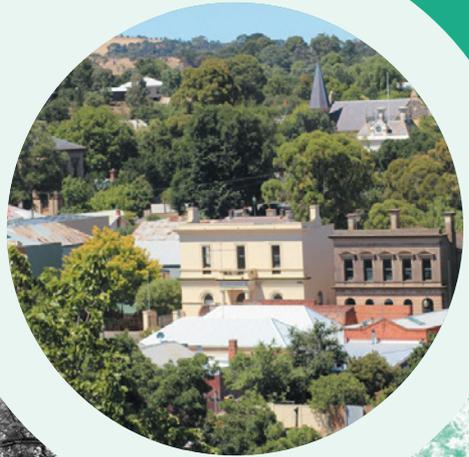


Annual Report

2017/18



Our Council

Hepburn
SHIRE COUNCIL

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Introduction

Our Vision & Mission

We aspire for all Council Staff and the community to refer to Hepburn Shire Council as 'Our Council'

Our Vision

At the commencement of the Council term, Councillors and the Executive team participated in a strategic planning workshop in order to develop a renewed vision for the organisation that would drive the development of the Council Plan and assist in fulfilling Council's obligations and the expectations of the community.

Council has set a vision that in many respects is simple, however will require a significant effort from the entire organisation as we seek to provide excellent service delivery for our community. We aspire for all Council Staff and the community to refer to Hepburn Shire Council as 'Our Council'. This simple statement intimates a future state where a strong sense of pride in our organisation exists based on the excellent work we do for our community.

Our Mission

Hepburn Shire Council will maintain, promote, protect and enhance the district's unique social, cultural, environmental and heritage characteristics. This will be achieved through effective, caring management and responsible governance. We will strive to gain maximum advantage for our community by protecting and enhancing our natural and built environment.

Snapshot of Council

Highlights of the Year



Highlights of the Year

Quality Community Infrastructure

Creswick Soccer Lights

The Doug Lindsay Reserve Soccer Lighting project delivered the installation of six light towers around the two soccer pitches.

At 25 metres high, the lights produce a 100 lux average across both pitches. Excavation of trenches for electrical conduits was completed in early April 2018. Each light tower required the construction of a steel reinforced concrete pad with four screw piles in each. The concrete required a month to cure before the poles and lights could be installed. The poles were lifted into place in late April and lights made operational in early May 2018.

The project was supported by Sports and Recreation Victoria with \$100,000 funding. Council contributed just over \$86,500 to the project. The Club also contributed \$10,000.





The new proactive program of works ensures that potential drainage problem areas are identified and dealt with prior to them becoming an issue or causing damage.

Drainage Maintenance Program

Council adopted a new innovative drainage works program over the last 12 months.

This program of proactive and reactive drainage works throughout the Shire is resourced by six staff members. Council maintains an extensive network of over 2,500km of drainage, with works including replacing damaged culverts, cleaning and clearing.

The new proactive program of works ensures that potential drainage problem areas are identified and dealt with prior to them becoming

an issue or causing damage. We also continue to deal with requests from the community who identify drainage issues. Staff have technology available to them that allows drainage works to be scheduled and available to works crews in real time, this has meant a more efficient allocation of work.

Highlights of the Year

Active & Engaged Communities



Reconciliation Action Plan

In July 2018, Council adopted a Reconciliation Action Plan (RAP). By adopting a RAP, Council has made a commitment to working positively with the Dja Dja Wurrung peoples, and other Aboriginal and Torres Strait Islander community members, to learn, acknowledge and move forward together as a community.

Council's RAP is a 'Reflect' RAP, which sets a 12-month plan of actions for Council to implement. Future RAPs will build on the successes achieved through this Reflect RAP which encompasses the themes of Relationships, Respect and Opportunities. The RAP includes practical actions that will drive Council's contribution to reconciliation both internally and in the communities throughout the Shire.

The RAP was developed in partnership with the Dja Dja Wurrung Clans Aboriginal Corporation, Atkinson Consulting Group and a community reference group appointed by Council.

Disability Access and Inclusion Plan

The Disability Access and Inclusion Plan (DAIP) was adopted at the June 2018 Council meeting. The Plan aims to build a more inclusive and accessible community by making services, buildings, information and activities available to people who have a disability.

During the development of the Plan, community consultation sessions were held throughout the Shire to gain an understanding of the issues facing those in the community with a disability. A survey was also distributed to key stakeholders and promoted through print and social media.

Council has established a Disability Advisory Committee (DAC), representing people with a disability, to work closely with Council to address barriers to access and inclusion in the community and to monitor the progress and implementation of the DAIP.



The Plan aims to build a more inclusive and accessible community...

Highlights of the Year

Sustainable Environment

Z-NET Project

Council strongly supports the Z-NET project, Hepburn Shire's transition towards zero net emissions.

Z-NET is using a holistic, community focused approach to quantifying and addressing emissions within the Shire. This includes developing a ground up emissions profile of the Shire by using a number of datasets and best practice modelling techniques. Once the emissions and their sources are known, the next step is to implement projects to address these emissions. Key sectors include energy, waste, agriculture, transport, land use, industry and tourism.

Emission reduction actions are already underway through programs such as the Hepburn Solar Bulk Buy, Solar Savers, Waste to Energy project and Towards Zero Emissions Roadmap. This is building on a strong history of community led action in sustainability. The Z-NET team will be delivering a Community Transition Plan, a methodical, tangible roadmap of how to expand beyond these projects to achieve complete emissions neutrality, while considering

the technical, financial, regulatory and social justice implications of doing so. The project is supported financially and with resources from Sustainability Victoria, Hepburn Shire Council, Hepburn Wind, and the various Sustainability Groups within the Shire and others.





Biodiversity Strategy

The draft Hepburn Biodiversity Strategy and Action Plan 2018-2021 outlines the commitment of the Council to protect, enhance and restore biodiversity across the Shire.

The strategy includes a three-year action plan with 13 strategic areas of focus and 32 actions intended to provide on ground protection and enhancement of biodiversity, support well informed decision making, increase community awareness and support partnerships to improve biodiversity for future generations.

The draft was revised following submissions after the document was placed on public display and forums in late 2017. It also incorporates the expertise of a Community Reference Group and the Shire's Biodiversity Officer.

The Community Reference Group overseeing the strategy had its third meeting in early August and will meet once more in September to review final feedback from the community. A three-week public display period of a draft of the strategy will occur from the second half of August and three community consultation forums have been arranged for the first week of September in Smeaton, Trentham and Daylesford. The strategy is due to be considered at the October 2018 Council meeting.

Highlights of the Year

Vibrant Economy

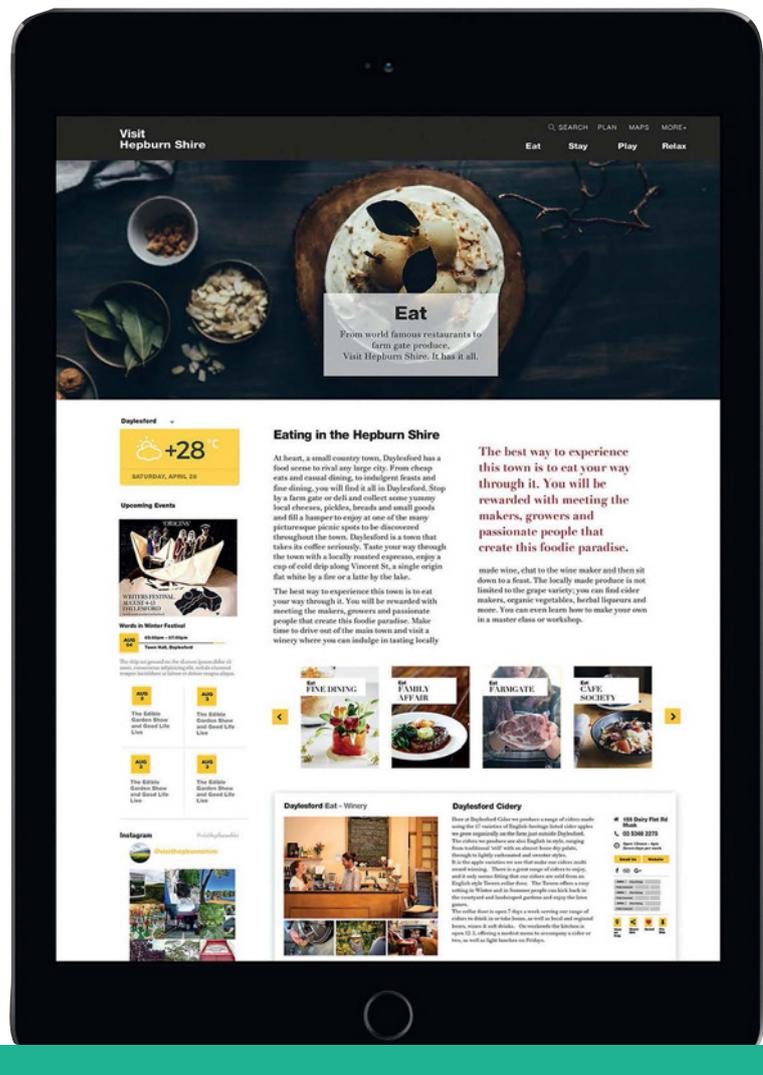
New Visit Sites for Hepburn Shire

This year, Council launched a new visitor website.

The new modern site, a consolidation of four visit websites, is flexible and uses leading technology to assist visitors in planning their visit. The key focus is to encourage increased length of stay and higher spend to assist in growing the tourism industry and supporting this Shire's economic development.

Key features of the site include:

- Connecting all four major town websites into one site enabling visitors to easily navigate between each area and see what is happening around the entire Shire
- Events calendar enabling visitors to plan their visit around key events and festivals
- The ability for businesses to self-manage their business information
- Visually appealing and image driven to represent the high-quality products within our Shire.



Ride Daylesford

On 28 October last year, the inaugural Ride Daylesford event was held. This event was a recreational ride starting in Daylesford, taking in sections of Hepburn Shire then moving on to Macedon Ranges and Mt Alexander Shires, before finishing back in Hepburn Shire.

Over 1,400 cyclists of all abilities participated in one of the three distances available, 146km, 66km and 33km. The economic impact of this event was significant, given that 60% of participants stayed one or more nights in the region.

The event was a fantastic success and we look forward to hosting the event again on Saturday 27 October 2018.



Highlights of the Year

High Performing Organisation

Closing the Loop – Requests and Projects

Responding to our customers and delivering on what we say is essential to providing great services for our community.



These are two areas where Council has struggled to consistently meet the community's expectations. With low community satisfaction survey results for customer service and a number of overdue projects, Council needed to change things in this area.

The Council Plan 2017-2021 reconfirms Council's commitment to Closing the Loop on all customer requests and improving how we respond. It also commits to better plan, manage and deliver projects including actions to improve our approach and systems for project performance reporting. At the start of the 2017-18 financial year, Council commenced using the Closing the Loop system for managing customer requests and project reporting.

The Closing the Loop system was designed and developed in-house to meet Council's own requirements. Being cloud based and flexible, the system is accessible to community members, staff and councillors using any web-browser. This unites Council staff from their desktop

computers and allows for mobile logging and responses to requests. The requests are easily allocated to responsible staff for a response. Closing the Loop allows much easier tracking and close out of requests and projects than previously. We can also monitor and report on key statistics to continuously improve how we use the system.

Using the Closing the Loop system, Council received 8,740 requests in 2017-18 and closed out 97% of them. Over the year, the average time to close requests was 15 days.

Separately, Council managed and tracked 146 projects that were included in year one of the Council Plan 2017-2021 and/or Budget 2017-18. At the end of the year, 53 (36%) were completed, 88 (61%) were in progress and 5 (3%) were not started.

The Closing the Loop system has enabled Council to have a reliable central source of truth for all customer requests and Council projects. This enables Council to continuously improve how we respond to requests and deliver on our project commitments.

Leadership Development Program for Coordinators & Emerging Leaders

The Emerging Leaders development program was again offered in 2017/18 with 20 employees taking part. The aim of the program is to develop Coordinators and other employees with leadership potential.

The topics covered in this program include:

- Financial and Project Management
- Employee Code of Conduct and managing staff grievances
- Employment Law
- Community Engagement and Communication
- Occupational Health and Safety / Workcover and Return to Work
- Personal Development – personality styles and Emotional Intelligence.

The feedback from the participants of this year's program has been very positive and they are utilising this new knowledge in their day-to-day work and supervision of staff. The other benefit of this program has been the enhancement of communication between coordinators across departments, going some way to breaking down communication barriers.



*The Year
in Review*

The Year in Review

Message from the Mayor

On behalf of my fellow Councillors I am very pleased to present the Hepburn Shire Council Annual Report for 2017-18. For much of the financial year it has been my privilege to hold the position of Mayor and to meet with our many stakeholders in addressing the issues facing the municipality. I acknowledge the hard work of Council throughout the year in its service to the ratepayers, residents and visitors of Hepburn Shire through delivering on its role to provide ongoing direction to and oversight of management in the implementation of the Council Plan.

A significant achievement by management was the enhancement of the Budget process for the 2017-18 year with the introduction of forward settings providing more structure and certainty beyond the current-year budget into forward 2-4 years. Continued strengthening of forward budgets removes uncertainty for the community in Council's program for delivery of projects and initiatives in our Council Plan 2017-21, and correspondingly certainty in their progress.

