

Minutes

Meeting of Council

Monday 16 September 2024

Surf Coast Shire Civic Office

Council Chambers

1 Merrijig Drive, Torquay, Victoria 3228

Commenced at 6:00 pm

Council:

Cr Liz Pattison (Mayor)

Cr Gary Allen

Cr Paul Barker

Cr Mike Bodsworth

Cr Kate Gazzard

Cr Rose Hodge OAM

Cr Adrian Schonfelder

Cr Libby Stapleton

Cr Heather Wellington

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1 Procedural Matters

1.1 Present

Cr Liz Pattison (Mayor)
Cr Gary Allen
Cr Paul Barker
Cr Mike Bodsworth
Cr Kate Gazzard
Cr Rose Hodge OAM
Cr Adrian Schonfelder
Cr Libby Stapleton
Cr Heather Wellington

Chief Executive Officer - Robyn Seymour
General Manager Placemaking and Environment - Chris Pike
General Manager Community Life - Damian Waight
Acting General Manager Strategy and Effectiveness - Gabrielle Spiller
Manager Government Relations and Strategic Projects - Darryn Chiller
Manager Integrity and Governance - Jake Brown
Coordinator Governance - Liberty Nash
Acting Governance Officer - Candace Martin-Burgers

Not present

General Manager Strategy and Effectiveness - Gail Gatt

1.2 Opening

Mayor Liz Pattison opened the meeting.

The Surf Coast Shire local government area spans the traditional lands of the Wadawurrung People and the Gulidjan and Gadubanud Peoples of the Eastern Maar. The main Council offices in Torquay are on Wadawurrung Country. We wish to acknowledge the Traditional Owners of the lands on which each person is attending or viewing this meeting today, and pay respect to Elders past and present. Council also acknowledges other First Nations People that may be attending the meeting today.

1.3 Pledge

Mayor Liz Pattison recited the pledge.

As Councillors we carry out our responsibilities with diligence and integrity and make fair decisions of lasting value for the wellbeing of our community and environment.

1.4 Apologies

Nil.

1.5 Confirmation of Minutes

Council Resolution

Moved Cr Schonfelder, Seconded Cr Bodsworth

That Council notes the minutes of the Council Meeting held on 27 August 2024 as a correct record of the meeting.

CARRIED 8|0

| For | Against | Abstained |
|--|----------------|------------------|
| Cr Allen Cr Barker Cr Bodsworth Cr Gazzard Cr Hodge Cr Pattison Cr Schonfelder Cr Stapleton | Nil | Nil |

1.6 Leave of Absence Requests

Nil.

1.7 Conflicts of Interest

Nil.

1.8 Presentations

Councillor Allen presented about joining Christine Couzens, state member for Geelong West, to present the Gran Fondo Award in Lorne.

Cr Wellington joined the meeting via videoconference at 6:11pm

1.9 Public Question Time

Question 1

Christopher Anderson - Torquay (Question 1 of 2)

Please explain in detail the process and demonstrate that this occurred when considering the necessary Asset renewal of Scorpio street Torquay, including all concerns raised in writing by all residents and how the residents are consulted and informed on progress and decisions in a consultative way, prior to any decisions being declared within the current or forecast budgets.

Answer provided by CEO, Robyn Seymour

Thank you Mr Anderson for your question. And I'm aware that our team have been in touch with you over the past 12 months regarding Scorpio Street.

Council undertakes condition audits of its road network every three years and the data from these audits are the prime drivers for any renewal works Council undertakes. Other drivers include information provided by Council officers, such as when undertaking inspections under Council's Road Management Plan and when concerns are raised by residents regarding road conditions. Decisions on renewal priorities are driven by factors such as risk, usage and cost with Council managing the renewal of a broad range of assets and not just roads.

With regards to Scorpio Street concerns were raised by inspection officers and by yourself with regards to the pavement condition. Once these concerns were raised, an investigation by officers was undertaken, including obtaining arborist reports, assessing pavement and determining the damage area. Officers determined that works were required to repair the road due to extensive damage caused by the root system of the roadside trees.

Whilst we have provided correspondence to you about this, we are aware we haven't heard from other nearby residents and so we are mindful we will need to communicate more broadly when we are planning the works.

Question 2

Christopher Anderson - Torquay (Question 2 of 2)

Please explain why Asset Renewals are not occurring and investment is being favoured. Including all business cases for all Asset Renewal approvals and denials vs all Investments. This is to be supported by data and evidence that a open and consultative process has been followed.

Answer provided by CEO, Robyn Seymour

Thanks for your second question.

I'll respond to this in relation to the renewal of Scorpio Street specifically. If you have a broader interest in Council's budget allocations including asset renewal and new projects, the recently adopted 2024-25 Budget document on our website might be of interest. We also have documents about our approach to asset management and funding. So please feel free to access these in the Plans and Strategies section of our website.

So, in terms of the renewal of the road in Scorpio Street, we've had this on our program over the past 12 months but are yet to commence it. We've delayed the work in part because our maintenance team did a short-term fix to temporarily remove the bumps in the road and reduce the risk to an acceptable level.

However, these bumps will reappear as the roadside trees continue to grow. We will need to remove some trees and properly renew a section of the road. We intend to do this in the current financial year. We will inform adjoining residents of the works prior to them occurring. There is no scope to consult on the type of works required as the tree removal and the road resurfacing are essential to ensure there is a permanent fix.

**Mr. Anderson requested further information that was not able to be provided at the time of the Council meeting. Mayor Liz Pattison advised Mr. Anderson that officers will continue to work with him to address his concerns.*

Question 3

Ian Stewart - Torquay (Question 1 of 2)

Council has continually stated that they have been advocating with Mind and government departments to provide better communication and engagement with the community on the proposed 12 unit significant mental health facility in North Torquay. Can Council please advise what outcomes or results have been achieved through this advocacy with Mind and government departments?

Answer provided by General Manager Community Life, Damian Waight

Hi Ian, thanks for the questions.

One of the outcomes of Council's work to encourage better communication and engagement from Mind Australia was the meeting on 5 September that you and other community members were able to attend. This was an opportunity to share information and discuss concerns. We have not been advocating through other government departments as Mind Australia are building the property, and they are the best organisation to provide information about it.

Question 4

Ian Stewart - Torquay (Question 2 of 2)

With the proposed construction at 26 Silvereye St Torquay as a twelve unit significant mental health facility about to commence that has no provision for onsite construction vehicle parking. What controls are Council going to put in place to prevent illegal parking on the street as (known as Reserve 1) and paths? (Would this include installing a yellow - no standing line in Silvereye to enhance the no parking zones)?

Answer provided by General Manager Community Life, Damian Waight

Ian, we had it clarified at the meeting with Mind Australia on 5 September, that Haven Torquay is not defined as a significant mental health facility.

Regarding parking treatments, we currently have no standing signs along Silvereye Street and Rosella Road and centre line markings restricting parking on the bends of Silvereye Street and Rosella Roads. We do not intend to put a yellow line along the roadside as this

does the same job as the no standing signs.

