



HEPBURN SHIRE COUNCIL
ORDINARY MEETING OF COUNCIL
PUBLIC AGENDA

Tuesday 21 November 2023

Daylesford Town Hall
76 Vincent Street Daylesford

5:30PM

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

AGENDA

Tuesday 21 November 2023

Daylesford Town Hall

76 Vincent Street Daylesford

Commencing at 5:30PM

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BRADLEY THOMAS

CHIEF EXECUTIVE OFFICER

Tuesday 21 November 2023

CONDUCTING HYBRID COUNCIL MEETINGS

In the spirit of open, transparent and accountable governance, this meeting will be live-streamed on Council's Facebook page. The meeting will also be recorded and made available on Council's website as soon as practicable after the meeting.

- Council's meeting will be conducted tonight in accordance with:
- The Local Government Act 2020
- The Minister's Good Practice Guideline MGPG-1: Virtual Meetings
- Council's Governance Rules; and
- The Hepburn Shire Council Councillor Code of Conduct.

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 SAFETY ORIENTATION

Emergency exits and convenience facilities at the venue to be highlighted to members of the public in attendance.

3 OPENING OF MEETING

COUNCILLORS PRESENT:

OFFICERS PRESENT:

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”

4 APOLOGIES

5 CONDOLENCE MOTION

5.1 THE PASSING OF MR TIMOTHY HAYES, FORMER MAYOR AND COUNCILLOR OF HEPBURN SHIRE

It is with great sadness that Council acknowledges the life and loss of former Hepburn Shire Council Councillor and Mayor Mr Tim Hayes. We remember his dedicated service to the Hepburn Shire as Councillor for the Cameron Ward. Mr Hayes made an extraordinary contribution to our community, particularly in his local township of Clunes, and his vision will have a lasting impact.

RECOMMENDATION

That Council acknowledges the passing of former Mayor and Councillor Mr Tim Hayes and sends its deepest condolences to his loved ones.

6 CONFIRMATION OF MINUTES

RECOMMENDATION

That the Minutes of the:

- *Ordinary Meeting of Council held on 17 October 2023;*
- *Statutory Meeting of Council held on 14 November 2023; and*
- *Confidential Meeting of Council held on 14 November 2023 (as previously circulated to Councillors) be confirmed.*

7 DECLARATIONS OF CONFLICTS OF INTEREST

8 ITEMS OF URGENT BUSINESS

9 COUNCILLOR AND CEO REPORTS

9.1 MAYOR'S REPORT

Councillor Brian Hood, Coliban Ward

9.2 COUNCILLOR REPORTS

Councillor Juliet Simpson, Holcombe Ward

Councillor Jen Bray, Birch Ward

Councillor Lesley Hewitt, Birch Ward

Councillor Tessa Halliday, Cameron Ward

Councillor Don Henderson, Creswick Ward

Councillor Tim Drylie, Creswick Ward

RECOMMENDATION

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

9.3 CHIEF EXECUTIVE OFFICER'S REPORT

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

CHIEF EXECUTIVE OFFICER UPDATE

At the Statutory Meeting of Council held on 14 November, Councillors returned Cr Brian Hood as Mayor and elected Cr Juliet Simpson as Deputy Mayor.

Cr Brian Hood thanked his fellow councillors for the opportunity to again lead the Council in the final year of this term. He also acknowledged the contribution of former Deputy Mayor Lesley Hewitt and new Deputy Mayor, Cr Simpson. The 2023/2024 is the final year for this term of Council.



I would like to thank Bruce Lucas for stepping into the role of Acting CEO while I was on Annual Leave last month.

Upon my return from leave, unfortunately there was a tragic accident outside the Royal Hotel in Daylesford. Sadly, this road collision claimed the lives of five people. We offer our deepest condolences to the families and friends of those whose lives were tragically lost.

We know there were many witnesses to the event, and that people are likely to be incredibly affected by all that they saw.

To those who assisted at the scene, we send our heartfelt thanks and gratitude.

This is a terrible event for our close-knit community. We continue to work with local groups and agencies to offer local support where possible.

This crash was the third in a series of road fatalities that have claimed two other lives in the past fortnight in the region.



Some of the meetings I have attended in past weeks include:

- Joint State/Local Government monthly CEO Forum
- Meeting with Cr Henderson and Bendigo Bank, Creswick
- Long Term Financial Planning (LTFP) meetings
- Mid-year performance review discussions with my direct reports
- GBAC CEOs meeting
- Executive Team meetings
- Organisational Management Team meeting
- Meetings with direct reports
- Meetings with various emergency management agencies in response to the road tragedy
- Statutory Meeting of Council
- Confidential Councillor Briefings

RECOMMENDATION

That Council receives and notes the Chief Executive Officer's Report for November 2023.

10 PUBLIC PARTICIPATION TIME

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.

Some questions of an operational nature may be responded to through usual administrative procedure. Separate forums and Council processes are provided for deputations or for making submissions to Council.

Questions received may be taken on notice but formal responses will be provided to the questioners directly. These responses will also be read out and included within the minutes of the next Ordinary Meeting of Council to make them publicly available to all.

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

10.1 PETITIONS

10.2 PUBLIC QUESTIONS

The CEO will read questions received in accordance with Council's Governance Rules and the Mayor will respond on behalf of Council.

10.3 REQUESTS TO ADDRESS COUNCIL

Members of our community who have submitted a request in accordance with Council's Governance Rules will be heard.

11 DIVERSE ECONOMY AND OPPORTUNITY

11.1 CRESFEST – SIGNATURE/ICONIC EVENT SUPPORT DIRECTOR COMMUNITY AND CORPORATE

In providing this advice to Council as the Manager Community and Economy, I Kendall Sinclair have no interests to disclose in this report.

ATTACHMENTS

1. CONFIDENTIAL REDACTED - CresFest 2023 Report to Partners [11.1.1 - 27 pages]
2. CONFIDENTIAL REDACTED - Memorandum of Understanding CresFest 2024-2025 [11.1.2 - 10 pages]

OFFICER'S RECOMMENDATION

That Council enters into a two-year Memorandum of Understanding (MOU) (attached) with CresFest as a Signature/Iconic event under the Event Funding Framework which is outlined in the Hepburn Shire Events Strategy 2020-2025. Details of the MOU are as follows:

1. *A two-year agreement: during the periods of 5-7 April 2024 and 4-6 April 2025;*
2. *Year one cash funding support request (2023/24): \$7,500;*
3. *Year two cash funding support request (2024/25): \$10,000; and*
4. *In-kind support up to the value of \$6,000 in each of the next two years.*

EXECUTIVE SUMMARY

CresFest successfully delivered events in 2022 and 2023. It is now an important annual event on the Hepburn Shire calendar. The event was supported by Council as a regional event in 2023 with \$5,000 cash plus in-kind operational support. The report recommends a transition for CresFest to a Signature/Iconic event as defined within the Hepburn Shire Events Strategy.

BACKGROUND

The Hepburn Shire Events Strategy was endorsed in June 2020. The strategy outlines a five-year plan to increase visitation, length of stay and expenditure within the region and position Hepburn Shire as the Premier Regional Events destination in Victoria.

A key pillar in the strategy is to provide event funding and operational support through Council's Event Funding Framework. The framework identifies specific event categories, criteria and threshold for support. The categories include Signature/Iconic Events, Regional Events and Local Community Events.

The Signature /Iconic Event criteria supports established events of significant scale that:

- Attract more than 5000 attendees.
- Have the capacity to attract intrastate and interstate visitation.
- Have the capacity to drive overnight stays and/or increase visitor spend in the region.
- Are part of the character and culture of the Hepburn Shire.
- Must reinvigorate itself and/or continually improve/enhance the event.

The support available in this category includes funding between \$5,000-\$20,000 and in-kind support to a maximum value of \$10,000. The maximum length of funding agreement is five years.

The current Signature/Iconic Events include ChillOut Festival, Clunes Booktown and The Great Trentham Spudfest.

CresFest as Creswick's Folk and Roots Music Festival presents performances by contemporary folk and roots artists. Community members can participate in the festival through activations such as blackboard concerts, family bush dances, a busking festival, youth stage, music and dance workshops for all-ages, locals' talent quest and more.

CresFest was delivered in 2022 and March 2023. CresFest as an Incorporated Association is now seeking support within the Signature/Iconic Events category to continue to deliver community and economic benefits to the region.

The appendix includes the *CresFest 2023 Event Report to Partners* and below are relevant points for consideration within the Signature/Iconic Event category:

- 7521 people attended the event.
- The economic impact was estimated at \$373,840.26.
- 120 people volunteered at the event.
- Community support is strongly demonstrated.
- Local traders, artists and musicians are positively impacted by the event.
- Marketing partnerships are in place with media outlets outside of our shire to encourage intrastate visitation.
- The event has demonstrated continual improvement to enhance the event, by adding Light Up Creswick, The World Comes to Creswick and Courthouse Conversations. There are also plans for growth in place for the 2024 event including a new component, the KidsOwn KidZone.

KEY ISSUES

It is recommended that Council support the transition of the event to a Signature/Iconic Event with a two-year agreement for the periods of 5-7 April 2024, and 4-6 April 2025. The proposed Council funding support will include:

- Year one cash funding support (2023/24): \$7,500,
- Year two cash funding support (2024/25): \$10,000, and
- In-kind support up to the value of \$6,000 for each event.

The Memorandum of Understanding (MOU) will require CresFest to achieve the following:

- Increase the number of attendees, particularly focusing on the Victorian and interstate markets.
- Increase the percentage of overnight visitors.
- Attract media coverage.
- Continue significant engagement of local community groups and business.
- Strengthen the brand of the event by building on partnerships with Tourism Midwest, Daylesford Macedon Tourism and Visit Victoria.
- Continue to align with the character and culture of the Hepburn Shire and the relevant strategies, such as Council's Events Strategy.
- Year on year reinvigoration, improvement and enhancement of the event via new initiatives, activations and artist attraction.

COUNCIL POLICY AND LEGISLATIVE IMPLICATIONS

Council Plan 2021-2025

Diverse economy and opportunities

4.3 Support and facilitate a diverse and innovative local economy that encourages an increase of local businesses with diverse offerings to achieve positive social, economic and environmental impacts.

FINANCIAL IMPLICATIONS

In the 2023/2024 adopted Council budget, officers identified \$5,000 funding to be granted to CresFest through Regional Event Support as part of Council's event funding framework. An increase of \$2,500 will extend from the Local Community Event Support funding within the Community and Economy operational budget.

COMMUNITY AND STAKEHOLDER ENGAGEMENT

CresFest event organisers have been engaged and meet regularly with officers. There are no community or stakeholder engagement implications associated with this report.

RISK AND GOVERNANCE IMPLICATIONS

CresFest event organisers will be required to participate in Council's Event Management Planning process including risk and safety planning meetings with Council and other authorities, and provide a detailed Risk, Safety and Emergency Management Plan to Council.

ENVIRONMENTAL SUSTAINABILITY

CresFest event organisers must ensure that measures are put in place to minimise the impact of the event on the environment (for example, providing alternatives to single-use plastics).

GENDER IMPACT ASSESSMENT

As per Council's Gender Impact Assessment Matrix this project required a gender impact assessment to be undertaken.

The event is run by the CresFest committee and the ultimate responsibility of ensuring gender equity at the event sits with the committee.

The action Council has undertaken is adding to the MOU the requirement that the: CresFest committee must ensure that measures are put in place to ensure their event is welcoming, inclusive and accessible to all (Refer to point 2.5a in the attached Memorandum of Understanding CresFest 2024-2025).

This will ensure the needs of those with disabilities, or from different cultural identities, ages, gender identities, sexual orientations or religions are considered.

Following the event the committee will provide a report to Council which will outline an assessment of the impact on the Hepburn community (both positive and constructive). A post-event evaluation meeting also takes place to discuss this report.

12 A DYNAMIC AND RESPONSIVE COUNCIL

12.1 ANNUAL PLAN 2023/2024 - QUARTER 1 PROGRESS REPORT EXECUTIVE MANAGER PEOPLE AND TRANSFORMATION

In providing this advice to Council as the Grants and Corporate Reporting Officer, I Kelly Lewis have no interests to disclose in this report.

ATTACHMENTS

1. Annual Plan Progress Report Q 1 - Final 31.10.23 [12.1.1 - 15 pages]

OFFICER'S RECOMMENDATION

That Council:

1. *Notes the Annual Plan 2023/2024 Quarter 1 Progress Report; and*
2. *Notes that this report will be published on Council's website.*

EXECUTIVE SUMMARY

The attached report provides an update on the progress against projects and initiatives included in the Annual Plan 2023/2024 for the first quarter period. The report shows that of the 34 projects listed for 2023/2024, 32 have commenced and are on track, with the remaining two not due to start until later in the year. This report also includes several 2022/2023 projects that were not completed last year and will be carried forward for reporting purposes.

BACKGROUND

Council's Annual Plan outlines the actions for 2023/2024 that will be implemented as priorities from the Council Plan 2021-2025 and Annual Budget 2023/2024. The current Annual Plan was adopted by Council at its Ordinary Meeting on 15 August 2023.

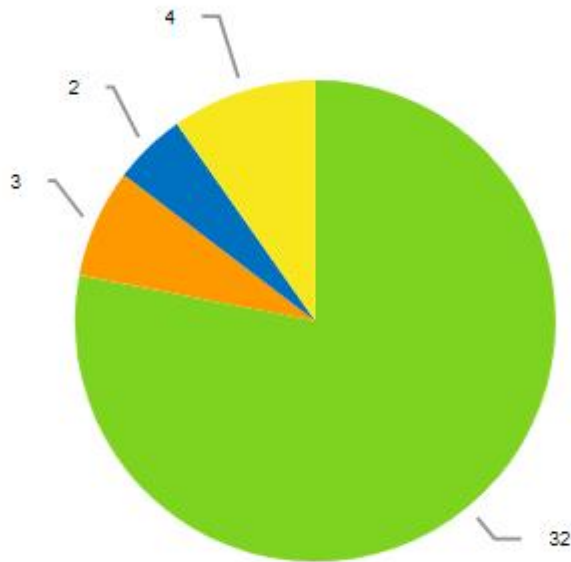
The Annual Plan 2023/2024 details the initiatives or actions we will deliver to achieve the strategies in the Council Plan, and once published the quarterly report updates our stakeholders on the progress of those actions.

KEY ISSUES

The attached report provides a list of the projects included in the Annual Plan 2023/2024 and a progress comment has been provided for each project by the responsible officer, for the first quarter period.

The following graph provides a snapshot of the status of projects as of 30 September 2023.

— On Track: 67 — Progress Delayed: 3 — Not Started: 3 — Completed: 5 — Cancelled: 0



The report shows that of the 34 projects listed for 2023/2024, 32 have commenced and are on track, with the remaining two not due to start until later in the year.

It also reports that of the seven 2022/2023 carry-forward projects, four have been incorporated into this year's annual plan projects, marked above as 'cancelled' and where appropriate the new project has been identified in the comments section.

COUNCIL POLICY AND LEGISLATIVE IMPLICATIONS

Council Plan 2021-2025

5. A dynamic and responsive Council

5.2 A sustainable and agile organisation with strong corporate governance that supports excellent operations.

5.3 Actively communicate, inform and engage with our community about events and decision-making.

FINANCIAL IMPLICATIONS

All Annual Plan 2023/2024 projects and initiatives have been budgeted for in this current financial year.

COMMUNITY AND STAKEHOLDER ENGAGEMENT

There are no community or stakeholder engagement implications associated with this report. A copy of the report will be published on Council's website once endorsed by Council at the November 2023 Ordinary Meeting of Council.