Two additional notable achievements of 2017-18 are the delivery of our 'reflect' Reconciliation Action Plan (RAP); and the commencement of a detailed revision of the Hepburn Shire Planning Scheme. The latter is a likely two-year project that will define the development of the Shire into the 2030's.

In March 2018, our previous CEO Aaron van Egmond announced his resignation and departure on 1 June 2018. I would like to thank Bruce Lucas for his willingness on 2 June

2018 to step into the role of Interim CEO and for the professionalism and leadership he offered in steering the organisation at this time of transition to our new CEO, Evan King.

Evan King commenced on 23 July 2018 and immediately set about the major task of assessing the structure and ongoing needs of the organisation to implement Council's commitment to a stronger community engagement based around its values of transparency, probity and accountability. Evan's integrity, strong principles and focus on staff satisfaction has made for an enjoyable Mayor/CEO working relationship.

Evan has initiated a refreshingly open collaborative working relationship embracing Councillors and the Leadership Team as we address the future of the Shire and achievement of our goals.

I would like to thank my fellow Councillors for their ongoing commitment to their respective communities and the cohesion

displayed in our various deliberations, and the Deputy Mayor Cr Don Henderson for his wise counsel. Also, my thanks to Michelle Dove, Maria Abate and the many staff members who have assisted me in meeting the not insignificant demands of the role of Mayor. We are a small regional Council with big ideas, and a dedicated team working hard to deliver what our community wants and needs – thank you to all our staff in this endeavour.

The Annual Report provides us with the opportunity to reflect on what we have achieved, look at our performance and celebrate our successes. It is the struggle to achieve big things with a fixed budget that leads this organisation to look for ways to improve efficiency. We have achieved some great things over the year, and I am proud to be presenting the Annual Report 2017-18



Cr John Cottrell
Mayor

The Year in Review

Message from the CEO



Evan King
Chief Executive Officer

I am pleased to present Council's Annual Report 2017/18. The Annual Report provides a detailed insight into Council's operation and performance.

I commenced in my role as Chief Executive Officer on 23 July 2018. Prior to my last role as Director of Corporate and Community Services at Pyrenees Shire Council, I held the position of General Manager Corporate Services at Hepburn Shire Council. During my time as General Manager, I played a key role in making some important changes to the way we managed our finances, reducing costs and finding savings.

As CEO, I am committed to delivering on the actions contained in our Council Plan 2017-21 and Budgets. I understand the need for our residents and ratepayers to have confidence in us to responsibly manage our finances, while ensuring we are providing those services the community needs and wants. My focus over the coming year will be to put our customers first and to ensure we are on a path of continuous improvement.

I look forward to leading the organisation over the coming years and providing future reports on performance.

My focus over the coming year will be to put our customers first and to ensure we are on a path of continuous improvement.

Our Council

Our Council

Hepburn Shire Snapshot

2016 Census Information

Source: Australian Bureau of Statistics Census Data 2016

Total Population 15,330

Male 48.2%

Female 51.8%

Median Age 50

Families 3,962

Average children per family (with children) 1.8

Average children per family (all families) 0.6

Private dwellings 8,666

Average people per dwelling 2.2

Median weekly household income \$996

Median monthly mortgage repayments \$1,300

Median weekly rent \$235

Average motor vehicles per dwelling 2

FAMILIES

3,962

2.2

AVERAGE PEOPLE
PER DWELLING

FEMALE

51.8%

48.2%

MALE

15,330

TOTAL POPULATION

MEDIAN AGE

50

AVERAGE MOTOR VEHICLES
PER DWELLING

2

8,666

PRIVATE DWELLINGS

\$235

MEDIAN WEEKLY RENT

\$1,300

MEDIAN MONTHLY
MORTGAGE REPAYMENTS

Our Council

Councillors



Birch Ward

Cr Kate Redwood AM
0428 285 673
kredwood@hepburn.vic.gov.au

BA, BSW Hons. and MBA studies Melbourne Business School

Cr Redwood was elected to Hepburn Shire Council in 2012. She was Deputy Mayor in 2014 and Mayor in 2015. She has represented Council on a range of committees including the Hepburn Shire Audit and Risk Committee from 2012 to 2016. She has chaired the Hepburn Shire International Women's Day Committee since 2012 and Council's Mineral Springs Advisory Committee since 2016. She is also a Director on the Hepburn Health Services Board and has chaired its Audit and Risk Committee and currently chairs its Fundraising Committee. She is a member of the Committee of Management for the Daylesford Neighbourhood Centre and of the Cornish Hill Committee of Management.

Cr Redwood has previously served two terms as a councillor for the City of Melbourne. She has held board positions with Melbourne Health (9 years), State Trustees Limited (9 years) Walter and Eliza Medical Research Institute (4 years) Orygen Youth Mental Health (3 years) and chaired the Yarra/Melbourne Regional Library Board. She has held a range of senior management positions in health and community services organisations.

In 2013 Cr Redwood was awarded an Order of Australia, AM, for services to the Victorian community and a Centenary Medal in 2001 for services to local government and the community.



Birch Ward

Cr Fiona Robson
0428 322 454
frobson@hepburn.vic.gov.au

Cr Fiona Robson has expertise in community development, strategic planning and project management. She has worked in a large multinational corporation, small business, not-for-profits, education, health and local government, as well as volunteering with a variety of community initiatives.

Cr Robson has co-owned and co-operated a successful local small business, is married with two school-aged children.

Cr Robson has a Bachelor of Science (Melbourne), a Graduate Certificate in International & Community Development (Deakin), is an Internationally Certified Project Manager (Project Management Institute) and is studying a Graduate Diploma in Communication (Deakin).



Cameron Ward

Cr Neil Newitt
5321 6423 / 0400 906 599
nnewitt@hepburn.vic.gov.au

Cr Neil Newitt and his family decided to move permanently to Clunes in 2006 after many years as weekend visitors. Cr Newitt is a professional photographer and runs a gallery in Fraser Street, Clunes, and recently opened a wine bar in the expanded business.

Cr Newitt has thirty years' experience as a professional photographer working in newspapers in Queensland and Victoria, including regional and metropolitan mastheads. Cr Newitt was a Senior Photographer and Pictorial Editor with The Age until 2005. Currently, Cr Newitt is a contributor to national media magazines. Since moving to Clunes, Cr Newitt has been involved with many community, tourism and economic development committees.



Coliban Ward

Cr Sebastian Klein
0428 331 173
sklein@hepburn.vic.gov.au

Cr Sebastian Klein has now served the community of Coliban Ward for ten years. In that time he has worked tirelessly in the pursuit of delivering the best services and infrastructure possible to the people of Coliban Ward and Hepburn Shire.

He also drives policy around diverse economic development (particularly agriculture and food industries and renewable energy), affordable housing and long-term land-use planning approaches for the Shire to protect the amenity and productive landscape of the region.

He is a firm believer that positive and constructive engagement delivers results where conflict and mistrust cannot.

He is currently studying a Masters in Enterprise at Melbourne University with a view to testing the private sector capacity for change. He is Chair of the Grampians Central West Waste Resource Recovery Group and works in the surging industry of renewable energy.



Creswick Ward

Cr Don Henderson
Deputy Mayor
5345 2638 / 0427 559 684
dhenderson@hepburn.vic.gov.au

Cr Don Henderson is a qualified carpenter and joiner, licensed asbestos remover and supervisor. Cr Henderson also has a long career in the trade union movement as a safety and industrial relations consultant, former Secretary Building Works Industrial Union and advisor for Australian Workers' Union (AWU). Cr Henderson was a founding Director of Tripstop group of companies.



Creswick Ward

Cr Greg May
0409 251 743
gmay@hepburn.vic.gov.au

Cr Greg May worked for many years in the telecommunications sector but in recent years has been an organic farmer producing vegetables and wine. He has a keen interest in sport and recreation throughout the Shire and enjoys involvement with local sporting clubs and community groups. Cr May has been the Chair of the Hepburn White Ribbon Committee (HWRC) since 2016. The HWRC was established in 2016 to join the International White Ribbon Day (WRD) campaign to eliminate violence against women in our society. HWRC works with all sectors of the community to create social awareness and cultural change around the issue of violence against women. Cr May lead the recruitment of Hepburn Shire White Ribbon Day Ambassadors - men who are considered to be exemplary role models and inspiring and motivational leaders in our community.



Holcombe Ward

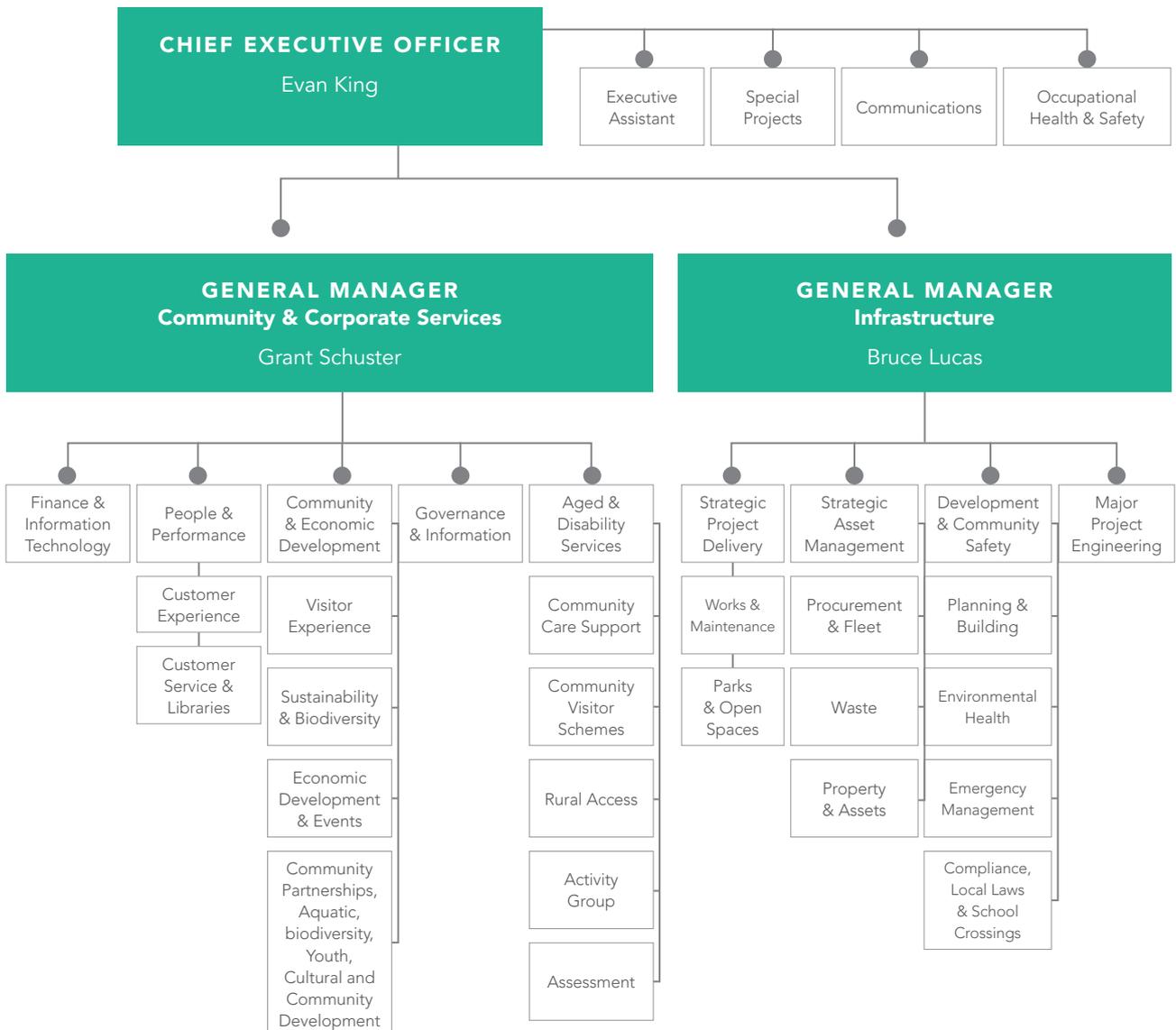
Cr John Cottrell
Mayor
0429 094 023
jcottrell@hepburn.vic.gov.au

Cr John Cottrell retired to Glenlyon from Melbourne in 2012 but retains the role as Chairman of Powerwrap Ltd's \$7 Billion Managed Investment Scheme External Scheme Compliance Committee. In 2018 he relinquished his 10-year tenure as Convenor/Lecturer of Governance and Corporate Leadership in the Swinburne University of Technology MBA program. He is a member of the Hepburn Shire Council Audit and Risk Advisory Committee, the MAV Delegate and member MAV Professional Development Reference Group. He served on the board of Hepburn Health Service and its Clinical Risk Committee 2013-16 and the Audit and Risk Committee 2013-17. Cr Cottrell has extensive investment funds management industry experience in the public and private sectors. He holds an MSc from Swinburne University of Technology, is a graduate of the Australian Institute of Company Directors and graduate/Fellow of Governance Institute of Australia.

