



Council Meeting Minutes

Linton Customer Service Centre

**Tuesday 26 April 2016
4.00pm-5.19pm**

Our Vision

Golden Plains Shire offers a lifestyle and opportunities that foster social, economic and environmental wellbeing.

In partnership with the community we will provide strong leadership, encourage sustainable development and ensure quality services, to continue to improve the quality of life of residents.

Opening Prayer

Almighty God,

Help us to undertake our duties impartially and honestly, in the best interests of the people of the Golden Plains Shire.

We make this prayer through Jesus Christ Our Lord.

Amen.

Acknowledgement of Traditional Custodians

Council acknowledges the traditional Wadawurrung owners of this land. Council pays its respects to Wadawurrung Elders both past and present and extends that respect to all Aboriginal and Torres Strait Islander People who are part of Golden Plains Shire.

Code of Conduct Principles

WORKING TOGETHER

We Councillors will:

- acknowledge and respect that a diversity of opinion exists among us;
- recognise that each of us has different life experience, knowledge and values, and that all of these contribute collectively to our discussions;
- behave with courtesy towards each other, Council officers and our citizens;
- conform to the policy and precedents that guide the conduct of meetings;
- attend punctually and participate in all relevant meetings, workshops and briefings;
- share reasonably in the representation, ceremonial and hosting tasks of the full Council; and
- honour the majority decisions made by the Council, irrespective of our own position, and explain these decisions frankly to the community, once made.

BEHAVING WITH INTEGRITY

We Councillors will:

- identify our financial and personal interest, or potential interest, in any matter that comes before the Council;
- be honest and truthful;
- comply with laws and the regulations deriving there from;
- respect Council property and be frugal in its use, where allowed;
- avoid using our position for personal gain or to achieve advantage over others or to obtain preferential treatment;
- be sympathetic to the legitimate concerns of our citizens;
- act impartially when making decisions and have due regard to the needs of the community as a whole, rather than that of narrow vested interest; and
- acknowledge the role of Council officers in providing advice to us and in implementing Council decisions.

MAKING COMPETENT DECISIONS

We Councillors will:

- without diminishing the short term focus, approach decisions with due regard to the long term needs of the municipality;
- form policies with regard to the needs of the entire Shire;
- direct our attentions to the strategic and statutory needs of the municipality rather than short term, transient, operational issues;
- seek to fully inform ourselves on the issues before Council before making a decision;
- take all reasonable steps to improve our knowledge of matters relevant to our municipal duties; and
- use and respect the professional knowledge of Council officers and other advisers to Council.

Table of Contents

1.	PRESENT	6
2.	APOLOGIES.....	6
3.	DECLARATIONS, MINUTES & ASSEMBLIES	7
3.1.	DECLARATIONS OF INTEREST	7
3.2.	CONFIRMATION OF MINUTES.....	7
3.3.	ASSEMBLIES OF COUNCILLORS.....	8
3.3.1	Council Briefing: Community Sentiment (22 March 2016).....	8
3.3.2	Council Workshop: Community Engagement Strategy (22 March 2016).....	8
3.3.3	Council Workshop: Draft Budget 2016-17 (29 March 2016).....	9
3.3.4	Council Workshop: Community Grants 2016-17(29 March 2016).....	9
3.3.5	Council Workshop: Strategic Resource Plan (12 April 2016).....	10
3.3.6	Council Workshop: Council Plan (12 April 2016).....	10
3.3.7	Council Workshop: 2016-17 Draft Budget (12 April 2016).....	11
3.4.	SPECIAL COMMITTEES OF COUNCIL.....	12
3.4.1	Planning Committee (12 April 2016).....	12
4.	REPORTS.....	13
4.1.	KEY RESULT AREA – CITIZEN & CUSTOMER SERVICE	13
4.2.	KEY RESULT AREA – CIVIC LEADERSHIP	14
4.2.1	Council Plan 2013-2017 Implementation – Quarterly Report.....	14
4.3.	KEY RESULT AREA – ECONOMIC DEVELOPMENT	20
4.4.	KEY RESULT AREA – ENVIRONMENT & LAND USE PLANNING.....	20
4.5.	KEY RESULT AREA – FINANCIAL MANAGEMENT	21
4.5.1	Preparation of 2016-17 Budget, 2013-2017 Council Plan and 2016-2020 Strategic Resource Plan	21
4.6.	KEY RESULT AREA – HUMAN SUPPORT SERVICES	35
4.7.	KEY RESULT AREA – RECREATION & COMMUNITY DEVELOPMENT.....	35
4.8.	KEY RESULT AREA – ROADS & STREETS INFRASTRUCTURE	35
4.9.	KEY RESULT AREA – WASTE MANAGEMENT	35
4.10.	COMMITTEE REPORTS.....	36
4.10.1	Audit & Risk Committee.....	36
4.10.2	Chief Executive Officer (CEO) Review Committee	36
5.	NOTICES OF MOTION	37
6.	PETITIONS.....	38
7.	OTHER BUSINESS	39
7.1.	MAYOR’S REPORT	39
7.2.	CHIEF EXECUTIVE OFFICER’S REPORT	39
7.3.	MUNICIPAL ASSOCIATION OF VICTORIA (MAV) REPORT.....	40

7.4.	OTHER BUSINESS.....	40
7.4.1	Councillor Reports.....	40
7.5.	IN CAMERA MEETING.....	41
8.	ATTACHMENTS	42
9.	CLOSE OF MEETING	42
10.	CERTIFICATION	42

1. PRESENT

Cr Des Phelan, Mayor
Cr Jenny Blake
Cr Andrew Cameron
Cr Nathan Hansford
Cr Helena Kirby
Cr Bill McArthur
Cr Greg Vaughan

Richard Trigg
Greg Anders
Louisa White
Kim Manley
Mike Barrow
Petra Neilson (Minutes)

Acting Chief Executive Officer
Director Assets & Amenity
Acting Director Community Services
Acting Director Corporate Services
Manager Executive Unit
Council Support Officer

Gallery

David Head
Peter Keays

2. APOLOGIES

Nil

3. DECLARATIONS, MINUTES & ASSEMBLIES

3.1. DECLARATIONS OF INTEREST

Councillors must disclose a conflict of interest in accordance with Section 79 of the *Local Government Act 1989*.

Nil

3.2. CONFIRMATION OF MINUTES

Moved Crs Hansford/McArthur

That the Minutes of the Ordinary meeting of Council held 22 March 2016, as circulated, be confirmed.

Carried

3.3. ASSEMBLIES OF COUNCILLORS

File: 02-03-004

3.3.1 Council Briefing: Community Sentiment (22 March 2016)

Meeting type and name	Council Briefing: Community Sentiment
Meeting date and time	2.45pm Tuesday 22 March 2016
Matters discussed	Community Sentiment
Councillor information	1. Communications
Councillors & Independent Members	Cr Des Phelan Cr Jenny Blake Cr Nathan Hansford Cr Helena Kirby Cr Bill McArthur Cr Greg Vaughan
Apology	Cr Andrew Cameron
Staff	Rod Nicholls, Chief Executive Officer Greg Anders, Director Assets & Amenity Louisa White, Acting Director Community Services Richard Trigg, Director Corporate Services Mike Barrow, Manager Executive Unit Petra Neilson, Council Support Officer
Guests	Nil
Declarations of Interest	Nil

3.3.2 Council Workshop: Community Engagement Strategy (22 March 2016)

Meeting type and name	Council Briefing: Community Sentiment
Meeting date and time	5.00pm Tuesday 22 March 2016
Matters discussed	Community Engagement Strategy 2016-2020 – Research and Outcomes. Discussion Paper Presentation and Briefing
Councillor information	1. Community Engagement Strategy 2016-2020 Research and Outcomes Discussion Paper
Councillors	Cr Des Phelan Cr Jenny Blake Cr Andrew Cameron Cr Nathan Hansford Cr Helena Kirby Cr Bill McArthur Cr Greg Vaughan
Apology	Nil
Staff	Rod Nicholls, Chief Executive Officer Greg Anders, Director Assets & Amenity Louisa White, Acting Director Community Services Richard Trigg, Director Corporate Services Mike Barrow, Manager Executive Unit Breanna Doody, Acting Community Development Manager Christine Lamb, Community Engagement Officer Julie Brown, Contract & Procurement Officer Ann Card, Senior Communications & Marketing Officer Petra Neilson, Council Support Officer
Guests	Michelle Feenan, Consultant – Engagement Plus
Declarations of Interest	Nil

3.3.3 Council Workshop: Draft Budget 2016-17 (29 March 2016)

Meeting type and name	Council Workshop: Draft Budget 2016-17
Meeting date and time	9.00am Tuesday 29 March 2016
Matters discussed	2016-17 Draft Budget
Councillor information	1. 2016-17 Draft Budget 2. Draft key result area report 3. Workshop background notes
Councillors	Cr Des Phelan Cr Jenny Blake Cr Andrew Cameron Cr Nathan Hansford Cr Helena Kirby Cr Bill McArthur Cr Greg Vaughan
Apology	Nil
Staff	Rod Nicholls Chief Executive Officer Greg Anders Director Assets & Amenity Louisa White Acting Director Community Services Richard Trigg Director Corporate Services Mike Barrow Manager Executive Unit Peter Cameron Works Manager Jason Clissold Finance Manager Terry Fraser Human Services Manager Tim Waller Development Manager Petra Neilson Council Support Officer
Guests	Nil
Declarations of Interest	Nil