RISK AND GOVERNANCE IMPLICATIONS

The Local Government (Planning and Reporting) Regulations 2020 support the operation of the strategic planning and reporting requirements under the *Local Government Act 2020*, by prescribing information to be contained in council budgets and revised budgets, financial plans, and annual reports, as well as mandating for councils the system of performance reporting. Annual plan progress reports form part of the Council Plan reporting requirements.

ENVIRONMENTAL SUSTAINABILITY

There are no environmental sustainability impacts associated with this report, however projects and initiatives have been individually assessed for sustainability as part of the budgetary process. The ongoing delivery of these projects any further impacts will be managed at a project management level.

GENDER IMPACT ASSESSMENT

Projects and initiatives have been assessed individually for gender impacts as part of the budgetary process. Any further implications because of delays or cancellations will be assessed at a project management level where further details can be obtained.

2023/24 Annual Plan



Progress Report – Q1

Hepburn Shire - an inclusive rural community located in Dja Dja Wurrung country where all people are valued, partnerships are fostered, environment is protected, diversity supported, and innovation embraced.

Our five focus areas:



STATUS

-  On Track
-  Progress Delayed
-  Completed
-  Not Started
-  Cancelled


Action Codes: AP23 Annual Plan 2022/23
AP24 Annual Plan 2023/24

A resilient, sustainable and protected environment

A responsive, adaptive, and resilient community that addresses climate change and biodiversity.


Action Code	Strategic Action	Business Unit	Due Date	Comments	Status
AP23.1	Vehicle Charging Stations: Partner with Hepburn Energy and Chargefox to install three electric charging stations in Creswick, Hepburn Springs and Trentham.	Operations	01/01/2023	Creswick and Hepburn Springs charging stations installed. Trentham charging station procured with site design completed. To be installed in line with the completion of the Trentham Hub project.	
AP24.1	Hepburn Shire Council Sustainability and Climate Change Policy: Adopt a Hepburn Sustainability and Climate Change Emergency policy and commence embedding this into Councils operations and decision-making processes.	Operations	28/06/2024	Initial scoping works underway through Sustainable Hepburn technical working groups.	
AP24.2	Let's Rethink Waste: FOGO Collection Service: Rollout of a new Food Organics and Garden Organics (FOGO) bin collection service across the townships in the Shire with a goal to reduce landfill and create opportunities for resource recovery and re-use.	Operations	30/04/2024	At the Ordinary September 2023 Council Meeting it was decided the roll out of a weekly kerbside FOGO service to commence no earlier than February 2024 with a reduction to a fortnightly landfill kerbside service. FOGO processing contract was awarded in September 2023, with the FOGO bin purchase and delivery contract to be awarded in October 2023. Communication and education plan in progress.	

STATUS

 On Track



 Progress Delayed

 Completed


 Not Started

 Cancelled


Action Codes: AP23 Annual Plan 2022/23
AP24 Annual Plan 2023/24


Action Code	Strategic Action	Business Unit	Due Date	Comments	Status
AP24.3	Sustainable Hepburn Community Advisory Committee: Create a Sustainable Hepburn Community Advisory Committee to assist community support, involvement and partnership towards a sustainable Hepburn.	Operations	28/02/2024	Sustainable Hepburn Community Advisory Committee EOI released in May closed July. 10 nominations recommended to the October Council for endorsement.	
AP24.4	Roadside Conservation: Continue environmental services with an increased focus on weed management and roadside vegetation management including development and implementation of a Roadside Conservation Strategy.	Operations	28/06/2024	Council continues to manage municipal roadsides environmentally including monitoring general vegetation and attending to weeds as resources permit. Officers are currently preparing an updated Roadside Conservation Strategy which will guide Council and the broader community in this space.	


STATUS

 On Track

 Progress Delayed

 Completed




 Not Started

 Cancelled

Action Codes: AP23 Annual Plan 2022/23
AP24 Annual Plan 2023/24

A healthy, supported and empowered community

A community that values connection, supports diversity, health, and wellbeing, and is inclusive of all people and their needs.

Action Code	Strategic Action	Business Unit	Due Date	Comments	Status
AP23.10	Walking and Cycling Strategy: Develop and adopt a Walking and Cycling Strategy.	Community and Economy	01/06/2023	This Annual Plan 2022/23 action has now been incorporated into the (AP24.19) Action - Shire Wide Integrated Transport Strategy.	
AP24.5	Review of Short-Term Accommodation: Review possible regulation of short-term rental accommodation to assist with permanent rental housing supply, while still allowing for a diverse and sustainable base of tourist accommodation to support the local economy.	Strategic Planning	30/06/2024	The Victorian Government's announcement of a Short Stay Levy in 2024 together with its proposed restrictions on local regulations, clashes with this Strategy Action. The possible impacts of the Levy on affordable housing and tourism in the Shire are being reviewed, together with an advocacy approach to ensure that there is an equitable distribution of funding allocated to regional Victoria.	
AP24.6	Advocating for Improved Health Services: Council will advocate for access to high quality health services across the Shire, including early years program and through the upgrade of Daylesford Hospital.	Community and Economy	30/06/2024	Council officers continue to work with the local community service sector via the Community Support and Services Network and the Early Years Network to understand local service needs, provision and gaps. Council officers work closely with Central Highlands Rural Health on the delivery of Maternal Child Health Services, Health and Wellbeing programs and to support local service delivery. Regular discussions with Health providers also enables Council to advocate for improved services and infrastructure.	

STATUS



On Track



Progress Delayed



Completed



Not Started



Cancelled




Action Codes: AP23 Annual Plan 2022/23
AP24 Annual Plan 2023/24

Action Code	Strategic Action	Business Unit	Due Date	Comments	Status
AP24.7	Best Start, Best Life - Kinder Infrastructure and Workforce Planning: Deliver the Best Start, Best Life program funded by the Victorian Government. This will involve an audit and analysis of all Kindergarten facilities and early years workforce needs across the region into the future.	Community and Economy	30/06/2024	Project planning has commenced, including engaging with neighbouring Local Government Authorities, Department of Education and local early years' service providers. An Early Years Survey is currently live (closing 20 October 2023), gathering local data about service provision. This will be used alongside workforce planning and an infrastructure audit and provided to the Department of Education.	
AP24.8	Storm Rectification and Road Repair Works: Continuation of Hepburn Shire's ongoing Storm Rectification Works program that includes the ongoing repair of sealed roads damaged by floods.	Emergency Management	30/06/2024	Council flood and storm repair works are ongoing, with staff, agencies, and contractors working to ensure all damaged roads and assets are restored and made safe. 223 of the 269 roads and shoulders impacted between the October 2022 floods and the June 2023 storm have been repaired, at an estimated cost of \$6.5 million.	
AP24.9	Dusk to Dawn Cat Curfew Rollout: Implement and enforce a cat curfew (effective from 1 July 2023) from dusk to dawn as part of the Domestic Animal Management Plan 2021-2025.	Facilities and Circular Economy	30/09/2023	Enforcement of the cat curfew continues but is reactive only due to limited staff resources available. A key challenge is the availability of a nearby and reliable pound. We have recently been informed that Ballarat is currently not accepting any additional cats.	
AP24.10	Community Recovery Hub: Deliver community recovery and resilience activities across Hepburn Shire building resilience of community members to respond to and recover from emergency risks in the Shire.	Emergency Management	30/06/2024	Senior Community Recovery Officer commenced on 30 August 2023, and scoping and co-design of recovery and resilience activities and initiatives for communities in Hepburn impacted by emergencies has begun. Delivered under Emergency Recovery Victoria's Community Recovery Hub grant program, recovery and resilience projects will be delivered in partnership with community and neighboring Councils.	


STATUS

- On Track
- Progress Delayed
- Completed
- Not Started
- Cancelled

Action Codes: AP23 Annual Plan 2022/23
AP24 Annual Plan 2023/24


Action Code	Strategic Action	Business Unit	Due Date	Comments	Status
AP24.11	Central Springs Mineral Reserve, Daylesford: Stage One Development: Enhance the visitor experience of our Mineral Springs by delivering accessibility and water quality improvements at Central Springs Mineral Reserve at Lake Daylesford.	Operations	30/06/2024	Now the Master Plan has been endorsed, officers have released an Expression of Interest to the market to explore delivery options from contractors given the diverse elements within the master plan. The replacement bore construction is scheduled for October at the conclusion and demobilisation of Borealis.	
AP24.12	Recreation Masterplans for Clunes and Glenlyon: Prepare detailed designs for Clunes Recreation Reserve Masterplan and Glenlyon Recreation Reserve Masterplan, including detailed designs on the new Glenlyon Pavilion.	Community and Economy	31/03/2024	Community engagement on the draft Queens and Pioneer Park Masterplans and Expression of Interest process occurred to establish a Clunes Community Project Advisory Group. The draft Glenlyon Recreation Reserve Masterplan was released for comment including the new Pavilion. Work is required regarding a final pavilion location which will inform Masterplan finalisation and pavilion design.	
AP24.13	Aquatics Business Case Development: Finalise a business case on aquatics provision within the Shire, as informed by the 2022 Hepburn Shire Aquatics Strategy.	Community and Economy	31/12/2023	Work continued on the development of a draft Indoor Aquatics Provision Final Options and Feasibility Discussion Report and is progressing through the reporting cycle for consideration by Council anticipated in December 2023.	


STATUS

 On Track

 Progress Delayed

 Completed




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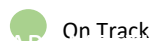
Action Codes: AP23 Annual Plan 2022/23
AP24 Annual Plan 2023/24

Embracing our past and planning for the future

We acknowledge and empower the Traditional Owners and other cultures of our area to protect our historical roots while planning for future generations.

Action Code	Strategic Action	Business Unit	Due Date	Comments	Status
AP23.13	COVID Stimulus Infrastructure Projects: Continue to deliver key stimulus funded projects including, Bullarto Station Tourist Precinct, Creswick Town Hall and Wombat Hill Botanical Gardens	Projects	01/06/2023	Covid stimulus Infrastructure Project works at Creswick Town Hall have been completed. Works continue on the Wombat Hill Botanical Gardens with the project designs ready for Heritage Victoria approval. Construction is anticipated to commence in early March 2024. Additionally, Works at Bullarto Station are nearing completion with an expected completion date of December 2023.	
AP23.14	Reconciliation Action Plan: Develop and adopt a Reconciliation Action Plan.	People and Culture	01/12/2022	This Annual Plan 2022/23 action has been transferred to an action in the 2023/24 Annual Plan (AP24.15) Innovate Reconciliation Action Plan.	
AP23.16	Strategic Planning Work Program: Implement year 2 of council program of strategic planning work to be delivered in accordance with financial budget allocations, including continued work on Creswick Structure Plan and commencement of Trentham Structure Plan.	Strategic Planning	01/06/2023	This Annual Plan 2022/23 action is now being delivered as part of the Future Hepburn (AP24.16).	

STATUS



On Track



Progress Delayed



Completed




Not Started



Cancelled

Action Codes: AP23 Annual Plan 2022/23
AP24 Annual Plan 2023/24

Action Code	Strategic Action	Business Unit	Due Date	Comments	Status
AP24.14	Arts and Culture Strategy: Finalise and adopt an Arts and Culture Strategy that provides support to local artists who enrich community wellbeing by providing cultural experiences.	Community and Economy	31/12/2023	Work continued on the finalisation of an Arts and Culture Strategy. Additional research is required, including benchmarking and reviewing industry data to reflect industry trends which will be undertaken over the next quarter.	
AP24.15	Innovate Reconciliation Action Plan: Develop and adopt a new Reconciliation Action Plan to ensure an inclusive community, reduce racial discrimination, identify and acknowledge issues requiring actions of reconciliation.	People and Culture	30/06/2024	Council has worked towards creating a new Internal advisory body to assist with the development of the new Reconciliation Action Plan Innovate. This body will work in collaboration with the external Reconciliation Advisory committee and Djaara corporation.	
AP24.16	Future Hepburn: Continuation of Hepburn's key strategic planning program through the development of town structure plans, agricultural land and rural settlement strategy, integrated transport strategy and other supporting technical studies.	Strategic Planning	30/06/2024	We are on track to have the draft structure plans out for community consultation in March 2024. Oct/Nov 2023 is our deliberative consultation with the community which is a targeted session in which the community panel helps Officers draft up the township structure plans. Our Rural Strategy will be drafted and out for public comment in Feb/Mar 2024.	
AP24.17	Daylesford Town Hall Restoration Stage 1: Award tender for the delivery of priority structural and electrical repair works to the Daylesford Town Hall to conserve our important heritage asset.	Operations	30/06/2024	Tender for conservation architect to be released before the end 2023, design package for roof repair and electrical works to be completed early 2024 with construction scheduled mid-2024. Intermediate repair works have begun with expected completion by the end 2023.	
AP24.18	Creswick Trails Construction: Achieve construction delivery milestones to enable the 60km of trails to be completed in December 2024.	Projects	30/06/2024	With a construction contract awarded in January 2023, progress is well underway on the construction of the Creswick Trails with approximately half of the trails complete.	

STATUS



On Track



Progress Delayed



Completed



Not Started

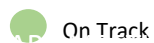


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Action Codes: AP23 Annual Plan 2022/23
AP24 Annual Plan 2023/24

Action Code	Strategic Action	Business Unit	Due Date	Comments	Status
AP24.19	Shire Wide Integrated Transport Strategy: Adopt a 10-year integrated transport strategy for improved connections for the community through the various modes of transport including active transport such as walking and cycling.	Strategic Planning	31/05/2024	Council has awarded the tender to Movement & Place who are undertaking a Shire wide Integrated Transport Strategy and specific township transport analysis for each structure plan. Currently there is a comprehensive public survey seeking feedback on how we travel as a community. The draft discussion paper will be prepared later this year and the strategy will be drafted early 2024.	
AP24.20	Completion of Trentham Hub Construction: Complete construction and open the new Trentham Community Hub for the community.	Projects	31/03/2024	Following successful tender award, construction works are progressing steadily on the Trentham Community Hub. Structural works including wall and roof framing are complete with cladding and sheeting works currently in progress with an expected completion date of March 2024.	
AP24.21	Historic Wheelers Bridge in Lawrence: With financial assistance from the Australian Government, begin construction on the historic Wheelers Bridge in Lawrence.	Operations	31/03/2024	Design work for the project is in the final stages with the detailed structural design work the final element to complete. Upon completion of the design work, the project will be tendered in early-2024 with an anticipated construction commencement date in mid-2024.	

STATUS



On Track



Progress Delayed



Completed



Not Started






Cancelled

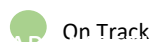
Action Codes: AP23 Annual Plan 2022/23
AP24 Annual Plan 2023/24

Diverse economy and opportunities

Our community is enhanced by a diverse and resilient economy that supports local aspirations through opportunity.

Action Code	Strategic Action	Business Unit	Due Date	Comments	Status
AP24.22	Hepburn Shire Young Mayors Program: Provide leadership and development opportunities for young people to increase youth advocacy and leadership by delivering the trial Young Mayors Program through peer led election of Youth Council Members.	Community and Economy	30/06/2024	The initial timeline provided by Foundation for Young Australians (FYA) for this program has altered. FYA were intending to recruit for the new position in September/October. It's likely that the recruitment process will begin late October/early November. Next quarter FYA will be undertaking consultations with young people, local youth and community organisations regarding the program.	
AP24.23	Enhancing Hepburn's Digital Planning and Reporting Capability: With the financial assistance from the Victorian Government, deliver digital enhancements to modernise Council's planning services and improve the customer experience.	Planning and Building	30/06/2024	This program has begun at start of new financial year. Funding has been obtained and a dedicated resource has been hired to advance this project. The scope, objectives and measures have been set. Consultation with external stakeholders will occur in Q2.	
AP24.24	Destination Management Planning: Work with our tourism partners, Daylesford Macedon Tourism and Tourism Midwest Victoria to develop Destination Management Plans to support the Shire's visitor economy and provide foundations for sustainable growth which balances economic priorities with social, environmental and cultural factors in the region.	Community and Economy	30/04/2024	Daylesford Macedon Tourism (DMT) and Tourism Midwest Victoria (TMV) continue work on developing Destination Management Plans. The DMT DMP is currently being reviewed by council officers and a Product Reference Group of Regional businesses. Industry consultation is currently occurring on the TMV DMP, which encompasses only the west of the Shire, via industry engagement in Creswick and Clunes.	

