



CORANGAMITE  
SHIRE

# agenda

## CORANGAMITE SHIRE

### MEETING OF COUNCIL TUESDAY 20 OCTOBER 2020

To be held at the Theatre Royal  
Manifold Street, Camperdown  
commencing at 7.00 pm  
and live streamed on the Internet

Due to COVID restrictions there will be no public gallery at this meeting. Please submit any items for the open forum in writing to [governance@corangamite.vic.gov.au](mailto:governance@corangamite.vic.gov.au) by 12 pm on Tuesday 20 October 2020.

#### **COUNCIL:**

Cr Neil Trotter (South West Ward)  
MAYOR

Cr Ruth Gstrein (Central Ward)  
DEPUTY MAYOR

Cr Geraldine Conheady (Central Ward)

Cr Helen Durant (Central Ward)

Cr Simon Illingworth (Coastal Ward)

Cr Lesley Brown (North Ward)

Cr Jo Beard (South Central Ward)

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# Order of Business

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## **1. PRAYER**

We ask for guidance and blessing on this Council. May the true needs and wellbeing of our communities be our concern. Help us, who serve as leaders, to remember that all our decisions are made in the best interests of the people, culture and the environment of the Corangamite Shire.

Amen

## **2. ACKNOWLEDGEMENT OF COUNTRY**

We acknowledge the Traditional Owners of the land on which we are meeting, and pay our respects to their Elders, past and present.

## **3. APOLOGIES**

## **4. DECLARATIONS OF CONFLICT OF INTEREST**

## **5. CONFIRMATION OF MINUTES**

### **RECOMMENDATION**

That the Minutes of the Corangamite Shire Council meeting held on Tuesday 29 September 2020 be confirmed.

## **6. DEPUTATIONS & PRESENTATIONS**

## **7. MAYOR'S REPORT**

## **8. COMMITTEE REPORTS**

## **9. PLANNING REPORTS**

## **10. OFFICERS' REPORTS**

## **11. OTHER BUSINESS**

## **12. OPEN FORUM**

## **13. CONFIDENTIAL ITEMS**

**ANDREW MASON**  
**CHIEF EXECUTIVE OFFICER**

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## 6. DEPUTATIONS & PRESENTATIONS

1. Members of the public may address Council under this section of the agenda during a meeting of Council if:
  - a) The person is addressing the Council in respect to a submission on an issue under Section 223 of the *Local Government Act 1989*, or
  - b) The person has requested that they address Council on an issue and the Mayor has agreed that they be heard.
2. Requests to address Council must be received by 5.00 pm on the day prior to the scheduled meeting of Council.
3. Presentations made to Council in this section of the agenda may not exceed five minutes in length, although Councillors may ask questions following each presentation. If a presentation exceeds five minutes in length, the Mayor may request that the presenter ceases to address Council immediately.

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## 7. MAYOR'S REPORT

### 7.1 Mayor's Report

**Author:** Cr Neil Trotter, Mayor, and Cr Jo Beard

**Previous Council Reference:** Nil

#### **Declaration**

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

Authors – Cr Neil Trotter and Cr Jo Beard

In providing this advice to Council as the Mayor and past Mayor, we have no interests to disclose in this report.

#### **Introduction**

For the last Council meeting of this elected Council, past Mayor Cr Jo Beard is joining me to reflect upon some of the achievements and challenges this Council has faced over the past four years. Cr Beard served as Mayor for two years of this Council term (2016-2017 and 2017-2018), while I was elected in November 2018 and have served the last two years (2018-2019 and 2019-2020).

#### **Issues**

This Council began its journey back in November 2016. It was an interesting time. Our agricultural industry was still reeling from the dairy crisis, and Council's Works crews were cleaning up after a major flood event on 14 September 2016. The floods were declared a natural disaster by the Victorian State Government, with \$4 million spent on more than 200 repair projects across the Shire.

We had four new Councillors elected (Crs Illingworth, McArthur, Durant and Brown), as well as three re-elected (Crs Gstrein, Beard and Trotter). Experience ranged amongst the re-elected Councillors from four years (Cr Trotter) to 14 years of service by Cr Ruth Gstrein. Cr Beard was re-elected Mayor (having already served a year as Mayor with the past Council), and we immediately started work with senior officers to set a new agenda and create a four year Council vision and plan. By April 2017, we had developed a Council Plan that had an emphasis on connected, thriving communities. Roads was a strong focus of this Council, with an entire theme dedicated to improving the condition of our local roads and advocating for improvements to the VicRoads arterial roads in our Shire.

Cr Wayne Oakes was returned to office on a countback in December 2018 following the resignation of Cr Bev McArthur. However, in March 2020, we mourned the passing of Cr Oakes. Wayne was a great bloke who was well respected and always put his community first. He will be missed.

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### ***Financial Responsibility***

An achievement of this Council that we are particularly proud of is becoming debt-free in 2017-2018, following a commitment to no new borrowings over the Council term. Planning for potential risk is important, with conservative amounts set aside each year for future responsibilities, such as Naroghid landfill rehabilitation (in 25 years) or more Defined Benefits superannuation call-outs (Victorian councils were required to pay a \$396.9 million shortfall to the Local Authorities Superannuation Fund in 2013). Funds have also been set aside for major projects such as the \$15 million Port Campbell Town Centre renewal, for which we are currently seeking \$10.6 million funding support from the State and Federal Governments.

We are in a secure and sustainable financial position thanks to fiscally responsible decision-making by past and present Councils, and it is essential that we continue this practice, so our communities benefit now and into the future.

### ***Roads Projects***

This Council term has seen a record level of investment in our local sealed and unsealed network, reflecting roads as a top community priority. The Castle Carey Bridge upgrade was completed in February 2019, signalling a new era for one of the Shire's most important transport routes. The \$5.2 million project has been Council's largest road project to date, now safely accommodating B-Double and High Mass Limit Vehicles and cutting travel distances for all road users.

We welcomed a VicRoads major upgrade to Foxhow Road in 2018. A notorious stretch of four kilometres between Wottenhalls Lane and Leslie Manor Road was widened and rebuilt. Another 900 metre stretch was widened to Mount Myrtoon Lane. Just in July this year, the Federal Government added the Princes Highway (from Colac to the South Australian border) to the National Land Transport Network, recognising it as a key freight link and increasing the likelihood of Federal funding for a major upgrade. The recognition comes after years of lobbying by South West councils as part of the Princes Highway West Action Alliance.

Council has put a lot of focus and effort into advocating to the State Government, VicRoads and Regional Roads Victoria about the poor condition of State-managed roads in our Shire. We continue to lobby for urgent upgrades to the North South Loop tourist loop which includes roads linking the Great Ocean Road to the Princes Highway (Prinetown Road, Cobden-Port Campbell Road, Timboon-Colac Road) and upgrades to key freight roads identified through the Dairy Supply Chain project.

### ***Capital Projects***

Streetscape renewals in Camperdown and Timboon have been completed during this Council term, while works have started in Derrinallum. Community consultation and designs are underway for Cobden and Port Campbell. Streetscapes, by their nature, can be controversial and Council's approach to consultation has evolved over the past decade.

Timboon's transformation into a foodies' destination has been a highlight, with residents and visitors enjoying new open spaces, better access and improved pedestrian links between the rail trail and shopping precincts. The project involved a six month consultation process where the community was genuinely involved, deciding on 10 priorities to develop a design plan. In March 2020, the State Government announced \$300,000 towards a third renewal, this time beautifying and linking the swimming pool and shopping precincts at the southern entrance to town.

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Detailed designs for the Port Campbell Town Centre Improvements were adopted by Council in August 2020 after a two-year consultation and planning process with the community. This bold \$15 million streetscape is the largest ever project in Corangamite Shire's history and will completely transform Port Campbell, pedestrianising the town centre and linking attractions such as the foreshore, headland, suspension bridge, public purpose reserve, and Twelve Apostles Trailheads.

### ***Recycling Crisis***

In January 2018, China's restriction on imports of unsorted recyclables, such as dirty or contaminated plastic, mixed with paper and cardboard, threw many of Victoria's recycling services into chaos. Corangamite Shire was impacted as our recyclables were on-sold in a mixed form to China. Fortunately, our recyclables continued to be accepted by the processor, however it was at a much higher cost resulting in a steep rise to the annual waste charge in 2019.

Our focus has been on continuing the good practices we had established in Corangamite, separating recyclables from organics and general waste. If anything, the crisis made Australia look at the way we recycle and has forced us to come up with better ways; the Victorian Government has since released a 10 year plan to transform recycling in Victoria and the Federal Government has committed serious funds to build home-grown industries instead of relying on overseas markets.

### ***Shipwreck Coast Masterplan***

In October 2018, the Federal Government announced it would match funding of the State Government's Geelong City Deal, contributing \$58 million to transform the Twelve Apostles precinct into a world-class visitor attraction. This includes building the Glenample Visitor Centre and making infrastructure improvements to manage the soaring numbers of visitors to the Twelve Apostles.

The investment will transform the way visitors experience our coastline, managing visitor flows, encouraging longer stays, and benefitting the natural attractions and local communities. The Port Campbell suspension bridge opened in August 2020 and was the first completed project to come out of the Shipwreck Coast Masterplan.

### ***Twelve Apostles Trail***

In May 2020, we welcomed \$4.5 million funding from the State Government for the Timboon to Port Campbell section of the Twelve Apostles Trail. Combined with the \$2.2 million allocated in Council's 2020-2021 Budget, it gave us the funding needed to complete the project by 30 June 2021.

The proposed 20 kilometre shared cycling and walking path from Timboon to Port Campbell has been a priority for longer than we have served on Council, and it will be a personal highlight for both of us to see this project realised. The experience will take in natural bushland, coastal and agricultural vistas, as well as food and farm gate opportunities.