Question 5

Naomi Stewart - Torquay (Question 1 of 1)

26 Silvereve Street Torquay (Lot 628 on Plan of Subdivision 829221M) with covenant PS829221M 08/10/2021 & includes Agreement Section 173 Planning & Environment Act 1987 (AK888700G 10/02/2014 & AN959303X 22/06/2017) Please refer to the Development Plan Overlay schedule - states by the colours, that Lot 628 is classed - Lots from 650m2 (not medium density apartments). Going by what has been advised by Council officers, they have known since May 2022 when discussions/ enquiries were made by reps & MIND Australia of this block. (Note plans show that there was a revision in February 2022) This block was advertised on 25 March 2022 & sold to the Haven Foundation on 15 June 2022. My question is, Council officers were aware of MIND Australia being interested in this block since May 2022, why did these Council Officers not caution that this would be an overdevelopment, directly opposite the Torquay Coast Primary School & not what would have been the intent of the Section 173 agreement on title? Had the Council been forthcoming about their knowledge of this proposed development, the last 2 years of community concern would have been alleviated and we may not have been in this position today!

Answer provided by General Manager Community Life, Damian Waight

Hi Naomi, thanks for your question. We have provided answers to similar questions previously that we do not have a planning approval role for these types of developments.

In effect your question is seeking Council to fulfill a role that we don't have responsibility or jurisdiction for.

This type of Community Care Accommodation is exempt from the planning permit process. We have no jurisdiction to direct a property owner what to do in this circumstance. Similarly, if a different dwelling that is subject to a planning permit process complies with the relevant considerations of the planning scheme, there are no grounds upon which Council should refuse a permit for it.

We are not able to prevent Mind Australia from doing something that is legal and permitted under the state government's planning conditions. That is why we have focused our efforts to try and improve the information and communication from Mind Australia.

2 Petitions and Joint Letters

2.1 Receipt of Petition titled 'Heavy Vehicle Access to Hesse Street and Fixing of Loading Bay - Hesse Street Winchelsea'

| | |
|-------------------------|--|
| Author's Title: | Coordinator Governance |
| General Manager: | Dee Gomes, Acting General Manager Placemaking and Environment |
| Department: | Integrity and Governance |
| Division: | Strategy and Effectiveness |
| Attachments: | 1. Petition - Heavy Vehicle Access to Hesse Street and Fixing of Loading Bay - Hesse Street Winchelsea [2.1.1 - 3 pages] |

Officer Conflict of Interest: No officer declared a conflict of interest under the *Local Government Act 2020* in the preparation of this report.

Purpose

1. The purpose of this report is to receive the petition titled 'Heavy Vehicle Access to Hesse Street and Fixing of Loading Bay - Hesse Street Winchelsea'.
2. The petition consists of 13 signatures. All signatures are from within the Surf Coast Shire.

Background

3. In accordance with Rule 23.2 of Council's Governance Rules, petitions which do not meet the definition of a petition under the Governance Rules will only be accepted if Council so resolves. The definition includes a requirement that the petition be '*signed or electronically endorsed by at least 10 people whose names and physical addresses also appear, and on which each page of the petition bears the wording of the whole petition*'. This rule is designed to ensure that petitions are signed by individuals who are fully informed of the content of the petition, and to verify that there has been no duplication. The petition as attached to this report (**Attachment 1**) does not comply with the above requirements, however officers have recommended that Council resolves to accept the petition in the interest of facilitating public participation in democratic process. Officers have assessed the petition and consider that it was completed in good faith, and any risks associated with non-conformity are low.

Recommendation

That Council, in accordance with its Governance Rules:

1. Receives the petition titled 'Heavy Vehicle Access to Hesse Street and Fixing of Loading Bay - Hesse Street Winchelsea' (Attachment 1);
2. Receives the petition in a non-conforming format.
3. Refers the petition to the General Manager Placemaking and Environment for consideration;
4. Requires a report on the petition be presented to a Council meeting within three months of this Council meeting; and
5. Advises the lead petitioner of this resolution.

Council Resolution

Moved Cr Schonfelder, Seconded Cr Wellington

That Council, in accordance with its Governance Rules:

1. Receives the petition titled 'Heavy Vehicle Access to Hesse Street and Fixing of Loading Bay - Hesse Street Winchelsea' (Attachment 1);
2. Receives the petition in a non-conforming format.
3. Refers the petition to the General Manager Placemaking and Environment for consideration;
4. Requires a report on the petition be presented to a Council meeting within three months of this Council meeting; and
5. Advises the lead petitioner of this resolution.

CARRIED 9|0

| For | Against | Abstained |
|---|----------------|------------------|
| Cr Allen Cr Barker Cr Bodsworth Cr Gazzard Cr Hodge Cr Pattison Cr Schonfelder Cr Stapleton Cr Wellington | Nil | Nil |

Subject: Concerns over semi-trailer heavy vehicle and heavy rigids access to Hesse Street and fixing of current Loading Bay

| |
|--|
| Number of persons who have signed: 13 |
| Name of person lodging: [REDACTED] |
| Address: [REDACTED] |
| Telephone [REDACTED] |
| Signature of person lodging: [REDACTED] |
| Name of organisation/group (if acting on behalf of an organisation or group): [REDACTED] [REDACTED] |

To the CEO, Mayor, councillors of the Surf Coast Shire and Traffic Department,

We have been made aware of traffic issues on Hesse Street and Loading Bay concerns after WorkSafe contacted our business at [REDACTED], after a complaint by a resident in Hesse Street. They have indicated issues with the loading bay width, gradient and general traffic issues. [REDACTED] from council attended the meeting as well

We as a business, along with many others in the same shopping centre precinct have concerns about possible restrictions from semi-trailer and heavy vehicle access to Hesse Street, which will heavily impact all businesses logistically and commercially.

The community needs assurance that Hesse St which is zoned commercial won't be affected by such actions and that council will assist in finding a reasonable solution and fix the issues surrounding the loading bay, an easy solution would be making the loading bay wider by at least 1 meter and getting a spotter when trucks turn around.

These businesses are essential for the town and council loading bay on Hesse forms the backbone for loading / unloading for the businesses and needs to be fixed for safety of trucks and pedestrians

HESSE STREET TRAFFIC MANAGEMENT ISSUES
WE THE UNDERSIGNED AFFIX OUR SIGNATURES IN SUPPORT OF THE ABOVE

| DATE | PRINTED NAME | ADDRESS | CONTACT NUMBER | EMAIL | SIGNATURE |
|------|-----------------|---------|-------------------|-------|-----------|
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

3 Notices of Motion

Nil.

4 Reports

4.1 Annual Financial Report and Performance Statement 2023 24

Council Plan

Author's Title:

General Manager:

Division:

Department:

Attachments:

Theme Seven - Accountable and Viable Council

Strategy 18 - Establish a sustainable financial position.

Manager Finance

Gail Gatt, General Manager Strategy and Effectiveness

Strategy and Effectiveness

Finance

1. Attachment 1 In Principle Surf Coast Shire Council Financial Statements 2023 - 2024 as at 10092024 [4.1.1 - 58 pages]
2. Attachment 2 In Principle Performance Statement 2023-2024 [4.1.2 - 15 pages]

Purpose

1. The purpose of this report is to present the 2023-24 Financial and Performance Statements to Council for in principle approval as recommended by the Audit and Risk Committee and in accordance with Section 99 of the *Local Government Act 2020* (the Act).

