



HEPBURN SHIRE COUNCIL  
SPECIAL MEETING OF COUNCIL  
PUBLIC MINUTES

Tuesday 30 June 2026

Virtual Meeting  
via Video Conference

6:00 PM

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

# MINUTES

Tuesday 30 June 2026

Virtual Meeting

via Video Conference

Commencing at 6:00 PM

## TABLE OF CONTENTS

<b>1 ACKNOWLEDGEMENT OF TRADITIONAL OWNERS .....</b>	<b>3</b>
<b>2 OPENING OF MEETING .....</b>	<b>3</b>
<b>3 APOLOGIES .....</b>	<b>3</b>
<b>4 DECLARATIONS OF CONFLICTS OF INTEREST .....</b>	<b>4</b>
<b>5 OFFICER REPORTS .....</b>	<b>5</b>
<b>5.1 ADOPTION OF THE BUDGET 2026/27 .....</b>	<b>5</b>
<b>6 ITEMS OF URGENT BUSINESS .....</b>	<b>19</b>
<b>6.1 ITEMS OF URGENT BUSINESS.....</b>	<b>19</b>
<b>7 CLOSE OF MEETING.....</b>	<b>22</b>

**BRADLEY THOMAS**

CHIEF EXECUTIVE OFFICER

Tuesday 30 June 2026

## 1 ACKNOWLEDGEMENT OF TRADITIONAL OWNERS

Hepburn Shire Council acknowledges the Dja Dja Wurrung as the Traditional Owners of the lands and waters we live and work on. On these lands, Djaara has performed age-old ceremonies of celebration, initiation and renewal. We recognise their resilience through dispossession and 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 Brian Hood, Cr Lesley Hewitt, Cr Pat Hockey, Cr Shirley Cornish, Cr Tim Drylie, Cr Tony Clark

**OFFICERS PRESENT:** Mr Bradley Thomas - Chief Executive Officer, Mr Bruce Lucas - Director Infrastructure and Delivery, Ms Brooke Holmes - Director Performance and Transformation, Mr Ron Torres - Director Development and Community, Mr Justin Finlayson - Manager Finance and Governance

The meeting opened at 6:02pm.

### 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**

Ms Brooke Holmes, Director Performance and Transformation  
Mr Bruce Lucas, Director Infrastructure and Delivery

### **4 DECLARATIONS OF CONFLICTS OF INTEREST**

Nil.

## 5 OFFICER REPORTS

### 5.1 ADOPTION OF THE BUDGET 2026/27

Go to 00:03:05 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. CONFIDENTIAL - Submissions Register [5.1.1 - 1 page]
2. CONFIDENTIAL - Budget Submissions and Responses [5.1.2 - 72 pages]
3. CONFIDENTIAL - Attachment to Submission 4 [5.1.3 - 2 pages]
4. CONFIDENTIAL - Attachment to Submission 5 [5.1.4 - 2 pages]
5. CONFIDENTIAL - Attachment to Submission 9 [5.1.5 - 2 pages]
6. CONFIDENTIAL - Attachment to Submission 10 [5.1.6 - 4 pages]
7. CONFIDENTIAL - Attachment to Submission 19 [5.1.7 - 4 pages]
8. CONFIDENTIAL - Attachment to Submission 11 [5.1.8 - 17 pages]

#### **OFFICER'S RECOMMENDATION**

*That Council, having considered all public submissions and the receipt of subsequent information:*

1. *Acknowledges the submissions received from our community regarding the exhibited draft Budget 2026/27;*
2. *Notes that the Council Plan 2025-2029 and the Financial Vision 2024-2027 were used to inform the development of the draft Budget;*
3. *Continues to acknowledge 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;*
4. *Adopts the Budget 2026/27, in accordance with Section 94 of the Local Government Act 2020 and relevant regulations, including the following amendments to the exhibited draft Budget 2026/27:*
  - a. *Recognise the advanced receipt of 80 per cent (\$5.5 million) of Hepburn Shire Council's allocated 2026/27 Financial Assistance Grants as recently announced by the Federal Government and include associated commentary;*
  - b. *Update the Budget projections from 2027/28 and associated renewal ratio commentary to reflect the \$2.5 million depreciation expense*

