (set by the State Government) | 2.50% | 2.00% |
| Capped Average Rate | $ 1,798 | $ 1,839 |
| Maximum General Rates and Municipal Charges Revenue | $ 17,816 | $ 18,357 |
| Budgeted General Rates and Municipal Charges Revenue | $ 17,805 | $ 17,829 |

4.1.1(m) Any significant changes that may affect the estimated amounts to be raised by rates and charges

There are no known significant changes which may affect the estimated amounts to be raised by rates and charges. However, the total amount to be raised by rates and charges may be affected by:

- The making of supplementary valuations
- The variation of returned levels of value (e.g. valuation appeals)
- Changes of use of land such that rateable land becomes non-rateable land and vice versa
- Changes of use of land such that residential land becomes business land and vice versa.

4.1.1(n) Differential rates categories

**Rates to be levied**

The rate and amount of rates payable in relation to land in each category are:

- A general rate of 0.002967 (0.2967 cents in the dollar of CIV) for all rateable residential properties; and
- A differential rate of 0.002967 (0.2967 cents in the dollar of CIV) for all rateable Commercial and Industrial properties (100% of general rate); and
- A differential rate of 0.002077 (0.2077 cents in the dollar of CIV) for all rateable Rural 1 properties (70% of general rate); and
- A differential rate of 0.002937 (0.2937 cents in the dollar of CIV) for all rateable Rural 2 properties (99% of general rate); and
- A differential rate of 0.004450 (0.4450 cents in the dollar of CIV) for all rateable Vacant Land properties (150% of general rate).

Each differential rate will be determined by multiplying the Capital Improved Value of each rateable land (categorised by the characteristics described below) by the relevant percentages indicated above.

Council considers that each differential rate will contribute to the efficient carrying out of council functions. Details of the objectives of each differential rate, the types of classes of land, which are subject to each differential rate and the uses of each differential rate, are set out below.

**Rural 1 Land**

Rural 1 land is any rateable land, which is:

- Not less than 40 hectares in area; and
- shall include non-contiguous assessments within the Shire operating as a single farm enterprise.

The objective of this differential rate is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including (but not limited to) the:

- Construction and maintenance of infrastructure assets;
- Development and provision of health and community services;
- Provision of general support services; and
- Recognition of the capital required for farming within the Shire and limited access to some services.

The types and classes of rateable land within this differential rate are those having the relevant characteristics described above.

The money raised by the differential rate will be applied to the items of expenditure described in the Budget by Council. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

Land covered by this classification is not affected by ward boundaries.

**Rural 2 Land**

Rural 2 land is any rateable land, which is:

- greater than 4 hectares and less than 40 hectares in area; and
- shall include non-contiguous assessments within the Shire operating as a single farm enterprise.

The objective of this differential rate is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including (but not limited to) the:

- Construction and maintenance of infrastructure assets;
- Development and provision of health and community services;
- Provision of general support services; and
- Recognition of the capital required for farming within the Shire and limited access to some services.

The types and classes of rateable land within this differential rate are those having the relevant characteristics described above.

The money raised by the differential rate will be applied to the items of expenditure described in the Budget by Council. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

Land covered by this classification is not affected by ward boundaries.

**Vacant Land**

Vacant land is defined as:

- Any land which is located in Council's defined residential, commercial, rural living or industrial zones for planning purposes that is currently undeveloped.
- Undeveloped land is broadly classified as land not containing an approved, habitable structure, or land that has not been developed for the purpose of commercial or industrial use.

The objective of this differential rate is to encourage property owners to develop vacant land identified by Council as suitable for development, rather than simply acquire or hold land for the purpose of future investment without developing it. Encouraging the development of land ensures that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of the Council.

The types and classes of rateable land within this differential rate are those having the relevant characteristics described above.

The money raised by the differential rate will be applied to the items of expenditure described in the Budget by Council. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

Land covered by this classification is not affected by ward boundaries.

**Commercial / Industrial Land**
Commercial and industrial properties are defined as:

- Any property which is used primarily for commercial and/or industrial purposes and/or,
- Any property zoned as commercial and industrial land under the planning scheme in force in the municipal district which is not deemed vacant as per above.

The objective of this differential rate is to ensure that the owners of the property having the characteristics of Commercial and Industrial Land make an equitable financial contribution to the cost of carrying out Council's functions, including those functions supporting economic development and tourism, and the renewal and maintenance of public infrastructure that is of critical importance and benefit to business owners.

The types and classes of rateable land within this differential rate are those having the relevant characteristics described above.

The money raised by the differential rate will be applied to the items of expenditure described in the Budget by Council. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

### 4.1.2 Statutory fees and fines

| | Forecast Actual 2019/20 $'000 | Budget 2020/21 $'000 | Change $'000 | Change % |
|---|---|---|---|---|
| Building | 362 | **382** | 20 | 5.52% |
| Community Safety | 185 | **234** | 49 | 26.49% |
| Environmental Health | 153 | **136** | - 17 | -11.11% |
| Development Services | 58 | **58** | - | 0.00% |
| Planning and Subdivisions | 324 | **337** | 13 | 4.01% |
| Other | 22 | **35** | 13 | 59.09% |
| **Total statutory fees and fines** | **1,104** | **1,182** | **78** | **7.07%** |

Statutory fees and fines relate mainly to fees and fines levied in accordance with legislation and include planning permits, subdivision fees, building permits, Health Act registrations, animal registrations and parking infringements,

### 4.1.3 User fees

| | Forecast Actual 2019/20 $'000 | Budget 2020/21 $'000 | Change $'000 | Change % |
|---|---|---|---|---|
| Halls & Community Centres | 37 | **26** | (11) | -29.73% |
| Aged Care | 334 | **-** | (334) | -100.00% |
| Saleyards fees | 436 | **437** | 1 | 0.23% |
| Recreation Pools & leisure centres | 91 | **15** | (76) | -83.52% |
| Waste - transfer stations & landfill fees | 981 | **994** | 13 | 1.33% |
| Other | 23 | **19** | (4) | -17.39% |
| **Total user fees** | **1,902** | **1,492** | **(410)** | **-21.56%** |

User charges relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These include charges for use of community facilities and the provision of human services such as home help services, saleyards fees and waste management fees. In setting the budget, the key principle for determining the level of user charges has been to ensure that where possible, individual fee levels increases do not exceed the rate cap.

The significant decrease in budgeted user fees is due to Council's decision to transition out of providing Aged & Disability services and the decision to trial free entry to all four pools across Murrindindi Shire for the 2020/21 season.

### 4.1.4 Grants

Grants are required by the Act and the Regulations to be disclosed in Council's annual budget. A list of operating grants and capital grants by type and source, classified into recurrent and non-recurrent, is included below.

| | Forecast Actual 2019/20 $'000 | Budget 2020/21 $'000 | Change $'000 | Change % |
|---|---|---|---|---|
| **Grants received in respect of the following:** | | | | |
| Summary of grants | | | | |
| Commonwealth funded grants | 7,661 | 7,843 | 182 | 2% |
| State funded grants | 2,760 | 1,217 | (1,543) | -56% |
| **Total grants received** | **10,421** | **9,060** | **(1,361)** | **-13%** |
| **(a) Operating Grants** | | | | |
| ***Recurrent - Commonwealth Government*** | | | | |
| Aged and disability | 480 | 55 | (425) | -89% |
| Financial assistance grants | 4,815 | 4,878 | 63 | 1% |
| Children services | 1,131 | 1,131 | - | 0% |
| ***Recurrent - State Government*** | | | | |
| Aged and disability | 189 | 20 | (169) | -89% |
| Children services | 249 | 249 | - | 0% |
| Environmental health | 13 | 12 | - 1.00 | -8% |
| Community Safety | 37 | 37 | - | 0% |
| Libraries | 154 | 155 | 1 | 1% |
| **Total recurrent grants** | **7,068** | **6,537** | **(531)** | **-8%** |
| ***Non-recurrent - Commonwealth Government*** | | | | |
| Children services | 10 | - | - 10.00 | -100% |
| Infrastructure services | 119 | - | - 119.00 | -100% |
| ***Non-recurrent - State Government*** | | | | |
| Children services | 36 | 55 | 19 | 53% |
| Community Development | 15 | - | (15) | -100% |
| Economic development | 374 | - | (374) | -100% |
| Emergency management | 60 | 60 | - | 0% |
| Environmental health | 5 | 230 | 225 | 4500% |
| Environmental programs | 38 | - | (38) | -100% |
| Library services | 2 | - | (2) | -100% |
| Recreational services | 17 | - | (17) | -100% |
| Transport services | 66 | - | (66) | -100% |
| Youth services | 86 | 43 | - 43 | -50% |
| **Total non-recurrent grants** | **828** | **388** | **(440)** | **-53%** |
| **Total operating grants** | **7,896** | **6,925** | **(971)** | **-12%** |

| | Forecast Actual 2019/20 $'000 | Budget 2020/21 $'000 | Change $'000 | Change % |
|---|---|---|---|---|
| **(b) Capital Grants** | | | | |
| ***Recurrent - Commonwealth Government*** | | | | |
| Roads to recovery | 1,083 | 1,156 | 73 | 7% |
| ***Recurrent - State Government*** | | | | |
| Library Book stock | 6 | 6 | - | - |
| **Total recurrent grants** | **1,089** | **1,162** | **73** | **7%** |
| ***Non-recurrent - Commonwealth Government*** | | | | |
| Infrastructure | 23 | 623 | 600 | 2609% |
| ***Non-recurrent - State Government*** | | | | |
| Buildings | 358 | - | (358) | -100% |
| Infrastructure | 1,055 | 350 | (705) | -67% |
| **Total non-recurrent grants** | **1,436** | **973** | **(463)** | **-32%** |
| **Total capital grants** | **2,525** | **2,135** | **(390)** | **-15%** |
| **Total Grants** | **10,421** | **9,060** | **(1,361)** | **-13%** |

### 4.1.5 Contributions

| | Forecast Actual 2019/20 $'000 | Budget 2020/21 $'000 | Change $'000 | Change % |
|---|---|---|---|---|
| Monetary - operating | 99 | **24** | (75) | -75.76% |
| Monetary - capital | 25 | **30** | 5 | 20.00% |
| Non-monetary - Capital | 600 | **600** | 0 | 0.00% |
| **Total contributions** | 724 | **654** | **(70)** | **-9.61%** |

Monetary contributions are funds paid by developers that relate to public recreation, drainage and car parking in accordance with planning permits issued for property development.

Non-monetary contributions relate to gifted assets that are received from developers for public recreation, drainage and car parking in accordance with planning permits issued for property development in lieu of making a monetary payment to Council.

### 4.1.6 Other income

| | Forecast Actual 2019/20 $'000 | Budget 2020/21 $'000 | Change $'000 | Change % |
|---|---|---|---|---|
| Interest | 596 | **536** | - 60 | **-10.07%** |
| Interest on rates | 135 | **164** | 29 | **21.48%** |
| Rental | 261 | **254** | - 7 | **-2.68%** |
| Reimbursements | 349 | **331** | - 18 | **-5.16%** |
| Other | 92 | **93** | 1 | **1.09%** |
| **Total other income** | 1,433 | **1,378** | **- 55** | **-3.84%** |

Other income relates to a range of items such as cost recovery and other miscellaneous income items. It consists primarily of interest revenue on investments and rate arrears and rent revenue that Council receives from various lease or licence agreements.

### 4.1.7 Employee costs

| | Forecast Actual 2019/20 $'000 | Budget 2020/21 $'000 | Change $'000 | Change % |
|---|---|---|---|---|
| Wages and salaries | 13,528 | **12,695** | (833) | **-6.15%** |
| WorkCover | 249 | **270** | 21 | **8.43%** |
| Superannuation | 1,299 | **1,215** | (84) | **-6.47%** |
| **Total employee costs** | 15,076 | **14,180** | **(896)** | **-5.94%** |

Employee costs include all labour related expenditure such as wages, salaries, allowances and on-costs such as leave entitlements, superannuation and WorkCover. Employee costs are estimated to decrease due to the cessation of the provision of Aged and Disability Services. This total includes positions which have been funded from specific grants.

### 4.1.8 Materials and services

| | Forecast Actual 2019/20 $'000 | Budget 2020/21 $'000 | Change $'000 | Change % |
|---|---|---|---|---|
| Consultants | 393 | **313** | - 80 | **-20.36%** |
| Contractors | 9,064 | **7,641** | - 1,423 | **-15.70%** |
| Contributions | 910 | **1,193** | 283 | **31.10%** |
| Insurance | 501 | **493** | - 8 | **-1.60%** |
| Legal expenses | 306 | **276** | - 30 | **-9.80%** |
| Materials | 758 | **752** | - 6 | **-0.79%** |
| Utilities | 504 | **518** | 14 | **2.78%** |
| **Total materials and services** | 12,436 | **11,186** | - 1,250 | **-10.05%** |

Materials and services include the purchases of consumables, payments to contractors for the provision of services and utility costs.

### 4.1.9 Depreciation and amortisation

| | Forecast Actual 2019/20 $'000 | Budget 2020/21 $'000 | Change $'000 | Change % |
|---|---|---|---|---|
| Property | 2,279 | **2,291** | 12 | **0.53%** |
| Plant & equipment | 888 | **913** | 25 | **2.82%** |
| Infrastructure | 5,077 | **5,243** | 166 | **3.27%** |
| Intangible Assets | 625 | **567** | - 58 | **-9.28%** |
| **Total depreciation and amortisation** | 8,869 | **9,014** | 145 | **1.63%** |

Depreciation is an accounting measure which allocates the value of an asset over its useful life for Council's property, plant and equipment including infrastructure assets such as roads and drains.

### 4.1.10 Other expenses

| | Forecast Actual 2019/20 $'000 | Budget 2020/21 $'000 | Change $'000 | Change % |
|---|---|---|---|---|
| Auditor remuneration | 87 | **87** | - | **0.00%** |
| Councillor Allowances | 205 | **209** | 4 | **1.95%** |
| Other | 28 | **21** | - 7 | **-25.00%** |
| **Total other expenses** | 320 | **317** | - 3 | **-0.94%** |

Other expenses relate to rates and charges waived for charitable and not-for-profit organisations, Councillors' allowances and remuneration for auditors and audit committee members.

## 4.2 Balance Sheet

### 4.2.1 Assets

Council's asset position is primarily driven by the value of its physical infrastructure (property, plant and equipment) and its projected cash levels. Cash and cash equivalents include cash and investments held in the bank in deposits or other highly liquid investments with short term maturities of three months or less.

### 4.2.2 Liabilities

Council's liabilities, exclusive of bank debt which is detailed further in section 4.2.3 below is primarily made up of entitlements owed to employees and funds held as sureties against a variety of contracts.

Council's working capital ratio remains extremely strong, as more than four times the level of Council's current liabilities are covered by its current asset position. This ensures Council's ability to meet its employee and supplier payments, as well as immediately commence on its capital works program in 2020/21, rather than waiting for the receipt of rate funds which do not commence until October each year.

### 4.2.3 Borrowings

The table below shows information on borrowings specifically required by the Regulations.

| | 2019/20 $ | 2020/21 $ |
|---|---|---|
| Amount borrowed as at 30 June of the prior year | 667 | 479 |
| Amount proposed to be borrowed | - | - |
| Amount projected to be redeemed | (188) | (179) |
| Amount of borrowings as at 30 June | 479 | **300** |

### 4.2.4 Borrowing Costs

| | Forecast Actual 2019/20 $'000 | Budget 2020/21 $'000 | Change $'000 | Change % |
|---|---|---|---|---|
| Interest - borrowings | 37 | 25 | - 12 | **-32.43%** |
| **Total borrowing costs** | 37 | **25** | - 12 | **-32.43%** |

Council is forecasting no new borrowings. As a result, Council's total debt holdings will decrease to $300k by 30 June 2021, with costs associated with borrowings reducing by more than 32% in the 2020/21 financial year.

## 4.3 Capital works program

This section presents a listing of the capital works projects that will be undertaken for the 2020/21 year, classified by expenditure type and funding source. Works are also disclosed as current budget or carried forward from prior year.

### 4.3.1 Summary

| | Forecast Actual 2019/20 $'000 | Budget 2020/21 $'000 | Change $'000 | % |
|---|---|---|---|---|
| Property | 1,833 | **960** | (873) | **-47.63%** |
| Plant and equipment | 2,701 | **1,237** | (1,464) | **-54.20%** |
| Infrastructure | 9,925 | **9,485** | (440) | **-4.43%** |
| **Total** | **14,459** | **11,682** | **(2,777)** | **-25.79%** |

| | Project Cost | Asset expenditure types | | | | Summary of Funding Sources | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | New | Renewal | Upgrade | Expansion | Grants | Contrib. | Council cash | Borrowings |
| | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 |
| Property | **960** | 555 | 133 | 205 | 67 | - | - | 960 | - |
| Plant and equipment | **1,237** | 195 | 997 | 45 | - | 6 | 247 | 984 | - |
| Infrastructure | **9,485** | 3,559 | 4,280 | 1,354 | 292 | 2,505 | - | 6,980 | - |
| **Total** | **11,682** | **4,309** | **5,410** | **1,604** | **359** | **2,511** | **247** | **8,924** | **-** |

### 4.3.2 Current Budget

| Capital Works Area | Project Cost | Asset expenditure types | | | | Summary of Funding Sources | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | New | Renewal | Upgrade | Expansion | Grants | Contrib. | Council cash | Borrowings |
| | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 |
| **PROPERTY** | | | | | | | | | |
| **Land Improvements** | | | | | | | | | |
| *Strath Creek Pioneer Reserve Tennis Court demolition - Landscaping* | **75** | - | 8 | - | 67 | - | - | 75 | - |
| *Buxton Meeting of the Waters Reserve - Access Road* | **15** | - | - | 15 | - | - | - | 15 | - |
| **Total Land Improvements** | **90** | **-** | **8** | **15** | **67** | **-** | **-** | **90** | **-** |
| **Buildings** | | | | | | | | | |
| *Alexandra Shire Hall - Sound and Lighting system* | **85** | 85 | - | - | - | - | - | 85 | - |
| *Kinglake Ranges Neighbourhood House - Playground Roofing* | **25** | - | 25 | - | - | - | - | 25 | - |
| *Public Conveniences - renewal - Buxton Recreation Reserve* | **60** | - | 60 | - | - | - | - | 60 | - |
| *Public Conveniences - Kinglake Memorial Reserve (New Building)* | **350** | 350 | - | - | - | - | - | 350 | - |
| *Public conveniences - upgrade - Kinglake Public Toilets* | **160** | - | - | 160 | - | - | - | 160 | - |
| *Fire tank replacement program* | **40** | - | 40 | - | - | - | - | 40 | - |
| *Yea Saleyards - Emergency Generator - Security Fencing & Cameras.* | **90** | 90 | - | - | - | - | - | 90 | - |
| *Yea Saleyards - Drainage, B-Double approaches & Decontamination Facility* | **60** | 30 | - | 30 | - | - | - | 60 | - |
| **Total Buildings** | **870** | **555** | **125** | **190** | **-** | **-** | **-** | **870** | **-** |
| **TOTAL PROPERTY** | **960** | **555** | **133** | **205** | **67** | **-** | **-** | **960** | **-** |

| Capital Works Area | Project Cost | Asset expenditure types | | | | Summary of Funding Sources | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | New | Renewal | Upgrade | Expansion | Grants | Contrib. | Council cash | Borrowings |
| | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 |
| **PLANT AND EQUIPMENT** | | | | | | | | | |
| **Plant, Machinery and Equipment** | | | | | | | | | |
| *Alexandra Operations Centre Emergency Generator* | **30** | 30 | - | - | - | - | - | 30 | - |
| *Marysville Community Centre Emergency Generator* | **30** | - | - | 30 | - | - | - | 30 | - |
| *Landfill - tag trailer & tilt bucket* | **80** | 65 | - | 15 | - | - | - | 80 | - |
| *Plant replacement* | **881** | - | 881 | - | - | - | 247 | 634 | - |
| **Total Plant, Machinery & Equip.** | **1,021** | **95** | **881** | **45** | **-** | **-** | **247** | **774** | **-** |
| **Computers and Telecommunications** | | | | | | | | | |
| *IT System - Renewal & Development* | **116** | - | 116 | - | - | - | - | 116 | - |
| **Total Computers & Telecomm.** | **116** | **-** | **116** | **-** | **-** | **-** | **-** | **116** | **-** |
| **Library books** | | | | | | | | | |
| *Library Bookstock* | **100** | 100 | - | - | - | 6 | - | 94 | - |
| **Total Library Books** | **100** | **100** | **-** | **-** | **-** | **6** | **-** | **94** | **-** |
| **TOTAL PLANT AND EQUIPMENT** | **1,237** | **195** | **997** | **45** | **-** | **6** | **247** | **984** | **-** |
| **INFRASTRUCTURE** | | | | | | | | | |
| **Roads** | | | | | | | | | |
| *Gravel Roads - major maintenance* | **400** | - | 400 | - | - | - | - | 400 | - |
| *Gravel Roads - Resheeting* | **1,280** | - | 1,280 | - | - | 1,156 | - | 124 | - |
| *Sealed Roads - Renewal & Major Patching* | **103** | - | 103 | - | - | - | - | 103 | - |
| *Sealed Roads - Reseals* | **1,095** | - | 1,095 | - | - | - | - | 1,095 | - |
| *Sealed Roads - Shoulder resheeting* | **67** | - | 67 | - | - | - | - | 67 | - |
| *Mt Pleasant Road - Entry realignment* | **170** | - | - | 170 | - | - | - | 170 | - |
| *Kinglake West Primary School - Service road / drop off improvement* | **175** | - | - | 88 | 87 | - | - | 175 | - |
| *Mountain Home Rd - improvement* | **25** | - | - | 25 | - | - | - | 25 | - |
| **Total Roads** | **3,315** | **-** | **2,945** | **283** | **87** | **1,156** | **-** | **2,159** | **-** |

| Capital Works Area | Project Cost | Asset expenditure types | | | | Summary of Funding Sources | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | New | Renewal | Upgrade | Expansion | Grants | Contrib. | Council cash | Borrowings |
| | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Bridges** | | | | | | | | | |
| *Bridge renewal - Yea Caravan Park* | **50** | - | 50 | - | - | - | - | 50 | - |
| *Bridge upgrade - Pincombes Bridge* | **60** | - | - | 60 | - | - | - | 60 | - |
| **Total Bridges** | **110** | **-** | **50** | **60** | **-** | **-** | **-** | **110** | **-** |
| **Footpaths and Cycleways** | | | | | | | | | |
| *Footpath - renewal - Kinglake* | **370** | - | 370 | - | - | - | - | 370 | - |
| *Footpath - extension - Falls Road Marysville* | **100** | 100 | - | - | - | - | - | 100 | - |
| *Footpath - extension - Williams Street & Station Street Alexandra* | **189** | - | - | - | 189 | - | - | 189 | - |
| **Total Footpaths & Cycleways** | **659** | **100** | **370** | **-** | **189** | **-** | **-** | **659** | **-** |
| **Drainage** | | | | | | | | | |
| *Drainage - renewal - pit covers* | **35** | - | 35 | - | - | - | - | 35 | - |
| **Total Drainage** | **35** | **-** | **35** | **-** | **-** | **-** | **-** | **35** | **-** |
| **Recreational, Leisure & Community Facilities** | | | | | | | | | |
| *Kinglake Memorial Reserve - disability access ramp* | **40** | - | 34 | - | 6 | - | - | 40 | - |
| *Yea Recreation Reserve Facility - replacement of Bi-fold door* | **40** | - | 40 | - | - | - | - | 40 | - |
| *Kinglake Memorial Reserve - installation of new bore* | **60** | - | 60 | - | - | - | - | 60 | - |
| *Thornton Recreation Reserve - fencing & coaches box* | **35** | - | 18 | 7 | 10 | - | - | 35 | - |
| *Playground Equipment Program - Flowerdale & Eildon* | **55** | - | 10 | 45 | - | - | - | 55 | - |
| *Swimming Pool - Shade - Yea* | **45** | 45 | - | - | - | - | - | 45 | - |
| *Swimming Pool - Renewal - Replace pool liner, repair chemical pumps, reseal toddlers pool - Marysville* | **479** | - | 383 | 96 | - | - | - | 479 | - |

| Capital Works Area | Project Cost | Asset expenditure types | | | | Summary of Funding Sources | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | New | Renewal | Upgrade | Expansion | Grants | Contrib. | Council cash | Borrowings |
| | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 |
| *Swimming Pool - install Solar Hot Water - Eildon & Marysville Pools* | **45** | - | - | 45 | - | - | - | 45 | - |
| **Total Recreational Facilities** | **799** | 45 | 545 | 193 | 16 | - | - | 799 | - |
| **Waste Management** | | | | | | | | | |
| *Landfill - cell capping design* | **75** | 75 | - | - | - | - | - | 75 | - |
| *Landfill - projects* | **60** | - | 60 | - | - | - | - | 60 | - |
| *Landfill - closed landfill rehabilitation* | **1,000** | 1,000 | - | - | - | - | - | 1,000 | - |
| *Resource Recovery Centres - Yea* | **150** | 150 | - | - | - | - | - | 150 | - |
| *Resource Recovery Centres - Recycling Infrastructure* | **105** | 90 | 15 | | | | | 105 | |
| *Resource Recovery Centres - improvements* | **77** | 11 | 58 | 8 | - | - | - | 77 | - |
| **Total Waste Management** | **1,467** | **1,326** | **133** | **8** | **-** | **-** | **-** | **1,467** | **-** |
| **TOTAL INFRASTRUCTURE** | **6,385** | **1,471** | **4,078** | **544** | **292** | **1,156** | **-** | **5,229** | **-** |
| **TOTAL CAPITAL WORKS** | **8,582** | **2,221** | **5,208** | **794** | **359** | **1,162** | **247** | **7,173** | **-** |

