



HEPBURN SHIRE COUNCIL
ORDINARY MEETING OF COUNCIL
PUBLIC MINUTES

Tuesday 26 May 2026

Council Chamber
24 Vincent Street Daylesford

6:00PM

A LIVE STREAM OF THE MEETING CAN BE VIEWED
VIA [COUNCIL'S YOUTUBE CHANNEL](#)

MINUTES

Tuesday 26 May 2026

Council Chamber

24 Vincent Street Daylesford

Commencing at 6:00PM

TABLE OF CONTENTS

1	ACKNOWLEDGEMENT OF TRADITIONAL OWNERS	4
2	OPENING OF MEETING	4
3	APOLOGIES	4
4	DECLARATIONS OF CONFLICTS OF INTEREST	5
5	CONFIRMATION OF MINUTES	5
6	PUBLIC PARTICIPATION TIME	6
6.1	PETITIONS	7
6.2	REQUESTS TO ADDRESS COUNCIL	7
6.3	PUBLIC QUESTIONS	8
7	OFFICER REPORTS	13
7.1	QUARTERLY FINANCE REPORT - QUARTER 3	13
7.2	GLENLYON RECREATION RESERVE PAVILION - PROJECT UPDATE AND FUNDING STRATEGY.....	17
7.3	ENDORSEMENT OF THE DRAFT BUDGET 2026/2027 FOR PUBLIC EXHIBITION.....	21
7.4	ADOPTION OF THE CRESWICK FLOOD MITIGATION STUDY	27
7.5	ALGERIAN OAK PLANNING SCHEME AMENDMENT AUTHORISATION	33
7.6	AWARDING OF CONTRACT HEPBU.RFT2026.RR01 - KERBSIDE RECYCLING PROCESSING.....	43
7.7	AWARD OF CONTRACT HEPBU.RFT2026.20 - DAYLESFORD TOWN HALL - MUNICIPAL OFFICES UPGRADE DESIGN	47
7.8	AWARD OF HEPBU.RFT2026.E2 - CAMBRIDGE STREET AND VICTORIA STREET IMPROVEMENTS, CRESWICK.....	53

7.9 RECORDS OF COUNCILLOR ATTENDANCE58
8 ITEMS OF URGENT BUSINESS.....61
9 COUNCILLOR AND CEO REPORTS62
9.1 MAYOR'S REPORT.....62
9.2 COUNCILLOR REPORTS63
9.3 CHIEF EXECUTIVE OFFICER'S REPORT67
10 CLOSE OF MEETING69

BRADLEY THOMAS

CHIEF EXECUTIVE OFFICER

Tuesday 26 May 2026

1 ACKNOWLEDGEMENT OF TRADITIONAL OWNERS

Hepburn Shire Council acknowledges the Dja Dja Wurrung as the Traditional Owners of the lands and waters on which we live and work. On these lands, Djaara have performed age-old ceremonies of celebration, initiation and renewal. We recognise their resilience through dispossession and it is a testament to their continuing culture and tradition, which is strong and thriving.

We also acknowledge the neighbouring Traditional Owners, the Wurundjeri to our South East and the Wadawurrung to our South West and pay our respect to all Aboriginal peoples, their culture, and lore. We acknowledge their living culture and the unique role they play in the life of this region.

2 OPENING OF MEETING

COUNCILLORS PRESENT: Cr Tony Clark, Cr Shirley Cornish, Cr Tim Drylie, Cr Lesley Hewitt, Cr Pat Hockey, Cr Brian Hood

OFFICERS PRESENT: Mr Bradley Thomas - Chief Executive Officer, Mr Bruce Lucas - Director Infrastructure and Delivery, Ms Brooke Holmes - Director Performance and Transformation, Mr Matt Rogers - Acting Director Development and Community, Mr Justin Finlayson - Manager Finance and Governance, Ms Allison Watt - Coordinator Governance

The meeting opened at 6:00pm.

STATEMENT OF COMMITMENT

“WE THE COUNCILLORS OF HEPBURN SHIRE
DECLARE THAT WE WILL UNDERTAKE ON EVERY OCCASION
TO CARRY OUT OUR DUTIES IN THE BEST INTERESTS OF THE COMMUNITY
AND THAT OUR CONDUCT SHALL MAINTAIN THE STANDARDS OF THE CODE OF
GOOD GOVERNANCE
SO THAT WE MAY FAITHFULLY REPRESENT AND UPHOLD THE TRUST PLACED IN THIS
COUNCIL BY THE PEOPLE OF HEPBURN SHIRE”

3 APOLOGIES

Nil.

4 DECLARATIONS OF CONFLICTS OF INTEREST

Nil.

5 CONFIRMATION OF MINUTES

Go to 00:02:15 in the meeting recording to view this item.

RECOMMENDATION

That the Minutes of the Ordinary Meeting of Council held on 28 April 2026 (as previously circulated to Councillors) be confirmed.

MOTION

That the Minutes of the Ordinary Meeting of Council held on 28 April 2026 (as previously circulated to Councillors) be confirmed.

Moved: Cr Pat Hockey

Seconded: Cr Shirley Cornish

Carried

Voted for: Cr Tony Clark, Cr Shirley Cornish, Cr Tim Drylie, Cr Lesley Hewitt, Cr Pat Hockey and Cr Brian Hood

Voted against: Nil

Abstained: Nil

6 PUBLIC PARTICIPATION TIME

Go to 00:02:41 in the meeting recording to view this item.

This part of the Ordinary Meeting of Council allows for the tabling of petitions by Councillors and Officers and 30 minutes for the purposes of:

- Tabling petitions
- Responding to questions from members of our community
- Members of the community to address Council

Community members are invited to be involved in public participation time in accordance with Council's Governance Rules.

Individuals may submit written questions or requests to address Council to the Chief Executive Officer by 10:00am the day before the Council Meeting.

BEHAVIOUR AT COUNCIL MEETINGS

Council supports a welcoming, respectful and safe environment for members of the community to participate at Council Meetings regarding issues that are important to them. Council's Governance Rules sets out guidelines for the Mayor, Councillors, and community members on public participation in meetings. It reinforces the value of diversity in thinking, while being respectful of differing views, and the rights and reputation of others.

Under the Governance Rules, members of the public present at a Council Meeting must not be disruptive during the meeting.

Respectful behaviour includes:

- Being courteous when addressing Council during public participation time and directing all comments through the Chair
- Being quiet during proceedings
- Being respectful towards others present and respecting their right to their own views

Inappropriate behaviour includes:

- Interjecting or taking part in the debate
- Verbal abuse or harassment of a Councillor, member of staff, ratepayer or member of the public
- Threats of violence

6.1 PETITIONS

No petitions were tabled.

6.2 REQUESTS TO ADDRESS COUNCIL

There were no addresses to Council.

6.3 PUBLIC QUESTIONS

We will now hear questions received in accordance with Council's Governance Rules.

Question 1 – Gary Lawrence

Council recently spent approx. \$750k on repairs of the State Government owned Hepburn Bathhouse from funds otherwise allocated to the care and maintenance of all the mineral spring reserves while the current lessee of the Hepburn Bathhouse is in arrears to the Council of approx. \$900k, how is this a responsible management of ratepayers funds in line with budget responsibility of the Council?

Response – Deputy Mayor Shirley Cornish

This matter is part of ongoing legal negotiations and Council is managing this situation very responsibly and with legal advice.

While we can't go into any detail, I can confirm that Council has facilitated the necessary repairs to enable the facility to reopen as quickly as possible. This has been done by agreeing to temporarily fund the cost of the repairs from the Mineral Springs Financial Reserve. The resolution of this remains part of legal negotiations.

Under the terms of the current lease rent remains payable, and Council has sought immediate payment of the rent arrears.

It is also noted that the rent arrears has not impacted Council's ability to fund projects to date.

Question 2 – Gary Lawrence

What is the current approximate dollar value and risk to the Council and ratepayers with the very significant compounding outstanding property rates and associated interest owed by many property owners across the Shire?

Response – Deputy Mayor Shirley Cornish

About \$3.5 million in rates is outstanding from the 2024/25 financial year, which is not inconsistent across the local government sector. This poses minimal risk to Council.

Final reminders on outstanding rates will be issued in June 2026 to further reduce outstanding balances. Council engages a third-party collection agency to reduce the value of outstanding rates. In respect to risk, rates are a debt levied upon the property and are recoverable when a property is sold if a ratepayer has not been able to meet their commitments.

Question 3 – Louise Johnson

What percentage of ratepayers have entered into agreed rate instalments outside of the normal quarterly or annual payment regime?

Response – Deputy Mayor Shirley Cornish

As at 31 March 2026, 212 ratepayers were on payment arrangements, which represents approximately 1.8 per cent of rateable properties.

Council is committed to working collaboratively with ratepayers to support them in meeting their rates and charges obligations. Ratepayers experiencing difficulty paying their rates on time are encouraged to contact Council's Rates team to discuss available payment plans and individual hardship support options.

Question 4 – Louise Johnson

What is the forecast income and expenditure for the end of the financial year by major category?

Response – Deputy Mayor Shirley Cornish

Council's total income is forecast to be \$44.6 million and total expenses \$44.4 million. There are a range of timing related variances, but our 2025/26 financial performance remains materially on track to meet budget.

If you would like more detail, please refer to the Comprehensive Income Statement on Page 29 of the Budget document.

Question 5 – Daniel McDiarmid

Could the Hepburn Shire Council provide a detailed plan outlining the steps to complete the delayed capital works program for 2025/26?

Response – Deputy Mayor Shirley Cornish

Council acknowledges and is disappointed with the delayed progress of many capital projects as set out in the Q3 financial report.

For projects that are not completed within the financial year, Council each year considers a report to approve remaining funds to be carried over into the subsequent financial year to enable the agreed project scope to be completed.

Council officers are working hard to deliver the 2025/26 capital program and continue to progress delivery in accordance with current budget allocations and acknowledge that some projects will continue into 2026/27.

Question 6 – Ian MacBean

The Essential Services Commission’s (ESC) published decision of May 2025 granting Hepburn Shire Council a rate variation for 2025/26, states that Hepburn ‘will still need to do further work to reach and maintain a financially sustainable position.’ Council’s Third Quarter Financial Report states ‘there are no risk implications’ associated with the Shire’s financial position.

Can the Mayor explain how these two assessments are reconciled?

Response – Deputy Mayor Shirley Cornish

Council is actively managing its finances with discipline and careful stewardship.

The risk sub-heading in the Council report means that there are no risk implications in bringing the report to Council for consideration. It refers specifically to the report, not to Council’s overall financial position.

Question 7 – Ian MacBean

And what specific work has been undertaken since the ESC decision to address the structural sustainability concerns identified by the ESC?

Response – Deputy Mayor Shirley Cornish

Since the ESC decision, Council has undertaken significant actions. These actions include:

- Adoption of a financially sustainable ten-year Financial Plan that aligns with Council’s Financial Vision;
- Adoption of key strategic documents following community consultation (Council Plan, Revenue and Rating Plan and Asset Plan) that align to Council’s Financial Vision;
- Over \$4m over two years in permanent operational and service reductions;
- Organisational restructure that reduces Council’s staffing levels by 25% to respond to the Council Plan and Financial Vision;
- Significant advocacy actions with all tiers of government, but particularly State government, to improve the financial security of the local government sector; and
- Commenced and continue a range of service reviews.

The Draft Budget to be considered later tonight continues a range of initiatives to continue the financial performance improvements and good governance, including

an alternative revenue opportunities project, a review of Council's depreciation rates, and a refresh of the adopted long-term Financial Plan for Council's consideration.

Question 8 – Donna O'Mara

Outstanding lease rental payments for Hepburn Bathhouse & Spa are just under \$1 million. There are ongoing legal negotiations around forced closure due to the council undertaking emergency maintenance work. I also understand that the closure was extended by Bathhouse management for additional repairs. The business has been open for seven months as at 31 March 2026.

Why is there not a substantial part payment of the rent while these legal negotiations are ongoing?

Response – Deputy Mayor Shirley Cornish

Council believes that the outstanding rental payments are lawfully due and are not able to be linked to any other legal negotiations. Council has sought immediate payment of the outstanding rental amounts.