### ***St Patricks Day Fires***

The St Patricks Day Fires in March 2018 had a devastating impact on our community. The fires burnt more than 10,000 hectares near Terang, Cobden and Camperdown, destroying 26 homes, 61 sheds, as well as hundreds of livestock, pasture and fencing. Relief centres were opened in Cobden, Camperdown, Terang and Port Campbell to provide haven for residents and visitors to the Shire. Some of the relief centres were initiated by the community, with volunteers providing beds, blankets, food and comfort to people in need. Local CFA members and teams from Forest Fire Management Victoria, including aerial support, contained the fires

early, but took some time to extinguish them due to peat fires near Cobrico. Elingamite and Gnotuk. The peat fires smouldered for eight weeks, with smoke containing harmful carbon monoxide, impacting communities even more.

Overall, 241 properties were fire affected, with families losing their homes, possessions, and livelihoods. The direct economic impact was estimated at nearly \$60 million. We are incredibly fortunate there were no human lives lost.

The transition to recovery phase happened on 20 April, five weeks after the fires started. For Council, this included continuing to operate the relief and recovery centres, clearing fallen trees, dead stock and waste. A Fire Recovery team of three fulltime equivalent staff was appointed to provide resources for the incident and regional response, as well as advice to those affected and information to the community. Support for our fire-affected communities was overwhelming. From the firefighters who left their own at-risk homes to defend others, to those who volunteered at the relief centres, or worked with BlazeAid to clean up properties and rebuild nearly 660 km of fencing damaged by the fires.

Natural disasters or emergencies, while devastating and challenging, can often bring out the best in people and strengthen the resolve of communities. We are enormously proud of the resilience of our communities and it was an absolute privilege to witness communities work together in recovery.

### **COVID-19**

While Corangamite has weathered major flood and fire emergencies over the past decade, the COVID-19 pandemic posed an entirely new challenge for our communities, and indeed, Australia and the world in 2020. When Stage 3 restrictions were imposed on regional Victoria in March 2020, our retail, food and accommodation sector was heavily impacted. Tourism in the south of the Shire has been particularly hard hit. Thirty percent of 99 Corangamite businesses who responded to a survey in April said they had closed and 20% said they intended to close.

At a local level, Corangamite's strong financial position enabled us to respond quickly. We are really proud of the \$4.8 million COVID-19 Recovery Fund developed in May, aimed at supporting businesses and communities, creating jobs and delivering local projects.

While this pandemic has been really tough on sections of our community, there are high levels of optimism around the local economy's ability to rebound. Our economy is heavily underpinned by the dairy industry, which had less exposure to impacts. Perhaps more poignantly, social distancing and its impacts have changed the way our local communities connect. Restrictions on public meetings, sport and gatherings meant that most community groups stopped meeting in 2020. The challenge remains to re-build those social connections. We can count ourselves extremely fortunate to live in a country that has successfully flattened the COVID-19 curve.

### **Hampden Specialist School**

One of the absolute highlights of this term has come at the end; that is the State Government's announcement that it will fund the relocation of the P-4 campus of the Hampden Specialist School and P-4 campus of Terang College, to the site of the Terang College 5-12 campus. This project has been in the pipeline for three years, and a lot of hard work has gone into planning and advocating for a modern facility in which children can learn and be supported.



***The Importance of Community***

Community plays an important role in making Corangamite such a great place to live. It's the way we stay connected, supported, healthy and happy. The role of Council is to empower each of our 12 communities to achieve their priorities. Over the term of this Council there have been so many 'little' projects delivered that our communities longed for. New play spaces, improvements to community hubs, recreation reserves, public halls and toilets. Walking paths trails really came to the fore during lockdown with so many residents out walking to maintain health, wellbeing (and sanity). Trails have been a common thread through most of our community planning and a great lesson for Council to continue to listen to our communities.

**Conclusion**

We wish to thank our fellow Councillors for their support over our time as Mayor, a role which we have both really enjoyed. It has been a privilege for us to serve the community, and we are grateful for the opportunity.

Thank you, also, to Corangamite's staff who deliver essential services to our communities. Corangamite Shire has an excellent culture of cooperation between Councillors and staff and communities are best represented when we work together.

We are in the business of building strong communities that support healthy and happy residents, and those who contribute to their communities know that it is so much more than 'rates, roads and rubbish'. Local government may be the third tier of government, but our direct work with local communities benefits them most. We would argue that makes local government the most valuable tier of them all.

**Information only.**

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## 8. COMMITTEE REPORTS

### 8.1 Audit and Risk Committee Biannual Report to Council - October 2020

**Author:** Colin Hayman, Chairperson, Audit and Risk Committee

**Previous Council Reference:** Nil

#### **Declaration**

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

Author - Colin Hayman

In providing this advice to Council as the Chairperson, Audit and Risk Committee, I have no interests to disclose in this report.

#### **Summary**

The purpose of this report is to provide Council with a summary of activities undertaken by the Audit and Risk Committee (the Committee) during 2019-2020. The report is also provided in accordance with the Committee's Charter which requires the Chairperson to report to Council every 6 months. One of these reports is to be immediately after the Audit and Risk Committee considered the annual financial statements and annual performance statement, which was 17 September 2020.

#### **Introduction**

Audit and Risk Committees play a critical role in the financial reporting framework of councils by overseeing and monitoring the participation of management and external auditors in the financial reporting process. They also address issues such as the approach being adopted by a council and management to address business risks, corporate and financial governance responsibilities and legal compliance. A council may also refer issues of a strategic or risk nature to their Audit and Risk Committee for review. The principle functions and extent of authority for the Audit and Risk Committee are set out in the *Local Government Act 2020* and the Committee's Charter.

#### **Issues**

The Audit and Risk Committee was established by Council in August 2020 as required under the *Local Government Act 2020*. Members of Council's former Audit Committee, established under the former 1989 Act, were also reappointed. The Committee at its first meeting held 17 September 2020 elected Colin Hayman as Chairperson. This first biannual report to Council is transitional in nature as it also references activities undertaken by the former Committee.

The Committee met four times during the review period. The Committee membership varied during the year with Mr Andrew Jeffers retiring after two terms (six years) and Ms Phillippa Dee appointed as a new member for a three year term.

The Committee had a successful year and met its objectives and discharged its responsibilities under the Charters in effect at the time. The Committee's engagement with Council management was positive, which ensures a continuing and strong commitment to corporate governance and improving internal controls.

### ***Committee Members***

The Committee was comprised of the following members during the 2019- 2020 year:

- Independent members:
  - Mr Colin Hayman (Chairperson)
  - Ms Phillippa Dee from (25 February 2020)
  - Mr Andrew Jeffers (until 31 January 2020)
  - Mr Matt Makin
- Councillors:
  - Councillor Lesley Brown
  - Councillor Helen Durant

Attendee	Meeting			
	12/09/2019	12/12/2019	12/03/2020	11/06/2020
Mr Colin Hayman	✓	✓	✓	✓
Ms Phillippa Dee			✓	✓
Mr Andrew Jeffers	✓	x		
Mr Matt Makin	✓	✓	x	✓
Cr Helen Durant	x	✓	✓	✓
Cr Lesley Brown	✓	✓	✓	✓
Cr Neil Trotter (Mayor)*	✓	-	-	✓

Legend	
✓	In Attendance
✓*	In Attendance - Non Voting
x	Apology
-	Attendance Not Required

### ***In Attendance***

The following individuals attended Committee meetings during the year:

- Council officers:
  - Mr Andrew Mason, Chief Executive Officer
  - Ms Brooke Love, Director Works and Services
  - Mr David Rae, Director Corporate and Community Services
  - Mr Adam Taylor, Finance Manager
- McLaren Hunt Financial Group, agent of the Victorian Auditor General's Office (External Auditor):
  - Mrs Narelle McLean, Partner
- Crowe (Internal Auditor):
  - Mr Andrew Zavitsanos, Principal.
  - Ms Thivya Mahendran, Manager.
  - Gabrielle Castree, Manager.

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**Meetings**

Issues considered by the Committee during the period included:

- Committee meeting 12 September 2019:
  - CEO and Mayor Credit Card Use 1 July-31 August 2019
  - 2018-2019 Financial Statements and Performance Statement
  - Management Letter and Closing Report for the year ended 30 June 2019
  - Finance Report as at 30 June 2019 and provisional result 2018-2019
  - Corporate Risk Register Update
  - Fraud Control Plan Annual Review
  - Health and Safety Management System Review
  - Incident and Injury Report 2018-2019
  - JMAPP Risk Maturity Appraisal Report
  - ICT Disaster Recovery Plan Biennial Review
  - Asset Valuation and Revaluation Policy
  - Procurement Policy Review 2019-2020
  - 2018-2019 Procurement Summary
  - Proposed Investment - Victorian Funds Management Corporation
  - VAGO Performance Audit: Fraud and Corruption Control - Local Government
  - Council Briefing and Meeting Activity
  - Internal Auditor - Annual Performance Review and Two-Year Contract Extension.
  
- Committee meeting 12 December 2019:
  - CEO and Mayor Credit Card Use - 1 September - 30 November 2019
  - Audit and Risk Committee Meeting Dates for 2020
  - Audit and Risk Committee Chairperson 2020
  - Review of Annual Work Plan for 2020
  - Audit and Risk Committee Charter - 2019 Annual Review
  - Audit and Risk Committee - 2019 Annual Performance Review
  - Internal Audit Reviews - Memorandums of Audit Planning
  - Status Update - Outstanding Internal Audit Recommendations
  - Victorian Auditor General's Office - Results of 2018-2019 Local Government Audits
  - Finance Report as at 30 September 2019
  - Strategic Risk Update
  - Cyber Security
  - Landfill Operations Progress Report 2018-2019
  - VAGO Assurance Reviews
  - Council Briefing and Meeting Activity.
  