- increase since the adoption of the Long-Term Financial Plan 2025;*
- c. Include funding of \$80,000 for an ongoing part-time Grants Officer Position to be funded by Council's internally restricted cash Grants and Contribution Reserve;*
  - d. Update the Statement of Human Resources Budget FTE projections from 2027/28 that were previously based on the adopted the Long-Term Financial Plan 2025, to align with the 2026/27 Budget;*
  - e. Include additional commentary regarding the likely 2025/26 capital works program underspend and carried forward budget implications;*
  - f. Include a sensitivity table showing the cash flow impact if a 97 per cent collection rate of outstanding rates and charges is not achieved, as well as other receivables;*
  - g. Include additional commentary regarding the status of Council's swimming pools and clarify the \$150,000 cap per pool, in line with Council's decision at its meeting on 23 June 2026;*
- 5. Authorises the Chief Executive Officer to effect any minor administrative changes which may be required to the Budget 2026/27;*
  - 6. Notes that a formal response will be provided to each submission by officers where contact details have been provided;*
  - 7. Notes that Council will undertake quarterly financial reporting, and a mid-year budget review; and,*
  - 8. Notes that Councillors and Officers will continue their strong advocacy to State and Federal Government to ensure reform to enable the long-term financial sustainability of the Local Government sector, including sending a copy of the adopted budget and overview of the financial sustainability challenges faced by Council and the Local Government sector to Local MPs, the Minister for Local Government, and opposition spokesperson for Local Government.*

#### **MOTION**

*That Council, having considered all public submissions and the receipt of subsequent information:*

- 1. Acknowledges the submissions received from our community regarding the exhibited draft Budget 2026/27;*

2. *Notes that the Council Plan 2025-2029 and the Financial Vision 2024-2027 were used to inform the development of the draft Budget;*
3. *Continues to acknowledge 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;*
4. *Adopts the Budget 2026/27, in accordance with Section 94 of the Local Government Act 2020 and relevant regulations, including the following amendments to the exhibited draft Budget 2026/27:*
  - a. *Recognise the advanced receipt of 80 per cent (\$5.5 million) of Hepburn Shire Council's allocated 2026/27 Financial Assistance Grants as recently announced by the Federal Government and include associated commentary;*
  - b. *Update the Budget projections from 2027/28 and associated renewal ratio commentary to reflect the \$2.5 million depreciation expense increase since the adoption of the Long-Term Financial Plan 2025;*
  - c. *Include funding of \$80,000 for an ongoing part-time Grants Officer Position to be funded by Council's internally restricted cash Grants and Contribution Reserve;*
  - d. *Update the Statement of Human Resources Budget FTE projections from 2027/28 that were previously based on the adopted the Long-Term Financial Plan 2025, to align with the 2026/27 Budget;*
  - e. *Include additional commentary regarding the likely 2025/26 capital works program underspend and carried forward budget implications;*
  - f. *Include a sensitivity table showing the cash flow impact if a 97 per cent collection rate of outstanding rates and charges is not achieved, as well as other receivables;*
  - g. *Include additional commentary regarding the status of Council's swimming pools and clarify the \$150,000 cap per pool, in line with Council's decision at its meeting on 23 June 2026;*
5. *Authorises the Chief Executive Officer to effect any minor administrative changes which may be required to the Budget 2026/27;*
6. *Notes that a formal response will be provided to each submission by officers where contact details have been provided;*

7. *Notes that Council will undertake quarterly financial reporting, and a mid-year budget review; and,*
8. *Notes that Councillors and Officers will continue their strong advocacy to State and Federal Government to ensure reform to enable the long-term financial sustainability of the Local Government sector, including sending a copy of the adopted budget and overview of the financial sustainability challenges faced by Council and the Local Government sector to Local MPs, the Minister for Local Government, and opposition spokesperson for Local Government.*

**Moved:** Cr Lesley Hewitt

**Seconded:** Cr Pat Hockey

**Carried**

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

**Voted against:** Cr Brian Hood and Cr Tim Drylie

**Abstained:** Nil

#### **EXECUTIVE SUMMARY**

Under section 94 of the *Local Government Act 2020*, Council is required to prepare an annual budget, consistent with principles of the Act to ensure the ongoing financial viability of Council. The budget document describes how Council intends to raise revenue and allocate resources to deliver services and invest in infrastructure.