### 4.3.3 Works carried forward from the 2019/20 year

| Capital Works Area | Project Cost | Asset expenditure types | | | | Summary of Funding Sources | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | New | Renewal | Upgrade | Expansion | Grants | Contrib. | Council cash | Borrowings |
| | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 |
| **INFRASTRUCTURE** | | | | | | | | | |
| **Roads** | | | | | | | | | |
| *Kinglake Streetscape* | **1,349** | 337 | 202 | 810 | - | 1,349 | - | - | - |
| **Waste Management** | **-** | | | | | | | | |
| *Landfill - Construction of Cap* | **1,751** | 1,751 | - | - | - | - | - | 1,751 | - |
| **TOTAL INFRASTRUCTURE** | **3,100** | **2,088** | **202** | **810** | **-** | **1,349** | **-** | **1,751** | **-** |
| **TOTAL CARRIED FORWARD CAPITAL WORKS 2019/20** | **3,100** | **2,088** | **202** | **810** | **-** | **1,349** | **-** | **1,751** | **-** |

## 5. Financial performance indicators

The following table highlights Council's current and projected performance across a range of key financial performance indicators. These indicators provide a useful analysis of Council's financial position and performance and should be interpreted in the context of the organisation's objectives.

| Indicator | Measure | Actual | Forecast | Budget | Strategic Resource Plan Projections | | | Trend |
|---|---|---|---|---|---|---|---|---|
| | | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | +/o/- |
| ***Operating position*** | | | | | | | | |
| Adjusted underlying result | Adjusted underlying surplus (deficit) / Adjusted underlying revenue | 1.6% | -5.9% | -5.0% | -7.5% | -7.1% | -6.3% | - |
| ***Liquidity*** | | | | | | | | |
| Working Capital | Current assets / current liabilities | 590.2% | 505.6% | **468.2%** | 439.8% | 445.9% | 451.2% | o |
| Unrestricted cash | Unrestricted cash / current liabilities | 439.3% | 372.3% | **339.2%** | 315.2% | 324.1% | 333.1% | o |
| ***Obligations*** | | | | | | | | |
| Loans and borrowings | Interest bearing loans and borrowings / rate revenue | 3.2% | 2.2% | **1.4%** | 0.7% | 0.1% | 0.0% | + |
| Loans and borrowings | Interest and principal repayments on interest bearing loans and borrowings / rate revenue | 1.8% | 1.1% | **1.0%** | 0.7% | 0.6% | 0.1% | + |
| Indebtedness | Non-current liabilities / own source revenue | 16.3% | 18.8% | **18.6%** | 17.6% | 16.2% | 15.1% | + |
| Asset renewal | Asset renewal expenses / Asset depreciation | 43.3% | 94.5% | **64.0%** | 95.7% | 67.4% | 61.8% | o |
| ***Stability*** | | | | | | | | |
| Rates concentration | Rate revenue / adjusted underlying revenue | 55.9% | 62.0% | **65.0%** | 68.0% | 68.2% | 68.5% | o |
| Rates effort | Rate revenue / CIV of rateable properties in the municipality | 0.4% | 0.4% | **0.4%** | 0.4% | 0.4% | 0.4% | o |
| ***Efficiency*** | | | | | | | | |
| Expenditure level | Total expenses/ no. of property assessments | $3,645 | $3,707 | **$3,479** | $3,497 | $3,567 | $3,622 | o |
| Revenue level | Residential rate revenue / no. of residential property assessments | $1,108 | $1,170 | **$1,196** | $1,223 | $1,250 | $1,278 | o |
| Workforce turnover | No. of permanent staff resignations & terminations / average no. of permanent staff for the financial year | 13.3% | 10% | **10%** | 10% | 10% | 10% | o |

**Key to Forecast Trend:**

+ Forecasts improvement in Council's financial performance/financial position indicator
o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecasts deterioration in Council's financial performance/financial position indicator

## Appendix A
## Fees and charges schedule

This appendix presents the fees and charges of a statutory (*highlighed rows) and non-statutory nature which will be charged in respect to various goods and services provided during the 2020-21 year. A number of fees and charges are set by other levels of government (statutory fees) and are not subject to discretionary change by Council. Statutory fees will be changed by Council when advised of a change by the relevant authorities. All other fees and charges may be reviewed and altered by Council during the year should circumstances warrant a change.

| Fees & Charges | | 2019/20 Budget | 2020/21 Budget |
|---|---|---|---|
| **Administration Charges** | | | |
| Photocopy - A4 Black & White | Per side printed | 0.30 | 0.30 |
| Photocopy - A4 Colour | Per side printed | 1.00 | 1.00 |
| Photocopy - A3 Black & White | Per side printed | 0.60 | 0.60 |
| Photocopy - A3 Colour | Per side printed | 2.00 | 2.00 |
| Photocopy - AO B&W Photocopies | Per copy | 8.00 | 8.00 |
| Photocopy - A1 B&W Photocopies | Per copy | 6.80 | 6.80 |
| Photocopy - A2 B&W Photocopies | Per copy | 5.50 | 5.50 |
| Photocopy Charges - Planning Photo A3 | Per side printed | 1.00 | 1.00 |
| Freedom of Information Request - Statutory (Photocopy / Incoming Faxing additional) | Per application | 29.60 | 29.60 |
| Freedom of Information - Search Charges | 1.5 fee units per hour | 1.5 fee units per hour | 1.5 fee units per hour |
| Freedom of Information requests - Supervision Charges | 1.5 fee units per hour | 1.5 fee units | 1.5 fee units |
| Freedom of Information requests - B & W Photocopy / Incoming Fax (A4) | Per copy | 0.20 | 0.20 |
| Freedom of Information - health explanation provided by a suitably qualified practitioner | Per qtr hour or part there of | 1.9 fee units to a maximum of 6 fee units | 1.9 fee units to a maximum of 6 fee units |
| Freedom of Information - provision of a health information summary | Per qtr hour or part there of | 1.9 fee units to a maximum of 6 fee units | 1.9 fee units to a maximum of 6 fee units |
| | | | |
| **General - Rates etc.** | | | |
| Land Information Certificate Receipt | Per certificate | 27.00 | 27.00 |
| Reprint of lost/misplaced Rates Notice | Per certificate | 5.00 | 5.00 |
| | | | |
| **Streets & Open Space** | | | |
| Road Closure Permit - Advertising costs | Per application | 100.00 | 101.00 |
| | | | |
| **Development Services** | | | |
| Drainage Point of Discharge information (BCA Scheduled fee) | Per information certificate | 66.50 | 67.50 |
| Works Maintenance Bonds (Refundable) | | 5% of Cost of works | 5% of Cost of works |
| Checking Engineering Plans | Per application | 0.75% of value of works | 0.75% of value of works |
| Supervision Fees of Works | Per application | 2.5% of value of works | 2.5% of value of works |
| **Municipal Roads <50kph** | | | |
| Major Works (A) | Per application | 348.00 | 348.00 |
| Major Works (B) | Per application | 88.90 | 88.90 |
| Minor Works (A) | Per application | 137.70 | 137.70 |
| Minor Works (B) | Per application | 88.90 | 88.90 |
| **Municipal Roads >50kph** | | | |
| Major Works (A) | Per application | 638.30 | 638.30 |
| Major Works (B) | Per application | 348.00 | 348.00 |
| Minor Works (A) | Per application | 137.70 | 137.70 |
| Minor Works (B) | Per application | 88.90 | 88.90 |
| (A) On Roadway, shoulder or pathway | | | |
| (B) Not on Roadway, shoulder or pathway | | | |

| Fees & Charges | | 2019/20 Budget | 2020/21 Budget |
|---|---|---|---|
| Driveway crossings and service connections are generally considered as minor works | | | |
| Asset Protection permit | Per application | N/A | 250.00 |
| | | | |
| **Building** | | | |
| **Domestic Building Applications:** | | | |
| **Dwellings additions / alterations** | | | |
| Up to $40,000 | Per permit | 505.00 | 510.00 |
| Up to $170,000 in value (4 inspections) | Per permit | 905.00 | 915.00 |
| Over $170,000 in value (4 inspections) | Per permit | $cost/200 + gst | $cost/200 + gst |
| | | | |
| New Dwellings | | | |
| Up to $280,000 | Per permit | 1500.00 | 1,522.00 |
| Over $280,000 | Per permit | $cost/200 + gst | $cost/200+gst |
| e.g. cost of works new dwelling $290,000 / 200 = $1,450 + gst + $121.90 Lodgement fee | | | |
| Shed / Carport / Verandas | Per permit | 515.00 | 520.00 |
| Sheds over 50m2 | Per permit | 695.00 | 700.00 |
| Swimming Pools | Per permit | 695.00 | 700.00 |
| Re-stumping | Per permit | 345.00 | 350.00 |
| Underpinning | Per permit | 345.00 | 350.00 |
| **Demolition Permits** | | | |
| - Dwellings | Per permit | 360.00 | 365.00 |
| - Commercial / Industrial up to 200m2 | Per permit | 700.00 | 710.00 |
| Fences | Per permit | 280.00 | 284.00 |
| **Commercial Building Applications:** | | | |
| as per AIBS Guidelines 4 ($cost / 2000 + V cost) | | | |
| e.g. cost of works $250,000 / 2000 = $125, V$250,000 = $500, $125 + $500 = $625 x 4 = $2,500 + GST + $118.90 Lodgement fee + govt. levy | | as per AIBS Guidelines 4($cost/2000+Sqrt$cost) | as per AIBS Guidelines 4($cost/2000+Sqrt$cost) |
| Construction value $100,000 | Per application | 1611.40 | 1,611.40 |
| Construction value $250,000 | Per application | 2750.00 | 2,750.00 |
| **Building Commission's Operations Levy** | | | |
| Extension of Time | Per application | 214.00 | 215.00 |
| Amendment to Permit / Variation to Plan | Per application | 135.00 | 137.00 |
| Inspection of dwelling - relocation (plus deposit $50.00 ) | Per application | 450.00 | 455.00 |
| Inspection Fees - expired permits - final certificate required | Per application | 215.00 | 218.00 |
| Copy of Plans- (Dwellings) | Per set | 57.00 | 57.50 |
| Copy of Plans- (Commercial/Industrial) | Per set | 87.00 | 88.00 |
| Building Permit Search Fee | Per search | 77.00 | 78.00 |
| Modification to siting requirements | Per application | 283.40 | 290.40 |
| Application to build over easement | Per application | 283.40 | 290.40 |
| Building Information Certificate | Per certificate | 46.10 | 47.20 |
| Complex Property Inquiry - Commercial/Industrial | Per inquiry | 76.50 | 77.60 |
| Building Control Lodgement Fees (Domestic & Commercial) | Per lodgement | 118.90 | 121.90 |
| Fee for Building in a flood prone area | Per lodgement | 283.40 | 290.40 |
| Swimming pool registration fee | Per lodgement | | 31.84 |
| Swimming pool construction information search | Per lodgement | | 47.24 |
| Lodgement of certificate of pool barrier compliance | Per lodgement | | 20.43 |
| Lodgement of certificate of pool barrier non compliance | Per lodgement | | 385.06 |
| Inspection of pool barrier for certificate of compliance | Per lodgement | | 350.00 |
| | | | |
| **Health** | | | |
| Septic Tank Fees domestic | Per permit | 550.00 | 558.00 |
| Septic Tank Alteration | Per permit | 306.00 | 310.00 |
| Septic Tank Fees commercial | Per permit | 550.00 | 558.00 |
| Septic Tank Permit extension | Per permit | 153.00 | 155.00 |
| **Food Premises Registration (New categories)** | | | |
| Category 3 | Per registration | 183.00 | 185.00 |
| Category 2 | Per registration | 325.00 | 330.00 |
| Category 1 | Per registration | 408.00 | 414.00 |
| **Prescribed Accommodation Registration** | | | |
| Level 1 - up to 25 beds | Per registration | 147.90 | 150.00 |
| Level 2 - 26 to 50 beds | Per registration | 204.00 | 207.00 |
| Level 3 - 51 to 74 beds | Per registration | 270.30 | 274.00 |
| Level 4 - 75 to 100 beds | Per registration | 336.60 | 341.00 |
| Level 5 - 101 to 125 beds | Per registration | 402.90 | 408.00 |

| Fees & Charges | | 2019/20 Budget | 2020/21 Budget |
|---|---|---|---|
| | | | |
| Hair Dressers Registration | Per registration | 178.00 | 180.00 |
| Skin Penetration Registration | Per registration | 178.00 | 180.00 |
| Caravan Parks Registration - per site | Per site registration | 14.81 | N/A |
| Business Registration Transfers - Health | Per transfer | 145.00 | 147.00 |
| Inspections - Health | Per inspection | 145.00 | 147.00 |
| Flu shots to external organisations | Per shot | 20.40 | 20.70 |
| | | | |
| **Local Laws** | | | |
| **Animal Impound Fees (Pound release)** | | | |
| Dog | Per head | 85.50 | 149.00 |
| Dog (Concession owner) | Per head | 45.00 | 74.00 |
| Cattle | Per head | 93.50 | 94.90 |
| Goats & Pigs | Per head | 50.00 | 50.75 |
| Horses | Per head | 93.50 | 94.90 |
| Sheep | Per head | 25.00 | 25.35 |
| Livestock Sustenance (per day) | Per head | 25.50 | 25.85 |
| All other small animals (birds, poultry/ pocket pets) | Per head | 2.20 | 2.00 |
| - Small animal sustenance (per day) | Per head | 2.00 | 2.00 |
| Livestock transport | Flat rate | 259.00 | 262.00 |
| Impounded vehicle release | | | as per costs incurred |
| **Animal Registrations** | | | |
| Dog Tag Replacement Fee | Per tag | 4.40 | 4.40 |
| Cat Tag Replacement Fee | Per tag | 4.40 | 4.40 |
| Dog/cat registration - not desexed | Per dog/cat | 132.00 | 134.00 |
| Dog cat registration - not desexed (Concession) | Per dog/cat | 66.00 | 67.00 |
| Dog/cat Registration - **Desexed** | Per dog/cat | 45.00 | 44.00 |
| Dog/cat Registration - **Desexed** (Concession) | Per dog/cat | 22.50 | 22.00 |
| Guide dogs, assistance dogs and state & federal service dogs - registration & re-registration | Per dog | 0.00 | 0.00 |
| Restricted breeds/Declared Animals | Per animal | 255.00 | 258.00 |
| Dog/cat discounted registration | Per dog/cat | 45.00 | 44.00 |
| Dog/cat discounted registration - concession | Per dog/cat | 22.50 | 22.00 |
| New dog/cat registration (after 1 January - pro rata) | Per dog/cat | 66.00 | 67.00 |
| New dog cat registration (after 1 January - pro rata)- Concession | Per dog/cat | 33.50 | 33.50 |
| New Dog/cat Registration (after 1 January) - pro rata- **Desexed** | Per dog/cat | 22.50 | 22.00 |
| New Dog/cat Registration (after 1 January) - pro rata- **Desexed** - Concession | Per dog/cat | 11.50 | 11.50 |
| Foster Care animal registration | | N/A | 5.00 |
| Domestic Animal Business Registration / Renewal | Per Premises | 124.00 | 125.00 |
| **Fire Prevention** | | | |
| Fire Prevention Slashing of Private Blocks - Administration Charges | Per infringement | 52.00 | 52.00 |
| **Other** | | | |
| Non-compliance fee (Community Local law 2019) | Per offence | N/A | 50.00 |
| Eildon Alliance Boat Ramp - parking fee | Daily Fee | 5.50 | 0.00 |
| **Local Law Permit Application Fees** | | | |
| Burn Permit application – less than 20m3 | Per container | N/A | No fee |
| Burn permit application – 20m3 and over | Per container | N/A | 50.00 |
| Permanent Shipping Container Application fee | per property | N/A | 400.00 |
| Temporary Shipping Container Permit Application Fee | Per container | 101.50 | 600.00 |
| Alfresco Dining/ Goods on footpath Application Fee | | N/A | 150.00 |
| Extra Animal Application | | N/A | 50.00 |
| Roadside grazing/ stock movement | | N/A | 50.00 |
| A Frame Sign Application Fee | Per sign for 2 years (common expiry) | 67.00 | 68.00 |
| Disabled Parking Permits | | 0.00 | 0.00 |
| | | | |
| **Planning Charges** | | | |
| **Advertising fee** | | | |
| Public notice in paper (to be inserted by Council) | Per notice | 170.00 | 170.00 |
| Public notice on site (when erected for applicant) | Per notice | 79.00 | 79.00 |

| Fees & Charges | | 2019/20 Budget | 2020/21 Budget |
|---|---|---|---|
| Admin. Charge | Per notice | 40.00 | 40.00 |
| | | | |
| **Satisfaction Matters** | | | |
| **Satisfaction matters - As prescribed in regulation** | | | |
| Assessing a Plantation Development Notice | Per assessment | 135.00 | 135.00 |
| Assessing a Timber Harvesting Plan | Per assessment | 150.00 | 150.00 |
| | | | |
| **Subdivision Certification Fees** | | | |
| Public Open Space Contributions | | 5% of land value | 5% of land value |
| Preparation of Engineering Plans By Council | Per set | 3.5 of works value | 3.5 of works value |
| | | | |
| **Planning Fees (statutory)** | | | |
| House <$10,000 | Per application | 195.10 | 199.90 |
| House $10,000 - $100,000 | Per application | 614.10 | 629.40 |
| House $100,000 - $500,000 | Per application | 1,257.20 | 1,288.50 |
| House $500,000 - $1,000,000 | Per application | | 1,392.10 |
| House $1,000,000 -$2,000,000 | Per application | | 1,495.80 |
| Vicsmart up to $10,000 | Per application | | 199.90 |
| Vicsmart over $10,000 | Per application | | 429.50 |
| Vicsmart subdivision | Per application | | 199.90 |
| Building works <$100,000 | Per application | 1,119.90 | 1,147.80 |
| Building works $100,001 - $1,000,000 | Per application | 1,510.00 | 1,547.60 |
| Building works $1,000,001 - $5,000,000 | Per application | 3,330.70 | 3,413.70 |
| Building works $5,000,000 - $15,000,000 | Per application | | 8,700.90 |
| subdivision 2 or more lots | Per application | 1,286.10 | 1,318.10 |
| Change in use | Per application | 1,286.10 | 1,318.10 |
| Liquor licence | Per application | 1,286.10 | 1,318.10 |
| Boundary realignment | Per application | 1,286.10 | 1,318.10 |
| Creation of easement | Per application | 1,286.10 | 1,318.10 |
| | | | |
| **Section 173 Agreements** | | | |
| Administrative fee | per agreement | 130.00 | 130.00 |
| Applicant must also pay the full cost of assessment of a Section 173 agreement by council's solicitors | | | |
| | | | |
| **Planning Permit / Consent Fees** | | | |
| Extension of time for Planning Permit & Consents - first extension | per application | 260.00 | 260.00 |
| Extension of time for Planning Permit & Consents - second or more | | 457.00 | 457.00 |
| Approval of Endorsed Plan/s | Per approval | 130.00 | 130.00 |
| Amendment of Endorsed Plan/s | Per amendment | 130.00 | 130.00 |
| Planning Permit / Consent archive search fee | Per item | 77.00 | 77.00 |
| Planning - Archive Search Fee | Per item | 77.00 | 77.00 |
| | | | |
| **Planning Scheme Amendments** | | | |
| Amendments - As prescribed in regulations | | | |
| When an independent panel report is required, the proponent must pay full panel charges for the hearing and panel report | | | |
| | | | |
| **Administrative Fees** | | | |
| Fee for providing formal advice aerial photography | | 46.00 | $75 residential, $125 commercial |
| | | | |
| **Planning Enforcement** | | | |
| Planning infringement notice - As prescribed in regulation | | 805.95 | 826.10 |
| **Community Wellbeing** | | | |
| **Children's Services** | | | |
| | | | |
| **Community Bus rental per day** | | | |
| - Not for Profit | Half day | 75.50 | 76.50 |
| - Not for Profit | Full day | 123.00 | 124.00 |
| Disability rate -half day hire | Full day | 37.50 | 38.00 |
| Refundable Bond | | 100.00 | 100.00 |
| | | | |
| **Swimming Pools** | | | |
| **Schools and private facility bookings** | | | |

| Fees & Charges | | 2019/20 Budget | 2020/21 Budget |
|---|---|---|---|
| Small groups/programs:<br>Must include minimum ONE MSC paid life guard<br>All hire agreements include facility hire fee | Per hour | n/a | 72.30 |
| Larger groups/events:<br>Must include minimum TWO MSC paid life guards<br>all hire agreements include facility hire fee | Per hour | n/a | 102.30 |
| **Public Hire Facilities** | | | |
| Public Liability Insurance - all facilities | Per hire | 35.00 | 35.00 |
| Fee for hire for funeral (excludes wakes) - all facilities | Per hire | 100.00 | 100.00 |
| | | | |
| **Alexandra - Council Chambers** | | | |
| Bond | Per rental period | 120.00 | 120.00 |
| Commercial | Per 1/2 day | 70.00 | 70.00 |
| Commercial | Per Full day | 140.00 | 140.00 |
| | | | |
| Bond | Per rental period | 60.00 | 60.00 |
| Non commercial | Per 1/2 day | 35.00 | 35.00 |
| Non commercial | Per Full day | 70.00 | 70.00 |
| | | | |
| **Alexandra Town Hall Charges** | | | |
| Bond | Per rental period | 235.00 | 235.00 |
| Commercial | 1/2 day | 125.00 | 125.00 |
| Commercial | Full day | 250.00 | 250.00 |
| | | | |
| Bond | Per rental period | 120.00 | 120.00 |
| Non commercial | 1/2 day | 60.00 | 60.00 |
| Non commercial | Full day | 120.00 | 120.00 |
| | | | |
| Bond - Piano hire | Per hire | 150.00 | 150.00 |
| Piano Hire Fee | Per hire | 120.00 | 120.00 |
| | | | |
| **Kinglake Community Centre** | | | |
| Bond | Per rental period | 250.00 | 250.00 |
| Stadium Hire | Hourly rate | 31.00 | 31.00 |
| Stadium Hire | Daily rate | 250.00 | 250.00 |
| Stadium Hire | Weekend rate | 420.00 | 420.00 |
| Lounge, Hall and Craft Room - Casual Hire | Hourly rate | 31.00 | 31.00 |
| Lounge, Hall and Craft Room - User Group with Agreement Hire | Hourly rate | 16.00 | 16.00 |
| Lounge, Hall and Craft Room | Daily rate | 126.00 | 126.00 |
| Lounge, Hall and Craft Room | Weekend rate | 250.00 | 250.00 |
| Foyer | Flat rate per function | 105.00 | 105.00 |
| Servery | Flat rate per function | 52.00 | 52.00 |
| Kitchen and Servery | Flat rate per function | 105.00 | 105.00 |
| | | | |
| **Kinglake - Council meeting room & kitchen** | | | |
| Bond | Per rental period | 100.00 | 100.00 |
| Commercial | Per 1/2 day | 50.00 | 50.00 |
| Commercial | Per Full day | 100.00 | 100.00 |
| | | | |
| Bond | Per rental period | 50.00 | 50.00 |
| Non commercial | Per 1/2 day | 25.00 | 25.00 |
| Non commercial | Per Full day | 50.00 | 50.00 |
| | | | |
| **Thornton Hall** | | | |
| Bond | Per rental period | 245.00 | 245.00 |
| Commercial (profit) casual hire | Hourly rate | 21.00 | 21.00 |
| Community group (non-profit) casual hire | Hourly rate | 16.00 | 16.00 |
| Commercial (profit) casual hire | Daily rate | 130.00 | 130.00 |
| Community group (non-profit) casual hire | Daily rate | 105.00 | 105.00 |
| Commercial (profit) casual hire | Weekend rate | 210.00 | 210.00 |
| Community group (non-profit) casual hire | Weekend rate | 155.00 | 155.00 |
| | | | |
| **Yea - council chambers & supper room** | | | |
| Chambers & kitchen | | | |
| Bond | Per rental period | 120.00 | 120.00 |