3.3.4 Council Workshop: Community Grants 2016-17(29 March 2016)

Meeting type and name	Council Workshop: Community Grants 2016-17
Meeting date and time	10.55am Tuesday 29 March 2016
Matters discussed	Community Grants 2016-17
Councillor information	20/16-17 Community Grants report
Councillors	Cr Des Phelan Cr Jenny Blake Cr Andrew Cameron Cr Nathan Hansford Cr Helena Kirby Cr Bill McArthur Cr Greg Vaughan
Apology	Nil
Staff	Rod Nicholls Chief Executive Officer Greg Anders Director Assets & Amenity Louisa White Acting Director Community Services Richard Trigg Director Corporate Services Mike Barrow Manager Executive Unit Dean Veenstra Recreation Team Leader Paul Owen Community Recreation Officer Petra Neilson Council Support Officer
Guests	Nil
Declarations of Interest	Nil

3.3.5 Council Workshop: Strategic Resource Plan (12 April 2016)

Meeting type and name	Council Workshop: Strategic Resource Plan
Meeting date and time	9.34am Tuesday 12 April 2016
Matters discussed	Strategic Resource Plan
Councillor information	Draft Strategic Resource Plan 2016-2020
Councillors	Cr Des Phelan Cr Jenny Blake Cr Andrew Cameron Cr Nathan Hansford Cr Helena Kirby Cr Bill McArthur Cr Greg Vaughan
Apology	
	Rod Nicholls Chief Executive Officer Greg Anders Director Assets & Amenity Louisa White Acting Director Community Services Richard Trigg Director Corporate Services Mike Barrow Manager Executive Unit Tim Waller Development Manager Jason Clissold Finance Manager Petra Neilson Council Support Officer
Guests	Nil
Declarations of Interest	Nil

3.3.6 Council Workshop: Council Plan (12 April 2016)

Meeting type and name	Council Workshop: Council Plan
Meeting date and time	9.51am Tuesday 12 April 2016
Matters discussed	Strategic Resource Plan
Councillor information	Draft Council Plan update 2016/17
Councillors	Cr Des Phelan Cr Jenny Blake Cr Andrew Cameron Cr Nathan Hansford Cr Helena Kirby Cr Bill McArthur Cr Greg Vaughan
Apology	
	Rod Nicholls Chief Executive Officer Greg Anders Director Assets & Amenity Louisa White Acting Director Community Services Richard Trigg Director Corporate Services Mike Barrow Manager Executive Unit Jason Clissold Finance Manager Tim Waller Development Manager Petra Neilson Council Support Officer
Guests	Nil
Declarations of Interest	Nil

3.3.7 Council Workshop: 2016-17 Draft Budget (12 April 2016)

Meeting type and name	Council Workshop: Budget Requests and Community Grants
Meeting date and time	9.56am Tuesday 12 April 2016
Matters discussed	1. 2016-17 Draft Budget
Councillor information	Nil
Councillors	Cr Des Phelan Cr Jenny Blake Cr Andrew Cameron Cr Nathan Hansford Cr Helena Kirby Cr Bill McArthur Cr Greg Vaughan
Apology	Nil
	Rod Nicholls Chief Executive Officer Greg Anders Director Assets & Amenity Louisa White Acting Director Community Services Richard Trigg Director Corporate Services Mike Barrow Manager Executive Unit Jason Clissold Finance Manager Tim Waller Development Manager Petra Neilson Council Support Officer
Guests	Nil
Declarations of Interest	Nil

Moved Crs McArthur/Kirby

That Council notes the record of assemblies of Councillors:

- 1. Council Briefing: Council Sentiment (22 March 2016)***
- 2. Council Workshop: Community Engagement Strategy (22 March 2016)***
- 3. Council Workshop: Draft Budget 2016-17 (29 March 2016)***
- 4. Council Workshop: Community Grants 2016-17 (29 March 2016)***
- 5. Council Workshop: Strategic Resource Plan (12 April 2016)***
- 6. Council Workshop: Council Plan (12 April 2016)***
- 7. Council Workshop: 2016-17 Draft Budget (12 April 2016)***

Carried

3.4. SPECIAL COMMITTEES OF COUNCIL

3.4.1 Planning Committee (12 April 2016)

Cr Bill McArthur, Chairperson

File: 02-01-005

Meeting type and name	Planning Committee Meeting
Meeting date and time	9.00am Tuesday 12 April 2016
Matters discussed	Planning Application P15-232 Development of the land for works associated with existing utility installation and removal of native vegetation
Councillor information	<ol style="list-style-type: none"> 1. P15-232 Property Addresses 2. P15-232 Locality Plan 3. P15-232 Vegetation Plans 4. P15-232 Objection
Councillors	<p>Cr Bill McArthur, Chairperson Cr Des Phelan, Mayor Cr Jenny Blake Cr Andrew Cameron Cr Nathan Hansford Cr Helena Kirby Cr Greg Vaughan</p>
Apology	Nil
Staff	<p>Rod Nicholls, Chief Executive Officer Richard Trigg, Director Corporate Services Louisa White, Acting Director Community Services Greg Anders, Director Assets & Amenity Mike Barrow, Manager Executive Unit Tim Waller, Development Manager Laura Wilks, Team Leader Planning Leigh Page, Planning Officer Petra Neilson, Council Support Officer</p>
Guests	<p>Paul Ower Paul Wheeler</p>
Declarations of Interest	Nil

4. REPORTS

4.1. KEY RESULT AREA – CITIZEN & CUSTOMER SERVICE

No report.

4.2. KEY RESULT AREA – CIVIC LEADERSHIP

4.2.1 Council Plan 2013-2017 Implementation – Quarterly Report

Department	Corporate Services
Unit	Corporate Services
Senior Manager	Kim Manley, Acting Director Corporate Services
Responsible Manager	Kim Manley, Acting Director Corporate Services
Author	Richard Trigg, Acting Chief Executive Officer
File References	BluePoint file: 01-01-002
Council Plan Link	Council Plan 2013-2017
Relevant Council Strategies	Customer Services Strategy Communications and Marketing Strategy Emergency Management Plan Healthy Ageing Action Plan Arts Strategy Town Place Plans Recreation Strategy Road Strategy Asset Management Strategy
Relevant Policies & Legislative Frameworks	
Attachments	Council Plan 2015-16 Actions Quarterly Report for March 2016 1a KRA – Citizen & Customer Service 1b KRA – Civic Leadership 1c KRA – Economic Development 1d KRA – Environment & Land Use Planning 1e KRA – Financial Management 1f KRA – Human Support Services 1g KRA – Recreational & Community Development 1h KRA – Roads & Streets Infrastructure 1i KRA – Waste Management

Declarations of Interest: Councillors & Officers

Kim Manley: In providing this advice as the senior manager and responsible manager, I have no disclosable interests in this report.

Richard Trigg: In providing this advice as the author, I have no disclosable interests in this report.

Purpose

The purpose of this report is to update Council on the progress made in completing the 2015-16 actions contained in the Council Plan 2013-2017.

Background

The Council Plan 2013-2017 contains 100 actions framed around 9 Key Result Areas. This is the third quarterly report to Council regarding implementation of the Plan. Council's management team has established an implementation timetable and monitors the organisation's progress of the Plan on a monthly basis to ensure that all of the actions set by Council are achieved by the end of the year. Each of the actions is numbered for ease of reference.

Discussion

The following table summarises the progress towards completing the actions within the Council Plan, with particular reference to the actions completed in the March quarter.