In accordance with Sections 94 and 96 of the *Local Government Act 2020*, Council resolved at its meeting held on 26 May 2026 that Council, amongst other elements of the resolution, to place the draft budget on public exhibition for community consultation and comment.

This report presents the 28 submissions received as a result of the public exhibition process and responses from Council officers for each submission. As anticipated, the leading themes for this most recent feedback are Council's financial position, budget disclosures, and funding for the renewal and improvement of infrastructure.

All submissions were provided to Councillors and considered at a briefing held on 23 June 2026. A considerable amount of feedback from the community has been collated through various consultation processes, from the Financial Vision in 2024 to today. While reviewing the most recent feedback on the Draft Budget 2026/27, this new information should be balanced against the extensive information already gathered from the community which was the foundation for the Council Plan 2025-2029. This report adds the most recent feedback and identifies key themes and ideas heard from our community.

A Public Hearing was scheduled to held on 24 June 2026 as three community

members registered to present to Councillors on the exhibited draft Budget 2026/27, however this did not proceed as the community members decided not to present.

After considering the submissions received and other information, a number of changes are proposed to the exhibited draft Budget 2026/27 for consideration by Council prior to final adoption, as outlined within this report.

The annual budget is responsible and well-measured given our financial constraints and continues to show investment and support of our community within a challenging financial environment. We will continue to engage with and listen to our community regarding their needs as we strive to deliver services that align to our community's priorities and expectations.

## **BACKGROUND**

In accordance with Sections 94 and 96 of the *Local Government Act 2020*, Council resolved at its meeting held on 26 May 2026 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. Endorses the schedule of fees as contained in the draft 2026/2027 Annual Budget to commence from 1 July 2026;*
- 8. Notes that Council will undertake quarterly financial reporting, and a mid-year budget review; 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.*

The Integrated Planning and Reporting Framework sets out the range of strategic documents Council is required to adopt under the *Local Government Act 2020*, following the election of a new Council. The framework (below) sets out Hepburn Shire’s integrated approach to planning, monitoring, and performance reporting.

Community engagement & communications	<b>Community aspirations</b>	<b>Community Vision</b>			Performance monitoring & accountability
	<b>Strategic and financial direction for Council term</b>	<b>Council Plan including - priority outcomes</b>			
		<b>Hepburn Life</b>	<b>Future Hepburn</b>	<b>Hepburn Working Together</b>	
		<b>Financial Vision</b>			
	<b>Services to deliver upon Council's strategic &amp; financial direction</b>	<b>Four year service plans</b>			
	<b>Resourcing our services</b>	<b>Long Term Financial Plan</b>			
		<b>Asset Plan</b>	<b>Revenue and Rating Plan</b>	<b>Workforce Plan</b>	
		<b>Budget</b>			
	<b>Annual Business Plan</b>	<b>Business plans</b>			
	<b>Individual delivery</b>	<b>Employee performance plans</b>			

The Community Vision is for *Hepburn Shire to be an inclusive rural community located in Dja Dja Wurrung Country where all people are valued, partnerships are fostered, environment is protected, diversity is supported and innovation embraced.*

Key themes and outcomes of the Council Plan 2025-2029 are summarised below.



### Hepburn Life

#### Outcomes

- 1 Connected communities that are resilient, adaptable, and empowered - able to respond to and recover from climate-related impacts, emergencies, and other community challenges.
- 2 A healthy and inclusive community, where all people regardless of background or life stage have the opportunity to participate and thrive.
- 3 An informed and engaged community.