- Committee meeting 12 March 2020:
  - Mayor and CEO credit card use - 1 December 2019 - 29 February 2020
  - Strategic Internal Audit Plan 2020-2021
  - Traffic Management Review February 2020
  - External Audit Strategy 2019-2020
  - External Audit Management Letter 2018-2019 - Outstanding Recommendations
  - Finance Report as at 31 December 2019
  - Strategic Risk Report February 2020

- Governance and Management Attestation as at 31 December 2019
- Workcover Premium Review 2020
- New Local Government Act - Bill Status
  
- Committee meeting 11 June 2020:
  - Mayor and CEO Credit Card Use - 1 March 2020 - 31 May 2020
  - Internal Audit Review Rates Management May 2020
  - Internal Audit Review Data Analytics April 2020
  - Strategic Internal Audit Plan 2020-2021
  - Outstanding Recommendations of Internal and Other Audits Update June 2020
  - External Audit Strategy 2019-2020 (Updated)
  - External Audit Interim Management Letter 2019-2020
  - Finance Report as at 31 March 2020
  - Landfill Operations Progress Report 2019-2020
  - Procurement Policy Review 2020-2021
  - Council Response to COVID-19
  - Victorian Ombudsman Investigation of Alleged Improper Conduct By Executive Officers at Ballarat City Council
  - Swimming Pool and Spa Registrations
  - Pertinent Council Reports, Briefing Papers other relevant matters.

### ***2019-2020 Annual Finance Statements and Performance Statement***

The Committee considered the draft 2019-2020 annual financial statements and performance statement on 17 September 2020. The Committee meeting was attended by the external auditor McLaren Hunt as agent of the Victorian Auditor General's Office. The Committee made recommendation to Council to give in-principle approval to the financial statements and performance statement having been satisfied on the results of the audit and seeking assurance from management on the matters raised during the audit. Council gave its in-principle approval to the financial statements and performance statement at a special meeting held 29 September 2020.

### ***Discharging Responsibilities***

As Chairperson, I am satisfied the Committee has discharged its responsibilities as set out in its Charter for the previous year. These responsibilities, as described by section 54(2) of the Act, are to:

- Monitor the compliance of Council policies and procedures with:
  - the overarching governance principles, and
  - the Act and the regulations and any Ministerial directions,
- Monitor Council financial and performance reporting,
- Monitor and provide advice on risk management and fraud prevention systems and controls, and
- Oversee internal and external audit functions.

The matters considered at each meeting are in accordance with the Committee's Charter and Annual Work Plan and demonstrates the Committee's commitment over the course of the year to discharge its responsibilities.

As previously reported to Council, a performance review was also undertaken by the Committee in December 2019. The review, conducted by a self-assessment survey, was used to measure the Committee's performance against its responsibilities. Committee members assessed the effectiveness of the Audit and Risk Committee as a whole and their individual

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performance. Results were discussed at the December Audit and Risk Committee meeting with the Committee noting its performance was in accordance with its responsibilities.

A performance review of the Internal Auditor (Crowe) was also completed by the Committee in September 2019. The review was used to assess the Internal Auditor's performance in achieving the objectives of the Audit and Risk Committee, performance against their contract and prior to considering an extension of their contract for a further two years. Results were discussed at the September Audit and Risk Committee meeting and the CEO (under Council delegation and) on recommendation of the Committee awarded a contract extension to Crowe late 2019.

### ***Future***

The tenure of independent Committee member Matt Makin expires 31 January 2021. Mr Makin is not seeking reappointment. An expression of interest process will commence mid-January 2021 to fill the vacancy and will culminate in a recommendation to Council in February 2021.

The Committee over the course of the current financial year will continue to monitor Council's implementation of the *Local Government Act 2020*.

### **Policy and Legislative Context**

Reporting of the Audit and Risk Committee's activities is consistent with the Council Plan 2017-2021 which includes the following commitments:

We are committed to ensuring the ethical behaviour of Councillors and staff, maintaining good governance and remaining financially sustainable.

Council will demonstrate high levels of ethical behaviour and governance standards.

Council will make budgetary decisions that ensures Council remains in a strong financial position now and into the future.

Council will deliver value for money by ensuring that services are required and delivered efficiently and sustainably.

### **Internal / External Consultation**

The Chairperson of the Audit and Risk Committee has authored this report in consultation with Director Corporate and Community Services. The next biannual report will be provided in April 2021.

### **Financial and Resource Implications**

There are no financial and resource implications as a consequence of this report.

### **Conclusion**

During 2019-2020 Council's Audit and Risk Committee considered a broad range of issues as detailed in this report. Members of the Committee worked productively and harmoniously and have discharged its responsibilities set out in the Charter. The Committee continues to recognise the ongoing need for continuous improvement in enhancing the effectiveness of the Committee and internal audit. The Committee also continues to work professionally and effectively with management.

## **RECOMMENDATION**

**That Council receives the biannual Audit and Risk Committee report for October 2020.**

## 9. PLANNING REPORTS

Nil.



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## 10. OFFICERS' REPORTS

### 10.1 Annual Report 2019-2020

**Author:** Penny MacDonald, Executive Services and Governance Coordinator

**Previous Council Reference:** Nil

#### **Declaration**

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

Author - Penny MacDonald

In providing this advice to Council as the Executive Services and Governance Coordinator, I have no interests to disclose in this report.

#### **Summary**

This report provides information regarding the 2019-2020 Annual Report (attached), the final annual report for this Council term.

#### **Introduction**

Council is required to prepare and circulate an annual report for each financial year based on requirements in the *Local Government Act 1989* (the Act) and *Local Government (Planning and Reporting) Regulations 2014*. *Local Government Act 2020* provisions relating to annual reports have yet to commence.

The Annual Report will be sent to the Minister for Local Government prior to the due date, and was made available on Council's website from 16 October 2020. Printed copies are available from Council's Community Relations team on request.

#### **Issues**

The Annual Report details Council's activities throughout the previous financial year and includes:

- The Report of Operations, demonstrating how Council performed against the 2017-2021 Council Plan, the Annual Action Plan and Budget for 2019-2020.
- Audited performance statement and audited financial statements.
- Council's measures for the Local Government Performance Reporting Framework indicators.

During the year, Council mourned the passing of Cr Wayne Oakes. Cr Oakes died on 19 March 2020 following lingering health issues. Fellow Councillors felt a great sense of loss on Cr Oakes' passing. He will be remembered as a conscientious Councillor who cared deeply for his family and the community.

The COVID-19 pandemic has significantly impacted our community and local businesses. To support the community and the local economy to recover from the impact of the pandemic, Council initiated a \$2.5 million stimulus package to deliver local projects, support businesses and create jobs. Council also adopted the 2020-2021 Budget with a 0% average rate increase to further support the community during this challenging time.

Despite the pandemic, Council remains in a strong financial position, delivering an operating surplus of \$378,000, against the predicted surplus of \$1.37 million. Council's revenue in 2019-2020 was \$47.8 million, with expenditure of \$47.4 million. Council remained debt free, with no new borrowings during the year, and delivered a capital works program of \$14.3 million. \$17.1 million was secured in grants funding. The general rate increase was 2.5%, with a municipal charge of \$202.50 and waste management charge of \$343.

Throughout 2019-2020, Council also commenced implementation of the new *Local Government Act 2020*. The new legislation significantly reforms local government to strengthen transparency and accountability. Changes to Council's policies and plans will continue throughout 2020-2021 as staged commencement of the Act continues.

Other highlights and challenges experienced during the year are identified below.

#### ***Highlights During 2019-2020***

- \$4.5 million in funding announced by the State Government for stage 1 of the Twelve Apostles Trail (Timboon to Port Campbell).
- \$2.3 million obtained as part of the Working for Victoria program, providing 43 new positions for a minimum of six months to deliver construction projects as well as business and community support for COVID-19 recovery.
- Rehabilitation projects along 13.5 km of local roads completed.
- A new Port Campbell play space and toilet block project completed with a \$1 million budget.
- Better Approvals Program initiated, provided a one-stop-shop for businesses applying for multiple permits.
- Rural Living Strategy adopted to release rural-residential land across the Shire.
- \$300,000 in State Government funding announced for stage 3 of the Timboon Town Centre project.
- Stage 3 of the Camperdown Streetscape Project completed.
- Derrinallum streetscape works commenced.
- Stage 1 of the Camperdown Theatre Royal sound and lighting upgrade opened.
- Lismore public art project completed.
- Livestreaming Council meetings on the Internet, providing greater access to Council decision making.

#### ***Other Challenges During 2019-2020***

- Delivery of projects delayed and events cancelled due to COVID-19.
- Slight downturn in most Community Satisfaction Survey measures, following higher than usual results the previous year due to Council's recovery efforts after the St Patricks Day fires. Results were consistent with previous years and Council remains well above the State and Large Rural Shire averages in most measures.
- Poor condition of the arterial road network.
- Departure of Ian Gibb, Director Sustainable Development.
- Changes to building regulations and increased statutory responsibility on councils.

- Preparations for roll-out of the subsidised three year old kindergarten program to commence in 2021.
- Restrictions on gatherings due to the pandemic and associated impacts in the community.
- Implementation of new Emergency Management Reform legislation in addition to management of the COVID-19 response.
- Virtual Council meetings and citizenship ceremonies.

It is acknowledged that Council's achievements and ability to meet its challenges are due to the contribution of Councillors, staff, committee members, volunteers and community partners.

### **Policy and Legislative Context**

Sections 131, 132 and 133 of the *Local Government Act 1989* require Council to prepare an annual report, containing the relevant statutory reporting data, and submit the report to the Minister for Local Government within three months of the end of the financial year, in addition to making the report available to the public. The *Local Government (Planning and Reporting) Regulations 2014* details the reporting requirements. Due to the COVID-19 pandemic, the Minister for Local Government granted an extension for the submission of annual reports from 30 September to 30 November 2020.

Section 134 of the Act requires Council to consider the Annual Report in a meeting open to the public, after the report has been submitted to the Minister and made publicly available.

Preparation and discussion of the Annual Report 2019-2020 at a public meeting is also consistent with the Council Plan 2017-2021 which states:

We are committed to ensuring the ethical behaviour of Councillors and staff, maintaining good governance and remaining financially sustainable.

Council will demonstrate high levels of ethical behaviour and governance standards.

### **Internal / External Consultation**

As required by the Act, a public notice was placed in local newspapers stating that the Annual Report for 2019-2020 will be discussed by Council at the October Council meeting. A separate public notice was placed following submission of the Annual Report to the Minister.