Our People

Our People

Organisational Structure



Our People

Executive Team



Evan King

Chief Executive Officer

Bachelor of Business from Federation University, Certified Practising Accountant and Graduate of the Australian Institute of Company Directors

Evan King commenced as Hepburn Shire Council CEO in July 2018. Evan's Local Government career includes executive roles at Pyrenees Shire Council as the Director of Corporate and Community Services and Hepburn Shire Council as the General Manager Corporate Services. Prior to working in Local Government, Evan had an extensive career working in manufacturing and held senior management positions with Mars Confectionery and FMP (Bendix Mintex). Evan has a Bachelor of Business from Federation University, is a qualified CPA and a graduate of the Australian Institute of Company Directors. Having lived and worked in rural Victoria all his life, Evan is passionate about rural living and ensuring that those who live in regional Victoria have access to high quality services and facilities.



Bruce Lucas

General Manager Infrastructure

Bachelor of Civil Engineering

Associate Diploma Civil Engineering

Bruce joined Council in February 2012, having previously held the position of Manager Infrastructure with the Mount Alexander Shire Council, where he worked for 15 years. Bruce has extensive knowledge of local government engineering, asset management, emergency management, as well as effective management of operational and capital programs.

As General Manager Infrastructure, Bruce oversees infrastructure maintenance which includes all capital works undertaken in the Shire, and our Parks and Open Spaces team. He is responsible for Council's assets and engineering services, which includes waste management, maintenance of Council buildings and assets, special projects, Development Service's (Town planning and Building & Environmental Health) and Council's Community Safety team, which encompasses emergency management responsibilities.



Grant Schuster

General Manager Corporate Services

Bachelor of Science (Honours)

Master of Environment (Policy Communication and Governance)

Grant has been with Council since 2010. During this time he has held the positions of Manager Risk and Property and Manager Strategic Asset Management, prior to becoming General Manager Corporate Services in 2014. These previous roles coordinated and managed the risk, assets, property and local laws teams. Prior to Hepburn, Grant worked in the private sector providing risk management services, internal audit and sustainability and climate change consulting.

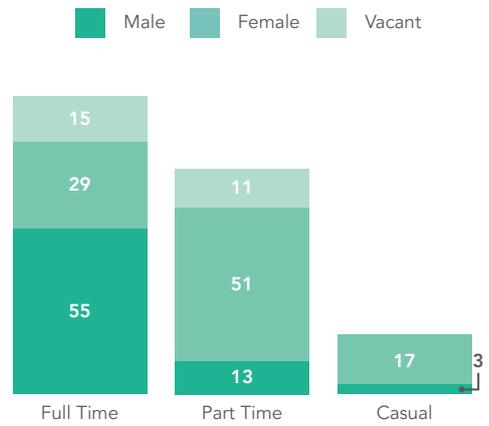
In early 2018, Grant commenced in the combined role of General Manager Community and Corporate Services. In this role Grant oversees the people and performance, finance, information technology, governance, customer experience, aged and disability services, libraries, recreation, youth development, community planning, culture and arts, economic development, tourism and events teams.

Our People

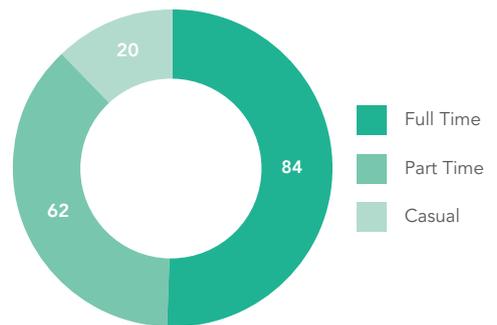
Our Staff

Number of Budgeted FTE by Business Area (Plus Funded Positions)

	TOTAL FTE	FUNDED POSITIONS
Executive Services	3.80	
Development Services (Planning, Building and Environmental Health)	14.78	0
Community Services	0.59	
Community and Economic Development	4.84	
Aged and Disability Services	11.01	0.96
Library Services	10.63	
Corporate Services (HR, Records, Governance, Communications, Customer Service)	13.39	
Finance and IT Services	7.22	
Infrastructure Services	2.00	
Strategic Asset Management (Risk, Asset Management and Compliance)	7.53	
Strategic Project Delivery (Engineering and Major Projects)	5.63	
Roads Maintenance	24.02	
Parks and Gardens	11.00	
TOTAL	116.44	0.96
TOTAL	117.40	



Number of staff by gender and employment category



Number of staff by employment status
TOTAL 166

WORKFORCE DATA										
Structure	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Band 7	Band 8	All other	Total
Classification	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE	FTE
Permanent Full Time – Female				1	13	8	4		3	29.0
Permanent Full Time – Male		5	16	7	8	5	8		6	55.0
Permanent Part Time – Female	0.99	5.25	2.77	5.83	4.76	2.06	0.92			22.6
Permanent Part Time – Male	0.2	1.11		1.43	1.21	1.63				5.6
Casual – Female	0.02	0.40	0.93	2.87		0.53				4.8
Casual – Male	0.09	0.35	0.02	0.02						0.5
TOTAL	1.3	12.1	19.7	18.1	27.0	17.2	12.9	0.0	9.0	117.4

Table excludes vacant positions or positions filled by contractors

Our People

Employee Achievements

Council values the contribution, dedication and loyalty of its long serving staff members. Service milestones are recognised and celebrated annually at a staff function where long serving staff members are presented with a certificate recognising their years of service, along with a small gift of appreciation.

The following staff reached a service milestone during the 2017/18 financial year:

35 Years

- **William Vermeend**
Backhoe Operator/Leading Hand
- **Shirley Maxwell**
PAG Assistant

30 Years

- **Paul White**
Building Inspector

20 Years

- **Phillip Naylor**
Maintenance Team Leader
Daylesford
- **Denise Monaghan**
Environmental Health Technical Officer
- **Sue Richards**
Community Care Support Worker

15 Years

- **Wendy Barrett**
Cleaner
- **Kathryn Christie**
Client Services Officer

10 Years

- **James Lowe**
Team Leader Reserves
& Public Parks
- **Karen Bishop**
Community Care Administration Officer
- **Matthew Young**
Gardener/Plant Operator

CEO awards

CEO Awards acknowledge staff who demonstrate an action or behaviour that strongly represents at least one of our organisational values.

Conducted on a quarterly basis, staff members are nominated by their peers for demonstrating the values of accountability, respect, excellence, trust or fun. In 2017/18, the organisation recognised five staff members who went above and beyond their day-to-day duties to assist their fellow team members and exhibit the organisation's values. The recipients received a CEO Award framed certificate and a gift voucher.

Our People

Occupational Health & Safety

Council is committed to maintaining a safe and healthy workplace for all employees, contractors, volunteers, visitors and Councillors, and recognises that it is an integral part of our organisation.

This commitment is documented in the Occupational Health & Safety policy which can be found displayed on noticeboards in our workplaces and on our website.

Hepburn Shire Council is a member of the Municipal Association of Victoria (MAV) WorkCare self-insurance scheme which covers 31 Victorian councils. The Scheme's workers compensation and return to work programs are administered by Jardine Lloyd Thompson Pty Ltd (JLT).

All MAV WorkCare Council scheme members are working through a coordinated three-year occupational

health & safety improvement project to 2020, with significant focus on strengthening the organisation's safety management system.

For Hepburn Shire Council, this has focused on implementing a systematic and proactive program of risk assessment and the introduction of mobile technology to staff to improve communication and provide real-time access to current safety information.

Hepburn Shire Council is currently ahead of schedule with the MAV WorkCare project plan.

Reported Incidents

In the year 1 July 2017 to 30 June 2018 there was a total of 37 health and safety incidents reported, of which 13 were classified 'near misses' that did not result in injuries. This is down from 55 reported incidents in 2017. Incidents and near misses are investigated and responded to promptly in order to improve safe work systems and reduce risk.

The improvement on the result for 2017 is attributed to the stronger, systematic and proactive approach to safe work procedures, implementation of technology to assist with risk assessments and support for an employee empowered safety culture.

Reported Incidents and Hazards (Internal Reporting)

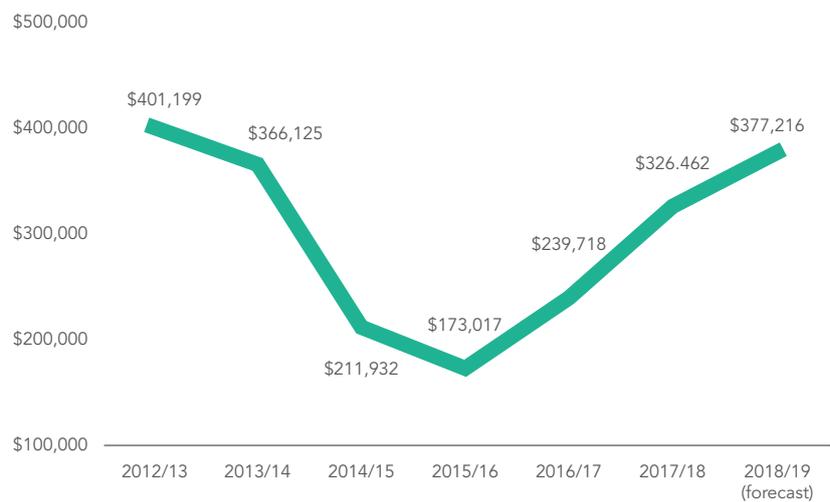
2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
37	34	39	40	57	32	32	23	55	37

Workcover Premium & Claims Costs

Unfortunately, Council's Workcover premiums have continued to rise with a number of employees unable to return to work and a very small number with other health complications.

Our focus will continue to be on prevention of injuries and early intervention with the aim to aid return to work capability and minimise claim costs. Wherever possible we continue to be active with our sustainable Return to Work Program and we continue to provide reduced work hours and activities to assist employees to return to work and make a full recovery.

Under the new self-insurance scheme we are working closely with our new insurers, JLT, to reduce the number of workplace injuries and to manage employee health outcomes



Staff Wellbeing

There have been a number of employee healthy living and health monitoring activities during 2017/18.

Once again, a large number of staff had flu vaccinations. This year there has been an emphasis on well-being with specialists providing lunch time sessions offered to all staff on Mindfulness & Relaxation and Seated Yoga. Participating staff reported feeling refreshed and energised due to these activities. Council also participated in the Premier's Active April Program where participants recorded their physical activities for the month. As a collective group we recorded 270 hours of activities which included walking, running, cycling, swimming and yoga. Staff were also offered skin cancer checks. Council continues to provide weekly deliveries of fresh fruit at all locations.

Our People

Employment at Hepburn Shire Council

Attraction & Retention

Recruitment during 2017/18 resulted in 41 positions being filled as they became vacant. We advertised 46 positions during the year, including positions for limited tenure and casual appointments, which attracted 912 applications. Our permanent employee turnover rate for 2017/18 was 12.84%.

A new approach to recruitment in some parts of Council has been adopted this year. The Daylesford and Creswick Works teams (Infrastructure Department) have been restructured to increase alignment with the proactive and reactive work that is expected of these areas. The restructure provided more clarity of work roles within each salary band and led to an opportunity to recruit more workers into these teams. Rather than go through the usual interview process the People & Performance Team, in conjunction with the Works Team Leaders and Supervisors, ran a half day Job Assessment with twenty applicants vying for 8 new positions.

Each applicant participated in a group discussion to identify work activities and priorities, then in smaller groups they were able to demonstrate their work skills by filling and moving sand bags, driving trucks and manoeuvring the Excavator. This approach to recruitment provided our Supervisors the opportunity to see the work skills of each applicant in action. Our new recruits have settled in well and may become the future of the Works teams.

This same approach was also used for some selected office positions, providing an opportunity for candidates to demonstrate project management and finance skills.

Learning & Professional Development

Council offers study assistance for staff undertaking relevant undergraduate or postgraduate studies and also provides ongoing work-related training sessions. The corporate learning program supports a broad range of staff development needs. This development is aligned with strategic priorities, as well as in response to needs identified through the Performance Excellence Program (PEP) discussions and in support of the Occupational Health and Safety initiatives.

Corporate training delivered this year:

- Manual Handling
- Hearing Awareness
- Duty of Care
- First Aid
- Mental Health First Aid
- CPR
- TRIM (Electronic Document Management System)
- Technology One (Finance and Customer Request System).

Professional Development opportunities delivered:

- Community Engagement
- Emergency Management
- Traffic Management
- Health Requirements for Aged Care
- Introduction to Privacy in the Victorian Public Sector
- Food Safety

Occupational Health and Safety Training

- Traffic Management
- Crosscut
- Prevention of Falls
- Dogman
- Chemical & Hazardous Substance Handling & Awareness
- Emergency Management and Evacuation
- OHS Responsibility and Accountability for Managers
- Psychological Safety
- Identifying Hazards, Assessing and Controlling Risk in the Workplace
- OHS Representative Training
- Load and Unload Plant
- Workplace Inspection
- Corrective Actions Register

Induction Program

Our induction program for all new employees has continued to provide an overview of our service areas and key responsibilities.

New employees have a site-specific induction and join a group of new starters in a comprehensive induction program which includes meeting the CEO, Executive Team and key Council staff, along with gaining a better understanding of our corporate policies, procedures and business processes

Performance Excellence Program (PEP Talks)

The annual staff performance appraisal and development program called the Performance Excellence Program (PEP Talk) continued this year.