Question 9 – Donna O'Mara

The content and format of Quarterly Financial Reports keep changing. The Quarter 3 report contains a detailed Statement of Cash Flows while the Quarter 2 report only had high level Cash Flow totals and also didn't include Special Operating Projects YTD. The lack of cash flow detail in the Quarter 2 statement hid the fact there was a large underpayment of rent by Hepburn Bathhouse & Spa. Why does the content keep changing?

Response – Deputy Mayor Shirley Cornish

There were data mapping issues with the Cash Flow statement for Quarter 2, which were resolved for the Quarter 3 report. The intention was certainly not to hide any information, and the Hepburn Bathhouse rent was included in the debtors section. The exclusion of the Special Operating projects was a genuine oversight by officers.

In future, all of the reports will be consistent with full reports being included per the Quarter 3 report. Hepburn Shire Council's approach of including the Statement of Cash Flow and Special Operating Projects YTD exceeds legislative requirements and reflects Council's ongoing commitment to transparency and community engagement.

Question 10 – Linda Hancock

When is Council going to release its five-year Financial Plan for the Shire?

Response – Deputy Mayor Shirley Cornish

Council has an adopted ten-year Financial Plan, and is not required to review the Plan until October 2029. However we recognise, given our financial position, that it is fiscally responsible to bring the review forward and Council will refresh the adopted Long-term Financial Plan during 2026/27. That will then be used to inform the preparation of the 2027/28 Budget.

Question 11 – Linda Hancock

When will Council re-open the much-used toilet/change block at the swimming area of Lake Daylesford?

Response – Deputy Mayor Shirley Cornish

Council is not currently able to provide a date for the potential reopening of these facilities.

Our first step is to consider how these facilities might be used, what services would be required and the cost implications of this. Council is intending to work through this planning with funding in 2026/27, which will then determine any future investment.

7 OFFICER REPORTS

7.1 QUARTERLY FINANCE REPORT - QUARTER 3

Go to 00:14:30 in the meeting recording to view this item.

DIRECTOR PERFORMANCE AND TRANSFORMATION

In providing this advice to Council as the Manager Finance and Governance, I Justin Finlayson have no interests to disclose in this report.

ATTACHMENTS

1. Financial Report for the Period Ending 31 March 2026 [7.1.1 - 30 pages]
2. Capital Projects - YTD to 31 March 2026 [7.1.2 - 3 pages]
3. Special Operating Projects - YTD to 31 March 2026 [7.1.3 - 2 pages]

OFFICER'S RECOMMENDATION

That Council notes the financial position and performance for the nine months ending 31 March 2026, including the special operating projects and the capital program.

MOTION

That Council notes the financial position and performance for the nine months ending 31 March 2026, including the special operating projects and the capital program.

Moved: Cr Brian Hood

Seconded: Cr Pat Hockey

Carried

Voted for: Cr Tony Clark, Cr Shirley Cornish, Cr Tim Drylie, Cr Lesley Hewitt, Cr Pat Hockey and Cr Brian Hood

Voted against: Nil

Abstained: Nil

EXECUTIVE SUMMARY

The March 2026 Quarterly Finance Report outlines the financial results for the nine months ending 31 March 2026, along with a comparison to the amended budget adopted by Council (inclusive of carry forwards from 2024/2025 to complete projects).

It includes a summary of Council's financial performance and position for the 2025/2026 financial year up until 31 March 2026, and an update on each special operating project and the capital program as at 31 March 2026.

The financial position overall is materially on track to the amended budget however we are anticipating additional cost pressures particularly in relation fuel, legal expenses, and insurances, in the last quarter of this financial year. The delay in the delivery of the capital works program is also being closely monitored.

The current financial position needs to be read in the context of Council's Financial Plan contained within the 2025/2026 Budget, and the adopted Financial Vision.

BACKGROUND

This report provides information on Council's financial performance for the period 1 July 2025 to 31 March 2026 and compares the Income Statement to the amended budget, the Balance Sheet and Statement of Cash Flows to the prior year.

The March 2026 Quarterly Finance Report along with the special operating projects and capital program reports have been prepared in comparison to the amended budget being the original adopted budget and the carry-forward budget that was adopted at the Ordinary Meeting of Council on 23 September 2025.

KEY ISSUES

The financial report and attachments provide a comprehensive overview of Council's financial performance and current financial state, for the nine-month period of the 2025/2026 financial year up until 31 March 2026, and an update on the status and progress of each special operating project and the capital program.

The financial position overall is materially on track to the amended budget however we are anticipating additional cost pressures particularly in relation fuel, legal expenses, and insurances, in the last quarter of this financial year. The delay in the delivery of the capital works program is also being closely monitored.

The main items to note at the end of Quarter 3, with further details and explanation provided in the attached report, are:

- The operating surplus for the nine months ended 31 March was \$7.4 million, which is \$2.2 million (or 45%) favourable to the amended YTD budgeted surplus of \$5.1 million.
 - This is primarily driven by income across rates and charges and grants being favourable by \$1.1 million, as well as materials and services expenditure budget being favourable by \$1.1 million.
 - Majority of the materials and services is timing of works occurring in the back end of the year, and invoices coming in from suppliers (with a spike always in June).
 - Council's fuel budget is \$9k under budget and legal costs are \$14k over budget as at March, but we expect increased costs in the last quarter of the year.
- Year-to-date Capital works expenditure for the nine months ended 31 March 2026 was \$4.8 million which is 31% of the \$15.4 million amended budget.
- Cash holdings as at 31 March 2026 are \$2.2 million higher than the same time last year, this is mainly due to a higher cash starting position at the start of the financial year.

- The Cash Flow Statement is back to the extended version, but officers do still need to work through the line-by-line movement which will be completed as part of financial year end. The overall movement is correct, but the categorisation of movement between line items needs review.
- Trade and other receivables as at 31 March 2026 are \$3.5 million higher than the same time last year.
 - This is due to a combination of the annual rate cap rise together with increased offerings of support packages relating to payment extensions on rates instalments, in addition to outstanding rental income (due to ongoing legal negotiations).
 - Council is actively collecting overdue rates, and outstanding debts, with staff making a further concerted effort in the lead up to 30 June 2026 reporting.

Council officers will remain flexible and agile in the management of their forecasts while responding in the best interests of the community and will fully update Councillors with any material items.

COUNCIL POLICY AND LEGISLATIVE IMPLICATIONS

Council Plan 2025-2029

Hepburn Working Together

2. Maintain corporate governance to enable good Council decision making and to ensure long-term financial viability.

FINANCIAL IMPLICATIONS

This report and associated attachments provide the opportunity for review of Council's financial position and forecasts.

COMMUNITY AND STAKEHOLDER ENGAGEMENT

There are no community or stakeholder engagement implications associated with this report.

RISK AND GOVERNANCE IMPLICATIONS

There are no risk implications associated with this report, and it has been assessed in accordance with the requirements of the Victorian Charter of Human Rights and Responsibilities.

ENVIRONMENTAL SUSTAINABILITY

There are no sustainability implications associated with this report.

GENDER IMPACT ASSESSMENT

There are no gender equity implications associated with this report.

7.2 GLENLYON RECREATION RESERVE PAVILION - PROJECT UPDATE AND FUNDING STRATEGY

Go to 00:28:33 in the meeting recording to view this item.

DIRECTOR INFRASTRUCTURE AND DELIVERY

In providing this advice to Council as the Manager Project Delivery, I Ben Grounds have no interests to disclose in this report.

ATTACHMENTS

- Nil

OFFICER'S RECOMMENDATION

That Council adopts the funding strategy outlined in this report for the renewal and upgrade works to be completed on the Glenlyon Recreation Reserve Pavilion.

MOTION

That Council adopts the funding strategy outlined in this report for the renewal and upgrade works to be completed on the Glenlyon Recreation Reserve Pavilion.

Moved: Cr Shirley Cornish

Seconded: Cr Tim Drylie

Carried

Voted for: Cr Tony Clark, Cr Shirley Cornish, Cr Tim Drylie, Cr Lesley Hewitt, Cr Pat Hockey and Cr Brian Hood

Voted against: Nil

Abstained: Nil

EXECUTIVE SUMMARY

The Glenlyon Pavilion Renewal and Upgrade Project is underway. It is part funded, and delivery has been divided into stages. This report proposes a funding strategy to complete the project in coming years.

BACKGROUND

Officers have been progressing the Glenlyon Recreation Reserve Pavilion Upgrade project since 2023. This has included extensive community engagement, utilising a Project Advisory Group model, analysing options for a new pavilion and upgrading the existing pavilion. This options analysis included assessing planning permit requirements, site constraints, and user needs.

In September 2025, Council resolved:

That Council:

- 1. Acknowledges the work done and the recommendations provided by the Project Advisory Group;*
- 2. Varies the scope of the Glenlyon Recreation Reserve Pavilion Redevelopment project to be renovation and renewal of the existing pavilion instead of construction of a new pavilion;*
- 3. Investigates varying the current project funding agreement with the Federal Government to allow the funds to be used for the varied scope of work; and,*
- 4. Develops a funding strategy for the design and delivery of the varied scope of work.*

This report seeks to complete the fourth part of the resolution.

Officers have subsequently actioned this resolution, including procuring the required consultant team to undertake the design developments stage of the project, liaised with the external funding body, and considered the funding requirements for the remainder of the project in both the *Priority Projects Statement* adopted in February 2026, as well as the development of the 2026/2027 Budget.

The Recreation Reserve does form part of the Glenlyon Mineral Spring.

KEY ISSUES

The construction phase of the endorsed Glenlyon Pavilion renewal and upgrades will be delivered and funded in multiple stages. This approach has in principle support from the Australian Government, which has committed \$500,000 funding to the project.

Concept design and community engagement is complete and design development is underway.

Delivery of stage 1, which includes kitchen and toilet refurbishment, as well other minor renewal works, is being funded from existing external funding. This stage will be procured in September, following completion of the design package.

Delivery stage 2 includes an extension to deliver compliant DDA amenities, storage and cleaners' area, a second entry/exit point, as well as the remaining renewal works. (which may be able to be further divided to respond to funding opportunities). This stage is currently unfunded, however the current design work will ensure this stage is ready for construction. Officers will seek Victorian Government funding for this stage, which is included in Council's *Priority Projects Statement* advocacy document, adopted in February 2026.

Council will also consider utilising the Mineral Springs Reserve financial reserve to fund future stages of the Glenlyon Pavilion works, beginning with the development of the 2027/2028 Council Budget.

Construction Stage	Cost	Funding Source	Note
1 - Kitchen and toilet refurbishment - other minor renewal works	\$500,000	Australian Government – (Secured)	Includes design work
2 - Compliant DDA amenities, storage and cleaners area, - a second entry/exit point, - remaining renewal works.	\$800,000	Victorian Government Council Mineral Springs Reserve financial reserve	Funding not confirmed May be considered in developing the 2027/28 Council Budget

COUNCIL POLICY AND LEGISLATIVE IMPLICATIONS

Council Plan 2025-2029

Future Hepburn

2. Responsible management of infrastructure and environment to support wellbeing now and for future generations.

Outcome 2: A healthy and inclusive community, where all people regardless of background or stage of life have the opportunity to participate and thrive.

Strategy: Provide access to, and support local formal and informal recreation opportunities to increase diversity of participation, promote wellbeing and nurture social connections.

FINANCIAL IMPLICATIONS

The funding strategy outlined in this report is considered achievable within existing financial commitments and potential future funding opportunities and provides some direction for funding the remaining works at the completion of stage 1 works.

COMMUNITY AND STAKEHOLDER ENGAGEMENT

The project has been subjected to rigorous community engagement to get to this stage.

There are no further community or stakeholder engagement implications associated with this report.

RISK AND GOVERNANCE IMPLICATIONS

The proposed funding strategy intends to provide clarification and confidence in how the project can be progressed and manages reputational and financial risks.

ENVIRONMENTAL SUSTAINABILITY

There are no sustainability implications associated with this report.

GENDER IMPACT ASSESSMENT

There are no gender equity implications associated with this report. A gender impact assessment was undertaken for the project and informed by the Project Advisory Group.

7.3 ENDORSEMENT OF THE DRAFT BUDGET 2026/2027 FOR PUBLIC EXHIBITION

Go to 00:37:40 in the meeting recording to view this item.

DIRECTOR PERFORMANCE AND TRANSFORMATION

In providing this advice to Council as the Manager Finance, I Ange Marshall have no interests to disclose in this report.

