



Southern Grampians
SHIRE COUNCIL

Council Meeting Agenda

Unscheduled Meeting
22 June 2022

To be held in Council Chambers,
5 Market Place, Hamilton
at 5:30pm.

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1. Membership

Councillors

Cr Bruach Colliton, Mayor
Cr David Robertson, Deputy Mayor
Cr Mary-Ann Brown
Cr Albert Calvano
Cr Helen Henry
Cr Greg McAdam
Cr Katrina Rainsford

Officers

Mr Tony Doyle, Chief Executive Officer
Ms Belinda Johnson, Acting Director Community and Corporate Services
Ms Marg Scanlon, Director Infrastructure
Mr Andrew Goodsell, Director Planning and Development

2. Welcome and Acknowledgement of Country

The Mayor, Cr Colliton will read the acknowledgement of country:

“Our meeting is being held on the traditional lands of the Gunditjmarra, Tjap Wurrung and Bunganditj people.

I would like to pay my respects to their Elders, past and present, and the Elders from other communities who may be here today.”

Please note: All Council meetings will be audio recorded, and may be livestreamed to Council’s social media platform, with the exception of matters identified as confidential items in the Agenda.

By participating in open Council meetings, individuals consent to the use and disclosure of the information they share at the meeting (including any personal and/or sensitive information).

Other than an official Council recording, no video or audio recording of proceedings of Council Meetings will be allowed without the permission of Council.

3. Prayer

Cr Robertson will lead the meeting in a prayer.

“Almighty god, we humbly beseech thee to vouchsafe thy blessing upon this council.

Direct and prosper its deliberations to the advancement of thy glory and the true welfare of the people of the Southern Grampians shire.”

4. Apologies

5. Declaration of Interest

6. Management Reports

6.1 Budget, Long Term Financial Plan and Asset Plan documents for 2022/23 – Acknowledgement of Feedback and Comments

Directorate: Belinda Johnson, Acting Director Community and Corporate Services
Author: Belinda Johnson, Acting Director Community and Corporate Services
Attachments: None

Executive Summary

In accordance with Section 96 of the *Local Government Act 2020*, Council adopted the Budget, Long Term Financial Plan and Asset Plans commencing 2022/23 on 22 June 2022 – Previous item.

At this time, the budget report was not updated to include consideration of the budget comments that have been received.

This report contains the recommendation for a formal response to each of the budget comments to be sent as detailed in the table.

Discussion

In accordance with Section 96 of the *Local Government Act 2020* and the Community Engagement Policy, comments were invited by placement of a notice in the Hamilton Spectator and on Council's website.

Six written submissions were received in response to the public notice advising of the preparation of the Draft Budget, Long Term Financial Plan and Asset Plan. The comments received were around broad issues such as:

- Rate and revenue management,
- Funding of Councils programs and priorities as set in the Council Plan,
- Priority Projects and Structure Plans
- Capital Works program and
- General financial management observations.

During the feedback period, Council also posted information on its Facebook page four times, with various people acknowledging content via emoji's or clicking on links to further information.

In addition to this, thirteen people responded to a survey monkey questionnaire providing insights into their view of the documents.

The closing date for all forms of feedback was Wednesday 1 June 2022.

In accordance with the provisions of Section 96 and the Community Engagement Policy the opportunity was provided for submitters of feedback to speak to their comments if they so chose.

Two people took the opportunity to speak to their submissions at the Budget Submission Council Briefing held on 15 June 2022.

A summary of the comments and the recommended response are listed below in table 1;

Table 1: List of Comments

Submission Provided By	Submission Topic	Formal Response
Coleraine District & Development Association	Request for funding for Replacement of Information signs in Coleraine and RV Friendly Town signs	The draft budget for 2022/23 has an allocation for the review and refresh of signage across Council
Dunkeld Public Lands Committee Inc.	Request for the replacement of two cabins in the Dunkeld Caravan Park.	The current budget focus is on the asset condition and renewal of Council owned assets. Council encourages the Committee to seek grant opportunities or other funding alternatives.
Community Member	Query on conservative model and culture of Council. Also concerns raised about the Culture Plan, new Hamilton Gallery and privatisation of the public service.	Thank them for their submission
Balmoral Bowling Club	Request of funding for replacement of the current polypropylene playing surface due to rapid decline in condition.	The current budget focus is on the asset condition and renewal of Council owned assets. This includes an application for a project already in the budget. Officers will continue with the Club on alternative funding solutions.
Hamilton Regional Business Association	General comments and feedback regarding the Draft Budget 2022/2023 and Long-Term Financial Plan	Thank them for their submission
Wannon Water	Request with Penshurst Wastewater Adaption Pilot	This contribution will be forecast into the 2022/23 and future years budgets as appropriate