This program is a point-in-time review during November/December each year, with a mid-year review undertaken in May/June. This focus provides a direct line of sight between the employee's individual performance and development plan, and their team's Business Plan and Council Plan objectives.

The PEP Talk program concentrates on achievements, challenges, opportunities and behaviours. The aim is to facilitate a conversation between supervisors and employees to gain meaningful information that can improve performance and workplace behaviours and to identify training needs.

This year the PEP process has been automated, doing away with paper forms in most areas. The PEP forms have been completed online at the time of the performance conversation and submitted on line to the relevant manager for approval. Employees have welcomed these new processes.

Equal Opportunity Employment

Council is committed to Equal Opportunity and diversity in its workplace and providing a workplace for staff that is free of all forms of discrimination, bullying and harassment. Our aim is to promote fairness and equity in our organisation where the rights of individuals are upheld and staff are treated with respect, fairness, equity and dignity.

The Equal Opportunity program includes a regular review of its Respectful Behaviours Policy and Responding to Workplace Bullying procedures. This policy is supported by workplace training and awareness programs for all new and existing employees.

Flexible Work Arrangements

Council is committed to providing flexible working arrangements that support employees to balance work and personal commitments.

A number of arrangements are available to staff including:

- Job sharing
- Part time hours
- Purchased leave
- Working from home
- Paid maternity/paternity and adoption leave
- Individual flexible working arrangements
- Flexible Return to Work options from extended leave
- Rostered Days Off
- Blood Donor leave

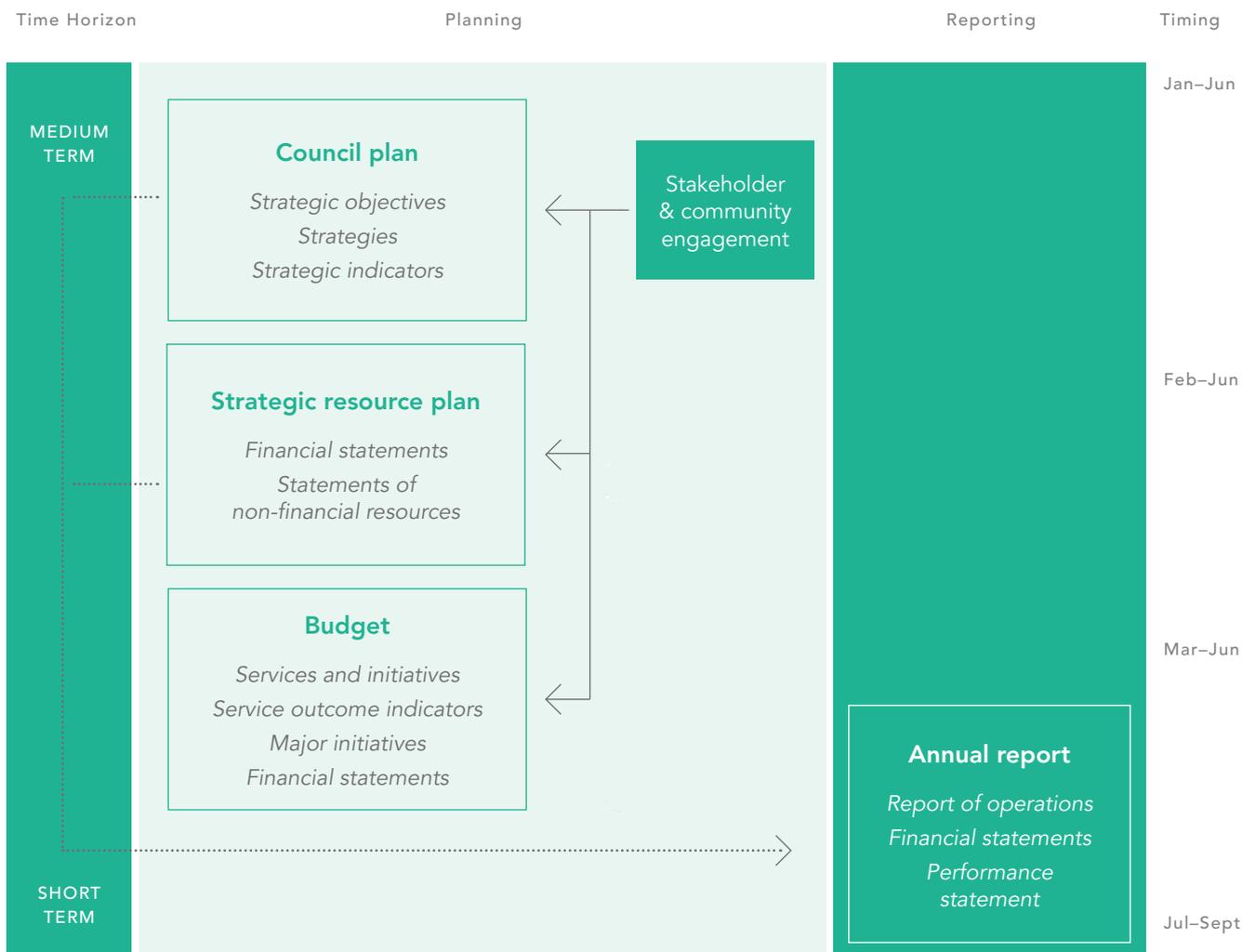
Performance

Performance

Planning & Accountability

The diagram below depicts the planning and accountability framework that applies to local government in Victoria.

The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes. The Council Plan, including the Strategic Resource Plan, is required to be completed by 30 June following a general election and is reviewed in conjunction with the Annual Budget process.





Performance

Council Plan

Although we adopted a new Council Plan 2017/21, this report of operations reports on the previous Council Plan 2013/17.

The Council Plan 2013/17 includes strategic objectives, strategies for achieving these over the four-year period, strategic indicators for monitoring achievement of the strategic objectives and a strategic resource plan.

The following are the five strategic objectives as detailed in the Council Plan:



Quality
Community
Infrastructure



Active &
Engaged
Community



Sustainable
Environment



Vibrant
Economy



High
Performing
Organisation

Council's performance for the 2017/18 year has been reported against each key strategic objective to demonstrate how we performed against the Council Plan 2017/21.



Performance

Quality Community Infrastructure

Number	Action	Result
1.1	Continue to invest in our assets at a level greater than depreciation by delivering the annual asset renewal capital works programs.	In progress
1.2	Implement a program of road safety and amenity improvements, including sealing and widening roads, on priority Council managed roads and advocate to VicRoads for improvements on arterial roads.	In progress
1.3	Implement a roadside drainage maintenance and upgrade program to improve quality of roads, reduce future maintenance costs and improve efficiency of roadside drainage to minimise risk of flooding.	In progress
1.4	Continue to implement streetscape works in Creswick, Clunes, Trentham, Hepburn Springs, Glenlyon and Daylesford in line with adopted strategies and protect their historic significance.	In progress
1.5	Implement a Building Management Plan to improve access, maintenance and renewal planning for our buildings and structures.	In progress
1.6	Invest in the renewal, restoration and activation of our Town Halls and Civic Buildings throughout the Shire.	In progress
1.7	Complete a program of Essential Safety Measure improvements in council buildings to ensure compliance with the Building Regulations.	In progress
1.8	Implement the Hepburn Hub at The Rex and Daylesford Town Hall to deliver improved community spaces including theatre, swimming pool, library, meeting rooms and council services.	In progress
1.9	Design and build the Trentham Community Hub incorporating enhanced library, meeting rooms, seniors and visitor information services.	In progress
1.10	Upgrade and renew public toilets to achieve consistent quality Shire wide and improve the level of servicing across the Shire that matches demand.	In progress
1.11	Implement priority actions from current and newly developed Recreation Facility Master Plans.	In progress
1.12	Deliver walking and cycling priority projects, including asset renewal works and expansion of footpaths and multi-use trails.	In progress

Major Budget Initiatives

Major Initiative	Result
Annual asset renewal program including road reconstruction, buildings, fleet and equipment, road reseal, gravel road resheet, bridges, playgrounds and footpaths (\$5,931,200)	In progress
Implement the Hepburn Hub at The Rex and Daylesford Town Hall to deliver improved community spaces including theatre, swimming pool, library, meeting rooms and council services (\$2,305,000)	In progress
East Street Road Lowering Under Railway Bridge (Year 1, subject to external Funding) (\$590,000)	In progress
Enhanced Drainage Maintenance Program (\$300,000)	In progress
Trentham Child Care Construction for In-Venue Family Day-Care (\$235,000)	In progress
Deliver walking and cycling priority projects, including asset renewal works and expansion of footpaths and multi-use trails (\$210,000)	In progress

Strategic Indicators

Strategic Activity	Performance Measure	Result
Assets	Completion of capital works program (% by number)	\$62% completed by number 64% completed by expenditure Note: this excludes Carry Forward projects and projects that are dependant of external grant funds
Assets	Road, bridge, building and footpath assets below intervention level (%)	2%

Service Performance Indicator Results

Roads

ROADS			Results				Material Variations / Comments
Service/Indicator/Measure			2015	2016	2017	2018	
Satisfaction of use							
R1	14	Sealed local road requests <i>[Number of sealed local road requests / Kilometres of sealed local roads] x100</i>	56	39	41	47	New customer request system has improved reporting of road requests.
Condition							
R2	15	Sealed local roads below the intervention level <i>[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100</i>	98.5%	98.5%	98.6%	98.6%	Continued investment in rehabilitation and resealing of Council roads is maintaining roads below intervention level.
Service Cost							
R3	16	Cost of sealed local road reconstruction <i>[Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]</i>	\$43	\$42	\$46	\$51	Increase reflects the increased use of stabilisation process to deliver greater longevity of roads.
R4	17	Cost of sealed local road resealing <i>[Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]</i>	\$5.47	\$5.45	\$5.18	\$5.61	No material change.
Satisfaction							
R5	18	Satisfaction with sealed local roads <i>[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]</i>	43	43	37	46	Overall satisfaction improvement may be due to the high level of investment by Council and VicRoads on local roads in the past year. 99% of Council's local roads are below intervention levels.

Service Performance Indicator Results

Waste Collection

WASTE COLLECTION			Results				Material Variations / Comments
Service/Indicator/Measure	2015	2016	2017	2018			
Satisfaction of use							
WC1	23	Kerbside bin collection requests <i>[Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000</i>	28	58	160	144	The Contractor has been alternating new drivers and drivers from other areas which has contributed to the missed collections and to the increase in damaged bins.
Service Standard							
WC2	24	Kerbside collection bins missed <i>[Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000</i>	2.1	5.7	10.5	9.2	The Contractor has been alternating new drivers and drivers from other areas which has contributed to missed collections.
Service Cost							
WC3	25	Cost of kerbside garbage bin collection service <i>[Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]</i>	\$103	\$98	\$97	\$99	Increase reflects CPI increase within contracts.
WC4	26	Cost of kerbside recyclables collection service <i>[Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]</i>	\$49	\$48	\$67	\$76	Increase reflects global impacts in the recycling industry.
Waste Conversion							
WC5	27	Kerbside collection waste diverted from landfill <i>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</i>	40%	41%	43%	43%	No material change.



Performance

Active & Engaged Communities

3. Support the strength and resilience of the community through delivering actions in areas such as Youth, Libraries, Early Years, Community Planning, Art and Culture, Events and Community Grants. Monitor emerging social issues impacting the community and demonstrate leadership in advocating to government and other agencies to support the community.

Number	Action	Result
3.1	Implement Youth Strategy actions focusing on youth engagement, activating spaces and events.	In progress
3.2	Support the development of a Shire-wide Youth Trainee Scheme and establish a Social Enterprise to support young people to develop careers in the Shire.	Not started
3.3	Review Community Planning Strategy and Policy and implement actions to support communities to deliver their priorities.	In progress
3.4	Continue to provide community grants to support community projects, events and initiatives.	In progress
3.5	Deliver a broad range of library programs to involve a cross-section of the community to improve literacy and access to information.	In progress
3.6	Support the development and delivery of early years services including kindergartens, pre-schools and child-care to meet demand.	In progress
3.7	Develop and commit to a statement of intent for supporting White Ribbon, raising awareness for and reducing instances of domestic violence.	In progress
3.8	Implement a program of delivering Communities of Respect and Equality training for Council staff.	In progress
3.9	Implement Reconciliation Action Plan actions.	In progress
3.10	Develop and implement a Cultural Strategy to set the future direction for art, culture and museums, in order to nurture and expand cultural experiences in the Shire.	In progress

4. Improve community amenity and accessibility in all public places, through effective local laws review and enforcement, implementation of Access and Inclusion Plan actions and monitoring property owner's compliance with the planning scheme and heritage requirements.

Number	Action	Result
4.1	Review and update Local Law #2 – Community Amenity.	Not started
4.2	Review and update the Domestic Animal Management Plan with better provisions for animal owner responsibilities.	Complete
4.3	Implement Hepburn Shire Disability Access and Inclusion Plan actions.	In progress
4.4	Implement revised car parking inspection schedules to increase compliance with parking restrictions Shire-wide.	In progress
4.5	Implement revised inspection programs for footpaths and street obstructions in town centres.	Not started
4.6	Implement and updated Planning Scheme compliance process for heritage listed streetscapes and buildings.	Not started

5. Take action to encourage improved health and wellbeing of residents and to reduce the risks associated with obesity and poor nutrition. This includes the provision, development and promotion of passive and active recreation facilities and options, and working with clubs and other agencies on planning for future developments and encouraging increased activity.