ATTACHMENTS

1. Draft Budget 2026/27 [7.3.1 - 106 pages]

OFFICER'S RECOMMENDATION

That Council:

1. *Acknowledges the challenging financial environment confronting Councils across Victoria in the preparation of 2026/2027 budgets, and the impact upon the long-term financial sustainability of Hepburn Shire;*
2. *Endorses the release of the draft 2026/2027 Annual Budget as required under Sections 94 and 96 of the Local Government Act 2020;*
3. *Authorises the Chief Executive Officer to effect any minor administrative changes which may be required to the draft 2026/2027 Annual Budget while public consultation is occurring;*
4. *Notes that the draft budget, and budget development process is compliant with relevant legislation;*
5. *Invites submissions on the draft 2026/2027 Annual Budget via Council's Participate Hepburn site, including the option to present at a consultation meeting to be held in the Council Chamber, 24 Vincent Street, Daylesford at 6pm on Wednesday 24 June 2026;*
6. *Subject to changes after the consideration of all submissions, the 2026/2027 Annual Budget will be presented for adoption as Council's budget for the 2026/2027 year in accordance with Section 94 of the Local Government Act 2020 at a Special Meeting of Council on Tuesday 30 June 2026;*
7. *Notes that Council will undertake quarterly financial reporting, and a mid-year budget review;*
8. *Endorses the schedule of fees as contained in the draft 2026/2027 Annual Budget to commence from 1 July 2026; and,*

9. *Will continue its strong advocacy to State and Federal Government to ensure reform to enable the long-term financial sustainability of the Local Government sector.*

MOTION

That Council:

1. *Acknowledges the challenging financial environment confronting Councils across Victoria in the preparation of 2026/2027 budgets, and the impact upon the long-term financial sustainability of Hepburn Shire;*
2. *Endorses the release of the draft 2026/2027 Annual Budget as required under Sections 94 and 96 of the Local Government Act 2020;*
3. *Authorises the Chief Executive Officer to effect any minor administrative changes which may be required to the draft 2026/2027 Annual Budget while public consultation is occurring;*
4. *Notes that the draft budget, and budget development process is compliant with relevant legislation;*
5. *Invites submissions on the draft 2026/2027 Annual Budget via Council's Participate Hepburn site, including the option to present at a consultation meeting to be held in the Council Chamber, 24 Vincent Street, Daylesford at 6pm on Wednesday 24 June 2026;*
6. *Subject to changes after the consideration of all submissions, the 2026/2027 Annual Budget will be presented for adoption as Council's budget for the 2026/2027 year in accordance with Section 94 of the Local Government Act 2020 at a Special Meeting of Council on Tuesday 30 June 2026;*
7. *Notes that Council will undertake quarterly financial reporting, and a mid-year budget review;*
8. *Endorses the schedule of fees as contained in the draft 2026/2027 Annual Budget to commence from 1 July 2026; and,*
9. *Will continue its strong advocacy to State and Federal Government to ensure reform to enable the long-term financial sustainability of the Local Government sector.*

Moved: Cr Shirley Cornish

Seconded: Cr Pat Hockey

Carried

Voted for: Cr Tony Clark, Cr Shirley Cornish, Cr Tim Drylie, Cr Lesley Hewitt and Cr Pat Hockey

Voted against: Nil

Abstained: Cr Brian Hood

EXECUTIVE SUMMARY

Under Section 94 of the *Local Government Act 2020*, Council is required to prepare an Annual Budget and adopt it by 30 June each year. This document describes how Council intends to raise revenue and allocate resources to deliver services and invest in both existing and new infrastructure.

The purpose of this report is to recommend that Council resolves to endorse the draft 2026/2027 Annual Budget for community consultation and input prior to consideration for its adoption on 30 June 2026.

Financial pressures are mounting across government, business, and communities. The Victorian local government sector faces challenges which most likely will lead to potential changes to Council's service offering and capacity to invest in infrastructure. Many councils are consequently focused on both short-term decisions and long-term financial planning to ensure sustainability for the sector. The cumulative effect of rate-capping below CPI and in Hepburn Shire's case its relatively small population, inefficiencies arising from multiple population centres and rising cost pressures, all combine to constrain the financial outlook.

This budget responds to those challenges, however our financial position continues to require discipline and careful stewardship. While we remain financially sound, there is little room for complacency, and we must continue to operate with constraint to ensure long-term sustainability.

BACKGROUND

The draft 2026/27 budget identifies a financial outlook being repeated across many of the 79 local governments in Victoria. High inflation, including sharply increasing costs for the delivery of capital projects and operating services, combined with extraordinary costs associated with unprecedented natural disasters and severe weather events, have placed significant pressure on the financial management of councils. Hepburn Shire is not immune to those factors.

The 2026/27 draft budget has taken into consideration all these constraints while still focussing on the delivery of the Community Vision and Council Plan.

KEY ISSUES

The 2026/27 Budget is disciplined, financially responsible and responds to external cost pressures while making clear further reform in the Local Government sector is essential to secure long-term sustainability.

The draft budget process commenced in late 2025 and included input from Councillors, the Executive Team, senior staff and the Finance team.

This budget has been prepared in one of the toughest financial environments in recent years with a requirement to make decisions on the reduction of operational budgets for 2026/27 to ensure the year would end with a small budgeted unrestricted cash position.

Although operational savings have been made, we present a responsible budget that continues to show investment and support of our community within a challenging financial environment.

The 2026/27 budget is also developed in the context that Councillors are reviewing services offered by Council, and revenue able to be raised as part of the 10-year Financial Plan review during 2026/27.

Key Financial Information

- Total Revenue - \$43.8M - includes reduced capital grants. Rates revenue has been calculated using the State Government rate cap of 2.75% announced by the Minister Local Government, noting that CPI for the year ended March 2026 is 4.6%.
- Total Expenditure - \$43.3M - materials and services costs have reduced from the prior year forecast due to less special operating projects planned in 2026/27, as well as holding expenditure to 2025/26 budget levels where possible.
- Operating Result – an operating surplus of \$511K is budgeted for 2026/27 predominately due to lower expenditure budgeted for 2026/27.
- This budget will deliver \$10.5M of capital works, which is a return to capital program more consistent with normal operating commitments, given large programs of previous years. This allocation has a strong renewal focus, and is in line with allocations within Council's long-term Asset Plan.
- Cash and Investments - \$9.2M - this is the closing balance at 30 June 2026. Once restricted reserve balances are covered the unrestricted cash balance is \$0.7M surplus which leaves little room for additional discretionary expenditure.

The 2026/27 Budget relies heavily on Council's own resourcing and limited revenue streams. A lack of support from state and federal governments over the last decade has meant councils are facing unreasonable cost pressures.

Capital Works

The budget will deliver a \$10.5 million capital works program for 2026/27, focused on the delivery of previous commitments and renewal of our existing assets. Projects include:

- Road renewal and resealing \$4.8 million;
- Building renewal and upgrade works of \$1.3 million, including \$0.35 million for Glenlyon Pavilion upgrades; and
- Recreational and Community facilities renewal and upgrades including parks and open spaces of \$1.4 million.

There are a number of smaller, and equally important capital projects included in the above allocation, detailed in the budget document.

Other Information

Council will continue to fund and deliver a range of existing programs and services and commitments achieving the outcomes of the Council Plan and actions from the recently adopted strategies. We will continue to strive to deliver high quality services that align to our community's priorities and expectations.

There are no material changes to services planned in 2026/27.

Council will undertake a review of the ten-year Financial Plan and a broad review of Council services over the coming months to ensure that we remain on track to achieve long-term financial sustainability.

The draft budget is balanced and sustainable within a challenging financial environment and allows Council to fund the programs and projects that align to our Community Vision and Council Plan.

Further detail is outlined in the Draft Budget 2026/27 document attached.

COUNCIL POLICY AND LEGISLATIVE IMPLICATIONS

Council Plan 2025-2029

Hepburn Working Together

2. Maintaining corporate governance to enable good Council decision making and to ensure long-term financial viability.

Under Section 94 of the *Local Government Act 2020*, Council is required to prepare an Annual Budget and adopt it by 30 June each year.

FINANCIAL IMPLICATIONS

As mentioned above, our financial position continues to require discipline and careful stewardship. While we remain financially sound, there is little room for complacency, and we must continue to operate with constraint to ensure long-term

sustainability. Council remains in a cash positive position and able to pay commitments to staff, contractors and other agencies as debts become due.

COMMUNITY AND STAKEHOLDER ENGAGEMENT

The draft 2026/27 Annual Budget has been completed with input from officers and Councillors. The draft budget will be subject to a media release as well as being advertised in the local newspapers and on social media.

This document will be available on Council's website, inviting community comment via Participate Hepburn.

A consultation meeting is scheduled for 24 June 2026 for Council to consider community feedback received via Participate Hepburn, prior to adoption of the budget on 30 June 2026.

The proposed community engagement strategy is consistent with Council's adopted Community Engagement Plan.

RISK AND GOVERNANCE IMPLICATIONS

The annual budget process is a key control in mitigating financial risk.

The implications of this report have been assessed in accordance with the requirements of the Victorian Charter of Human Rights and Responsibilities – and no issues have been identified.

ENVIRONMENTAL SUSTAINABILITY

There are no direct sustainability implications associated with this report, however the draft budget does include planned resource allocation toward sustainability, social and environmental services and projects.

GENDER IMPACT ASSESSMENT

Gender impacts and considerations have been taken into account during the development of the budget. A full, formal Gender Impact Assessment (GIA) will be undertaken by officers during the community consultation phase of the budget, and any required amendments made for the final budget adoption in late June.

7.4 ADOPTION OF THE CRESWICK FLOOD MITIGATION STUDY

Go to 01:02:22 in the meeting recording to view this item.

DIRECTOR INFRASTRUCTURE AND DELIVERY

In providing this advice to Council as the Coordinator Engineering, I Tim Powell have no interests to disclose in this report.

ATTACHMENTS

1. Creswick Flood Mitigation Study (Final Report) [7.4.1 - 94 pages]

OFFICER'S RECOMMENDATION

That Council:

1. *Adopts the 2026 Creswick Flood Mitigation Study as attached to this report;*
2. *Thanks the Creswick community and project stakeholders, acknowledging their invaluable input into the study;*
3. *Directs officers to pursue funding initiatives to implement the prioritised mitigation projects; and,*
4. *Makes the report available to the public via Council's website.*

MOTION

That Council:

1. *Adopts the 2026 Creswick Flood Mitigation Study as attached to this report;*
2. *Thanks the Creswick community and project stakeholders, acknowledging their invaluable input into the study;*
3. *Directs officers to pursue funding initiatives to implement the prioritised mitigation projects; and,*
4. *Makes the report available to the public via Council's website.*

Moved: Cr Tim Drylie

Seconded: Cr Shirley Cornish

Carried

Voted for: Cr Tony Clark, Cr Shirley Cornish, Cr Tim Drylie, Cr Lesley Hewitt, Cr Pat Hockey and Cr Brian Hood

Voted against: Nil

Abstained: Nil

EXECUTIVE SUMMARY

The 2026 Creswick Flood Mitigation Study recently concluded following detailed modelling and stakeholder engagement including previous briefings of Council and is recommended for adoption.

The updated study builds on earlier work (2012) by expanding the study area, applying updated modelling techniques, incorporating climate-change considerations, and aligning findings with recent flood events. It also assesses additional risks from stormwater and overland flows.

The study provides a clear evidence base to guide future flood mitigation works, emergency planning and potential planning scheme updates. Implementation of recommended projects will require significant external funding.

BACKGROUND

Flood studies were first undertaken in Creswick following major flood events in 2010/2011, leading to mitigation works such as the levee construction along Creswick Creek.

Subsequent flooding in 2016 and 2022 highlighted gaps in existing knowledge, particularly in areas away from the main waterways. In response, Council secured funding through the State Risk and Resilience Program to update and expand the previous flood study.

Creswick's location at the confluence of Creswick and Slatey Creeks at the upper ends of the Loddon River makes it highly prone to flooding, often with limited warning time. Being situated on a flood prone creek means that other outer areas of the township away from the main waterway have historically had less focus when evaluating flood risk. The 2026 study aims to address this shortfall as well as better aligning flood models with newer technologies, climate change drivers and generally broaden the knowledge and geographical area of understanding.

While Council manages some flood mitigation infrastructure (e.g. levees), waterway management is primarily the responsibility of State agencies. Responsibilities are governed by the *Water Act 1989*.