The Annual Report was prepared in consultation with managers, senior officers, other staff and Councillors.

In relation to the performance and financial statements, Council's Audit and Risk Committee (the Committee) considered the draft statements for the year ending 30 June 2020 at its meeting on 17 September. The Committee recommended in-principle approval of the statements by Council, which Council did approve at its meeting on 29 September. Councillors Durant and Brown certified the statements in their final form.

### **Financial and Resource Implications**

Preparation, design and publication of the 2019-2020 Annual Report was achieved through existing budget allocations.

### **Options**

Council is required to consider the Annual Report at a meeting of Council open to the public.

### **Conclusion**

The Annual Report 2019-2020 provides an overview of the highlights and challenges for Corangamite Shire, as well as reporting on Council's performance results measured against the Council Plan, Annual Action Plan, Budget and prescribed performance indicators.

Councillors, staff, committee members, volunteers and community partners are commended for their contribution towards Council's achievements through what has been a challenging year.

### **RECOMMENDATION**

**That Council considers the 2019-2020 Annual Report.**

### **Attachments**

1. 2019 - 2020 Annual Report - Under Separate Cover

## 10.2 Finance Report - September 2020

**Author:** Adam Taylor, Manager Finance

**Previous Council Reference:** Nil

### Declaration

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

Author - Adam Taylor

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

### Summary

This report is to note Council's current financial position as at 30 September 2020.

### Introduction

Council adopted the 2020-2021 Budget at June 2020 Council Meeting. At the August 2020 ordinary Council meeting a number of 2019-2020 projects and grants paid in advance were identified as being required to be carried forward to the 2020-2021 year. Council's year to date financial performance for 2020-2021 remains on target.

### Issues

#### *Budget Variations*

Council's target cash position is \$5 million or greater on an annual basis. The cash position as at 30 June 2020 was \$21.93 million which was primarily due to incomplete projects, grant funding received in advance and a favourable result to the adjusted forecast. The higher than forecast cash position as at 30 June 2020 will fund the carry forward budget adjustments approved in August 2020 and improve the starting position for the 2021-2022 budget. A summary of forecast cash is detailed below:

Cash position as at 30 June 2020	\$21,865,000
2020-2021 adopted surplus / (deficit)	(\$2,739,364)
2019-2020 carry forwards (net)	(\$9,525,334)
<b>Forecast cash position at 30 June 2021</b>	<b><u>\$9,600,302</u></b>

#### *Financial Performance*

Council's financial performance for 2020-2021 is on target with a year to date favourable cash variance of \$1,776,266 compared to budget. Main contributors to the better than forecast cash result at 30 September are:

- Recurrent operations are \$21,115 favourable to budget due to timing and forecasting differences offset by an increase in landfill income.
- Rate income is \$399,122 favourable to budget due to supplementary rating income being received. The budget is not updated until all objections have been assessed in late February 2021.

- Operating project expenditure is \$531,873 favourable to budget due to timing of grant payments and projects being completed ahead of schedule
- Capital expenditure is \$781,207 favourable predominately due to grants being received earlier than forecast.
- Other minor timing and forecasting differences.

### **Policy and Legislative Context**

The report meets Council's requirements for reporting under the *Local Government Act 1989* and is in accordance with its Council Plan 2017-2021 commitment that:

Council will make budgetary decisions that ensures Council remains in a strong financial position now and into the future.

Council will deliver value for money by ensuring that services are required and delivered efficiently and sustainably.

### **Internal / External Consultation**

The report has been prepared in consultation with relevant department managers and has been reviewed by the Senior Officer Group. As there are no changes to rates or charges and no proposed borrowings, the forecast budget is not required to be publicly advertised.

### **Financial and Resource Implications**

The financial performance of the organisation is favourable and a "cash" surplus is projected for 30 June 2021.

### **Conclusion**

Council's financial performance for 2020-2021 remains on target. The year to date cash variance of \$1,776,266 is favourable compared to budget, this is primarily due to timing of grants and projects completed being ahead of schedule. Council's cash position will remain within the target of \$5 million or greater.

## **RECOMMENDATION**

**That Council receives the finance report for the period ending 30 September 2020.**

### **Attachments**

1. Finance Report - September 2020

# Financial Performance Report

September 2020



# Finance Report

## Attestation

In my opinion the information set out in this report presents fairly the financial transactions for the period ended 30 September 2020. All statutory obligations which relate to the period of this report have been made.



Adam Taylor CPA

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1. Performance Summary
2. Cash Budget
3. Recurrent Operations
4. Projects
5. Capital Projects
6. Project Delivery
7. Investments
8. Procurement
9. Outstanding Debtors
10. Balance Sheet for the period ended 30 September 2020
11. Income Statement for the period ended 30 September 2020

## Synopsis

The purpose of this report is to provide Council an update and commentary on the financial performance of Council's operations on a quarterly basis.

## Definitions

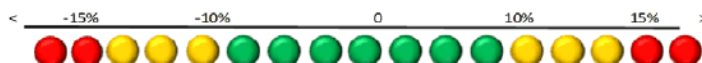
**Adopted Budget** represents the Budgeted adopted by the Council in June.

**Reviewed Budget** represents the adopted budget adjusted for approved budget amendments (such as carry forward or mid-year reviews)

**Forecast Budget** represents the most recent estimated financial position which has not been approved by Council

## Variance indicator thresholds

The following tolerances are used on all reports represented by traffic light indicator



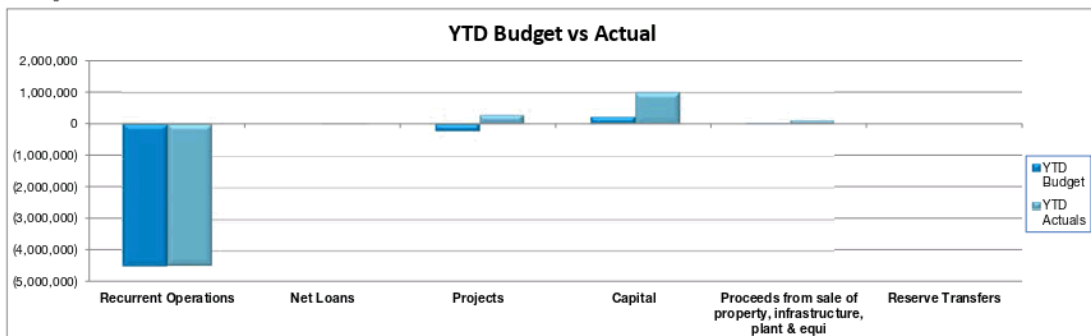


1. Performance Summary

	Adopted Budget	Reviewed Budget	Forecast Budget	YTD Budget	YTD Actuals	YTD Variance fav/(unfav)	
						\$	%
Recurrent Operations	(9,296,939)	(14,415,806)	(14,415,806)	(4,497,942)	(4,476,827)	21,115	0%
Rate Income	22,199,831	22,199,831	22,199,831	22,186,199	22,585,321	399,122	2%
Net Loans	0	0	0	0	3,885	3,885	0%
Projects	(2,445,455)	(3,828,149)	(3,828,149)	(231,635)	300,238	531,873	230%
Capital	(10,697,945)	(13,618,268)	(13,618,268)	228,261	1,009,469	781,207	342%
Proceeds from sale of property, infrastructure, plant & equi	390,000	504,000	504,000	28,908	125,708	96,800	335%
External Loan Funds	11,867	11,867	11,867	0	6,138	6,138	0%
Reserve Transfers	(350,723)	(350,723)	(350,723)	0	0	0	0%
Extraordinary Events	(2,550,000)	(2,767,450)	(2,767,450)	6,176	(57,698)	(63,874)	(1034%)
<b>Surplus/(Deficit)</b>	<b>(2,739,364)</b>	<b>(12,264,698)</b>	<b>(12,264,698)</b>	<b>17,719,968</b>	<b>19,496,233</b>	<b>1,776,266</b>	<b>10%</b>
Surplus/(Deficit) B/forward	11,209,629	21,865,000	21,865,000				
<b>Surplus/(Deficit) at end of year</b>	<b>8,470,265</b>	<b>9,600,302</b>	<b>9,600,302</b>				

Note: Figures in brackets indicate cost to Council

Unfavourable variances shown in brackets

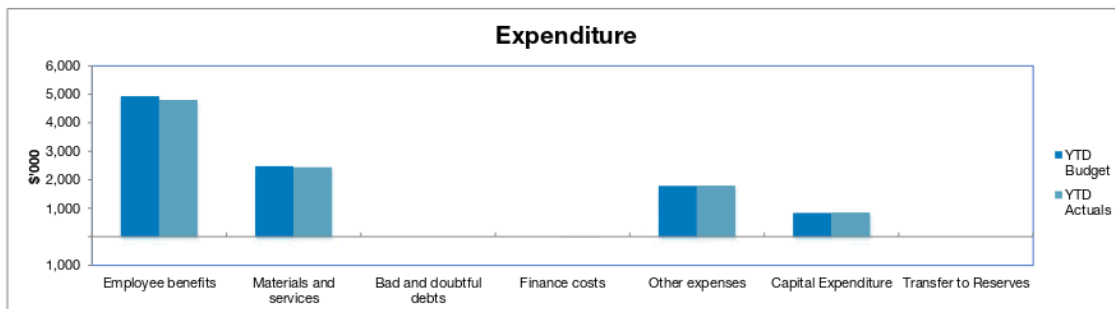
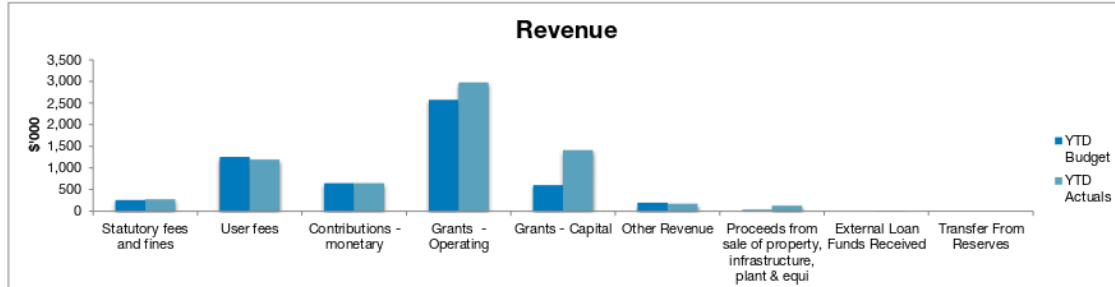