Further to those comments listed in table one above, the following the comments (Table 2), identifies those projects to be considered for possible inclusion in a future work plan. They are;

Table 2: List of Comments for further consideration

Submission Provided By	Submission Topic	Recommended Approach
Wannon Water	Request with Penshurst Wastewater Adaption Pilot	This contribution will be forecast into the 2022/23 and future years budgets as appropriate

Financial and Resource Implications

The consideration of these projects will not impact on the overall budget as officers will review the proposed work plan and report to Council on how this can be achieved in the current fiscal environment.

Legislation, Council Plan and Policy Impacts

The recommendations are consistent with Councils strategic plans and have no legislative impact.

Risk Management

These projects are expected to be of benefit to the community and there are no additional risks identified.

Environmental and Sustainability Considerations

Nil

Community Consultation and Communication

No further consultation was required for this report.

Disclosure of Interests

All Council Officers involved in the development and advice provided in this Report affirm that no direct or indirect interests need to be declared in relation to any matters in this Report.

RECOMMENDATION

1. Budget submissions acknowledgement:
 - 1.1. That Council acknowledges and thanks all submitters to the budget process for their input; and
 - 1.2. That Council formally writes to all submitters with responses and outcomes of their submissions.
2. Budget submissions reprioritisation:
 - 2.1. That based upon the comments Council wishes to prioritise the following projects into the 2022/23 works plan:

Submission Provided By	Submission Topic	Recommended Approach
Wannon Water	Request with Penshurst Wastewater Adaption Pilot	This contribution will be forecast into the 2022/23 and future years budgets as appropriate

With officers providing a report of how this can be achieved provided to the September Ordinary Meeting of Council.

6.2 Adoption of 2022/23 Budget

Directorate:	Belinda Johnson, Acting Director Community and Corporate Services
Author:	Belinda Johnson, Acting Director Community and Corporate Services
Attachments:	1. 2022/23 Budget, 2. 2022/23-2032/33 Long Term Financial Plan, 3. 2022/23-2032/33 Asset Plan, 4. Summary of changes in Rating Disclosure

Executive Summary

The Draft Budget for 2022/23 has generally been prepared in the form of the model budget template recommended as the best practice for reporting local government budgets in Victoria. The reports contain the statutory information required under the Local Government Act 1989 and 2020 and the associated Regulations. The draft 2022/23 Budget has been developed within the overall planning framework, which guides the Council in identifying community needs and aspirations over the medium to long term (Council Plan) and short term (Annual Budget) objectives, strategies, initiatives, activities and resource requirements.

Discussion

The Draft Budget for 2022/23 has been prepared under the provisions of the Local Government Act 1989 and 2020 and in accordance with the associated Regulations and the relevant International and Australian Accounting Standards. The budget document contains:

- Overview and Budget Highlights
- Analysis of operating and capital budgets, cash position, budget financial position and rating structure
- Standard Income Statement, Balance Sheet, Cash Flow Statement, Capital Works Statement and a Summary of Rates and Charges

The Draft 2022/23 Budget presented in the report has been developed through a process of consultation and review with Council and Council officers.

The Draft 2022/23 Operating Budget forecasts an operating deficit of \$1.870 million and Council anticipates to hold \$7.172 million cash at 30 June 2023.

The Draft Budget provides for capital expenditure in 2022/23 of \$29.403 million.

The Draft Budget proposes an increase in general rate revenue of 1.75% for the year. The rate cap has been set at 1.75% by the Minister for Local Government.

The municipal charge will increase from \$206 to \$209 (this is a 1.5% increase bringing the total collected to 10% of rate revenue)

General rates and municipal charges are levied in accordance with Council's Revenue and Rating Plan.