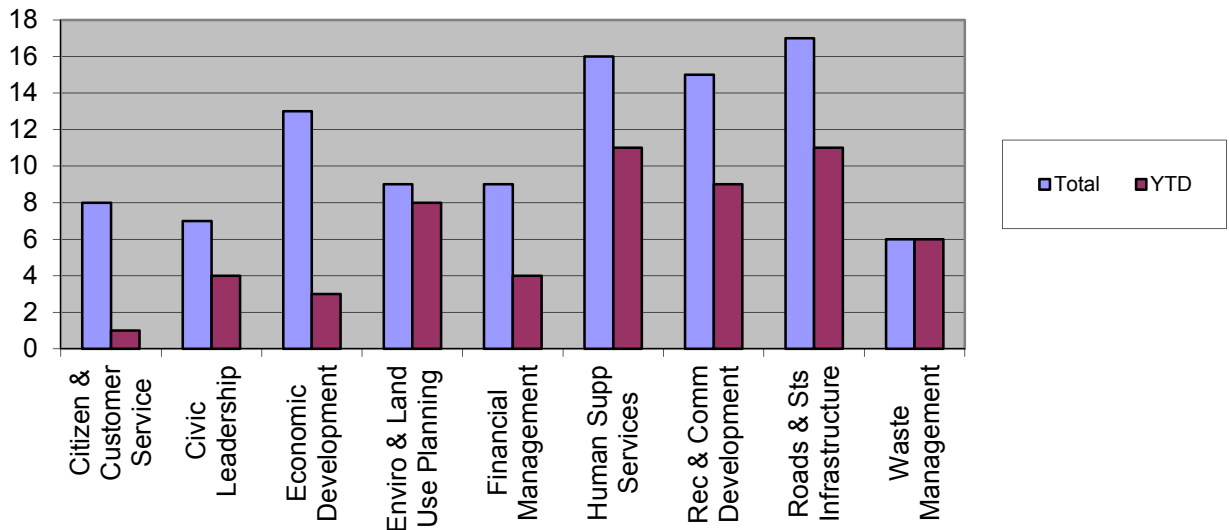
PM Ref	Actions	Quarter			
		Sept	Dec	Mar	Jun
1.1.2.03	1. Regularly consult with communities				
1.1.3.01	2. Provide high quality point of contact customer service at Customer Service Centres by telephone and manage requests effectively				
1.1.2.01	3. Provide tailored and targeted communications and marketing actions aligned to the requirements and expectations of Shire residents, businesses and internal stakeholders				
1.1.1.02	4. Implement volunteer support programs				
1.1.2.05	5. Develop an Advocacy and Lobbying Plan to advocate on behalf of the community with Members of Parliament and other key stakeholders	✓			
1.2.1.05	6. Implement Council's obligations within the Bushfires Royal Commission's recommendations				
1.2.2.05	7. Secure Representation on Federal, regional and local government bodies			✓	
1.2.2.07	8. Promote support to Council including professional development opportunities				
1.2.2.01	9. Facilitate and support community celebrations of important national events and days				
1.2.2.03	10. Consider community plan priorities when conducting Council planning activities and community grant allocation			✓	
1.2.1.09	11. Advocate and lobby for Bannockburn Emergency Services Precinct			✓	
1.2.1.11	12. Advocate and lobby for Municipal Emergency Resourcing Program			✓	
1.3.1.05	13. Continue to develop the Golden Plains Food Production Precinct				
1.3.1.05	14. Facilitate natural gas connection to townships				
1.3.1.05	15. Attract investment in the Gheringhap Employment Precinct				
1.3.1.05	16. Facilitate development of Lethbridge Airport				
1.3.1.05	17. Facilitate Bannockburn Plaza redevelopment				
1.3.1.05	18. Facilitate development of Bannockburn Civic Heart				
1.3.1.05	19. Investigate the opportunity for the development of the aged care industry				
1.3.1.05	20. Further develop and enhance the Golden Plains Farmers' Market				
1.1.2.01	21. Partner with Arts & Culture in the development of the Golden Plains Arts Trail				
1.1.2.01	22. Provide facilitation support for community/township events				
1.1.2.01	23. Provide local small businesses with information on and access to business support services				
1.3.1.15	24. Advocate and lobby for improved high speed broadband	✓			
1.3.1.16	25. Advocate and lobby for improved mobile phone coverage	✓			

PM Ref	Actions	Quarter			
		Sept	Dec	Mar	Jun
1.3.1.03	26. Advocate and lobby for industrial development in the north west of the Shire			✓	
1.3.1.17	27. Advocate and lobby for major infrastructure project funding				
1.3.1.18	28. Advocate and lobby for recognition and funding for Greater Geelong and Bellarine tourism region				
1.4.1.08	29. Review the Municipal Strategic Statement				
1.4.3.05	30. Review the Greenhouse Action Plan			✓	
1.4.1.10	31. Participate in State Government's Peri Urban Group of Rural Councils			✓	
1.4.1.02	32. Participate in Regional Land Use Planning Groups	✓			
1.4.1.09	33. Promote Council's Heritage Advisory Service			✓	
1.4.3.02	34. Develop and implement a new Domestic Waste Water Management Plan			✓	
1.4.1.14	35. Undertake compliance and enforcement for the Planning Scheme, Local Laws and Animal Control and Swimming Pools			✓	
1.4.1.02	36. Develop a comprehensive Settlement Strategy for the north of the Shire		✓		
1.4.1.16	37. Advocate and lobby for protection of viable agricultural land for farming purposes		✓		
1.5.1.01	38. Acquire property within the municipality for future development				
1.5.1.09	39. Invest surplus funds to maximise return and minimise risk				
1.5.1.05	40. Maintain accurate property and valuation records, including supplementary valuations			✓	
1.5.1.11	41. Preparation and auditing of financial statements	✓			
1.5.1.12	42. Implement Council's Procurement Policy and Procurement Strategy to ensure best value outcomes for the Shire				
1.5.1.13	43. Advocate and lobby for resources for a developing municipality				
1.5.1.04	44. Advocate and lobby for equitable share of State and Federal taxes			✓	
1.5.1.14	45. Advocate and lobby for minimising cost shifting by State and Federal Governments			✓	
1.5.1.08	46. Advocate and lobby for minimising the effects of the defined benefits scheme				
1.6.1.09	47. Facilitate the development of a network of community health providers		✓		
1.6.1.12	48. Facilitate the Health Planning Network in Golden Plains Shire		✓		
1.6.1.03	49. Establish services at the Meredith Early Learning Centre		✓		
1.6.1.17	50. Complete Stage 2 development of the Smythesdale Well		✓		
1.6.1.03	51. Manage the planning and delivery of Council's Kindergarten, Long Day Care, Family Day Care and Occasional Child Care services		✓		
1.6.1.03	52. Provide enhanced Maternal and Child Health home visiting services for families who are isolated or at risk		✓		
1.6.1.03	53. Provide support and advice to local Playgroups, including the 'Playgoup Plus' health promotion program		✓		

PM Ref	Actions	Quarter			
		Sept	Dec	Mar	Jun
1.6.1.03	54. Enhance the service planning and deliver relationships with district nursing, community health and disability service providers in Ballarat and Geelong		✓		
1.6.1.19	55. Undertake emergency relief and recovery services as necessary				
1.6.1.18	56. Provide a range of Home and Community Care Services to older residents and people with disabilities to enable them to remain in their own homes				
1.6.1.18	57. Continue to provide community transport through a network of volunteer drivers				
1.6.1.08	58. Advocate and lobby for public transport needs in the Shire				
1.6.1.01	59. Advocate and lobby for co-location of schools with community facilities			✓	
1.6.1.14	60. Advocate and lobby for health and community services needs				
1.6.1.15	61. Advocate and lobby for secondary and post compulsory education and support provision	✓			
1.6.1.20	62. Advocate and lobby for continuation of Federal funding for universal access to 15 hours of kindergarten	✓			
1.7.1.01	63. Implement Community Grants program			✓	
1.7.1.09	64. Develop Northern Equestrian Centre as a state centre			✓	
1.7.1.08	65. Review volunteer committees including S86 Committees of Management			✓	
1.7.1.08	66. Facilitate development of Bannockburn Civic Heart community and recreation facilities			✓	
1.7.2.01	67. Facilitate the development of Community Plans in towns across the Shire, including Bannockburn				
1.7.2.01	68. Provide seed funding for the implementation of local projects identified in community plans				
1.7.2.01	69. Develop volunteer policies, procedures, newsletters and promotional material to encourage recruitment and retention of volunteers				
1.7.2.01	70. Establish an online community portal to increase community participation and capacity				
1.7.1.04	71. Support the development of young people in the Shire			✓	
1.7.1.06	72. Deliver the annual Arts Trail event				
1.7.4.01	73. Participate in the management of the Geelong Regional Library Corporation			✓	
1.7.2.01	74. Improve organisational community engagement processes				
1.7.1.10	75. Advocate and lobby for regional youth service providers to service the Golden Plains Shire		✓		
1.7.4.02	76. Advocate and lobby for increased funding for library services			✓	
1.7.2.04	77. Advocate and lobby for increased funding for recreation and community infrastructure development			✓	
1.8.2.07	78. Participate in regional roads groups		✓		
1.8.1.01	79. Implement bridge replacement program		✓		
1.8.2.23	80. Support the Development of the Ballarat Western Link project	✓			
1.8.1.02	81. Implement routine pavement maintenance, patching and resealing for the sealed road network				

PM Ref	Actions	Quarter			
		Sept	Dec	Mar	Jun
1.8.1.02	82. Implement cyclical re-sheeting and routing maintenance grading of gravel roads				
1.8.1.02	83. Implement bridge and culvert reconstruction, replacement or maintenance				
1.8.1.03	84. Implement maintenance of drainage systems			✓	
1.8.1.02	85. Implement maintenance on all footpaths and join-use paths located on road reserves with constructed roads				
1.8.1.03	86. Implement restoration program for Council utilised gravel pits and former landfill sites			✓	
1.8.1.04	87. Support small township restoration and development through safety clearing of road side trees, maintenance of avenues of honour, streetscape beautification tree planting, grass mowing and parks and reserves maintenance				
1.8.1.02	88. Implement maintenance of Ballarat-Skipton Rail Trail				
1.8.2.24	89. Advocate and lobby for Regional Transport Plans	✓			
1.8.2.15	90. Advocate and lobby for increased VicRoads expenditure on maintenance of the main road network	✓			
1.8.2.13	91. Advocate and lobby for duplication of Midland Highway between Geelong and Bannockburn	✓			
1.8.2.12	92. Advocate and lobby for overtaking lanes and safe turning lanes on the Colac-Ballarat Road and the Hamilton and Midland Highways	✓			
1.8.2.19	93. Advocate and lobby for TIRES (Timber Impacted Roads Evaluation Study) funding	✓			
1.8.2.14	94. Advocate and lobby for duplication of the Glenelg Highway between Ballarat and Smythesdale	✓			
1.9.1.01	95. Review the Waste Management Strategy			✓	
1.9.1.01	96. Implement a new garbage collection service that is highly focused on sustainability and recycling			✓	
1.9.1.01	97. Investigate opportunities for transfer stations within the Shire			✓	
1.9.2.05	98. Participate in the Regional Waste Management Group			✓	
1.9.2.01	99. Advocate and lobby for local projects funded by the State Landfill Levy			✓	
1.9.2.04	100. Advocate and lobby for Ballarat's Regional Landfill compliance with the planning scheme and EPA licences		✓		

The graph below indicates the total number of actions for each Key Result Area (KRA) and the number completed at this stage of the year.