KEY ISSUES

Purpose of the Study

The study aims to improve flood preparedness by:

- Identifying flood risk areas
- Assessing and prioritising mitigation projects
- Informing emergency management planning
- Supporting future planning controls (not implemented as part of this project) and decision-making. It is also noted that under the 2022 flood enquiry

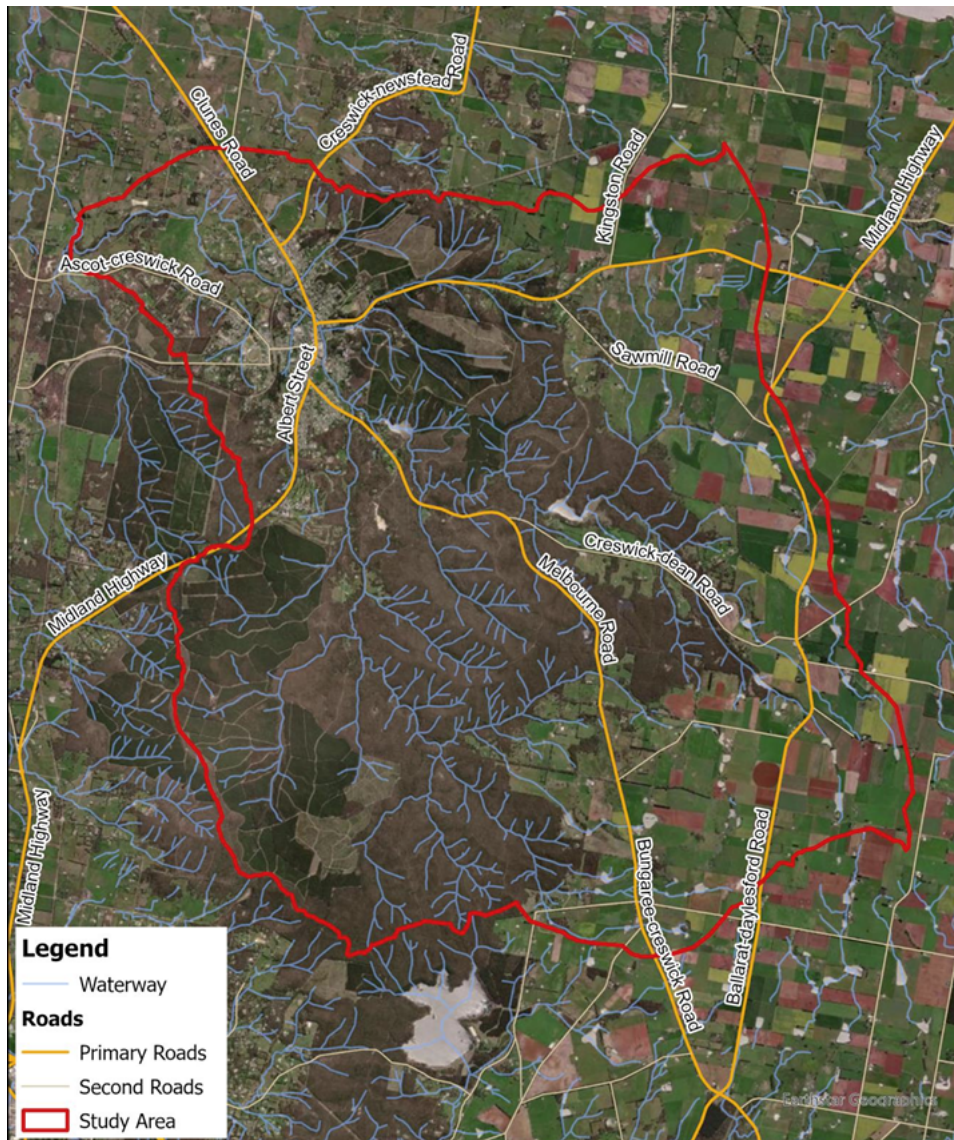
recommendations, peer review of all modelling is required as part of any proposed planning scheme amendment.

Study Improvements

Key enhancements include:

- Expanded study area
- Inclusion of additional stormwater and overland flows
- Updated to more modern and sophisticated modelling techniques
- Climate change considerations
- Assessment of infrastructure constraints
- Identification and prioritisation of mitigation projects across six locations

The study area is outlined below.



Mitigation Projects

Location 1 Pascoe Street/Broomfield Road Area
<ul style="list-style-type: none"> • Investigate formal retarding basin utilising public land where available. • Upgrade of pipe size from Clunes-Creswick Road to railway. • Pipe diversion downstream of railway line along Davies Street.
Location 2 Cambridge Street/Cushing Avenue Area
<ul style="list-style-type: none"> • Improve overland flows along Cushing Avenue towards the basin. • Formalise and expand basin in open space between Cushing Avenue and Creswick Creek. • Incorporate pumping rates within the basin that maintain flood levels below floor level in a 10% AEP event. • Construct piped outlet from the drain at Pearman Street through to the basin. • Assess additional piped outlet from basin with one-way flap valve.
Location 3 Nuggety Gully Catchment
<ul style="list-style-type: none"> • Identify existing culvert and road crossing capacities and impacts of upgrades on downstream infrastructure. • Construct a levee along the Primary school boundary (increase height of existing blue stone wall). • Construct basin upstream of Raglan Street to restrict flow downstream of Raglan Street. • Increase flow capacity at Hyde Park Road.
Location 4 Bald Hills Road Area
<ul style="list-style-type: none"> • Construct basin at Townsend Street. • Upgrade pipe along rear of Cassels Lane properties. • Upgrade pipe around Bald Hills Road and Elizabeth Road. • Identify options for formalised easement downstream of Bald Hills Road.
Location 5 Midland Highway/North Street Area
<ul style="list-style-type: none"> • Incorporate new pump station into model and assess flows in/pumping rate and available storage with the aim to maintain flood levels below floor level in a 10% AEP event.
Location 6 Wright Court/Caddy Drive Area
<ul style="list-style-type: none"> • Upgrade drainage from Caddy Drive and Tait Drive. • Assess White Hills Road upgrade.

Cost and Delivery

The total estimated cost of works is between \$6M and \$8M. The nature of the works allows for a staged implementation; however, each location operates independently, meaning works at one location will not reduce the risk in others. External funding will be critical to delivering these projects.

Initial 'Stage 1' works including increasing the retention and outfall capacity of the existing reserve at the corner of Cushing Avenue and Cambridge Street, are currently underway, co-funded by the Federal Government's Disaster Ready Funding Grant and leveraging Council's funding of stormwater projects delivered in 2022. 'Stage 2' preparation works are also in progress, funded by the 2025/2026 Capital Works Program including designs, surveys and assessments in key locations to ensure some projects are shovel ready, to take advantage of future funding opportunities. The focus is currently on projects that have the longest lead time because of Cultural Heritage and Land Use Activity Agreement requirements.

COUNCIL POLICY AND LEGISLATIVE IMPLICATIONS

Council Plan 2025-2029

Hepburn Life

1. Connected Communities that are resilient, adaptable, and empowered - able to respond to and recover from climate-related impacts, emergencies, and other community challenges.

Future Hepburn

2. Responsible management of infrastructure and environment to support wellbeing now and for future generations.

FINANCIAL IMPLICATIONS

Current works are fully funded via Council's capital programs and external grant funding, including the development of this updated Flood Study. Future mitigation projects and any amendments to the planning scheme will require external funding to be implemented in full.

COMMUNITY AND STAKEHOLDER ENGAGEMENT

Community input has been critical to shaping the study, particularly following the 2022 flood event. Engagement informed both the study area and identified risks.

Key stakeholders, including State agencies (DEECA, MEMPC, NCCMA) and traditional owner representatives, have been consulted and provided in-principle support.

Future consultation will occur on a project-by-project basis as works can be progressed.

RISK AND GOVERNANCE IMPLICATIONS

The study strengthens Council's ability to:

- Understand and communicate flood risk

- Support informed land-use planning decisions
- Prioritise infrastructure investment

While Council is not the primary flood authority, it has clear responsibilities in stormwater management, planning, and community safety. Failure to act on updated flood information may increase risk to property, infrastructure, and community wellbeing.

ENVIRONMENTAL SUSTAINABILITY

The Creswick Flood Mitigation Study supports environmental sustainability by identifying flood management measures that work with natural systems where possible, rather than relying solely on engineered solutions. Measures such as stormwater retention and improved overland flow management can reduce peak flood flows, improve water quality, and support the natural function of waterways and surrounding habitats. By incorporating climate change considerations into the modelling, the study also helps ensure that future flood mitigation works are resilient to changing weather patterns and contribute to the long-term environmental, social and economic sustainability of the township.

GENDER IMPACT ASSESSMENT

Flood events can disproportionately affect vulnerable groups, including those with caring responsibilities, limited mobility, or fewer resources to recover. The study highlights the importance of inclusive planning, accessible communication, and equitable recovery outcomes in future mitigation and emergency response planning.

7.5 ALGERIAN OAK PLANNING SCHEME AMENDMENT AUTHORISATION

Go to 01:11:10 in the meeting recording to view this item.

DIRECTOR DEVELOPMENT AND COMMUNITY

In providing this advice to Council as the Acting Director Development and Community, I Matt Rogers have no interests to disclose in this report.

ATTACHMENTS

1. HO989 - Heritage Citation - Algerian Oak Bullarook Creek Streamside Reserve [7.5.1 - 18 pages]
2. HO989 - Statement of Significance - Algerian Oak Bullarook Creek Streamside Reserve [7.5.2 - 2 pages]
3. Draft -C91hepb - Explanatory Report [7.5.3 - 9 pages]
4. Draft - C91hepb - Instruction Sheet [7.5.4 - 1 page]
5. Draft - C91hepb - Clause 43 01 Heritage Overlay Schedule Ordinance [7.5.5 - 1 page]
6. Draft - C91hepb - Clause 72 04 Incorporated Documents Schedule Ordinance [7.5.6 - 1 page]
7. Draft - C91hepb - Clause 72 08 Background Documents Schedule Ordinance [7.5.7 - 1 page]
8. Draft - C91hepb - Map 24 Heritage Overlay Application [7.5.8 - 1 page]
9. Letter to Minister for Planning for Authorisation - Algerian Oak - C91hepb [7.5.9 -]

OFFICER'S RECOMMENDATION

That Council:

1. *Notes the attached Algerian Oak – Bullarook Creek Streamside Reserve heritage citation detailing the Heritage Significance of the Algerian Oak and its importance as a background document to the implementation of a planning scheme amendment;*
2. *Writes to the Minister for Planning under section 8A of the Planning and Environment Act 1987 requesting the Minister for Planning authorises Council to prepare and exhibit proposed C91hepb planning scheme amendment to apply a new Heritage Overlay in the form of the attached letter [7.3.9 - Letter to the Minister for Planning for Authorisation to Exhibit C91hepb];*
3. *Before exhibiting the amendment, undertakes further consultation with communities proximate to the tree and its reserve to confirm the longer term social value of the tree, beyond the current Western Renewable Link controversy, as required by Heritage Planning Practice Note 1: Applying the Heritage Overlay (Department of Transport and Planning (then DELWP) August 2018);*

4. *Authorises the Chief Executive Officer to exhibit the amendment and seek submissions from the community and others in compliance with relevant sections of the Planning and Environment Act 1987; and,*
5. *Provided that such changes do not alter the intent, outcomes, or policy direction of the amendment as resolved by Council, delegates authority to the CEO to:*
 - a. *make minor and non-substantive changes to the amendment documentation;*
 - b. *update explanatory material, schedules, maps, or incorporated documents as required;*
 - c. *correct clerical, grammatical, cartographic, or formatting errors; and,*
 - d. *address matters raised by the Minister for Planning or government agencies.*

MOTION

That Council:

1. *Notes the attached Algerian Oak – Bullarook Creek Streamside Reserve heritage citation detailing the Heritage Significance of the Algerian Oak and its importance as a background document to the implementation of a planning scheme amendment;*
2. *Writes to the Minister for Planning under section 8A of the Planning and Environment Act 1987 requesting the Minister for Planning authorises Council to prepare and exhibit proposed C91hepb planning scheme amendment to apply a new Heritage Overlay in the form of the attached letter [7.3.9 - Letter to the Minister for Planning for Authorisation to Exhibit C91hepb];*
3. *Requests the Minister for Planning to consider this proposed amendment:*
 - a. *On its own merits, separate from any decision making on the proposed Westen Renewable Link transmission line project; and,*

- b. Before deciding on the proposed Western Renewable Link transmission line project.*
- 4. Before exhibiting the amendment, undertakes further consultation with communities proximate to the tree and its reserve to confirm the longer term social value of the tree, beyond the current Western Renewable Link controversy, as required by Heritage Planning Practice Note 1: Applying the Heritage Overlay (Department of Transport and Planning (then DELWP) August 2018);*
- 5. Authorises the Chief Executive Officer to exhibit the amendment and seek submissions from the community and others in compliance with relevant sections of the Planning and Environment Act 1987; and,*
- 6. Provided that such changes do not alter the intent, outcomes, or policy direction of the amendment as resolved by Council, delegates authority to the CEO to:*
 - a. make minor and non-substantive changes to the amendment documentation;*
 - b. update explanatory material, schedules, maps, or incorporated documents as required;*
 - c. correct clerical, grammatical, cartographic, or formatting errors; and,*
 - d. address matters raised by the Minister for Planning or government agencies.*

Moved: Cr Pat Hockey

Seconded: Cr Lesley Hewitt

Carried

Voted for: Cr Tony Clark, Cr Shirley Cornish, Cr Tim Drylie, Cr Lesley Hewitt, Cr Pat Hockey and Cr Brian Hood

Voted against: Nil

Abstained: Nil

EXECUTIVE SUMMARY

This report presents the findings of the Algerian Oak – Bullarook Creek Streamside Reserve Heritage Citation (Plan Heritage, March 2026) and recommended controls to protect the tree. The citation provides the reasons for applying a Heritage Overlay to the tree via the Hepburn Planning Scheme.