STATUS



On Track



Progress Delayed



Completed






Not Started

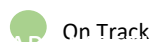


Cancelled

Action Codes: AP23 Annual Plan 2022/23
AP24 Annual Plan 2023/24

Action Code	Strategic Action	Business Unit	Due Date	Comments	Status
AP24.25	Mineral Springs Awareness Campaign: Through funding from the Victorian Government, develop marketing tools to raise the awareness and understanding of Mineral Springs in the region for locals and visitors.	Community and Economy	30/06/2024	This project is scheduled to commence next quarter.	
AP24.26	Build the Capacity of Event Organisers: Develop tools and templates to assist event organisers to build the capacity of the event industry to continue to deliver and enhance successful, sustainable and compliant events.	Community and Economy	30/06/2024	Work commenced on the drafting of the templates which are under review by a variety of council teams. They are expected to be launched next quarter and an extensive communication plan will be implemented.	
AP24.27	Circular Hepburn: Support and transition Hepburn to a circular economy by providing support to our businesses and community, and embedding sustainable practices into Council operations, based on the three pillars of the circular economy - rethinking waste, keeping materials in circulation and regenerating natural systems.	Operations	30/06/2024	Circular Hepburn framework and road map in draft form and currently receiving internal feedback. A number of circular initiatives have commenced including the Circular Hepburn page on Councils website and a number of tools for local businesses as well as Councils operations. Rollout of FOGO to commence February 2024.	

STATUS



On Track



Progress Delayed



Completed



Not Started




Cancelled

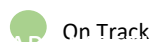
Action Codes: AP23 Annual Plan 2022/23
AP24 Annual Plan 2023/24

A dynamic and responsive Council

Council and the community partner to achieve their aspirations through excellent communication and engagement, the delivery of effective services, strong financial management, and governance.

Action Code	Strategic Action	Business Unit	Due Date	Comments	Status
AP23.30	Review of Council Services and Programs: Providing options to Councillors for undertaking service reviews of programs, and services offered by Council.	Executive Office	01/04/2023	This Annual Plan 22-23 Initiative has been rolled over into new annual plan action (AP24.29).	
AP23.31	Employer Value Proposition: Develop Employer Value Proposition and tools to market HSC more effectively as an employer.	People and Culture	01/03/2023	With transition in the People & Culture team, delays in developing the EVP have resulted. To allow for the commencement of a new Manager People & Culture, and effective organisational consultation to build an employee lead EVP, the due date has been revised to 31 March 2024.	
AP24.28	Working Together - Delivering Better: Commence implementing the new Working Together - Delivering Better Service Strategy through the delivery of all Council staff training to enable Council to continue to improve the way we work and deliver excellent customer service.	People and Culture	31/03/2024	Five actions from the strategy have been actioned. They include, delivery of customer interaction training sessions, which offered closing the loop learning as well as education around the boundaries that we enforce. The creation of Council contact card has been designed to provide ease of contact for our community. Policy on unreasonable behavior has been developed and put forward.	

STATUS



On Track



Progress Delayed



Completed







Not Started

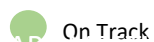


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Action Codes: AP23 Annual Plan 2022/23
AP24 Annual Plan 2023/24

Action Code	Strategic Action	Business Unit	Due Date	Comments	Status
AP24.29	Council Services Review: Prepare and undertake Service Summaries to provide insight to the cost, resources required, challenges and opportunities of each Council Service.	Executive Office	31/12/2023	The project is currently in progress, and we have enlisted the expertise of a consultant to support us in creating templates and planning for the project. Our staff has completed a service summary template, which will offer a comprehensive overview of the projected service, including its costs, relevant legislative context, and key risks and opportunities. We plan to share these summaries with Councillors during a workshop before December 2023.	
AP24.30	Review of 10-year Long Term Financial Plan: Conduct a review of Council's 2021-2031 Long Term Financial Plan to ensure that Council is investing in the assets and services that reflect the communities' values.	Financial Services	31/12/2023	Review of the Long-Term Financial Plan has commenced, and an initial presentation was made to the Executive Team on 25 September 2023. This included an overview of assumptions used and preliminary listing of the capital program without prioritisation.	
AP24.31	Cyber Security Enhancements for Council: Deliver a suite of ICT enhancements to provide greater security over Council's day-to-day operations.	ICT	30/04/2024	Project is not yet due to commence.	
AP24.32	Risk Management Framework Implementation: Undertake a review of Council's risk management policies and practices and establishment of updated Risk Registers.	Governance and Risk	30/06/2024	Risk Management Framework Implementation is underway. Internal consultation is being undertaken to form strategic risks, risk appetite, and draft Risk Policy.	

STATUS



On Track



Progress Delayed



Completed





Not Started




Cancelled

Action Codes: AP23 Annual Plan 2022/23
AP24 Annual Plan 2023/24


Action Code	Strategic Action	Business Unit	Due Date	Comments	Status
AP24.33	Staff Accommodation and Community Facilities: Undertake scoping and planning of staff accommodation and Birch Ward facilities.	Projects	31/03/2024	The staff accommodation project is currently in the planning stage; the project has been divided into three stages—short, medium, and long-term. The short-term is planned to be completed in Dec/2023.	
AP24.34	Gender Equity: Continue to implement Council's Gender Equity Plan with a focus on embedding an inclusive culture that respects diversity by providing a safe workplace for Council Staff and ensuring that we have transparent, fair and gender diverse recruitment practices.	People and Culture	30/06/2024	This is a continuous process. GIA Training for leadership and Management Group completed in September 23. Audit report due in February 2023 and will inform further actions required.	

STATUS

 On Track

 Progress Delayed

 Completed

 Not Started

 Cancelled

Action Codes: AP23 Annual Plan 2022/23
AP24 Annual Plan 2023/24

12.2 REVIEW OF COUNCIL'S RISK MANAGEMENT POLICY DIRECTOR COMMUNITY AND CORPORATE

In providing this advice to Council as the Manager Governance and Risk, I Rebecca Smith have no interests to disclose in this report.

ATTACHMENTS

1. Draft Policy 24 (C) - Risk Management Policy - October 2023 [**12.2.1** - 7 pages]

OFFICER'S RECOMMENDATION

That Council adopts the Risk Management Policy.

EXECUTIVE SUMMARY

The Policy has been reviewed to align with the *Local Government (Planning and Reporting) Regulations 2020* and industry best practice. Council's existing Risk Management Policy was adopted in 2013.

BACKGROUND

This Risk Management Policy outlines Council's key commitments to risk management and high-level approach to effectively identify, assess and manage the risks and opportunities associated with its services, operations and facilities. It builds on Council's fundamental risk principles outlined in the Risk Management Framework and emphasizes the collective responsibility of all stakeholders in fostering a culture of accountable risk management.

Proper management of risk is essential to ensure the well-being and protection of our community, stakeholders, employees, and assets. Failure to manage risks effectively could potentially impact Council's capacity to deliver services, efficiently manage resources, and achieve its overarching objectives.

KEY ISSUES

The Policy has been reviewed and expanded to include:

- Introduction to promote the link between risk and effective service delivery.
- Include reference to the Council Plan and Council's strategic aims.
- Clarification on the role of the Audit and Risk Committee, and how audit relates to risk.
- Set broad guidelines for the review and reporting of risks, the Framework, and Council's risk appetite.
- The importance of fostering a risk culture, and the roles and responsibilities for in monitoring and managing risk.

The Policy was presented to the Audit and Risk Committee at the September meeting. The Committee recommended some minor changes, which have been incorporated, but were supportive of the draft.

A review of the Risk Management Framework is also planned for 2024.

COUNCIL POLICY AND LEGISLATIVE IMPLICATIONS

Council Plan 2021-2025

A dynamic and responsive Council

5.3 A sustainable and agile organisation with strong corporate governance that supports excellent operations

The *Local Government (Planning and Reporting) Regulations 2020* require all councils to establish a Risk Policy and Risk Management Framework.

FINANCIAL IMPLICATIONS

Costs associated with the implementation of this policy have already been considered in Council's budget and additional funding is not required.

COMMUNITY AND STAKEHOLDER ENGAGEMENT

There are no community or stakeholder engagement implications associated with this report. The requirements of Council's approach to risk management are largely dictated by the *Local Government (Planning and Reporting) Regulations 2020* and the ISO 31000 Risk Management standards.

RISK AND GOVERNANCE IMPLICATIONS

The revised policy moves Council towards a collaborative approach, with clear roles and responsibilities, and will bring Council's policy into alignment with modern risk management best practice.

ENVIRONMENTAL SUSTAINABILITY

There are no sustainability implications associated with this report.

GENDER IMPACT ASSESSMENT

There are no gender equity implications associated with this report.

▯ RISK MANAGEMENT POLICY

POLICY NUMBER:	24 (C)
NAME OF POLICY:	Risk Management Policy
DATE OF NEXT REVIEW:	October 2027
DATE APPROVED:	<Insert date adopted by Council>
RESPONSIBLE OFFICER:	Manager Governance and Risk
REFERENCES:	This policy should be read in conjunction with the following: <i>Local Government Act 2020</i> <i>AS/NZ 31000:2018 Risk Management Guidelines</i> <i>Council Plan 2021-2025</i> <i>Audit and Risk Committee Charter</i> <i>Risk Management Framework</i>

INTRODUCTION

As the local governing body responsible for strategic decision making and community resource management, Council faces a variety of risks and uncertainties when delivering its services. Proper management of these risks is essential to ensure the well-being and protection of our community, stakeholders, employees, and assets. Failure to manage these risks effectively could potentially impact Council's capacity to deliver services, efficiently manage resources, and achieve its overarching objectives.

PURPOSE

This Risk Management Policy (Policy) outlines Council's key commitments to risk management and high-level approach to effectively identify, assess and manage the risks and opportunities associated with its services, operations and facilities. It builds on Council's fundamental risk principles outlined in the Risk Management Framework and emphasizes the collective responsibility of all stakeholders in fostering a culture of accountable risk management.

SCOPE

This Policy is applicable to all Council staff, Councillors, volunteers, contractors and the Audit and Risk Committee.

The Policy applies to all Council owned and/or operated equipment, land and facilities ('our property'), internal functions, and services provided to the community.

OBJECTIVES

Council's objectives for managing risks and opportunities are to:

- Successfully meet our goals and objectives as outlined in the Council Plan.
- Deliver high quality services which make efficient use of the resources available.
- Support our approach to meeting legislative and regulatory requirements.
- Safeguard our assets – people, financial, property and information.
- Create an environment where all councillors, employees, volunteers and contractors will assume responsibility for managing risk.
- Continuously improve our strategies and performance, with the ambition to becoming a leading local council in Victoria with regards to risk management.

POLICY

1. Risk Governance

Council is committed to ensuring the highest standard of governance is achieved, including the timely and systematic identification and management of risks and opportunities.

Council is committed to complying with its legal obligations, inclusive of legislated risk management obligations, as well as conducting risk management practices in accordance with AS/NZS ISO31000:2018.

The Audit and Risk Committee (ARC) has been established in compliance with the *Local Government Act 2020* (Section 53). The ARC is committed to strengthening Council's governance, financial and risk management practices by providing oversight, independent advice and monitoring of key processes. The ARC meets on a regular basis, as defined in the Charter, with risk management reports tabled in accordance with the annual Workplan, as required under Section 54(3) of the Act.

2. Risk Appetite Statement

Council has established its risk tolerances by setting risk appetite statements against key risk areas, aligned to Council's Plan. Council will review its risk appetite statements on an annual basis and will continue to align its risk appetite and values with those risks of the environment and community in which Council operates within.

3. Risk Management Framework

Council has put in place a Risk Management Framework, which articulates Council's risk management approach and methodology. The Framework has been developed in consultation with Council's Executive Team and Councillors. It sets the overarching direction and context for risk management activities to be consistently applied throughout Council. Council is committed to implementing the Risk Management Framework and continuously reviewing the Framework to ensure best practice principles continue to be applied.

4. Resources

Council is committed to ensuring adequate resources are in place and efficient risk management systems are operational throughout the organisation. Essential tools including procedures and registers, which are vital for facilitating effective risk management, will continue to be reviewed as part of Council's risk improvement

strategies. These tools are to be employed when assessing risk to ensure consistency across the business.

Highlighting the collective responsibility, that risk management is ‘everyone’s responsibility’, Council requires everyone to undertake risk management awareness training, which includes an understanding of the individual’s role in risk management.

Additionally, Council has committed to evaluating and implementing a risk management software system. This will enable risk management within the system, fostering resilience, adaptability, and consistent reporting through the same system.

5. Risk Management Process

Council is committed to the ongoing identification, assessment and management of risks and opportunities associated with the performance of Council functions and the delivery of Council services, as far as reasonably practicable.

In determining its risks and opportunities, Council is committed to following a streamlined, systematic process including:

- Regularly identifying, reviewing and documenting risks and opportunities related to all aspects of operations, including identifying Strategic, Operational and Project Risks.
- Managers leading risk assessments within their areas of responsibility.
- Engaging relevant stakeholders to provide input to develop risk and opportunity assessments.
- Documenting risks and opportunities in organisational registers and using organisational tools (risk management system) when it becomes available.
- Evaluating the likelihood and potential impacts of identified risks and prioritising risks based on their significance and consequences.
- Developing and implementing strategies (Risk Treatment Plans) for high-priority risks and/or where risks are out of tolerance.
- Assigning responsibilities for implementing mitigation measures and monitoring process.
- Ensuring that mitigation strategies align with Council’s goals and objectives.

6. Risk Monitoring, Assurance and Reporting

Council will regularly monitor the effectiveness of its risk mitigation strategies.

The Executive Team will oversee the implementation of the risk register, while Managers will review and evaluate risks, and the effectiveness of controls in the areas for which they are responsible. These processes will continually consider the changing environment, emerging risks and any new information as it becomes available.

Internal auditors will conduct independent reviews in accordance with the annually endorsed Internal Audit Plan, to assess the adequacy of risk controls and the extent of compliance with those controls. These internal audits and findings will be presented to the ARC for ongoing review and monitoring.

Council will report on its risk status to the Executive, ARC and Council, via risk escalation pathways and regular risk management updates. Communications on incidents, risk management strategies and accountabilities will also be provided to the broader organisation, where relevant. This ensures transparency in discussion and handling of risk-related information.

The risk management system, including the Risk Management Policy, Risk Management Framework and associated procedures, risk profile of the organisation and risk incidents, will be subject to review by the Executive and the ARC regularly to confirm that the system continues to be effective in managing risks and opportunities and to achieve continuous improvement.

7. Risk Culture

Council is committed to developing a positive risk culture that is aware, accountable, transparent and adaptable to change in the risk landscape. Creating such a strong culture will contribute to improved decision-making, enhance resilience and help Council to achieve its organisational goals and objectives.