Recommendation

That Council:

1. Approves in principle the 2023-24 Annual Financial Report (**Attachment 1**) and the 2023-24 Performance Statement (**Attachment 2**);
2. Authorises the Chief Financial Officer to implement any non-material changes to the statements as recommended by the Auditor-General and provide a summary of any such changes to the Audit and Risk Committee at its next meeting;
3. Authorises the Chief Financial Officer to discuss any material changes to the Audit and Risk Committee Chair prior to reporting to Council;
4. Authorises the Chief Executive Officer, the Mayor and Deputy Mayor to certify the final version of the statements by signing;
5. Authorises the Chief Executive Officer to send the signed statements to the Auditor-General; and
6. Authorises the Chief Executive Officer to notify all members of the Audit and Risk Committee when these actions have been taken.

Council Resolution

Moved Cr Allen, Seconded Cr Barker

That Council:

1. Approves in principle the 2023-24 Annual Financial Report (**Attachment 1**) and the 2023-24 Performance Statement (**Attachment 2**);
2. Authorises the Chief Financial Officer to implement any non-material changes to the statements as recommended by the Auditor-General and provide a summary of any such changes to the Audit and Risk Committee at its next meeting;
3. Authorises the Chief Financial Officer to discuss any material changes to the Audit and Risk Committee Chair prior to reporting to Council;
4. Authorises the Chief Executive Officer, the Mayor and Deputy Mayor to certify the final version of the statements by signing;

5. Authorises the Chief Executive Officer to send the signed statements to the Auditor-General; and
6. Authorises the Chief Executive Officer to notify all members of the Audit and Risk Committee when these actions have been taken.

CARRIED 9|0

| For | Against | Abstained |
|----------------|---------|-----------|
| Cr Allen | Nil | Nil |
| Cr Barker | | |
| Cr Bodsworth | | |
| Cr Gazzard | | |
| Cr Hodge | | |
| Cr Pattison | | |
| Cr Schonfelder | | |
| Cr Stapleton | | |
| Cr Wellington | | |

Outcome

2. The Act requires Council to pass a resolution giving its approval in principle to the Annual Financial Report and Performance Statement prior to submitting the statements to the Auditor-General for issue of an audit opinion. The auditor will provide the Minister with a copy of the audit report and audited statements. These statements will then form part of the 2023-24 Annual Report.

Key Considerations

3. Council's Annual Financial Report and Performance Statement are subject to a rigorous audit process to ensure their accuracy and to advise Council through these reports of any areas of concern.
4. The Audit and Risk Committee considered the reports at its meeting held on Wednesday 11 September 2024. The Committee recommended to Council the in principle 2023-24 Annual Financial Report and Performance Statement for adoption and certification, subject to any further adjustments recommended by Council's auditor.

Background

5. Section 99 of the Act states:
 - 5.1. As soon as practicable after the end of the financial year, a Council must cause to be prepared in accordance with section 98, the performance statement and financial statements of the Council for the financial year.
 - 5.2. The Council, after passing a resolution giving its approval in principle to the performance statement and financial statements, must submit the statements to the auditor for reporting on the audit.
 - 5.3. The Council must ensure that the performance statement and financial statements, in their final form after any changes recommended or agreed by the auditor have been made, are certified in accordance with the regulations by:

- 5.3.1. Two Councillors authorised by the Council for the purposes of this subsection; and
 - 5.3.2. any other persons prescribed by the regulations for the purposes of this subsection.
6. The auditor must prepare a report on the performance statements (the auditor is required under Part 3 of the *Audit Act 1994* to prepare a report on the financial statements.)
7. The auditor must not sign a report under subsection (4) or under Part 3 of the *Audit Act 1994* unless the performance statement or the financial statements (as applicable) have been certified under subsection (3).
8. The auditor must provide the Minister and the Council with a copy of the report on the performance statements as soon as is reasonably practicable (the auditor is required under Part 3 of the *Audit Act 1994* to report on the financial statements to the Council within 4 weeks and to give a copy of the report to the Minister.
9. In accordance with its Charter, the Audit and Risk Committee is required to review the Annual Financial Report and Performance Statement, and make any recommendations to Council concerning their adoption.
10. At its meeting on 11 September 2024, the Audit and Risk Committee resolved the following:
 - 10.1. Receive and note the Annual Financial Report and Performance Statement 2023-24 including the approved final closing report from the Auditor-General's appointed external auditors;
 - 10.2. Recommend that Council approve in principle the annual financial report and performance statement (the statements) for the year ended 30 June 2024 and further recommends that Council authorises;
 - 10.2.1. The Chief Financial Officer to implement any non-material changes to the statements as recommended by the Auditor-General and provide a summary of any such changes to the Audit and Risk Committee at its next meeting;
 - 10.2.2. the Chief Financial Officer to discuss any material changes to the Audit and Risk Committee Chair prior to reporting to Council;
 - 10.2.3. the Chief Executive Officer, the Mayor and a Councillor to certify the final version of the statements by signing;
 - 10.2.4. the Chief Executive Officer to send the signed statements to the Auditor-General; and
 - 10.2.5. the Chief Executive Officer to notify all members of the Audit and Risk Committee when these actions have been taken.

- 10.3. Record its appreciation to all the employees involved in the end of year closing of Council's accounts and the preparation of the Financial Statements and Performance Statement.
11. Council staff and a representative of the Auditor-General's Office attended the committee meeting to present and answer any questions about the Financial Statements and Performance Statements. It was the consensus of the Committee that the statements present fairly the financial position of Surf Coast Shire Council at the conclusion of the 2023-24 financial year, and that the financial statements are in accordance with applicable Australian Accounting Standards and requirements of the Act.

Options

12. **Alternative Option 1** – That Council does not approve the 2023-24 Financial Report and Performance Statement in principle.
13. As the 2023-24 Financial and Performance Statements have been cleared for signing by a Victorian Auditor-General's Office (VAGO) representative and recommended for signing by the Audit and Risk Committee, this option is not recommended by officers as it may lead to Council being non-compliant with the Act.

Council Plan (including Health and Wellbeing Plan) Statement

Theme Seven - Accountable and Viable Council

Strategy 18 - Establish a sustainable financial position.

14. The presentation of the Annual Financial Report and the Performance Statement provides an accurate and transparent representation of Council's performance for the 2023-24 year.

Financial Considerations

15. The Annual Financial Statements are a key pillar in Council's financial reporting, and include Income Statements, Balance Sheet, Cash Flow Statements, financial commentary, variance reporting against budgets and notes to the statements.

Community Engagement

16. Once the final statements have been certified by the nominated Councillors and the independent auditor's report received from VAGO, they will form part of Council's Annual Report. Council's Annual Report will be presented to Council at the October 2024 Council meeting and will be placed on Council's website.

Statutory / Legal / Policy Considerations

17. Council's Financial and Performance Statements are subject to a rigorous audit process to ensure their accuracy and to advise Council through these reports of any areas of concern. The Audit and Risk Committee also has a responsibility to review the statements prior to adoption of the statements in principle, and to raise any matters of concern.

4.1 Annual Financial Report and Performance Statement 2023 24

18. The 2023-24 Financial Report has been prepared in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*, also the Australian Accounting Standards, and other mandatory professional reporting requirements.
19. The 2023-24 Performance Statement has been prepared to meet the requirements of the *Local Government Act 2020* and *Local Government (Planning and Reporting) Regulations 2020*.