The citation was commissioned by Council officers from a respected and locally operating heritage advisor. It addresses the tree's intrinsic and social heritage values. The later highlights community advocacy for the tree's protection particularly in the context of the proposed Western Renewable Link (WRL Project).

The tree is on a Crown reserve managed by Parks Victoria – despite this the Minister for Planning will be asked by Ausnet, the proponent of the Western Renewables Link project, to set aside existing local planning controls in favour of facilitating the transmission line construction.

Officers recommend Council seeks the Minister's permission to apply the Heritage Overlay. The Vegetation Protection Overlay is the other planning scheme option for requiring specific vegetation protection. Officers recommend the Heritage Overlay due to the genuine heritage significance of tree and that overlay's limited exemptions from permit requirements compared to the Vegetation Protection Overlay.

BACKGROUND

The Algerian Oak at Bullarook Reserve is of local historical, aesthetic and social significance. Planted more than 130 years ago, the tree is associated with historical trade routes established by Captain John Hepburn and marks the alignment of an old trade track.

The tree has aesthetic significance due to its distinctive form, scale and presence of landscape. With a canopy spread of 31m and a height of 16.4m, it forms a dome like structure with its branches reaching the ground and extending horizontally. This growth is uncommon for the species in question where lower limbs are typically removed. This distinct and notable form contributes to its significance as a local landmark.

The Algerian Oak also holds strong social significance for the local community as it has emerged as a symbol of community advocacy with sustained efforts undertaken to protect it in response to its proposed destruction by Ausnet to facilitate its Western Renewables Link transmission line. Its recognition as the National Trust's 2025 Victorian Tree of the Year, by popular vote, reinforces its social significance. (See Attachment 7.4.1)

KEY ISSUES

Why is protection needed?

In 2025, the Algerian Oak was awarded, by popular vote, the National Trust's Victorian Tree of the Year. The tree was awarded the honour after receiving community interest due to the proposal of the Western Renewables Link (WRL) project.

Ausnet's WRL project proposed to destroy the tree entirely to place towers and wires across the land. Ausnet has verbally committed to localised project design changes to avoid the tree's destruction. should later project changes reverse Ausnet's verbal position the tree remains under threat without its significance being recognised in regulation.

Should the Heritage Overlay be applied, and Ausnet's WRL planning scheme amendments be approved, Ausnet could still remove the tree without regard to the Heritage Overlay. Council has made submissions to the WRL advisory committee seeking the tree's protection.

Relevant to the transmission line context, both the Heritage and Vegetation Protection Overlays contain exemptions, that Council is not permitted to amend, from the need for a permit:

- *To any action which is necessary to keep the whole or any part of a tree clear of an electric line provided the action is carried out in accordance with a code of practice prepared under Section 86 of the Electricity Safety Act 1998.*
- *If the tree presents an immediate risk of personal injury or damage to property.*

Short of purchasing the land or seeking a direct land management arrangement with the Crown, changing the planning scheme to introduce a Heritage Overlay is the strongest solution towards protection within Council's powers.

Note that even should Council successfully obtain Minister for Planning approval to apply the Heritage Overlay, that same Minister may still override the control to facilitate Ausnet's project.

Officers suggest that a Heritage Overlay, even were it to be circumvented by Ausnet and the Minister for Planning, remains a strong legal signal of the tree's local significance and should be pursued.

Council officers received initial feedback from the Department of Transport and Planning who requested further indication of the trees value spanning longer than the most recent advocacy and inclusion onto the Historical National Trust Tree of the Year. This additional engagement with the Kingston community will assist in Council's application of the Heritage Overlay and meeting the new guidelines and thresholds

for criteria (Criteria G) stated in Planning Practice Note 1; see recommendation 3 of this report.

Strategic planning decisions

According with Planning Practice Note 1 – Applying the Heritage Overlay (PPN1), the Heritage Overlay is the most appropriate tool for protection of the tree as it states:

- Places listed on the National Trust Heritage Register should be included in the Heritage Overlay, provided the significance of the place can be shown to justify the application of the overlay; and,
- Places on the National Trust Heritage Register do not have statutory protection unless they are protected in the planning scheme.

The heritage citation appropriately justifies the inclusion of the Algerian Oak into the Heritage Overlay, highlighting its aesthetic and social significance.

The current tree canopy diameter is 31m. The proposed area of the Heritage Overlay is 40 metres in diameter from the centre of the tree trunk. This aims to provide control over adjacent works which may impact the Tree Protection Zone such as earthworks, fences, paths or other upgrades to the reserve that may impact the tree (See page 14 of Attachment 7.4.1).

The amendment will create HO989 as a new Schedule number in the Heritage Overlay Schedule to specifically introduce tree controls. Full drafts of the proposed planning scheme changes are contained in Attachments 7.4.2 to 7.4.8.

COUNCIL POLICY AND LEGISLATIVE IMPLICATIONS

Council Plan 2025-2029

Hepburn Life

1. Connected Communities that are resilient, adaptable, and empowered - able to respond to and recover from climate-related impacts, emergencies, and other community challenges.

Future Hepburn

1. Preserve the unique character of our towns and communities, plan for future growth and protect our productive rural landscape.

The preparations, authorisation and exhibition of the planning scheme amendment is consistent with the Council's relevant obligations in its role as a planning authority under Section 12 of the *Planning and Environment Act 1987*:

12 What are the duties and powers of planning authorities?

(1) A planning authority must—

- (a) implement the objectives of planning in Victoria;*
- (b) provide sound, strategic and co-ordinated planning of the use and development of land in its area;*
- ...
- (d) prepare amendments to a planning scheme for which it is a planning authority;*
- ... and
- (2) In preparing a planning scheme or amendment, a planning authority—*
 - (a) must have regard to the Minister's directions; and*
 - (aa) must have regard to the Victoria Planning Provisions; and*
 - (ab) in the case of an amendment, must have regard to any strategic plan, policy statement, code or guideline which forms part of the scheme; and*
 - (b) must take into account any significant effects which it considers the scheme or amendment might have on the environment or which it considers the environment might have on any use or development envisaged in the scheme or amendment; and*
 - (c) must take into account its social effects and economic effects.*

and to consider climate change impacts under Section 12A of which officer believe there are no or neutral effect through providing planning protection for the tree.

FINANCIAL IMPLICATIONS

The administrative costs of preparing the amendment can be absorbed through Council's budgeted 2025/2026 strategic planning salaries and contingency for heritage advice.

Should the Minister authorise the preparation and consultation on the amendment, officers anticipate the same recurring funds will cover expenses.

COMMUNITY AND STAKEHOLDER ENGAGEMENT

Engagement for inclusion on the National Trust Register

The Algerian Oak, Kingston was first included on the National Trust's significant tree register. There was no formal stakeholder or community engagement undertaken for its inclusion. The public then nominate the tree for the award and proceeds through a process of public voting. The Algerian Oak received more than forty percent of the vote compared to other nominated trees, resulting in winning the National Trust's Tree of the Year award.

Further consultation with the community in Kingston township is required to confirm the Algerian Oak's value to meet the criteria identified by Planning Practice Note 1.

Consultation will seek to establish demonstrated use and attachment to the tree for an ongoing period of 25 years or more.

Landowner/manager

Management and maintenance of the land is undertaken in collaboration with Parks Victoria and DJAARA (Dja Dja Wurrung Clans Aboriginal Corporation) via maintenance agreements. Council officers have consulted with the Department of Energy, Environment and Climate Action (DEECA) and Parks Victoria officers. Consultation with Dja Dja Wurrung in its corporate capacity is intended to occur as part of the broader public consultation.

The opinions and advice of DEECA were sought, as the landowners, to ensure their statutory responsibilities for the ongoing management and maintenance of the reserve is considered throughout the amendment documentation. DEECA have confirmed that the relevant views of the land managers and have not indicated an objection to the application of the planning control.

The Algerian Oak is located within the Public Conservation and Resource Zone (PCRZ) and the application of the Heritage Overlay will require a permit to undertake works to the Algerian Oak or works within the proposed 40m diameter area.

Ausnet

Officers have yet to contact Ausnet on the specifics of the proposal. Ausnet's legal representative at the recent public hearings stated Ausnet's commitment to avoid destroying the tree. Ausnet's heritage advisor during those hearings stated publicly that, in his independent opinion, the tree warranted heritage protection. At those hearings Council made specific mention of its intention to pursue a Heritage Overlay in its closing public submission.

Formal consultation after initial amendment document preparation

The above stakeholders and the public will be able to further comment should the Minister authorise Council to prepare and consult on the amendment.

Officers will prepare and brief on a consultation plan should Council and the Minister authorise the work proceeding. At minimum Officers will recommend the statutory standard one-month consultation and submission period.

RISK AND GOVERNANCE IMPLICATIONS

No material risks are likely as a result of applying a Heritage Overlay. Standard planning assessment legislation is in place for considering any future applications in the overlay. Standing practical exemptions are in place to allow normal maintenance by the public land manager of the reserve in which the tree lives. While the Heritage Overlay will introduce a new planning permit requirements, potential applications can be assessed using current staffing resources and budgets.

By contrast, not proceeding with the Heritage Overlay presents a risk that the Algerian Oak will not have adequate statutory protection, limiting Council's ability to manage or prevent potential impacts on a tree of recognised community and heritage significance.

The implications of this report have been assessed in accordance with the requirements of the Victorian Charter of Human Rights and Responsibilities.

ENVIRONMENTAL SUSTAINABILITY

The protection of a significant tree through this amendment contributes positively to the environment and contributes to protecting landscape values of the shire for current and future generations.

This directly aligns with themes within Sustainable Hepburn 2021-2026, where the project exercises control and management for the natural environment and biodiversity. In addition, the amendment adopts and implements the Tree Management Plan 2021/2022 process and strategies, in identifying and protecting significant trees.

GENDER IMPACT ASSESSMENT

Officers have not identified any gender equity implications associated with this report.

7.6 AWARDING OF CONTRACT HEPBU.RFT2026.RR01 - KERBSIDE RECYCLING PROCESSING

Go to 01:17:48 in the meeting recording to view this item.

DIRECTOR INFRASTRUCTURE AND DELIVERY

In providing this advice to Council as the Manager Facilities and Circular Economy, I Sean Ludeke have no interests to disclose in this report.