The service charge will remain at \$360 for all improved residential properties in the Hamilton, Balmoral, Braxholme, Byaduk, Byaduk North, Cavendish, Coleraine, Dunkeld, Glenthompson, Penshurst and Tarrington urban areas and "refuse collection areas" for the collection and disposal of refuse, recycling and FOGO.

The kerbside collection services will again only be provided to commercial and industrial properties within the Shire on request.

It is proposed to borrow \$2 million in funds in 2022/23 year.

It is proposed to continue to offer as an incentive for prompt payment, a discount of two per cent in accordance with Section 168 of the Local Government Act 2020 where all four instalments of rates and charges declared for the current year (less the discount) are paid on or before 30 September, excluding any arrears of rates and charges outstanding from previous years.

Since the publication of the Draft budget, some final changes to the 2021/2022 rating figures have occurred which has also impacted the 2022/23 rating disclosures. The published data in the draft budget is shown with the blue headers, with the revised data to be incorporated into the adopted budget with green headers – as attached.

Financial and Resource Implications

Council is required to implement the principles of sound financial management detailed in Section 136 of the Local Government Act 2020.

Legislation, Council Plan and Policy Impacts

The 2022/23 Annual Budget includes the key activities and initiatives to be funded that will contribute to achieving the strategic objectives specified in the Council Plan 2021-2025.

The Council Plan establishes that we will:

- Supporting our Community
- Growing our Regional Economy
- Maintaining and Renewing our Infrastructure
- Protecting our Environment, and
- Providing Strong Governance and Leadership

These key activities and initiatives will be reviewed following adoption of the 2021-2025 Council Plan to ensure continued alignment.

Risk Management

In developing the Draft Budget, Council considers relevant financial risks to ensure it can achieve its Council Plan objectives within a longer term prudent financial framework.

Environmental and Sustainability Considerations

The Annual Budget provides the funding for the Council to undertake its social, economic and environmental initiatives outlined in the Council Plan 2021-2025.

Community Consultation and Communication

The Draft Budget 2022/23 was advertised for public comment on 14 May 2022 and 28 May 2022 in the Hamilton Spectator Newspaper. The Draft Budget was available for public inspection at Councils Customer Service Centre, 111 Brown Street Hamilton and Council's website www.sthgrampians.vic.gov.au. A survey was developed and available during the consultation period and four Facebook posts were undertaken.

Comments from all sources closed on 1 June 2022 and those wishing to present their feedback in person met with Councillors on 15 June 2022.

Disclosure of Interests

All Council Officers involved in the development and advice provided in this Report affirm that no direct or indirect interests need to be declared in relation to any matters in this Report.

RECOMMENDATION

That having considered all submissions received, Council resolve as follows:

1. Adoption of 2022/2023 Budget

1.1. That the Budget for the year ending 30 June 2023 as presented at the Council meeting held on 22 June 2022 be adopted.

2. Declaration of Rates and Charges for 2022/2023

That the following rates and charges be declared for the financial period commencing on 1 July 2022 and ending on 30 June 2023 -

A. AMOUNT INTENDED TO BE RAISED

That the amount of \$22,160,301 be declared as the amount which Council intends to raise by general rates, special rates, municipal charges and service charges which amount is calculated as follows –

General Rates	\$17,905,724
Municipal Charge	\$ 2,005,355
Service Charges	\$ 2,244,960
Special Rate	<u>\$ 4,262</u>
	\$22,160,301

B. GENERAL RATE

1. A general rate be declared for the period commencing on 1 July 2022 and ending on 30 June 2023.
2. It be further declared that, subject to paragraph 4 of this Part, the general rate be raised by the application of differential rates.
3. It is confirmed that the general rate for all rateable land within the municipal district be determined by multiplying the Capital Improved Value of each rateable land by the relevant differential rate as specified in paragraph 5 of this Part.
4. It be recorded that Council considers that the application of the differential rates will contribute to the equitable and efficient carrying out of Council's function and that the purpose of levying differential general rates is to recognise the following factors:
 - The different standard of municipal services provided to the residents and ratepayers in different areas of the Shire;
 - The different range of municipal services available to the residents and ratepayers in different areas of the Shire;