Risk Assessment

20. This report aligns to the risk framework and strategies.

Sustainability Considerations

21. Council has delivered on the community services we have planned for in our 2023-24 budget. Council’s net deficit result is \$18.5 million which is unfavourable to budget by \$0.2 million. Adjusting for the Great Ocean Road Coast and Parks Authority transfer of assets totalling \$24.5 million would result in a surplus of \$6 million. This surplus is used to fund non-operating activities, such as providing new infrastructure. The net surplus also includes funds tied to specific purposes, such as our waste and recycling programs, operating projects and non-cash items such as depreciation and assets handed over to Council by developers. Note 2.1.1 in the Financial Report explains material variances to budget.

Conflict of Interest

22. No officer declared a conflict of interest under the *Local Government Act 2020* in the preparation of this report.

Confidentiality

23. This report and attachments contain no confidential information under section 66(2) of the *Local Government Act 2020*.

Transparency

Audit and Risk Committee involvement

- 24.

Audit and Risk Committee Meeting Date: 11 September 2024

| <i>Feedback Received</i> | <i>Action Taken</i> |
|--------------------------|---|
| <i>Refer point 10</i> | <i>Feedback incorporated in recommendation.</i> |

Councillor Briefings

25. This item was discussed at the following Councillor briefings prior to being presented to Council for consideration. Councillor attendance at each briefing was as follows:

Councillor Briefing Date: 13 August 2024

| <i>Councillor name</i> | <i>In attendance (Y/N)</i> | <i>Councillor name</i> | <i>In attendance (Y/N)</i> |
|------------------------|----------------------------|------------------------|----------------------------|
| <i>Cr Gary Allen</i> | <i>Y</i> | <i>Cr Liz Pattison</i> | <i>Y</i> |

| | | | |
|--------------------------|----------|------------------------------|----------|
| <i>Cr Paul Barker</i> | <i>N</i> | <i>Cr Adrian Schonfelder</i> | <i>Y</i> |
| <i>Cr Mike Bodsworth</i> | <i>Y</i> | <i>Cr Libby Stapleton</i> | <i>Y</i> |
| <i>Cr Kate Gazzard</i> | <i>Y</i> | <i>Cr Heather Wellington</i> | <i>N</i> |
| <i>Cr Rose Hodge</i> | <i>Y</i> | | |

Councillor attendance at briefings is not a statutory requirement. Councillors are able to access and request information through a number of mechanisms to understand matters being presented at a Council Meeting.

**Surf Coast Shire Council
ANNUAL FINANCIAL REPORT**

For the Year Ended 30 June 2024

**Surf Coast Shire Council
Financial Report
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Surf Coast Shire Council
2023/2024 Financial Report

Certification of the Financial Statements

In my opinion, the accompanying financial statements have been prepared in accordance with the *Local Government Act 2020*, the *Local Government (Planning and Reporting) Regulations 2020*, the Australian Accounting Standards and other mandatory professional reporting requirements.

Gabrielle Spiller CPA

Principal Accounting Officer

Dated : 16 September 2024

Torquay

In our opinion, the accompanying financial statements present fairly the financial transactions of the Surf Coast Shire for the year ended 30 June 2024 and the financial position of the Council as at that date.

At the date of signing, we are not aware of any circumstances that would render any particulars in the financial statements to be misleading or inaccurate.

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2020* to certify the financial statements in their final form.

Cr Liz Patterson

Mayor

Dated : 16 September 2024

Torquay

Cr Mike Bodsworth

Deputy Mayor

Dated : 16 September 2024

Torquay

Robyn Seymour

Chief Executive Officer

Dated : 16 September 2024

Torquay

Surf Coast Shire Council
2023/2024 Financial Report

<INSERT VAGO REPORT - PAGE 1>

Surf Coast Shire Council
2023/2024 Financial Report

<INSERT VAGO REPORT - PAGE 2>

Surf Coast Shire Council
2023/2024 Financial Report

Comprehensive Income Statement
For the Year Ended 30 June 2024

| | Note | 2024 \$'000 | 2023 \$'000 |
|--|------|------------------|------------------|
| Income / Revenue | | | |
| Rates and charges | 3.1 | 64,426 | 61,067 |
| Statutory fees and fines | 3.2 | 2,382 | 2,110 |
| User fees | 3.3 | 6,492 | 7,099 |
| Grants - operating | 3.4 | 5,941 | 12,474 |
| Grants - capital | 3.4 | 6,255 | 5,207 |
| Contributions - monetary | 3.5 | 2,508 | 2,565 |
| Contributions - non monetary | 3.5 | 18,162 | 7,605 |
| Share of net profits of associates | 6.2 | 69 | 1 |
| Other income | 3.7 | 8,223 | 3,692 |
| Total income / revenue | | 114,458 | 101,820 |
| Expenses | | | |
| Employee costs | 4.1 | (39,960) | (38,138) |
| Materials and services | 4.2 | (33,720) | (30,331) |
| Depreciation | 4.3 | (21,932) | (18,481) |
| Amortisation - airspace asset | | (6,494) | (3,629) |
| Depreciation - right of use assets | | (352) | (316) |
| Allowance for impairment losses | | (129) | (104) |
| Borrowing costs | | (283) | (326) |
| Net loss on disposal of property, infrastructure, plant and equipment | 3.6 | (25,441) | (1,678) |
| Finance costs - leases | | (23) | (16) |
| Other expenses | 4.4 | (4,577) | (7,597) |
| Total expenses | | (132,911) | (100,616) |
| Surplus/(deficit) for the year | | (18,453) | 1,204 |
| Other comprehensive income | | | |
| Items that will not be reclassified to surplus or deficit in future periods | | | |
| Net asset revaluation gain | 9.1 | 30,698 | 227,680 |
| Total other comprehensive income | | 30,698 | 227,680 |
| Total comprehensive result | | 12,245 | 228,884 |

The above comprehensive income statement should be read in conjunction with the accompanying notes.

Surf Coast Shire Council
2023/2024 Financial Report

Balance Sheet
As at 30 June 2024

| | Note | 2024 \$'000 | 2023 \$'000 |
|---|------|------------------|------------------|
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 5.1 | 2,721 | 3,842 |
| Trade and other receivables | 5.1 | 8,919 | 5,751 |
| Other financial assets | 5.1 | 92,500 | 97,500 |
| Prepayments | | 442 | 402 |
| Other assets | | 1,831 | 1,990 |
| Total current assets | | 106,413 | 109,485 |
| Non-current assets | | | |
| Trade and other receivables | 5.1 | 151 | 23 |
| Investments in associates | 6.2 | 345 | 276 |
| Property, infrastructure, plant and equipment | 6.1 | 1,224,393 | 1,205,201 |
| Right-of-use assets | | 668 | 662 |
| Intangible assets | 5.2 | 19,260 | 25,585 |
| Total non-current assets | | 1,244,817 | 1,231,747 |
| Total assets | | 1,351,230 | 1,341,232 |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 5.3 | 5,726 | 5,945 |
| Trust funds and deposits | 5.3 | 3,609 | 5,397 |
| Provisions | 5.5 | 11,063 | 11,177 |
| Interest-bearing liabilities | 5.4 | 2,183 | 2,171 |
| Lease liabilities | | 227 | 318 |
| Contract and other liabilities | 5.3 | 28,582 | 24,943 |
| Total current liabilities | | 51,390 | 49,951 |
| Non-current liabilities | | | |
| Provisions | 5.5 | 18,180 | 19,778 |
| Interest-bearing liabilities | 5.4 | 10,356 | 12,539 |
| Lease liabilities | | 432 | 337 |
| Total non-current liabilities | | 28,968 | 32,654 |
| Total liabilities | | 80,358 | 82,605 |
| Net assets | | 1,270,872 | 1,258,627 |
| Equity | | | |
| Accumulated surplus | | 429,788 | 450,107 |
| Asset revaluation reserves | 9.1 | 744,185 | 713,487 |
| Other reserves | 9.1 | 96,899 | 95,033 |
| Total Equity | | 1,270,872 | 1,258,627 |

The above balance sheet should be read in conjunction with the accompanying notes.