A detailed explanation of actions can be obtained from Attachments 1a to 1h – Council Plan 2015-16 Actions Quarterly Report for March 2016.

Community Engagement

A formal consultation process was not required.

Financial & Risk Management Implications

It is considered that there are no financial or risk management implications.

Economic, Social and Environmental Implications

It is considered that there are no economic, social or environmental implications.

Communications

It is considered that a communication plan is not required.

Conclusion

The implementation timetable adopted by officers is an effective monitoring method to enable Council to complete the 2015-16 actions contained in the 2013-2017 Plan.

Moved Crs Blake/Kirby

That Council note the report and achievements attained in the implementation of the actions contained in the Council Plan 2013-2017.

Carried

4.3. KEY RESULT AREA – ECONOMIC DEVELOPMENT

No report.

4.4. KEY RESULT AREA – ENVIRONMENT & LAND USE PLANNING

No report.

4.5. KEY RESULT AREA – FINANCIAL MANAGEMENT

4.5.1 Preparation of 2016-17 Budget, 2013-2017 Council Plan and 2016-2020 Strategic Resource Plan

Department	Corporate Services
Unit	Finance
Senior Manager	Richard Trigg, Acting Chief Executive Officer
Responsible Manager	Richard Trigg, Acting Chief Executive Officer
Author	Jason Clissold, Finance Manager
File References	Blueprint file: 40-01-012
Council Plan Link	Financial Management
Relevant Council Strategies	Council Plan Strategic Resource Plan
Relevant Policies & Legislative Frameworks	Local Government Act 1989
Attachments	Nil

Declarations of Interest: Councillors & Officers

Richard Trigg: In providing this advice as the senior manager and responsible manager, I have no disclosable interests in this report.

Jason Clissold: In providing this advice as the author, I have no disclosable interests in this report.

Purpose

To formally:

- Prepare the 2016-17 budget pursuant to Section 127 of the Local Government Act 1989;
- Review the 2013-2017 Council Plan pursuant to Section 125 of the Local Government Act 1989; and
- Review the 2016-2020 Strategic Resource Plan.

Background

The draft budget was presented to Council at a Budget Workshop on Tuesday 29 March 2016 and then again at a second workshop on Tuesday 12 April 2016.

The commentary in this agenda item and the budget document that will be available for public viewing reflect the amendments made during the Council workshop. Councillors were provided with the original draft budget documents at the workshop and the next update will occur following the resolution to advertise the budget.

Discussion

Fair Go Rates System

The 2016-17 draft budget has been prepared within a significantly different landscape. As has been widely publicised, the State Government's election promise of capping Council rates has been delivered and a cap of 2.5% will apply for the first time in 2016-17. The cap will be announced each December by the Minister for Local Government and for the purposes of the SRP it is assumed to remain at 2.5% for the next four years.

While the legislation limits Council's ability to raise revenue, it does recognise the differing challenges faced by the 79 Councils across the state by including the provision for Councils to apply to the Essential Services Commission (ESC) for a variation to the cap. Golden Plains Shire Council will not be applying for a variation for the 2016-17 year.

Over the coming 12 months Council will undertake a review of its services and strategies contained within its Council Plan to develop a long term plan on how it can maintain a sustainable financial position under the State Government's rate capping framework.

In 2016-17 the State Government rate cap will only apply to general rates and municipal charges, not to other revenue such as service rates and charges (i.e. garbage services). Such charges are to be calculated based on 'full cost recovery'. However, these charges will be monitored by the ESC with provision within the legislation for the Minister to extend the application of the rate cap to other rates or charges in future.

Similarly, User Fees and Charges are not included in the rate cap, however Council has generally kept increases in non-statutory fees to 2.5%.

For more information, please visit <http://www.delwp.vic.gov.au/fairgorates>

The Rate Increase

In relation to the 2.5% rate cap set by the Minister this draft budget provides for an average annual rate increase of 2.32%. Table 1 provides a summary of the calculation, according to the formula prescribed by the State Government.

Table 1

Forecast Annualised Rate Revenue at 30 June 2016	\$ 17,793,200
Forecast Number of Assessments at 30 June 2016	10,665
Forecast Base Average Rate 2015-16 per assessment	\$1,668.37
Budget Rate Revenue 2016-17	\$18,206,859
Capped Average Rate 2016-17 per assessment	\$1,707.16
Average Capped Increase	2.32%

It is important to note that this is only an **average** increase and actual increases will vary depending on the relative value of individual properties. As required by legislation the rate burden must be distributed based upon the value of a property which will result in higher valued properties increasing by more than 2.32% and lower valued properties increasing by less than 2.32%. This will be further impacted due to the fact that 2016-17 is a municipal revaluation year under the Act. Some of the interim initiatives Council has implemented for 2016-17 to ensure it complies with the State Government cap in 2016-17 are:

- No additional or improved services;
- No additional staff resources;
- No replacement of fleet vehicles;
- No replacement of non-critical computer hardware; and
- Cease planning for the redevelopment of the Bannockburn Customer Service Centre.

It is important to note that these are only short term options and appropriate planning must be undertaken to ensure Council's long term sustainability. This may or may not require a future application/s for a variance to the cap.

Planning must ensure financial sustainability while allocating resources sufficient to:

- fund ongoing service delivery – business as usual (balanced with greater service demands from residents)
- fund renewal of infrastructure and community assets
- cope with growth in the population of Golden Plains residents (2.0% in the last year)

- cope with cost shifting from the State and/or Federal Government
- cope with a reduction in funding from the Commonwealth Government via the Victoria Grants Commission caused by their freezing of indexation of the grant
- meet Council's obligations under its current Enterprise Agreement (3.7%). The Victorian Wage Price index is forecast to be 3.25% in 2016-17. As 2016-17 is the last year of the existing Enterprise Agreement Council will begin new negotiations during the period.

Note that for every \$100 in taxes paid by Victorian residents, Council rates only make up approximately \$3.50. The other \$96.50 goes to the State and Federal Governments.

In relation to Council's vehicle fleet, there was a commitment given at the time of adopting the 2015/16 Budget and an internal review has been completed of the processes and procedures used by Council in managing the procurement and use of its fleet of light vehicles subject to private use.

The review has identified that annual savings have been realised as a direct consequence of the decision to change the frequency of vehicle change-over to two [2] years or 80,000kms.

Council will also continue to work cooperatively with Project Apollo. The Project Apollo group consists of each of the five [5] G21 Council Chief Executive Officers, who have agreed to work collaboratively on identifying possible opportunities to deliver improved and more efficient services. Management and ownership of light fleet vehicles across the region has been identified as one of these opportunities.

Major Initiatives

As per Section 127 of the Local Government Act, the following three initiatives have been identified by the Council as priorities, to be undertaken during the financial year:

1. Community First

Community First is a community-centred strategy for Golden Plains Shire that fosters collaboration, innovation and continuous improvement. Features of the Community First Strategy include:

- Engagement of both staff and community in influencing the processes of change
- Innovation strategies to sponsor an organisational culture of collaboration and innovation
- Lean management principles applied to Council services to drive efficiencies and reduce costs
- Service improvements through strategy and service reviews to help balance resident aspirations with what Council has to spend.

The Community First Strategy helps address increasing community pressure for Council to deliver products and services that are value-for-money, and provides a plan to help manage some of the challenges associated with State Government rate capping and a desire to keep rates low.

The aim of Community First is to:

- Reduce costs while continuing to deliver quality community services in a sustainable way and
- Nurture an organisational culture of innovation and Lean thinking.

2. Community Engagement Strategy

Council will implement a Community Engagement Strategy to inform all units within Council. Council will improve engagement practices through staff training, better planning for key consultations and develop systems, processes and policies to support effective community engagement with the community.

3. Waste and Resource Recovery Facility

In 2016-17 Council will establish a waste and resource recovery facility within the Shire

Waste Management

The Garbage Charge for kerbside collection will be set at \$246.50 which represents full cost recovery of the service, as required under the rate capping framework.

Waste management, in particular the volume of waste going to landfill, continues to be one of the largest issues facing society at present (both from an environmental and financial perspective). Council has already taken significant, and at times controversial, steps to reduce the levels of waste it is sending to landfill. This has seen an approximate 30% reduction in the amount of waste per household being sent to landfill. Approximately 700kg of waste is forecast to reduce to approximately 500kg per household, per annum.

Without this initiative the garbage charge for 2016-17 would have been \$302, therefore there is a direct saving to residents of \$55.50 per assessment, or \$478,965 in total.