### Future Hepburn

#### Outcomes

- 1 Preserve the unique character of our towns and communities, plan for future growth and protect our productive rural landscape.
- 2 Responsible management of infrastructure and environment to support wellbeing now and for future generations.
- 3 A dynamic, vibrant and resilient economic environment.



### Hepburn Working Together

#### Outcomes

- 1 Future-focused services that are easy to use and inclusive.
- 2 Maintaining corporate governance to enable good Council decision making and to ensure long-term financial viability.
- 3 An engaged, safe, and skillful workforce.

The Draft Budget 2026/27 was endorsed for the purposes of public exhibition on Tuesday 26 May 2026. The Draft Budget 2026/27 was placed on public exhibition on Participate Hepburn for the period to 14 June 2026 and submission were invited. A media release was issued on 1 June there were posts on Council's social media to inform the community of the budget process.

#### Draft Budget 2026/27 Key Points

- The Budget is disciplined, financially responsible and responds to external cost pressures. The Budget has been developed in line with the adopted Council Plan 2025-2029, Financial Vision 2024-2027 and Long-Term Financial Plan 2025-2035.
- An underlying operating deficit excluding non-recurrent capital income of \$599,000 is budgeted, with a modest unrestricted cash position of \$705,000. The Budget relies heavily on Council's own resourcing and constrained

revenue streams.

- A \$10.5 million capital works program is planned, with no new borrowings proposed. The program prioritises asset renewal and current project completion over new assets, including \$4.8 million that will be spent on our local roads.
- The Victorian Government rate cap of 2.75 per cent has been applied, and it is proposed that the average residential waste charge reduce by \$70 to \$540.
- There will be small investments in key initiatives next year to improve community engagement and customer service. Council will also review its Long-Term Financial Plan 2025–2035 and explore alternative revenue sources.
- Council will continue to monitor and review its financial position. Limited support from state and federal governments over the last decade means councils are facing unreasonable cost pressures.

## KEY ISSUES

### Community Submissions

As noted, 28 submissions were received, and three community members registered to speak at a scheduled public hearing.

- **Participate Hepburn:** Council's community engagement platform invited submissions with 17 contributions recorded.
- **Email Submissions:** In addition, 11 separate submissions were received via email from Trentham residents.

These 28 submissions have been collated and are provided as a confidential attachment to this report to protect individual identities along with responses from Council officers. Key themes that have been raised by multiple submissions include:

- Financial Position, Budget Disclosures (20)
- Domino Trail Pedestrian Bridge (9)
- Roads (6)
- Accessibility (2)
- Swimming Pools (2)
- Grants (2)

#### *Financial Position, Budget Disclosures*

An extract from a community member submission is provided below, which was

consistent in themes to others –

*"I do not underestimate the seriousness of the Shire's financial position. Nor do I suggest that every problem can be solved within one budget cycle. But if ratepayers were asked to pay 10 percent more in the name of financial sustainability, then the first budget after that decision should be clear about what has improved, what has not, and what further choices now need to be made. As a ratepayer, I do not object to difficult decisions if they are explained honestly. What I am asking for is a clearer account of where the Shire stands, what residents should realistically expect next, and how Council intends to respond if the position remains tight."*

Council has undertaken significant actions to improve its viability, including:

- Adoption of a financially sustainable 10-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;
- More than \$4 million in permanent operational and service reductions;
- Organisational restructure that reduces Council's staffing levels by 25 per cent 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 will continue a range of service reviews.

The Draft Budget includes 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 review of the adopted Long-Term Financial Plan for Council's consideration in 2026/27.

Proposed amendments to the exhibited draft Budget 2026/27 further strengthen Council's response to its financial position.

Council's financial position and that of the local government sector remains under strain to achieve and maintain financial sustainability. Council's budgeted underlying deficit of \$599,000 for 2026/27 is equivalent to 1.4 per cent of ongoing revenue. In comparison, other rural councils of a similar size including Central Goldfields, Corangamite, Murrindindi, Benalla, Mount Alexander and Indigo are budgeting for

operating deficits of 10 per cent or more.