ATTACHMENTS

1. CONFIDENTIAL - Tender Evaluation Report - HEPBU RFT2026 RR01 Kerbside Recycling [7.6.1 - 6 pages]

OFFICER'S RECOMMENDATION

That Council:

1. *Awards Contract No. HEPBU.RFT2026.RR01 Kerbside recycling processing to Cleanaway Ptd Ltd under a schedule of rates for a period of two years;*
2. *Delegates the Chief Executive Officer authority to sign the contact document on behalf of Council;*
3. *Resolves that the confidential tender evaluation report remain confidential and that the Minutes record the successful tenderer; and,*
4. *Authorises Council officers to make variations to the Contract within approved Officer Delegations and within approved budgets.*

MOTION

That Council:

1. *Awards Contract No. HEPBU.RFT2026.RR01 Kerbside recycling processing to Cleanaway Ptd Ltd under a schedule of rates for a period of two years;*
2. *Delegates the Chief Executive Officer authority to sign the contact document on behalf of Council;*
3. *Resolves that the confidential tender evaluation report remain confidential and that the Minutes record the successful tenderer; and,*
4. *Authorises Council officers to make variations to the Contract within approved Officer Delegations and within approved budgets.*

Moved: Cr Shirley Cornish

Seconded: Cr Pat Hockey

Carried

Voted for: Cr Tony Clark, Cr Shirley Cornish, Cr Tim Drylie, Cr Lesley Hewitt, Cr Pat Hockey and Cr Brian Hood

Voted against: Nil

Abstained: Nil

EXECUTIVE SUMMARY

This report seeks Council to award Contract HEPBU.RFT.2026.RR01 for kerbside recycling processing.

A public tender process was undertaken in February and March 2026, resulting in four submissions being received. Following a detailed evaluation, it is recommended that the contract be awarded to Cleanaway for a two-year term. This timeframe aligns with the current kerbside collection contract and provides flexibility for the State Government to finalise its proposed recycling service standards.

BACKGROUND

Council is responsible for the collection and disposal of more than 8,500 kerbside recycling services, generating approximately 1,438 tonnes of recyclables each year.

At the April 2021 Ordinary Council Meeting, Council awarded separate contracts for kerbside collection and disposal of waste, and for the processing of recyclables. The recycling processing contract is due to expire in June 2026. This arrangement was originally intended to allow time for the development of the State's four-stream kerbside standards, particularly to provide clarity on the future processing of glass.

Given the State Government's Services Standards have not been released and Council's subsequent decision to delay the introduction of a kerbside glass service until these standards are finalised, and noting the expiry of the current kerbside collection contract (June 2028), officers recommend procuring a short-term (two-year) recycling processing contract to align with the existing collection contract.

KEY ISSUES

A public tender was released to market at the end of February 2026, and four compliant submissions were received. A detailed evaluation process was undertaken and assessment made against the below criteria.

1. Price; tendered price (30%)
2. Capability; compliance with specification (15%)
3. Capacity; supply lead time and support/service (15%)
4. Local content; proximity to the Shire, goods and labour sourced locally (20%)
5. OHS; satisfactory OHS policy and procedures (10%)

6. Sustainability; suppliers approach to sustainability (10%)

The tender evaluation panel scored each submission separately in line with the procurement policy. The results of the evaluation are outlined below.

Ranking	Supplier	Total Score
1	Cleanaway Pty Ltd	78.50%
2	Supplier 1	70.77%
3	Supplier 2	67.34%
4	Supplier 3	32.63%

The attached confidential Tender Evaluation Report outlines the process and findings in detail.

COUNCIL POLICY AND LEGISLATIVE IMPLICATIONS

Council Plan 2025-2029

Future Hepburn

2. Responsible management of infrastructure and environment to support wellbeing now and for future generations.

FINANCIAL IMPLICATIONS

Funding for processing is recovered through the kerbside recycling collection charge and managed within existing operational budgets. Cost estimates include assumed contamination rates; however, fluctuations in contamination levels and ongoing fuel cost pressures may result in variations to the final expenditure.

COMMUNITY AND STAKEHOLDER ENGAGEMENT

There are no service interruptions expected and no community or stakeholder engagement implications are associated with this report.

RISK AND GOVERNANCE IMPLICATIONS

Awarding of this contract will provide no service interruptions and allow continued diversion of recyclable materials into a circular economy and away from landfill. Delays or failure to implement recycling services may limit Council's ability to meet current and emerging obligations under the Circular Economy (Waste Reduction and Recycling) Act and associated state policies.

ENVIRONMENTAL SUSTAINABILITY

Kerbside recycling supports Council's Sustainable Hepburn objectives by providing positive environmental outcomes—reducing waste to landfill, lowering emissions,

conserving resources, and supporting the transition to a circular economy, with manageable operational impacts. These objectives are supported with the awarding of this contract.

GENDER IMPACT ASSESSMENT

There are no gender equity implications associated with this report.

7.7 AWARD OF CONTRACT HEPBU.RFT2026.20 - DAYLESFORD TOWN HALL - MUNICIPAL OFFICES UPGRADE DESIGN

Go to 01:19:53 in the meeting recording to view this item.

DIRECTOR INFRASTRUCTURE AND DELIVERY

In providing this advice to Council as the Project Manager, I Elizabeth Atkin have no interests to disclose in this report.

ATTACHMENTS

1. CONFIDENTIAL - Evaluation Report - Daylesford Town Hall Municipal Offices Upgrade Design [7.7.1 - 8 pages]

OFFICER'S RECOMMENDATION

That Council:

1. *Awards Contract Number HEPBU.RFT2026.20 for the design development stage of the Daylesford Town Hall Municipal Offices Upgrade project for the fixed lump sum of \$90,620 exclusive of GST to Lovell Chen;*
2. *Delegates the Chief Executive Officer to sign and seal the contract documents on behalf of Council;*
3. *Approves Council officers to make variations and additions to the contract in excess of the awarded lump sum contract value, within approved officer delegations and approved budgets;*
4. *Notes that enacting the contract options for future project stages, if required, will be subject to further Council decisions at future stages of the project; and,*
5. *Resolves that the Tender Evaluation Report as attached remain confidential and that the Minutes record the successful tenderer and the accepted tender price.*

MOTION

That Council:

1. *Awards Contract Number HEPBU.RFT2026.20 for the design development stage of the Daylesford Town Hall Municipal Offices Upgrade project for the fixed lump sum of \$90,620 exclusive of GST to Lovell Chen;*
2. *Delegates the Chief Executive Officer to sign and seal the contract documents on behalf of Council;*

3. *Approves Council officers to make variations and additions to the contract in excess of the awarded lump sum contract value, within approved officer delegations and approved budgets;*
4. *Notes that enacting the contract options for future project stages, if required, will be subject to further Council decisions at future stages of the project; and,*
5. *Resolves that the Tender Evaluation Report as attached remain confidential and that the Minutes record the successful tenderer and the accepted tender price.*

Moved: Cr Pat Hockey

Seconded: Cr Lesley Hewitt

Cr Shirley Cornish proposed an amendment to the motion:

MOTION

That Council:

1. *Awards Contract Number HEPBU.RFT2026.20 for the design development stage of the Daylesford Town Hall Municipal Offices Upgrade project for the fixed lump sum of \$90,620 exclusive of GST to Lovell Chen;*
2. *Delegates the Chief Executive Officer to sign and seal the contract documents on behalf of Council;*
3. *Approves Council officers to make variations and additions to the contract in excess of the awarded lump sum contract value, within approved officer delegations and approved budget allocation;*
4. *Notes that enacting the contract options for future project stages, if required, will be subject to further Council decisions at future stages of the project; and,*
5. *Resolves that the Tender Evaluation Report as attached remain confidential and that the Minutes record the successful tenderer and the accepted tender price.*

This amendment was accepted by Cr Hockey and Cr Hewitt.

Moved: Cr Pat Hockey

Seconded: Cr Lesley Hewitt

Carried

Voted for: Cr Tony Clark, Cr Shirley Cornish, Cr Tim Drylie, Cr Lesley Hewitt and Cr Pat Hockey

Voted against: Nil

Abstained: Cr Brian Hood

EXECUTIVE SUMMARY

A request for tender to deliver Council and community spaces within the front section of the Daylesford Town Hall has been conducted. A preferred submitter has been identified by an evaluation panel.

Submitters were requested to provide fees to deliver the current phase (design development) of the project and the subsequent phases of tender documentation and construction support, however this report only considers the appointment of the preferred submitter for the design development phase. Future project phases will be the subject of future Council decisions.

BACKGROUND

At the 16 December 2025 Ordinary Council Meeting, the schematic design for the Daylesford Community Facilities project was endorsed. This schematic design details improvements and new works to the entire Daylesford Town Hall/Senior Citizens' Building site to deliver Council and community spaces.

To progress the project in a financially sustainable manner, it was resolved to split the broader project into stages. This report details the status of the stage to deliver Council and community spaces within the front section of the Daylesford Town Hall (referred to historically as the "municipal offices" section of the building).

A concurrent stage will deliver audio visual and performance features upgrades to the auditorium of the Daylesford Town Hall. A separate consultant team with specialist experience in this area will be appointed to deliver design documentation for these important upgrades.

KEY ISSUES

Procurement process

With this stage of the broader Daylesford Community Facilities project primarily focused within the original section of the Daylesford Town Hall that is controlled by two heritage overlays (HO290 and HO694), appointing a consultant team with heritage and conservation experience will ensure the design is sympathetic to the heritage features of the building.

A public tender process was conducted, calling for submissions from consultant teams with demonstrable experience in delivering Council and community facilities within heritage buildings. A total of 11 companies provided tender submissions, and the submissions were evaluated by a panel. The evaluation panel evaluated the tenders received against the mandatory criteria as set out in the procurement policy.

The outcome of the tender evaluation is detailed in the attached Confidential Tender Evaluation Report.

Future project stages

The recommended contract award fee for the delivery of design development stage is below the threshold for award through a Council resolution. However, this approach has been adopted to provide transparency of the proposed future direction to deliver this project.

Submitters to this request for tender were requested to provide fees to deliver the current phase (design development) of the project as well as the subsequent phases of tender documentation and construction support. If the project proceeded through to the end of construction, the total consultant fees payable to the preferred submitter would be \$213,680 exclusive of GST. This figure remains below the tender threshold, but represents a significant potential expenditure.

Requesting consultant fees to deliver the project through all remaining phases at the outset, allows for continuity of consultant services. Requiring a further procurement process at the beginning of each new phase introduces a risk that a different consultant team could be appointed and result in a loss of acquired project knowledge. Additional procurement processes also add significant time and potential cost, resulting in a reduced ability to quickly and accurately respond to funding opportunities, additional officer resource expenditure and the likelihood of increased overall fees in future market conditions.

To safeguard against the possibility of poor performance by the preferred submitter, there are contractual mechanisms in place. These mechanisms also allow for Council endorsement to be sought prior to proceeding with the subsequent phase of the project. Council endorsement will also consider the proposed funding model for subsequent phases.

Future construction value

The brief for this request for tender has been based on the project costings completed for the schematic design endorsed by Council in December 2025. The preferred submitter will need to design to this budget. Further costings will be completed as the detail of the design is developed. The design and specifications will be reviewed as required to keep the project within the required budget.

Next steps

The duration of the design development phase is expected to run from June 2026 to May 2027. During this time, funding opportunities and funding models will be explored to enable progression to the next project phase, tender design. Progression to the tender design phase will be the subject of future Council decisions.

COUNCIL POLICY AND LEGISLATIVE IMPLICATIONS

Council Plan 2025-2029

Future Hepburn

2. Responsible management of infrastructure and environment to support wellbeing now and for future generations.

FINANCIAL IMPLICATIONS

The funding for this project will be drawn from a budget allocation of \$220,000

Project Budget Allocation	\$220,000
Actual Expenditure – To: 29/04/2026	\$6,425
Recommended Tender Amount	\$90,620
Estimated Additional Costs Against Project	\$122,955
Total Estimated Expenditure Against Project	\$220,000
Surplus/Shortfall on Project	\$0

Funding for future project stages will be the subject of future budgets and external funding opportunities.

COMMUNITY AND STAKEHOLDER ENGAGEMENT

The project to deliver community facilities at the Daylesford Town Hall is a project of substantial community interest. During the earlier phase of this project, the community was provided the opportunity to interact with the development of the design and provide feedback through in-person sessions with council officers and through a survey. The community was also represented by a Project Advisory Group (PAG) that was closely involved in the development of the adopted schematic design.

With the broad concept for the front section of the Town Hall resolved, the project will move into a more technical and detailed phase. During this phase community will be kept informed of progress. This will be achieved through regular project updates through various media formats, underpinned by maintaining accurate project information on Participate Hepburn. While not continuing in a formal capacity, the PAG remain a touchpoint when key design issues or decisions arise.