To move forward on its journey toward improved risk management, Council will continue to implement a risk maturity program across the organisation. This initiative encompasses ongoing awareness and risk training for staff, improvement of processes and facilitation of open discussions on risk matters. Regular evaluations of the program's effectiveness will be conducted via an evaluation of risk culture maturity, with the aim of determining progress toward establishing a resilient and positive risk culture within the organisation.

RISK MANAGEMENT POLICY

Additionally, Council will aim to integrate risk protocols into its day-to-day business-as-usual activities. Wherever practicable, risk management practices will be embedded into existing policies and procedures to manage significant risks and opportunities identified, including project management and business planning.

DEFINITIONS

The following terms are referred to in the policy.

Term	Definition
ARC	The Audit and Risk Committee
Council	Hepburn Shire Council
Council employees	Includes permanent and temporary casual, full-time and part-time council employees, and contractors and consultants while engaged by Council.
Councillors	The Elected Councillors of Hepburn Shire
EMT	Executive Management Team comprising the CEO and Directors
The Act	<i>Local Government Act 1989</i> <i>Local Government Act 2020</i>
Risk Appetite	The amount and type of risk that an organisation is willing to pursue or retain, to achieve its organisational objectives.
Risk Management Framework	Provides the foundations and organisational arrangements for designing, implementing, monitoring, reviewing and continually improving Risk Management throughout the organisation.
Risk Management Policy	A statement of overall intentions and directions of an organisation related to Risk Management approved by the CEO and ARAC.
Risk Register	A structured document that records information about risks faced by an organisation.

▢ RISK MANAGEMENT POLICY

Risk Tolerance	An organisation’s readiness to bear risk after Risk Treatment.
Risk Treatment	Process to modify Risk, including Controls and Risk Treatment Plans.

FURTHER INFORMATION

Any enquiries about the Policy should be directed to the Manager Governance and Risk.

IMPLEMENTATION

This Risk Management Policy is a public document available on Council’s website.

The following staff have key responsibilities in implementing this policy:

- ARC - Responsible for overseeing the implementation of the risk management policy and risk management framework.
- Councillors – responsible for considering risk management in decision-making, and overseeing the management of Council’s strategic risks.
- Executive Team – accountable for integrating risk management into decision-making processes, providing guidance on risk mitigation strategies, allocating resources, reporting to Council and promoting a culture of risk awareness.
- Managers - Responsible for identifying, assessing, and managing risks within their operational areas of responsibility. Responsible for escalation of high-risks.
- Employees – responsible for reporting on potential risks, adhering to risk mitigation measures, and actively participating in risk management training and initiatives.

All staff will be trained in their roles and responsibilities in risk management, including how to implement risk management practices across Council.

REVIEW

The Risk Management Policy will be reviewed every 4 years or as required by legislation or organisational changes.

12.3 QUARTERLY FINANCE REPORTS - QUARTER 1 2023/2024 DIRECTOR COMMUNITY AND CORPORATE

In providing this advice to Council as the Manager Financial Services, I Kathy Fulton have no interests to disclose in this report.

ATTACHMENTS

1. Financial Report for the Period Ending 30 September 2023 [**12.3.1** - 28 pages]
2. Capital Projects - Quarter 1 to 30 September 2023 [**12.3.2** - 4 pages]
3. Special Projects - Quarter 1 to 30 September 2023 [**12.3.3** - 3 pages]

OFFICER'S RECOMMENDATION

That Council notes the financial position and performance for three months ending 30 September 2023, including the special and capital projects.

EXECUTIVE SUMMARY

The September Quarterly Finance Report outlines the financial results for the three months ending 30 September 2023, along with a comparison to the amended budget adopted by Council (inclusive of carry forwards from 2022/2023 and additional funding identified to complete projects).

It includes a summary of Council's financial performance and position for the 2023/2024 financial year up until 30 September 2023, and an update on each special and capital project as of 30 September 2023.

The current financial position needs to be read in the context of Council's Financial Plan contained within the 2023/2024 Budget.

BACKGROUND

This report provides information on Council's financial performance for the period 1 July 2023 to 30 September 2023 and compares the income statement to the amended budget and the balance sheet and statement of cash flows to the prior year.

The results in the first three months of the financial year have continued to be impacted by the storm events of prior years together with the on-going current cost inflations, high CPI and contractor availability.

The September Quarterly Finance Report along with the special and capital project reports have been prepared in comparison to the amended budget that was adopted at the Ordinary Meeting of Council on 19 September 2023.

KEY ISSUES

The financial report and attachments provide a comprehensive overview of Council's financial performance and current financial state, for the first three months of the

2023/2024 financial year up until 30 September 2023 and an update on the status and progress of each special and capital project.

The main items to note at the end of Quarter 1, with further details and explanation provided in the attached report, are:

- Year-to-date Capital Works expenditure for the three months ending 30 September 2023 was \$2.93 million, which is 11% of the full year amended budget.
- In addition to the actual expenditure of \$2.93M, Council has committed capital expenditure of \$7.46M as at 30 September 2023.
- Cash holdings as of 30 September 2023 are \$6.6 million lower than the same time last year, this is due to increased expenditure on Capital Works, special projects and storm recovery in the previous year.

Council officers will remain flexible and agile in the management of their forecasts while responding in the best interests of the community.

COUNCIL POLICY AND LEGISLATIVE IMPLICATIONS

Council Plan 2021-2025

A dynamic and responsive Council

5.2 Actively communicate, inform and engage with our community about events and decision-making

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.



FINANCIAL REPORT
For the three months ending
30 September 2023



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1. Overview

The September Quarterly Finance Report outlines the financial results for the three months ended 30 September 2023, along with a comparison to the amended budget (as adopted by Council in August 2023). This report includes the following:

- Income Statement;
- Statement of Capital Works;
- Balance Sheet;
- Statement of Cash Flows;
- Cash, investments and financial reserve schedules;
- Key performance indicators;
- Rates and other debtors; and
- Councillor expenditure.

The current financial position needs to be read in the context of Council's financial plan contained within the 2023/2024 Budget.

The ongoing impacts of COVID-19 on operational costs and recovery support for the community will be monitored throughout the 2023/2024 financial year, as well as natural disaster recovery, current cost inflations, high CPI and contractor availability. The Australian Bureau of Statistics noted that the year-on-year CPI increase effective end of August was an increase of 5.2%.

This report represents three months of business in the 2023/2024 financial year.

The main items to note at the end of the first quarter are:

- The operating surplus for the three months ended 30 September 2023 was \$19.3 million, which is \$2 million (or 12%) favourable to the amended budgeted surplus of \$17.3 million. This is primarily driven by materials and services expenditure budget being favourable by \$2.5 million. This is due to lower than expected expenditure on storm recovery projects during the three months ended 30 September 2023.
- Year-to-date Capital works expenditure for the three months ended 30 September 2023 was \$2.93 million which is 11% of the \$25.85 million amended budget.
- Cash holdings as at 30 September 2023 are \$6.6 million lower than the same time last year, this is due to increased expenditure on capital works, special projects and storm recovery in the previous year.
- Trade and other receivables as at 30 September 2023 are \$2.2 million higher than the same time last year. This is due to a combination of the annual rate cap rate rise together with increased offerings of support packages relating to payment extensions on rates instalments.

2. Financial Statements

The adjusted underlying result calculated in the Income Statement is the net surplus/(deficit) for the year adjusted for non-recurrent capital grants, monetary contributions (open space contributions) and capital contributions from other sources. It is a measure of financial sustainability and Council's ability to achieve its service delivery objectives as it is not impacted by non-recurrent capital income items, which can often mask the operating result.

2.1. Income Statement for three months ending 30 September 2023

Hepburn Shire Council Comprehensive Income Statement For the Period Ended 30 September 2023

	Note	YTD Budget 2023/24	YTD Actual 2023/24	YTD Variance		FY Budget 2023/24
		\$'000	\$'000	\$'000	%	\$'000
Income						
Rates and charges		25,852	25,781	(71)	0%	26,159
Statutory fees and fines		274	203	(71)	-26%	1,130
User fees		250	181	(69)	-28%	1,016
Grants - operating	1	1,307	1,778	471	36%	8,240
Grants - capital	2	1,454	543	(911)	-63%	7,934
Contributions - monetary	3	162	276	114	70%	570
Net gain/(loss) on disposal of assets		50	4	(46)	-92%	200
Other income	4	401	526	125	31%	1,572
Total Income		29,750	29,292	(458)	-2%	46,820
Expenses						
Employee costs		3,964	4,011	(47)	-1%	18,084
Materials and services	5	6,029	3,577	2,452	41%	22,722
Bad and doubtful debts		-	5	(5)	100%	15
Depreciation and amortisation		2,202	2,180	23	1%	8,809
Borrowing costs		40	16	24	61%	211
Other expenses		256	202	55	21%	970
Total Expenses		12,492	9,990	2,502	20%	50,811
Surplus/(Deficit) for the year		17,258	19,302	2,044		(3,991)
Underlying result adjustment						
Contributions Monetary		(162)	(276)	114	-70%	(570)
Grants - Capital		(1,454)	(543)	(911)	63%	(7,934)
Total underlying adjustment		(1,616)	(819)	(797)		(8,504)
Adjusted underlying surplus/deficit		15,642	18,483	(2,841)		(12,495)

Commentary is provided for variances greater than \$100,000 and 10%.

Note 1 – Operating Grants

Operating grants are favourable \$471k due in the main to the advanced funding of grants ahead of the budgeted period.

Note 2 – Capital Grants

Capital grants are unfavourable to budget due to the timing of the receipt of grants predominately for infrastructure projects (\$911k) with this funding to be received throughout the year.

Note 3 – Monetary Contributions

Monetary contributions are \$114k favourable to the budget due in part to income received in advance from community contributions towards capital projects. This funding is ring-fenced to the specific projects.

Note 4 – Other Income

Other income is favourable to budget with much of the movement due to additional interest being received on money invested \$113k.

Note 5 – Materials and Service

Materials and services expenditure is favourable to YTD budget by \$2.45M. This is primarily due to lower than anticipated expenditure on storm recovery projects during the first three months of the year.

Additional disclosure has been provided in relation to legal fees as per the table below:

Legal Fees additional disclosure:

Legal Fees	Actuals 30-Sep-22 \$'000	Actuals 30-Sep-23 \$'000
General Advice	45,262	38,670
Freedom of Information	25,101	12,432
S173 Legal Fees	7,953	9,512
Legal Fees	78,316	60,614

Storm Impact

Council has been impacted by three significant storm events during the previous financial years. The result of these storms was significant damage to property and infrastructure across the areas.

The tables below outlines the total financial impact to Council to 30 June 2023 together with the impact of the three storm events for the period ending 30 September 2023.

Total Financial Impact of Storm Events on Council to 30 June 2023

	Storm Event Trentham June 2021	Storm Event Creswick January 2022	Storm Event October 2022	Total Costs
	\$'000's	\$'000's	\$'000's	\$'000's
Claims Received	4,323	7	4,879	9,209
Costs				
Employee Benefits	624	461	254	1,339
Contractors	5,035	1,786	5,237	12,058
Other	182	114	15	311
Total Expenditure	5,841	2,361	5,506	13,708
Cost to Council	(1,518)	(2,354)	(627)	(4,499)

Impact of Storm Events to 30 September 2023/24

Income YTD	Actual	Budget	Variance to Budget	Expenditure YTD	Actual	Budget	Variance to Budget
	\$'000	\$'000	\$'000		\$'000	\$'000	\$'000
				Employee Benefits	51	-	(51)
				Materials	-	-	-
June 2021 Storm	-	-	-	June 2021 Storm	51	-	(51)
				Employee Benefits	-	-	-
				Materials	4	-	(4)
January 2022 Storm	-	-	-	January 2022 Storm	4	-	(4)
				Employee Benefits	46	474	428
				Materials	326	6,026	5,700
October 2022 Storm	298	5,950	5,652	October 2022 Storm	372	6,500	6,128
Total	298	5,950	5,652	Total	427	6,500	6,073

The total costs for the three events is \$13.7M as at 30 June 2023, of which reimbursement for the January 2022 storm event is still outstanding as well as a percentage of the other storm events.

Statement of Capital Works for the three months ending 30 September 2023

Hepburn Shire Council Statement of Capital Works as at 30 September 2023

<i>Capital Works Category</i>	<i>Original Budget</i>	<i>Original inc C/F Budget</i>	<i>YTD Actual</i>	<i>% Spent YTD on C/F Budget</i>
Property				
Buildings	340,000	765,817	193,830	25%
Building Improvements	1,000,000	1,048,653	15,106	1%
Total Property	1,340,000	1,814,470	208,936	12%
Plant and Equipment				
Plant, machinery and equipment	600,000	600,000	153,865	26%
Computers and telecommunications	200,000	397,500	28,983	7%
Library books	60,000	60,000	0	0%
Total Plant & Equipment	860,000	1,057,500	182,848	17%
Infrastructure				
Roads	2,993,683	3,630,076	122,236	3%
Bridges	3,000,000	3,223,129	620	0%
Footpaths and cycleways	275,000	539,897	93,955	17%
Drainage	0	219,780	30,188	14%
Recreational, leisure and community facilities	1,817,500	3,006,798	860,026	29%
Parks, open space and streetscapes	8,484,438	11,720,453	1,416,300	12%
Other infrastructure	600,000	634,642	14,409	2%
Total Infrastructure	17,170,621	22,974,775	2,537,734	11%
Total Capital Works	19,370,621	25,846,745	2,929,518	11%
Represented by:				
New asset expenditure	8,699,438	11,152,458	1,401,042	13%
Asset renewal expenditure	8,618,683	10,512,025	453,409	4%
Asset upgrade/expansion expenditure	2,052,500	4,182,262	1,075,067	26%
Total Capital Works Expenditure	19,370,621	25,846,745	2,929,518	11%
% Spent YTD Original Budget				15%

Capital Works Expenditure

Capital works expenditure for the three months ended 30 September 2023 was \$2.93M or 15% of the \$19.37M original adopted budget. In addition to the original adopted budget, a carry forward of \$6.48M has been approved for the capital works program in 2023/24. Capital expenditure through the first quarter of 2023/24 has increased on previous four years as a percentage of the original budget and in actual spend as can be seen in the table below.

Year	Original Budget	YTD Actual at 30 September 2023	Percentage delivery in first quarter
2023/24	\$19,370,621	\$2,929,518	15.1%
2022/23	\$18,764,899	\$2,205,250	11.8%
2021/22	\$11,652,377	\$838,595	7.2%
2020/21	\$12,993,023	\$1,132,233	8.7%
2019/20	\$9,842,000	\$817,285	8.3%

In addition to the actual expenditure of \$2.93M Council has committed capital expenditure of \$7.46M as at 30 September 2023.

Increased spending has been driven by Council's investment in infrastructure projects, including Trentham Community Hub (\$718k), Creswick Trails (\$614k), Bullarto Station (\$174k), and Creswick Bowls Club (760k).

Despite positive results in quarter one, conditions in the building construction sector remain challenging. Council has major projects where tender submissions have not been received and projects where tender submissions that have been received have been significantly over budget and with long delivery timelines. High inflation has also placed additional pressure on project budgets.

Further details relating to individual capital and special project status can be found in the attachments.

2.2. Balance Sheet as at 30 September 2023

Commentary is provided for variances greater than \$100,000 and 10%.