2. Cash Budget

	Adopted Budget	Reviewed Budget	Forecast Budget	YTD Budget	YTD Actuals	YTD Variance fav/(unfav)	
						\$	%
<b>REVENUE</b>							
Rates and charges	22,199,831	22,199,831	22,199,831	22,186,199	22,585,321	399,122	2%
Statutory fees and fines	523,500	523,500	523,500	256,012	275,046	19,035	7%
User fees	6,094,542	6,094,356	6,094,356	1,252,165	1,188,505	(63,660)	(5%)
Contributions - monetary	632,631	1,431,142	1,431,142	644,417	646,309	1,891	0%
Grants - Operating	11,621,816	6,908,376	6,908,376	2,575,840	2,976,428	400,588	16%
Grants - Capital	9,119,110	9,119,110	9,119,110	600,000	1,410,000	810,000	135%
Other Revenue	594,887	594,887	594,887	197,218	168,521	(28,698)	(15%)
Proceeds from sale of property, infrastructure, plant & equi	390,000	504,000	504,000	28,908	125,708	96,800	335%
External Loan Funds Received	11,867	11,867	11,867	0	6,138	6,138	0%
Transfer From Reserves	1,771,427	1,771,427	1,771,427	0	0	0	0%
<b>Total Revenue</b>	<b>52,959,610</b>	<b>49,158,496</b>	<b>49,158,496</b>	<b>27,740,759</b>	<b>29,381,976</b>	<b>1,641,217</b>	<b>60%</b>
<b>EXPENDITURE</b>							
Employee benefits	15,743,744	15,806,513	15,806,513	4,930,304	4,802,947	127,357	3%
Materials and services	14,572,725	16,995,611	16,995,611	2,474,543	2,441,619	32,923	1%
Bad and doubtful debts	2,000	2,000	2,000	0	0	0	0%
Finance costs	0	0	0	0	3,885	3,885	0%
Other expenses	2,961,300	2,909,726	2,909,726	1,780,675	1,790,435	(9,761)	(1%)
Capital Expenditure	20,297,055	23,587,193	23,587,193	835,270	854,626	(19,356)	(2%)
Transfer to Reserves	2,122,150	2,122,150	2,122,150	0	0	0	0%
<b>Total Expenditure</b>	<b>(55,698,974)</b>	<b>(61,423,194)</b>	<b>(61,423,194)</b>	<b>(10,020,792)</b>	<b>(9,885,743)</b>	<b>135,049</b>	<b>(1%)</b>
<b>Surplus/(Deficit)</b>	<b>(2,739,364)</b>	<b>(12,264,698)</b>	<b>(12,264,698)</b>	<b>17,719,969</b>	<b>19,496,233</b>	<b>1,776,266</b>	<b>10%</b>

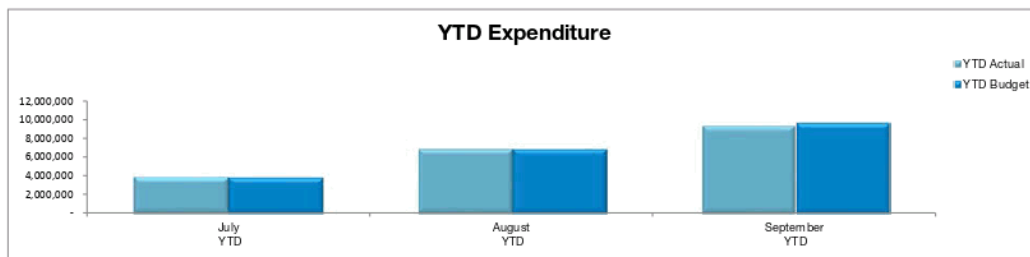
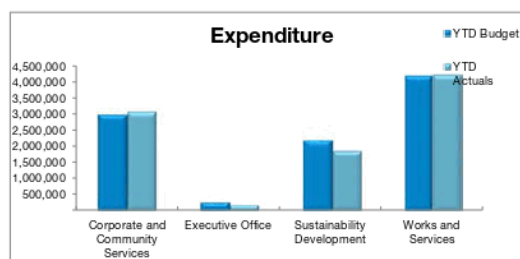
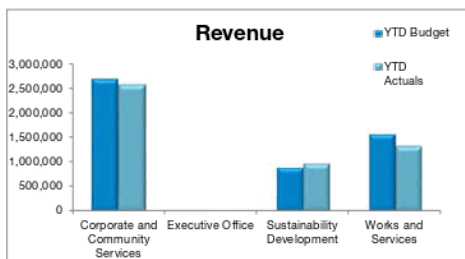
Note: Figures in brackets indicate cost to Council

Unfavourable variances shown in brackets



3. Recurrent Operations

	Adopted Budget	Reviewed Budget	Forecast Budget	YTD Budget	YTD Actuals	YTD Variance fav/(unfav)	
						\$	%
<b>Recurrent Operations</b>							
<b>Revenue</b>							
Corporate and Community Services	14,639,006	10,312,902	10,312,902	2,706,131	2,584,563	(121,568)	(4%) ●
Executive Office	0	0	0	0	250	250	0%
Sustainability Development	5,104,280	5,122,094	5,122,094	894,388	975,440	81,053	9%
Works and Services	6,842,492	6,842,492	6,842,492	1,567,887	1,332,143	(235,744)	(15%) ●
<b>Revenue Total</b>	<b>26,585,778</b>	<b>22,277,488</b>	<b>22,277,488</b>	<b>5,168,406</b>	<b>4,892,396</b>	<b>(276,010)</b>	<b>5%</b> ●
<b>Expenses</b>							
Corporate and Community Services	9,730,597	9,953,311	9,953,311	2,997,193	3,084,353	(87,160)	(3%) ●
Executive Office	1,118,687	1,118,687	1,118,687	266,541	175,965	90,576	34%
Sustainability Development	9,405,522	9,993,386	9,993,386	2,192,250	1,875,269	316,980	14%
Works and Services	15,627,911	15,627,911	15,627,911	4,210,364	4,233,636	(23,272)	(1%) ●
<b>Expenses Total</b>	<b>(35,882,717)</b>	<b>(36,693,294)</b>	<b>(36,693,294)</b>	<b>(9,666,348)</b>	<b>(9,369,224)</b>	<b>297,124</b>	<b>3%</b> ●
<b>Recurrent Operations Total</b>	<b>(9,296,939)</b>	<b>(14,415,806)</b>	<b>(14,415,806)</b>	<b>(4,497,942)</b>	<b>(4,476,827)</b>	<b>21,115</b>	<b>0%</b> ●



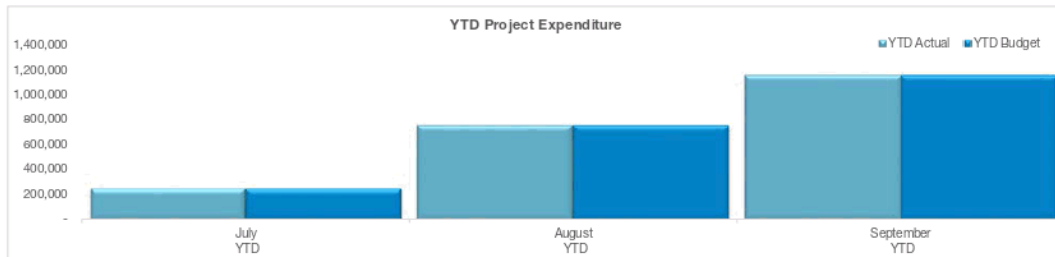
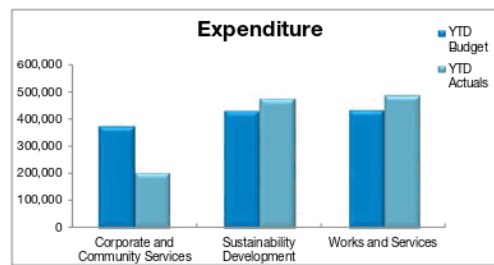
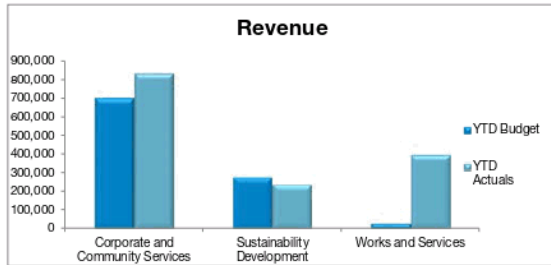
**Comments:**

**Recurrent Revenue** is \$276,010 unfavourable to budget.  
 Corporate and Community services revenue is unfavourable due to timing of grants payments and loss of fee income in early years services due to government COVID-19 policy  
 Sustainable Development income is favourable due additional income received at the landfill.  
 Works and Services revenue is unfavourable due to lower than forecast plant recovery which is associated with timing of construction works and phasing of expenditure.

**Recurrent expenditure** is \$297,124 favourable to budget  
 Corporate and Community services expenditure is unfavourable due to higher than anticipated insurance costs and timing of expenditure  
 Executive Office expenditure is favourable due to savings in training and travel expenditure due to COVID-19  
 Sustainable Development expenditure is favourable due to savings for vacant positions, lower than anticipated legal costs and timing of expenditure  
 Works and Services expenditure is unfavourable due to additional road maintenance works completed by Works for Victoria staff and works completed ahead of schedule.