Council's representative will liaise with unsuccessful tenderers and prepare a media release for distribution should Council determine to award the contract.

RISK AND GOVERNANCE IMPLICATIONS

This project addresses the important risk of maintaining and activating key council assets. Without intervention, the Daylesford Town Hall is not a functional asset, however its heritage significance, central location and community value discount the option of disposal.

This project will be overseen by a Project Control Group consisting of Director Infrastructure and Delivery, Manager Project Delivery, Manager Customer, Community and Economy and Coordinator Customer Experience and Libraries.

A quarterly report is provided to Council's Audit and Risk Committee.

ENVIRONMENTAL SUSTAINABILITY

A key objective of progressing the design of community facilities at the Daylesford Town Hall is the introduction of environmentally sustainable design elements. While honouring the significant heritage style and fabric of the building, various design elements can be introduced to improve the energy efficiency of the facility.

The potential elements will be explored and decided upon in the initial review of the design to allow full integration into the design moving forward. Potential design elements include a transition from gas to electricity for heating, efficient lighting, insulation and weatherproofing.

The requirement for energy smoothing and energy resilience features such as solar, battery and generator will be explored to design a combination of features that best meets the future operational requirements of the facility.

GENDER IMPACT ASSESSMENT

A detailed gender impact assessment has been completed for this project with valuable input from the PAG. The assessment proposes design and operational measures to address gender equality. Some design measures include gender neutral toilets and Crime Prevention Through Environmental Design (CPTED) principles such as public lighting and natural lines of surveillance.

7.8 AWARD OF HEPBU.RFT2026.E2 - CAMBRIDGE STREET AND VICTORIA STREET IMPROVEMENTS, CRESWICK

Go to 01:28:40 in the meeting recording to view this item.

DIRECTOR INFRASTRUCTURE AND DELIVERY

In providing this advice to Council as the Coordinator Engineering, I Tim Powell have no interests to disclose in this report.

ATTACHMENTS

1. Precinct Concept Plan - Cambridge Street Creswick [7.8.1 - 1 page]
2. CONFIDENTIAL - Tender Evaluation Report - HEPBU.RFT2026.E2 - Cambridge Street and Victoria Street Improvements, Creswick [7.8.2 - 4 pages]

OFFICER'S RECOMMENDATION

That Council:

1. *Enters into contract HEPBU.RFT2026.E2 - Cambridge Street and Victoria Street Improvements, Creswick, with Butler Excavations Pty Ltd for \$523,810 (excl. GST);*
2. *Delegates the Chief Executive Officer to sign the contract documents on behalf of Council;*
3. *Authorises officers to manage and authorise contract variations in line with project budgets, officer delegations and Council's Procurement Policy; and,*
4. *Resolves that the tender evaluation report, as attached, remains confidential and that the minutes record the successful tenderer and accepted tender price.*

Cr Lesley Hewitt left the meeting at 7:29pm and did not return.

MOTION

That Council:

1. *Enters into contract HEPBU.RFT2026.E2 - Cambridge Street and Victoria Street Improvements, Creswick, with Butler Excavations Pty Ltd for \$523,810 (excl. GST);*
2. *Delegates the Chief Executive Officer to sign the contract documents on behalf of Council;*
3. *Authorises officers to manage and authorise contract variations in line with project budgets, officer delegations and Council's Procurement Policy; and,*

4. *Resolves that the tender evaluation report, as attached, remains confidential and that the minutes record the successful tenderer and accepted tender price.*

Moved: Cr Tim Drylie

Seconded: Cr Shirley Cornish

Carried

Voted for: Cr Tony Clark, Cr Shirley Cornish, Cr Tim Drylie, Cr Pat Hockey and Cr Brian Hood

Voted against: Nil

Abstained: Nil

EXECUTIVE SUMMARY

- The 2025/2026 Capital Works Program includes the delivery of a range of improvements at Cambridge Street, Creswick, jointly funded by Council and the Victorian Government's Safer Local Roads and Streets Program.
- The project includes upgrades to pedestrian connections, formalised parking arrangements, stormwater improvements, and landscaping within the precinct.
- A public tender process was undertaken in April 2026, with submissions evaluated against prescribed criteria. It is now recommended that Council award the contract to the preferred tenderer.

BACKGROUND

Council's 2025/2026 Capital Works Program includes the renewal and redevelopment of Cambridge Street, Creswick, between Victoria Street and Raglan Street.

The project focuses on improving road safety, pedestrian connectivity and overall amenity of the Cambridge Street precinct, including key connections to Coopers Reserve at Victoria Street. The proposed scope has been informed by community engagement undertaken in 2024 and the development of the Cambridge Street Precinct Concept Plan (attached).

The project aims to:

- improve pedestrian safety and accessibility through new footpaths and crossings
- enhance traffic and safety outcomes
- improve drainage and stormwater management
- formalise and improve parking arrangements
- increase the usability and amenity of surrounding open space

- increase overall tree canopy coverage
- support future community use through improved infrastructure

Funding was secured under the Victorian Government's Safer Local Roads and Streets Program to support the delivery of this full project scope.

KEY ISSUES

Following completion of the concept design, community engagement and confirmation of external funding, a public tender for the delivery of the project was released in April 2026.

Submissions received through the tender process were assessed by the Tender Evaluation Panel against the prescribed criteria, including price, capability, capacity, Occupational Health and Safety, local content and sustainability. Following completion of the evaluation process, it is recommended that Council award the contract to the preferred tenderer.

COUNCIL POLICY AND LEGISLATIVE IMPLICATIONS

Council Plan 2025-2029

Future Hepburn

2. Responsible management of infrastructure and environment to support wellbeing now and for future generations.

FINANCIAL IMPLICATIONS

This project is funded through a combination of Council contribution (\$316K) and external funding (\$425K), with the current tender submission aligning with the available project budget (\$741K) accounting for all additional expected costs.

The contract includes provision for variable pricing associated with diesel and bitumen inputs, reflecting the current market conditions, global volatility, and industry standard risk practices.

Should there be significant increases in cost of key construction materials or inputs during delivery, Council may be required to consider scope adjustments, project staging or identification of additional funding sources to ensure successful delivery.

COMMUNITY AND STAKEHOLDER ENGAGEMENT

Council undertook extensive community engagement in 2024 including online consultation, in-person engagement and targeted discussions. Feedback received through this process informed the development of the Cambridge Street Precinct Concept Plan.

Key themes identified through the consultation included strong support for improved pedestrian safety, protection and enhancement of existing trees and open space,

and removing parking in the middle of the reserve. Feedback also strongly advocated for a pedestrian crossing on Victoria Street, resulting in the project scope being expanded to incorporate these works.

The proposed improvements to Cambridge Street, Coopers Reserve and Victoria Street have generally been well supported by the community and key stakeholders. As the project moves into the delivery phase, officers will continue to work closely with affected businesses, residents and stakeholders to minimise construction impacts where possible and maintain access throughout the works.

While some temporary disruptions are anticipated during construction, including changes to traffic conditions, parking availability and delivery arrangements for adjacent businesses, ongoing communication and stakeholder engagement will continue throughout the project to support a coordinated and well-managed delivery process.

RISK AND GOVERNANCE IMPLICATIONS

Failure to award the contract and progress the project within the required timeframe presents a risk to Council's ability to meet funding agreement obligations, which may result in the loss of external grant funding and delays to delivery. Delays may also contribute to increased construction costs due to changing market conditions and material price escalation.

As with all civil infrastructure projects, there are inherent delivery risks associated with construction, including unforeseen site conditions, service relocations, weather impacts, stakeholder management and supply chain pressures. These risks will be managed through established project governance arrangements, including contract administration, superintendent oversight, financial monitoring, regular project reporting and ongoing stakeholder communication throughout the delivery phase.

ENVIRONMENTAL SUSTAINABILITY

The project incorporates a range of environmental sustainability outcomes through the retention and protection of significant existing trees, additional street tree planting and improvements to the overall quality and usability of public open space. Increased tree canopy coverage and landscaping within the precinct will contribute to urban cooling, shade provision and improved streetscape amenity over time.

The project also supports more sustainable transport outcomes by improving pedestrian infrastructure, accessibility and connectivity throughout the precinct, encouraging walking and safer movement within the Creswick commercial area. Drainage and stormwater improvements included within the works will further support improved environmental management and long-term resilience of the precinct infrastructure.

GENDER IMPACT ASSESSMENT

While a formal Gender Impact Assessment has not been specifically undertaken for this project, consideration has been given to accessibility, safety and equitable access outcomes throughout the project planning and design process.

The proposed works are intended to improve pedestrian safety, connectivity and overall amenity for all users of the precinct through upgraded footpaths, safer crossings, improved accessibility and enhanced public spaces. Community and stakeholder engagement undertaken during project development also provided opportunities to consider a range of user experiences and needs in shaping the final scope of works.

7.9 RECORDS OF COUNCILLOR ATTENDANCE

Go to 01:31:42 in the meeting recording to view this item.

DIRECTOR PERFORMANCE AND TRANSFORMATION

In providing this advice to Council as the Manager Finance and Governance, I Justin Finlayson have no interests to disclose in this report.

ATTACHMENTS

1. Record of Councillor Attendance - Councillor Briefing - 2 December 2025 [7.9.1 - 1 page]
2. Record of Councillor Attendance - Councillor Briefing - 9 December 2025 [7.9.2 - 2 pages]
3. Record of Councillor Attendance - Pre- Council Meeting Briefing - 16 December 2025 [7.9.3 - 1 page]
4. Record of Councillor Attendance - Councillor Briefing - 3 February 2026 [7.9.4 - 2 pages]
5. Record of Councillor Attendance Form - Councillor Briefing - 10 February 2026 [7.9.5 - 2 pages]
6. Record of Councillor Attendance - Councillor Briefing - Mid- Year Budget and Long- Term Financial PI [7.9.6 - 2 pages]
7. Record of Councillor Attendance - Pre Council Meeting Briefing - 24 February 2026 [7.9.7 - 2 pages]
8. Record of Councillor Attendance - Councillor Briefing - 7 April 2026 [7.9.8 - 2 pages]
9. Record of Councillor Attendance - Budget Workshop - 14 April 2026 [7.9.9 - 2 pages]
10. Record of Councillor Attendance Form - Councillor Briefing - 21 April 2026 [7.9.10 - 2 pages]
11. Record of Councillor Attendance Form - Pre- Council Meeting Briefing - 28 April 2026 [7.9.11 - 2 pages]

OFFICER'S RECOMMENDATION

That Council receives and notes the Records of Councillor Attendance for the period December 2025-April 2026.

MOTION

That Council receives and notes the Records of Councillor Attendance for the period December 2025-April 2026.

Moved: Cr Pat Hockey

Seconded: Cr Brian Hood

Carried

Voted for: Cr Tony Clark, Cr Shirley Cornish, Cr Tim Drylie, Cr Pat Hockey and Cr Brian Hood

Voted against: Nil

Abstained: Nil

EXECUTIVE SUMMARY

The purpose of this report is for Council to receive and note Records of Councillor Attendance for the period December 2025-April 2026.

BACKGROUND

Council's Governance Rules, chapter 6 section 102.1, require that:

If there is a meeting of Councillors that:

- 1. is scheduled or planned for the purpose of discussing the business of Council or briefing Councillors;*
- 2. is attended by at least one member of Council staff; and*
- 3. is not a Council meeting, Delegated Committee meeting or Community Asset Committee meeting*

The Chief Executive Officer must ensure that a summary of the matters discussed at the meeting are:

- a. tabled at the next convenient Council meeting; and*
- b. recorded in the minutes of that Council meeting.*

To fulfill this requirement and promote transparency, Records of Councillor Attendance are kept where the above definition is met and brought to Council for noting, as attached.

KEY ISSUES

The following Records of Councillor Attendance are reported:

Date	Meeting/Committee Name	Location
02/12/2025	Councillor Briefing	Council Chambers
09/12/2025	Councillor Briefing	Council Chambers
16/12/2025	Pre Council Meeting Briefing	Council Chambers
03/02/2026	Councillor Briefing	Council Chambers
10/02/2026	Councillor Briefing	Council Chambers
10/02/2026	Mid-year budget and long-term financial plan review	Council Chambers

24/02/2026	Pre Council Meeting Briefing	Council Chambers
07/04/2026	Councillor Briefing	Council Chambers
14/04/2026	Budget Workshop	Council Chambers
21/04/2026	Councillor Briefing	Council Chambers
28/04/2026	Pre Council Meeting Briefing	Council Chambers

COUNCIL POLICY AND LEGISLATIVE IMPLICATIONS

The report fulfills Council's requirements under the Governance Rules.