To reduce confusion, the State Government Landfill Levy will no longer be shown as a separate item but included in the total garbage charge. The State Government Landfill Levy is the prescribed fee that the operators of regional landfills are required to pay to the State Government for each tonne of waste deposited at their facilities.

As Golden Plains Shire Council is not an operator of any regional landfills it is not responsible for paying this levy directly, rather the levy contributes to the increase in the respective schedules of tipping fees and charges of the operators (currently Wyndham and Smythesdale).

In previous years Council has converted the estimated total cost of the landfill levy into a per tenement charge. For example, in the 2015-16 year the State Landfill Levy of \$60.52 per tonne was converted into a per tenement charge of \$38.

For simplicity, Council has decided that for the 2016-17 year and beyond, the total cost charged by landfill operators will be used to calculate the 'full cost' of disposing of waste.

Financial Sustainability

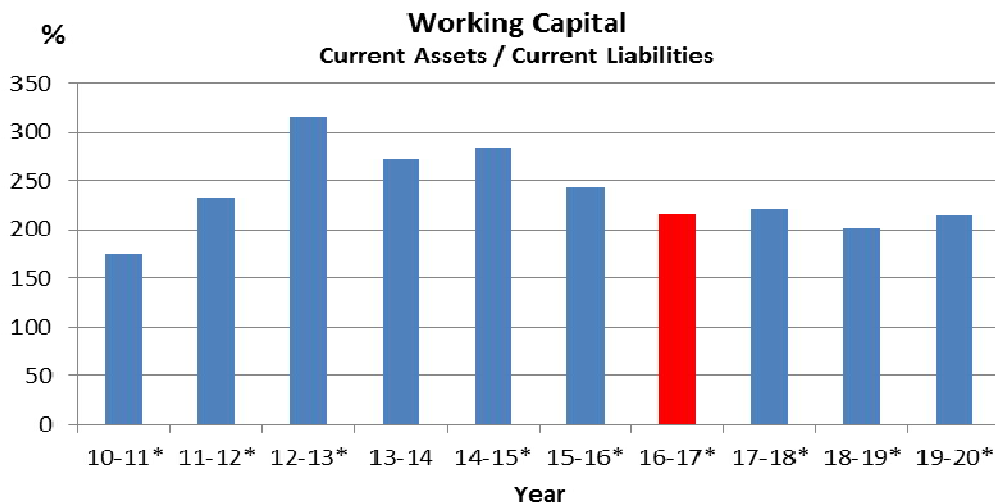
The rate increases over recent years have been necessitated by the persistent growth and demand for increased service levels by the community, which also results in increased maintenance costs of new buildings and infrastructure.

As demonstrated in the draft budget and many of the financial indicators, these decisions and financial discipline has built a strong foundation for Council to commence operating within a 'rate capping' environment. This has greatly assisted Council in being able to make the decision to implement some interim initiatives and prevent the need to apply for a variation to the cap in year one of the framework. This is not necessarily the case with many small rural councils within the state.

Under the State Government's rate capping framework, Council will need to embark on a process of developing new and innovative ways of meeting the needs of a growing community. One such initiative has been the commitment of the G21 Councils to work together to demonstrate innovation and enhance operations to improve outcomes for our communities.

The 2016-17 budget reflects the challenges Council continues to face in maintaining a sustainable financial position. As shown in Chart 1, Council's liquidity (working capital), while currently at an acceptable level (2015-16 forecast 244%), will continue to be placed under pressure as a result of the high growth in population and the corresponding demand for services. It must be noted that the forecast assumes 50% of Federal Assistance Grants (FAG's) funding is received in advance each year. The 2016-17 budget shows a slight decline in liquidity to 217%, however, this would be 161% without the FAG's funding in advance.

Chart 1



*includes 50% of Federal Assistance Grants received in advance

Rates and charges (rates, municipal charge and garbage charges) account for 47.9% of total revenue, compared to the state average of 61.9% in 2015-16. This ratio is vitally important in ensuring Council is able to continue to deliver a broad range of services without over dependence on grants.

The Municipal Association of Victoria's Rates Survey 2015-16 shows that Council has been able to achieve short term financial sustainability despite its over dependence on grants. Even with steady rate increases, of the 79 councils, Golden Plains' average rates and charges per assessment was rated the 38th lowest rating Council in Victoria, from a base of the lowest rating Council in 2004.

The existing rating strategy ensures that the financial burden is shared equitably, whilst generating sufficient revenue to meet the increasing demands of future infrastructure and service needs of the Shire. The need for a sustained annual rate increase was first identified as part of Council's first Strategic Resource Plan (Finance 2005); as Council needed to decrease its reliance on grant funding, as this is unsustainable in the long term.

In preparing the budget and Council Plan, Council considered the long term financial planning principles which include:

- Ensuring long term financial sustainability;
- Delivering services in a cost effective and efficient manner;
- Ensuring operating revenues are sustainable and consider community wide and individual benefits (rates versus user charges);
- Using debt finance where appropriate;
- Maintaining cash reserves and operating surpluses at appropriate levels;
- Identifying and quantifying long term liabilities;
- Meeting social equity objectives through specific programs;
- Managing the Shire's capital assets to maximise long term community benefit;
- Recognising that funding from State and Federal Government is a crucial element of financial sustainability; and
- Ensuring there is an underlying surplus.

The strategies adopted in the Council Plan and reflected in this budget meet these requirements in the short term. However, the incoming Council (to be elected in October 2016) will have the challenge of developing a Council Plan and SRP that meets these requirements within an environment where revenue is restricted due to rate capping, freezing of Federal Assistance Grants and reduced funding in various areas.

Furthermore, Section 136 of the Act requires Council to implement the principles of sound financial management.

Council must:

- Manage financial risks faced by the Council prudently, having regard to economic circumstances;
- Pursue spending and rating policies that are consistent with a reasonable degree of stability in the level of the rates burden;
- Ensure that decisions are made and actions are taken having regard to their financial effects on future generations; and
- Ensure full, accurate and timely disclosure of financial information relating to the Council.

As has been the case for many years, Golden Plains faces many challenges:

- **High population growth.**
Golden Plains Shire is ranked as one of the fastest growing regional municipalities in Victoria with a current growth rate of 2.0%. Leading this growth is Bannockburn at 7.2%, Smythesdale at 12%, Teesdale at 7.4% and Inverleigh at 4.9%.
- **Substantial challenges associated with provision and renewal of roads, paths, and community and recreation facilities.**
In February 2014, VAGO tabled a report in parliament highlighting its concerns over this exact challenge that councils face in meeting the growing demand of asset maintenance and renewal. The Auditor-General, Mr John Doyle, states in the report:

‘They also have legislative obligations to manage financial risks prudently and to ensure that their asset management decisions take into account economic circumstances and their financial effects on future generations. This is especially important in the current economic climate and in an environment where reliance on sources of revenue such as government grants cannot be assured.’

This challenge has now been exacerbated with the introduction of rate capping.

- **Increased demand for new services.**
Golden Plains Shire has one of the highest proportions of 0-4 year olds in Victoria with 7.0%, compared to the state figure of 6.4%. 5-9 year olds comprise 8.1% of Golden Plains’ population but only 6.4% of Victoria. In the 10-14 age range Golden Plains has 8.4% compared to Victoria with 6.1%. Young people make up almost one third of the population and this places pressure on Council to deliver services from day care, kindergartens and play groups to play grounds, pathways, recreation reserves, skate parks and youth support activities.

Our ageing population is also outstripping the state average with the 60-64 age group in Golden Plains Shire making up 6.6% of the population while in Victoria it is only 5.4%. Council provides home and community care, meals on wheels and other services but as the population grows demand will also continue to grow. Demand will also grow in the provision of infrastructure to meet the needs of an ageing population, and as with the needs of young people the need for increased services and infrastructure is spread across the Shire’s 56 communities and 16 townships.

- **Although increasing, still a comparatively low rating revenue base.**
Rates and charges comprise 47.9% of total revenue, compared to a projected state average in 2015-16 of 61.9%;
- **A history of significant dependence on grants, contributions and recoupments.**
This has had the effect of reducing the level of funds required from rate revenue to build community infrastructure and provide programs and services. For example, planned community infrastructure capital projects in 2016-17 total \$7.5m, with an anticipated grant income of \$6.5m, leaving Council a lesser contribution of \$1.0m. Many grant funds are competitive and by definition are granted, not provided automatically.

- **Supporting community based Committees of Management that currently manage the vast majority of community and recreation facilities on Council and Crown land.**
Council currently has 21 Section 86 Committees of Management that require staffing support to assist with facility hire, managing volunteers, strategic and financial planning, compliance with governance regulations in respect to meetings, minutes, annual returns and financial statements. This structure is currently being reviewed to ensure it remains the most efficient method for managing these facilities.
- **Managing the competing interests of rural and urban communities.**
Council must balance the demands being placed on resources, from the rapidly growing urban areas, with those of our ever important rural sector. Over 70% of properties in Golden Plains Shire are now classified as residential.
- **Managing the expectations of new residents who have relocated from highly urbanised Councils to a semi-rural Council.**
New residents relocating from more urbanised localities need to understand that Golden Plains Shire will not necessarily deliver the same level of services in relation to community infrastructure, etc.
- **Maintaining the extensive road network of over 1,800km.**
Golden Plains Shire was formed originally as an agricultural municipality with a number of small settlements across 2,705 square kilometres of rural land. While it remains predominantly rural and agricultural, rapid growth over the past 10 years has created a more urban character in parts of the Shire.