Council's budgeted 2026/27 underlying operating deficit of \$599,000 has been impacted by a \$2.5 million increase in depreciation expense compared to the adopted Long-Term Financial Plan, which represents the rising cost to renew existing assets. Otherwise, Council's operating budget has improved in part due to a reduction in special operating project expenditure.

Adoption of Council's Financial Vision, decisions made in this budget, and the last two budgets has significantly improved the financial position of Council, especially when comparing against other Councils.

The Bathhouse lease arrears is part of ongoing legal negotiations, and Council is managing this situation responsibly with legal advice. 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 non-payment to date does not have an impact on our unrestricted cash position given the 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.

The Draft Budget 2026/27 has been developed on the assumption that 97 per cent of rates will be collected, which has been achieved by Council over each of the past four years. It is important that Council continues to work collaboratively with ratepayers to ensure these amounts are paid, while balancing a respectful approach that supports community members who may be experiencing financial hardship through appropriate payment plans and tailored assistance.

#### *Domino Trail Pedestrian Bridge*

Council is currently undertaking a detailed condition audit of all bridges and structures under its management to inform future renewal requirements, which flagged the requirement to implement an interim closure of this bridge based on condition. An allocation of funding of \$237,000 to commence priority work has been included in the draft 2026/27 Capital Works Plan and works will be progressed on a priority basis which will take into account use, risk cost, etc. The specific timeframe for this bridge is currently unknown but will be determined as part of this work.

#### *Roads*

While acknowledging the challenge of maintaining our vast road network, Council continues to deliver maintenance works in line with its Road Management Plan and has developed a robust and prioritised forward capital program with a significant focus on this important asset. The roads for which Council is responsible are in good health as assessed by regular detailed condition audits.

The draft 2026/27 Capital Works Program includes a significant investment into sealed and unsealed roads across multiple Shire-wide programs. This includes the

annual gravel road resheet program, verge improvement program, annual resealing program and others. The locations for these programs are prioritised based on a range of metrics including current condition, use, traffic, risk and cost benefit to achieve an improvement across the network. The scope and individual locations of each of these programs are shared with the community as confirmed and prior to commencement of works.

#### *Accessibility*

All new building projects include funding to meet Universal Design Principles and include hearing loops and ramps. The current Disability Action Plan is being reviewed and will be the foundation for the next DAP. The next plan will include more partnerships between Council teams to address infrastructure issues such as walkability and ensuring there is input from the Inclusion and Wellbeing Officer on capital and other projects.

#### *Swimming Pools*

The draft Budget includes funding to open and operate all three pool facilities and the splash park facility for the 2026/27 summer season. Planning for potential future aquatics facilities, community engagement and budget considerations formed part of a recent June 2026 Council report.

In response to submissions received it is proposed that additional commentary be included in the Budget document regarding the status of Council's swimming pools and that the \$150,000 cap per pool be clarified, in line with Council's decision at its meeting on 23 June 2026.

#### *Grants*

Identifying alternative revenue opportunities is a key budget initiative for 2026/27. As noted by submissions, it will be difficult to manage Council's infrastructure, environment and support wellbeing now and for future generations without substantive State and Federal Government grant funding.

In line with community submissions received, it is proposed that funding of \$80,000 be included in the 2026/27 Budget for an ongoing part-time Grants Officer position to be funded by Council's internally restricted cash Grants and Contribution Reserve.

#### **Proposed amendments to the Draft Budget 2026/27**

After considering the submissions received and recent government funding announcements, the following amendments to the Draft Budget 2026/27 are proposed:

1. Recognise the advanced receipt of 80 per cent (\$5.5 million) of Hepburn Shire Council's allocated 2026/27 Financial Assistance Grants as recently