| Fees & Charges | | 2019/20 Budget | 2020/21 Budget |
|---|---|---|---|
| Commercial | Per 1/2 day | 70.00 | 70.00 |
| Commercial | Per Full day | 140.00 | 140.00 |
| | | | |
| Bond | Per rental period | 60.00 | 60.00 |
| Non commercial | Per 1/2 day | 35.00 | 35.00 |
| Non commercial | Per Full day | 70.00 | 70.00 |
| | | | |
| Supper room & kitchen | | | |
| Bond | Per rental period | 100.00 | 100.00 |
| Commercial | Per 1/2 day | 50.00 | 50.00 |
| Commercial | Per Full day | 100.00 | 100.00 |
| | | | |
| Bond | Per rental period | 50.00 | 50.00 |
| Non commercial | Per 1/2 day | 25.00 | 25.00 |
| Non commercial | Per Full day | 50.00 | 50.00 |
| | | | |
| **Yea Town Hall Hire (YTH)** | | | |
| Bond | Per rental period | 235.00 | 235.00 |
| Commercial | per hour | 90.00 | 90.00 |
| Commercial | Per 1/2 day | 270.00 | 270.00 |
| Commercial | Per Full day | 540.00 | 540.00 |
| | | | |
| Bond | Per rental period | 120.00 | 120.00 |
| Non commercial | per hour | 45.00 | 45.00 |
| Non commercial | 1/2 day | 135.00 | 135.00 |
| Non commercial | Full day | 270.00 | 270.00 |
| | | | |
| Hire of sound system | | | |
| Bond | Per hire | 1000.00 | 1000.00 |
| Commercial | Per hire | 200.00 | 200.00 |
| Bond | Per hire | 500.00 | 500.00 |
| Non-commercial | Per hire | 100.00 | 100.00 |
| | | | |
| **Yea Chambers (New Charging system)** | | | |
| Bond | Per rental period | 120.00 | 120.00 |
| Commercial | Per 1/2 day | 60.00 | 60.00 |
| Commercial | Per Full day | 120.00 | 120.00 |
| | | | |
| Bond | Per rental period | 60.00 | 60.00 |
| Non commercial | Per 1/2 day | 30.00 | 30.00 |
| Non commercial | Per Full day | 60.00 | 60.00 |
| | | | |
| **Yea Railway Station -** Good Shed .. including kitchen | Per day | 100.00 | 100.00 |
| | | | |
| **Library Services** | | | |
| Murrindindi Library - Photocopy / Incoming Fax Charges - A4 Black & White | Per copy | 0.30 | 0.30 |
| Murrindindi Library - Photocopy / Incoming Fax Charges - A4 Black & White - double sided | Per double sided copy | 0.60 | 0.60 |
| Murrindindi Library - Photocopy / Incoming Fax Charges - A4 Colour | Per copy | 1.00 | 1.00 |
| Murrindindi Library - Photocopy / Incoming Fax Charges - A4 Colour - double sided | Per double sided copy | 2.00 | 2.00 |
| Murrindindi Library - Photocopy / Incoming Fax - A3 Black & White | Per copy | 0.60 | 0.60 |
| Murrindindi Library - Photocopy / Incoming Fax - A3 Black & White - double sided | Per double sided copy | 1.20 | 1.20 |
| Murrindindi Library - Photocopy / Incoming Fax - A3 Colour | Per copy | 2.00 | 2.00 |
| Murrindindi Library - Photocopy / Incoming Fax - A3 Colour - double sided | Per double sided copy | 4.00 | 4.00 |
| Murrindindi Library - Inter Library Loan Fees (Non Academic Library) | Per item | 3.00 | 3.00 |
| Murrindindi Library - Academic Library Loan Fees | ($10 + $16.50) Per item | ($3 + 16.50) Per item | ($3 + 16.50) Per item |
| Murrindindi Library Overdue Fees (adult) | | 0.00 | 0.00 |
| Murrindindi Library Overdue Fees (junior and teen) | Per day per item | 0.00 | 0.00 |

| Fees & Charges | | 2019/20 Budget | 2020/21 Budget |
|---|---|---|---|
| Murrindindi Library Reimbursement Lost Item | Per Item | book cost | book cost |
| Murrindindi Library Internet Printing - A4 Black & white | Per page | 0.30 | 0.30 |
| Murrindindi Library Internet Printing - A4 colour | Per page | 1.00 | 1.00 |
| Murrindindi Library Internet Printing - A3 Black & white | Per page | 0.60 | 0.60 |
| Murrindindi Library Internet Printing - A3 Colour | Per page | 2.00 | 2.00 |
| Replacement Membership Cards | per Card | 2.50 | 2.50 |
| | | | |
| | | | |
| **Saleyards** | | | |
| Yea Saleyard - Agent Fees | Per head | 0.50 | 0.50 |
| Yea Saleyard - Cow & Calf Fee | Per unit | 13.00 | 14.30 |
| Yea Saleyard - Weighed Cattle Fee | Per head | new fee structure | 12.55 |
| Yea Saleyard - Non-Weighed Cattle Fee | Per head | new fee structure | 9.25 |
| Yea Saleyard - Bulls (incl. $2 weigh fee) | Per head | 17.00 | 17.00 |
| Yea Saleyard - Scanning Fees | Per head | 2.55 | 2.55 |
| Yea Saleyard - No Tag Fee | Per head | 35.00 | 35.00 |
| Yea Saleyard - Non-reader Tag Fee | Per head | 11.00 | 11.00 |
| Yea Saleyard - Non-Sale Day Fee (Private) | Per head | 1.20 | 1.20 |
| Yea Saleyard - Non-Sale Day Fee (Agent) | Per annum | 400.00 | 400.00 |
| Yea Saleyard - Facility Hire Fee (Private) | Per Event | | By arrangement under delegation of CEO |
| Yea Saleyard - Hay Fees | Per Bale | Cost plus $1.00 | Cost plus $1.00 |
| Yea Saleyard - Non-Sale Day Weigh Fee | Per callout | Min $250 /or $5 per head | Min 3hr callout $330 Over 3 hrs $150 per hr |

**Attachment - Waste Fees and Charges 2020-21**

| Fees & Charges | | 2019-20 | 2020-21 |
|---|---|---|---|
| **WASTE** | | | |
| **KERBSIDE COLLECTION SERVICE** | | | |
| **Commercial collection charges** | | | |
| Commercial garbage bin hire | per item per year | 12.00 | 12.00 |
| Commercial garbage bin per lift | per item | 12.00 | 10.00 |
| Commercial recycle bin hire | per item per year | 12.00 | 12.00 |
| Commercial recycle bin per lift | per item | 7.00 | 7.00 |
| **Event bin charges** | | | |
| Event bin delivery | per item | 4.00 | 0.00 |
| Event bin top hire | per item | 0.00 | 0.00 |
| Garbage bin - supply and clear - 1st five bins (public event only) if recycling is included | per item | 0.00 | 0.00 |
| Recycle bin - clear and remove - 1st five bins (public event only) | per item | 0.00 | 0.00 |
| Garbage bin - supply and clear - bins in excess of 5 bins (all for private event) | per item | 17.00 | 18.00 |
| Recycle bin - clear and remove - bins in excess of 5 bins (all for private event) | per item | 17.00 | 18.00 |
| Special event - clearance only during event | per item | 14.00 | 15.00 |
| **WASTE DISPOSAL** | | | |
| **Waste direct to landfill (over weighbridge)** | | | |
| Compacted Commercial / Business (Industrial) Waste (Direct to Landfill) | per tonne | 193.00 | 196.00 |
| Construction/Demolition material (Industrial) (direct to landfill) | per tonne | 193.00 | 196.00 |
| Commercial/Business (Industrial) Waste - general | per tonne | 193.00 | 196.00 |
| Residential/Municipal General Waste (direct to landfill) | per tonne | 162.00 | 165.00 |
| Clean fill | per tonne | 55.00 | 56.00 |
| Asbestos cement sheet (direct to landfill) - wrapped - max 10m2 per day, no commercial disposal | per tonne | 193.00 | 196.00 |
| Minimum gate fee | per tonne | 58.00 | 59.00 |
| Public Weighbridge fee | per item | 21.00 | 21.00 |
| Account card replacement fee | | 32.00 | 32.00 |
| Weekend tipping fee | per load | | 150.00 |
| **Resource Recovery Centre Gate Fees** | | | |
| **Shire Residents and Ratepayers** | | | |
| Commercial/Business (Industrial) Waste | per cubic metre | 100.00 | 100.00 |
| Residential (Municipal) Waste – all kinds | per cubic metre | 40.00 | 40.00 |
| Car Tyre | each | 9.00 | 9.00 |
| Motor Cycle Tyre | each | 4.00 | 4.00 |
| 4wd / Light truck tyre | each | 12.00 | 12.00 |
| Truck Tyre | each | 20.00 | 20.00 |
| Super single truck tyre | each | 45.00 | 45.00 |
| Tractor Tyre < / > 1m diameter | each | 85.00 / 145.00 | 85.00 / 145.00 |
| Earthmover | each | 200.00 | 200.00 |
| Car / 4WD / Truck tyre on rim | each | add 6.00 | add 5 / 15 / 35 |

| Fees & Charges | | 2019-20 | 2020-21 |
|---|---|---|---|
| Greenwaste Cuttings (domestic) up to 3m3 per ratepayer per day | per cubic metre | 0.00 | 0.00 |
| Greenwaste Cuttings (domestic) beyond 3m3 per ratepayer per day | per cubic metre | | 15.00 |
| Greenwaste Cuttings (commercial) | per cubic metre | 14.00 | 15.00 |
| Natural timber >25cm diameter | per metre | 2.00 | 0.00 |
| Comingled Recyclables (Commercial) | per cubic metre | 12.00 | 15.00 |
| Comingled Recyclables (Residential) | per cubic metre | 0.00 | 0.00 |
| Waste Motor Oil | per litre | 0.10c + $1 per container | 0.10c + $1 per container |
| Domestic Gas Bottle - small | per bottle | 6.00 | 6.00 |
| Domestic Gas Bottle - medium | per bottle | 8.00 | 8.00 |
| Domestic Gas Bottle - large /acetylene | per bottle | 13.00 | 13.00 |
| Chemical containers "DrumMuster" (triple rinsed) | Per container | 0.00 | 0.00 |
| Chemical containers - non "DrumMuster" (triple rinsed) | Per container | 8.00 | 8.00 |
| Mattress - single | per item | 25.00 | 25.00 |
| Mattress -double | per item | 25.00 | 25.00 |
| Couch | per item | 25.00 | 30.00 |
| White Goods, except fridges | per item | 10.00 | 10.00 |
| Fridges | per item | 10.00 | 10.00 |
| Car Batteries | per item | 0.00 | 0.00 |
| Scrap Steel | per m3 | 0.00 | 0.00 |
| TV's, computers, peripherals | per item/screen | 0.00 | 0.00 |
| E-waste (other) <2kg | per item | 0.00 | 0.00 |
| E-waste (other) >2kg | per item | 2.00 | 2.00 |
| Fluorescent tube | per item | 0.00 | 1.00 |
| **Transfer Station & Tipping Fees** | | | |
| **Non - Shire Residents and Ratepayers** | | | |
| Commercial/Business (Industrial) Waste - | per cubic metre | | 250.00 |
| Residential (Municipal) Waste – all kinds - from outside the shire | per cubic metre | | 100.00 |
| Car Tyre | each | | 18.00 |
| Motor Cycle Tyre | each | | 8.00 |
| 4wd / Light truck tyre | each | | 24.00 |
| Truck Tyre | each | | 40.00 |
| Super single truck tyre | each | | 90.00 |
| Tractor Tyre < / > 1m diameter | each | | 150 / 300 |
| Earthmover | each | | 400.00 |
| Car / 4WD / Truck tyre on rim | each | | add 10 / 30 / 70 |
| Greenwaste Cuttings (domestic) up to 3m3 per ratepayer per day | per cubic metre | | 30.00 |
| Comingled Recyclables (Commercial) | per cubic metre | | 30.00 |
| Comingled Recyclables (Residential) | per cubic metre | | 15.00 |

| Fees & Charges | | 2019-20 | 2020-21 |
|---|---|---|---|
| Waste Motor Oil | per litre | | 0.10c + $1 per container |
| Domestic Gas Bottle - small | per bottle | | 6.00 |
| Domestic Gas Bottle - medium | per bottle | | 8.00 |
| Domestic Gas Bottle - large /acetylene | per bottle | | 13.00 |
| Chemical containers "DrumMuster" (triple rinsed) | Per container | | 0.00 |
| Chemical containers - non "DrumMuster" (triple rinsed) | Per container | | 8.00 |
| Mattress - single | per item | | 50.00 |
| Mattress -double | per item | | 50.00 |
| Couch | per item | | 60.00 |
| White Goods, except fridges | per item | | 0.00 |
| Fridges | per item | | 10.00 |
| Car Batteries | per item | | 0.00 |
| Scrap Steel | per m3 | | 0.00 |
| TV's, computers, peripherals | per item/screen | | 0.00 |
| E-waste (other) <2kg | per item | | 0.00 |
| E-waste (other) >2kg | per item | | 2.00 |
| Fluorescent tube | per item | | 2.00 |

# Strategic Resource Plan (2020/21 Review)

The Strategic Resource Plan (SRP) identifies the financial and non-financial resources required over the four-year period of the Council Plan 2017-21. The purpose of the strategic resource plan is to ensure adequate resources are available to maintain services at levels established by the Council and to implement the strategic objectives identified in the Council Plan.

The SRP is prepared in accordance with the requirements of the Local Government Act 1989 (the Act) and requires a minimum four-year financial estimate based on financial and economic data available at the time of its preparation. Council has elected to extend this plan to a ten-year horizon to facilitate better long term planning for community priorities and to better manage its longer term infrastructure renewal requirements.

The SRP will be reviewed annually as part of the Council Plan review and Budget process, to both confirm that the underlying assumptions remain valid and to ensure that its outcomes meet the strategic objectives identified in the new Council Plan 2017-21.

As well as establishing this financial framework, sound financial management as required by the Act is dependent on non-financial strategies such as risk management, organisational development and good governance. The SRP seeks to blend both financial and non-financial strategies in the pursuit of achieving Council's strategic objectives.

A number of assumptions are required to be made regarding forecasts for income, expenditure, capital works, borrowings, cash, assets, liabilities and human resources. These assumptions are sourced from historical audited performance of Council's financial position, external economic indicators, forecast changes in population and demographics, advice from officers responsible for service delivery and capital works planning and the strategic objectives proposed to be delivered by Council in the new Council Plan.

Key strategic assumptions and strategies that underpin the SRP are detailed further as follows:

**Rates Strategy**
Rates and charges are the most significant source of Council revenue, accounting for 62% of total operating revenue that Council is forecasting for 2020/21.

The State Government of Victoria requires that local government rates adhere to a rate cap, which is announced in December each year for the forthcoming financial year. For 2020/21 this has been determined at 2.0%. However due to the COVID-19 pandemic, Council is not intending to increase rates in 2020/21. Increases from 2021/22 and beyond are assumed at 2.00%, in line with longer term inflation for the life of the SRP.

Council adopted its Rating Strategy in March 2015 that defines differential rating categories as they apply to different classes of land. It was adopted to provide a fair and considered approach to the way rates are dealt with across different classes of land. It is reflected across the ten years of the SRP, with the exception of 2020/21 where the 25% premium differential rate paid by commercial and industrial property owners has been removed.

**Borrowing Strategy**
Council is forecasting no new borrowings. As a result, Council's total debt holdings will decrease to $300k by 30 June 2021, with costs associated with borrowings reducing by more than 32% in the 2020/21 financial year.

**Goods and Services Costs**
Goods and services costs are expected to increase by 2.0%, which is above the current Consumer Price Inflation (CPI) rate of 1.8%. This is due to Council procuring a wider range of goods and services than those reflected in the CPI levels, such as building materials, heavy machinery and professional services.

**Fees and charges**
Revenue from fees and charges is assumed to increase at 2.00% per annum, in line with CPI expectations and based on historical increases.

**Wages**
Council's Enterprise Agreement considers the impact of rate cap that is imposed on Council. The wage assumption in the SRP takes into account annual pay increases, as well as incremental movements in salary banded positions.

**Grants (capital and operating)**
Council receives both non-recurrent and recurrent government grants for funding capital works. Where the source of funds is certain, or reasonably assumed to continue over the life of the plan (e.g. Roads to Recovery), a funding allowance is made in the SRP. Where capital works are predicated on unconfirmed capital grants, such projects are not included at this stage, but remain available to be reconsidered each year as a part of the annual budget process.

**Asset Management**
Council maintains a strong focus on balancing its asset renewal gap over the life of the SRP. Renewal expenditure will not fully meet renewal requirements over the next ten years, which will see the asset renewal gap increase, though improved strategic asset management systems and planning, combined with enhanced strategic procurement will continue the gains made in this area in recent years.

**Interest**
Interest on investments is assumed at 1.5% per annum during the life of the plan.

**Depreciation**
All depreciation expenses are based on current accounting standards rates and current asset valuations.

**Staffing Levels**
Council's budget and SRP must incorporate all current funded positions, which is not an indication of Council's permanent establishment listing, as a number of positions remain funded via operating grants, are determined by service demand (e.g. Home Carers and Family Day Carers), or are fixed term positions to facilitate specific projects. Council's establishment listing is currently forecast to remain constant over the life of the SRP.

# Strategic Resource Plan (2020/21 Review)

**Standard Statements**

The standard income statement for the SRP shows what is expected to occur during the next ten years in terms of revenue, expenses and other adjustments. The Operating Result (Surplus or Deficit) shows the total difference between the financial position at the beginning and the end of each year.

## BUDGETED COMPREHENSIVE INCOME STATEMENT

| | Forecast Actual | **Budget** | SRP | SRP | SRP | SRP | SRP | SRP | SRP | SRP |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2019/20 | **2020/21** | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
| | $'000 | **$'000** | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Income** | | | | | | | | | | |
| Rates and charges | 21,489 | **21,501** | 22,081 | 22,673 | 23,276 | 23,892 | 24,520 | 25,160 | 25,813 | 26,479 |
| Statutory fees and fines | 1,104 | **1,182** | 1,206 | 1,230 | 1,255 | 1,280 | 1,306 | 1,332 | 1,359 | 1,386 |
| User fees | 1,902 | **1,492** | 1,522 | 1,552 | 1,583 | 1,615 | 1,647 | 1,680 | 1,714 | 1,748 |
| Contributions - cash | 124 | **54** | 54 | 54 | 54 | 54 | 54 | 54 | 54 | 54 |
| Contributions - non-monetary assets | 600 | **600** | 600 | 600 | 600 | 600 | 600 | 600 | 600 | 600 |
| Grants - Operating | 7,896 | **6,925** | 6,911 | 7,049 | 7,190 | 7,334 | 7,481 | 7,631 | 7,784 | 7,940 |
| Grants - Capital | 2,525 | **2,135** | 1,557 | 1,138 | 904 | 872 | 872 | 872 | 872 | 872 |
| Net gain on disposal of property, infrastructure, plant and equipment | (326) | **(600)** | (600) | (600) | (600) | (600) | (600) | (600) | (600) | (600) |
| Other income | 1,433 | **1,378** | 1,350 | 1,323 | 1,297 | 1,271 | 1,246 | 1,221 | 1,197 | 1,173 |
| Total income | **36,747** | **34,667** | **34,681** | **35,019** | **35,559** | **36,318** | **37,126** | **37,950** | **38,793** | **39,652** |
| **Expenses** | | | | | | | | | | |
| Employee costs | 15,076 | **14,180** | 14,464 | 14,753 | 15,048 | 15,349 | 15,656 | 15,969 | 16,288 | 16,614 |
| Materials and services | 12,436 | **11,186** | 10,910 | 11,128 | 11,201 | 11,425 | 11,654 | 11,887 | 12,125 | 12,368 |
| Depreciation and amortisation | 8,869 | **9,014** | 9,194 | 9,378 | 9,566 | 9,757 | 9,952 | 10,151 | 10,354 | 10,561 |
| Finance costs | 37 | **25** | 14 | 6 | 1 | 0 | 0 | 0 | 0 | 0 |
| Other expenses | 320 | **317** | 323 | 329 | 336 | 343 | 350 | 357 | 364 | 371 |
| **Total expenses** | **36,738** | **34,722** | **34,905** | **35,594** | **36,152** | **36,874** | **37,612** | **38,364** | **39,131** | **39,914** |
| **Surplus (deficit) for the year** | **9** | **(55)** | **(224)** | **(575)** | **(593)** | **(556)** | **(486)** | **(414)** | **(338)** | **(262)** |

# BUDGETED BALANCE SHEET

The standard balance sheet for the SRP shows a snap shot of the expected financial situation of Council at the end of each of the next ten years. It shows the total of what is owned by Council (i.e. assets) against what is owed (i.e. liabilities). The difference between these two figures is the net assets, or equity of Council.