Council Plan 2025-2029

Hepburn Working Together

Outcome 2 – *Maintain corporate governance to enable good Council decision making and to ensure long-term financial viability.*

FINANCIAL IMPLICATIONS

There are no financial implications associated with this report.

COMMUNITY AND STAKEHOLDER ENGAGEMENT

This report is for Council's information and no community consultation is required.

RISK AND GOVERNANCE IMPLICATIONS

If Records of Councillor Attendance are not included in the public agenda at a Council Meeting, Council would be in breach of its Governance Rules as adopted on 16 August 2022.

ENVIRONMENTAL SUSTAINABILITY

The inclusion of the attached Records of Councillor Attendance in the Council Agenda and their availability to the public will increase awareness of the activities of Council and promote community involvement in decision making at a Council level.

GENDER IMPACT ASSESSMENT

There are no gender equity implications associated with this report.

8 ITEMS OF URGENT BUSINESS

Nil.

9 COUNCILLOR AND CEO REPORTS

9.1 MAYOR'S REPORT

Go to 01:33:08 in the meeting recording to view this item.

Councillor Tony Clark

The month of May has been a busy month. We've had many events including national volunteer week, lots of advocacy events and opportunities an of course one of our major Hepburn Shire events, the great Trentham Spud Fest.

I'd like to begin by thanking the wonderful organising committee of the Great Trentham Spud Fest, their work and the results are a testament to the great community of Trentham, numbers continue to rise year on year and it is a wonderful opportunity to showcase the wonderful produce, crafts and community spirit that exists in Trentham. Everyone should be proud of the outcomes.

May has also seen us celebrating National Volunteer Week. It was a privilege to attend a High Tea at Trentham where over 80 people attended, and we had the opportunity to celebrate in the wonderful surrounds of the Mechanics Institute. We had groups attending from right across the Shire including Trentham, Daylesford, Glenlyon, and Creswick and all places in-between. It was a genuine community event where Hepburn Shire had the opportunity to thank so many of our community for the amazing contribution they make, there is no doubt that volunteers are the glue that hold our spirit together.

It was also wonderful to attend and celebrate the great work of the Trentham Train and Tramway association, launching the new mural, inclusive garden and restored goods shed. It really demonstrates how much work a small group of people can deliver pulling so many people together who are happy to help. They've done an amazing job over the last three years they should be incredibly proud of the continuing improvements that happen in Trentham which will benefit so many for so many years to come.

May has also seen us present our civic awards at Clunes. I want to sincerely congratulate our Citizen of the Year, Frank Page, our Event of the Year Radical Fields and our Hepburn Together Award The Great Morning Tea. While they can only be one winner, there are so many other winners right across our community as individuals, events and groups who do so much and I want to sincerely thank everybody for their amazing contribution that makes our home such a wonderful place to live. Thank you all.

Advocacy continues to be a high priority. This month we have had several meetings including the launch of the Greater Ballarat Alliance of Councils advocacy platform. The platform focuses on increasing funding to major economic and community

initiatives including roads and bridges maintenance and upgrade, investment in digital connectivity, increasing transport connections right across our area to support our community and economic growth and a number of other initiatives. We also attended and supported the Loddon Campaspe Group of Councils in our efforts to list our goldfields as a World Heritage area. It has been a long process which began more than 20 years ago, we hope that we will have some success to speak about by 2030. I've also appeared in a number of media activities and on every occasion, I am continuing to highlight the challenges around sustainability and the need for funding model review. It is unrealistic an impossible for cancels to continue under the funding current arrangements if we're going to remain sustainable.

Finally, I would like to thank all Councillors and officers for the incredible work over the last two months in preparing the budget. While the budget does not announce many new initiatives, it is a reality of our constrained fiscal environment and we must be responsible and diligent to ensure we have sustainability. I am looking forward to community feedback to help shape our thinking when we bring the budget for approval in June.

9.2 COUNCILLOR REPORTS

Councillor Tim Drylie

Today is [National Sorry Day](#), a day to remember the Stolen Generations and to reflect on the continuing impact of government decisions that removed Aboriginal and Torres Strait Islander children from family, community, culture and Country.

It is also a reminder that the decisions governments make matter deeply. They shape people's lives for generations, for better, or worse. As we consider our own Council budget tonight, I think that responsibility is worth holding close.

Budgets are not just spreadsheets. They are statements about what we value, what risks we are prepared to face, and who we expect to carry the burden.

Over recent weeks, I have been reflecting on that through a number of local, regional, national and international events.

I was very pleased to attend part of the Volunteer Week High Tea at Doug Lindsay Reserve in Creswick, celebrating the contribution of volunteers across our community. It was a warm and generous event, and a reminder that so much of what makes our towns liveable is carried by people who give their time, skills and care freely.

But that generosity should never be used as a substitute for properly funded services. Volunteers strengthen our communities. They should not be expected to fill every gap left by stretched systems.

I also attended the Loddon Campaspe Group of Councils meeting in Bendigo, where regional priorities around resource readiness, renewable energy planning, water, infrastructure and regional development were discussed. Those conversations sit within a much larger picture. Across our region, councils are being asked to help deliver housing, energy transition, climate adaptation, transport improvements and economic development.

The issue is not whether councils support those goals. Of course we do. We want more affordable housing. We want stronger regional transport. We want climate action, safer roads, better community infrastructure, renewable energy done well, and communities that can withstand more frequent fires, floods, storms and heatwaves.

The issue is that local government is increasingly being asked to deliver state and national ambitions with a shrinking local toolbox.

The [regional priorities documents](#) we have been considering make this clear. Housing is a good example. Councils can plan, advocate, partner and help unlock land, but we cannot carry the full cost of enabling infrastructure, planning capacity, drainage, roads, community facilities and services alone. If state and federal governments want housing delivered at scale in regional communities, that ambition must be matched with sustained investment.

The same is true for climate adaptation. Recent reports, including the Creswick Flood

Mitigation Report, have made clear that [key infrastructure across Victoria is increasingly vulnerable to climate impacts](#). For councils, that is not an abstract environmental issue. It means roads, bridges, trees, drains, halls, emergency response, recovery costs, insurance, community health and long-term financial sustainability.

At the national level, both the state and federal budgets include important investments, but they still do not resolve the structural underfunding of local government. Too often, councils are left chasing short-term, competitive grants, while the everyday cost of maintaining assets and supporting communities continues to rise. The [Australian Local Government Association's response to the 2026–27 Federal Budget](#) described it as a mixed result for councils, while continuing to call for stronger investment in local climate adaptation, disaster resilience, roads and community infrastructure. The [Municipal Association of Victoria's response to the Victorian State Budget](#) also described the Budget as a missed opportunity to invest in local communities.

Recent climate and energy reports also point to the same lesson. The [Climate Council's analysis of the Federal Budget](#) argues that energy security, electrification and climate adaptation must be treated as practical cost-of-living and resilience measures. Research highlighted by [Farmers for Climate Action](#) also shows that regional communities often support renewable energy more strongly than public debate suggests, provided it is done fairly, with proper consultation and local benefit.

Internationally, we are also seeing the consequences of governments failing, including our own, to protect human rights, peace and climate security. The detention and torture of Australian citizens from the Gaza flotilla and the continuing violence in Gaza are distressing reminders that public institutions must be guided by human dignity, accountability and care.

That might seem a long way from a council budget, but the principle is connected. At every level of government, decisions must be judged by their impact on people, especially those with the least power.

Councillor Pat Hockey

May has been very busy with the Trentham Spudfest kicking off the month. With extraordinary attendance figures and a wonderful array of activities, stalls and events, it was a great success again. Congratulations to all the volunteers, participants and organisers.

Along with Mayor Clark and Deputy Mayor Cornish, I attended the Glenlyon Structure Plan Update meeting mid-month, before travelling on to Bendigo for a regional meeting next morning. I also joined with Councillors Clark and Cornish at the heritage festival at Andersons Mill at Smeaton. An absolutely delightful event in the most picturesque of settings imaginable.

Residents in Glenlyon have a very particular set of concerns about the capacity of their beautiful village to accommodate more residents, and it was good to hear their concerns firsthand. While at the meeting in Bendigo of the Loddon Campaspe Group of Councils, we met Councillors and staff from shires where issues were sometimes quite different: indeed, in some localities to our north population is in decline, while at the same time confrontations over electricity infrastructure were causing considerable distress.

Just last week we celebrated the work of volunteers in the shire with two superbly catered high teas. It was great to mingle and chat about the work of these groups. May has also been a month in which I have had lots of conversations with members of the public about issues on their mind. If there is a recurring theme I have picked up on in the course of my term, it is that the community takes great pleasure in seeing staff doing basic work around the villages tending garden beds and cleaning the streets and gutters and roadsides. It is really important to maintain the focus on these traditional tasks in these days of high tech and high cost.

Councillor Brian Hood

Presented a verbal report.

Councillor Shirley Cornish

Presented a verbal report.

RECOMMENDATION

That Council receives and notes the Mayor's and Councillors' reports.

MOTION

That Council receives and notes the Mayor's and Councillors' Reports.

Moved: Cr Pat Hockey

Seconded: Cr Shirley Cornish

Carried

Voted for: Cr Tony Clark, Cr Shirley Cornish, Cr Tim Drylie, Cr Pat Hockey and Cr Brian Hood

Voted against: Nil

Abstained: Nil

9.3 CHIEF EXECUTIVE OFFICER'S REPORT

Go to 01:47:23 in the meeting recording to view this item.

The Chief Executive Officer Report informs Council and the community of current issues, initiatives and projects undertaken across Council.

CHIEF EXECUTIVE OFFICER UPDATE

- I gave evidence on behalf of GBAC at the Parliament of Australia Inquiry into Local Government Funding and Fiscal Sustainability. The inquiry was examining the financial relationship between local government and other levels of government in Australia, with a particular emphasis on funding mechanisms and fiscal sustainability.
- The Mayor and I attended the Victorian Goldfields World Heritage Regional Partnership, Governance and Investment Readiness Summit. It was a high-level leadership forum specifically designed to shape the next critical phase of regional collaboration as we collaboratively work towards World Heritage nomination and listing. At a pivotal point in the World Heritage journey, the summit focused on clarifying the pathway ahead, reaffirming shared commitment, and identifying ways for aligning existing and future investments to unlock economic value across the region—regardless of the final listing outcome. It provides an opportunity to explore where more coordinated ways of working will increase collaboration, external funding opportunities, support more efficient use of resources, and ensure that the region is moving towards being “World Heritage ready”.
- I popped into the Volunteer Week High Tea in Trentham, which provided the perfect opportunity to highlight the positive impact volunteers have on our community’s resilience, connection, and strength. These events allow us to connect, reflect, and celebrate the collective achievements of those who give so much and enjoy a shared afternoon of connection, conversation, and celebration
- Last week we held the Hepburn Shire Community Awards. These awards are a way for us to acknowledge, celebrate and recognise the valuable contribution of community members and volunteers in our Shire.
- Continued advocacy with all sides of parliament.
- On 15 May, we proudly recognised International Day Against Homophobia, Biphobia, Intersexism and Transphobia Day (celebrated on 17 May) and stood with our LGBTIQ+ community as we hosted a flag raising in Daylesford at the community flagpole. Our Deputy Mayor, Cr Shirley Cornish, made an address at the event. Film critic, writer and program director, Cerise Howard was in attendance to help us raise the rainbow flag and provide words of support. There were also members of

the ChillOut committee, and representatives from Central Highlands Rural Health and Daylesford College.

- Lots of announcements and news happening across the shire and organisation – please stay up to date via our website and socials.

RECOMMENDATION

That Council receives and notes the Chief Executive Officer's Report for May 2026.

MOTION

That Council receives and notes the Chief Executive Officer's Report for May 2026.

Moved: Cr Pat Hockey

Seconded: Cr Shirley Cornish

Carried

Voted for: Cr Tony Clark, Cr Shirley Cornish, Cr Tim Drylie, Cr Pat Hockey and Cr Brian Hood

Voted against: Nil

Abstained: Nil

10 CLOSE OF MEETING

The Meeting closed at 7:49pm.