- announced by the Federal Government and include associated commentary;
2. Update the Budget projections from 2027/28 and associated renewal ratio commentary to reflect the \$2.5 million depreciation expense increase since the adoption of the Long-Term Financial Plan 2025;
  3. Include funding of \$80,000 for an ongoing part-time Grants Officer position to be funded by Council's internally restricted cash Grants and Contribution Reserve;
  4. Update the Statement of Human Resources Budget FTE projections from 2027/28 that were previously based on the adopted the Long-Term Financial Plan 2025, to align with the 2026/27 Budget;
  5. Include additional commentary regarding the likely 2025/26 capital works program underspend and carried forward budget implications;
  6. Include a sensitivity table showing the cash flow impact if a 97 per cent collection rate of outstanding rates and charges is not achieved, as well as other receivables;
  7. Include additional commentary regarding the status of Council's swimming pools and clarify the \$150,000 cap per pool, in line with Council's decision at its meeting on 23 June 2026;

As a result of the proposed amendments above, the budgeted 2026/27 underlying operating deficit will increase by \$80,000 to \$679,000, excluding the timing of the receipt of Financial Assistance Grant. The proposed amendments will not impact upon Council's budgeted unrestricted cash position of \$702,000 at June 2027 due to the utilisation of internal cash reserves.

Table 1 – Financial Impact of Proposed Budget Amendments

<b>Item</b>	<b>2026/27</b>
<b>Draft Budget underlying operating surplus/(deficit)</b>	<b>(\$599,000)</b>
Grants Officer position	(\$80,000)
<b>Sub-total</b>	<b>(\$679,000)</b>
Financial Assistance Grant 2026/27	(\$5,500,000)
<b>Revised underlying operating surplus/(deficit)</b>	<b>(\$6,179,000)</b>

## **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.

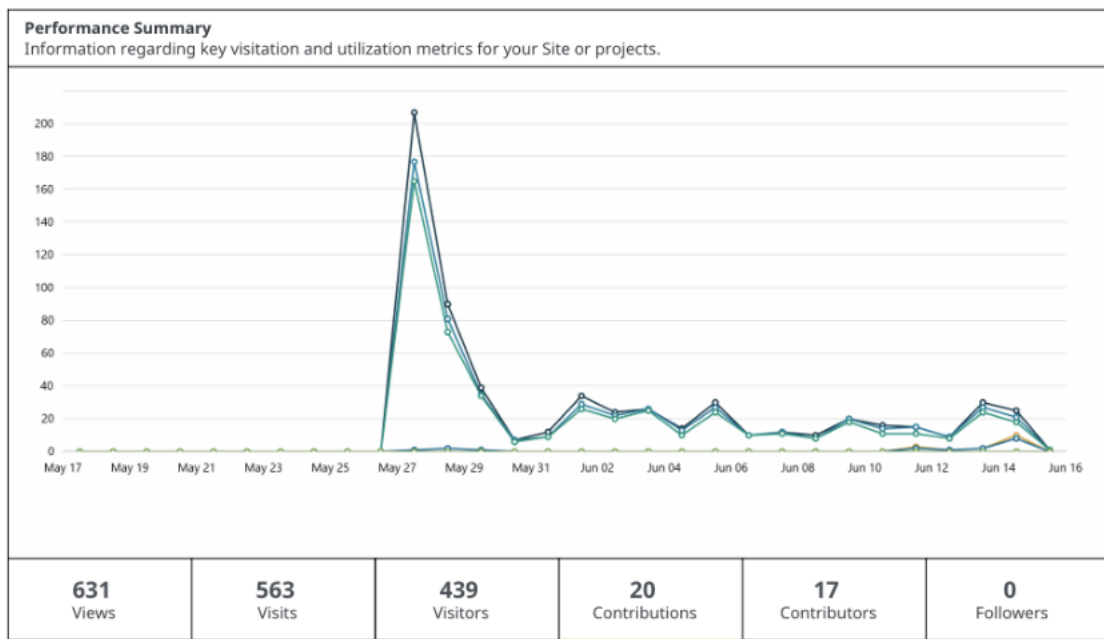
## FINANCIAL IMPLICATIONS

Council's 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

Budget submissions were sought through advertisements placed in local print media, via Participate Hepburn and social media. The community engagement strategy is consistent with Council's adopted Community Engagement Policy. We have acknowledged receipt of the submissions and Council officers have prepared responses to each submission that will be reported to the Special Meeting of Council on 30 June 2026.