Surf Coast Shire Council
2023/2024 Financial Report

Statement of Changes in Equity For the Year Ended 30 June 2024

| | Note | Total \$'000 | Accumulated Surplus \$'000 | Asset Revaluation Reserves \$'000 | Other Reserves \$'000 |
|---|------|------------------|----------------------------------|--|-----------------------------|
| 2024 | | | | | |
| Balance at beginning of the financial year | | 1,258,627 | 450,107 | 713,487 | 95,033 |
| Deficit for the year | | (18,453) | (18,453) | - | - |
| Net asset revaluation gain | 9.1 | 30,698 | - | 30,698 | - |
| Transfers to other reserves | 9.1 | - | (68,089) | - | 68,089 |
| Transfers from other reserves | 9.1 | - | 66,223 | - | (66,223) |
| Balance at end of the financial year | | 1,270,872 | 429,788 | 744,185 | 96,899 |
| 2023 | | | | | |
| Balance at beginning of the financial year | | 1,029,743 | 479,945 | 485,807 | 63,991 |
| Surplus for the year | | 1,204 | 1,204 | - | - |
| Net asset revaluation gain | 9.1 | 227,680 | - | 227,680 | - |
| Transfers to other reserves | 9.1 | - | (85,220) | - | 85,220 |
| Transfers from other reserves | 9.1 | - | 54,178 | - | (54,178) |
| Balance at end of the financial year | | 1,258,627 | 450,107 | 713,487 | 95,033 |

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Surf Coast Shire Council
2023/2024 Financial Report

Statement of Cash Flows For the Year Ended 30 June 2024

| | Note | 2024 Inflows/ (Outflows) \$'000 | 2023 Inflows/ (Outflows) \$'000 |
|---|--------|--|--|
| Cash flows from operating activities | | | |
| Rates and charges | | 62,593 | 61,461 |
| Statutory fees and fines | | 2,320 | 1,988 |
| User fees | | 6,695 | 7,364 |
| Grants - operating | | 5,070 | 12,412 |
| Grants - capital | | 10,537 | 11,661 |
| Contributions - monetary | | 2,053 | 2,421 |
| Interest received | | 5,196 | 1,590 |
| Trust funds and deposits taken | | 4,371 | 6,248 |
| Net GST refund | | 4,087 | 3,702 |
| Employee costs | | (40,381) | (36,659) |
| Materials and services | | (39,043) | (34,930) |
| Short-term, low value and variable lease payments | | (200) | (304) |
| Trust funds and deposits repaid | | (6,162) | (5,862) |
| Net cash provided by operating activities | 9.2 | 17,136 | 31,092 |
| Cash flows from investing activities | | | |
| Payments for property, infrastructure, plant and equipment | | (20,600) | (16,349) |
| Proceeds from sale of property, infrastructure, plant and equipment | | 174 | 338 |
| Payments for investments | | (116,000) | (102,500) |
| Proceeds from sale of investments | | 121,001 | 88,500 |
| Net cash used in investing activities | | (15,425) | (30,011) |
| Cash flows from financing activities | | | |
| Finance costs | | (284) | (326) |
| Interest paid - lease liability | | (23) | (17) |
| Repayment of borrowings | | (2,171) | (2,161) |
| Repayment of lease liabilities | | (354) | (315) |
| Net cash used in financing activities | | (2,832) | (2,819) |
| Net decrease in cash and cash equivalents | | (1,121) | (1,738) |
| Cash and cash equivalents at the beginning of the financial year | | 3,842 | 5,580 |
| Cash and cash equivalents at the end of the financial year | 5.1(a) | 2,721 | 3,842 |
| Financing arrangements | 5.6 | | |

The above statement of cash flow should be read in conjunction with the accompanying notes.

Statement of Capital Works
For the Year Ended 30 June 2024

| | 2024 \$'000 | 2023 \$'000 |
|--|----------------|----------------|
| Property | | |
| Buildings | 6,116 | 3,145 |
| Total property | 6,116 | 3,145 |
| Plant and equipment | | |
| Plant, machinery and equipment | 1,636 | 755 |
| Computers and telecommunications | 118 | 226 |
| Total plant and equipment | 1,754 | 981 |
| Infrastructure | | |
| Roads | 7,705 | 8,741 |
| Bridges | - | 43 |
| Footpaths and cycleways | 841 | 554 |
| Drainage and sewerage | 683 | 966 |
| Recreational, leisure and community facilities | 551 | 618 |
| Waste management | 1,642 | 198 |
| Parks, open space and streetscapes | 882 | 962 |
| Off street car parks | 426 | 141 |
| Total infrastructure | 12,730 | 12,223 |
| Total capital works expenditure | 20,600 | 16,349 |
| Represented by: | | |
| New asset expenditure | 4,229 | 2,674 |
| Asset renewal expenditure | 11,092 | 8,748 |
| Asset expansion expenditure | 34 | 1,351 |
| Asset upgrade expenditure | 5,245 | 3,576 |
| Total capital works expenditure | 20,600 | 16,349 |

The above statement of capital works should be read in conjunction with the accompanying notes.

Notes to the Financial Report
For the Year Ended 30 June 2024

Note 1 OVERVIEW

Introduction

The Surf Coast Shire was established by an Order of the Governor in Council on 9 March 1994 and is a body corporate. The Council's main office is located at 1 Merrijig Drive, Torquay.

Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these financial statements. The general purpose financial report complies with the Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 2020*, and the *Local Government (Planning and Reporting) Regulations 2020*.

The Council is a not-for-profit entity and therefore applies the additional AUS paragraphs applicable to a not-for-profit entity under the Australian Accounting Standards.

Accounting policy information

1.1 Basis of accounting

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. Specific accounting policies applied are disclosed in sections where the related balance or financial statement matter is disclosed.

The accrual basis of accounting has been used in the preparation of these financial statements, except for the cash flow information, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

The financial statements are based on the historical cost convention unless a different measurement basis is specifically disclosed in the notes to the financial statements.

The financial statements have been prepared on a going concern basis. The financial statements are in Australian dollars. The amounts presented in the financial statements have been rounded to the nearest thousand dollars unless otherwise specified. Minor discrepancies in tables between totals and the sum of components are due to rounding.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.1 Property, infrastructure, plant and equipment)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.1 Property, infrastructure, plant and equipment)
- the determination of employee provisions (refer to Note 5.5 Provisions)
- the determination of landfill provisions (refer to Note 5.5 Provisions)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of AASB 15 *Revenue from Contracts with Customers* or AASB 1058 *Income of Not-for-Profit Entities* (refer to Note 3)
- the determination, in accordance with AASB 16 *Leases*, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value.
- other areas requiring judgements.