4. Projects

	Adopted Budget	Reviewed Budget	Forecast Budget	YTD Budget	YTD Actuals	YTD Variance fav/(unfav)	
						\$	%
<b>Projects</b>							
<b>Revenue</b>							
Corporate and Community Services	2,000	(419,358)	(419,358)	699,732	832,261	132,529	19%
Sustainability Development	152,417	324,585	324,585	278,960	237,389	(41,571)	(15%)
Works and Services	390,000	630,000	630,000	27,000	396,113	369,113	1367%
<b>Revenue Total</b>	<b>544,417</b>	<b>535,227</b>	<b>535,227</b>	<b>1,005,692</b>	<b>1,465,763</b>	<b>460,071</b>	<b>46%</b>
<b>Expenses</b>							
Corporate and Community Services	378,000	767,286	767,286	372,662	202,336	170,327	46%
Sustainability Development	941,372	1,623,135	1,623,135	431,504	475,845	(44,341)	(10%)
Works and Services	1,670,500	1,972,955	1,972,955	433,161	487,345	(54,184)	(13%)
<b>Expenses Total</b>	<b>(2,989,872)</b>	<b>(4,363,376)</b>	<b>(4,363,376)</b>	<b>(1,237,327)</b>	<b>(1,165,525)</b>	<b>71,802</b>	<b>6%</b>
<b>Projects Total</b>	<b>(2,445,455)</b>	<b>(3,828,149)</b>	<b>(3,828,149)</b>	<b>(231,635)</b>	<b>300,238</b>	<b>531,873</b>	<b>230%</b>



**Comments:**

**Project Revenue** is \$460,071 favourable to budget

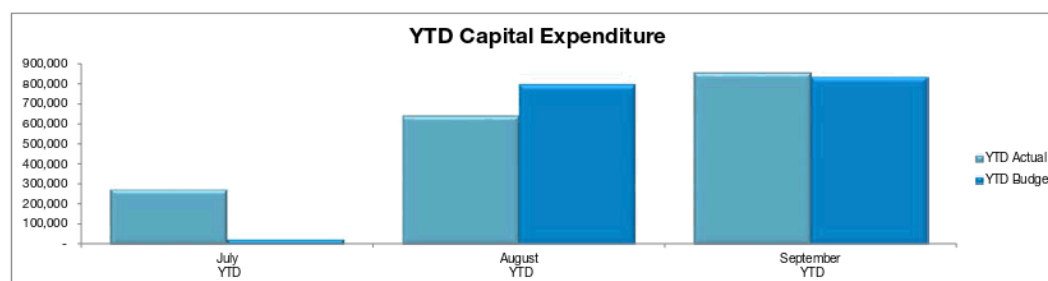
Corporate and Community services revenue is favourable due to new funding received for projects not in the budget.  
Works and Services revenue is favourable due to timing of grants payments received.

**Project Expenditure** is \$71,802 favourable to budget

Corporate and Community services expenditure is favourable due to a number Working for Victoria positions remaining vacant for the quarter.  
Sustainable Development expenditure is unfavourable due to COVID-19 relief package monies being provided earlier than budgeted.  
Works and Services expenditure unfavourable due to projects being completed ahead of schedule.

5. Capital

	Adopted Budget	Reviewed Budget	Forecast Budget	YTD Budget	YTD Actuals	YTD Variance fav/(unfav)	
						\$	%
<b>Capital</b>							
<b>Revenue</b>							
Corporate and Community Services	48,000	48,000	48,000	0	0	0	0%
Sustainability Development	50,000	85,200	85,200	85,200	85,200	0	0%
Works and Services	11,201,110	11,535,725	11,535,725	978,331	1,778,894	800,563	82%
<b>Revenue Total</b>	<b>11,299,110</b>	<b>11,668,925</b>	<b>11,668,925</b>	<b>1,063,531</b>	<b>1,864,094</b>	<b>800,563</b>	<b>75%</b>
<b>Expenses</b>							
Corporate and Community Services	588,000	616,119	616,119	17,000	18,589	(1,589)	(9%)
Sustainability Development	1,216,000	1,587,007	1,587,007	49,745	93,239	(43,494)	(87%)
Works and Services	18,493,055	21,384,067	21,384,067	768,525	742,798	25,728	3%
<b>Expenses Total</b>	<b>(20,297,055)</b>	<b>(23,587,193)</b>	<b>(23,587,193)</b>	<b>(835,270)</b>	<b>(854,626)</b>	<b>(19,356)</b>	<b>(2%)</b>
<b>Capital Total</b>	<b>(8,997,945)</b>	<b>(11,918,268)</b>	<b>(11,918,268)</b>	<b>228,261</b>	<b>1,009,469</b>	<b>781,207</b>	<b>342%</b>



**Comments:**

**Capital Revenue** is \$800,563 favourable to budget.

Works and Services revenue is favourable due to timing of grants payments received

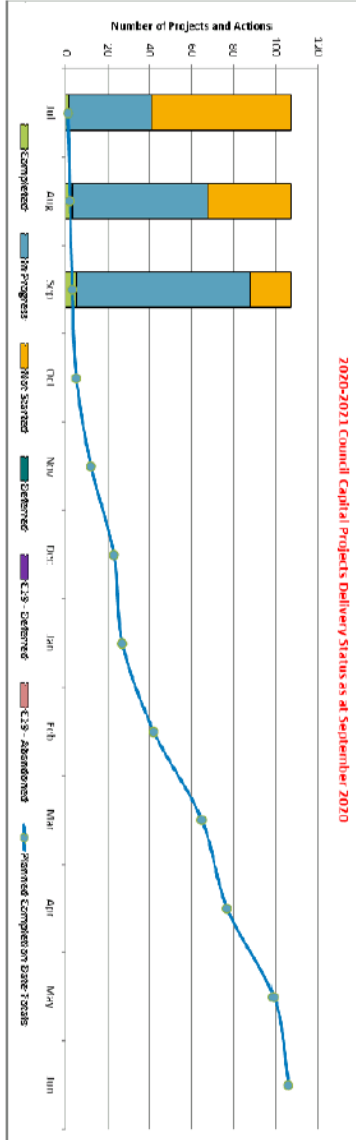
**Capital expenditure** is \$19,356 unfavourable to budget with timing of expenditure and delivery ahead of schedule

**Risk/s and or challenges identified in capital delivery**

- Simpson Bowling Club new club rooms concept design is well over budget and rescoping required
- Public consultation for Estcourt St. Terang and Derrinallum Public Toilets will go ahead following DHS guidelines
- Road rehabilitation projects - prediction of a wet summer could impact on timing of delivery
- 4D road upgrades project – 2 of 3 identified roads will be completed due to budget constraints
- Cobden Streetscape – public consultation on concept design underway, tender to be advertised in November for consideration at Council's December meeting
- Foxhow Berrybank Road – specification for stabilisation advertised. Works need to commence in January.
- Slurry Seal - interstate contractors to carry out works in February. There could be a risk with timing and delivery due to COVID-19 travel restrictions.
- Cell 15A lining – earthworks have been completed however there could be a risk with inclement weather and installation of the lining
- Twelve Apostles Trail - at risk of not being completed by the end of June with State Government permissions yet to be received. Trail has been packaged into separate sections so that delivery can occur on sections not requiring planning. Power Creek Reserve trail resheeting commenced.
- Skipton Recreation Reserve change room redevelopment – Committee wish to secure additional funding which could impact on Windfarm funding timelines

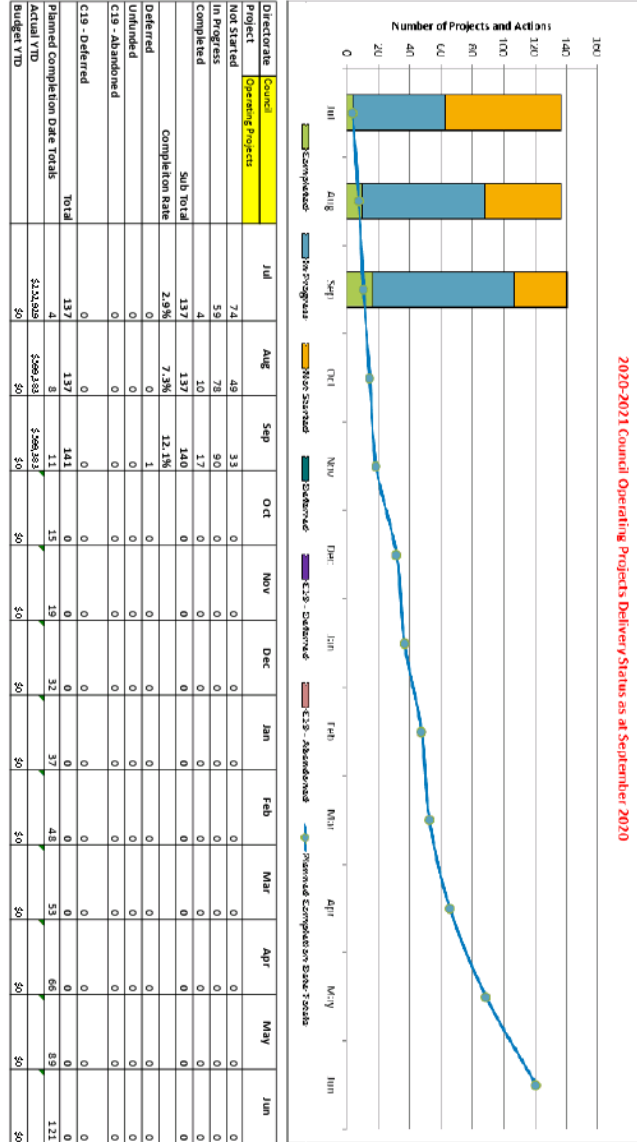
The graphs and tables below provide an overview of the status of Council's capital and operating projects for the reporting period.