| | Forecast Actual | **Budget** | SRP | SRP | SRP | SRP | SRP | SRP | SRP | SRP |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
| | $'000 | **$'000** | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Assets** | | | | | | | | | | |
| **Current assets** | | | | | | | | | | |
| Cash and cash equivalents | 34,094 | **31,332** | 29,391 | 29,685 | 30,193 | 32,950 | 31,987 | 32,559 | 34,618 | 35,373 |
| Trade and other receivables | 3,353 | **3,259** | 3,292 | 3,325 | 3,358 | 3,392 | 3,426 | 3,460 | 3,495 | 3,530 |
| Inventories | 30 | **30** | 30 | 30 | 30 | 30 | 30 | 30 | 30 | 30 |
| Other assets | 377 | **375** | 375 | 375 | 375 | 375 | 375 | 375 | 375 | 375 |
| **Total current assets** | **37,854** | **34,996** | **33,088** | **33,415** | **33,956** | **36,747** | **35,818** | **36,424** | **38,518** | **39,308** |
| **Non-current assets** | | | | | | | | | | |
| Trade and other receivables | 13 | **6** | 6 | 6 | 6 | 6 | 4 | 4 | 4 | 4 |
| Property, infrastructure, plant & equipment | 353,932 | **356,919** | 358,285 | 357,094 | 355,776 | 352,291 | 352,609 | 351,473 | 348,936 | 347,789 |
| Intangible assets | 2,255 | **1,688** | 1,629 | 1,572 | 1,517 | 1,464 | 1,413 | 1,364 | 1,316 | 1,270 |
| **Total non-current assets** | **356,200** | **358,613** | **359,920** | **358,672** | **357,299** | **353,761** | **354,026** | **352,841** | **350,256** | **349,063** |
| **Total assets** | **394,054** | **393,609** | **393,008** | **392,087** | **391,255** | **390,508** | **389,844** | **389,265** | **388,774** | **388,371** |
| **Liabilities** | | | | | | | | | | |
| **Current liabilities** | | | | | | | | | | |
| Trade and other payables | 3,021 | **2,948** | 2,977 | 3,007 | 3,037 | 3,067 | 3,098 | 3,129 | 3,160 | 3,192 |
| Trust funds and deposits | 1,088 | **1,026** | 1,026 | 1,026 | 1,026 | 1,026 | 1,026 | 1,026 | 1,026 | 1,026 |
| Provisions | 3,200 | **3,360** | 3,394 | 3,428 | 3,462 | 3,497 | 3,532 | 3,567 | 3,603 | 3,639 |
| Interest-bearing loans and borrowings | 178 | **141** | 126 | 33 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total current liabilities | **7,487** | **7,475** | **7,523** | **7,494** | **7,525** | **7,590** | **7,656** | **7,722** | **7,789** | **7,857** |
| **Non-current liabilities** | | | | | | | | | | |
| Provisions | 6,217 | **5,980** | 5,681 | 5,397 | 5,127 | 4,871 | 4,627 | 4,396 | 4,176 | 3,967 |
| Interest-bearing loans and borrowings | 300 | **159** | 33 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total non-current liabilities** | **6,517** | **6,139** | **5,714** | **5,397** | **5,127** | **4,871** | **4,627** | **4,396** | **4,176** | **3,967** |
| **Total liabilities** | **14,004** | **13,614** | **13,237** | **12,891** | **12,652** | **12,461** | **12,283** | **12,118** | **11,965** | **11,824** |
| **Net assets** | **380,050** | **379,995** | **379,771** | **379,196** | **378,603** | **378,047** | **377,561** | **377,147** | **376,809** | **376,547** |
| **Equity** | | | | | | | | | | |
| Accumulated surplus | 133,123 | **135,220** | 139,039 | 139,141 | 139,639 | 137,886 | 139,703 | 139,838 | 138,342 | 138,011 |
| Reserves | 246,927 | **244,775** | 240,732 | 240,055 | 238,964 | 240,161 | 237,858 | 237,309 | 238,467 | 238,536 |
| **Total equity** | **380,050** | **379,995** | **379,771** | **379,196** | **378,603** | **378,047** | **377,561** | **377,147** | **376,809** | **376,547** |

## BUDGETED STATEMENT OF CHANGES IN EQUITY

The budgeted statement for changes in equity for the SRP shows what is included across Council's various reserves throughout the life of the ten-year long term financial plan.

| | Forecast Actual | **Budget** | SRP | SRP | SRP | SRP | SRP | SRP | SRP | SRP |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
| | $'000 | **$'000** | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 |
| Accumulated Surplus | 133,123 | **135,220** | 139,039 | 139,141 | 139,639 | 137,886 | 139,703 | 139,838 | 138,342 | 138,011 |
| Waste Reserve | 10,130 | **8,380** | 4,128 | 3,369 | 2,136 | 3,191 | 746 | 55 | 1,571 | 1,498 |
| Yea Saleyards Reserve | 64 | **26** | 138 | 190 | 302 | 414 | 526 | 638 | 250 | 362 |
| Marysville Caravan Park Reserve | 175 | **239** | 239 | 239 | 239 | 239 | 239 | 239 | 239 | 239 |
| Yea Caravan Park Reserve | (108) | **(67)** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Public Open Space Reserve | 590 | **620** | 650 | 680 | 710 | 740 | 770 | 800 | 830 | 860 |
| Unfunded Superannuation Reserve | 1,200 | **1,200** | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 | 1,200 |
| Future Capital Works Reserves | 7,334 | **6,835** | 6,835 | 6,835 | 6,835 | 6,835 | 6,835 | 6,835 | 6,835 | 6,835 |
| Asset Revaluation Reserve | 227,542 | **227,542** | 227,542 | 227,542 | 227,542 | 227,542 | 227,542 | 227,542 | 227,542 | 227,542 |
| **Total Equity** | 380,050 | **379,995** | **379,771** | **379,196** | **378,603** | **378,047** | **377,561** | **377,147** | **376,809** | **376,547** |

## BUDGETED STATEMENT OF CASH FLOWS

The standard cash flow statement for the SRP shows what is expected to happen over the next ten years in terms of the cash held, received and paid by Council. It details the expectations of cash movements each year, and the ways in which it is anticipated that cash will be generated through operating activities, what is invested in capital works, what financial commitments need to be met, and ultimately what is left to fund future operating and capital requirements.

| | Forecast Actual | **Budget** | SRP | SRP | SRP | SRP | SRP | SRP | SRP | SRP |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
| | $'000 | **$'000** | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 |
| | Inflows | **Inflows** | Inflows | Inflows | Inflows | Inflows | Inflows | Inflows | Inflows | Inflows |
| | (Outflows) | **(Outflows)** | (Outflows) | (Outflows) | (Outflows) | (Outflows) | (Outflows) | (Outflows) | (Outflows) | (Outflows) |
| **Cash flows from operating activities** | | | | | | | | | | |
| Rates and charges | 21,440 | **21,605** | 21,750 | 22,333 | 23,127 | 23,892 | 24,520 | 25,160 | 25,813 | 26,479 |
| Statutory fees and fines | 1,100 | **1,154** | 1,156 | 1,158 | 1,160 | 1,162 | 1,164 | 1,166 | 1,168 | 1,170 |
| User fees | 2,581 | **1,669** | 1,672 | 1,675 | 1,678 | 1,681 | 1,684 | 1,687 | 1,690 | 1,693 |
| Grants - operating | 8,904 | **6,925** | 6,752 | 6,583 | 6,418 | 6,258 | 6,102 | 5,949 | 5,800 | 5,655 |
| Grants - capital | 2,526 | **2,135** | 1,557 | 1,138 | 904 | 872 | 872 | 872 | 872 | 872 |
| Contributions - cash | 124 | **54** | 54 | 54 | 54 | 54 | 54 | 54 | 54 | 54 |
| Interest | 795 | **700** | 686 | 672 | 659 | 646 | 633 | 620 | 608 | 596 |
| Other income | 772 | **746** | 761 | 776 | 792 | 808 | 824 | 840 | 857 | 874 |
| Net Trust funds and deposits | (127) | **(62)** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Net GST refund / payment | 1,015 | **933** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Employee costs | (15,145) | **(14,077)** | (14,319) | (14,605) | (14,898) | (15,196) | (15,499) | (15,809) | (16,125) | (16,448) |
| Materials and consumables | (12,406) | **(12,555)** | (10,801) | (11,019) | (11,089) | (11,311) | (11,537) | (11,768) | (12,004) | (12,244) |
| Other payments | (352) | **(349)** | (329) | (336) | (343) | (350) | (357) | (364) | (371) | (378) |
| Net cash provided by operating activities | **11,227** | **8,878** | **8,939** | **8,429** | **8,462** | **8,516** | **8,460** | **8,407** | **8,362** | **8,323** |
| **Cash flows from investing activities** | | | | | | | | | | |
| Payments for property, plant and equipment | (14,459) | **(11,682)** | (11,005) | (8,293) | (8,258) | (6,073) | (9,906) | (8,173) | (6,678) | (7,951) |
| Proceeds from sale of property, plant and equipment | 733 | **247** | 281 | 290 | 338 | 314 | 483 | 338 | 375 | 383 |
| Net cash used in investing activities | **(13,726)** | **(11,435)** | **(10,724)** | **(8,003)** | **(7,920)** | **(5,759)** | **(9,423)** | **(7,835)** | **(6,303)** | **(7,568)** |
| **Cash flows from financing activities** | | | | | | | | | | |
| Finance costs | (39) | **(27)** | (15) | (6) | (1) | 0 | 0 | 0 | 0 | 0 |
| Repayment of borrowings | (188) | **(178)** | (141) | (126) | (33) | 0 | 0 | 0 | 0 | 0 |
| Net cash provided by (used in) financing activities | **(227)** | **(205)** | **(156)** | **(132)** | **(34)** | **0** | **0** | **0** | **0** | **0** |
| **Net (decrease) increase in cash & cash equivalents** | (2,726) | **(2,762)** | (1,941) | 294 | 508 | 2,757 | (963) | 572 | 2,059 | 755 |
| Cash and cash equivalents at beginning of the financial year | **36,820** | **34,094** | **31,332** | **29,391** | **29,685** | **30,193** | **32,950** | **31,987** | **32,559** | **34,618** |
| **Cash and cash equivalents at end of the financial year** | **34,094** | **31,332** | **29,391** | **29,685** | **30,193** | **32,950** | **31,987** | **32,559** | **34,618** | **35,373** |

## BUDGETED STATEMENT OF CAPITAL WORKS

The budgeted capital works statement is provided to indicate the level of capital works that are anticipated to be funded over the next ten years, and in what asset categories the works are to occur in. The level of capital works expenditure is consistent with Council's long term strategic asset management plans and determined by the expected level of funding that will be available.

| | Forecast Actual | **Budget** | SRP | SRP | SRP | SRP | SRP | SRP | SRP | SRP |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 |
| | $'000 | **$'000** | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Property** | | | | | | | | | | |
| Land | 245 | **0** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Land improvements | 170 | **90** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total land** | 415 | **90** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Buildings | 1,418 | **870** | 364 | 339 | 269 | 447 | 229 | 300 | 668 | 450 |
| **Total buildings** | **1,418** | **870** | 364 | 339 | 269 | 447 | 229 | 300 | 668 | 450 |
| **Total property** | **1,833** | **960** | **364** | **339** | **269** | **447** | **229** | **300** | **668** | **450** |
| **Plant and equipment** | | | | | | | | | | |
| Plant, machinery and equipment | 2,232 | **1,021** | 924 | 938 | 1,267 | 1,144 | 1,576 | 1,315 | 1,526 | 1,845 |
| Computers and telecommunications | 367 | **116** | 385 | 90 | 126 | 171 | 133 | 104 | 115 | 103 |
| Library books | 102 | **100** | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| **Total plant and equipment** | **2,701** | **1,237** | **1,409** | **1,128** | **1,493** | **1,415** | **1,809** | **1,519** | **1,741** | **2,048** |
| **Infrastructure** | | | | | | | | | | |
| Roads | 6,313 | **4,664** | 2,482 | 3,188 | 2,814 | 2,144 | 2,190 | 2,421 | 1,939 | 2,393 |
| Bridges | 528 | **110** | 300 | 100 | 100 | 60 | 300 | 60 | 150 | 0 |
| Footpaths and cycleways | 355 | **659** | 555 | 495 | 404 | 1,117 | 929 | 1,205 | 1,440 | 435 |
| Drainage | 441 | **35** | 272 | 280 | 346 | 252 | 277 | 290 | 327 | 372 |
| Recreational, leisure and community facilities | 739 | **799** | 135 | 163 | 148 | 213 | 217 | 148 | 358 | 578 |
| Waste management | 1,166 | **3,218** | 5,488 | 2,600 | 2,684 | 425 | 3,955 | 2,230 | 55 | 1,675 |
| Off street car parks | 383 | **-** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| **Total infrastructure** | **9,925** | **9,485** | **9,232** | **6,826** | **6,496** | **4,211** | **7,868** | **6,354** | **4,269** | **5,453** |
| **Total capital works expenditure** | **14,459** | **11,682** | **11,005** | **8,293** | **8,258** | **6,073** | **9,906** | **8,173** | **6,678** | **7,951** |
| **Represented by:** | | | | | | | | | | |
| New asset expenditure | 1,267 | **4,309** | 1,675 | 0 | 1,600 | 0 | 0 | 1,600 | 0 | 1,675 |
| Asset renewal expenditure | 7,787 | **5,410** | 8,254 | 5,939 | 5,562 | 5,226 | 6,513 | 5,422 | 5,685 | 5,586 |
| Asset expansion expenditure | 798 | **359** | 192 | 285 | 199 | 282 | 298 | 217 | 331 | 230 |
| Asset upgrade expenditure | 4,607 | **1,604** | 884 | 2,069 | 897 | 565 | 3,095 | 934 | 662 | 460 |
| **Total capital works expenditure** | **14,459** | **11,682** | **11,005** | **8,293** | **8,258** | **6,073** | **9,906** | **8,173** | **6,678** | **7,951** |

## BUDGETED STATEMENT OF HUMAN RESOURCES

The budgeted human resources statement is provided to indicate the level of staffing that is required to deliver the services and capital works detailed by Council in its operating statement and capital works program. The EFT included for budgetary purposes is a financial measure, and includes all funded positions for the upcoming financial year, and is not an indication of Council's permanent establishment listing. The total forecast costs and staff numbers are further broken down by each division in the following statements.

| | Forecast Actual | Budget | Strategic Resource Plan Projections | | |
|---|---|---|---|---|---|
| | 2019/20 $'000 | 2020/21 $'000 | 2021/22 $'000 | 2022/23 $'000 | 2023/24 $'000 |
| **Staff expenditure** | | | | | |
| Employee costs - operating | 15,076 | **14,180** | 14,464 | 14,753 | 15,048 |
| Employee costs - capital | 122 | **422** | 431 | 441 | 451 |
| **Total staff expenditure** | 15,198 | **14,602** | 14,895 | 15,194 | 15,499 |
| | FTE | **FTE** | FTE | FTE | FTE |
| **Staff numbers** | | | | | |
| Employees | 152.7 | **144.4** | 145.0 | 145.0 | 145.0 |
| Total staff numbers | 152.7 | **144.4** | 145.0 | 145.0 | 145.0 |

A summary of human resources expenditure categorised according to the organisational structure of Council is included below:

| Department | Budget | Comprises | | | |
|---|---|---|---|---|---|
| | | Permanent | | Casual | Temporary |
| | 2020/21 | Full Time | Part time | | |
| | $'000 | $'000 | $'000 | $'000 | $'000 |
| Business development tourism and events | **388** | 240 | 148 | - | 160 |
| Business services | **1,482** | 635 | 847 | - | 29 |
| Community assets | **3,957** | 3,585 | 372 | - | 98 |
| Community wellbeing | **1,473** | 272 | 1,201 | 239 | 30 |
| Customer experience | **1,574** | 876 | 698 | 27 | - |
| Development services | **1,815** | 1,612 | 203 | - | 73 |
| Circular economy and environmental services | **865** | 484 | 381 | - | 115 |
| Executive team and support | **873** | 873 | - | - | - |
| Governance and risk | **982** | 786 | 196 | - | - |
| Total permanent staff expenditure | **13,409** | 9,363 | 4,046 | 266 | 505 |
| Casuals, temporary and other expenditure | **771** | | | | |
| Total employee costs - operating | **14,180** | | | | |
| Total employee costs - capital | **422** | | | | |
| **Total staff expenditure** | **14,602** | | | | |

A summary of the number of full time equivalent (FTE) positions in relation to the above expenditure is included below.

| Department | Budget 2020/21 FTE | Comprises Permanent Full Time FTE | Permanent Part time FTE | Casual | Temporary |
|---|---|---|---|---|---|
| Business development tourism and events | **3.70** | 2.00 | 1.70 | - | 2.00 |
| Business services | **14.28** | 5.00 | 9.28 | - | 0.40 |
| Community assets | **42.10** | 38.00 | 4.10 | - | 1.00 |
| Community wellbeing | **13.98** | 2.00 | 11.98 | 2.85 | 0.37 |
| Customer experience | **16.84** | 9.00 | 7.84 | 0.38 | - |
| Development services | **17.72** | 16.00 | 1.72 | - | 0.63 |
| Circular economy and environmental services | **9.23** | 5.00 | 4.23 | - | 1.00 |
| Executive team and support | **4.00** | 4.00 | 0.00 | - | - |
| Governance and risk | **8.93** | 7.00 | 1.93 | - | - |
| Total permanent staff expenditure | **130.77** | 88.00 | 42.77 | 3.23 | 5.40 |
| Casuals, temporary and other expenditure | **8.63** | | | | |
| Capitalised labour costs | **5.00** | | | | |
| **Total staff** | **144.40** | | | | |

Murrindindi
Shire Council

# Governance Rules 2020

## TABLE OF CONTENTS

PART 1 – INTRODUCTION ..... 3
PART 2 – MEETING PROCEDURE ..... 7
PART 3 – NOTICE OF MEETINGS & AVAILABILITY OF AGENDA ..... 11
PART 4 - QUORUM ..... 14
PART 5 – ELECTION OF THE MAYOR & DEPUTY MAYOR ..... 16
PART 6 – CONFLICTS OF INTEREST ..... 19
PART 7– BUSINESS OF MEETINGS ..... 22
PART 8 – COMMUNITY PARTICIPATION ..... 25
PART 9 – CONDUCT ..... 31
PART 10 – MOTIONS & DEBATE ..... 33
PART 11 – POINTS OF ORDER ..... 46
PART 12 – VOTING ..... 47
PART 13 – SUSPENSION OF STANDING ORDERS ..... 49
PART 14 – MINUTES ..... 50
PART 15 – COMMITTEES ..... 52
PART 16 – JOINT COUNCIL MEETINGS ..... 54
PART 17 – ELECTION PERIOD POLICY ..... 56

PROPOSED

# PART 1 – INTRODUCTION

1.1 Nature of Rules

These are the Governance Rules of Murrindindi Shire Council, made in accordance with section 60 of the *Local Government Act 2020*.

1.2 Contents

These Governance Rules are divided into the following Parts:

| Part | Name |
|---|---|
| Part 1 | Introduction |
| Part 2 | Meeting Procedure |
| Part 3 | Notice of Meetings and Availability of Agenda |
| Part 4 | Quorum |
| Part 5 | Election of the Mayor & Deputy Mayor |
| Part 6 | Conflicts of Interest |
| Part 7 | Business of Meetings |
| Part 8 | Community Participation |
| Part 9 | Conduct |
| Part 10 | Motions & Debate |
| Part 11 | Points of Order |
| Part 12 | Voting |
| Part 13 | Suspension of Standing Orders |
| Part 14 | Minutes |
| Part 15 | Committees |
| Part 16 | Joint Council Meetings |
| Part 17 | Election Period Policy |

1.3 Explanatory notes

Boxed notes and overviews within these rules are intended to be explanatory and included for guidance and do not form part of these Governance Rules. They may be updated to reflect changes to legislation or to assist interpretation and understanding.

1.4 Commencement and review

1.4.1 These Governance Rules come into operation upon Council's resolution to adopt.

1.4.2 These Governance Rules will be reviewed at least every 4 years.

1.5 Purpose

PROPOSED

1.5.1 Giving effect to section 60 of the Local Government Act 2020 the purpose of these Governance Rules is to guide:

(a) the conduct of Council meetings;
(b) the conduct of meetings of delegated committees;
(c) the form and availability of meeting records;
(d) the election of the Mayor and the Deputy Mayor;
(e) the appointment of an Acting Mayor;
(f) an election period policy in accordance with section 69;
(g) the procedures for the disclosure of a conflict of interest by a Councillor or a member of a delegated committee under section 130;
(h) the procedure for the disclosure of a conflict of interest by a Councillor under section 131;
(i) the disclosure of a conflict of interest by a member of Council staff when providing information in respect of a matter within the meaning of section 126(1);
(j) any other matters prescribed by the regulations.

1.5.2 These Governance Rules provide guidance for Council to:

(a) make decisions on any matter being considered by the Council fairly and on the merits; and
(b) institute decision making processes to ensure that any person whose rights will be directly affected by a decision of the Council is entitled to communicate their views and have their interests considered.

1.6 Definitions

In these Governance Rules the following words and phrases mean:

***absolute majority*** means the number of Councillors which is greater than half the total number of the Councillors of a Council.

***Act*** means the *Local Government Act 2020.*

***Advisory committee*** means a committee established by the *Council*, that provides advice to —

(a) the *Council*; or
(b) a member of *Council* staff who has been delegated a power, duty or function of the *Council*

that is not a *Delegated* Committee.

***Agenda*** means a document containing the date, time and place of a *Meeting* and a list of business to be transacted at the *Meeting.*

***Authorised Officer*** has the same meaning as in the 1989 *Act* or any other Act.

PROPOSED

***Chairperson*** means the Chairperson of a *Meeting* and includes an acting, temporary and substitute Chairperson.

***Chamber*** *means any room where the Council holds a Council Meeting.*

***Chief Executive Officer*** means the person appointed by a Council under section 44 to be its Chief Executive Officer or any person acting in that position.

***Rule or Sub-rule*** means a rule or sub-rule included in these Governance Rules.

***Committee Meeting*** means a meeting of a *Delegated Committee.*

***Council*** means Murrindindi Shire Council.

***Councillor*** means a Councillor of Murrindindi Shire Council.

***Code of Conduct*** means the Councillor Code of Conduct developed by a Council under section 139 of the *Act.*

***Community*** means municipal community as defined by the *Act* as including:

(a) people who live in the municipal district of the Council; and

(b) people and bodies who are ratepayers of the Council; and

(c) traditional owners of land in the municipal district of the Council; and

(d) people and bodies who conduct activities in the municipal district of the Council.

***Council Meeting*** means a meeting of the Council convened in accordance with these Governance Rules and includes a scheduled *Meeting* and *Unscheduled Meeting.*

***Delegate*** means a member of Council staff to whom powers, functions and duties have been delegated by an instrument of delegation.

***Delegated Committee*** means—

(a) a delegated committee established by a Council under section 63; or

(b) a joint delegated committee established by 2 or more Councils under section 64; or

(c) a committee, other than a Community Asset Committee, exercising any power of a Council under this Act or any other Act delegated to the committee under this Act or any other Act.

***Delegated Committee Meeting*** means a *Meeting* of a *Delegated Committee.*

***Deputy Mayor*** means the Deputy Mayor of *Council* and any person appointed by *Council* to act as Deputy Mayor as per Division 3 of the *Act.*

***Director*** means a senior member of Council staff holding the position of Director or another position (however designated) which reports directly to the *Chief Executive Officer.*

***Disorder*** means any disorderly conduct of a community member, member of Council staff or a *Councillor* present and includes:

(a) interjecting when another person is speaking, except, in the case of where a *Councillor* is raising a *Point of Order*

PROPOSED

(b) making comments that are defamatory, malicious, abusive or offensive

(c) refusing to leave the *Meeting* when requested, ordered or directed to do so by the *Chairperson* in accordance with the *Act* and the Governance Rules

(d) engaging in any other conduct which prevents the orderly conduct of the *Meeting*.

***Foreshadowed Item*** means a matter raised in the relevant section of the *Council Meeting* that a *Councillor* intends to submit a *Notice of Motion* for the next *Council Meeting*.

***Mayor*** means the Mayor of *Council* and any person appointed by *Council* to be acting as Mayor as per Division 3 of the *Ac*t.

***Meeting*** means a *Council Meeting* or a Delegated *Committee Meeting.*

***Member*** means a member of any committee to which these governance rules apply.

***Minister*** means the Minister for Local Government.

***Minutes*** means the official record of the proceedings and decisions of a *Meeting*.

***Motion*** means a proposal framed in a way that will result in the opinion of *Council* being expressed, and a *Council* decision being made, if the proposal is adopted.

***Notice of Motion*** means a notice setting out the text of a *Motion* which a *Councillor* proposes to move at a *Council Meeting*.

***Notice of Rescission*** means a *Notice of Motion* to rescind a resolution made by *Council*.

***On Notice*** means held or deferred to enable preparation of a response.

***Point of Order*** means a procedural point (about how the *Meeting* is being conducted), not involving the substance of a matter before a *Meeting*.

***Procedural Motion*** means a *Motion* that relates to a procedural matter only and which is not designed to produce any substantive decision but used merely as a formal procedural measure.