Hepburn Shire Council Balance Sheet As at 30 September 2023

	Note	Current	Prior Year	Variance Year on		FY Original
		Year Actual	Actual	Year		Budget
		\$'000	\$'000	\$'000	%	2023/24 \$'000
Assets						
Current Assets						
Cash and cash equivalents	7	9,033	6,607	2,426	27%	2,687
Trade and other receivables		27,783	25,595	2,188	8%	3,939
Other financial assets	8	5,202	14,202	(9,000)	-173%	5,202
Inventories		6	17	(10)	-165%	17
Other assets		87	51	35	41%	117
Total Current Assets		42,111	46,471	(4,360)	-10%	11,961
Non-Current assets						
Property, infrastructure, plant and equipment		365,224	343,444	21,780	6%	365,642
Intangible assets		-	-	-	100%	-
Total Non-Current Assets		365,224	343,444	21,780	6%	365,642
TOTAL ASSETS		407,336	389,915	17,420	4%	377,603
Liabilities						
Current liabilities						
Trade and other payables	9	1,265	524	(740)	-59%	4,054
Trust funds and deposits	10	4,108	3,502	(605)	-15%	1,098
Provisions		2,828	2,647	(181)	-6%	2,423
Interest-bearing loans and borrowings	11	408	629	221	54%	964
Other Liabilities	12	167	7,773	7,606	4565%	18
Total Current Liabilities		8,775	15,076	6,300	72%	8,556
Non-Current Liabilities						
Provisions		524	497	(27)	-5%	815
Interest-bearing loans and borrowings	11	3,464	3,811	347	10%	7,861
Other Liabilities		42	60	18	42%	27
Total Non-Current Liabilities		4,030	4,368	338	8%	8,703
TOTAL LIABILITIES		12,805	19,444	6,639	52%	17,259
NET ASSETS		394,531	370,472	24,059	6%	360,344
Equity						
Accumulated surplus		169,015	171,788	(2,773)	-2%	159,317
Reserves	13	225,516	198,684	26,832	12%	201,027
TOTAL EQUITY		394,531	370,472	24,059	6%	360,344

Note 7 – Cash and cash equivalents

Cash and cash equivalents are higher than at the same time last year. This is primarily due to the majority of the financial assistance grants being received in advance for 2023/24. Section 3 of the report provides additional information in relation to the cash holding and position of Council.

Note 8 – Other financial assets

Other financial assets are lower than at the same time last year, this is due to investments maturing and resulting cash being utilized to fund council operations.

Note 9 – Trade and other payables

Trade payables are higher than the previous year due to a larger volume of accrued expenses outstanding that were processed at year end. All suppliers and commitments are being met on time (or earlier) by Council.

Note 10 – Trust funds and deposits

Trust funds and deposits are higher than the previous year due to an increased fire services levy balance (\$205k) together with increases in other retentions and deposits received being contractor retentions (293k) and deposits for subdivision works (\$122k).

Note 11 – Interest-bearing liabilities

Current and non-current interest-bearing loans have decreased in comparison to last year as a result of Council repaying a loan.

Note 12 – Other liabilities

Other liabilities are lower than prior year due to Income in advance (capital grants) being recognized during the year rather than at year end.

Note 13 – Reserves

Reserves are \$26.83M higher than at the same time last year. This movement is the result of a \$23.95M revaluation of assets last year, along with a transfer of \$2.88M from other reserves. The majority of reserve accounting occurs as part of the year-end processing.

2.3. Statement of Cash Flows as at 30 September 2023

Commentary is provided for variances greater than \$100,000 and 10%.

Hepburn Shire Council Statement of Cash Flows For the Period Ended 30 September 2023						
		Current Year Actual	Prior Year Actual	Variance Year on Year		FY Original Budget 2023/24
		Inflows/ (Outflows) \$'000	Inflows/ (Outflows) \$'000	\$'000	%	Inflows/ (Outflows) \$'000
Cash flows from operating activities						
Rates and charges		6,212	6,590	378	6%	25,941
Statutory fees and fines		184	192	8	4%	1,173
User fees	14	407	527	120	29%	1,177
Grants - operating		538	602	64	12%	9,956
Grants - capital	15	(263)	384	647	-246%	5,782
Contributions - monetary	16	276	168	(108)	-39%	570
Interest received	17	179	50	(128)	-72%	340
Rent received		279	369	91	33%	1,199
Trust funds and deposits taken	18	386	230	(156)	-40%	-
Other receipts	19	100	214	114	114%	247
Net GST refund/payment	20	302	453	152	50%	70
Employee costs	21	(3,871)	(4,319)	(448)	12%	(17,991)
Materials and services		(5,794)	(6,095)	(301)	5%	(21,022)
Other payments		(202)	(168)	34	-17%	(938)
Net cash provided by/(used in) operating activities		(1,267)	(802)	466	-37%	6,504
Cash flows from investing activities						
Payments for property, infrastructure, plant and equipment	22	(2,931)	(2,214)	717	-24%	(19,371)
Proceeds from sale of property, infrastructure, plant and equipment	23	4	147	143	3584%	200
Payments for investments	24	(1,000)	3,000	4,000	-400%	-
Net cash provided by/(used in) investing activities		(3,927)	933	5,359	-136%	(19,171)
Cash flows from financing activities						
Finance costs		(16)	(18)	(2)	11%	(211)
Repayment of borrowings		(31)	(86)	(55)	179%	4,933
Net cash provided by/(used in) financing activities		(46)	(103)	(57)	122%	4,722
Net increase (decrease) in cash and cash equivalents		(5,241)	28	5,269	-101%	(7,944)
Cash and cash equivalents at the beginning of the financial year		14,274	6,579	(7,695)	-54%	10,631
Cash and cash equivalents at the end of the period		9,033	6,607	(2,426)	-27%	2,687

Note 14 – User Fees

User fees are lower than the prior year due to the payment of larger historical balances in 2022/23 that were raised in 2021/22 financial year.

Note 15 – Grants Capital

Capital grants are lower than prior year as amounts were received in the prior year and have been recognised as income in the current year.

Note 16 – Contributions - monetary

There has been additional community contributions received for capital projects being completed.

Note 17 – Interest received

High cash balances during the first 3 months and an increase in interest rates has resulted in an increase in interest received on investments.

Note 18 – Trust funds and deposits taken

Trust funds and deposit receipts vary year-on-year, and items such as contractor retentions often vary in their timing throughout the year based on completion of capital works projects.

Note 19 – Other receipts

Decreased inflows from other receipts are due to insurance claim reimbursements received in the prior year.

Note 20 – Net GST refund/payment

The value of the GST refund or payment varies depending on the timing and nature of transactions during the previous quarter.

Note 21 – Employee Costs

Outflows from employee costs have decreased compared to the same point last year due to a reduction in the use of temporary staff.

Note 22 – Payments for property, infrastructure, plant and equipment

Payments for property, infrastructure, plant and equipment relate to payments made to suppliers and contractors in relation to capital works. Section 2.1 above and its associated attachment provides detailed commentary on capital works projects.

Note 23 – Proceeds from sale of property, infrastructure, plant and equipment

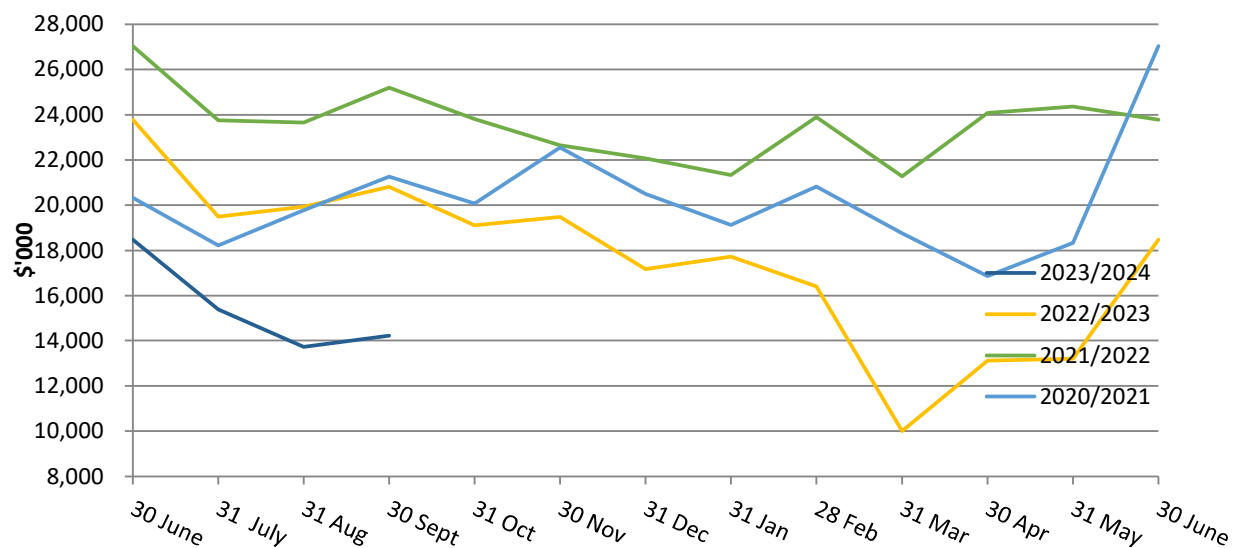
Proceeds from the sale of property, infrastructure, plant and equipment relate to the sales of land, plant and fleet. This has decreased in comparison to last year by \$143k due to additional investment in new plant and fleet vehicles that was delayed from prior years given worldwide plant shortages.

Note 24 – Payments for investments

Council has redeemed \$1.00M of cash to short-term investment, during this current financial year. During the same period last year, Council had redeemed \$3.00M of short-term investment back to cash.

3. Cash Holdings

The following graph shows the monthly balances of cash and investments combined over time. Cash and term deposits held at 30 September 2023 were \$14.2m. Cash holdings in the 2021/2022 financial year were above normal levels due to COVID and challenges completing projects, cash holdings have decreased primarily due to increased capital project expenditure and additional costs from increased inflation.



The table below shows the balances of cash and investments as at 30 September 2023.

Cash and investments	Amount \$'000	%
Cash and cash equivalents		
Cash on hand	3	0.0%
Cash at Bank	4,983	35.0%
At call funds	4,004	28.1%
Community Asset Committee Cash at Bank ¹	43	0.3%
Total Cash and cash equivalents	9,033	63.5%
Other financial assets		
Investments	5,069	35.6%
Community Asset Committee Term Deposits ¹	133	0.9%
Total Other financial assets	5,202	36.5%
Total Cash and investments	14,235	100.0%

1. Council incorporates investments held on behalf of Community Asset Committees into our financial position.

3.1. Restrictions on Cash and Investments

Council's working capital (current assets / current liabilities) and unrestricted cash to current liabilities are measures of Council's liquidity. Restrictions on cash and investments does not account for cash liabilities.

The table below should be considered in the context of Council's 2022/2023 financial results and financial plan contained within the 2023/2024 Budget.

The unrestricted cash will be continually monitored and is expected to improve towards the end of the financial year.

	Actuals 30-Sep-22 \$'000	Actuals 30-Jun-23 \$'000	Actuals 30-Sep-23 \$'000
Cash and Investments			
Cash and cash equivalents	6,607	14,274	9,033
Other financial assets	14,202	4,202	5,202
Total Cash and Investments	20,809	18,476	14,235
Restrictions on Cash and Investments¹			
Trust Funds and Deposits	3,502	1,496	1,192
Statutory Reserves	2,007	1,842	1,842
Other Restrictions ²	14,142	11,715	8,593
Total Restricted Cash and Investments	19,651	15,053	11,627
Total Unrestricted Cash and Investments	1,158	3,423	2,608

1. A statutory requirement for Council to hold in trust. This includes bond payments, development contributions toward Public Open Space and grant income received in advance for future year projects.

2. Other restrictions.

Other Restrictions	\$'000	\$'000	\$'000
Cash held to fund carry forward projects	6,139	5,040	3,263
Grants and other income received in advance	6,524	2,151	806
Discretionary Reserves	1,479	4,524	4,524
Total other restricted amounts	14,142	11,715	8,593

3.2. Unrestricted cash (VAGO ratio)

Measure:

unrestricted cash / current liabilities

2023/24 Budget Calculation:

$\$962\text{K} / \$8,556\text{K} = 11.2\%$

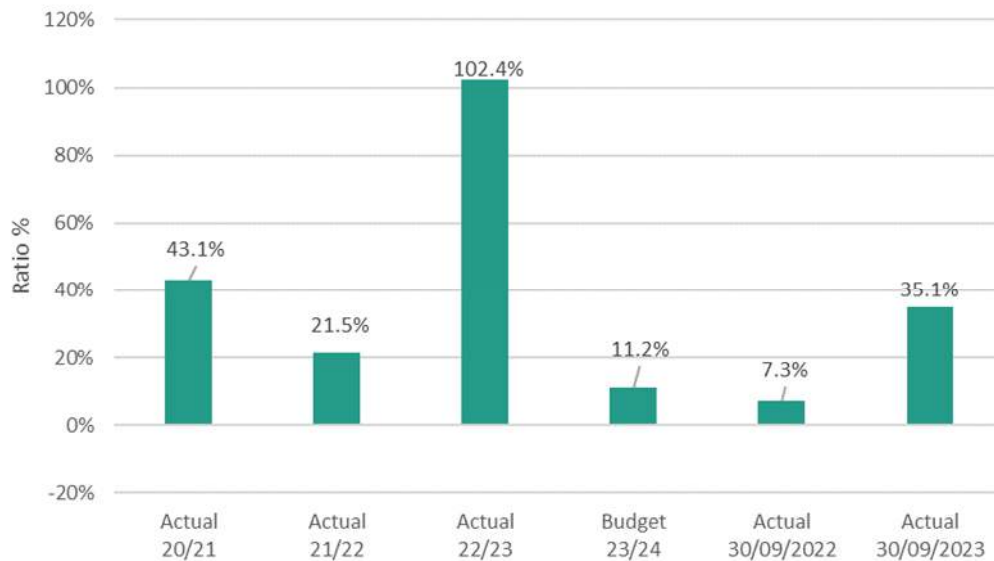
30 September 2023 Actual Calculation:

$\$3,083\text{K} / \$8,775\text{K} = 35.1\%$

Purpose of ratio:

To assess if Council has enough cash, that is not tied to a reserve or trust account, to meet its obligations for the financial year.

The current forecasted KPI of 35.1% sits below the target of between 50-100%. This was a consideration in the setting of the 2023/24 budget and will also be a factor in the Long-Term Financial Plan (Financial Plan).



4. Financial Reserves

The below table shows reserve balances expected as at 30 June 2024.

Reserve Balances	Actual 30 June	Forecast 30 June
	2023 \$'000	2024 \$'000
Statutory Reserves		
Open Space Recreation Reserve *	1,842	2,111
Discretionary Reserves		
Mineral Springs Financial Reserve	1,485	961
Clunes Caravan Park	7	7
Heritage Advisory Fund Reserve	20	20
Mt Beckworth Pit Reserve	28	28
Smeaton Hill Pit Reserve	74	74
Waste Management Reserve	801	583
Staff Accommodation & Community Facilities	2,109	2,045
Total Discretionary Reserves	4,524	3,718
Total Reserves	6,366	5,829

Public Open Space Reserve

The Public Open Space Reserve is used to hold developer contributions towards public open space infrastructure arising from property developers undertaking property subdivisions. These funds are then used to expand and upgrade Council's public open space facilities. Use of the funds in the Public Open Space Reserve are restricted by legislation.

Clunes Caravan Park Reserve

The Clunes Caravan Park Reserve contains funds reserved for future capital works projects at the Clunes Caravan Park. The use of funds in this reserve is not restricted by legislation and is at the discretion of Council.

Heritage Advisory Reserve

The purpose of this reserve is to provide low interest loans for heritage renovations. The use of funds in this reserve is not restricted by legislation and is at the discretion of Council.