In 1994 the Shire's population was approximately 13,000 with 75% of rates income from rural areas. Now the population is approximately 20,000 and 75% of rates income is from townships. Council must maintain a high level of service to its rural areas but is now also facing far greater demand for infrastructure in residential areas such as footpaths, curb and channel, drainage, and sealed roads.

Therefore Council must remain focused on its adopted strategies to provide the foundations on which to plan positively for the future.

Further highlights of this budget include Council's investment in activities and initiatives such as:

- Delivery of a range of human support services that maintain or enhance the wellbeing and quality of life of Golden Plains' residents;
- Implementation of Council's Municipal Early Years Plan, which focuses on all areas that impact on the health and wellbeing of children from the ages of birth to ten years;
- The development of a Civic precinct in Bannockburn, being the Bannockburn Civic Heart;
- Resurfacing works of the Smythesdale recreation oval;
- Further development of the Teesdale Turtle Bend precinct;
- Development of a transfer station within the Shire;
- An increased investment in the upgrade and maintenance of recreation and community facilities;
- Continuing commitment to assist in the maintenance of major recreation facilities; and
- Strategic investment in economic development to facilitate the growth of the local economy, particularly in township development and rural based industries.

Financial Performance

The draft budget, with total expenditure of \$37.4m and a capital program totaling \$12.3m, will deliver a broad range of services, programs and infrastructure projects.

The budgeted programs include:

- \$16.5m allocated to the construction and maintenance of road and street infrastructure;
- \$12.1m to support and develop our recreation and community spaces and groups;
- \$8.3m to human support services, including children, aged, disability and maternity support;
- \$3.4m to managing Council's environmental and land use planning responsibilities;

- \$2.5m to managing Council's waste collection and disposal service;
- \$588k to support economic development and tourism; and
- \$395k to support Council's emergency management responsibilities.

After implementing the interim initiatives mentioned previously, Council is confident the draft budget still implements the strategies Council adopted within its current Council Plan 2013-2017, albeit to a lesser degree.

Adjusted Underlying Surplus

Each year Council's aim is to deliver a balanced adjusted underlying result. The regulations prescribe the method for calculating the 'Adjusted Underlying Result'. The purpose for calculating the Adjusted Underlying Result is to remove the effect on the budget of one-off revenue items that may otherwise overstate Council's 'normal' performance. Under the regulations the 2016-17 surplus of \$498k is calculated as follows:

Table 2

	\$'000
Total Comprehensive Result	5,173
Non-recurrent grants used to fund capital expenditure	(3,367)
Non-monetary asset contributions	(1,000)
Other contributions to fund capital expenditure	(308)
Adjusted Underlying Surplus	498

Revenue

The following key points relate to the budgeted revenue of \$42.6m which has increased by \$1.3m.

- Rates and charges have increased by \$992k to \$20.4m.
- Operating grants have increased by \$121k to \$9.9m.
- Federal Assistance Grants are budgeted to remain at 2015-16 levels as per the Federal Government's decision to freeze the value of these for a three year period.
- Capital grants have increased by \$501k to \$6.5m.
- Contributions and recoupsments of \$2.2m include \$207k relating to revenue from the Wind Farm at Mt Mercer and \$37k from the special charge relating to the road infrastructure in High Street, Bannockburn.
- User fees and charges have increased by \$101k to \$3.2m.
- Other income has decreased by \$50k primarily due to the level of current interest rates.

Expenditure

The following key points relate to the budgeted expenditure of \$37.4m which has increased by \$473k.

- Materials and services have decreased by \$272k to \$11.8m.
- Employee costs allow for the annual EB increment of 3.7%, with the current agreement expiring on 30 June 2017.
- Depreciation expense will increase by \$155k to \$7.4m.
- Finance costs will decrease by \$12k to \$356k.

Balance Sheet

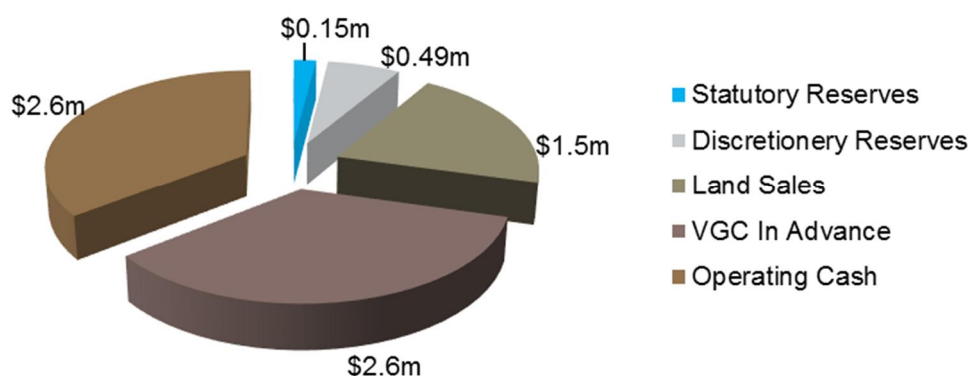
The key points to note are:

- Council's net worth will increase by \$5.2m to \$431m. The bulk of assets are infrastructure assets (\$362m).
- \$150k will be borrowed in 2016-17 to: partly fund Council's contribution to the resurfacing works required at the Smythesdale recreation oval.
- The MAV Local Government Funding Vehicle (LGFV) will be utilised to fund new borrowings at favourable interest rates.
- Working capital is in surplus \$5.4m. Current assets will be 2.17 times current liabilities at the end of the financial year, down from 2.44 in 2015-16.
- Cash balance at 30 June 2017 includes \$2.6m of 2017-18 Victorian Grants Commission (VGC) funds received in advance. These funds relate to the distribution of the Federal Assistance Grants (FAG's) that are allocated to each state by the Federal Government.
- Noncurrent assets will include an investment totalling \$1.4m relating to the sinking fund established to repay the LGFV bond when it matures in November 2019.
- The retained earnings balance at 30 June 2017 is budgeted to be \$5.4m, of which \$4.8m will be classified as discretionary. This retained earnings balance includes the proceeds from the sale of the Bakers Lane Teesdale, Stage 3 (\$1.35m), the surplus from the sale of the Warrambine Hall (\$171k) and the VGC funding received in advance (\$2.6m).

Cash Flow

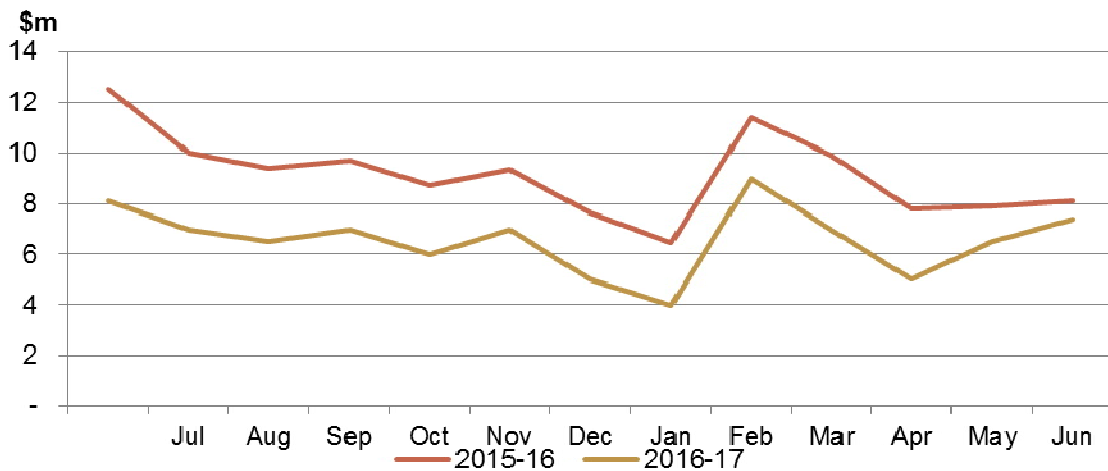
- The balance of cash will decrease by \$655k to \$7.4m.
- Under the regulations \$6.8m of this balance will be classified as unrestricted, with the remaining \$633k being restricted within statutory and discretionary reserves.
- As depicted in Chart 2, the closing cash balance will be sufficient to cover all of Council's commitments as they fall due.

Chart 2: Closing Cash Balance (\$7.4m)



- A \$12.1m cash inflow generated from operating activities will be applied to capital expenditure (\$12.3m).
- As shown in Chart 3, the cash flow trend for 2016-17 is expected to be similar to 2015-16 and previous years.