***Quorum*** means an absolute majority of Councillors .

***Urgent Business*** means a matter that relates to or arises out of a matter which has arisen since distribution of the a*genda* and cannot safely or conveniently be deferred until the next m*eeting.*

***Unscheduled Meeting*** means a meeting of the Council convened for a particular purpose that cannot be effectively dealt with in the schedule of Ordinary Council meetings set by Council.

The following definitions provided by the *Act* are applied to these Governance Rules:

***Audit and Risk Committee*** means the Audit and Risk Committee established by a Council under section 53.

PROPOSED

# PART 2 – MEETING PROCEDURE

**Purpose of Council meetings**

2.1 Council holds scheduled Meetings and, when required, unscheduled Meetings to conduct the business of Council.

2.2 Council is committed to transparency in decision making and, in accordance with the *Local Government Act 2020*, Council and Delegated Committee Meetings are open to the community to attend.

2.3 Meetings will only be closed to members of the public if:

2.3.1 there are clear reasons for particular matters to remain confidential; or

2.3.2 a meeting is required to be closed for security reasons; or

2.3.3 it is necessary to enable the meeting to proceed in an ordinary manner.

*If a meeting is closed to the public for the reasons outlined in sub-rule 2.3.2 or 2.3.3, the meeting will continue to be livestreamed. In the event a livestream is not available the meeting may be adjourned, or a recording of the proceedings may be available on Council's website.*

**Meeting Roles**

*Overview:*

*The way in which Council and Committee Meetings are conducted makes a significant contribution to good governance. The Chairperson plays a crucial role in facilitating an orderly, respectful, transparent and constructive meeting by ensuring all Councillors and members of Delegated Committees and advisory committees have the opportunity to be heard, matters are adequately discussed, meeting procedures are followed appropriately, and statutory requirements are adhered to.*

*The Act provides for the Mayor to appoint a Councillor as the Chair of a Delegated Committee and any such appointment prevails over any appointment made by Council. While there are no limitations on exercising that power, the Mayor must always act in a way that is consistent with the adopted Councillor Code of Conduct and transparency commitments of the Council.*

*Additionally, each member of the meeting has an obligation to participate in good decision-making.*

*Specific duties and discretions of the Chairperson are outlined throughout* these Governance Rules.

2.4 Chairperson and Members

PROPOSED

2.4.1 The Chairperson, Councillors and members of Delegated Committees will ensure good council decision-making by endeavouring to ensure:

(a) decision making is transparent to members and observers

(b) meeting members have sufficient information to make good decisions

(c) every member is supported to contribute to decisions

(d) any person whose rights are affected has their interests considered

(e) debate and discussion is focussed on the issues at hand

(f) meetings are conducted in an orderly manner

(g) decisions should be made on the merits of the matter.

2.5 Mayor to take the Chair

2.5.1 The Mayor must take the Chair at all Council Meetings at which the Mayor is present.

2.5.2 If the Mayor is not in attendance at a Council Meeting, the Deputy Mayor (if one has been elected) must take the Chair.

2.5.3 If the Mayor and any Deputy Mayor are not in attendance at a Council Meeting, Council must appoint one of the Councillors as Chair of the meeting by resolution.

2.6 Delegated Committee Chairperson

2.6.1 At the Meeting at which Council establishes a delegated committee it must also appoint a Chairperson.

2.6.2 The Chair of a delegated committee must be a councillor.

2.6.3 For the avoidance of doubt, sub-rule (2.6.1) does not intend to limit the powers of the Mayor provided in the Act.

2.7 The Chairperson's Duties and Discretions

In addition to the specific duties and discretions provided in these Governance Rules, the Chairperson:

2.7.1 must not accept any Motion, question or statement which is:

(a) vague or ambiguous

(b) defamatory, malicious, abusive or objectionable in language or substance, or

(c) outside the powers of Council

2.7.2 must allow the Chief Executive Officer the opportunity to correct factual errors or incorrect assertions that arise during the meeting

2.7.3 must call a person to order if their behaviour is disruptive and interferes with the conduct of the business of Council

2.7.4 may direct that a vote be recounted to be satisfied of the result, and

2.7.5 must decide on all points of order.

PROPOSED

2.8 Chief Executive Officer

2.8.1 The Chief Executive Officer, or delegate, may participate in the meeting to provide support to the Chairperson.

2.8.2 The Chief Executive Officer should:

(a) immediately advise, to the best of their knowledge, if a proposed resolution or action is contrary to the law

(b) advise if there are operational, financial or risk implications arising from a proposed resolution

(c) help clarify the intent of any unclear resolution to facilitate implementation

(d) on request, assist with procedural issues that may arise.

2.9 Councillors and members of Delegated Committees

2.9.1 Councillors and members of Delegated Committees contribute to good governance and decision making by:

(a) seeking views of community members and reading the agenda prior to the meeting

(b) demonstrating due respect and consideration to community views and the professional / expert advice provided in the agenda papers

(c) attending meetings and participating in debate and discussion

(d) demonstrating respect for the role of the Chairperson and the rights of other Councillors or members of Delegated Committees to contribute to the decision-making

(e) being courteous and orderly.

2.10 Community

2.10.1 Council meetings are decision making forums and it is important that they are open to the community to attend and/or view proceedings.

2.10.2 community members may only participate in Council meetings in accordance with rules Part 8

2.10.3 community members are encouraged to participate in Council's engagement forums

2.10.4 community members may seek to inform individual Councillors of their views by contacting them directly in advance of Meetings.

2.11 Apologies and absences

2.11.1 Councillors and members of Delegated Committees who are unable to attend a meeting may submit an apology:

(a) in writing to the Chairperson, who will advise the meeting, or

PROPOSED

(b) by seeking another Councillor or member of the Delegated Committee to submit the apology at the meeting on their behalf.

2.11.2 An apology submitted to a meeting will be recorded in the minutes of the meeting.

2.11.3 A Councillor intending to take a leave of absence should submit it in writing to the Mayor.

2.11.4 The Mayor will seek to have any leave of absence request included in the agenda of the next Council meeting.

2.11.5 A leave of absence not included in a Council meeting agenda may still be considered by Council if a written request has been received by the Mayor prior to the meeting.

2.11.6 Council will not unreasonably withhold its approval of a leave of absence request.

2.11.7 A Councillor who has not submitted an apology or had a leave of absence approved and who is not in attendance at a Council or Delegated Committee meeting will be recorded as absent.

PROPOSED

# PART 3 – NOTICE OF MEETINGS & AVAILABILITY OF AGENDA

*Overview:*
*Council Meetings are held regularly to conduct the ongoing business of the Council and unscheduled Meetings may be held from time to time.*

*It is important that the community is made aware of the times, dates and locations of Council and Delegated Committee meetings and the matters Council will consider. The timing of this notice should give the community adequate time to make arrangements to attend the meeting or view via the livestream.*

*An agenda for each Council Meeting must be provided to Councillors in advance so that they can prepare adequately for the Council Meeting. The Agenda contains the order of business and the professional advice of the organisation, with a recommendation for Council to consider.*

*The agenda is made available to the community via Council's website and at Customer Service Centres.*

3.1 Date, time and place of Council Meetings

3.1.1 At or before the last Meeting each calendar year, Council must fix the date, time and place of all Council Meetings and any Delegated Committee Meetings for the following calendar year.

3.1.2 Council by resolution, or the Chief Executive Officer, may change the date, time and place of, or cancel, any Meeting which has been fixed and must provide notice of the change to the public**.**

3.2 Postponement

3.2.1 In the case of an emergency, the Chief Executive Officer or Delegate or, in the absence of both, a Senior Officer, may postpone a Council Meeting,

PROPOSED

provided every reasonable attempt is made to notify every Councillor of the postponement.

3.2.2 The Chief Executive Officer, Delegate or Senior Officer must submit a full written report of the circumstances requiring his or her action in respect of the emergency postponement at the next Ordinary Meeting.

3.3 Unscheduled Meetings

3.3.1 Council may by resolution call an Unscheduled Meeting of the Council.

3.3.2 The Mayor, or a quorum of Councillors may by written notice call an unscheduled Meeting of the Council.

3.3.3 The CEO, following consultation with the Mayor, may call an unscheduled meeting of the Council.

3.3.4 A written notice to call an unscheduled Meeting must:

(a) specify the business to be transacted

(b) be delivered to the Chief Executive Officer or Delegate in sufficient time to enable notice to be given.

3.3.5 The Chief Executive Officer must determine the time and date for the meeting, giving consideration to:

(a) the urgency of the business to be transacted

(b) the availability of Councillors

(c) a reasonable time and notice period for persons whose rights or interests may be impacted by the business to be transacted

3.3.6 The Chief Executive Officer must arrange for notice of the meeting on Council's website.

3.3.7 Any resolution of Council to call an unscheduled Meeting must specify the date and time of the unscheduled Meeting and the business to be transacted. The date and time of the unscheduled Meeting must not be prior to 6pm on the day following the Council Meeting at which the resolution was made.

3.3.8 The Chief Executive Officer must call an unscheduled Meeting to elect a Mayor following a Council election declaration, in accordance with the *Act*.

3.3.9 The unscheduled Meeting for the election of a Mayor following an election may also consider the role of Deputy Mayor and any other matters as determined by the Chief Executive Officer.

3.3.10 Only the business specified in the Council resolution, or written notice, may be considered at an unscheduled Meeting, unless Council determine to admit another matter by unanimous resolution.

PROPOSED

3.4 Notice of Meetings

3.4.1 Council Meetings

(a) A notice of a Meeting, that is not an unscheduled Meeting, incorporating or accompanied by an Agenda of the business to be dealt with, must be sent to every Councillor for all Council Meetings, at least 3 business days before the Meeting. A period of less than 3 business days may be justified if exceptional circumstances exist.

(b) An *Agenda* for each *Council Meeting,* that is not an unscheduled Meeting, will be made available on *Council's* website no less than 48 hours before the *Council Meeting*.

(c) A schedule of *Council Meetings* must be prepared and published that ensures it is available to a broad section of the community, including on *Council's* website at least once each year and with such greater frequency as the *Chief Executive Officer* determines. The schedule of Council meetings must also be available from Council's Customer Service Centres.

3.4.2 Unscheduled meetings

(a) Notice of an Unscheduled Meeting must be published on Council's website as soon as practicable after the time and date of the meeting has been determined.

(b) An Agenda for an Unscheduled Meeting must be made available electronically to every Councillor at least 48 hours before the meeting. A period of less than 48 hours may be justified if exceptional circumstances exist.

(c) An Agenda for an Unscheduled Meeting will be made available on Council's website no less than 24 hours before the Meeting.

PROPOSED

# PART 4 - QUORUM

Overview:

*No business can be transacted at a Council Meeting or a Delegated Committee Meeting unless a majority of the Councillors or members of the Delegated Committee (as the case may be) is present (quorum). If there is no quorum at the commencement of a Meeting or if a quorum cannot be maintained during a Meeting, the Meeting is to be adjourned to another date and/or time.*

4.1 A quorum is an absolute majority as defined in the Local Government Act s61(7)

4.2 Meetings must commence within 30 minutes of the scheduled starting time.

4.3 If, after 30 minutes from the scheduled starting time or during any Meeting or adjournment, a quorum cannot be obtained or maintained, the Chairperson, or if the Chairperson is not present, those Councillors present or, if there are no Councillors present, the Chief Executive Officer or, in the absence of the Chief Executive Officer, a Senior Officer, may adjourn the Meeting for a period not exceeding seven days from the date of the adjournment.

4.4 The Chairperson may defer an item of business in respect of which there is, or is likely to be, a disclosure of a conflict of interest by one or more Councillors that will cause a quorum to be lost, and direct the Chief Executive Officer to include that item of business on an Agenda for a future Council Meeting.

4.5 If a quorum cannot be achieved or maintained due to the declaration of conflicts of interests by the majority of Councillors, Council will:

4.5.1.1 Determine the matter will be considered in separate parts, if a quorum can be maintained for each separate part; or

4.5.1.2 Determine to make decisions on separate parts or the whole matter at a future Meeting where a quorum can be maintained.

4.6 If a quorum cannot be achieved or maintained due to the declaration of conflicts of interests by the majority of Councillors, and the matter cannot be separated into component parts or prior decisions made, Council will delegate the decision to be made:

4.6.1 by the Chief Executive Officer (with his or her agreement) or

4.6.2 by a Delegated Committee, established for the purpose of determining the matter, comprising all the Councillors who have not disclosed a conflict of interest and any other person(s) the Council considers suitable.

4.7 A decision made under delegation due to Council not being able to achieve or maintain a quorum will be reported to the next Council Meeting.

PROPOSED

4.8 The Chief Executive Officer must provide written notice, including by electronic means, to each Councillor of any Council Meeting adjourned to another date or time due to an inability to achieve or maintain a quorum.

4.9 Where it is not practicable because time does not permit notice in accordance with sub-rule 4.9 to occur, then, provided every reasonable attempt is made to contact each Councillor either verbally, or by some other means, it will be sufficient.

4.10 Notice of an adjournment to another date or time must be published on Council's website as soon as practical.

*For example, if Council is proposing to include items in the budget that would give rise to conflicts of interest to more than half of the number of Councillors, Council may consider whether to include these items in the budget as individual decisions prior to adopting the budget as a whole.*

*Quorum Calculation*

| *Number of Councillors/Committee Members* | *Number required for Quorum* |
|---|---|
| *11* | *6* |
| *10* | *6* |
| *9* | *5* |
| *8* | *5* |
| *7* | *4* |

PROPOSED

# PART 5 – ELECTION OF THE MAYOR & DEPUTY MAYOR

Overview:

*The role and functions of the Mayor are provided in the Act. The holder of this significant office is the Chairperson at Council Meetings, acts as the principal spokesperson for Council and carries out civic and ceremonial duties.*

*This section describes how the Mayor, a Deputy Mayor and Acting Mayor are to be elected.*

5.1 The Chief Executive Officer must determine the most appropriate time and date for the election of the *Mayor*, except that the election of the *Mayor* must be held in accordance with any provisions contained in the *Act.*

*The Act has specific provisions governing the election of the Mayor and the term of office for the Mayor:*

***Section 25 - Election of Mayor***

*25 Election of Mayor*

*(1) At a Council meeting that is open to the public, the Councillors must elect a Councillor to be theMayor of the Council.*

*(2) Subject to section 167, any Councillor is eligible for election or re-election to the office of Mayor.*

*(3) The election of the Mayor must—*

*(a) be chaired by the Chief Executive Officer;*

*and*

*(b) subject to this section, be conducted in accordance with the Governance Rules.*

*(4) Subject to subsections (5) and (6), the Mayor must be elected by an absolute majority of the Councillors.*

*(5) If an absolute majority of the Councillors cannot be obtained at the meeting, the Council may resolve to conduct a new election at a later specified time and date.*

*(6) If only one Councillor is a candidate for Mayor, the meeting must declare that Councillor to be duly elected as Mayor.*

*(7) In this section, absolute majority means the number of Councillors which is greater than half the total number of the Councillors of a Council.*

***Section 26 – When is a Mayor to be elected***

*(1) A Mayor is to be elected no later than one month after the date of a general election.*

*…*

PROPOSED

*(3) Before the election of the Mayor, a Council, other than the Greater Geelong City Council, must determine by resolution whether the Mayor is to be elected for a 1 year or a 2 year term.*
*(4) If the Mayor is elected for a 1 year term, the next election of the Mayor must be held on a day to be determined by the Council that is as close to the end of the 1 year term as is reasonably practicable.*
*(5) If the Mayor is to be elected for a 2 year term, the next election of the Mayor must be held on a day to be determined by the Council that is as close to the end of the 2 year term as is reasonably practicable.*
*(6) A Mayor is to be elected within one month after any vacancy in the office of Mayor occurs.*
*(7) The election of a Mayor after the period specified in this section does not invalidate the election.*
*(8) A Councillor elected to fill a vacancy in the office of Mayor caused other than by the expiration of a one year or a 2 year term serves the remaining period of the previous Mayor's term*

5.2 Role and Election of Deputy Mayor

5.2.1 At the Council Meeting at which the Mayor is to be elected, the Council may resolve to establish the position of Deputy Mayor and elect a Councillor to the position of Deputy Mayor.

5.2.2 If the Mayor is not in attendance at a Council Meeting the Deputy Mayor must take the Chair.

5.2.3 The term of a Deputy Mayor is identical to the term of the Mayor as resolved by Council.

5.2.4 If the *Council* has not resolved to establish the position of *Deputy Mayor*, any provisions in this these Governance Rules relating to the *Deputy Mayor* have no effect.

5.3 Chief Executive Officer will preside during the election of the Mayor

5.3.1 The Chief Executive Officer must invite nominations for the office of Mayor and confirm acceptance of the nomination with the nominee

5.3.2 Any nomination for the office of the Mayor must be seconded.

5.4 Method of Voting

5.4.1 The election of the Mayor must be carried out by a show of hands or an electronic method that enables those observing (in attendance and those watching a livestream broadcast) to view the votes of all Councillors at the time the vote is taken.

PROPOSED

5.5 Determining the Election of Mayor / Deputy Mayor

5.5.1 Where in an election for the Mayor:

(a) only one candidate has been nominated, that candidate must be declared elected

(b) two candidates have been nominated, a vote must be taken and the candidate who receives an absolute majority of votes must be declared elected

(c) two candidates have been nominated and no candidate receives an absolute majority of votes , a second vote will be conducted.

(d) where, after a second vote, where two candidates have been nominated and no candidate receives the absolute majority of votes the Chief Executive Officer will seek the Council to resolve to conduct a new election at a later specified time and date

(e) more than two candidates have been nominated and no candidate receives the absolute majority of votes :

I. the candidate with the fewest number of votes cast must be eliminated;

II. the names of the remaining candidates must be put to the vote again, and

III. the procedure in I and II above must be continued until there remain only two candidates, at which point the candidate to be declared elected is to be determined by the procedures outlined in sub-clause (b) of this Clause.

IV. in the event of two or more candidates having an equality of votes and one of them having to be declared a defeated candidate, the Chief Executive Officer will conduct a vote for one candidate to be defeated.

(f) If Council resolves to have the office of *Deputy Mayor*, the provisions of sub- rules 5.4.3 apply to the election of the *Deputy Mayor* with all necessary modifications and adaptations.

5.6 Statement by the Mayor and Deputy Mayor

5.6.1 Upon completion of the election process, the Chief Executive Officer shall invite the incoming Mayor and Deputy Mayor to address the Council and community.

PROPOSED

# PART 6 – CONFLICTS OF INTEREST

*Overview***:**

*The Act defines general and material conflicts of interest and provides exemptions for remoteness and interests in common with a substantial proportion of ratepayers along with other specific circumstances.*

*The Act also provides that Council must include in its Governance Rules procedures for disclosures of Conflicts of interest, including at meetings conducted under the auspices of Council that are not Council meetings. Meetings conducted under the auspices of Council include those meetings arranged or hosted by Council.*

*These Rules provide the procedures for disclosures of conflicts of interest.*

*Further guidance is available from the Managing Conflicts of Interest guideline.*

6.1 Obligations with regard to conflict of interest:

6.1.1 Councillors, members of Delegated Committees and Council staff are required to:

(a) avoid - all situations which may give rise to conflicts of interest

(b) identify - any conflicts of interest, and

(c) disclose – or declare all conflicts of interest.

6.2 Councillors and Members of Delegated Committees

6.2.1 May not participate in discussion or decision-making on a matter in which they have a conflict of interest.

6.2.2 When disclosing a conflict of interest, Councillors must clearly state their connection to the matter.

6.2.3 All disclosures of conflicts of interest will be recorded in the minutes of a Council or Delegated Committee Meeting.

6.2.4 Council will maintain a Conflict of Interest Register which will be made available on Council's website.

6.3 Procedure at a Council or Delegated Committee Meeting

6.3.1 At the time indicated in the Agenda, a Councillor with a conflict of interest in an item on that agenda must indicate they have a conflict of interest by clearly stating:

(a) the item for which they have a conflict of interest; and

(b) whether their conflict of interest is general or material; and

(c) the circumstances that give rise to the conflict of interest.

PROPOSED

6.3.2 Immediately prior to the consideration of the item in which they have a conflict of interest, a Councillor or Member of a Delegated Committee must indicate to the meeting the existence of the conflict of interest and leave the meeting.

6.3.3 A Councillor who is not present at the designated time in the agenda for disclosures of conflicts of interest, must disclose their conflict of interest in the manner that is required for the declarations of conflicts of interest at sub-rule 6.3.1 immediately prior to consideration of the item in which he or she has a conflict of interest and leave the meeting as per sub-rule 6.3.2.

6.3.4 A Councillor or Member of a Delegated Committee who discloses a conflict of interest and leaves a Council meeting must not communicate with any participants in the meeting while the decision is being made.

6.3.5 Immediately after the decision is made, the Councillor or Member of a Delegated Committee who discloses a conflict of interest will return to the meeting.

6.4 Procedure at other meetings organised, hosted or supported by Council

6.4.1 A Councillor who has a conflict of interest must not participate in discussion of matters that will come before Council for a decision, or if a decision will be made by a member of staff acting under delegation.

6.4.2 At the time indicated on the Agenda, a Councillor with a conflict of interest will indicate the existence of the conflict of interest and the matter in which the conflict of interest arises.

6.4.3 If there is no Agenda, a Councillor with a conflict of interest will indicate the existence of the conflict of interest as soon the matter arises.

6.4.4 At the time for discussion of that item, the Councillor will leave the discussion and not communicate with any members of the meeting for the duration of the discussion.

6.4.5 The existence of a conflict of interest will be recorded in the minutes of the meeting.

6.4.6 If there are no minutes kept of the meeting, the conflict of interest will be recorded in a meeting record and provided to the Governance team for recording in the register of Conflicts of Interest.

6.4.7 The meeting minutes or record will also record the duration of the discussion and whether the Councillor left the meeting.

6.4.8 Where a conflict of interest is declared the meeting records and reports will be presented to Council for noting and inclusion on the public record.

PROPOSED

6.5 Council staff

6.5.1 Must act in accordance with the Employee Code of Conduct.

6.5.2 Must not exercise a delegation or make a decision on any matter where they have a conflict of interest.

6.5.3 May be permitted to provide advice to a decision maker if a conflict of interest exists, subject to the procedure and disclosure provisions at Rule 6.6 and the Employee Code of Conduct.

6.6 Procedure for disclosures of conflicts of interest by Council Staff

6.6.1 Council staff must disclose the existence of all conflicts of interest in writing and in the form determined by the Chief Executive Officer.

6.6.2 All conflicts of interest disclosed by Council staff will be provided to the Governance team for recording in the register of Conflicts of Interest.

6.6.3 A Council staff member who has disclosed a conflict of interest may provide advice to Council or another staff member acting under delegation if:

(a) The number and qualifications of other people providing advice regarding the same matter is equal or greater; or

(b) The staff member who has disclosed the conflict of interest is the only staff member with expertise in the area; and

(c) The staff member's Director determines that the conflict of interest has not influenced the advice provided; and

(d) The existence of the conflict of interest is documented in all advice provided by that staff member, and in the case of verbal advice, is documented by the decision maker.

PROPOSED

# PART 7– BUSINESS OF MEETINGS

Overview:

*The business to be transacted at a Council Meeting is contained in the agenda provided to Councillors and available to the public on Council's website. The Chief Executive Officer oversees preparation of the agenda and determines the content and order of business to facilitate open, efficient and effective processes of government. The role of the Mayor includes providing advice to the Chief Executive Officer when the Chief Executive Officer is setting the agenda for Council meetings.-Council can admit an item of urgent business if it has arisen after distribution of the agenda and cannot be reasonably deferred to the next meeting.*

*This section also provides time limits for meetings. A Council Meeting must not continue after 3 hours unless a majority of Councillors agree, when up to 2 extensions of 30 minutes can be made.*

7.1 Business at Meetings

7.1.1 The Chief Executive Officer may include any matter on the Agenda for a Council Meeting which he or she thinks should be considered at the Meeting to which the Agenda relates.