Number	Action	Result
5.1	Develop plans and seek funding to construct priority projects from the Recreation Master Plans and the Walking and Cycling Strategy, and develop new Master Plans to guide future investment.	In progress
5.2	Continue to activate existing swimming pools and strengthen their role as a community resource, including responding to recommendations from the Creswick swimming facility review.	In progress
5.3	Activate recreation facilities in conjunction with clubs and committees of management, while clearly understanding each other's roles.	In progress
5.4	Promote the range of recreation options available in the Shire to increase participation in active recreation and reduce the risks associated with obesity.	In progress
5.5	Promote the opportunities for female participation in sport and recreation in partnership with community groups.	In progress
5.6	Deliver Maternal & Child Health services that are accessible and encourage uptake by all.	In progress
5.7	Facilitate the delivery of immunisations to protect the community from preventable diseases.	In progress
5.8	Implement improvements to our program of registrations, inspections and complaints management for food and health premises to reduce the risks to the community.	In progress
5.9	Implement the Hepburn Shire Council Domestic Wastewater Management Plan.	In progress

6. Work with the federal and state governments during the 2019 transition of Aged Care Services to support to community to continue to receive high quality Aged & Disability services into the future. Deliver all Council services efficiently, while achieving high quality.

Number	Action	Result
6.1	Deliver in-home and centre-based aged care services, according to program targets.	In progress
6.2	Confirm the future delivery model for in-home and centre-based aged care services to our community.	In progress

Major Budget Initiatives

Major Initiative	Result
Daylesford Soccer Rooms Refurbishment (\$160,000)	In progress
Youth Strategy Activation (\$78,300)	In progress

Strategic Indicators

Strategic Activity	Performance Measure	Result
Youth	Total attendance at Council run youth events	1,853 people
Pools	Utilisation of swimming pools	1.01 (Number of visits to aquatic facilities / Municipal population)
Community Development	Total value of community projects funded by Council grants	\$333,623
Libraries	Active library members	3,226
Maternal and Child Health	Participation in the MCH service	80%
Aged & Disability Services	Hours of home care services delivered	17,128 hours

Service Performance Indicator Results

Aquatic Facilities

AQUATIC FACILITIES			Results				
Service/Indicator/Measure	2015	2016	2017	2018	Material Variations / Comments		
Service Standard							
AF2 29	Health inspections of aquatic facilities [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]	0	0.8	1.2	1.2	All aquatic facilities were inspected and four facilities were sampled for microbiological testing.	
Healthy and Safety							
AF3 30	Reportable safety incidents at aquatic facilities [Number of WorkSafe reportable aquatic facility safety incidents]	0	1	0	0	No material change.	
Service Cost							
AF5 32	Cost of outdoor aquatic facilities [Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]	\$27.63	\$9.88	\$11.91	\$11.82	No material change.	
Utilisation							
AF6 33	Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population]	0.4	1.3	0.9	1	Pool attendance is largely weather dependant. A 12% increase in attendance was achieved.	

Service Performance Indicator Results

Library Facilities

LIBRARY FACILITIES			Results				
Service/Indicator/Measure			2015	2016	2017	2018	Material Variations / Comments
Service Standard							
LB1	19	Library collection usage [Number of library collection item loans / Number of library collection items]	5.9	5.6	5.2	4.6	Increase in number of collection items and a decrease in total of loans during 2018.
Resource Standard							
LB2	20	Standard of library collection [Number of library collection items purchased in the last 5 years / Number of library collection items] x100	79%	80.3%	80.4%	75.4%	Three-quarters of all collection items less than five years old.
Service Cost							
LB3	21	Cost of library service [Direct cost of the library service / Number of visits]	\$4.21	\$4.41	\$4.06	\$4.36	Cost of library service increased 2% and number of visits decreased 5%.
Participation							
LB4	22	Active library members [Number of active library members / Municipal population] x100	25%	22%	21%	21%	No material change.

Service Performance Indicator Results

Maternal and Child Health (MCH)

MATERNAL AND CHILD HEALTH			Results				
Service/Indicator/Measure	2015	2016	2017	2018	Material Variations / Comments		
Service Standard							
MC1 49	Participation in first MCH home visit [Number of first MCH home visits / Number of birth notifications received] x100	91%	101%	107%	95%	Value within recommended service measure.	
MC2 50	Infant enrollments in the MCH service [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100	90%	100%	101%	100%	No material change.	
Service Cost							
MC3 51	Cost of the MCH service [Cost of the MCH service / Hours worked by MCH nurses]	Not reported	\$91.54	\$71.26	\$74.46	No material change.	
Participation							
MC4 52	Participation 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	83%	79%	82%	81%	No material change.	
Utilisation							
MC5 53	Participation in the MCH service by Aboriginal children [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	88%	69%	84%	83%	No material change. Hepburn Shire has a small Aboriginal community and individual family movements can impact this indicator. This data was provided by the Municipal Association of Victoria (MAV).	



Performance

Sustainable Environment

7. Minimise waste to landfill and implement additional options for recycling. Demonstrate leadership and support the community to reduce waste creation.

Number	Action	Result
7.1	Identify and extract more value-added recycling streams out of waste at Council's transfer stations to reduce waste to landfill.	In progress
7.2	Implement new ways to effectively reuse green waste at transfer stations through new markets or new technologies.	In progress
7.3	Meet requirements for closed landfills, including monitoring and responding to increased obligations through legislative changes.	In progress
7.4	Develop a policy that includes controls on sale or use of disposable plastic items and bags on Council owned and managed land.	Not started

8. Respond to climate change through the reduction of energy use, emissions and other resource use, and helping the community to adapt to the impacts of increased floods and fires. Undertake fire and flood risk reduction works across Council managed facilities and roads, in collaboration with other agencies and landowners to reduce fire risk to our communities.

Number	Action	Result
8.1	Implement Towards Zero Emissions Roadmap Action Plan including renewable energy generation and reducing Council's consumption.	In progress
8.2	Support the community to develop and implement a 100% Community Renewable Stationary Energy Plan.	In progress
8.3	Implement water efficiency and water saving measures at recreation ovals, gardens and buildings, and support the community to progress the Trentham water security project.	In progress
8.4	Develop and implement vegetation management plans on Council managed land and advocate to other public-land managers to reduce fire risk on their land.	In progress
8.5	Understand flood-risks and prioritise works, including waterways obstruction removal, maintenance of flood mitigation infrastructure and advocate for community-supported protection measures.	In progress

9. Take proactive steps to protect, maintain and enhance biodiversity, including rare/endangered species and wildlife corridors, and reduction of weeds on Council land while minimising herbicide use. Partner with other stakeholders to achieve greater weed management outcomes Shire-wide.

Number	Action	Result
9.1	Implement the Hepburn Shire Biodiversity Strategy Action Plan.	In progress
9.2	Implement actions to increase Council's control and management of noxious weeds on reserves and roadsides under Council's management.	In progress

Major Budget Initiatives

Major Initiative	Result
Toward Zero Energy Saving Initiative - Council (\$258,000)	In progress
Weed Eradication (\$108,005)	In progress
Implement biodiversity strategy actions (\$60,000)	In progress

Strategic Indicators

Strategic Activity	Performance Measure	Result
Waste	Waste diverted from landfill (%)	42%
Waste	Waste to landfill (tonnes)	4,028 tonnes
Sustainability	Total scope 1 and 2 greenhouse gas emissions (t CO2-e)	639 t CO2-e
Sustainability	Total potable water consumption (kL)	46,706 kL
Emergency Management	MEMP Audit Result - % of conformances	Pending audit



Performance

Vibrant Economy

10. Contribute to the strength of the economy through the ongoing development of key regional attractions and events that enable marketing of our region, attraction of visitors, business opportunities and underpin a strong community.

Number	Action	Result
10.1	Implement the Economic Development Strategy Action Plan, including Visitor Servicing 2020, Agricultural Sector Development Plan and Doing Business with Council, Towards Zero Hepburn, Working with Business Groups.	In progress
10.2	Develop, build and promote iconic walking and cycling trails, including the Creswick Trails "Mountain Bike Mecca" and Daylesford Macedon Rail Trail.	In progress
10.3	Review Council's Events Strategy and implement actions to continue to support events and enhance economic development.	In progress
10.4	Enhance and promote visitor information services including physical Visitor Information Centres (VICs) and websites to improve the visitor experience.	In progress

11. Implement progressive planning scheme updates and strategic land use changes to support the economy, address social issues such as availability of housing and appropriate land zoning for development.

Number	Action	Result
11.1	Review the Hepburn Planning Scheme and Municipal Strategic Statement in order to balance future growth with the preservation of our heritage and the environment.	In progress
11.2	Implement the strategic planning program, including the review of existing zones and overlays.	In progress
11.3	Implement recommendations of the Rural Land Use study.	Not started
11.4	Incorporate a Drainage Contribution Scheme into the Hepburn Planning Scheme.	Not started

Major Budget Initiatives

Major Initiative	Result
Build the Creswick Trails ('Mountain Bike Mecca') Development (year 1, funding confirmed) (\$1,300,000)	In progress
Upgrade of Diary Flat Road, Musk (\$350,000)	Not started (Waiting on external funding)

Strategic Indicators

Major Initiative	Performance Measure	Result
Economic Development - Visitations	Number of visits to physical and online (virtual) Visitor Information Centres	144,807 visits



Performance

High Performing Organisation

12. Enhance our processes and systems to deliver excellent customer service. To achieve this, we will focus on internal collaboration and new ways of working, combined with a continued focus on effective and timely communications, engagement and consultation. We will focus on achieving higher customer satisfaction through making it easier to work with Council and by closing the loop on requests received from our community and other customers.

Number	Action	Result
12.1	Implement a revised Performance Reporting System to enable real time reporting and feedback on Council Plan, Budget and Business Plan projects.	Completed
12.2	Develop and roll-out online systems of forms and payments that is underpinned by a customer-centric process.	In progress
12.3	Roll-out the Frequently Asked Questions database on our website for the public to access.	In progress
12.4	Improve communications to the public by implementing new online social media platforms to complement Facebook and website communications.	In progress
12.5	Provide staff training to deliver increased customer communication when responding to requests and while processing transactions.	Not started
12.6	Set improvement targets for timeframes for responding to customer enquiries and requests.	Not started

13. Deliver sustainable financial management, supported by effective long term financial planning (10 years), cost savings and efficient purchasing, and developing additional income streams beyond rates revenue.

Number	Action	Result
13.1	Develop and implement a sustainable long-term (10 year) financial plan that considers funding sources, strategic priorities and future service delivery.	Completed
13.2	Deliver annual efficiency and cost saving actions, and contribute savings to the debt management reserve.	In progress
13.3	Lease available commercial spaces resulting from the Hepburn Hub in order to increase rental income.	In progress
13.4	Conduct a detailed review of user-pays fees, including benchmarking similar councils and neighbours and, where appropriate, adjust fees to better reflect cost of delivering the service.	In progress

14. Develop our staff to enhance their work experience and enable them to deliver great outcomes to our community. Through a focus on their careers and developing new skills, we will build a positive culture and develop new leaders of the future.

Number	Action	Result
14.1	Deliver the Leadership Development Program for Managers, Coordinators and Emerging Leaders to develop our staff and build a high-performing culture.	In progress
14.2	Review and update the Performance Excellence Program (PEP) to better support our staff to set objectives and to measure performance.	In progress
14.3	Recruit and develop trainees, graduates and apprentices to help young people build careers locally.	In progress
14.4	Undertake Staff Satisfaction Surveys to measure key value drivers and to identify areas for improvement.	Not started

15. Make Occupational, Health, Safety and Wellbeing an embedded part of our culture and the number one focus every day. We will continuously improve our systems and actions to make sure people go home safe and well every day.

Number	Action	Result
15.1	Implement updated Occupational Health and Safety procedures to better manage the risks to staff, Councillors, volunteers, contractors and the public.	In progress
15.2	Implement a program of training for staff and volunteers to implement the updated Occupational Health and Safety management system.	In progress
15.3	Deliver a program of internal checking for Occupational Health and Safety, including clarification of roles and responsibilities for Occupational Health and Safety.	In progress

16. Deliver good governance and integrity in all our actions, and take steps to improve organisational efficiency including regular process improvements.