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

Goods and Services Tax (GST)

Income and expenses are recognised net of the amount of associated GST. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

Surf Coast Shire Council
2023/2024 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2024

Note 2 Analysis of our results

2.1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variances. Council has adopted a materiality threshold of 10 percent and at least \$100,000 or where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

These notes are prepared to meet the requirements of the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

2.1.1 Income / Revenue and expenditure

| | Budget 2024 \$'000 | Actual 2024 \$'000 | Variance \$'000 | Variance % | Ref |
|---|-----------------------------------|-----------------------------------|----------------------------|-----------------------|------------|
| Income / Revenue | | | | | |
| Rates and charges | 63,865 | 64,426 | 561 | 1% | |
| Statutory fees and fines | 1,989 | 2,382 | 393 | 20% | 1 |
| User fees | 6,904 | 6,492 | (412) | (6%) | |
| Grants - operating | 10,497 | 5,941 | (4,556) | (43%) | 2 |
| Grants - capital | 5,502 | 6,255 | 753 | 14% | 3 |
| Contributions - monetary | 2,038 | 2,508 | 470 | 23% | 4 |
| Contributions - non monetary | 2,460 | 18,162 | 15,702 | 638% | 5 |
| Share of net profits/(losses) of associates | - | 69 | 69 | - | |
| Other income | 2,314 | 8,223 | 5,909 | 255% | 6 |
| Total income / revenue | 95,569 | 114,458 | 18,889 | 20% | |
| Expenses | | | | | |
| Employee costs | 40,069 | 39,960 | 109 | 0% | |
| Materials and services | 32,395 | 33,720 | (1,325) | (4%) | 7 |
| Allowance for impairment losses | 100 | 129 | (29) | (29%) | |
| Depreciation | 15,706 | 21,932 | (6,226) | (40%) | 8 |
| Amortisation - Intangible assets | 4,843 | 6,494 | (1,651) | (34%) | 9 |
| Depreciation - right of use assets | 381 | 352 | 29 | 8% | |
| Borrowing costs | 281 | 283 | (2) | (1%) | |
| Net loss on disposal of property, infrastructure, plant and equipment | 15,146 | 25,441 | (10,295) | (68%) | 10 |
| Finance costs - Leases | 34 | 23 | 11 | 32% | |
| Other expenses | 4,890 | 4,577 | 313 | 6% | |
| Total expenses | 113,845 | 132,911 | (19,066) | (17%) | |
| Deficit for the year | (18,276) | (18,453) | (177) | 1% | |

**Notes to the Financial Report
For the Year Ended 30 June 2024**

(i) Explanation of material variations

Variance Ref, item and explanation

1. Statutory Fees and Fines

Favourable variance driven by subdivision supervision fees (\$278k) with two subdivision fees paid earlier than budgeted (Stretton Estate Stage 8, Torquay and Glenmore Estate Stage 3, Winchelsea); infringements with parking infringements back to pre-pandemic levels (\$171k); and partially offset by lower than budgeted town planning fees (\$95k) reflective of recent development slow down.

2. Grants Operating

Unfavourable variance driven by estimated annual allocation of Financial Assistance Grant for 2023-24 being received in 2022-23 (\$5,161k); early years funding increase due to increased enrolments for kindergartens (\$196k) and occasional care (\$47k); and once-off funding for environment and sustainability (\$118k), child and family health (\$99k), early years school readiness (\$46k), women's surf festival (\$34k), community strengthening (\$18k) and community safety (\$18k).

3. Grants Capital

Favourable variance driven by timing of Local Roads Community Infrastructure Program grant (\$1,380k), unbudgeted National Disaster Funding (\$657k), other unbudgeted grants including Grays Road Upgrade, Integrated Water Management Project, Barwon River Loop Walk and Lorne Transfer Station Upgrade and others (\$1,211k) partially offset by Karaaf Stormwater Management grant not yet received (\$1,900k) and timing of Roads to Recovery funding (\$548k).

4. Contributions Monetary

Favourable variance driven by additional Open Space development contributions (\$245k), and timing of developer contributions (\$165k), infringement recoupments (\$82k), unbudgeted project contributions (\$76k) and sale of computers (\$34k), partially offset by contributions not received with the exiting of the family day care service (\$173k).

5. Contributions Non-Monetary

Favourable variance driven by subdivision infrastructure assets being handed over to Council early than expected including Glenmore Estate stages 2 and 3 (\$2,230k), Austin Street (\$1,830k), Bright wetland Quay 2 subdivision (\$1,480k) auxiliary items such as retaining walls, fencing and park assets that were not budgeted for (\$5,916k) and 2023 budget assets handed over in 2024 (\$4,700k).

6. Other Income

Favourable variance driven by interest on investments with higher cash balances and interest rates (\$3,316k), landfill rehabilitation adjustment with indexation rates decreasing by more than the increase in discount rates (\$1,517k), and assets found through the parks and recreation condition assessment process (\$1,078k).

7. Materials and Services

Unfavourable variance driven by capital works that don't meet the capitalisation criteria (\$1,988k) mainly due to the Surf Coast Hwy/Coombes Road Intersection signalisation project; Torquay Jan Juc Developer Contribution Plan contributions transfer to Great Ocean Road Coastal and Parks Authority unbudgeted (\$768k); additional civil maintenance driven by road management plan and service level agreements (\$400k), building services costs (partially offset in employees) (\$286k); partially offset by waste disposal and waste collection savings with overestimated waste tonnages and contract rates (\$1,478k) and timing of delivery of operating projects (\$669k).

8. Depreciation

The unfavourable variance is mainly due to revaluations conducted in 2022-23 for roads, recreation and open space assets (\$5,419k) and an incorrect calculation in buildings depreciation budget (\$756k).

Surf Coast Shire Council
2023/2024 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2024

(i) Explanation of material variations

Variance Ref, item and explanation

9. Amortisation - Intangible assets

The unfavourable variance is mainly due to the bringing forward of amortisation due to a decrease in available airspace at the Anglesea airspace site because of changes to cell design and rehabilitation (\$1,651k).

10. Net loss on disposal of property, infrastructure, plant and equipment

Unfavourable variance driven by the assets transitioned to the Great Ocean Road Coastal and Parks Authority due to transfer of Bells Beach assets not budgeted for and revaluation of parks assets and (\$9,115k); and the sale of 42 Harding Street to Winanglo for a nominal value (\$1,049k).