7.1.2 No business can be dealt with at a Meeting unless it is:

(a) Contained on the Agenda; or

(b) Admitted as Urgent Business in accordance with Clause 32.

7.2 Order of business for Council Meetings

7.2.1 The order of business could follow the example set out below:

(a) Pledge and Reconciliation Statement

(b) Apologies and Requests for Leave of Absence

(c) Disclosures of Conflicts of Interest

(d) Confirmation of Minutes

(e) Petitions

(f) Community Participation

(g) Council reports

(h) Notices of motion

(i) Matters Deferred from Previous Meeting

(j) Urgent business

(k) Councillor Reports

(l) Chief Executive Officer Report

PROPOSED

(m) Sealing Register

(n) Confidential Business.

7.3 Change to order of business

7.3.1 Once an Agenda has been sent to Councillors, the order of business for that Meeting may only be altered by a resolution of Council.

7.4 Urgent Business

7.4.1 If the Agenda for a Meeting makes provision for urgent business, business cannot be admitted as urgent business other than by resolution of Council and only then if:

(a) it relates to or arises out of a matter which has arisen since distribution of the Agenda; and

(b) deferring the item until the next Meeting will mean a decision on the item will not have any effect on the matter; or

(c) the item involves a matter of urgency as determined by the Chief Executive Officer; and

(d) it cannot be addressed through an operational service request process.

(e) Provided the matter does not:

I. substantially affect the levels of Council service

II. commit Council to significant expenditure not included in the adopted budget

III. establish or amend Council Policy

7.4.2 A Councillor proposing a matter be admitted as urgent business must lodge it in writing to the Chief Executive Officer no later than 3 pm on the day of the Meeting.

7.4.3 The Chief Executive Officer will advise the Mayor of any matter he or she determines appropriate for Council to consider admitting as urgent business.

7.5 Time Limits for Meetings

7.5.1 A Meeting must not continue after three hours from the time it commences unless a majority of Councillors/members present vote in favour of its extension in accordance with this Clause.

7.5.2 Extensions of a Meeting will be in block periods of 30 minutes.

7.5.3 After the initial 30-minute extension the Meeting must not continue unless a majority of Councillors present vote in favour of a further extension.

7.5.4 A Meeting may only be continued for a maximum of two 30-minute extensions.

7.5.5 In the absence of such extensions as provided for in sub-rules 7.5.1 through 7.5.3 or in the event there is further business to be transacted at the

PROPOSED

completion of two extensions, the Meeting must stand adjourned to within 24 hours of the Meeting's original commencement time.

7.5.6 Notwithstanding sub-rule 7.5.5 the Chairperson may seek the resolution of Council not to adjourn the Meeting to the following day, if the Chairperson reasonably believes the remaining business will take less than 10 minutes to transact.

7.6 Chairperson may temporarily adjourn a Meeting exceeding two hours

7.7 The Chairperson may adjourn a Meeting for a 10 minute break, at an appropriate point in proceedings after two hours has elapsed.

7.8 Notwithstanding sub-rule (1), the Chairperson may seek a resolution of Council not to adjourn the Meeting if the Chairperson reasonably believes the remaining business of the Meeting will take less than 30 minutes to transact.

PROPOSED

# PART 8 – COMMUNITY PARTICIPATION

*Overview:*

*As outlined in the purpose of these Governance Rules, Council Meetings are held for Council to make its decisions. In addition provisions are made for Council to respond to questions from the community and for submissions to made to Council.*

*At each meeting there is an opportunity for members of the public to ask questions of the Council. Assistance will be available for any community member seeking or requiring support to write their question(s).*

*Petitioning is a long-established process for members of the community to demonstrate community support for a request or views on a matter, and for that request or view to be presented directly to Council.*

*This Section sets out the procedures to be followed to submit a question or petition, the circumstances under which a question or petition may be disallowed and the process for addressing and responding to the question or petition at or after the meeting.*

*There will be no discussion or debate with the attendees to Open Forum however Councillors may ask questions of clarification of the attendee*

*Council meetings are recorded and broadcasted to the public, this includes community questions and submissions.*

**Community questions and submissions**

8.1 The Council will hold Open Forum and Questions of Council Time for up to 30 minutes duration at the beginning of each Ordinary Meeting to allow public submissions and questions of Council. Extension of time may be granted by resolution of Council.

8.2 Open Forum is an opportunity for the general public to present to Council on a matter listed on the Agenda or any other matter.

8.3 Questions of Council are an opportunity for the general public to submit a question prior to the Ordinary Meeting and receive a response from Council in the Questions of Council time.

8.4 Council meetings are recorded and broadcasted to the public, this includes community questions and submissions.

PROPOSED

**Open forum and Questions of Council guidelines**

8.5 Questions of Council time and Open Forum will not apply during any period when the Council has resolved to close the meeting in respect of a matter under section 66 (1) of the Act.

8.6 Submissions as part of Open Forum and Questions of Council may be on any matter except if it:

8.6.1 is considered malicious, defamatory, indecent, abusive, offensive, irrelevant, trivial, or objectionable in language or substance;

8.6.2 relates to confidential information as defined under the Act;

8.6.3 relates to the personal hardship of any resident or ratepayer; or

8.6.4 relates to any other matter which the Council considers would prejudice the Council or any person.

8.7 No more than two questions will be accepted from any person at any one meeting.

8.8 Where the Chief Executive Officer does not accept a question, the submitter is to be informed of the reason or reasons for which their question was not accepted.

8.9 The Mayor reserves the right to cease a submission as part of Open Forum if he or she deems the submission inappropriate.

8.10 Copies of all questions allowed by the Chief Executive Officer will be provided in writing to all Councillors.

8.11 A submission or question submitted in writing by a member of the public, which has been disallowed by the Chief Executive Officer will be provided to any Councillor on request.

**Open forum**

8.12 Prior Notice Preferable

8.12.1 it is preferable for any member of the public who wishes to be heard at Open Forum to give prior notice:

(a) in written form;

(b) contain the name, address and email or contact telephone number of the person to be heard;

(c) by online request (Council's website);

(d) in a letter to the Chief Executive Officer, PO Box 138, Alexandra, 3714; or

(e) in an email governance@murridindi.vic.gov.au or

(f) hand delivery to the Council's Office at Alexandra, Kinglake or Yea.

PROPOSED

8.13 It is preferable for any group or association that wishes to be heard at Open Forum to nominate a spokesperson for an issue upon which the group or association may wish to be heard.

**Open Forum Procedure**

8.14 Public addressing the Meeting

8.14.1 Any member of the public addressing Council must extend due courtesy and respect to Council and the processes under which it operates and must take direction from the Chairperson whenever called on to do so.

8.15 The Chair will allocate a maximum of 5 minutes to each person who wishes to address Council.

8.16 The Chair or Chief Executive Officer will first invite any person who has given prior notice to present to Council.

8.17 The Chair or Chief Executive Officer will then invite members of the gallery who would like to present to Council.

8.18 The Chair or Chief Executive Officer have the discretion to alter the order of persons to be heard.

8.19 The person in addressing the Council:

8.19.1 must confine their address to the 5-minute allocation of time;

8.19.2 shall extend due courtesy and respect to the Council and the processes under which it operates; and

8.19.3 shall take direction from the Chair whenever called upon to do.

8.19.4 There will be no discussion or debate with the attendees to Open Forum however Councillors may ask questions of clarification of the attendee.

8.19.5 Standing Orders (as per part 13) do not need to be suspended to allow discussion for the purposes of clarification.

**Questions of council**

8.20 Council must receive prior notice of Questions to be heard as part of Questions of Council time.

8.21 Questions must be received exactly as intended to be read.

8.22 Questions submitted to the Council must be:

8.22.1 in written form

8.22.2 contain the name, address and email or contact telephone number of the person submitting the question

8.22.3 in a form approved or permitted by the Council (Template available on Council's website)

PROPOSED

8.22.4 addressed to the Chief Executive Officer; and

8.22.5 submitted no later than 4:00pm on the day prior to the next Meeting by:

(a) by online request (Council's website)

(b) in a letter to the Chief Executive Officer, PO Box 138, Alexandra, 3714 or

(c) in an email governance@murridindi.vic.gov.au or

(d) hand delivery to the Council's Office at Alexandra, Kinglake or Yea.

**Response**

8.23 Response to a submission or question raised during the submission in Open Forum may be provided immediately as part of the Open Forum time at the discretion of the Council.

8.24 The matter will be referred to the relevant Officer for investigation and response if required.

8.25 Council officers will respond acknowledging the question and providing procedural advice and/or the response within 10 working days of the Ordinary Meeting of Council.

**Petitions and joint letters**

8.26 Every petition submitted to Council must:

8.26.1 be in legible and in permanent writing

8.26.2 is clear and on each page the matter and action sought from council is stated

8.26.3 not be derogatory, defamatory or objectionable in language or nature

8.26.4 not relate to matters outside the powers of Council

8.26.5 include the names, addresses and original signatures of at least 10 people.

8.27 Where a petition has been signed by less than 10 people, it will be treated as a joint letter and forwarded directly to the appropriate member of Council staff for action as an operational item.

8.28 Any Councillor presenting a petition is responsible for ensuring that:

8.28.1 he or she is familiar with the contents and purpose of the petition; and

8.28.2 the petition is not derogatory, defamatory or objectionable in language or nature.

8.29 Unless sub-clauses 8.30 or 8.31 apply, the only Motions that may be considered by Council on any petition are:

8.29.1 that the petition be received; and

8.29.2 that the petition be referred to the Chief Executive Officer or relevant Director for consideration and response; or

8.29.3 that the petition be referred to the Chief Executive Officer or relevant Director for a report to a future Council Meeting.

PROPOSED

8.30 If a petition relates to an item listed on the Agenda for the Meeting at which it is submitted, the petition may be dealt with in conjunction with the item.

8.31 If a petition relates to a 'statutory matter' which is the subject of a public submissions process in accordance with the relevant legislation the petition will be treated as a joint submission in relation to the 'statutory matter'.

8.32 The Chief Executive Officer may determine that an electronic or online petition will be submitted to a Council Meeting.

8.33 The number of signatories to an online or electronic petition will be taken to be the number of signatories at the time the petition is provided to Council for submission to a Council meeting.

8.34 An online or electronic petition will not be presented to a Council meeting if it contains signatures that are false or misleading.

*Council has established processes for seeking community input and may adopt policies, protocols or guidelines to ensure opportunities exist for this input, beyond formal consultation processes.*

**Display of placards and posters**

8.35 Subject to sub-sections 8.36 and 8.37, a person can display any placards or posters in the Council Chamber or in any building where a *Meeting* is being, or is about to be, held, including outside the entrance to the building.

8.36 placard or poster must not:

8.36.1 display any offensive, indecent, insulting or objectionable item or words

8.36.2 obstruct the entrance to the Council Chamber or a building where a Meeting is being, or is about to be, held

8.36.3 obstruct the view or physically impede any person.

8.37 The Chairperson may order and cause the removal of any placard or poster that is deemed by the Chairperson to be objectionable, disrespectful or otherwise inappropriate.

**Public Conduct**

8.38 Members of the public present at a Council Meeting must not interject during the Council Meeting. They must preserve silence at all times unless invited by the Chairperson to address Council.

8.39 If a person, other than a Councillor, interjects or interrupts proceedings during the Council Meeting, the Mayor may direct:

8.39.1 the person to stop interjecting or interrupting proceedings; and

8.39.2 if the person continues behaviour, the removal of the person.

PROPOSED

8.40 The Chairperson may cause the removal of any object or material that is deemed by the Chairperson to be objectionable or disrespectful.

8.41 In causing a person's removal under sub-clause 8.39.1, or the removal of an object or material under sub-rule 8.41, the Chairperson may ask the Chief Executive Officer, an Authorised Officer or a member of Victoria Police to remove the person, object or material.

*It is intended that this power to remove a member of the public, be exercisable by the Chairperson, without the need for any Council resolution. The Chairperson may choose to order the removal of a person whose actions immediately threaten the stability of the meeting or wrongly threatens his or her authority in chairing the meeting.*

PROPOSED

# PART 9 – CONDUCT

Overview:

*This section outlines how the meeting is to be addressed by Councillors and members of Council Staff.*

*Members of the Community may only address a meeting in accordance with Part 8 of these rules.*

9.1 Councillor allowed to speak uninterrupted

9.1.1 A *Councillor* who has the floor must not be interrupted unless called to order, or given notice by the *Chairperson* his/her speaking time has elapsed or is about to elapse, at which point he or she must remain silent until the *Councillor* raising the *Point of Order* has been heard and the *Point of Order* dealt with.

9.2 Addressing the Meeting

9.2.1 If the Chairperson so determines:

(a) any person addressing the Chairperson must refer to the Chairperson as:

I. Mayor; or

II. Chairperson, as the case may be;

(b) all Councillors, other than the Mayor, must be addressed as Cr……(surname); and

(c) all Council staff, must be addressed by their official title.

9.2.2 Except for the *Chairperson*, any person who addresses the Meeting must direct all remarks through the Chairperson.

9.2.3 The *Chairperson* may permit any *Councillor* or person to remain seated while addressing the *Chairperson*.

9.3 Disorderly Conduct

9.3.1 The conduct of Councillors and Members at meetings is governed by the *Act*, these Rules and the Councillor Code of Conduct.

9.3.2 Chairperson may adjourn disorderly Meeting

9.3.3 The Chairperson may call a break in a Meeting for either a short time, or to resume another day if:

(a) the behaviour at the Council table or in the gallery is significantly disrupting the Meeting; or

(b) when a Meeting has been in progress for longer than 2 hours.

PROPOSED

9.3.4 The break referred to in sub-clause 11.9.1 is an adjournment.

9.4 Where a Councillor engages in improper or disorderly conduct, or acts in a way that otherwise disrupts the Meeting, and prevents the conduct of Council business:

9.4.1 Council may, by resolution, suspend that Councillor from a portion of the Meeting or from the balance of the Meeting where the Chairperson has warned the Councillor to cease that behaviour; or

9.4.2 The Mayor, under section 19 of the Act, at a Council meeting, having previously warned the Councillor to cease that behaviour, may direct a Councillor to leave the meeting for a period of time or the balance of the Meeting.

9.4.3 Where Council suspends a Councillor under sub- rule 11.3.1, or the Mayor directs a Councillor to leave the meeting under sub-rule 11.3.2 the Councillor will take no active part in the portion of the Meeting from which he or she has been suspended.

9.4.4 If a Councillor has been suspended from a meeting or directed to leave in accordance with sub-rule 11.3.3 the Chairperson may ask the Chief Executive Officer, an Authorised Officer or a member of Victoria Police to remove the Councillor.

The *Act (section 19(1)(b) provides the power to the Mayor to* direct a Councillor, subject to any procedures or limitations specified in the Governance Rules, to leave a Council meeting if the behaviour of the Councillor is preventing the Council from conducting its business.

PROPOSED

# PART 10 - MOTIONS & DEBATE

Overview**:**

*This Section describes the procedure for introducing a motion or amendment, the rules of debate, foreshadowing a motion or amendment and the duty of the Chairperson in relation to accepting motions and amendments. It also describes the process for a Councillor lodging a notice of motion for consideration and/or indicating they will raise a matter at the next Council Meeting (foreshadowing items).*

*A Councillor may move any motion related to an item included in the agenda. In the interest of transparency and informed decision making, motions or amendments should not introduce new matters to a debate that have not been the subject of the report or background of the motion being considered by Council. Motions are required to be submitted in writing so they can be displayed to the meeting.*

*As a resolution must be able to be acted upon, a motion must clearly state what is intended and what its effect will be if it becomes the decision. This provides clarity for the implementation of Council decisions.*

*This Section also describes the circumstances and procedures under which a Council decision can be rescinded or altered. It also prescribes a procedure under which a Council policy can be altered or varied.*

10.1 Moving a motion

10.1.1 The procedure for moving any *Motion* is:

(a) the mover must outline the *Motion* without speaking in support of it

(b) the Motion must be seconded by a Councillor other than the mover

(c) if a Motion is not seconded, the Motion lapses for want of a seconder

(d) if there is a seconder, then the Chairperson must call on the mover to speak to the Motion

(e) after the mover has spoken to the Motion, the seconder may also speak to the Motion

(f) after the seconder has spoken to the Motion (or after the mover has spoken to the Motion if the seconder does not speak to the Motion), the Chairperson must call on any Councillor who wishes to speak against the Motion, then on any Councillor who wishes to speak for the Motion,

PROPOSED

after waiting until all Councillors wishing to speak to the Motion have spoken; and

(g) if no Councillor wishes to speak against the Motion, then the Chairperson may put the Motion.

*A resolution must be capable of standing alone, that is, a person reading the decision of Council in the minutes will be able to understand what Council is seeking to achieve without reference to other sources. This usually means it should include specifics about the action to be taken, the timing of the action to be taken, the details of any other organisation*

10.2 Chairperson's duty

10.2.1 The *Chairperson* must not accept any *Motion* which:

(a) is defamatory; or

(b) is objectionable in language or nature; or

(c) is vague or unclear in its intention; or

(d) is outside the powers of Council; or

(e) is not relevant to an item of business on the Agenda and has not been admitted as urgent business; or

(f) purports to be an amendment but is not.

10.3 Right of reply

10.3.1 The mover of a Motion, which has not been amended, may, once debate has been exhausted, exercise a right of reply to matters raised during debate.

10.3.2 If no Councillor has spoken against a Motion, there will be no right of reply.

10.3.3 After the right of reply has been exercised, the Motion must immediately be put to the vote without any further discussion or debate.

10.4 Moving an amendment

10.4.1 A Motion, which has been moved and seconded, may be amended by leaving out, inserting or adding words, which must be relevant to the subject of the Motion.

10.4.2 An amendment may be proposed or seconded by any Councillor, except the mover and seconder of the original Motion. If a Councillor proposes an amendment and the original mover and seconder of the Motion both indicate their agreement with the amendment, the amended Motion becomes the substantive Motion without debate or vote.

10.4.3 If a Councillor proposes an amendment to which either the mover or seconder does not agree, the following will apply:

(a) the amendment must be moved and seconded;

PROPOSED

(b) a Councillor may speak on any amendment once, whether or not he or she has spoken to the Motion, but debate must be confined to the terms of the amendment;

(c) any number of amendments may be proposed to a Motion, but only one amendment may be accepted by the Chairperson at any one time. No second or subsequent amendment, whether to the Motion or an amendment of it, may be taken into consideration until the previous amendment has been dealt with and voted on;

(d) if the amendment is carried, the Motion as amended then becomes the Motion before the Meeting (known as the 'substantive Motion'); and

(e) the mover of an amendment does not have right of reply.

*If a proposed amendment is ruled to be the negative of, or substantially contrary to, the motion, it should be treated as an alternative motion to be considered only in the event that the motion before the Chair is lost – see Foreshadowing Motions.*

10.5 Foreshadowing motions

10.5.1 At any time during debate a Councillor may foreshadow a Motion so as to inform Council of his or her intention to move a Motion at a later stage in the Meeting, but this does not extend any special right to the foreshadowed Motion.

10.5.2 A Motion foreshadowed may be prefaced with a statement that, in the event of a particular Motion before the Meeting being resolved in a certain way, a Councillor intends to move an alternative or additional Motion.

10.5.3 A Motion foreshadowed has no procedural standing and is merely a means to assist the flow of the Meeting.

10.5.4 The Minutes of the Meeting will not include foreshadowed Motions unless the foreshadowed Motion is subsequently formally moved as a Motion.

10.6 Withdrawal of motions

10.6.1 Before any *Motion* is put to the vote, it may be withdrawn.

PROPOSED

10.7 Separation of motions

10.7.1 Where a Motion contains more than one part, a Councillor may request the Chairperson to put the Motion to the vote in separate parts.

10.7.2 The Chairperson may decide to put any Motion to the vote in separate parts.

10.8 Motions moved in a block

10.8.1 The *Chairperson* may allow like *Motions* to be moved, or request *Councillors* to move like items, in a block (*en bloc*), only if the *Motions* note actions already taken and will not commit *Council* to further action, spending or changes to policy.

10.9 Motions in writing

10.9.1 All Motions, except procedural Motions, must be submitted in writing.

10.9.2 The Chairperson may adjourn a Meeting for 15 minutes or less, while a Motion is being written or may request Council to defer the matter until the Motion has been written, allowing the Meeting to proceed uninterrupted.

10.10 Debate must be relevant to the motion

10.10.1 Debate must always be relevant to the Motion before the Meeting, and, if not, the Chairperson must request the speaker to confine debate to the Motion.

10.10.2 If, after being requested by the Chairperson to confine debate to the Motion before the Meeting, the speaker continues to debate irrelevant matters, the Chairperson may direct the speaker to not speak further in respect of the Motion before the Chairperson. The speaker must immediately comply with any such direction

10.11 Speaking times

10.11.1 Unless a Motion for an extension of speaking time has been carried, the maximum speaking times are:

(a) the mover of a Motion or amendment - three minutes

(b) the mover of a Motion when exercising his or her right of reply - two minutes

(c) any other speaker - three minutes.

10.11.2 A Motion for an extension of speaking time must be proposed before the initial speaking time, or immediately on completion of the speaking time for that speaker, expires.

10.11.3 A Motion for an extension of speaking time must not be accepted by the Chairperson if another Councillor has commenced speaking.

10.11.4 Only one extension of speaking time is permitted for each speaker.

10.11.5 Any extension of speaking time must not be more than two minutes.

PROPOSED

10.12 Procedural motions

10.12.1 Unless otherwise prohibited, and subject to sub- rule 10.12.2, a procedural Motion may be moved at any time and must be dealt with immediately by the Chairperson.

10.12.2 Procedural Motions require a seconder.

10.12.3 The Chairperson may reject a procedural Motion if he or she believes the Motion on which it is proposed has not been adequately or sufficiently debated.

10.12.4 Regardless of any other provision in these Governance Rules, a procedural Motion must be dealt with in accordance with the table at sub-rule 10.12.8.

10.12.5 A Procedural Motion may not be moved or seconded by the Chairperson.

10.12.6 Unless otherwise provided, debate on a procedural Motion is not permitted and the mover does not have a right of reply.

10.12.7 Unless otherwise provided, a procedural Motion must not be amended.

PROPOSED

10.12.8 Procedural Motions table:

| Motion | Form | Mover/ Seconder | When prohibited | Effect if Carried | Effect if Lost | Debate Permitted |
|---|---|---|---|---|---|---|
| **Deferral of a matter (to a future meeting)** | 'That the debate on this matter be deferred until (insert meeting/date) to allow (purpose of deferral)'…' | Any Councillor who has not moved or seconded the original motion or otherwise spoken to the original motion | (a) During the election of the Mayor/Deputy Mayor;<br>(b) During the election of a *Chairperson*; or<br>(c) When another Councillor is speaking | Consideration/debate on the motion and/or amendment is postponed to the stated date and the item is re-listed for consideration at the resolved future meeting, where a fresh motion may be put and debated | Debate continues unaffected | Yes |
| **Closure (of debate)** | 'That the motion now be put' | Any Councillor who has not moved or seconded the original motion or spoken for/against the original motion | During nominations for a *Chairperson* | Motion or amendment is put to the vote immediately without further debate, subject to any Councillor exercising his or her right to ask any question concerning or arising out of the motion | Debate continues unaffected | No |

PROPOSED

| Motion | Form | Mover/ Seconder | When prohibited | Effect if Carried | Effect if Lost | Debate Permitted |
|---|---|---|---|---|---|---|
| **Laying a motion on the table (pausing debate)** | 'That the motion be laid on the table' | A Councillor who has not spoken for/against the motion | During the election of the Mayor/Deputy Mayor | Motion not further discussed or voted on until Council resolves to take the question from the table at the same meeting | Debate continues unaffected | No |
| **Take a motion from the table (resume debate on a matter)** | 'That the motion in relation to xx be taken from the table' | Any Councillor | When no motion is on the table | Debate of the item resumes | Debate of the item remains paused | No |
| **Alter the order of business** | 'That the item listed at xx on the agenda be considered before/after the item listed as xy' | Any Councillor | (a) At a Meeting to elect the Mayor; or<br>(b) During any debate | Alters the order of business for the meeting | Items are considered in the order as listed in the *Agenda* | No |

PROPOSED

| Motion | Form | Mover/ Seconder | When prohibited | Effect if Carried | Effect if Lost | Debate Permitted |
|---|---|---|---|---|---|---|
| **Suspension of Standing Orders** | 'That Standing Orders be suspended to …' (reason must be provided | Any Councillor | | The rules of the meeting are temporarily suspended for the specific reason given in the motion<br>No debate or decision on any matter, other than a decision to resume Standing Orders, is permitted | The meeting continues unaffected | No |
| **Resumption of Standing Orders** | 'That Standing Orders be resumed' | Any Councillor | When Standing Orders have not been suspended | The temporary suspension of the rules of the meeting is removed | The meeting cannot continue | No |
| **Consideration of confidential matter(s) (Close the meeting to members of the public)** | That, in accordance with section 66(2)(a) of the *Local Government Act 2020* the meeting be closed to members of the public for the consideration of item xx *is confidential as it relates to [insert reason]* | Any Councillor | During the election of the Mayor/Deputy Mayor | The meeting is closed to members of the public | The meeting Continues to be open to the public | Yes |

PROPOSED

| Motion | Form | Mover/ Seconder | When prohibited | Effect if Carried | Effect if Lost | Debate Permitted |
|---|---|---|---|---|---|---|
| **Reopen the meeting** | 'That the meeting be reopened to members of the public' | Any Councillor | | The Meeting is reopened to the public | The meeting remains closed to the public | No |

PROPOSED

10.13 Notices of Motion

10.13.1 A Councillor can submit to the Chief Executive Officer a Notice of Motion for inclusion in the Agenda for a Meeting.