Mineral Springs Financial Reserve

The purpose of this reserve is to fund future works associated with mineral springs across the municipality and the refurbishment of the spa complex. The annual operating surplus of the Hepburn Mineral Springs Reserve is transferred to this reserve each year. Reserve funds are then used for capital projects at the Hepburn Mineral Springs Reserve. The use of funds in this reserve is not restricted by legislation and is at the discretion of Council.

Smeaton Hill Pit Reserve

The Smeaton Hill Pit Reserve contains funds reserved for future gravel pit restoration works at the Smeaton Hill gravel pit. The use of funds in this reserve is not restricted by legislation and is at the discretion of Council.

Mt Beckworth Pit Reserve

The Mt Beckworth Pit Reserve contains funds reserved for future gravel pit restoration works at the Mt Beckworth gravel pit. The use of funds in this reserve is not restricted by legislation and is at the discretion of Council.

Waste Management Reserve

The annual operating surplus of Council's waste management function is transferred to the Waste Management Reserve each year. Reserve funds are then used for waste management capital projects. Council is continuing with the Waste Strategy during 2023/2024 which will inform future waste management capital projects required by the shire. The use of funds in this reserve is not restricted by legislation and is at the discretion of Council.

Staff Accommodation and Community Facilities Reserve

This reserve is the surplus from the sale of The Rex and the repayment of the loan drawn down to purchase The Rex. This reserve is to be allocated to projects associated with accommodation for Hepburn Shire Staff and Community Facilities within the Birch Ward.

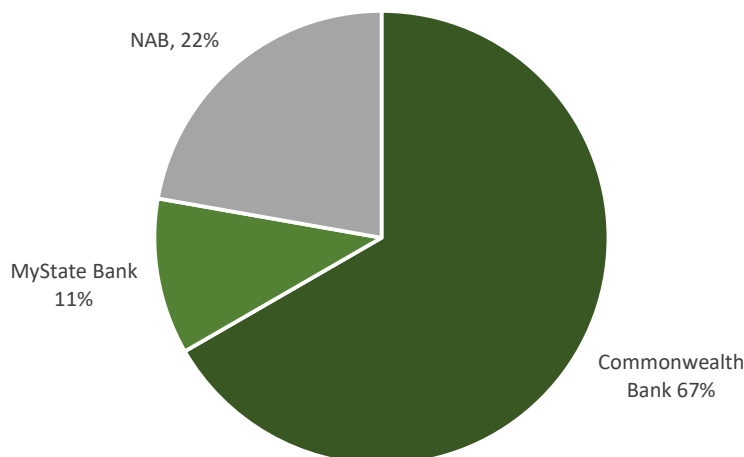
5. Investment Mix

Council invests funds held in Trust and Reserves in short to medium term investments such as term deposits. All investments are made in accordance with the *Local Government Act 2020* and are made with APRA (Australian Prudential Regulation Authority) approved financial institutions.

The table below shows a comparable interest rate per investment for the majority. Interest rates have historically been lower, however due to the higher rates being available these have been captured and utilised for the maximum allowable investments with financial institutions as per Council’s policy. It is expected that Council will continue to invest at higher interest rates as we move through the new calendar year.

As at 30 September 2023 investments consisted of the following term deposits and are compliant based on the short-term investments:

Institution	Maturity Date	Interest Rate	Term (months)	Amount \$'000
Commonwealth Bank	05-Dec-23	5.10%	4	1,000
Commonwealth Bank	08-Jan-24	5.14%	5	1,000
Commonwealth Bank	23-Feb-24	5.31%	6	1,000
Commonwealth Bank	26-Feb-24	5.26%	6	1,000
Commonwealth Bank	26-Feb-24	5.30%	6	1,000
Commonwealth Bank	29-Feb-24	5.25%	6	1,000
NAB	29-Dec-23	5.40%	6	2,000
MyState Bank	20-Oct-23	0.80%	24	1,000
Total Investments				9,000



6. Financial Performance Indicators

6.1. Adjusted underlying result

Measure:

adjusted underlying surplus (deficit) / adjusted underlying revenue

2023/24 Budget Calculation:

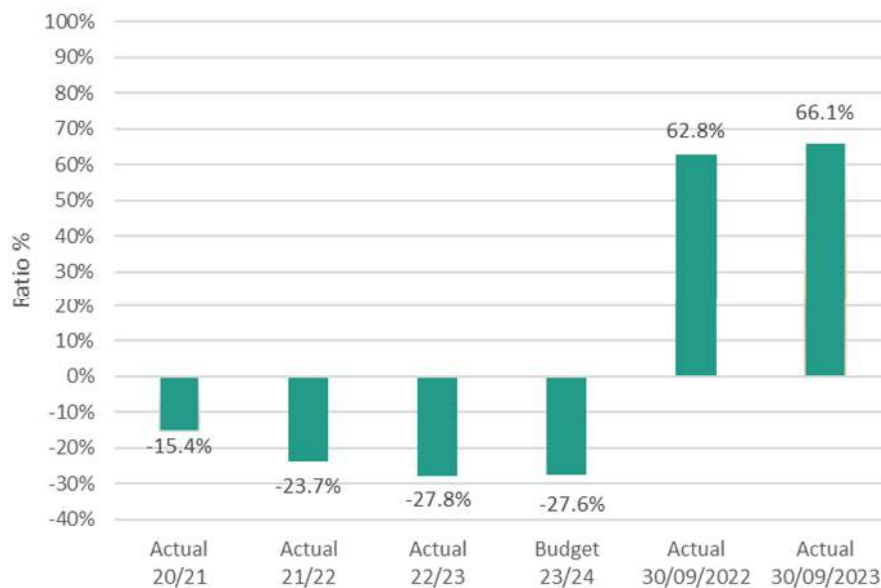
$$\$-10,463K / \$37,892K = -27.6\%$$

30 September 2023 Actual Calculation:

$$\$19,452K / \$29,442K = 66.1\%$$

Purpose of ratio:

This ratio measures Council’s ability to meet operating expenditure with operating revenue. The current budget of -27.6% sits below the State Government target of between 0-10%.



Actual calculation is within the State Government target, this is due to recognition of rates revenue in the first quarter of the 2023/24 financial year. As expenditure increases throughout the year this percentage is expected to decrease.

6.2. Obligations

Borrowing Ratio

Measure:

interest bearing loans and borrowings / rate revenue

2023/2024 Budget Calculation:

$\$8,825K / \$26,159K = 33.7\%$

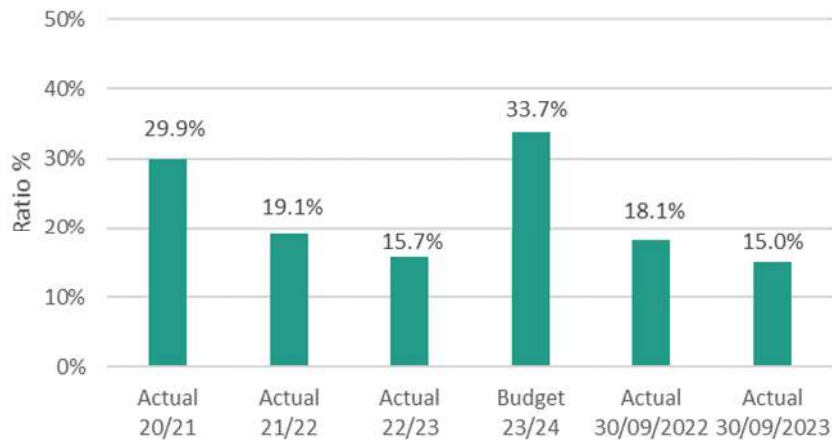
30 September 2023 Actual Calculation:

$\$3,872K / \$25,781K = 15.0\%$

Purpose of ratio:

To assess the utilisation of debt to fund Council’s intergenerational works projects, relative to rates and charges revenue.

The budget ratio of 33.7% and the actual ratio as at 30 September 2023 of 15.0% sits well within State Government target of between 0-60%.



Debt Commitment

Measure:

interest and principal repayments on interest bearing loans and borrowings / rate revenue

2023/2024 Budget Calculation:

$\$1,165\text{K} / \$26,159\text{K} = 4.5\%$

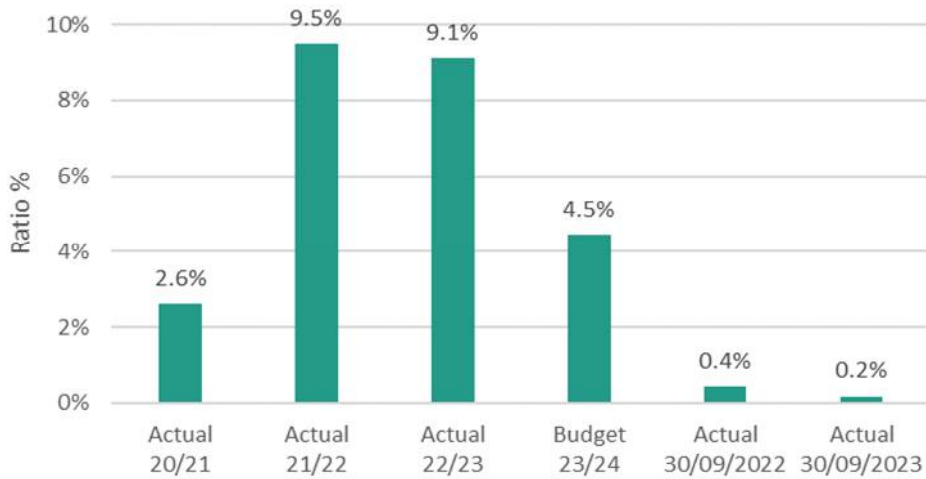
30 September 2023 Actual Calculation:

$\$47\text{K} / \$25,781\text{K} = 0.2\%$

Purpose of ratio:

To assess how reliant Council is on rates and charges revenue to meet interest and principal loan repayments.

The budget ratio of 4.5% and the actual ratio as at 30 September 2023 of 0.2% sits within the State Government target of between 0-5%.



Indebtedness

Measure:

non-current liabilities / own source revenue

2023/2024 Budget Calculation:

$\$8,703\text{K} / \$29,876\text{K} = 29.1\%$

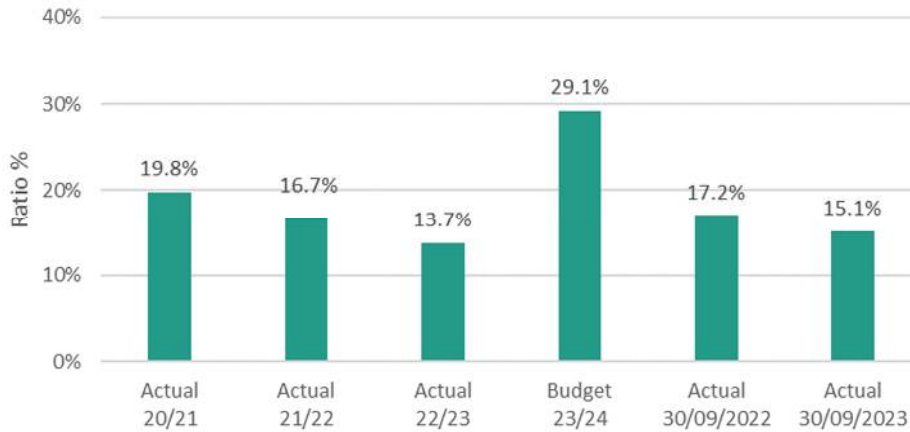
30 September 2023 Actual Calculation:

$\$4,030\text{K} / \$26,691\text{K} = 15.1\%$

Purpose of ratio:

To assess Council's ability to cover its medium to long-term liabilities with revenue not sourced by grants, monetary contributions, or non-monetary contributions.

This measure is relatively static over time and remains in the lower half of the State Government target of between 0-40%.



6.3. Rates and charges

Rates concentration

Measure:

rates and charges / adjusted underlying revenue

2023/2024 Budget Calculation:

$\$26,159K / \$37,892K = 69.0\%$

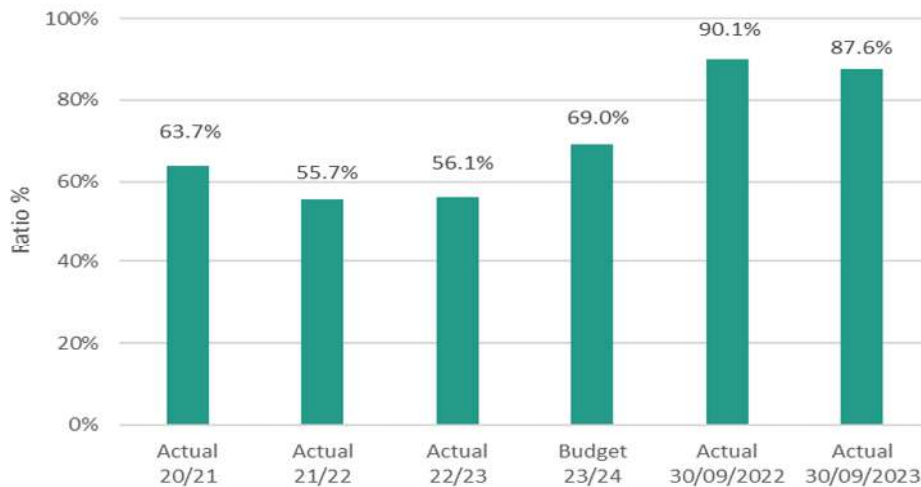
30 September 2023 Actual Calculation:

$\$25,781K / \$29,442K = 87.6\%$

Purpose of ratio:

This ratio measures Council’s reliance on rates and charges to fund operating services.

Sitting within the KPI range (30-80%) means that Council is less reliant on operating grants and user fees to fund operating expenditure. This measure is generally higher early in the financial year as rates revenue has already been recognised, as other user fees and charges are received during the year the actual result is expected to decrease and be within the State Government target by year end, which is consistent with prior years.



7. Rates and Other Debtors

As at 30 September 2023, Council's debtors are summarised below:

Debtor	September 2022 \$'000	September 2023 \$'000	Current \$'000	> 30 Days \$'000
Rates (including FSL debtors) ¹	23,288	25,456	21,661	3,794
Sundry	1,356	623	173	450
Other Debtors	462	810		
-GST	285	222		
-Pension Concession	310	406		
Less: provision for doubtful debts	(110)	(16)		
TOTAL	25,591	27,501	21,834	4,244

1. Any payments made on rates and charges are applied to prior year outstanding balances first. Rates are classified as overdue when payment is not received by instalment date.

Overdue rates debtors were \$3.79M (including Fire Services Levy collected on behalf of the State Government) at 30 September 2023. At the same time last year overdue rates were \$3.09M, and the increase of \$703K in overdue rates debtors is an increase of 23%. This is due to a combination of the annual rate cap rate rise, the impacts of increased inflationary pressures and offering a support package of payment extensions on instalments.

An engagement campaign has commenced this year to improve the collection rates for overdue rates with 980 records totalling \$2.9M being transferred to a third-party agency. From commencement of this campaign, early returns are showing arrears of \$438k having been receipted being the equivalent of 15% collected on the overdue amounts.

Outstanding sundry debtors of \$623k comprise the following:

Debtor Details	September 2022 \$'000	September 2023 \$'000
Government Grants	1,018	67
Leases	275	100
Planning	14	5
Environmental Health	(3)	-
HACC	3	-
Building	3	4
Fire Hazards	3	14
Local Laws	-	205
Other	43	228
Total	1,356	623

8. Councillor Expenses

Councillor Expenses for the three months ended 30 September 2023.