Surf Coast Shire Council
2023/2024 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2024

2.1.2 Capital works

| | Budget 2024 \$'000 | Actual 2024 \$'000 | Variance \$'000 | Variance % | Ref |
|--|-----------------------------------|-----------------------------------|----------------------------|-----------------------|------------|
| Property | | | | | |
| Buildings | 9,577 | 6,116 | 3,461 | 36% | 1 |
| Total property | 9,577 | 6,116 | 3,461 | 36% | |
| Plant and equipment | | | | | |
| Plant, machinery and equipment | 1,890 | 1,636 | 254 | 13% | 2 |
| Fixtures, fittings and furniture | 322 | - | 322 | 100% | 3 |
| Computers and telecommunications | 994 | 118 | 876 | 88% | 4 |
| Total plant and equipment | 3,206 | 1,754 | 1,452 | 45% | |
| Infrastructure | | | | | |
| Roads | 9,290 | 7,705 | 1,585 | 17% | 5 |
| Bridges | 1,946 | - | 1,946 | 100% | 6 |
| Footpaths and cycleways | 1,946 | 841 | 1,105 | 57% | 7 |
| Drainage and sewerage | 3,472 | 683 | 2,789 | 80% | 8 |
| Recreational, leisure and community facilities | 1,562 | 551 | 1,011 | 65% | 9 |
| Waste management | 1,542 | 1,642 | (100) | (6%) | |
| Parks, open space and streetscapes | 986 | 882 | 104 | 11% | |
| Off street car parks | - | 426 | (426) | - | 10 |
| Total infrastructure | 20,744 | 12,730 | 8,014 | 39% | |
| Total capital works expenditure | 33,527 | 20,600 | 12,927 | 39% | |
| Represented by: | | | | | |
| New asset expenditure | 5,250 | 4,229 | 1,021 | 19% | |
| Asset renewal expenditure | 22,973 | 11,092 | 11,881 | 52% | 11 |
| Asset expansion expenditure | 77 | 34 | 43 | 56% | |
| Asset upgrade expenditure | 5,227 | 5,245 | (18) | (0%) | |
| Total capital works expenditure | 33,527 | 20,600 | 12,927 | 39% | |

Notes to the Financial Report
For the Year Ended 30 June 2024

(i) Explanation of material variations

Variance Ref, item and explanation

1. Buildings

Lower than budgeted expenditure on initiated projects including: the ongoing Winchelsea Swimming Pool (\$1,718k) which is now expected to be completed in early 2025, Local Roads & Community Infrastructure (LRCIP) Phase 4A - Multi Arts Centre Redevelopment (\$1,328k) delayed due to extended design phase to accommodate the new building use and Surf Coast Shire Sustainable Facilities policy, and the Solar Efficiency & Transition Program projects (\$336k) delivered electric water heater upgrades at four Council facilities and remaining funds will continue into 2024/25.

2. Plant, machinery and equipment

Lower than budgeted expenditure on Plant and Fleet renewal related to the procurement of the heavy plant replacement program which continues into 2024-25 (\$167k) and Electric Vehicle Charging Infrastructure (\$87k) due to scope change following additional grant funding during 2023-24 to enable increased charger capacity from 22kW to 50kW.

3. Fixtures, fittings and furniture

Lower than budgeted expenditure on the Agile Working Project (\$322k) due to scope varied due to a review of work location requirements following the pandemic.

4. Computers and telecommunications

Lower than budgeted capitalisation expenditure due to capital works that did not meet capitalisation criteria (\$494k) and ongoing capital works renewal program (\$382k).

5. Roads

Lower than budgeted expenditure on the Briody Drive West Road Upgrade Contribution (\$621k) due to timing of developer completing works; and timing of Coombes / Messmate Road Intersection Upgrade (RD12) Design (\$458k) and Surf Coast Hwy / Bristol Rd Intersection Upgrade (RD05) Design (\$440k) due to expenditure that did not meet capitalisation criteria (part VicRoads asset) as well as timing.

6. Bridges

Lower than budgeted expenditure on the Pollocksford Road Bridge renewal project (\$1,810k) with design works still progressing.

7. Footpaths and cycleways

Lower than budgeted expenditure due to initiated projects not progressing as planned including: the Ocean Views (Barwon Water Reserve) Pathway (PC01) (\$594k) delayed due to resourcing challenges, Barwon River Loop Walk Stage 2 (\$204k) which has design completed and biodiversity/ecological assessments being finalised prior to construction commencing in 2024-25, and the Deep Creek Linear Reserve Masterplan Implementation Stage 2 Pathways (OR06) (\$74k) with delivery continuing into 2024-25. Lower than budgeted expenditure on initiated projects including Annual Pathways Construction Program (\$157k) and Safer Cycling Strategy Delivery - High Priority Low Cost Actions (\$75k) with delivery continuing into 2024-25.

Notes to the Financial Report
For the Year Ended 30 June 2024

(i) Explanation of material variations

Variance Ref, item and explanation

8. Drainage and sewerage

Lower than budget expenditure on initiated projects including: the Integrated Water Management Project - Jan Juc Daylighting Stage 2 (\$637k) which has detailed design underway, Point Roadknight Drainage Outfall (\$561k) which was rescheduled to 2025-26 in July 2023 due to site access and budget constraints, Karaaf Stormwater Management (\$449k) which is delivering multiple items across multiple years, Integrated Water Management Project - Winchelsea Greening and Stormwater Treatment Upgrades (\$453k) completed survey work and is progressing detailed design and Aireys Inlets / Anglesea Drainage Investigation Program (\$140k). Water Sensitive Urban Design - Typha Removal at Karaaf/Whites Beach Wetlands (\$192k) completed in the prior year.

9. Recreational, leisure and community facilities

Lower than budgeted expenditure due to the Stribling and Eastern Reserve Netball Courts Renewal being rescheduled to 2024-25 due to lack of tender responses (\$698k) and the Barwon River Adventure Play Space in Winchelsea (\$428k).

10. Off street car parks

Higher than budgeted expenditure of car parks from projects budgeted in various other asset classes (\$426k).

11. Asset renewal expenditure

Lower than budgeted asset renewal expenditure variance relates to ongoing standalone renewal projects, including the Pollocksford Road Bridge (\$1,810k), Winchelsea Swimming Pool (\$1,178k), the Civic Centre Heating Pump Coil and Chiller (\$734k), the Stribling and Eastern Reserve Netball Courts Renewal (\$698k), Point Roadknight Drainage Outfall (\$561k), the Karaaf Stormwater Management (\$449k), the Heavy Plant Renewal Program (\$409k), IT Renewal (\$391k) and Water Sensitive Urban Design - Typha Removal at Karaaf/Whites Beach Wetlands (\$192k). The remaining variance relates to projects closed during financial year and lower actual carry forward than budgeted (\$5,459k).

Notes to the Financial Report
For the Year Ended 30 June 2024

Note 2.2 Analysis of Council results by program

Council delivers its functions and activities through the following programs:

2.2.1 Council programs

Chief Executive Office

The CEO takes responsibility for leading and managing the organisation to ensure implementation of the goals and strategies endorsed by Council. In doing so, the CEO creates a climate for good democratic governance within the organisation and assists Councillors to govern effectively in accordance with the overarching governance principles and supporting principles set out in the *Local Government Act 2020*.

Community Life

The Community Life Division provides services including first nations engagement, aged and access, building services, civil operations, communications and community engagement, community health and development, community projects and partnerships, community safety, community strengthening, community support, customer experience, early years, child and family health, emergency management, environmental health, facilities, library, open space operations, operations management, ranger services, rural access, sports and facilities operations and youth.

Placemaking and Environment

The Placemaking and Environment Division provides services including arts and culture, asset management, business support, design and traffic engineering, development engineering, economic development, engineering services, environment, events, fleet, Gherang gravel pits, integrated planning management, planning compliance, social infrastructure and open space planning, statutory planning, strategic planning, sustainability, tourism and waste management.