### 6. Project Delivery



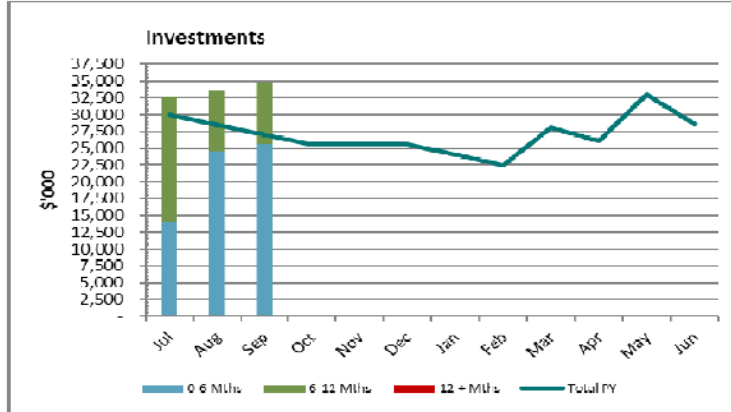
Disaggregate Project	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
<b>Council Capital Projects</b>												
Total Started	68	39	19	0	0	0	0	0	0	0	0	0
In Progress	40	65	83	0	0	0	0	0	0	0	0	0
Completed	1	3	5	0	0	0	0	0	0	0	0	0
<b>Sub Total</b>	<b>107</b>	<b>107</b>	<b>107</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Completion Rate	0.9%	2.8%	4.7%	0	0	0	0	0	0	0	0	0
Deferred	0	0	0	0	0	0	0	0	0	0	0	0
Unfunded	0	0	0	0	0	0	0	0	0	0	0	0
C19 - Abandoned	0	0	0	0	0	0	0	0	0	0	0	0
C19 - Deferred	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>107</b>	<b>107</b>	<b>107</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Planned completion Date Totals	1	2	3	5	12	23	27	42	65	77	99	108
Actual YTD	\$268,848	\$268,844	\$268,844	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Budget YTD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2020-2021 Council Operating Projects Delivery Status as at September 2020



Directorate	Project	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Council	Operating Projects	74	49	137	0	0	0	0	0	0	0	0	0
	Not Started	51	78	90	0	0	0	0	0	0	0	0	0
	In Progress	4	10	17	0	0	0	0	0	0	0	0	0
	Completed	137	140	140	0	0	0	0	0	0	0	0	0
	Sub Total	137	140	140	0	0	0	0	0	0	0	0	0
	Completion Rate	2.9%	7.3%	12.1%	0	0	0	0	0	0	0	0	0
	Deferred	0	0	1	0	0	0	0	0	0	0	0	0
	Unfunded	0	0	0	0	0	0	0	0	0	0	0	0
	C19 - Abandoned	0	0	0	0	0	0	0	0	0	0	0	0
	C19 - Deferred	0	0	0	0	0	0	0	0	0	0	0	0
	Total	137	137	141	0	0	0	0	0	0	0	0	0
	Planned Completion Date Totals	4	8	11	15	19	32	37	48	53	66	89	121
	Actual YTD	\$2,282,929	\$2,092,183	\$2,969,893	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Budget YTD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

7. Investments

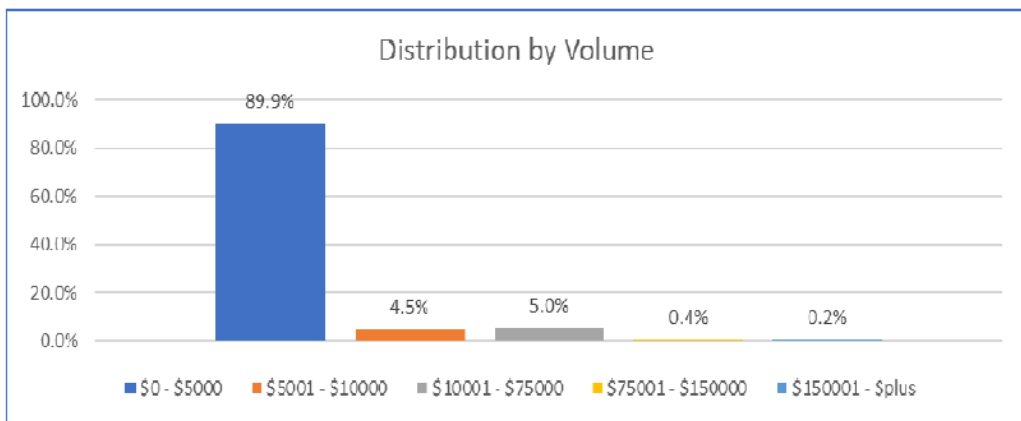
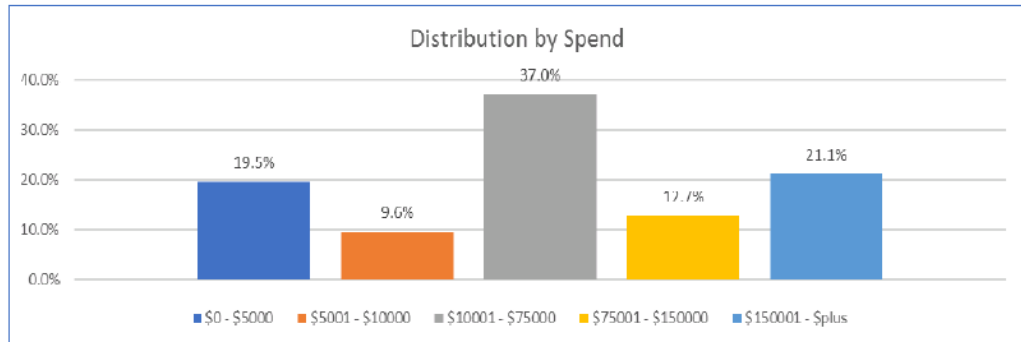


The above graph shows the 2020-2021 total investments as a comparative line and categorises current year investments by term. Investments have increased in value compared to the prior year due to grants being paid in advance at the end of the 2019- 2020 financial year.



**8. Purchasing and Procurement**

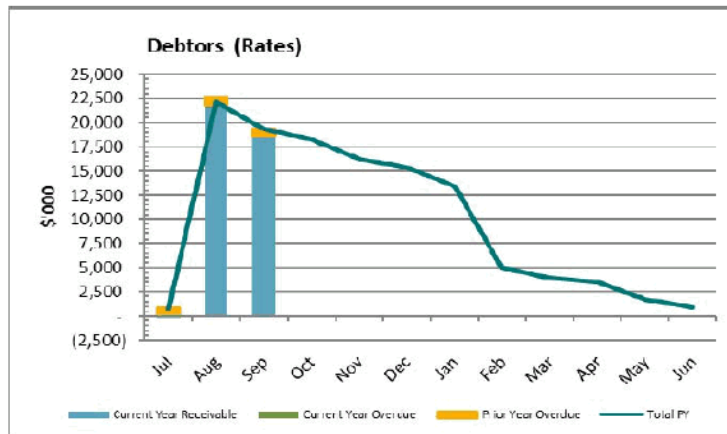
The graph below details Council's procurement activity for the reporting period by spend and volume. The top graph details the cumulative expenditure by value whilst the bottom graphs details the cumulative transactions by volume. For example 89.9% of transactions for the period were for a value of \$5,000 or less with a cumulative value representing 19.5% of total procurement.



**9. Outstanding Debtors**

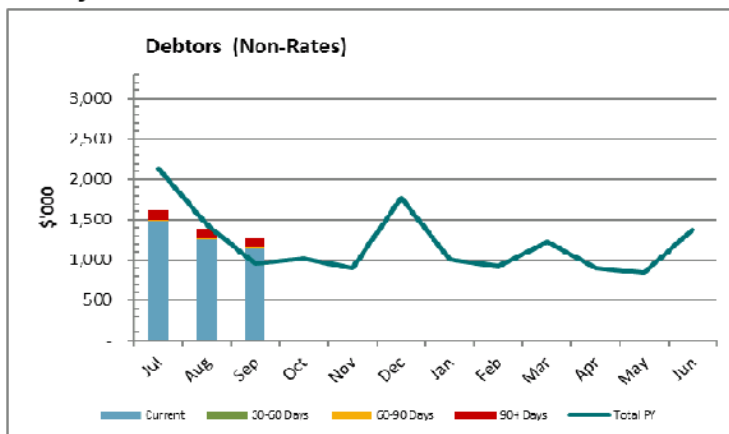
**Rate Debtors**

The below graph shows the total outstanding rates from the 2020-2021 financial year as a comparative line with the stacked bar graph showing the current year outstanding rates, categorised as current, current year overdue and prior year overdue.



Rates are raised in August and the first instalment is due on 30 September, the second instalment 30 November, the third instalment 28 February and the final instalment 31 May. Ratepayers who choose to pay a lump sum are due on 15 February. Rates debt relating to prior years is slowly reducing as payment arrangements are followed and collection through external collection agencies pursued. The overdue debt has profiled similarly to the previous financial year.

**Sundry Debtors**



Sundry debtors are higher than the previous financial year, due to additional grants being invoices at the end of quarter. Council still hold low levels of outstanding debt.