Number	Action	Result
16.1	Deliver a regular program of staff and Councillor governance training, including providing external development opportunities.	In progress
16.2	Implement IT Strategy actions to improve the speed, ease of use and security of Council's information, which enables better customer service delivery.	In progress
16.3	Deliver an annual program of internal and external audits in conjunction with the Audit and Risk Advisory Committee.	In progress
16.4	Update the special committee guidelines and deliver training to community members on committees to support them deliver their roles.	Not started
16.5	Review the process for following up infringements and implement a refined process that enables more efficient follow-up and better collection of revenues.	In progress

Major Budget Initiatives

Major Initiative	Result
Implement annual IT renewal and upgrades to improve the speed, ease of use and security of Council's information technology systems. (\$330,400)	In progress
OHS Focus - Transforming Culture, Performance and Achieving Self-Insurance (\$160,000)	In progress

Strategic Indicators

Major Initiative	Performance Target	Result
Governance	Making decisions in the interests of the community	49 of 100
Communications	Community Consultation & Engagement	50 of 100
Customer Service	Average time to close all external customer requests - average days	15 days
Food Safety	Food safety assessments completed for class 1 and 2 premises	90%
Animal Management	Time taken to respond to animal management requests	2.99 days

Statutory Planning	Median time taken to decide planning applications	41 days
Statutory Planning	Planning applications decided within 60 days	77%
Building	Median time taken to issue building permits	15 days
Finance	All the LGPRF Financial Performance Indicators	Refer to performance statement
OHS	Number of lost time injuries	4 injuries

Service Performance Indicator Results

Governance

GOVERNANCE						
Service/Indicator/Measure	2015	2016	2017	2018	Material Variations / Comments	
Transparency						
G1 1	Council decisions made at meetings closed to the public <i>[Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors] x100</i>	11%	12%	11%	10%	No material change.
Consultation and Engagement						
G2 2	Satisfaction with community consultation and engagement Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement	43	49	47	50	Increase reflects continues focus in this area.
G3 3	Councillor attendance at council meetings <i>[The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) × (Number of Councillors elected at the last Council general election)] x100</i>	98%	93%	96%	90%	Two Councillors attended 100% of meetings and three Councillors missed only one meeting. The decrease in attendance is partly due to one Councillor's illness at the end of the year.

Service Cost							
G4	4	Cost of governance [Direct cost of the governance service / Number of Councillors elected at the last Council general election]	\$36,965	\$36,856	\$33,956	\$38,290	Increase in cost reflects non-payment of Councillor allowance during election period in the previous year.
G5	5	Satisfaction with council decisions [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	43	48	45	49	Increase reflects continued focus in this area.

*Service Performance Indicator Results***Animal Management**

ANIMAL MANAGEMENT			Results				Material Variations / Comments
Service/Indicator/Measure	2015	2016	2017	2018			
Timeliness							
AM1	34	Time taken to action animal management requests [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	Not reported	6.0	2.5	3.0	There was an average of 3 days to first response for animal management requests.
Service Standard							
AM2	35	Animals reclaimed [Number of animals reclaimed / Number of animals collected] x100	39%	44%	30%	12%	Double the number of animals collected in 2018 compared to 2017 with a large number of feral cats caught during the year, including 50 from 1 property. In addition, 27 dogs were surrendered from 1 property.
Service Cost							
AM3	36	Cost of animal management service [Direct cost of the animal management service / Number of registered animals]	\$47	\$35	\$36	\$44	There was a 2% increase in the number of domestic animals registered in 2018.
Health and Safety							
AM4	37	Animal management prosecutions	0	0	0	0	There were no successful or unsuccessful animal management prosecutions.

Service Performance Indicator Results

Food Safety

FOOD SAFETY			Results				
Service/Indicator/Measure			2015	2016	2017	2018	Material Variations / Comments
Timeliness							
FS1	38	Time taken to action food complaints [Number of days between receipt and first response action for all food complaints / Number of food complaints]	Not reported	5.7	1.2	2.8	A slight average increase in the time taken to action complaints, with the majority of all complaints actioned within 2 days.
Service Standard							
FS2	39	Food safety assessments [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100	63%	48%	80%	90%	The number of assessments completed is up 10% from 2017.
Service Cost							
FS3	40	Cost of food safety service [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]	\$284	\$360	\$377	\$436	There is a cost increase on previous years, due to additional staff time allocated to food safety.
Health and Safety							
FS4	41	Critical and major non-compliance outcome notifications [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100	29%	50%	60%	100%	100% of notifications were followed up in 2017. A continual improvement in follow up of non-compliances has been shown over the last 3 years.

Service Performance Indicator Results

Statutory Planning

STATUTORY PLANNING			Results				
Service/Indicator/Measure			2015	2016	2017	2018	Material Variations / Comments
Timeliness							
SP1	6	Time taken to decide planning applications [The median number of days between receipt of a planning application and a decision on the application]	35	38	39	41	Council continues to have a median processing time well below the statutory requirement.
Service Standard							
SP2	7	Planning applications decided within 60 days [Number of planning application decisions made within 60 days / Number of planning application decisions made] x100	85%	82%	81%	77%	Greater than three quarters of all planning applications decided within 60 days.
Service Cost							
SP3	8	Cost of statutory planning service [Direct cost of the statutory planning service / Number of planning applications received]	\$1,600	\$1,403	\$1,685	\$1,775	Fewer planning applications received has resulted in an increase to this indicator.
Decision Making							
SP4	9	Council planning decisions upheld at VCAT [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	86%	40%	100%	33%	One decision was upheld and two decisions were set aside by VCAT in 2017/2018.

*Governance,
Management
& Other
Information*

Governance

Hepburn Shire Council is constituted under the Local Government Act 1989 to provide leadership for the good governance of the municipal district and the local community.

Council has a number of roles including:

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

Council is committed to effective and sustainable forms of democratic and corporate governance as the key to ensuring that we meet the community's needs. The community has many opportunities to provide input into Council's decision-making processes, including community consultation sessions and public forums (such as ward meetings and the ability to make submissions).

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

Council meetings

Council conducts open public meetings on the third Tuesday of each month, which are held at various locations throughout the Shire to ensure the community has the ability to attend. Councillors are also briefed on relevant issues during informal sessions.

Members of the community are welcome to attend Council meetings and observe from the gallery. Council meetings also provide the opportunity for community members to submit a question to the Council, or ask to address Council regarding an item.

For the 2017/18 year, Council held the following meetings:

- 12 ordinary council meetings
- 3 special council meetings

The following table provides a summary of Councillor attendance at council meetings and special council meetings for the 2017/18 financial year.

Councillors	Council Meeting	Special Council Meeting	Total
Cr Sebastian Klein	11	2	13
Cr Don Henderson	12	3	15
Cr Fiona Robson	10	0	10
Cr Greg May	12	3	15
Cr John Cottrell (Mayor)	11	3	14
Cr Kate Redwood AM	11	3	14
Cr Neil Newitt	11	3	14

Special Committees

The Local Government Act 1989 allows councils to establish one or more special committees consisting of:

Councillors, council staff, other persons of the community or any combination of those previously listed.

Special Committee	Purpose
Creswick Museum Special Committee	To administer, manage and control the historic Creswick Museum building and collection of artworks and artefacts.
Dean Recreation Reserve and Tennis Courts Special Committee	To manage, control, operate and maintain the Dean Recreation Reserve and Tennis Courts.
Drummond Hall Special Committee	To manage, control, operate and maintain the Drummond Hall premises.
Glenlyon Recreation Reserve Special Committee	To administer, maintain and control the Glenlyon Recreation Reserve.
Lee Medlyn Home of Bottles Special Committee	To administer, manage and control the property of the Clunes Historic Medlyn Complex, the Lee Medlyn Bottle collection, the Eberhard Factory and other collectables and displays contained in the facility.
Lyonville Hall Special Committee	To manage, control, operate and maintain the Lyonville Hall.

Advisory Committees

Council has a number of Advisory Committees. The purpose of these committees:

Advisory Committee	Purpose
Heritage Advisory Panel	Provide advice to assist Council make decisions on a range of heritage and related matters, as required.
International Women's Day Heather Mutimer Women's Honour Roll Organising Committee	<p>Provide advice to Council on the Internal Women's Day (IWD) Women's Honour Roll nomination process.</p> <p>Provide advice to Council on the Internal Women's Day (IWD) Women's Honour Roll nomination process.Oversee the IWD Women's Honour Roll nomination process.</p> <p>Provide recommendations to Council as to who to induct to the Honour Roll.</p> <p>Organise the Heather Mutimer Women's Honour Roll event.</p>
Mineral Springs Reserves Advisory Committee	Provide advice to assist Council plan for, prioritise and implement maintenance works and major projects across all Mineral Springs Reserves within the given parameters and funding opportunities.
Public Art Panel	Provide advice to assist Council make decisions about public art projects and acquisitions.
Audit & Risk Advisory Committee	Oversee and monitor effectiveness of Council in carrying out its responsibilities for accountable financial management, good corporate governance, maintaining an effective system of internal control and risk management and fostering an ethical environment.

Code of Conduct

Prior to recent amendments, The Local Government Act 1989 required councils to develop and approve a Councillor Code of Conduct within 12 months after each general election.

On 07 February 2017, council adopted a revised Councillor Code of Conduct which is designed to:

- Assist Councillors to maintain the highest standards of conduct and behaviour as well as provide a means to deal with problems they may encounter
- Attract the highest level of confidence from council's stakeholders
- Assist the Mayor and Councillors to discharge the responsibilities of their public office appropriately.

In addition to setting out the Councillor Conduct Principles, the code also outlines:

- Other conduct definitions under the Act, such as those relating to misuse of position, improper direction, breach of confidentiality and conflict of interest
- Roles and relationships
- Dispute resolution procedures.

Shortly after the 2016 General Election, Council adopted an amended Councillor Code of Conduct on 07 February 2017. The new code has been signed by all Councillors to declare that they will abide by the code.



Conflict of Interest

Councillors are elected by the residents and ratepayers to act in the best interests of the community.

This is a position of trust that requires Councillors to act in the public interest. When a council delegates its powers to a council officer or a committee, the committee or officer also needs to act in the public interest.

A conflict of interest occurs when a personal or private interest might compromise the ability to act in the public interest. A conflict of interest exists even if no improper act results from it.

Council has a comprehensive procedure in place to accommodate the disclosure of a conflict of interest. Declaration of a conflict of interest is a standard agenda item for all Council and Committee meetings.

While the procedures vary depending on the particular role and circumstances, in general they involve disclosing the relevant interests in a specific way and then stepping aside from the relevant decision-making process or from exercising their public duty. A register is maintained to record disclosed conflicts of interest. During 2017/18, twelve conflicts of interest were declared at Council meetings.

Council Meeting Date	Councillor	Conflict of Interest
18 July 2017	Cr Don Henderson	Indirect Interest – Renewal of Lease - Creswick Railway Station
18 July 2017	Cr Sebastian Klein	Indirect Interest - Trentham Hub - Public Question Time
18 July 2017	Cr Greg May	Indirect Interest - Country Football / Netball Program Funding Application – Newlyn Recreation Reserve
17 Oct 2017	Cr Sebastian Klein	Indirect Interest - Trentham Hub - Public Submission – Confidential Tender
17 Oct 2017	Cr Sebastian Klein	Indirect Interest - Trentham Hub - Design Process
17 Oct 2017	Cr Don Henderson	Indirect Interest - New Residents Welcome - Creswick
17 Oct 2017	Cr Fiona Robson	Indirect Interest - Community Grants - Daylesford Neighbourhood Centre
17 Oct 2017	Cr Kate Redwood	Indirect Interest - Community Grants - Daylesford Neighbourhood Centre
20 Mar 2018	Cr Sebastian Klein	Indirect Interest - Trentham Hub – Public Submission – Notice of Motion
20 Mar 2018	Cr Don Henderson	Indirect Interest – Community Grants
17 Apr 2018	Cr Sebastian Klein	Indirect Interest – Trentham Hub – Petition, Public Participation, Notice of Motion
15 May 2018	Cr Sebastian Klein	Indirect Interest – Trentham Hub – Questions

**Note: Conflicts of Interest declared at briefings not included.*

Councillor Allowances

In accordance with Section 74 of the Local Government Act 1989, Councillors are entitled to receive an allowance while performing their duty as a Councillor. The Mayor is also entitled to receive a higher allowance.

The State Government sets the upper and lower limits for all allowances paid to Councillors and Mayors. Councils are divided into three categories based on the income and population of the municipality. Hepburn Shire Council is recognised as a category 1 council.

For the period 1 July 2017 to 30 November 2017, the Councillor annual allowance for a category 1 council (as defined by the Local Government Act 1989) was fixed at \$19,834 per annum and the allowance for the Mayor was \$59,257 per annum. The Minister for Local Government approved an annual adjustment of 2.0 per cent to take effect as from 1 December 2017.

The annual allowances were adjusted for the period 1 December 2017 to 30 June 2018 at \$20,231 per annum for the Councillor allowance and \$60,442 per annum for the Mayoral allowance. An amount equivalent to the superannuation guarantee under Commonwealth taxation legislation (currently 9.5 per cent) is payable in addition to these amounts.

The following table contains a summary of the allowances paid to each Councillor during the year.

Councillors	Allowance
Cr Sebastian Klein (Mayor 2016/2017)	\$39,599.93
Cr Neil Newitt	\$22,722.70
Cr Don Henderson	\$22,722.70
Cr Kate Redwood AM	\$22,722.70
Cr Greg May	\$22,722.70
Cr John Cottrell (Mayor 2017/2018)	\$51,009.57
Cr Fiona Robson	\$22,722.70

Councillor Expenses

In accordance with Section 75 of the Local Government Act 1989, Council is required to reimburse a Councillor for expenses incurred whilst performing his or her duties as a Councillor. Council is also required to adopt and maintain a policy in relation to the reimbursement of expenses for Councillors.

The policy provides guidance for the payment of reimbursements of expenses and the provision of resources, facilities and other support to the Mayor and Councillors to enable them to discharge their duties.