In response to the Draft Budget 2026/27, the Participate Hepburn site received 631 views, 563 visits, 439 visitors and 20 contributions from 17 contributors.



The Participate Hepburn site received 20 contributions in response to the Draft Budget 2026/27. Submitters were asked is there anything in the budget that stands out as not aligned to our Council plans or strategies and is there anything not in the budget that should be and if so, why?

A public hearing was scheduled for Wednesday 24 June 2026 for Councillors to hear from community members who had registered to present, prior to consideration of the submissions received at a Special Meeting of Council and final adoption of the Budget on 30 June 2026. However, the public hearing did not proceed as presenters

withdrew.

## **RISK AND GOVERNANCE IMPLICATIONS**

The draft Budget document is fully compliant with the *Local Government Act 2020*.

Council has identified key strategic risks as part of its Risk Management Framework, which includes the potential failure to maintain our long-term financial sustainability to deliver on our business objectives. Using the Integrated Strategic Planning Framework will serve as a crucial control to assist in mitigating this risk. Regular performance reporting will also occur throughout the financial year and will be made available to the public.

## **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 impact is an important consideration for the Budget, as it provides for Council operations that include services, assets, facilities, programs and activities, and it also incorporates the major initiatives identified by the Council, to be undertaken during the next financial year.

While no specific gender-related concerns were raised through community feedback, this likely reflects current engagement reach rather than indicating all experiences are the same.

A Gender Impact Assessment (GIA) has been undertaken and found that while Council is committed to supporting the whole community through the services it delivers, there is an identified opportunity to take a more consistent approach to considering how people's needs and experiences differ based on gender, noting that policies and services may at times have unintended impacts particularly for women, gender-diverse people and those facing additional disadvantage. Some gaps in data and approach also make these differences harder to clearly understand.

In response, Council will build on its current approach by taking a more practical and consistent approach to considering gender in everyday decisions. This includes improving how data is collected and used to better understand who is accessing services and who may be missing out, and strengthening engagement to reach a broader cross-section of the community. Progress will be tracked through monitoring participation, access and satisfaction, more consistent use of gender impact assessments, and regular review of community feedback to support fair, accessible and responsive services over time.

## **6 ITEMS OF URGENT BUSINESS**

### **6.1 ITEM OF URGENT BUSINESS**

Go to 00:49:50 in the meeting recording to view this item.

#### **EXECUTIVE SUMMARY**

The resignation of the Chief Executive Officer necessitates the urgent commencement of processes associated with the appointment of an Interim Chief Executive Officer and the recruitment of a permanent Chief Executive Officer.

The CEO Employment and Remuneration Policy establishes the CEO Employment and Remuneration Committee and provides for the appointment of an independent member to chair the Committee and provide independent professional advice to Council regarding CEO employment, remuneration, performance and recruitment matters.

Following the resignation of the current Independent Chair of the CEO Employment and Remuneration Committee, Ms Teresa Grove, Council currently has a vacancy in this important governance role. At a time when Council is required to undertake significant CEO-related decisions, including the appointment of an Interim CEO and commencement of a permanent CEO recruitment process, it is considered critical that independent oversight and expertise be restored without delay.

It is proposed that Council appoints Ms Rebecca McKenzie as temporary Independent Chair of the CEO Employment and Remuneration Committee for a period of six months, or until a permanent appointment is made. Ms McKenzie is a former Victorian local government Chief Executive Officer and brings significant experience in executive leadership, governance and organisational management. She currently serves as an independent member on a number of local government Audit and Risk Committees (including Hepburn Shire) and CEO Employment and Remuneration Committees, providing strategic advice and oversight in relation to governance, risk, executive performance, remuneration and CEO recruitment processes. Her extensive local government experience and familiarity with CEO employment and remuneration frameworks position her well to provide independent oversight and support to Council during this period of leadership transition.

The temporary appointment will provide continuity of independent governance oversight and support Council to undertake the required CEO transition activities in a timely, transparent and robust manner.