Chart 3

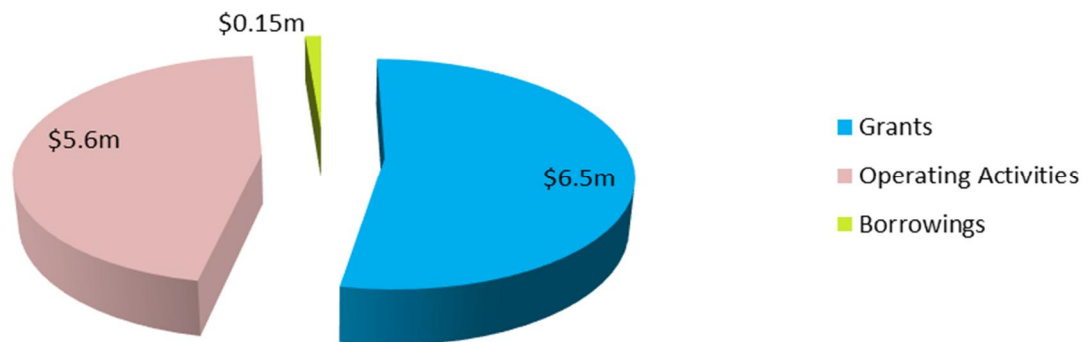


Capital Works

The key points to note are:

- The capital works program for 2016-17 is \$12.3m, a decrease of \$2m compared to the 2015-16 forecast of \$14.3m.
- The program is divided between capital renewal (37%), capital upgrade and expansion (28%) and new assets (35%).
- The capital works budget is funded from a mix of external and internal sources. Chart 4 below demonstrates that 53% is funded by grants, 46% by operations and 1% from borrowings.

Chart 4: Capital Works Funding Sources (\$12.3m)



Following is a summary of the major items of capital expenditure funded in the budget:

- Bannockburn Civic Heart - \$3.2m.
- Roads to Recovery – \$3.1m.
- Local roads resealing – \$850k.
- Plant and machinery replacements – a replacement cost of \$1.4m, of which \$0.9m is the net cost to Council after asset sales.
- Project yet to be identified - \$500k
- Smythesdale major sports oval works - \$400k
- Teesdale Turtle Bend development - \$300k
- Construction of a Transfer Station - \$290k

Financial Performance Indicators & Trends

The Financial Performance Indicators disclosed in the budget reflect Council's ongoing commitment to sound financial management. As mentioned earlier, this has provided Council with a sound foundation to begin operating within a rate capping environment.

The indicators Council considers critical are outlined in Table 3 and show that the 2016-17 results are generally positive when compared to best practice and Council's preferred targets. However, it must be noted that many of these indicators include \$2.6m of VGC funding budgeted to be received in advance.

As mentioned earlier, it is critical that the strategies included within the Council Plan and SRP are adhered to, in order to achieve the financial outcomes detailed in the plan.

Council's strong financial performance during recent periods has been achieved by adhering to Council's long term strategy of decreasing its reliance on grant revenue and increasing the level of rates and charges. Council's revenue from rates and charges is budgeted to be 47.9%. As previously stated, the state average in 2015-16 was 61.9%.

Table 3 compares some key indicators to best practice and GPS targets.

Table 3

Indicator	Budget 2016-17	Best Practice	GPS Target	Traffic Light Position
Surplus ¹	\$5,173k	>\$0	>\$5,000k	Green
Adjusted Underlying Result ²	\$498k	>\$0	>\$0	Green
Working Capital (%) ³	217%	>100%	>180%	Green
Discretionary Retained Earnings ⁴	\$4,766k	>\$1,000k	>\$2,000k	Green
Borrowings (% of Rates and Charges) ⁵	36.6%	<60%	<30%	Amber
Cash Balance ⁶	\$7,400k	>\$0	>\$5,000k	Green
Rate Determination ⁷	(\$832k)	>\$0	>\$0	Red

Indicators that meet both Best Practice and GPS Target are given a 'Green' light, one of the two targets 'Amber' and neither target a 'Red' light.

¹ Surplus – The net result of total revenue and expenditure, including non-cash items such as depreciation.

² Adjusted Underlying Result – Surplus less non-recurrent capital grants, non-monetary asset contributions and other contributions to fund capital expenditure. These items have the potential to incorrectly inflate the operating surplus.

³ Working Capital – This is a measure of Council's ability to meet its short term commitments.

⁴ Discretionary Retained Earnings – The component of total equity that is not committed (includes proceeds from sale of land at Bakers Lane and VGC received in advance).

⁵ Borrowings – Balance of total interest bearing loans and liabilities as a percentage of rates and charges (including garbage charges). The prudent limit is considered to be 60%.

⁶ Cash Balance – The total cash and cash equivalents.

⁷ Rate Determination – This calculation demonstrates Council's ability to fund its capital program from operations. A deficit means retained earnings will be depleted further.

Cost Shifting

Cost shifting occurs when Commonwealth and State programs transfer responsibilities to local government with insufficient funding or grants which don't keep pace with delivery costs.

Type 1: Cost Shifting for Specific Services

Examples:

1. Home and Community Care (HACC) - \$323k from 2011-12 to 2015-16
2. Library Services - \$153k from 2011-12 to 2015-16
3. Maternal and Child Health - \$176k from 2011-12 to 2015-16
4. School Crossing Supervision - \$34k forecast cost in 2015-16

Type 2: Loss of funding in General

Examples:

5. A freeze on indexation of the federal Financial Assistance Grants. The Commonwealth announced in its 2014-15 Budget that it will pause indexation of the total national pool of financial assistance grants to local government for three years (2014-15, 2015-16, 2016-17). The cumulative impact on Golden Plains Shire Council for the three years exceeds \$800k
6. Discontinuance of the Community Support Program (CSP) Fund for Family Day Care program from 1 July 2015 - \$55k per annum

Type 3: Statutory fee that prohibits full cost recovery

Examples:

7. Planning fees (set by the State and have been frozen for most of the past 14 years) – These fees are set at a level that prevents Council's ability to recover the costs of administering the Planning function of Council.

Type 4: Levies

Examples:

8. Fire Service Property levy – Council is legislated to collect this levy on behalf of the State Government. The net cost of administering this process is estimated to be approximately \$30k per annum.

Type 5: Statutory requirements lead to increased costs

Examples:

9. Council is now compelled to utilise the services of the Victorian Electoral Commission to deliver electoral services, removing the competitive procurement process. This has resulted in a 30% increase in the 2016 election costs for Council.
10. New national policy of 15 hours kinder for four-year olds – Nearly \$3m of capital works over the past 4 years.

Community Engagement

Under the *Local Government Act 1989*, the draft budget will be released for public inspection and comment for a period of at least 28 days prior to its consideration and adoption. Councillors are provided with fact sheets and are encouraged to engage with ratepayers during the submission period. All public submissions will be heard at a public meeting currently scheduled for Tuesday 14 June 2016, prior to adopting the budget on 28 June.

In relation to Council's vehicle fleet, there was a commitment given at the time of adopting the 2015/16 Budget and an internal review has been completed of the processes and procedures used by Council in managing the procurement and use of its fleet of light vehicles subject to private use.

The review has identified that Council currently manages its fleet in a manner which is consistent with all of the other (26) councils against which Council was benchmarked, and consistent with the practices supported by the Victorian Auditor General's Office's (VAGO) findings in its 2009

report "Vehicle Fleet Management". The VAGO report presented the key findings and recommendations from the audit, which sought to establish whether State and local government passenger fleets are operationally justified and well managed.

The review also identified that annual savings have been realised as a direct consequence of the decision to change the frequency of vehicle change-over to two (2) years or 80,000kms.

Council will also continue to work cooperatively with Project Apollo. The Project Apollo group consists of each of the five (5) G21 Council Chief Executive Officers, who have agreed to work collaboratively on identifying possible opportunities to deliver improved and more efficient services. Management and ownership of light felt vehicles across the region has been identified as one of these opportunities.

In late November and early December 2015, Golden Plains Shire Council held three focus group sessions with 41 representatives from the community to provide an opportunity to talk to Council about community priorities for the 2016-17 Council budget.

The three key resident priorities to come out of the sessions were: roads, communications and engagement, and celebrating and supporting our communities.

One of the objectives for Council was to actively listen to residents. Feedback from Councillors and residents after all three sessions indicated this objective was achieved.

Financial & Risk Management Implications

The financial outcomes included in the 2016-17 budget are critical in ensuring Council's long term financial sustainability and are consistent with the Council Plan and Strategic Resource Plan adopted by Council.

It is considered that there are no risk management implications.

Economic, Social & Environmental Implications

It is considered that there are no economic, social or environmental implications.

Communications

A communication plan has been developed to inform the community on the various aspects of the Budget and Council Plan.

Conclusion

While negatively impacted by the introduction of the State Governments rate capping framework, the 2016-17 draft budget still delivers the core services required of Council, while maintaining a sustainable financial position. This has only been achieved by implementing several short term initiatives that cannot be sustained in the long term.

Council's financial discipline over recent years has allowed it to implement the strategies and deliver the services detailed within its Council Plan, during a challenging period, without placing its financial sustainability at risk. This has built a strong foundation to commence operating within a rate capping environment.

The strategies and long-term financial plans adopted by Council underpin the preparation of the 2016-17 budget. It is also framed by the Shire's unique demographics, increased demand for new services, growing rating base, extensive local road network of 1,800 kilometres and the competing interests between rural and urban communities. It is also important to note that a key ingredient in delivering budgeted outcomes continues to be the hard work of the Shire's many volunteers.