Council also publishes in its Annual Report the details of the expenses, including reimbursement of expenses for each Councillor and member of a Council Committee paid by the Council. The details of the expenses for the 2017/18 year are set out in the following table.

Councillors	Travel*	Communication	Conferences & Training	Carer Expenses	Total
Cr Sebastian Klein (Mayor 2016/2017)	\$5,888.00	\$0.60	\$432.36	\$0.00	\$6,320.96
Cr Neil Newitt	\$0.00	\$1,257.69	\$318.18	\$0.00	\$1,575.87
Cr John Cottrell (Mayor 2017/18)	\$10,672.00	\$250.40	\$433.18	\$0.00	\$11,355.58
Cr Don Henderson	\$0.00	\$1,569.55	\$398.18	\$0.00	\$1,967.73
Cr Greg May	\$1,603.49	\$322.68	\$398.18	\$0.00	\$2,324.35
Cr Kate Redwood	\$0.00	\$815.03	\$318.19	\$0.00	\$1,133.22
Cr Fiona Robson	\$0.00	\$192.87	\$1,022.72	\$265.95	\$1,481.54

Note: Travel - Cost is inclusive of Mayoral vehicle allocation

Management

Council has implemented a number of statutory and better practice items to strengthen its management framework.

Having strong governance and management frameworks leads to better decision making by Council.

The Local Government Act requires Council to undertake an assessment against the prescribed governance and management checklist and include this in its report of operations.

Council's Governance and Management Checklist results are set out in the section below. The following items have been highlighted as important components of the management framework.

Audit & Risk Advisory Committee

The Audit and Risk Advisory Committee's role is to oversee and monitor the effectiveness of Council in carrying out its responsibilities for accountable financial management, good corporate governance, maintaining an effective system of internal control and risk management and fostering an ethical environment.

Independent Members:

- Ms Carol Pagnon
- Mr Robert Taylor
- Ms Rachelle Tippett
- Mr Trevor Shard

Councillor Members:

- Cr Sebastian Klein
1 July 2016 to 15 November 2016
- Cr Don Henderson
1 July 2016 to 30 June 2018
- Cr John Cottrell
16 November 2016 to 30 June 2018

Attendance at Committee Meetings

1 July 2017 – 30 June 2018

Attendee	Meeting
Carol Pagnon*	5 of 5
Robert Taylor*	4 of 5
Rachelle Tippett	4 of 5
Trevor Shard	5 of 5
Cr Don Henderson	5 of 5
Cr John Cottrell	5 of 5

* In addition Carol Pagnon and Trevor Shard both attended a Councillor Briefing on 12 June 2018 and presented on the Audit Risk and Advisory Committee to Councillors.

At these meetings the committee considers the following agenda items:

- Review of key risks and controls
- Summary of monthly finance reports
- Summary of monthly management reports
- Mid-year budget review
- Annual budget review
- Review of councillor expenses
- Internal audit reports issued
- External audit reports and management letters
- Review of compliance obligations
- Progress on internal and external audit recommendations
- Policy and procedure review
- Hepburn Hub Project Update
- Trentham Hub Project Update

Internal Audit Reviews

Council's internal audit function provides independent and objective assurance that the appropriate processes and controls are in place. Internal audits are resourced by an external provider. A risk based three-year Internal Audit Plan is revised annually to ensure the audit resources remain focused on the appropriate areas.

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

The Internal Auditor attends each Audit and Risk Advisory Committee meeting to report on the status of the Internal Audit Plan, to provide an update on the implementation of audit recommendations and to present findings of completed reviews. All audit issues identified are risk rated. Recommendations are assigned to the responsible manager and tracked in Council's performance management system.

2017/18 was the third year of the three year internal audit contract with HLB Mann Judd (Vic) Pty Ltd.

Internal Audit reviews conducted in 2017/18:

- HLB Mann Judd
Review of HACC (transition planning for competitive market)
- HLB Mann Judd
Review of Business Continuity Planning and Disaster Recovery
- HLB Mann Judd
Review of Payroll

External Audit Reviews

Council is regularly audited by external bodies, in relation to compliance with regulatory requirements and external benchmarks.

Council is externally audited by the Victorian Auditor-General. For the 2017/18 year, the annual external audit of Council's Financial Statements and Performance Statement was conducted by the Victorian Auditor-General's representative. The external audit management letter and responses are also provided to the Audit and Risk Advisory Committee.

During 2017/18, Council underwent the following external audits:

- Victorian Auditor-General's Office
Financial Statement and Performance Statement 16/17 - Final Audit
- VicRoads
VicRoads Confidentiality Agreement - Compliance Audit
- Victorian Auditor-General's Office
Roads to Recovery Funding Acquittal
- Victorian Auditor-General's Office
Financial & Performance Statement 17/18 - Audit Planning
- Victorian Auditor-General's Office
Financial & Performance Statement Audit 17/18 - Interim Field Work

Risk Management

In July 2013, Council adopted its Risk Management Strategic Framework and Policy in line with current best practice in the management of business enterprise risks and current AS/NZS 31000 guidelines.

The Risk Management Framework and Policy addresses items such as:

- Risk management culture and branding
- Communication and training
- Best practice in risk management
- Development and implementation of action plans for all high and urgent rated risks
- Responsibilities of and to internal and external stakeholders
- Risk registers and risk management software implementation
- The Council planning cycle, budget cycle and annual audit cycle
- A performance measurement system to determine the effectiveness of the framework

The Risk Management Strategic Framework and Policy is due to be updated in late 2018.

Major Contracts

List of contracts entered into by Council during 2017/18 valued at \$150,000 for goods or services or \$200,000 for works or more of a kind specified in section 186(5)(a) and (c) of the Local Government Act 1989.

Contract Name	Title of Contract	Term of Contract	Value of Contract
Wheelie Waste Pty Ltd	Variation to Kerbside Collection Services for Waste, Recyclables & Public Litter	1/4/2018 until 31/3/2019	\$234,000

List of Contracts entered into by Council during 2017/18 valued at \$150,000 for goods or services or \$200,000 for works or more if the Council did not engage in a competitive process before entering into the contract and it is not of a kind specified in section 186(5) or (5A) of the Act.

Nil

Governance & Management Checklist

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

Governance and Management Items		Assessment	
1	Community engagement policy (policy outlining council's commitment to engaging with the community on matters of public interest)	Policy Date of operation: 20/10/2015	✓
2	Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	Guidelines - Date of operation: 18/04/2017	✓
3	Strategic Resource Plan (plan under section 126 of the Act outlining the financial and non-financial resources required for at least the next 4 financial years)	Date of adoption: 19/06/2018	✓
4	Annual budget (plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and the other resources required)	Date of adoption: 19/06/2018	✓
5	Asset management plans (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Date of operation: - Bridges 31/05/2010 - Buildings 31/07/2010 - Open Space 31/05/2011 - Roads 31/07/2010	✓
6	Rating strategy (strategy setting out the rating structure of Council to levy rates and charges)	Strategy - Date of operation: 21/06/2016	✓
7	Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Policy - Date of operation: 16/07/2013	✓
8	Fraud policy (policy outlining council's commitment and approach to minimising the risk of fraud)	Policy - Date of operation: 19/08/2014	✓

9	Municipal emergency management plan (plan under section 20 of the Emergency Management Act 1986 for emergency prevention, response and recovery)	Plan - Date of adoption: 21/04/2015	✓
10	Procurement policy (policy under section 186A of the Local Government Act 1989 outlining matters, practices and procedures that will apply to all purchases of goods, services and works)	Policy - Date adopted: 15/08/2017	✓
11	Business continuity plan (plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster)	Plan - Date of adoption: 21/11/2017	✓
12	Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Recovery plan release date: 25/05/2017	✓
13	Risk management framework (framework outlining council's approach to managing risks to the Council's operations)	Framework - Date of operation: 6/07/2013	✓
14	Audit Committee (advisory committee of council under section 139 of the Act whose role is to oversee the integrity of a council's financial reporting, processes to manage risks to the council's operations and for compliance with applicable legal, ethical, and regulatory requirements)	Established in accordance with section 139 of the Act Date of establishment: 18/08/1998 Committee appointed: 21/04/2015	✓
15	Internal audit (independent accounting professionals engaged by the council to provide analyses and recommendations aimed at improving council's governance, risk and management controls)	Engaged Date of engagement of current provider: 25/11/2015	✓
16	Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Framework Date of operation: 01/07/2016	✓

17	Council Plan reporting (report reviewing the performance of the council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	Reporting - 15/05/2018	✓
18	Financial reporting (quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)	Date statements presented: Annual statements 19/09/2017 Quarter 1 statements 17/10/2017 Quarter 2 statements 20/02/2018 Quarter 3 statements 17/04/2018	✓
19	Risk reporting (six-monthly reports of strategic risks to council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports Audit and Risk Advisory Committee: Report 1: 27/11/2017 Report 2: 05/03/2018	✓
20	Performance reporting (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act)	Audit and Risk Advisory Committee: Report 1: 11/09/2017 Report 2: 05/03/2018 Report 3: 28/05/2018	✓
21	Annual report (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial and performance statements)	Date statements presented: 17/10/2017	✓
22	Councillor Code of Conduct (Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	Date approved: 07/02/2017	✓
23	Delegations (a document setting out the powers, duties and functions of council and the Chief Executive Officer that have been delegated to members of staff)	Date of review: 19/09/2017	✓
24	Meeting procedures (a local law governing the conduct of meetings of council and special committees)	Date local law made: 18/11/2014	✓

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

Evan King

Chief Executive Officer

Dated: 28 September 2018



Cr John Cottrell

Mayor

Dated: 28 September 2018



The Summary of the Financial Report

Overview

- A surplus of \$3.1 million (2016/17; \$4.6 million)*
- A net asset revaluation increment of \$13.7 million (2016/17; \$3.0 million)
- Revenue of \$32.8 million (2016/17; \$43.8 million) with 59% coming from rates and charges (2016/17; 43%)
- Operating expenditure of \$29.7 million (2016/17; \$39.2 million), with 41% attributable to employee costs (2016/17; 29%) and 32% attributable to materials and services (2016/17; 49%)
- Significant flood restoration works included in the prior year income statement, with revenue of \$0.4 million (2016/17; \$9.6 million) and expenditure of \$0.5 million (2016/17; \$10.2 million)
- \$246.8 million in capital assets (at written down value), providing community facilities, roads, bridges and other infrastructure (2016/17; \$232.2 million)

- Cash and other financial assets of \$16.3 million (2016/17; \$10.0 million), which after excluding external restrictions and internal allocations, provides revised cash and cash equivalents of \$4.7 million (2016/17; \$0.2 million)
- Trade and other receivables of \$3.0 million (2016/17; \$8.3 million)
- \$4.9 million in loans and borrowings (2016/17; \$5.6 million).

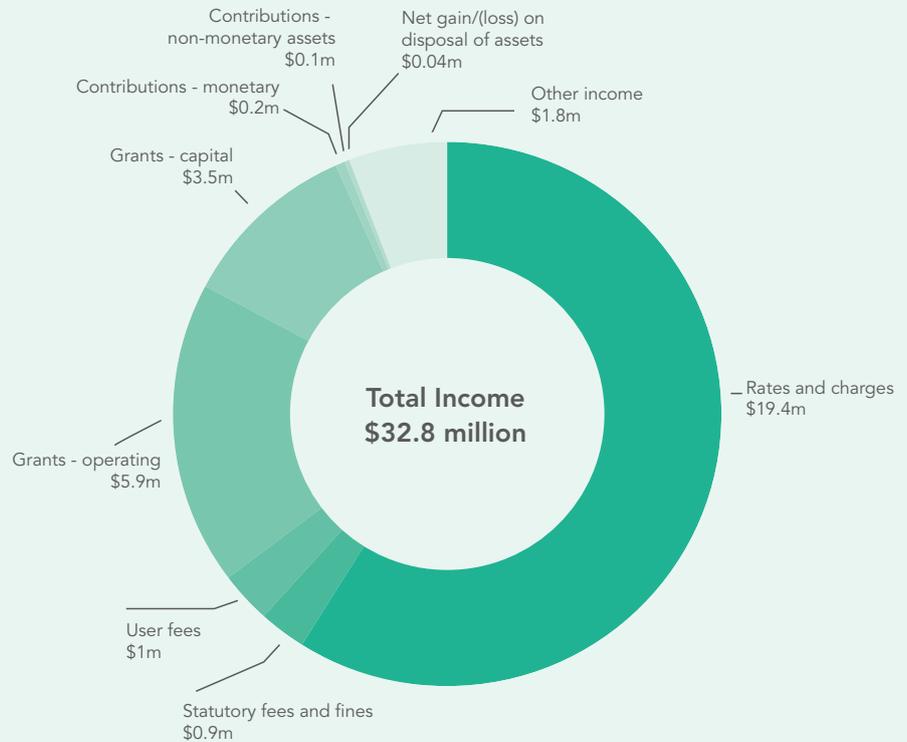
** A surplus for the year of \$3.1 million (2016/17; \$4.6 million) against an original budget of \$3.8 million. The surplus includes recurrent operating grants relating to the next financial year of \$2.3 million (2016/17: \$2.2 million) and capital grants of \$3.5 million received during the year (2016/17; \$4.6 million).*

Result

- Council achieved a surplus of \$3.1 million for the 2017/18 financial year (2016/17; \$4.6 million) against a budget of \$3.8 million (2016/17; \$5.6 million).
- The adjusted surplus for the year, exclusive of unexpended grants and asset revaluation was \$0.2 million (2016/17; \$1.8 million).