10.13.2 A Notice of Motion must be in writing, signed by the Councillor (including by electronic means), and be lodged with the Chief Executive Officer no later than 12 noon 10 business days before the Meeting at which it is intended to be considered to ensure its inclusion in the Agenda.

10.13.3 The Chief Executive Officer must inform Councillors about the legal and cost implications of any proposed Notice of Motion. The Chief Executive Officer may suggest revised wording to the draft Notice of Motion to facilitate compliance with the requirements for Notices of Motion under these Governance Rules.

10.13.4 A Notice of Motion must relate to the objectives, role and functions or Council as outlined in the Act.

10.13.5 A Notice of Motion must call for a Council report if the Notice of Motion proposes any action that:

(a) impacts the levels of Council service

(b) commits Council to expenditure greater than $150,000 for goods and services and $200,000 for works that is not included in the adopted Council Budget

(c) proposes to establish, amend or extend Council policy

(d) proposes to impact the rights of any person who has not had the opportunity to contribute their views

(e) commits Council to any contractual arrangement; or

(f) concerns any litigation in respect of which Council is a party.

10.13.6 The Chief Executive Officer must reject any Notice of Motion which:

(a) is too vague

(b) is defamatory

(c) may be prejudicial to any person or Council

(d) is objectionable in language or nature

(e) is outside the powers of Council

(f) is submitted during Election Period.

10.13.7 The Chief Executive Officer may reject a proposed Notice of Motion that

(a) relates to a matter that can be addressed through the operational service request process; or

(b) Relates to a matter that has been previously resolved by Council or is acted upon.

PROPOSED

10.13.8 If rejecting a Notice of Motion, the Chief Executive Officer must inform the Councillor who lodged it of that rejection and the reasons for the rejection no later than nine business days before the Meeting at which it is intended to be considered. The Councillor may submit a revised Motion within 24 hours.

10.13.9 The Chief Executive Officer may designate a Notice of Motion to be confidential in accordance with relevant grounds as contained in the *Act*, in which case, the Notice of Motion will be considered in the part of the relevant Council Meeting that is closed to members of the public.

10.13.10 The full text of any Notice of Motion accepted by the Chief Executive Officer must be included in the Agenda and outline the policy, financial and resourcing implications if the Notice of Motion is passed.

10.13.11 The Chief Executive Officer may arrange for comments of members of Council staff to be provided to Councillors prior to the Notice of Motion being published in the Agenda for the relevant Council Meeting.

10.13.12 The Chief Executive Officer must cause all Notices of Motion to be sequentially numbered, dated and entered in a register.

10.13.13 Unless Council resolves otherwise, each Notice of Motion must be considered in the order in which they were received.

10.13.14 The Motion moved must not be substantially different to the motion published in the Agenda, however, may be amended by resolution of the Council.

10.13.15 If a Councillor who has lodged a Notice of Motion is absent from the Meeting or fails to move the Motion when called upon by the Chairperson to do so, any other Councillor may move the Motion.

10.13.16 If a Notice of Motion is not moved at the Council Meeting at which it is listed, it lapses.

10.14 Notices of Rescission

10.14.1 A notice of rescission is a form of Notice of Motion. Accordingly, all provisions in these Governance Rules regulating Notices of Motion equally apply to notices of rescission.

10.14.2 Motions to rescind or alter a previous resolution of Council can be made by:

(a) a notice of rescission delivered by a Councillor in accordance with 10.15.1; or

(b) a recommendation contained in an officer's report included in the Agenda.

10.14.3 A Councillor may propose a Motion to rescind or alter a previous resolution of Council provided:

(a) the previous resolution has not been acted on; and

PROPOSED

(b) a notice is delivered to the Chief Executive Officer or Delegate setting out:

I. the relevant previous resolution to be rescinded or altered; and

II. the Meeting and date when the relevant previous resolution was carried.

10.14.4 A notice of rescission must be in writing, signed (including by electronic means) by a Councillor and be delivered to the Chief Executive Officer or a~~n~~ Delegate by 12 noon at least 10 business days prior to the next Ordinary Meeting.

10.14.5 The Chief Executive Officer, or a member of Council staff with responsibility for the subject matter of a resolution, may implement a resolution of Council at any time after the close of the Meeting at which it was made. A resolution of Council will be deemed to have been acted on if:

(a) its contents or substance has been formally communicated to a person whose interests are materially affected by it, including by publishing the proposed Minutes of a Council Meeting on Council's website; or

(b) a statutory process has been commenced so as to vest enforceable rights or obligations on Council or any other person.

10.14.6 Notwithstanding sub- rule 10.15.4 the Chief Executive Officer or member of Council staff must defer implementing a resolution which:

(a) has not been acted on; and

(b) is the subject of a notice of rescission which has been delivered to the Chief Executive Officer in accordance with sub-rule 10.15.2 unless deferring implementation of the resolution would have the effect of depriving the resolution of usefulness, giving rise to non-compliance with a legal obligation or placing the Council at legal, financial or other risk.

10.14.7 If a Motion for rescission is lost, a similar Motion may not be put before Council for at least one month from the date it was last lost, unless Council resolves that the notice of rescission be re-listed at a future Meeting.

10.14.8 If a Motion for rescission is not moved at the Meeting for which it is listed, it lapses.

10.14.9 A notice of rescission listed on an Agenda may be moved by any Councillor present but it must be moved in the form it was listed and must not be amended.

PROPOSED

10.15 Change of Council Policy

10.15.1 Council reviews its policies to ensure they are current and continue to reflect community expectations and the position held by a particular Council.

10.15.2 It is good practice for Council to review significant policies at least once in each Council term (every 4 years) and such reviews may lead to change in policy position.

10.15.3 Subject to sub- rule 10.16.4 if Council wishes to change a Council policy, a formal notice of rescission is not required.

10.15.4 If a policy has been in force in its original or amended form for less than 12 months, any intention to change the policy which may result in a substantial change to the policy's application or operation for members of the public should be communicated to those affected, and their comment sought, prior to the policy being changed.

10.16 Foreshadowed Items

10.16.1 At the time designated in the Meeting Agenda, a Councillor may foreshadow a Notice of Motion to be submitted for consideration at the next Meeting by indicating, when called on to do so by the Chair, the subject matter of the foreshadowed Notice of Motion.

10.16.2 The subject matter, as indicated by the Councillor, of a Foreshadowed Item will be recorded in the Minutes.

10.16.3 No discussion or debate is allowed on a Foreshadowed Item.

10.16.4 A Foreshadowed Item will have no further formal status at that Council Meeting.

10.16.5 Foreshadowed Items are intended to be used to indicate to Council and the community matters of importance that will be raised at the next Council Meeting.

10.16.6 If a Councillor does not submit a Notice of Motion for the next Council Meeting, no further action on a Foreshadowed Item will occur.

PROPOSED

# PART 11 - POINTS OF ORDER

Overview:

*A point of order is taken when a Councillor draws the attention of the Chairperson to an alleged irregularity in the proceedings. Valid points of order, the process for raising and ruling on a point of order, and the procedure if there is dissent on the Chair's ruling are described in this section.*

11.1 A Councillor raising a Point of Order must state:

11.1.1 the Point of Order; and

11.1.2 any section, Clause, paragraph or provision relevant to the Point of Order.

11.2 The Chairperson must decide all points of order by stating the provision, rule, practice or precedent which he or she considers applicable to the Point of Order raised, without entering into any discussion or comment.

11.3 The Chairperson may adjourn the Meeting to consider a Point of Order; otherwise he or she must rule on it as soon as it is raised.

11.4 All other matters before Council are suspended until the Point of Order is decided.

11.5 Dissent in Chairperson's ruling

11.5.1 The ruling of the Chair upon any point of order is not open to any discussion and will be final and conclusive.

11.6 Valid points of order

11.6.1 A Point of Order may be raised in relation to:

(a) a Motion which has not been accepted by the Chairperson

(b) a question of procedure

(c) a Councillor who is not conducting themselves in accordance with the Councillor Code of Conduct;

(d) debate that is irrelevant to the matter under consideration;

(e) a matter that is outside the powers of Council

(f) any act of Disorder.

11.7 Disorderly Conduct

11.7.1 The conduct of Councillors and Members at meetings is governed by the *Act*, these Rules and the Councillor Code of Conduct.

PROPOSED

# PART 12 - VOTING

*Overview:*

*At the conclusion of debate on a matter before the meeting, the Chairperson must put the question, motion or amendment to the vote. Each Councillor is entitled to one vote and voting must be able to be seen by those participating in the meeting and those observing the meeting. The vote is determined by a majority of the Councillors present at the meeting at the time the vote is taken voting in favour of the motion.*

*If a vote is tied, the Chairperson has a casting vote.*

*Calling for a division allows Councillors to have how the Council voted recorded.*

*Provision is made for the introduction of an electronic voting system as long as Council has resolved to implement the system and all participants in the meeting and those observing a meeting are able to see which way a Councillor has voted on a matter at the time the vote is taken.*

12.1 How a matter is determined

12.1.1 To determine a Motion at a Meeting, the Chairperson must first call for those in favour of the Motion and then those opposed to the Motion, and must then declare the result to the Meeting.

12.1.2 In the event of a tied vote, the Chairperson must, unless the Act provides otherwise, exercise the casting vote.

12.2 Voting must be seen

12.2.1 Voting may be by any method resolved by Council that enables those in attendance and those watching a livestream broadcast to clearly see which way a Council has voted at the time a vote is taken.

12.2.2 In the absence of a Council resolving an alternative method, voting on any matter is by show of hands.

12.3 When a division is permitted

12.3.1 A division may be requested by any Councillor on any vote.

12.3.2 The request must be made to the Chairperson either immediately prior to, or immediately after, the vote has been taken, and may not be made after the Meeting has moved to the next item of business.

PROPOSED

12.3.3 When a division is called for the Chairperson must:

(a) first ask each Councillor wishing to vote in favour of the Motion to indicate their vote and the Chairperson must then state the names of those Councillors to be recorded in the Minutes;

(b) then ask each Councillor wishing to vote against the Motion to indicate their vote and the Chairperson must then state the names of those Councillors to be recorded in the Minutes;

(c) next, ask each Councillor abstaining from voting to indicate their vote and the Chairperson must then state the names of those Councillors to be recorded in the Minutes; and

(d) finally, declare the result of the division.

12.3.4 Where a division is requested after the original vote has been taken, the *Motion* is decided on the division and the fact that there may be a difference between the result obtained when the original vote was taken and the result obtained on the division must be disregarded.

12.4 No discussion once a vote has been declared

12.5 Once a vote on a Motion has been declared carried or lost by the Chairperson, no further discussion relating to the Motion is allowed, unless the discussion:

12.5.1 involves calling for a division in accordance with Rule 12.3

12.5.2 a Councillor foreshadows a rescission where a resolution has just been made

12.5.3 a Councillor foreshadows a positive Motion where a resolution has just been rescinded.

*Section 59 of the Act provides:*

(5) A question before a Council meeting is to be determined as follows—

(a) each Councillor present at a Council meeting who is entitled to vote is entitled to one vote;

(b) voting at a meeting must not be in secret, but if the meeting is closed to the public, a Councillor is not required to divulge their vote to the public;

(c) the question is determined in the affirmative by a majority of the Councillors present at a meeting at the time the vote is taken voting in favour of the question;

(d) subject to subsection (6), if the number of votes in favour of the question is half the number of Councillors present at the meeting at the time the vote is taken, the chairperson has a second vote;

(e) for the purpose of determining the result of a vote, a Councillor present at the meeting who does not vote is to be taken to have voted against the question.

*The Chairperson does not have a casting vote in the election of Mayor or Deputy Mayor as these positions must be elected by an absolute Majority of Councillors.*

PROPOSED

# PART 13 - SUSPENSION OF STANDING ORDERS

*Overview:*

*Standing Orders are the rules made to govern the procedure at Council Meetings contained in this governance rules. The Standing Orders cover a range of matters including the order of business, rules of debate, procedural motions and election procedures. Standing Orders can be suspended to facilitate the business of a meeting.*

13.1 Suspension of standing orders

13.1.1 To temporarily remove the constraints of formal meeting procedure and allow full discussion or clarification of an issue, Council may, by resolution, suspend standing orders in accordance with the procedural motion table

13.1.2 Suspension of standing orders should not be used purely to dispense with the processes and protocol of the government of Council.

13.1.3 No Motion can be accepted by the Chairperson or lawfully be dealt with during any suspension of standing orders, except a Motion to resume standing orders.

13.1.4 No Motion to suspend standing orders can be accepted by the Chairperson during a second extension of time for a Meeting.

13.1.5 Any discussion that occurs once standing orders are suspended is not recorded in the minutes of the meeting, other than 13.1.3.

PROPOSED

# PART 14 - MINUTES

*Overview:*

*The Minutes of a meeting must contain details of the proceedings and resolutions made, be clearly expressed, be self-explanatory and incorporate relevant reports or a summary of the relevant reports considered in the decision-making process. The Minutes of a Council Meeting must be submitted to the next appropriate Council Meeting for confirmation.*

14.1 Keeping of Minutes

14.1.1 The Chief Executive Officer or Delegate is responsible for the keeping of Minutes on behalf of Council. Those Minutes must record:

(a) the date, place, time and nature of the Council Meeting

(b) the names of Councillors and whether they are present, an apology, on leave of absence, etc.

(c) the titles of the members of Council staff who are present regarding Council business

(d) the disclosure of a conflict of interest made by a Councillor in accordance with the Act

(e) the arrivals and departures of Councillors, during the course of the Meeting (including any temporary departures or arrivals)

(f) every Motion and amendment moved (including procedural Motions),

(g) the outcome of every Motion moved

(h) where a division is called, the names of every Councillor and the way their vote was cast (and if they abstained) noting that under s61(5) that a Councillor present at the meeting who does not vote is taken to have voted against the question

(i) details of any failure to achieve or maintain a quorum

(j) a summary of any question asked and the response provided as part of public question time

(k) a summary of a matter in which a person speaks as part of open forum and the agenda item it refers to (if relevant)

(l) details of any petitions made to Council

(m) the time and reason for any adjournment of the Meeting or suspension of standing orders

(n) any other matter, which the Chief Executive Officer or Delegate thinks should be recorded to clarify the intention of the Meeting or assist in the reading of the Minutes

PROPOSED

(o) the time the Council Meeting was opened and closed, including any part of the Council Meeting that was closed to members of the public.

14.2 Confirmation of Minutes

14.2.1 The Minutes as recorded by the Chief Executive Officer, or Delegate, will be made available as the proposed Minutes to:

(a) Councillors, within 3 business days;

(b) members of the public, by publishing them on Council's website, within 5 business days

(c) of the Council Meeting they relate to.

(d) no debate or discussion is permitted on the confirmation of Minutes except as to their accuracy as a record of the proceedings of the Council Meeting to which they relate

(e) once the Minutes are confirmed in their original or amended form, the Minutes must, if practicable, be signed by the Chairperson of the Meeting at which they have been confirmed. Recording of Proceedings

14.2.2 A community member or any person in attendance must not operate film, photographic, tape-recording or other equipment to reproduce sound and/or images at any Meeting without first obtaining the consent of the Chairperson.

14.2.2.1 The consent of the Chairperson may be revoked at any time during the course of a Meeting by the Chairperson stating that consent has been revoked and ordering that the recording cease.

PROPOSED

# PART 15 - COMMITTEES

**Delegated Committees**

Overview:

*Council may establish Delegated Committees and Advisory Committees as part of its governance framework. Delegated Committees can comprise Councillors, members of Council staff and others and must be chaired by a Councillor. As Council may delegate specific powers, duties and functions to Committees, their meeting procedures need to be formal.*

15.1 If Council establishes a Delegated Committee, these Rules will apply to the Delegated Committee Meetings with any necessary modifications

15.1.1 For the purpose of sub- rule 15.1:

(a) a Council meeting is to be read as a reference to a Delegated Committee Meeting;

(b) a Councillor is to be read as a reference to a Member of the Delegated Committee; and

(c) a reference to the Mayor is to be read as a reference to the Chairperson of the Delegated Committee.

15.2 If Council establishes a Delegated Committee, Council may resolve that a provision of these governance rules do not apply to that Committee.

**Community Asset Committees**

*Overview Notes:*

*The Act provides for Council to establish a Community Asset Committee for the management of a community asset such as a hall. Council may appoint members of the community to the committee and delegate to it powers, duties or functions. The powers delegated to a community asset committee must be limited in the amount and purpose of any financial delegation.*

15.3 The Governance Rules may apply to any Community Asset Committee established by Council.

15.4 The governance and meeting procedure requirements will be attached to the Instrument of Delegation for each established Community Asset Committee.

PROPOSED

**Audit and Risk Committee**

*Overview Notes:*

*The Act provides for Council to establish an Audit and Risk committee to provide oversight.*

15.5 The Governance Rules will apply to the Audit and Risk Committee established by Council unless otherwise provided in the Audit and Risk Charter.

15.6 Council may resolve, in establishing an Audit and Risk Committee that the meeting procedure chapter of these Governance Rules does not apply.

15.7 An Audit and Risk Committee must report the minutes of all Committee Meetings to the next practicable Council meeting.

15.8 An Audit and Risk Committee must act in accordance with its adopted Charter adopted by Council.

PROPOSED

# PART 16 - JOINT COUNCIL MEETINGS

*Overview:*

*Regional collaboration provides benefits through collective procurement, increased advocacy and alignment for major projects. While on some matters that are worked on in partnership it's possible for the participating Councils to make their own decisions and determinations, in some circumstances, it may be beneficial to hold Joint Council Meetings as are provided for in the Act.*

16.1 Council may resolve to participate in a Joint Council meeting to consider:

- 16.1.1 Collaborative projects
- 16.1.2 Collaborative procurement
- 16.1.3 Emergency Response

16.2 If Council has resolved to participate in a Joint Council meeting, the Chief Executive Officer (or delegate) will agree on governance rules with the participating Councils.

16.3 Where [your council] is the lead Council on a matter to be brought for consideration at a Joint Council meeting, the Mayor will be nominated to Chair the Joint Council meeting

16.4 A minimum of three Councillors will be appointed to represent Council at a Joint Council meeting.

16.5 Consistent information will be provided to Councillors prior to any Joint Meeting and every endeavour will be made by the Chief Executive Officer to facilitate a joint briefing.

16.6 A joint briefing arranged in accordance with sub-rule (5) may be held electronically.

PROPOSED

*Section 62 of the Act provides:*

(1) Two or more Councils may determine to hold a joint meeting.

(2) A joint meeting is a Council meeting of each Council for the purposes of this Act and the provisions of this Act, except section 61(3), (4) and (5)(d), apply accordingly

(3) A joint meeting is to be constituted by the Councillors of the Councils holding the joint meeting consisting of— (a) the total number of Councillors determined by the Councils holding the joint meeting; and

(b) at least 3 Councillors from each of the Councils holding the joint meeting.

(4) A quorum at a joint meeting is constituted by the number of Councillors that is equal to at least a majority of the Councillors from each of the Councils holding the joint meeting.

(5) Subject to subsections (2) and (6), the procedures for conducting a joint meeting are to be determined by the Councils holding the joint meeting.

(6) A joint meeting must comply with any requirements prescribed by the regulations

PROPOSED

# PART 17 - ELECTION PERIOD POLICY

17.1 Council will have in place an election period policy that:

17.1.1 governs decision making during a local government election period, including what may be considered at a Council meeting

17.1.2 prohibits the use of Council resources for any election campaign purposes, including Federal, State or Council elections;

17.1.3 sets out the conditions for any community engagement prohibited during an election period, including consultations, Civic events, and activities of Advisory Committees established by Council

17.1.4 sets out the requirements for any Council publications during a local government election period – including the website, social media, newsletters and advertising – to ensure Council does not publish materials that relate to issues that are the subject of election campaigns

17.1.5 defines roles and responsibilities in relation to who is the spokesperson for Council during an election period

17.1.6 sets out the requirements for a Councillor or member of Council staff who is a candidate in an election including a Federal, State or Council election.

17.2 At least once in each Council term and, not later than 12 months prior to the commencement of an election period, Council will review its election period policy.

17.3 The Election Period Policy forms part of these Governance Rules. (Appendix 1)

17.4 The operation of Council Advisory Committees shall be suspended upon the commencement of the election period ahead of a general Council election.

17.5 Any outstanding Delegate's Reports may still be reported to an ordinary meeting of Council during this period.

17.6 Council Committees shall resume meeting following the election and the appointment by the incoming Council of Councillors to each committee.

PROPOSED

**Murrindindi Shire Council Election Period Policy (to be included as an appendix in the final Governance Rules 2020).**

PROPOSED

Murrindindi
Shire Council

PROPOSED

# Governance Local Law 2, 2020

## Use of the Council Seal and Penalties

## TABLE OF CONTENTS

Part 1 - INTRODUCTION ..... 3
Part 2 - COMMON SEAL ..... 5
Part 3 - PENALTIES ..... 6

PROPOSED

# *Part 1 - INTRODUCTION*

## 1.1 Title

This Local Law will be known as The Governance Local Law 2, 2020.

## 1.2 Objectives of this Local Law

The objectives of this Local Law are to:

2.2. regulate the use of the *Common Seal*;

2.3. prohibit unauthorised use of the *Common Seal* or any device resembling the *Common Seal*; and

2.4. provide for the penalties in relation to the conduct of *Council Meeting*s and *Delegated Committees*.

## 1.3 Authorising provision

This Local Law is made under sections 5, 91 and 111 of the *Local Government Act 1989 (now Local Government Act 2020)*.

## 1.4 Commencement and end dates

This Local Law:

1.4.1. commences on the day following the day on which notice of the making of this Local Law is published in the Victoria Government Gazette, and operates throughout the *Municipal District*; and

1.4.2. ends on the 10th anniversary of the day on which it commenced operation, unless revoked sooner.

## 1.5 Revocation of Local Law No. 18 (as amended)

On the commencement of this Local Law, *Council*'s *Governance Local Law 2, 2014* is revoked.