Councillor	Councillor Allowance	Mobile and Data	Conferences and Training	Travel and Accom	Mayoral Car Allowance	Childcare	Total
Cr Bray	5,321	252	-	-	-	-	5,573
Cr Drylie	5,321	252	-	-	-	-	5,573
Cr Halliday	5,321	252	-	3,285	-	715	9,573
Cr Henderson	5,910	252	-	-	-	-	6,162
Cr Hewitt	5,557	252	1,100	-	-	-	6,909
Cr Hood	18,314	252	1,100	-	2,992	-	22,658
Cr Simpson	5,321	252	-	-	-	-	5,573
Total	51,066	1,764	2,200	3,285	2,992	715	62,021

Councillor Allowances and Expenditure

The Victorian Government sets upper and lower limits for all allowances paid to Councillors and Mayors. Hepburn Shire Council is classified as a category one Council and allowances are paid in accordance with section 39 of the *Local Government Act 2020*. These allowances increased on 1 July 2023 with a further increase expected 18 December 2023.

Mobile and Data

The provision of telecommunications services, including phones and laptop/tablet, are paid for by Council.

Travel and Accommodation

This category covers expenses associated with attendance by Councillors at approved short-term training, conferences and/or functions. The travel costs associated with the Mayor are associated with the provision of a council vehicle.

Hepburn Shire Council
Capital Projects Portfolio as at 30 September 2023

ATTACHMENT 12.3.2

Project Number	Project Name	Current Approved Budget FY24	Actual Expenses FY24 YTD	FY24 Full Year Forecast	FY24 Current Budget	YTD Actual Income	FY24 Full Year Forecast Income	Project Status	Current Expected Completion Date	Project Sponsor	Progress Comments
PEOPLE AND TRANSFORMATION											
000423	Library Collection and Technology Renewal Program	60,000	-	60,000	-	-	-	In Progress and On Track	30 June 2024	B Holmes	Charges for quarter 1 book stock not yet received from Ballarat Library Service. Currently forecasting full year expenditure to be in line with preliminary estimate previously supplied.
Total Customer Experience & Libraries		60,000	-	60,000	-	-	-				
000557	IT Hardware / Technology Renewal Program	375,000	28,983	375,000	-	-	-	In Progress and On Track	30 June 2024	C Whyte	Project continuing with purchases due shortly for electronic signage and computer room move from Town Hall to Depot. This will include one time charges for network lines; NBN, Telstra and Starlink.
001077	Server Equipment Replacement	22,500	-	22,500	-	-	-	In Progress and Delayed	31 October 2024	C Whyte	Work completed apart from rack renewal which is final item and pending Customer Experience team approval, now expected in October 2023.
Total Information Technology		397,500	28,983	397,500	-	-	-				
TOTAL PEOPLE AND TRANSFORMATION PROJECTS		457,500	28,983	457,500	-	-	-				
COMMUNITY AND CORPORATE											
Buildings											
001072	Bullarto Station Project	363,466	173,532	343,466	27,451	27,450	91,086	In Progress and On Track	1 December 2023	K Sinclair	Veranda framing complete. Internal fit out continues. External painting to commence next week. Ongoing discussions around scope modifications
Building Improvements											
001185	Hepburn Kindergarten Refurbishment	-	-	404,000	-	61,599	404,000	In Progress and On Track	30 June 2024	K Sinclair	Balance of grant \$404k as per Funding Agreement expected to be received this year, expenditure planned accordingly. Finalising scope deliverables to be within budget and agreement timeframe, scoping expected to be completed in November 2023.
Other Infrastructure											
000504	Public Art Appropriation	23,916	-	23,916	-	-	-	In Progress and Delayed	1 March 2024	K Sinclair	Installation delayed pending completion of Trentham Hub building.
Parks, Open Space and Streetscapes											
Recreational, Leisure and Community Facilities											
000913	Clunes Recreation Reserve Masterplan	-	800	8,881	-	-	-	In Progress and Delayed	30 June 2024	K Sinclair	Community engagement on the draft Queens and Pioneer Park Masterplans and Expression of Interest process occurred to establish a Clunes Community Project Advisory Group. Project is expected to be completed by 30 June 2024.
001081	Pool Building Renewal Works Program	508,199	9,425	508,199	-	-	-	In Progress and On Track	30 June 2024	K Sinclair	Works on the Granular Chloride Conversion Project to commence early October 2023. Leak Remediation Works Tender Awarded and Contract being executed with works commencing in October 2023.
001088	Glenlyon Pavilion Redevelopment Project	198,100	3,650	198,100	150,000	-	150,000	In Progress and Delayed	30 June 2023	K Sinclair	Following the Executive Teams Briefing in September on the Draft GRR Master Plan, the planning and design works on new pavilion development will commence prior to Masterplan being adopted. Procurement of Design Services has commenced.
001137	Creswick Bowls Club - Green Redevelopment	1,147,375	760,545	1,147,375	429,550	-	429,550	In Progress and On Track	30 January 2024	K Sinclair	Project is on schedule for anticipated practical completion in late 2023. Formal announcement of Federal Government funding and execution of a funding agreement is pending.
001159	Aquatics Strategy Implementation	56,020	200	56,020	-	-	-	In Progress and Delayed	30 April 2024	K Sinclair	Work continued on the development of a draft Indoor Aquatics Provision Final Options and Feasibility Discussion Report and is progressing through the reporting cycle for consideration by Council anticipated by early 2024.
001192	Newlyn Sports Ground Lighting Upgrade	305,500	960	305,500	245,500	30,000	245,500	In Progress and On Track	31 May 2024	K Sinclair	Contract awarded. Expect construction works to commence in October and anticipated to be completed by March 2024. Project is on track to be delivered within the available budget allocation by May 2024.
001195	Smeaton Bowling Club - Bowling Green Upgrade	-	34,000	132,250	-	34,000	132,250	In Progress and On Track	30 June 2024	K Sinclair	Planned costs anticipated to be fully funded by club contribution. Construction Works to commence in March 2024.

Hepburn Shire Council
Capital Projects Portfolio as at 30 September 2023

ATTACHMENT 12.3.2

Project Number	Project Name	Current Approved Budget FY24	Actual Expenses FY24 YTD	FY24 Full Year Forecast	FY24 Current Budget	YTD Actual Income	FY24 Full Year Forecast Income	Project Status	Current Expected Completion Date	Project Sponsor	Progress Comments
001207	Tennis Courts Risk Mitigation Works - Trentham and Drummond	140,000	-	140,000	-	-	-	In Progress and On Track	30 June 2024	K Sinclair	Project scope and RFQ documentation is being finalised. Project is on track to be delivered within available budget by 30 June 2024.
001208	Clunes Master Plan Project Implementation	100,000	486	100,000	-	-	-	In Progress and On Track	30 June 2024	K Sinclair	Community engagement on the draft Queens and Pioneer Park Masterplans and Expression of Interest process occurred to establish a Clunes Community Project Advisory Group. Project is on track to be delivered with available budget allocation by 30 June 2024.
Total Recreation, Community and Economic Development		2,842,576	986,047	3,367,707	852,501	153,049	1,452,386				
TOTAL COMMUNITY AND CORPORATE PROJECTS		2,842,576	986,047	3,367,707	852,501	153,049	1,452,386				
INFRASTRUCTURE AND OPERATIONS											
000497	Trentham Community Hub Design & Construct	4,316,027	718,464	4,316,027	471,987	277,819	471,987	In Progress and On Track	31 March 2024	B Lucas	Steady site progress continues. Wall and roof cladding underway. Currently assessing remaining project costs against budget.
001190	Creswick Trails - Construction	5,902,500	613,988	5,902,500	600,000	-	600,000	In Progress and On Track	30 December 2024	B Lucas	Multi-year program with several projects under the single heading. Spending is tracking within allowed budget and project is on track for an on time delivery.
Total Director Infrastructure and Delivery		10,218,527	1,332,452	10,218,527	1,071,987	277,819	1,071,987				
LRCI Funding											
001020	LRCI Phase 1-3	-	-	-	-	96,883	96,883	In Progress and Delayed	30 June 2024	B Grounds	Final instalment (\$96,883) for Phase 1 funding received in September 2023.
001200	LRCI Phase 4	-	-	-	1,190,000	-	1,190,000	Not yet Started and Delayed	30 June 2024	B Grounds	Continued Manager discussions as part of the long-term resource planning. Any projects that are nominated are yet to be approved by the Dept. All project funds need to be expended by June 2025.
Total Manager Projects		-	-	-	1,190,000	96,883	1,286,883				
Buildings											
000975	Creswick Mechanics Institute Building upgrades	37,351	1,847	37,351	-	-	-	In Progress and On Track	30 June 2025	S Ludeke	Monitoring has commenced. Funds required for remaining commitments and PM costs.
001082	Creswick Town Hall	25,000	5,304	25,000	73,825	-	73,825	In Progress and On Track	31 October 2023	B Lucas	Exploring pricing to automate flag raising system upon request.
001197	FY24 Forward Design for Building renewal works	40,000	562	40,000	-	-	-	In Progress and On Track	30 June 2024	S Ludeke	Forward design budget is to provide funds for fast response building renewal projects.
001198	Building and Structures Renewal Program (2023-24)	300,000	10,798	300,000	-	-	-	In Progress and On Track	30 June 2024	S Ludeke	Works for 2023-24 have been programmed. Projecting works to be completed within financial year despite some delay in procurement and commencement on site.
Building Improvements											
001158	Hammon Park Pavilion Repairs	48,653	2,964	48,653	-	-	-	In Progress and Delayed	30 June 2024	S Ludeke	Scoping of project in progress and nearing completion. Spending projected for early next calendar year.
001183	Daylesford Town Hall Renewal - Stage 1	1,000,000	10,128	1,000,000	-	-	-	In Progress and On Track	1 November 2025	S Ludeke	Tender for conservation architect to be released before end of 2023. Design package expected first quarter 2024 with construction tender and award slated mid 2024. Works to start in Spring 2024.
Heritage Buildings											
001162	Wombat Hill Pioneer Tower Strengthening	100,000	-	100,000	-	-	-	In Progress and On Track	28 February 2024	S Ludeke	RFQ to be released for summer works program.

Hepburn Shire Council
Capital Projects Portfolio as at 30 September 2023

ATTACHMENT 12.3.2

Project Number	Project Name	Current Approved Budget FY24	Actual Expenses FY24 YTD	FY24 Full Year Forecast	FY24 Current Budget	YTD Actual Income	FY24 Full Year Forecast Income	Project Status	Current Expected Completion Date	Project Sponsor	Progress Comments
001182	Hepburn Bath House Drainage Upgrade	500,000	981	500,000	-	-	-	In Progress and Delayed	1 April 2024	S Ludeke	Design tender delayed until November 2023, due to availability of key stakeholders.
Other Infrastructure											
001214	Transfer Station Upgrades 2023 (DEECA Funded)	-	-	249,080	-	-	249,080	In Progress and On Track	31 January 2024	S Ludeke	Signed funding agreement in place with funds pending receipt. RFQ has been released with works expected to begin in November 2023. Project on track and within budget.
Plant and Machinery											
000131	Vehicle and Plant Replacement	-	149,125	386,691	-	4,000	4,000	In Progress and Delayed	31 December 2023	S Ludeke	2022-23 Fleet replacement program previously delayed due to global demand and supply chain issues. Expenditure on remainder of items to be offset by reduction in 2023-24 replacement program.
001196	Fleet and Plant Renewal Program FY24	600,000	-	213,309	200,000	-	196,000	In Progress and On Track	30 June 2024	S Ludeke	One cleaning vehicle estimated delivery November. Plant evaluation underway with orders to be placed once completed. Planned savings in 2023-24 program to offset remaining investment on 2022-23 orders.
Recreational, Leisure and Community Facilities											
001084	Lee Medlyn Bottle Museum	530,050	5,650	530,050	-	-	-	In Progress and Delayed	1 May 2024	S Ludeke	Movement monitoring has been installed and will be in place for 12 months. Tender delayed until October due to competing priorities.
Total Waste, Facilities and Sustainability		3,181,054	207,230	3,430,135	273,825	4,000	522,905				
Bridges											
000753	Bridge Renewal - Wheelers Bridge	3,223,129	620	3,223,129	2,560,000	-	2,560,000	In Progress and On Track	1 March 2025	T May	Detailed structural design tender being finalised with an anticipated construction tender to be released in early 2024. Construction anticipated to commence in mid-2024.
Drainage											
000410	Kerb & Channel Renewal - High Street Trentham	180,000	-	180,000	-	-	-	In Progress and On Track	31 October 2023	T May	Works on site were completed in September 2023. Financial processing to occur in October to finalise the project.
001131	Drainage Upgrade and Renewal Program	39,780	30,188	43,071	-	-	-	In Progress and Delayed	30 November 2023	T May	This program has two minor programs carried forward from last financial year. Melbourne Road, Creswick drainage works are now complete. South St, Clunes kerb works are anticipated to be complete by October 2023.
Footpaths and Cycleways											
000112	Footpath Renewal Program	196,056	30,418	196,056	-	-	-	In Progress and On Track	30 June 2024	T May	The Clunes and Creswick package has been awarded and is due to commencing in late October 2023. The Trentham package is currently under construction with the design of Daylesford/Hepburn package to be finalised in the coming weeks.
001096	Clunes Pedestrian Crossing Point	44,552	-	44,552	-	-	-	In Progress and Delayed	30 June 2024	T May	Design and scoping works are currently underway between officers and local ward Councillor.
001132	Footpath Expansion Program	299,289	63,537	299,289	62,619	-	62,619	In Progress and On Track	30 June 2024	T May	The Clunes and Creswick package has been awarded and is due to commencing in late October 2023. The Trentham package is currently under construction with the design of Daylesford/Hepburn package to be finalised in the coming weeks.
Other Infrastructure											
001116	Central Springs Bore Investigation	10,726	-	10,726	10,726	10,726	10,726	In Progress and On Track	design and new bore complete by Oct 2023	T May	The bore investigative work has been completed with the new bore drilling expected to commence in October 2023.
Parks, Open Space and Streetscapes											
001073	Wombat Hill Botanic Gardens	830,019	9,869	830,019	368,493	238,493	238,493	In Progress and Delayed	30 June 2024	T May	Project has been re-designed and will be submitted to Heritage Victoria for approval this month. Tendering is expected to begin in December 2023, with construction anticipated to commence in early March 2024.
001144	Dog Parks Master Planning	22,126	2,890	22,126	-	-	-	In Progress and On Track	30 June 2024	S Ludeke	Currently in the Planning Stage.