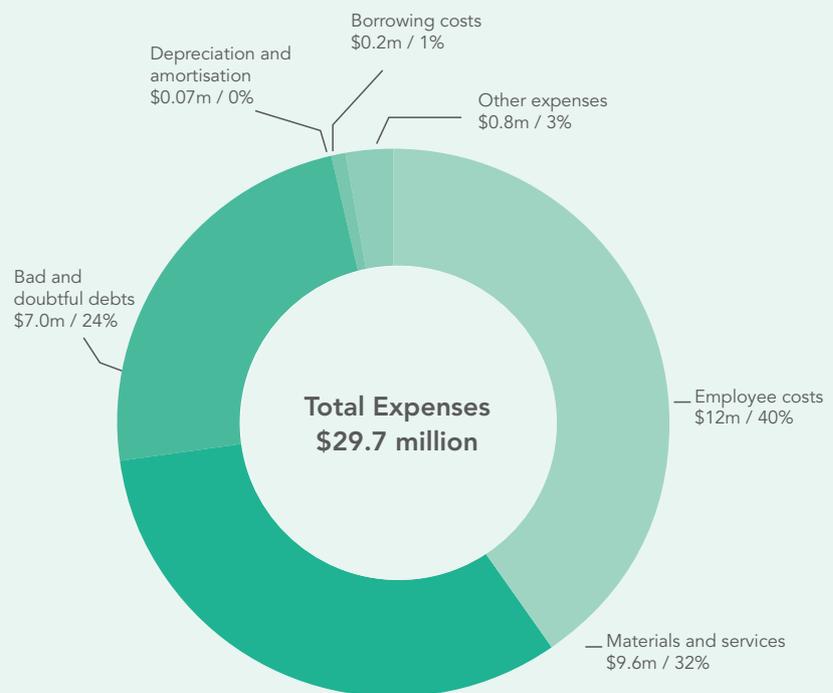
Income

Total income for the financial year was \$32.8 million (2016/17; \$43.8 million). This included \$3.5 million of capital grants (2016/17; \$4.6 million) and \$0.4 million of natural disaster financial assistance (2016/17; \$9.6 million). Rates and charges as an income source comprised 59% of total income (2016/17; 43%).



Expenses

Council incurred a total of \$29.7 million in expenditure in the 2017/18 financial year (2016/17; \$39.2 million) with \$0.5 million (2016/17; \$10.2 million) expended on flood restoration works. As a service-based entity, Council's main costs are employee costs. Employee costs for 2017/18 were \$12.0 million or 41% of total expenses (2016/17; \$11.3 million or 29%). There was a significant decrease in expenditure on materials and services during 2017/18 due to the flood restoration works required in 2016/17. Materials and services for 2017/18 were \$9.6 million or 32% of total expenses (2016/17; \$19.2 million or 49%).



Financial Strength

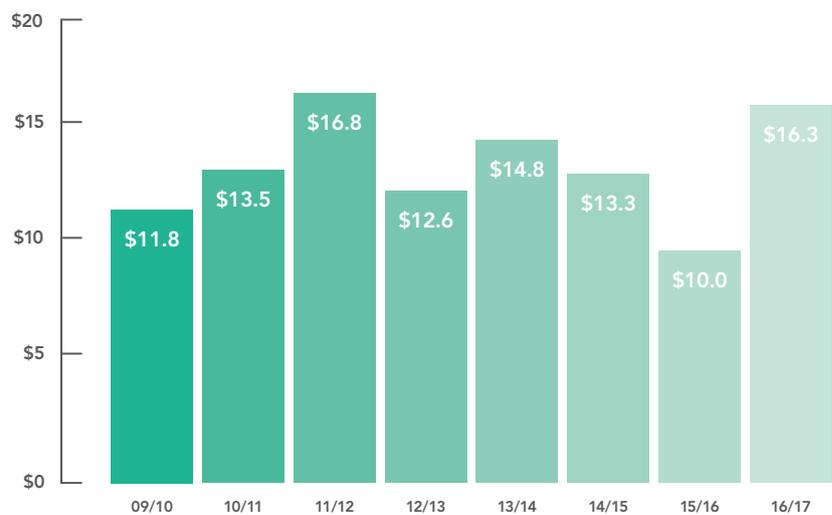
Council's major assets comprise cash and property, infrastructure, plant and equipment.

Cash

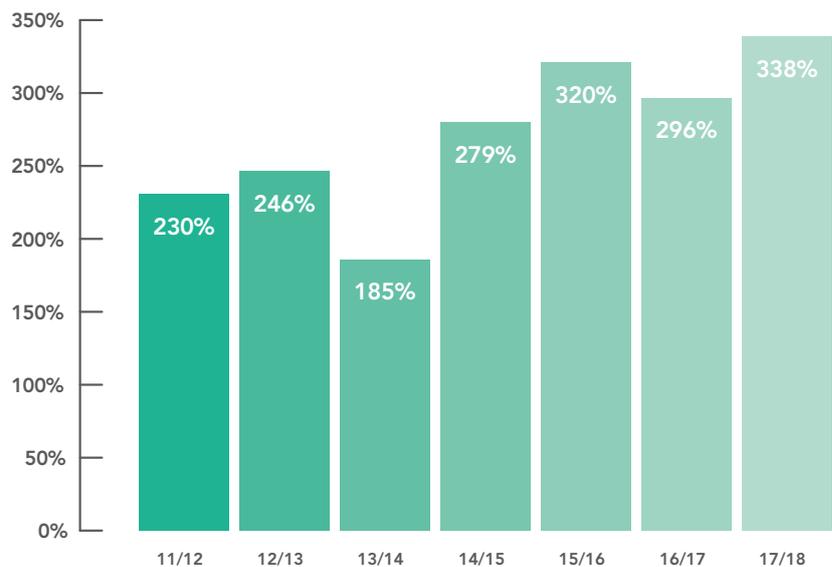
Council's cash, cash equivalents and other financial assets increased \$6.3 million to \$16.3 million at 30 June 2018 (2016/17; \$10.0 million). Other financial assets of \$5.9 million (2016/17; \$4.2 million) represent term deposits, that when placed, had a maturity date greater than 90 days.

Council's cash and cash equivalents are subject to external restrictions and internal allocations that limit the amounts available for discretionary use. External restrictions total \$2.0 million (2016/17; \$1.9 million) while intended internal allocations amount to \$9.8 million (2016/17; \$7.9 million). This provides Council with \$4.6 million (2016/17; \$0.2 million) available cash not subject to restrictions. In addition, Council has trade and other receivables of \$3.0 million (2016/17; \$8.3 million).

At 30 June 2018 Council's working capital ratio, which represents Council's current assets as a percentage of current liabilities, was 338% up from 296% at 30 June 2017.



Cash and Cash Equivalents (\$ millions)



Working Capital Ratios

Capital Works

Of the \$7.9 million capital expenditure, 68% was spent on renewal of assets (39% in 2016/17)

Renewal of assets as opposed to building new assets or upgrading assets is an important focus of Council as it works towards reducing the infrastructure gap. New asset expenditure during 2017/18 totalled \$1.7 million.

Council's capital assets provide community facilities, roads, bridges and other infrastructure that are important to the everyday functioning of our community. The written down value of these assets continues to increase over time.

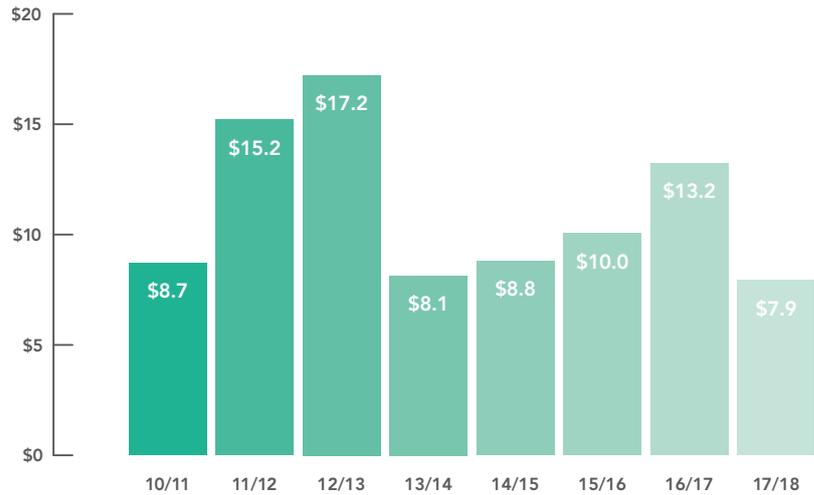
Liabilities

Council's liabilities comprise of loans, amounts owed to suppliers and amounts owed to employees for leave entitlements.

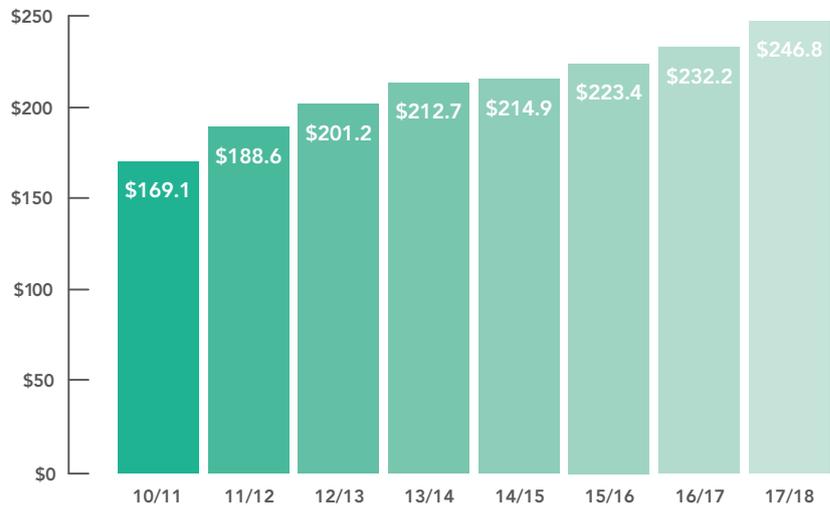
The total balance of loan borrowings at the end of the 2017/18 financial year is \$4.9 million (2016/17; \$5.6 million).

Detailed information is provided in Council's Financial Report and Performance Statement.

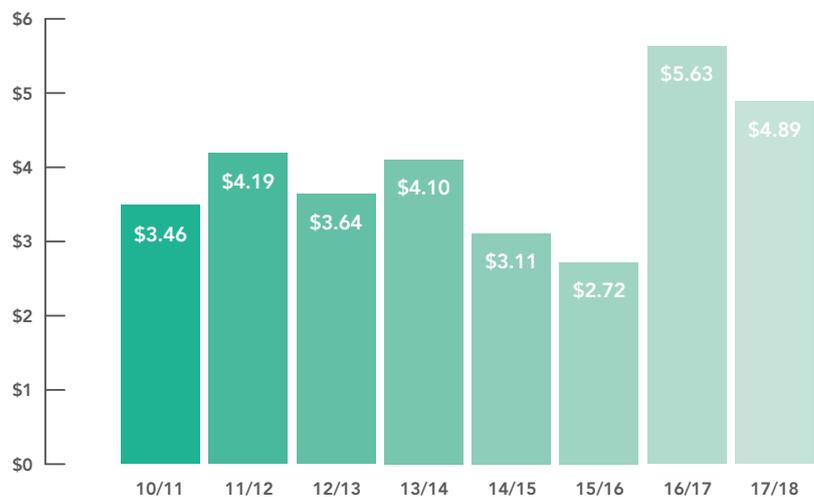
Council's Property, Infrastructure, Plant and Equipment (\$ millions)



Capital Works (\$ Millions)



Council's Property, Infrastructure, Plant and Equipment (\$ Millions)



Balance of Loan Borrowings (\$ Millions)

Statutory Information

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

Documents Available for Public Inspection

In accordance with Section 12 of the Local Government (General) Regulations 2015 the following is a list of the prescribed documents that are available for inspection on our website or copies of the documents can be obtained for the purposes of section 222 of the Local Government Act 1989 at Corner Duke and Albert Streets, Daylesford:

- Details of overseas or interstate travel (with the exception of interstate travel by land for less than three days) undertaken in an official capacity by Councillors or any member of council staff in the previous 12 months
- Agendas for and minutes of ordinary and special meetings held in the previous 12 months except if the minutes relate to parts of meetings which have been closed to members of the public
- Minutes of meetings of special committees held in the previous 12 months except if the minutes relate to parts of meetings which have been closed to members of the public
- A register of delegations
- A document containing details of all leases involving land which were entered into by the Council as lessor, including the lessee and the terms and the value of the lease; agreements to establish regional libraries
- Details of all property, finance and operating leases involving land, buildings, plant, computer equipment or vehicles entered into by the council as lessor or lessee.
- A register of authorised officers
- A list of donations and grants made by the council during the financial year.

Hepburn

SHIRE COUNCIL

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Council Offices

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Daylesford

Creswick

68 Albert Street,
Creswick

Clunes

The Warehouse - Clunes
36 Fraser Street, Clunes