## 1.6 Definitions and notes

1.6.1. In this Local Law:

**Act** means the Local Government Act 1989 (now Local Government Act 2020)

**Authorised Officer** means a person appointed as an Authorised Officer under s224 of the Act

**Chamber** means any room where Council holds a Council Meeting

PROPOSED

**Chairperson** means the Chairperson of a Council Meeting and includes an acting, a temporary and a substitute Chairperson

**Chief Executive Officer** means the Chief Executive Officer of Council or the person acting in or performing the position of Chief Executive Officer

**Common Seal** means the Common Seal of Council

**Counci**l means Murrindindi Shire Council

**Council Meeting** includes an Ordinary Meeting, a Unscheduled Meeting or meeting of a Delegated Committee.

**Councillor** means a person who holds office as a member of the Council as defined under the Act

**Mayor** means the Mayor of Council

**Offence** means an act or default in breach of this Local Law

**Officer** means an employed member of Council staff;

**Penalty Units** means penalty units as prescribed by the *Sentencing Act 1992*

PROPOSED

# *Part 2 - COMMON SEAL*

## *2.1 Council's Common Seal*

2.1.1 The common seal is the corporate signature of Council, and exists in the form of a stamp.

2.1.2 It evidences Council's corporate will, and authenticates decisions taken and acts performed by Council.

2.1.3 The Chief Executive Officer must ensure the security of the Council's common seal at all times.

## *2.2 Use of the Common seal*

2.2.1 The common seal must be affixed to a document only for the purpose of giving effect to a decision which has been:

2.2.1.1 Made by Council resolution;

2.2.1.2 Made by resolution of a Delegated Committee to which power to use the common seal has been delegated; or

2.2.1.3 Made by the Chief Executive Officer or a Director under delegation.

2.2.2 The common seal must have in it the words "Murrindindi Shire Council".

2.2.3 Every document to which the common seal is affixed must be signed by the Chief Executive Officer and a Councillor.

2.2.4 Where Council authorises the Common Seal to be affixed to any document, the Chief Executive Officer must ensure that a Common Seal register is maintained which records each time the Common Seal is affixed to a document and:

2.2.4.1 A description of the document to which the seal was affixed;

2.2.4.2 The date on which the Common Seal was affixed; and

2.2.4.3 The date of the authorising Council resolution or "Sealed under Delegation".

2.2.5 Any person who uses the common seal or any device resembling the common seal other than in accordance Part 19 is guilty of an offence.

PROPOSED

# *Part 3 - PENALTIES*

## *3.1 Offences under this Local Law and Council's Governance Rules 2020*

3.1.1 It is an **offence**:

| Offence | Penalty | Infringement |
|---|---|---|
| Failing to comply with the Chairpersons direction. | 20 penalty units | 2 penalty units |
| Failing to leave meeting after being directed to do so by Chairperson. | 20 penalty units | 2 penalty units |
| Fraudulently sign a petition. | 10 penalty units | 2 penalty units |
| Use a recording device during any Council Meeting. | 10 penalty units | 2 penalty units |
| Use or cause the use of the common seal without proper authority. | 20 penalty units | 2 penalty units |
| Use or cause the use of a replica common seal. | 20 penalty units | 2 penalty units |

## *3.2 Infringement Notice*

3.2.1 As an alternative to prosecution, an Authorised Officer may, in accordance with section 117 of the Act and the provisions of the Infringements Act 2006, issue an infringement notice or Official Warning on a person who in the opinion of the Authorised Officer has contravened this Local Law.

3.2.2 Where an authorised officer is not present at the commitment of any offence under this Local Law, the Chief Executive Officer may direct the issuance of an infringement notice for that offence.

## *3.3 Payment of Penalty*

3.3.1 A person issued with an infringement notice may pay the penalty indicated to the Chief Executive Officer, Murrindindi Shire Council, Perkins Street, Alexandra 3714.

3.3.2 To avoid prosecution, the penalty indicated must be paid within 28 days after the day on which the infringement notice is issued.

3.3.3 A person issued with an infringement notice is entitled to disregard the notice and defend the prosecution in court.

PROPOSED

| | |
|---|---|
| **Title:** | **Election Period Policy** |
| **Type:** | **Council** |
| **Adopted:** | **24 June 2020 (TBC)** |

## 1. Purpose

The *Local Government Act 2020* ('the Act') provides that during the 'election period' certain prohibitions apply to the general functions and powers of Council.

The 'election period' is defined by the Act as starting at the time that nominations close on nomination day and ending at 6pm on the election day. The last day for nominations is the day that is 32 days before the Election Day.

## 2. Rationale

The Election Period Policy ("the Policy") has been developed in order to ensure that the general elections for the Murrindindi Shire Council are conducted in a manner that is ethical, fair and equitable, and are publicly perceived as such. The Policy will also facilitate the continuation of the ordinary business of local government in the Murrindindi Shire throughout the election period in a responsible and transparent manner, in accordance with statutory requirements. . In accordance with section 69 of the *Act,* the following is prohibited during the election period:

a) decisions regarding the appointment or remuneration of the Chief Executive Officer but not to the appointment of or remuneration of an Acting Chief Executive Officer
b) decisions committing Council to expenditure exceeding one per cent of the Council's income from general rates, municipal charges and service rates and charges in the preceding financial year
c) decisions on items where Council considers could be reasonably deferred until the next Council is in place
d) decisions the Council considers should not be made during an election period
e) decisions that would enable the use of Council's resources in a way that is intended to influence, or is likely to influence, voting at the election.

## 3. Scope

The Election Period Policy applies to any Councillor of the Murrindindi Shire Council, members of delegated committees of Council and all members of the Murrindindi Shire Council staff.

Specifically, this policy must be complied with during the election period if ANY of the following apply to you:

- You are involved in making a major policy decision;
- You are involved in making a significant decision that will bind the incoming Council;
- You are about to publish written material which has reference in it to a candidate (which includes sitting Councillors), or the election or an issue before the voters in connection with the election;
- You are involved in the creation of any Council publication;
- You are involved in any public consultation process;
- You are a Councillor who is planning to attend a function or event;
- You supply resource support to Councillors;
- You are a Councillor requesting access to Council information; or
- You are a Councillor requesting media advice or services.

Responsible Officer: Manager Governance & Risk
June 2020
TRIM Reference: 20/40551

## 4. Definitions

| Reference Term | Definition |
|---|---|
| *Election period* | Has the same meaning as 'election period' in *section 3(1)* of the *Act*, and means the period that starts at the time that nominations close on nomination day and ends at 6pm on election day. |
| *Publication* | Includes any means of publication including letters and information on the Internet. |
| *Community Engagement* | Means a process that involves an invitation or invitations to individuals, groups or organisations or the community generally to comment on an issue, proposed action or proposed policy, and includes discussion of that matter with the community. |
| *Significant Decision* | Means an irrevocable decision that significantly affects the municipality. |

## 5. Policy

### *5.1 Significant Decisions*

During the election period, Council will avoid making decisions that significantly affect the municipality and unreasonably bind the incoming Council. This includes (but is not limited to):

- decisions regarding the CEO's employment or remuneration, other than a decision to appoint an Acting CEO
- financial decisions exceeding one per cent of the Council's income from general rates, municipal charges and service rates and charges in the preceding financial year
- adoption of any Council strategies or policies that would bind an incoming Council to the outcomes included.

### *5.2 Community Engagement*

Council will avoid any community engagement or public consultation processes during the election period unless absolutely critical to facilitate the day to day business of Council. This will include the facilitation of any project reference groups or advisory committees during the election period. Any such engagement will avoid express or implicit links to the election.

The Chief Executive Officer reserves the right to postpone any matter if the issue is likely to affect voting. Council will not conduct public consultation on any contentious or politically sensitive matter after the commencement of the caretaker period.

These requirements do not apply to public consultation required under the *Planning and Environment Act 1987*, or matters subject to *Section 223* of the *Local Government Act 1989.*

### *5.3 Council Resources*

Under section 304(1) of the *Act* it is an offence (60 Penalty Units) for a Councillor or a member of Council staff to use Council resources in a way that is intentionally or is likely to affect the result of an election.

Under section 304(2) of the *Act* it is an offence (60 penalty units) for a Councillor or member of Council staff to use Council resources to intentionally or recklessly print, publish or distribute any electoral material during the election period on behalf of Council or purporting to be Council.

Council resources, including offices, vehicles, staff, hospitality, services, property, equipment and stationery must be used exclusively for normal Council business during the election period and must not be used in connection with any election campaign or issue.

Sitting Councillors may continue to use any Council equipment provided to them to facilitate their performance of normal Council duties, subject to adherence to the Councillor Code of Conduct.

Responsible Officer: Manager Governance & Risk
June 2020
TRIM Reference: 20/40551

Councillors standing for re-election must not use any Council equipment as a resource to assist with their election campaigns.

No Council logos, letterheads, contact details (mobile phone or email details), Councillor title or other corporate branding may be used for, or linked in any way to, a candidate's election campaign.

Reimbursements of Councillors' out-of-pocket expenses during the election period will only apply to costs that have been incurred in the performance of normal Council duties, and not for expenses that support or are connected with a candidate's election campaign.

Council will ensure that due propriety is observed in the use of all Council resources, and Council staff are required to exercise appropriate discretion in that regard. Where the use of Council resources appears to relate to the election campaign of a Councillor standing for re-election, the matter must be referred to the Chief Executive Officer or his or her delegate for review.

No election material or active campaigning is to be conducted at a Council sponsored event.

No election material or active campaigning is to be displayed in any Council building.

Council will also ensure that other Murrindindi Shire Council resources are not used inappropriately in ways that may influence voting in an election or provide an undue advantage for a candidate. This includes financial, human and material resources, such as:

a) Council staff will not undertake an activity that may affect voting in the election
b) Council staff will not authorise, use or allocate a Council resource for any purpose that may influence voting in the election
c) Council staff who feel they are being placed in a compromising situation by a request from a Councillor shall refer the Councillor to the Chief Executive Officer for clarification on their request.

### *5.4 Council Publications*

Council will avoid producing any publications, advertisements or public notices unless crucial to the operations of Council or required for statutory compliance.

Publications to be printed, published or distributed during the election period must first be approved by the relevant Director or delegate.

Publications which require approval include:

- Brochures, pamphlets, handbills, flyers, magazines and books;
- Reports (other than agenda papers and minutes in discussed further below);
- Advertisements and notices, except newspaper notices of meetings;
- New website material;
- Social media publications (which includes Facebook posts);
- Emails with multiple addresses, used for broad communication with the community;
- Mass mail outs or identical letters sent to a large number of people by or on behalf of Council;
- Media releases;
- Material to publicise a function or event; and
- Any publication or distribution of Councillors' speeches.

In regard to Community participation at Council Meetings, items submitted for Public Participation Time will be reviewed to ensure that they comply with the principles of the *Act* and this policy, and may be amended accordingly before publication, or excluded from the agenda if necessary.

Responsible Officer: Manager Governance & Risk
June 2020
TRIM Reference: 20/40551

Material that was published on Council's website in advance of the election period is not subject to approval, however existing material that is prominently displayed will be reviewed and consideration given to the removal of any such material that would be considered electoral matter, were it to be published during the election period. Councillor contact information will remain available on the website during the election period, but Councillors' profiles will be removed. Any material published on Council's website during the election period must be approved by the relevant Director or delegate.

Council is required by the *Local Government Act* to produce and put on public display a copy of its Annual Report. The Annual Report may be published during the election period. The Annual Report will not contain any material that could be regarded as overt electioneering or that inappropriately promotes individual Councillors.

### *5.5 Events & Media Services*

Council's Communications unit must not be used in any way that might promote a Councillor as an election candidate. Council publicity during the election period will be restricted to communicating normal Council activities and initiatives and subject to approval by the relevant Director or delegate.

Media releases will minimise references to specific Councillors and will not identify any Councillor in a manner that could promote a Councillor as an election candidate. Where it is necessary to identify a spokesperson, the Chief Executive Officer or his or her delegate will be referenced. Media releases will require to approval by the relevant Director or delegate.

During the election period no Council employee may make any public statement that relates to an election issue unless prior approval has been obtained by the Chief Executive Officer or his or her delegate.

### *5.6 Assistance to Candidates*

All election related enquiries from candidates, whether sitting Councillors or not, will be directed to the Victorian Electoral Commission's Returning Officer or, where the matter is outside the responsibilities of the Returning Officer, to the Chief Executive Officer or his or her delegate.

Any assistance and advice to be provided to candidates as part of the conduct of the Council election will be provided equally to all candidates. The types of assistance that are provided will be documented and communicated to all candidates in advance.

Candidates will also be informed of the requirements to complete and submit an 'Election Campaign Donation Return' in accordance with section 306 of the *Act* to the Chief Executive Officer within 40 days after the election day.

### *5.7 Governance*

All election candidates have equal rights to information relevant to their election campaigns from the Council administration. While it is important that sitting Councillors continue to receive information that is necessary to fulfil their existing elected roles, neither Councillors nor candidates will receive information or advice from Council officers that may improperly advantage candidates in the elections. There will be complete transparency in the provision of all information and advice during the election period.

Council's Governance unit will maintain an Information Request Register during the election period. This Register will be a public document that records all requests relating to electoral matters and non-routine requests for information by Councillors and candidates, and the responses given to those requests.

Responsible Officer: Manager Governance & Risk
June 2020
TRIM Reference: 20/40551

## 6. Related Policies, Strategies and Legislation

Governance Rules 2020
Councillor Code of Conduct
Employee Code of Conduct
*Local Government Act 2020*
VEC Candidates Handbook

## 7. Council Plan

This Policy is consistent with the Council Plan 2017-2021 Our Promise strategic objective to work in collaboration with our communities to deliver the best possible outcomes in all that we do.

## 8. Management and Review

In addition to the Chief Executive Officer's (CEO) statutory responsibilities, the CEO or his or her delegate will ensure as far as possible, that:

- All Councillors and Officers are informed of the application of this policy upon adoption and again 30 days prior to the commencement of the election period;
- Matters of Council business requiring major policy or significant decisions are scheduled for Council to enable resolution prior to the commencement of the election period, or deferred where appropriate for determination by the incoming Council; and
- Appropriate guidelines and instructions are provided to Council staff on their roles and responsibilities with relation to the implementation of this policy.

## 9. Consultation

The community is encouraged to provide feedback regarding this policy as part of the Governance Rules adoption and review process.

## 10. Human Rights Charter

This policy has been developed with consideration of the requirements under the Charter of Human Rights and Responsibilities.

Responsible Officer: Manager Governance & Risk
June 2020
TRIM Reference: 20/40551

| | |
|---|---|
| **Title:** | **Public Transparency Policy** |
| **Type:** | **Council** |
| **Adopted:** | 24 June 2020 (TBC) |
| **File No:** | 20/36726 |
| **Attachments:** | N/A |

## 1. Purpose

This policy supports Council to deliver good governance, open and accountable conduct, and describes how Council information is to be made publicly available.

## 2. Rationale

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

## 3. Scope

This policy applies to Councillors and Council staff and the documents and information Council holds.

## 4. Definitions

| Reference Term | Definition |
|---|---|
| **Community** | Community is a flexible term used to define groups of connected people. We use it to describe people of a municipality generally, including individuals or groups who live, work, play, study, visit, invest in or pass through the municipality. |
| **Consultation** | The process of seeking input on a matter. |
| **Public** | Public refers to the general public, including community. |
| **Stakeholder** | An individual or group with a strong interest in the decisions of Council and which is impacted by their outcomes. |
| **Closed Meetings** | When Council resolves to close the meeting to the general public, in order to consider a confidential matter regarding issues of a legal, contractual or personnel nature and other issues deemed not in the public interest. |
| **Transparency** | The availability of all information needed in order to collaborate, cooperate and make decisions effectively. Importantly, 'transparency' is also human rights issue: the right to have the opportunity, without discrimination, to participate in public affairs (s.58 of The Act). |

## 5. Policy

Council seeks to be transparent and open in order to:

- engage its community in decision making
- demonstrate good governance
- reduce inefficiency and
- reassure residents that we are allocating and expending public funds wisely

The objective of Council's Transparency Policy is to ensure transparency in its decision-making processes and to help make the public aware of its right to access Council information.

Council commits to making information publicly available unless the information is confidential in nature or the information would be considered contrary to the public interest.

Responsible Officer: Manager Governance & Risk
24 June 2020 (TBC)
TRIM Reference: 20/36276

### 5.1 *What will Council be Transparent with*

Decision Making at Council Meetings
All decision making will be undertaken in accordance with the *Act* and Council's Governance Rules. Council meetings are to be conducted in an open and transparent forum, unless in accordance with the provision in the *Act* and Council's Governance Rules.

Council is committed to ensuring that decisions are informed through community engagement, in accordance with the Community Engagement Principles and the Community Engagement Policy.

Decisions of Council will be made fairly and on the merits, and where any person whose rights will be directly affected by a decision of the Council, that person will be entitled to communicate their views and have their interests considered.

Council Information
A list of available information is provided in Council's Part II Statement published in accordance the *Freedom of Information Act 1982*. Part II of the *Freedom of Information Act 1982* requires government agencies and local councils to publish a number of statements designed to assist members of the public in accessing the information it holds. Council's Part II Statement is made available for the public on Council's website and is regularly reviewed.

Council commits to making information and documents readily available on Council's website unless the information is confidential or its release is against the public interest.

The following *Council records* will, at a minimum, be readily available:
- Council's adopted Governance Rules
- Council Plan, Strategic Resource Plan, Budget and Annual Report
- Council meeting agendas and minutes
- Reporting from Delegated Committees to Council
- Audit and Risk Committee Performance Reporting
- Terms of reference or charters for Delegated, Advisory and Community Asset Committees;
- Registers of gifts, benefits and hospitality offered to Councillors or Council Staff as per Council's policies
- Council's adopted policies
- Council's adopted Code of Conduct
- All Local Laws adopted by Council

*Registers of Interests* may be inspected by approval of the Chief Executive Officer.

Publications
Council publishes a range of newsletters, reports and handbooks for residents, businesses and visitors. Publications will be made available on Council's website and also available in hard copy format upon request. Some of these publications are available at Council's Libraries.

### 5.2 *Access to Information*
Council is committed to ensuring that information is made available on Council's website, at Council offices, or by request. Council will give consideration to accessibility and cultural requirements (where possible).

Members of the public can make different kinds of information requests to Council (e.g. informal requests for documents and information or formal requests through Freedom of Information statutory processes).

Responsible Officer: Manager Governance & Risk
24 June 2020 (TBC)
TRIM Reference: 20/36276

Requests for information or documents that are not readily available to the public, will be assessed by the relevant Department within Council. Council officers will discuss with the member of the public where the request may be deemed unable to release.

Council will respond to requests for information in accordance with legislated requirements and Council's Customer Service Charter.

### 5.3 *Freedom of information (FOI) applications*

The *Freedom of Information Act 1982* gives the public the right to request access to documents that Council holds. Council will direct requests to the Freedom of Information process in specific instances where the Act allows for third party consultation prior to the release of the information, or in circumstances where it is deemed to be the most appropriate avenue. Where a member of the public wishes for a request to be processed under FOI, Council will support that process.

Information regarding Council's FOI processes and how to make a request is available on Council's website.

### 5.4 *Submissions*

Members of our community will be provided with the opportunity to provide submissions on key issues in accordance with Council's Community Engagement Policy. Key issues may relate to matters within Council's control such as the development of a Council strategy or proposed implementation of a major infrastructure project.

Key issues can also extend beyond Council's own jurisdiction, where Council plays an important advocacy role on behalf our community to State and Federal levels of government, statutory authorities and other key sector agencies. Opportunities to put forward a position on behalf of the community may arise through a range of avenues including formal submission processes, committees and Council decisions to express a view, or through the professional opinion and assessment by Council officers in their area of expertise.

### 5.5 *Information not available*

Some Council information may not be made publicly available. This will only occur if the information is confidential information or if its release would be contrary to the public interest or not in compliance with the *Privacy and Data Protection Act 2014.* Any information or documentation that is either made publically available or restricted to the public under any other legislation will be determined in accordance with that legislation, where inconsistent with the directions of this policy.

### 5.6 *Confidential Information*

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

| Type | Description |
|---|---|
| Council business information | Information that would prejudice the Council's position in commercial negotiations if prematurely released. |
| Security information | Information that is likely to endanger the security of Council property or the safety of any person if released. |
| Land use planning information | Information that is likely to encourage speculation in land values if prematurely released. |
| Law enforcement information | Information which would be reasonably likely to prejudice the investigation into an alleged breach of the law or the fair trial or hearing of any person if released. |
| Legal privileged information | Information to which legal professional privilege or client legal privilege applies. |

Responsible Officer: Manager Governance & Risk
24 June 2020 (TBC)
TRIM Reference: 20/36276

| | |
|---|---|
| Personal information | Information which would result in the unreasonable disclosure of information about any person or their personal affairs if released. |
| Private commercial information | Information provided by a business, commercial or financial undertaking that relates to trade secrets or that would unreasonably expose the business, commercial or financial undertaking to disadvantage if released. |
| Confidential meeting information | Records of a Council and delegated committee meetings that are closed to the public to consider confidential information |
| Internal arbitration information | Confidential information relating internal arbitration about an alleged breach of the councillor code of conduct. |
| Councillor Conduct Panel confidential information | Confidential information relating to a Councillor Conduct Panel matter |
| Confidential information under the 1989 Act | Information that was confidential information for the purposes of section 77 of the *Local Government Act 1989* |

### *5.7 Public Interest Test*

Council is not required to make publicly available information if the release would be contrary to the public interest, in accordance with the *Local Government Act 2020*. Council may refuse to release information if it is satisfied that it is not in the public's interest as a whole.

Council will take into account possible harm to the community or members of the community when considering releasing information.

Information that might be withheld because release is contrary to the public interest might include

- internal working documents that have not been approved or submitted to Council, especially where their release may give misleading impression
- directions to Council staff regarding negotiations in contractual or civil liability matters, where release may damage the Council's capacity to negotiate the best outcome for the community
- correspondence with members of the community, where release may inappropriately expose a person's private dealings

Council will also consider any request for information, that if granted would require substantially divert Council resources or funds, as being contrary to the public interest and may a refuse such a request on this basis.

### 5.8 *Responsibilities*

It is the role of Councillors and staff to promote and facilitate access to Council information in accordance with the transparency policy.

| Party/parties | Roles and responsibilities |
|---|---|
| Council | Champion the commitment and principles for public transparency through leadership, modelling practice and decision-making. |
| Executive Management Team | Champion behaviours that foster transparency and drive the principles through policy, process and leadership.<br>Monitor implementation of this policy. |
| Leadership Team | Manage areas of responsibility to ensure public transparency, good governance and community engagement is consistent with this policy. |
| All Staff | Public transparency is the responsibility of all employees as appropriate to their role and function.<br>All staff respond to requests for information and facilitate provision of information in consultation with their manager and in alignment with the Policy. |

Responsible Officer: Manager Governance & Risk
24 June 2020 (TBC)
TRIM Reference: 20/36276

| | |
|---|---|
| Manager Governance & Risk | To monitor implementation of this policy and conduct periodic reviews to drive continuous improvement. |
| Audit & Risk Committee | To monitor implementation of this policy and conduct periodic reviews to ensure the policy meets the requirements of the *Act* and the governance principles. |

### 5.9 Non-compliance with this Policy

If a member of the community wishes to question a decision about the release of information, this should be raised directly with the officer handling the matter in the first instance. If they are still not satisfied and would like to contest the decision, this should be reported to the Manager of Governance Risk.

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

## 6. Related Policies, Strategies and Legislation

Council's documents

- Governance Rules
- Public Transparency Principles
- Community Engagement Policy
- Privacy Policy

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

## 7. Council Plan

This policy supports the Council Plan 2017-2021 Our Promise objective to "work in collaboration with our communities to deliver the best possible outcomes in all that we do".

## 8. Management and Review

Council's Manager Governance & Risk commits to monitoring processes, information sharing and decision-making to understand the overall level of success in the Policy's implementation.

Council's Manager Governance & Risk is responsible for ensuring that this Policy is reviewed once every 4 years (at minimum) to ensure any changes required to strengthen or update the policy are made.

## 9. Consultation

Community consultation was not required in the development of this policy.

## 10. Human Rights Charter

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

Responsible Officer: Manager Governance & Risk
24 June 2020 (TBC)
TRIM Reference: 20/36276