- Differences in the accessibility to municipal services for the residents and ratepayers in different areas of the Shire.
5. That differential rates be declared as specified below:
 - i. on all rateable land in the parishes of North Hamilton and South Hamilton, excluding farm land (as defined by Section 2 (1) of the Valuation of Land Act 1960) comprising all or part of a single farm enterprise (as defined by Section 159 (4) of the Local Government Act 1989) with an area of 40 hectares or more, a differential general rate of 0.3451 per cent or 0.3451 cents of each dollar of the Capital Improved Value;
 - ii. on all rateable farm land (as defined by Section 2 (1) of the Valuation of Land Act 1960) in the parishes of North Hamilton and South Hamilton comprising a single farm enterprise (as defined by Section 159 (4) of the Local Government Act 1989) with an area of 40 hectares or more, a differential general rate of 0.2040 per cent or 0.2040 cents of each dollar of the Capital Improved Value.
 - iii. on all other rateable land in the Shire, a differential general rate of 0.2040 per cent or 0.2040 cents of each dollar of Capital Improved Value.
 6. It be confirmed that no amount is fixed as a minimum amount payable by way of general rate in respect of each rateable land within the municipal district.

C. MUNICIPAL CHARGE

1. A municipal charge be declared for the period commencing on 1 July 2022 and ending on 30 June 2023.
2. The municipal charge be declared for the purpose of covering some of the administrative costs of Council.
3. The municipal charge be in the sum of \$209.00 for each rateable land (or part) in respect of which a municipal charge may be levied; and
4. It be confirmed that the municipal charge is declared in respect of all rateable land within the municipal district in respect of which a municipal charge may be levied.

D. SERVICE CHARGES

1. Service charges be declared for the period commencing on 1 July 2022 and ending 30 June 2023.
2. The service charges be declared for each rateable land (or part) in respect of which service charges may be levied.
3. A service charge of \$360 will be made on all improved properties within, Balmoral, Branxholme, Byaduk, Byaduk North, Cavendish, Coleraine, Dunkeld, Glenthompson, Hamilton, Penshurst and Tarrington urban areas and other areas as defined within the "refuse collection areas" for the collection and disposal of refuse, recycling and FOGO, excluding all commercial and industrial properties where such service is provided only upon request and for payment of applicable charges.

E. SPECIAL RATE (YATCHAW DRAINAGE AREA):

1. A special rate be declared for the period commencing on 1 July 2022 and ending on 30 June 2023.
2. The special rate be declared on all rateable land within the Yatchaw Drainage Area for the purpose of defraying the costs of drainage in that area.

3. The Council is of the opinion that the purpose for which the special rate is being declared will be of special benefit to the persons required to pay the special rate.
4. The special rate of 0.0016 per cent or 0.0016 cents of each dollar be declared and levied on each dollar of the Capital Improved Value of all rateable land in the Yatchaw Drainage Area.

F. EXEMPTION FROM MUNICIPAL CHARGE:

That Council accept applications for exemptions from the requirements to pay the Municipal Charge under the provisions of Section 159 of the Local Government Act 1989 throughout the year.

G. INCENTIVE FOR PROMPT PAYMENT:

That as an incentive for prompt payment a discount of two per cent be allowed in accordance with Section 168 of the Local Government Act 2020 where all four instalments of rates and charges declared for the current year (less the discount) are paid on or before 30 September 2022 excluding any arrears of rates and charges outstanding from previous years.

H. INTEREST ON UNPAID RATES AND CHARGES:

That interest at the rate prescribed by Section 172(2)(a) of the Local Government Act 2020 be payable in respect of any of the aforesaid rates and charges which are not paid by the dates fixed pursuant to Section 167(2) of the Local Government Act 2020.

I. AUTHORISATION TO LEVY AND RECOVER:

That the Chief Executive Officer of the Council be authorised to levy and recover the aforesaid rates and charges in accordance with the Local Government Act 2020.

7. Confidential Matters

RECOMMENDATION

That the following items be considered in Closed Council as specified in section 66(2)(a) and referenced in section 3(1), Confidential Information (a) Council business information, being information that would prejudice the Council's position in commercial negotiations if prematurely released as per the Local Government Act 2020.

7.1 Records Management

8. Close of Meeting

This concludes the business of the meeting.