10. Balance Sheet for the period ended 30 September 2020

	Prior Year Balance	Adopted Budget	Reviewed Budget	Forecast Budget	YTD Actuals
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	34,126,243	20,277,290	20,642,418	20,642,418	34,398,072
Financial Assets	5,108,568	0	5,250,000	5,250,000	5,102,430
Rate Receivables	915,981	2,400,000	2,500,000	2,500,000	19,368,336
Other Trade Receivables	1,611,248	0	0	0	1,480,392
Inventories	47,104	140,000	50,000	50,000	63,538
Other assets	1,981,054	1,000,000	2,000,000	2,000,000	293,298
<b>Total Current Assets</b>	<b>43,790,197</b>	<b>23,817,290</b>	<b>30,442,418</b>	<b>30,442,418</b>	<b>60,706,066</b>
<b>NON CURRENT ASSETS</b>					
Investments in associates	327,980	293,180	350,000	350,000	327,980
Trade and other receivables	13,773	25,000	0	0	12,046
WIP - Capital	1,836,670	20,297,055	23,587,193	23,587,193	2,691,296
Fixed assets	478,654,827	457,516,803	477,876,497	477,876,497	478,654,827
Right-of-use assets	6,231,906	0	5,947,528	5,947,528	6,231,906
Intangible assets	0	0	1,200,000	1,200,000	1,334,295
<b>Total Non Current Assets</b>	<b>487,065,156</b>	<b>478,132,039</b>	<b>508,961,218</b>	<b>508,961,218</b>	<b>489,252,349</b>
<b>Total Assets</b>	<b>530,855,353</b>	<b>501,949,329</b>	<b>539,403,636</b>	<b>539,403,636</b>	<b>549,958,416</b>
<b>CURRENT LIABILITIES</b>					
Trade and other payables	3,155,830	2,100,000	3,000,000	3,000,000	1,089,182
Trust funds and deposits	244,791	226,018	250,000	250,000	753,148
Provisions - current	3,701,830	3,800,000	3,800,000	3,800,000	4,416,074
Unearned Revenue	4,633,896	0	4,410,000	4,410,000	4,410,000
Lease liabilities	179,917	0	182,031	182,031	179,917
<b>Total Current Liabilities</b>	<b>11,916,265</b>	<b>6,126,018</b>	<b>11,642,031</b>	<b>11,642,031</b>	<b>10,848,321</b>
<b>NON CURRENT LIABILITIES</b>					
Provisions - non-current	6,264,711	3,972,265	6,222,908	6,222,908	6,090,996
Lease liabilities	6,160,602	0	5,978,571	5,978,571	6,160,602
<b>Total Non Current Liabilities</b>	<b>12,425,313</b>	<b>3,972,265</b>	<b>12,201,479</b>	<b>12,201,479</b>	<b>12,251,598</b>
<b>Total Liabilities</b>	<b>24,341,578</b>	<b>10,098,283</b>	<b>23,843,510</b>	<b>23,843,510</b>	<b>23,099,919</b>
<b>Net Assets</b>	<b>506,513,775</b>	<b>491,851,046</b>	<b>515,560,127</b>	<b>515,560,127</b>	<b>526,858,496</b>
<b>EQUITY</b>					
Operating Surplus/Deficit	377,422	5,281,547	(953,649)	(953,649)	20,344,721
Accumulated surplus	175,894,303	177,576,678	175,921,002	175,921,002	176,271,725
Asset revaluation reserve	317,233,715	300,264,105	327,233,715	327,233,715	317,233,715
Reserves	13,008,335	8,728,715	13,359,058	13,359,058	13,008,335
<b>Total Equity</b>	<b>506,513,775</b>	<b>491,851,046</b>	<b>515,560,127</b>	<b>515,560,127</b>	<b>526,858,496</b>

	Prudential Guideline	Adopted Budget	Reviewed Budget	Forecast Budget	YTD Actuals
Working capital ratio / Liquidity ratio (current assets to current liabilities)	150%	388.79%	261.49%	261.49%	559.59%
Debt servicing ratio (interest paid as % of total revenue)	5%	0.00%	0.00%	0.00%	0.00%
Debt commitment ratio (interest and loan repayments as a % of rate revenue)	15%	0.00%	0.00%	0.00%	0.00%

11. Income Statement for the period ended 30 September 2020

	Adopted Budget	Reviewed Budget	Forecast Budget	YTD Budget	YTD Actuals	YTD Variance favourable/ (unfavourable)
<b>REVENUE</b>						
Rates and charges	22,199,831	22,199,831	22,199,831	22,186,199	22,585,321	399,122
Statutory fees and fines	523,500	523,500	523,500	256,012	275,046	19,035
User fees	6,094,542	6,094,356	6,094,356	1,252,165	1,188,505	(63,660)
Contributions - monetary	632,631	1,431,142	1,431,142	644,417	646,309	1,891
Grants - Operating	11,621,816	6,908,376	6,908,376	2,575,840	2,976,428	400,588
Grants - Capital	9,119,110	9,119,110	9,119,110	600,000	1,410,000	810,000
Other Revenue	594,887	594,887	594,887	197,218	168,521	(28,698)
<b>Total Revenue</b>	<b>50,786,317</b>	<b>46,871,202</b>	<b>46,871,202</b>	<b>27,711,851</b>	<b>29,250,130</b>	<b>1,538,279</b>
<b>EXPENDITURE</b>						
Employee benefits	15,743,744	15,806,513	15,806,513	4,930,304	4,799,062	127,357
Materials and services	14,572,725	16,995,611	16,995,611	2,474,543	2,441,619	32,923
Bad and doubtful debts	2,000	2,000	2,000	0	0	0
Depreciation	12,130,500	12,130,500	12,130,500	0	0	0
Finance costs	0	0	0	0	0	3,885
Other expenses	2,961,300	2,909,726	2,909,726	1,780,675	1,790,435	(9,761)
<b>Total Expenditure</b>	<b>(45,410,269)</b>	<b>(47,844,351)</b>	<b>(47,844,351)</b>	<b>(9,185,522)</b>	<b>(9,031,117)</b>	<b>154,405</b>
<b>Surplus/(Deficit) from Operations</b>	<b>5,376,047</b>	<b>(973,149)</b>	<b>(973,149)</b>	<b>18,526,330</b>	<b>20,219,013</b>	<b>1,383,874</b>
Proceeds from sale of property, infrastructure, plant & equip	390,000	504,000	504,000	28,908	125,708	(96,800)
Written down value property, infrastructure, plant and equip	484,500	484,500	484,500	0	0	0
Net (gain)/loss on disposal of property, infrastructure, plant and equipment	(94,500)	19,500	19,500	28,908	125,708	(96,800)
<b>Surplus/(Deficit) for Period</b>	<b>5,281,547</b>	<b>(953,649)</b>	<b>(953,649)</b>	<b>18,555,238</b>	<b>20,344,721</b>	<b>1,287,074</b>

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## 10.3 Record of an Assembly of Councillors

**Author:** Andrew Mason, Chief Executive Officer

**Previous Council Reference:** Nil

### Declaration

Chief Executive Officer – Andrew Mason

In providing this advice to Council as the Chief Executive Officer, I have no interests to disclose in this report.

### Summary

This report documents all Assemblies of Councillors held since reported at the last Meeting of Council on 15 September 2020.

### Introduction

The *Local Government Act 1989* (the Act) requires that records of meetings which constitute an Assembly of Councillors be tabled at the next practicable meeting of Council and be incorporated in the minutes of the Council meeting.

### Issues

An ‘Assembly of Councillors’ is defined in the Act as a meeting at which matters are considered that are intended or likely to be the subject of a Council decision or subject to the exercise of a delegated authority and which is either of the following:

- A meeting of an advisory committee where at least one Councillor is present; or
- A planned or scheduled meeting that includes at least half the Councillors and at least one Council officer.

Typical meetings classed as an Assembly of Councillors at Corangamite Shire include Councillor briefings, advisory committees and planning site inspections. However, from time to time additional records may be reported in accordance with the Act.

Section 80A of the Act requires that a record must be kept of an Assembly of Councillors which lists:

- The Councillors and members of Council staff attending
- The matters considered
- Disclosures of conflict of interest (if any are made)
- Whether a Councillor left the meeting after making a disclosure.

An Assembly of Councillors is documented by a Council officer present at the meeting. Responsibility for the maintenance of records associated with an Assembly of Councillors rests with the Chief Executive Officer.

### Policy and Legislative Context

Tabling the records of all Assemblies of Councillors ensures Council is compliant with the Act. In addition, this report is consistent with the Council Plan 2017-2021 objective that “Council will demonstrate high levels of ethical behaviour and governance standards”.

**Conclusion**

The record documenting the 15 September 2020 Assembly of Councillors is attached.

**RECOMMENDATION**

**That Council accepts the attached record of an Assembly of Councillors.**

**Attachments**

1. Record of an Assembly of Councillors Councillor Briefing 15 September 2020



# Council

## Record of an Assembly of Councillors

**Date:** 15 September 2020 **Time:** 4.00 pm  
**Place:** Virtual Meeting via Zoom

**Present:**

- Cr Beard                       Cr Brown                       Cr Conheady                       Cr Durant
- Cr Gstrein                       Cr Illingworth                       Cr Trotter

*Cr Illingworth joined the meeting at 4.36pm*

**Officers:**

- Brooke Love                       Andrew Mason                       David Rae                       Aaron Moyne

*Lyll Bond (Item 1)*

**Guests:**

*Adam Bester (CEO), Jane Walker, Michael Rees and Graeme Jeffery GHCMA  
 John Riddiford (CEO) and Leigh Dennis CCMA*

**Issues Discussed:**

Item	Discussion Topic
1	<b>Glenelg Hopkins and Corangamite Catchment Management Authorities Update</b>
2	<b>Hot Topics</b> <i>Agenda Items, COVID, Election Period, Director Sustainable Development, Local Govt. Regulations, 29 September Council Meeting, Port Campbell Car Parking Terang Battery, Glenormiston 173 Agreement, Hub Survey, Outdoor Dining Activation, River Leases, Fair Work Outcome, Acting CEO, October Meeting.</i>
3	<b>Councillor Only Items</b> <i>Youth Council Update, New Library CEO, Outdoor Dining in Terang, Potential North Ward Candidate, WFV Team and Mt Elephant, Skipton Roadhouse, Waste Boards, Police Presence in Cobden.</i>

**Conflicts of Interest declared:**

**Councillor left the meeting at:**

**Councillor returned to the meeting at:**

**Councillor Conflict of Interest Form Completed:**

**Meeting close:** 5.55 pm  
**Note taker:** Andrew Mason

## 11. OTHER BUSINESS



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## 12. OPEN FORUM

Members of the public are very welcome to make statements or ask questions relevant to Corangamite Shire at the Open Forum section of Council meetings.

Due to COVID restrictions there will be no public gallery at this meeting. If you wish to make a statement or ask a question at the Open Forum, please submit them in writing to [governance@corangamite.vic.gov.au](mailto:governance@corangamite.vic.gov.au) by 12 pm on Tuesday 20 October 2020.

We will undertake to answer as many questions as possible at a meeting, and if we cannot answer a question at the meeting, we will provide a written response no later than five working days after the Council meeting.

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**13. CONFIDENTIAL ITEMS**

Nil.