The budget decisions made by Council today will impact not only on the next 12 months, but will set the scene for Council's continued long-term viability and strategic direction. Continuing to manage in a steady and decisive manner will set Golden Plains Shire Council up to deliver on its aspirations to work towards a more healthy, vibrant and sustainable future. This is the key to creating and delivering greater value for our communities over the longer term.

Council has a clear direction and the capacity to make Golden Plains Shire a great regional municipality where opportunities for residents, businesses and investors continue to grow.

In order to implement these programs and initiatives an amount of \$20,334,154 (or such other amount as is lawfully raised) will need to be declared as the amount which Council intends to raise by general rates, the municipal charge and the annual service charges, which amount is calculated as follows:

General Rate	\$15,926,934
Municipal Charge	\$2,279,925
Annual Service (Garbage) Charge	\$2,127,295

Council is required to give public notice of the preparation of the Budget and Council Plan and invite submissions under Section 223 of the Act on any proposal contained in the budget and Council Plan.

Moved Crs Kirby/McArthur

That Council formally prepare the Budget for 2016-17 pursuant to Section 127 of the Local Government Act 1989 and that:

- (a) The Acting Chief Executive Officer be authorised to:***
 - (i) give public notice of the preparation of the Budget for 2016-17 in accordance with Section 129 of the Local Government Act 1989; and***
 - (ii) make available for public inspection the 2016-17 budget.***
- (b) Council consider any submissions on any proposal (or proposals) contained in such Budget, made in accordance with Section 129 and 223 of the Local Government Act 1989 at a Council Meeting to be held Tuesday 14 June 2016.***
- (c) Council consider a notice of motion to adopt such budget at the Council meeting to be held on Tuesday 28 June 2016.***

That, in accordance with sections 125 and 126 of the Local Government Act 1989, Council place the draft Council Plan 2013-2017 and Strategic Resource Plan 2016-2020 on public exhibition and invite submissions.

Carried

4.6. KEY RESULT AREA – HUMAN SUPPORT SERVICES

No report.

4.7. KEY RESULT AREA – RECREATION & COMMUNITY DEVELOPMENT

No report.

4.8. KEY RESULT AREA – ROADS & STREETS INFRASTRUCTURE

No report.

4.9. KEY RESULT AREA – WASTE MANAGEMENT

No report.

4.10. COMMITTEE REPORTS

4.10.1 Audit & Risk Committee

No meeting held.

4.10.2 Chief Executive Officer (CEO) Review Committee

Cr Des Phelan, Chairperson
File: 02-01-002

No meeting held

5. NOTICES OF MOTION

File: 02-03-004 &

Nil

6. PETITIONS

Nil

7. OTHER BUSINESS

7.1. MAYOR'S REPORT

Cr Des Phelan, Mayor
File: 02-03-003

The Mayor reported on a range of meetings and activities that he was engaged in over the past month.

Date	Details
31/3/156	Funding announcement, Victoria Park Bannockburn
6/4/16	Bannockburn Chamber of Commerce breakfast meeting
7/4/16	Committee for Ballarat Round Table dinner
8/4/16	Jenny Mikakos MP, Minister for Youth Affairs visiting Council for National Youth Week
11/4/16	Launch of solar powered school signs at Napoleons
14/4/16	Meeting with Sarah Henderson MP
15/4/16	Central Highlands Councils Mayors and CEOs meeting
21/4/16	MAV Rural and Regional Forum
22/4/16	Linton Anzac Day

7.2. CHIEF EXECUTIVE OFFICER'S REPORT

Richard Trigg, Acting Chief Executive Officer
File: 02-03-004

No report.

7.3. **MUNICIPAL ASSOCIATION OF VICTORIA (MAV) REPORT**

Cr Nathan Hansford, MAV Delegate

File: 03-05-001

Council's MAV delegate, Cr Nathan Hansford, reported on a range of MAV information including:

- The Acting Chief Executive Officer, Mayor and Cr Hansford attended MAV Rural and Regional Forum.
- Victorian Flood Plain Management Strategy was presented including the management of rural levies.
- Rate capping was discussed and the number of Councils who have applied for submissions
- Rob Spence provided a funding model for Councils to consider 2.5% with discretionary funds into added services.
- Defined benefit Fund index is above 100 so no call to be placed.
- Update on MAV insurance and its competitive tendering.
- Maternal and Child Health and HAAC discussed.
- Planning Fees System Impact Statement is due May 16.
- SES funding – four Councils have withdrawn their funding contribution.
- School crossing supervision is under review.
- Discussion of government elections and would this be to Council's benefits.
- FAGS funding will finish its three year cycle next year – return to full funding.
- Drainage scheme may come back in to improve farming activity.
- RDAs effectiveness.
- Local Government Act review – next draft paper.
- MAV Act is to be reviewed.
- National Roads Conference encouraged representation.
- Campaspe Shire as a cost cutting measure is not resheeting its roads.

7.4. **OTHER BUSINESS**

7.4.1 **Councillor Reports**

Cr Bill McArthur

- Napoleons Rec Res AGM.
- Community Engagement Reference Group Workshops, Rokewood and Smythesdale.
- ANZAC Day ceremonies - Haddon and Smythesdale.
- Recognition for the two painted bus shelters in Scarsdale – one with local birds and the other commemorating the ANZACS.
- Could Have Beens – mentioned Smythesdale and was a positive commentary for the Shire.

Cr Nathan Hansford

- Will attend:
 - MAV Future of Local Government Conference on 17 May
 - MAV Rural and Regional Planning Conference in June
- Federal election on 2 July.
- State Budget to be released soon.
- State Council is in May.
- G21 Education and Training Pillar.
- Special meeting of the Geelong Regional Library Board.
- ANZAC day ceremonies - Bannockburn, Inverleigh, Shelford and Teesdale. Large crowd at Inverleigh will need crowd control.
- Jury duty from 9 May – may be apology for May Committee meeting.

Cr Greg Vaughan

- Funding announcement for Bannockburn soccer.
- National Youth Week, visit by Min Jenny Mikakos, Minister for Youth Affairs.
- ANZAC day ceremonies - Bannockburn, Inverleigh, Teesdale and Shelford. The PA system was a positive donation by the Shire.
- Weekly Times article regarding the introduction of fire wood permits.
- Acting Director Community Services advised that an Expression of Interest has been extended, on the web page, for a competition for an arts drawing on a local toilet and tank: Concepts will go on display. The panel will include a Councillor and community members.
- Community Engagement Reference Group.

Cr Jenny Blake

- Commented on maintenance work undertaken on local roads.
- Concern that solidier settlement culvert bridges are to break down.
- Burning permits - do not mention to notify neighbours.
- ANZAC day in Meredith where in my speech I noted the 75th anniversary of activity on Crete where they protected Australian soldiers.
- Community Engagement Reference Group in Rokewood.
- Pam Farey who painted the bus shelters in Scarsdale should be invited to dinner.
- To attend the Future Landscapes Partnership Project meeting on 19 May in Ballarat.

Cr Helena Kirby:

- Comment on email regarding the Future Biodiversity Landscape Workshop
- National Youth Week, visit by Min Jenny Mikakos, Minister for Youth Affairs.
- ANZAC day ceremony in Rokewood.
- Apology for Disability Access and Inclusion Plan Review meeting.
- Community Engagement Reference Group in Smythesdale.

Cr Andrew Cameron

- Future Biodiversity Landscape Workshop
- Local landcare groups community information session on the State Government's "Water for Victoria" discussion paper and implications for the Moorabool River. Suggest invite Cameron Steel to dinner.
- ANZAC day ceremonies - Bannockburn, Inverleigh, Teesdale and Shelford.
- National Youth Week, visit by Min Jenny Mikakos, Minister for Youth Affairs.
- Could Have Beens in Inverleigh.

7.5. IN CAMERA MEETING

Nil

8. ATTACHMENTS

Attachment 1A	Item 42.1	KRA – Citizen & Customer Service
Attachment 1B	Item 4.2.1	KRA – Civic Leadership
Attachment 1C	Item 4.2.1	KRA – Economic Development
Attachment 1D	Item 4.2.1	KRA – Environment & Land Use Planning
Attachment 1E	Item 4.2.1	KRA – Financial Management
Attachment 1F	Item 4.2.1	KRA – Human Support Services
Attachment 1G	Item 4.2.1	KRA – Recreational & Community Development
Attachment 1H	Item 4.2.1	KRA – Roads & Streets Infrastructure
Attachment 1I	Item 4.2.1	KRA – Waste Management

Attachments are available upon request.

9. CLOSE OF MEETING

The meeting closed at 5.19 pm.

10. CERTIFICATION

In accordance with Section 93(5) of the Local Government Act 1989, I hereby certify that the minutes of this Council meeting have been confirmed as a true and correct record.

Confirmed, Mayor, Cr Des Phelan

Date

Hard copy agendas (total printed)	13
Councillors.....	7
CSO.....	1
Gallery.....	5
Soft copy notification: media.....	0
Soft copy notification: Councillors & staff.....	0
Soft copy posted to website, portal, intranet, box.....	0
Hard copy attachments (total printed for CSO).....	2
Soft copy posted to website, portal, intranet, box.....	0
Hard copy minutes (total printed)	8
Councillors.....	7
Minutes file	1
Soft copy email: Auditor.....	0
Soft copy notification: media.....	0
Soft copy notification: staff.....	0
Soft copy posted to website, portal, intranet, box.....	0