Hepburn Shire Council
Capital Projects Portfolio as at 30 September 2023

ATTACHMENT 12.3.2

Project Number	Project Name	Current Approved Budget FY24	Actual Expenses FY24 YTD	FY24 Full Year Forecast	FY24 Current Budget	YTD Actual Income	FY24 Full Year Forecast Income	Project Status	Current Expected Completion Date	Project Sponsor	Progress Comments
001171	Central Springs Reserves Renewal	627,200	71,089	627,200	350,000	-	350,000	In Progress and On Track	design and new bore complete by Oct 2023	T May	All licenses received to construct new bore. Prep works taking place to allow for heavy vehicle access to commence drilling. The expression of interest for the broad reserve works is now complete. Procurement in progress anticipating awarding contract before end of year.
001184	Smiths Creek Pedestrian Bridge Renewal	22,581	-	22,581	22,581	-	22,581	In Progress and Delayed	31 October 2023	T May	Project works onsite complete in August 2023. Outstanding invoices to be processed in October 2023 to finalise the project.
Recreational, Leisure and Community Facilities											
001085	Chatfield Reserve Lake Daylesford Landscape Works	21,554	43,960	59,900	-	-	-	In Progress and On Track	30 November 2023	T May	Following completion of the main contract, some additional works are required to finalise to Council's standard.
Roads											
000100	Road Reseals Program	860,169	32,800	860,169	-	-	-	In Progress and On Track	31 March 2024	T May	Road reseal works are scheduled to commence in early 2024 and completed by March 2024.
000102	Road Reseal Preparation	200,000	2,041	200,000	-	-	-	In Progress and On Track	31 December 2023	T May	Reseal preparation works were awarded as part of the patching contract approved at the July Council meeting. Works have commenced in and around Clunes.
000103	Gravel Road Resheet Program	500,000	87,393	500,000	-	-	-	In Progress and On Track	31 December 2023	T May	Drainage and tree works are currently underway on various roads. Pavement works are scheduled to commence in October 2023 and finalised by December 2023.
001139	Road Rehab - Ullina-Kooroocheang Rd	110,386	-	110,386	465,062	-	465,062	In Progress and On Track	29 February 2024	T May	Majority of construction works undertaken last financial year with final seal component held off until weather conditions allow.
001178	Sealed Road Patching and Improvements - 2023	415,838	-	415,838	-	-	-	In Progress and On Track	31 December 2023	T May	Works have commenced in and around Clunes, slowly working across the Shire as designated areas sufficiently dry out.
001201	Road Rehabilitation - 2023-24 Design work to enable costing and delivery of forward projects.	120,000	-	120,000	-	-	-	In Progress and On Track	30 June 2024	T May	Design works currently underway for Smeaton Road, Campbelltown and Cambridge St, Creswick Kerb and Channel. Future design work is considered as it required.
001202	Road Rehab - Chanters Lane and Pearson Road	739,143	-	739,143	646,290	-	646,290	In Progress and On Track	31 March 2024	T May	This is a joint funded project with Macedon Ranges and they are delivering the project. Project currently being designed and is anticipated to commence construction in February 2024.
001203	Road Rehab - Smeaton Road Campbelltown	320,540	-	320,540	320,540	-	320,540	In Progress and On Track	31 March 2024	T May	Project is currently being designed and will be tendered in October 2023. Construction work are anticipated to commence in early 2024.
001204	Road Rehab - Road Safety Upgrade	100,000	-	100,000	-	-	-	In Progress and On Track	30 June 2024	T May	Project includes a speed hump, lighting and possible truck restrictions on Central Springs Road at the Fraser Street intersection. Public consultation plan is being developed.
001205	Kerb and Channel Renewal - Cambridge St Creswick	264,000	-	264,000	-	-	-	In Progress and On Track	30 June 2024	T May	Design options are currently being finalised to enable public consultation. A planning permit application (due to heritage conditions) will follow. Construction works are anticipated to begin post March 2024.
Total Operations		9,147,088	374,805	9,188,725	4,806,311	249,219	4,676,311				
TOTAL INFRASTRUCTURE AND DELIVERY		22,546,669	1,914,487	22,837,386	7,342,123	627,921	7,558,086				
TOTAL ANNUAL CAPITAL WORKS PORTOLIO		25,846,745	2,929,518	26,662,593	8,194,624	780,970	9,010,473				
Represented by:											
	New asset expenditure	11,152,458	1,401,042	10,765,767	2,535,332	385,428	2,628,215				
	Asset renewal expenditure	10,512,025	453,409	11,344,352	4,238,298	65,599	4,646,298				
	Asset upgrade/expansion expenditure	4,182,262	1,075,067	4,552,474	1,420,994	329,944	1,735,960				
	Total capital works expenditure	25,846,745	2,929,518	26,662,593	8,194,624	780,970	9,010,473				

Hepburn Shire Council
Operating Projects Portfolio Report as at 30 September 2023

ATTACHMENT 12.3.3

Project Number	Project Name	FY24 Current Budget	FY24 Actual Expenses	FY24 Full Year Forecast	FY24 Current Budget	FY24 Actual Income	FY24 Full Year Forecast	Project Status	Current Expected Completion Date	Project Sponsor	Progress Comments
2023/24 Expenditure				2023/24 Income							
Special Operating Projects											
PEOPLE AND TRANSFORMATION											
001167	Hepburn Pulse Software	-	-	25,800	-	-	-	In Progress and On Track	31 March 2024	B Holmes	The final module Risk Management will commence implementation in December 2023 and completed by March 2024 at a cost of \$25,800 which is to be offset by savings in PJ001150.
Total Executive Manager People & Transformation		-	-	25,800	-	-	-				
001186	Digital Literacy for Seniors Program 2022-23	7,923	-	7,923	7,923	7,923	7,923	In Progress and On Track	31 December 2023	B Holmes	This project will conclude in December as per funding agreement. Funds will be exhausted in full by this time as per original agreement.
001188	Council Rapid Antigen Test Program	-	-	90,000	-	90,000	90,000	In Progress and On Track	31 March 2024	B Holmes	Spend of these funds is currently active and will be informed in mid year forecast/budget report. Funds will be exhausted with no overspend.
Total Customer Experience & Libraries		7,923	-	97,923	7,923	97,923	97,923				
001150	Technology One Development	402,452	21,743	376,652	-	-	-	In Progress and On Track	30 June 2024	C Whyte	Technology One work commenced with employment of Coordinator Transformation and Improvement. Technology One cloud migration being occurring this month and GIS work commenced to move from current Exponare GIS system to Technology One Intramaps.
001211	Protective Data Security Plan (PDSP) Implementation	30,000	-	30,000	-	-	-	In Progress and On Track	30 June 2024	C Whyte	Kick off meeting held with Governance Department concerning and including any overlapping items on RFQ for VDPSF work.
001212	Cyber Security Augmentation	100,000	-	100,000	-	-	-	Not yet Started but On Track	30 June 2024	C Whyte	Separate RFQ being developed to go to market for organisational Cyber review to get best value for money and hit higher vulnerability areas.
Total Information Technology		532,452	21,743	506,652	-	-	-				
TOTAL PEOPLE & TRANSFORMATION PROJECTS		540,375	21,743	630,375	7,923	97,923	97,923				
PLANNING AND DEVELOPMENT											
001210	Short Term Rental Regulation	30,000	-	30,000	-	-	-	Not yet Started but On Track	30 June 2024	R Torres	Project is in planning phase.
Total Executive Manager Development		30,000	-	30,000	-	-	-				
000676	Implement biodiversity strategy actions	46,694	-	46,694	-	-	-	In Progress and On Track	30 June 2024	B Southee	Preliminary activity stage will be in consultation with Community Engagement Officer.
001054	Streamlining for Growth	61,700	-	61,700	41,700	41,700	41,700	In Progress and On Track	30 June 2024	B Southee	Project planning phase complete. Engagement of consultants expected prior to end of calendar year.

**Hepburn Shire Council
Operating Projects Portfolio Report as at 30 September 2023**

ATTACHMENT 12.3.3

Project Number	Project Name	FY24 Current Budget	FY24 Actual Expenses	FY24 Full Year Forecast	FY24 Current Budget	FY24 Actual Income	FY24 Full Year Forecast	Project Status	Current Expected Completion Date	Project Sponsor	Progress Comments	
		2023/24 Expenditure			2023/24 Income							
001147	Western Transmission Line Strategy	48,904	-	48,904	-	-	-	In Progress and On Track	30 June 2024	B Southee	Ongoing Environmental Effects Statement due to be released for public comment late 2024.	
001160	Settlement Strategy and Township Structure Plans	333,774	181,839	353,005	-	-	-	In Progress and On Track	30 June 2024	B Southee	Currently in the deliberative engagement phase with community representative panels until end of November.	
001166	Integrated Transport Strategy	105,000	-	105,000	-	-	-	In Progress and On Track	30 June 2024	B Southee	Initial engagement complete. Transport and Trip Behaviour Survey currently underway.	
Total Strategic Planning & Environment		596,072	181,839	615,303	41,700	41,700	41,700					
001187	Enhancing Hepburn's Digital Planning and Reporting	-	-	237,600	-	237,600	237,600	Not yet Started but On Track	30 June 2024	A Boyd	External funding for this project was secured after adoption of Council's annual budget. Currently in planning phase.	
Total Planning and Building		-	-	237,600	-	237,600	237,600					
001191	Onsite Domestic Wastewater Management Plan	40,000	-	40,000	20,000	20,000	20,000	In Progress and On Track	30 June 2024	R Torres	Initial planning stages started. Consultants being engaged. Expected to be within budget.	
Total Health & Community Safety		40,000	-	40,000	20,000	20,000	20,000					
TOTAL DEVELOPMENT AND REGULATION PROJECTS		666,072	181,839	922,903	61,700	299,300	299,300					
COMMUNITY AND CORPORATE												
000570	RAP Development 2021-24	27,000	-	27,000	-	-	-	In Progress and On Track	30 June 2024	B Holmes	Project Ownership has been transferred to Executive Manager People and Transformation in line with organisational restructure.	
000680	Glenlyon Recreation Reserve - master plan	-	8,321	9,682	-	-	-	In Progress and Delayed	30 April 2024	K Sinclair	The draft Glenlyon Recreation Reserve Masterplan was released for comment including the new Pavilion. Work is required regarding a final pavilion location which will inform Masterplan finalisation and pavilion design.	
000878	Hub For Premium Produce	34,635	-	34,635	-	-	-	In Progress and On Track	31 October 2023	K Sinclair	The agreement has been signed with Commerce Ballarat to take over management of the Growers Collective website	
001164	Outdoor Activation Program	-	-	-	-	18,197	18,197	Hand Over Completed	31 October 2023	K Sinclair	This project is completed. The income in this year is reimbursement of unspent funds.	
001181	Best Start Best Life reform	82,000	-	82,000	82,000	72,000	82,000	In Progress and On Track	30 June 2024	K Sinclair	Project planning has commenced, including engaging with neighbouring LGAs, the Department of Education, and local early years service providers. An Early Years Survey is gathering data about local service provision needs. This will be used alongside workforce planning and an infrastructure audit.	
001194	Mineral Springs Awareness	28,600	-	28,601	28,600	28,601	28,601	Not yet Started but On Track	30 June 2024	H. Fitzpatrick	Project is anticipated to commence before the end of the calendar year.	
001209	HSC Aquatics Strategy - Business Case Development	60,000	-	60,000	-	-	-	In Progress and Delayed	30 April 2024	K Sinclair	Work continued on the development of a draft Indoor Aquatics Provision Final Options and Feasibility Discussion Report. It is anticipated that Council will be briefed in December 2023.	
Total Community & Economic Development		232,235	8,321	241,918	110,600	118,798	128,798					

Hepburn Shire Council
Operating Projects Portfolio Report as at 30 September 2023

ATTACHMENT 12.3.3

Project Number	Project Name	FY24 Current Budget	FY24 Actual Expenses	FY24 Full Year Forecast	FY24 Current Budget	FY24 Actual Income	FY24 Full Year Forecast	Project Status	Current Expected Completion Date	Project Sponsor	Progress Comments
2023/24 Expenditure				2023/24 Income							
TOTAL COMMUNITY AND CORPORATE PROJECTS		232,235	8,792	241,918	110,600	118,798	128,798				
INFRASTRUCTURE AND DELIVERY											
001129	New Office Accommodation Planning	200,000	18,138	200,000	-	-	-		30 June 2024	B Lucas	
Total Director Infrastructure and Delivery		200,000	150,071	200,000	-	(6,532)	-				
000918	Streetlights Towards Zero	-	-	-	-	6,969	6,969	Hand Over Completed	31 December 2023	S Ludeke	Works complete, agreement with PowerCor to buyback unused lighting fixtures. Final processes underway before project can be closed out.
001109	Sustainable Hepburn Implementation	168,041	-	168,041	-	-	-	In Progress and On Track	30 June 2024	S Ludeke	Project is part of the Kerbside FOGO rollout to fund the costs associated between February and June 2024.
001135	Regenerative Agriculture	10,000	-	10,000	-	-	-	In Progress and On Track	30 June 2024	S Ludeke	10k funding committed to Community Carbon Pilot. Led by North Central CMA. Landholder EOI completed in September. Strong interest from Hepburn landholders to participate in pilot project - on track and on budget.
001176	Grampians Climate Adaptation Regional Workshops 2023	3,225	-	3,225	-	-	-	In Progress and On Track	30 June 2024	S Ludeke	Original project scope completed with Workshops delivered in June. Remaining funding to be used for future Climate Adaptation communications materials in 2023-24 as per agreement with DEECA.
001215	Kerbside Reform Support Fund (DEECA Funded)	-	-	227,000	-	-	227,000	In Progress and On Track	30 June 2024	S Ludeke	Project ties in with Transfer Station Upgrade Project. Final budget awaiting DECCA confirmation. Scope for the FOGO bin purchase and delivery. Tender closed with award to be completed in November 23. Bin delivery scheduled for February inline with FOGO rollout.
Total Facilities and Circular Economy		181,266	8,049	408,266	-	6,969	233,969				
000370	Tree Risk Mitigation	100,000	21,509	100,000	-	-	-	In Progress and Delayed	30 November 2023	T May	Tree audit inspections will commence in mid-October and are expected to take 6 weeks to complete.
001189	Creswick Flood Mitigation Study	200,000	7,800	200,000	120,000	60,000	120,000	In Progress and On Track	31 December 2023	T May	Project has been awarded to contractor. Preliminary modelling work is underway along with on ground survey work. Community engagement & detailed modelling work expected to commence over the coming months.
Total Operations		300,000	29,309	300,000	120,000	66,119	120,000				
	Storm Recovery Program	7,398,383	470,399	3,598,383	6,848,383	898,383	3,048,383	In Progress and On Track	30 June 2025	B Lucas	Comprises several State and Federally subsidised Storm Recovery Projects. Forecast for remaining works in connection with October 2022 Storm event reduced due to effective management and favourable conditions. Expected reimbursements from Government authority reduced accordingly.
Total Emergency Management and Storm Recovery		7,398,383	470,399	3,598,383	6,848,383	898,383	3,048,383				
TOTAL INFRASTRUCTURE AND DELIVERY		8,079,649	657,828	4,506,649	6,968,383	964,940	3,402,352				
TOTAL NON-RECURRENT PROJECTS PORTFOLIO		9,518,331	870,201	6,301,845	7,148,606	1,480,960	3,928,373				

13 GENERAL BUSINESS

OFFICER'S RECOMMENDATION:

That Council grants Cr Jen Bray a leave of absence from 20 December 2023 to 31 January 2024 inclusive, noting that Cr Bray will be an apology for Briefings and Council Meetings that may be scheduled during her leave.

14 CONFIDENTIAL ITEMS

14.1 CLOSURE OF MEETING TO MEMBERS OF THE PUBLIC

Pursuant to section 66(1) of the *Local Government Act 2020* (the Act) Council or delegated committee must keep a meeting open to the public unless the Council or delegated committee considers it necessary to close the meeting to the public because a circumstance specified in subsection (2) applies.

The circumstances detailed in section 66(2) of the Act are:

- a) the meeting is to consider confidential information; or
- b) security reasons; or
- c) it is necessary to do so to enable the meeting to proceed in an orderly manner.

RECOMMENDATION

That in accordance with sections 66(1) and 66(2)(a) of the Local Government Act 2020, the meeting to be closed to members of the public for the consideration of the following confidential item:

1.1. CLUNES CARAVAN PARK LEASE - AMENDMENT TO NEW LEASE PROPOSAL

- *Because it is Council business information, being information that would prejudice the Council's position in commercial negotiations if prematurely released; and*
- *it is private commercial information, being information provided by a business, commercial or financial undertaking that relates to trade secrets; or if released, would unreasonably expose the business, commercial or financial undertaking to disadvantage.*
- *These grounds apply because the agenda item concerns the progress of ongoing contractual negotiations that would, if prematurely released, diminish the strength of Council's position in those negotiations.*

15 CLOSE OF MEETING