#### **BACKGROUND**

Council's CEO Employment and Remuneration Policy establishes the CEO Employment and Remuneration Committee as an advisory committee of Council and provides that the Committee comprise the Mayor, all Councillors, the Chair of the

Audit and Risk Committee and an Independent Member. The Policy further provides that the Independent Member is responsible for chairing Committee meetings and providing independent professional advice in relation to matters addressed under the Policy.

The Policy identifies a range of responsibilities for the Committee, including matters relating to the recruitment and appointment of a Chief Executive Officer, appointment of an Acting Chief Executive Officer, CEO performance monitoring and remuneration matters.

Council has recently been advised of the resignation of the Independent Chair of the CEO Employment and Remuneration Committee, Ms Teresa Grove. In addition, Council has received the resignation of the Chief Executive Officer, requiring Council to commence processes associated with both the appointment of an Interim Chief Executive Officer and the recruitment of a permanent Chief Executive Officer.

Given the significance and immediacy of these matters, it is considered important that Council appoint an appropriately qualified Independent Chair to support the Committee in undertaking its responsibilities during this transition period.

Ms Rebecca McKenzie is considered suitably qualified and experienced to undertake this role. As a former local government Chief Executive Officer, Ms McKenzie has extensive experience in executive leadership, governance and statutory decision-making within the Victorian local government sector. In addition, she currently serves on a number of local government Audit and Risk Committees and CEO Employment and Remuneration Committees, providing independent advice and oversight in relation to governance, risk, executive performance and CEO employment matters. This experience aligns strongly with the role and responsibilities of the Independent Chair as outlined in Council's CEO Employment and Remuneration Policy

The appointment will enable the CEO Employment and Remuneration Committee to immediately progress the assessment and recommendation of an Interim Chief Executive Officer, while also supporting Council to commence the procurement and appointment of a recruitment organisation for the permanent Chief Executive Officer recruitment process.

## **MOTION**

*That Council:*

- 1. Notes the resignation of Ms Teresa Grove from the position of Independent Chair of the CEO Employment and Remuneration Committee, and thanks Ms Grove for her support and expertise to the committee;*
- 2. Appoints Ms Rebecca McKenzie as temporary Independent Chair of the CEO Employment and Remuneration Committee for a period of six months, or until*

*Council appoints a permanent Independent Member, whichever occurs first;  
and,*

- 3. Authorises the Mayor to finalise the terms of engagement for the temporary appointment.*

**MOTION:**

*That Council resolve to accept a matter of business that is not on the Special Meeting of Council agenda in accordance with Division 1, Item 17.4 of the Governance Rules.*

**Moved:** Cr Brian Hood

**Seconded:** Cr Shirley Cornish

**Carried**

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

**Voted against:** Nil

**Abstained:** Nil

**MOTION:**

*That Council resolve to admit the item relating to the temporary appointment of an independent Chair of the CEO Employment and Remuneration Committee into urgent business in accordance with Council's Governance Rules Division 3, item 20 as the item:*

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

**Moved:** Cr Shirley Cornish

**Seconded:** Cr Brian Hood

**Carried**

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

**Voted against:** Nil

**Abstained:** Nil

## **MOTION**

*That Council:*

- 1. Notes the resignation of Ms Teresa Grove from the position of Independent Chair of the CEO Employment and Remuneration Committee, and thanks Ms Grove for her support and expertise to the committee;*
- 2. Appoints Ms Rebecca McKenzie as temporary Independent Chair of the CEO Employment and Remuneration Committee for a period of six months, or until Council appoints a permanent Independent Member, whichever occurs first; and,*
- 3. Authorises the Mayor to finalise the terms of engagement for the temporary appointment.*

**Moved:** Cr Shirley Cornish

**Seconded:** Cr Brian Hood

**Carried**

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

**Voted against:** Nil

**Abstained:** Nil

Councillors acknowledged the contribution to Council of Mr Bradley Thomas and thanked him for his service to Hepburn Shire since his appointment as Chief Executive Officer in 2021.

## **7 CLOSE OF MEETING**

The Meeting closed at 7:10pm.