Strategy and Effectiveness

The Strategy and Effectiveness Division provides services including business improvement, digital transformation program, finance, governance, human resources, IT support, learning and development, legal and risk, people and culture, procurement, program management office, property, records, revenue and rates, strategy and program delivery, technology and information management and workplace health and safety.

Surf Coast Shire Council
2023/2024 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2024

2.2.2 Summary of income / revenue, expenses, assets and capital expenses by program

| | Income / Revenue | Expenses | Surplus/ (Deficit) | Grants included in income / revenue | Total assets |
|---------------------------|---------------------|----------------|-----------------------|--|------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| 2024 | | | | | |
| Chief Executive Office | - | 3,103 | (3,103) | - | - |
| Community Life | 9,018 | 34,573 | (25,555) | 5,267 | 830,562 |
| Placemaking & Environment | 25,963 | 32,722 | (6,759) | 6,686 | 30,248 |
| Strategy & Effectiveness | 79,477 | 62,513 | 16,964 | 243 | 490,420 |
| | 114,458 | 132,911 | (18,453) | 12,196 | 1,351,230 |

| | Income / Revenue | Expenses | Surplus/ (Deficit) | Grants included in income / revenue | Total assets |
|---------------------------|---------------------|----------------|-----------------------|--|------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| 2023 | | | | | |
| Chief Executive Office | - | 2,722 | (2,722) | - | - |
| Community Life | 8,888 | 32,958 | (24,070) | 4,722 | 802,248 |
| Placemaking & Environment | 22,565 | 33,031 | (10,466) | 6,022 | 33,905 |
| Strategy & Effectiveness | 70,367 | 31,905 | 38,462 | 6,937 | 505,079 |
| | 101,820 | 100,616 | 1,204 | 17,681 | 1,341,232 |

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| Note 3 Funding for the delivery of our services | 2024 | 2023 |
|--|---------------|---------------|
| 3.1 Rates and charges | \$'000 | \$'000 |

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is the total market value of the land and buildings and other improvements.

The valuation base used to calculate general rates for 2023/2024 was \$35,181 million (2022/2023 \$31,033 million).

| | | |
|---|---------------|---------------|
| General rates | 48,134 | 46,243 |
| Municipal charge | 5,325 | 5,128 |
| Special rates and charges | 158 | - |
| Service rates and charges | 10,121 | 9,215 |
| Supplementary rates and rate adjustments (General rates & municipal charge) | 437 | 225 |
| Interest on rates and charges | 251 | 256 |
| Total rates and charges | 64,426 | 61,067 |

The date of the general revaluation of land for rating purposes within the municipal district was 1 January 2023 and the valuation was first applied in the rating year commencing 1 July 2023.

Annual rates and charges are recognised as income when Council issues annual rates notices. Supplementary rates are recognised when a valuation and reassessment is completed and a supplementary rates notice issued.

3.2 Statutory fees and fines

| | | |
|---------------------------------------|--------------|--------------|
| Infringements and costs | 933 | 772 |
| Building services | 228 | 215 |
| Town planning fees | 694 | 766 |
| Land information certificates | 68 | 60 |
| Subdivision fees | 390 | 230 |
| Other statutory fees and fines | 69 | 67 |
| Total statutory fees and fines | 2,382 | 2,110 |

Statutory fees and fines (including parking fees and fines) are recognised as income when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

3.3 User fees

| | | |
|--------------------------------|--------------|--------------|
| Leisure centre and recreation | 1,088 | 1,001 |
| Child care/children's programs | 240 | 627 |
| Building services | 27 | 29 |
| Registration and other permits | 844 | 848 |
| Waste management services | 3,078 | 2,880 |
| Royalties | 599 | 768 |
| Gravel pits | 129 | 174 |
| Lease rentals | 67 | 150 |
| Other fees and charges | 420 | 622 |
| Total user fees | 6,492 | 7,099 |

User fees by timing of revenue recognition

| | | |
|---|--------------|--------------|
| User fees recognised over time | 873 | 1,293 |
| User fees recognised at a point in time | 5,619 | 5,806 |
| Total user fees | 6,492 | 7,099 |

User fees are recognised as revenue at a point in time, or over time, when (or as) the performance obligation is satisfied. Recognition is based on the underlying contractual terms.

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| 3.4 Funding from other levels of government | 2024 | 2023 |
|--|---------------|---------------|
| Grants were received in respect of the following: | \$'000 | \$'000 |
| Summary of grants | | |
| Commonwealth funded grants | 5,453 | 11,490 |
| State funded grants | 6,743 | 6,191 |
| Total grants received | 12,196 | 17,681 |
| (a) Operating grants | | |
| Recurrent - Commonwealth Government | | |
| Financial Assistance Grants | 243 | 6,886 |
| Other | 245 | 213 |
| Recurrent - State Government | | |
| Home and community care | 156 | 189 |
| School crossing supervisors | 91 | 89 |
| Maternal and child health | 476 | 461 |
| Community safety | 240 | 240 |
| Kindergartens | 2,614 | 2,332 |
| Family and children | 174 | 211 |
| Environmental planning | 15 | - |
| Other | 36 | 41 |
| Total recurrent operating grants | 4,290 | 10,662 |
| Non-recurrent - Commonwealth Government | | |
| Family and children | 9 | - |
| Recreation | 34 | - |
| Non-recurrent - State Government | | |
| Waste Management | 33 | 210 |
| Environmental planning | 96 | 220 |
| Buildings | - | 21 |
| Community safety | 15 | 74 |
| Recreation | - | 226 |
| Kindergartens | 1,345 | 691 |
| Arts and culture | - | 29 |
| Roads | - | 86 |
| Maternal and child health | 99 | 13 |
| Family and children | - | 27 |
| Other | 20 | 215 |
| Total non-recurrent operating grants | 1,651 | 1,812 |
| Total operating grants | 5,941 | 12,474 |
| (b) Capital grants | | |
| Recurrent - Commonwealth Government | | |
| Roads to recovery | 503 | 612 |
| Total recurrent capital grants | 503 | 612 |
| Non-recurrent - Commonwealth Government | | |
| Recreation | 460 | 135 |
| Buildings | 2,500 | 1,643 |
| Roads | 1,459 | 1,904 |
| Other | - | 97 |
| Non-recurrent - State Government | | |
| Buildings | - | 90 |
| Community safety | 55 | 156 |
| Kindergartens | - | 36 |
| Roads | 734 | 191 |
| Recreation | 211 | 34 |
| Waste Management | 84 | 263 |
| Environmental planning | 249 | - |
| Other | - | 46 |
| Total non-recurrent capital grants | 5,752 | 4,595 |
| Total capital grants | 6,255 | 5,207 |

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(c) Recognition of grant income

Before recognising funding from government grants as revenue the Council assesses whether there is a contract that is enforceable and has sufficiently specific performance obligations in accordance with AASB 15 *Revenue from Contracts with Customers*. When both these conditions are satisfied, the Council:

- identifies each performance obligation relating to revenue under the contract/agreement
- determines the transaction price
- recognises a contract liability for its obligations under the agreement
- recognises revenue as it satisfies its performance obligations, at the point in time or over time when services are rendered.

Where the contract is not enforceable and/or does not have sufficiently specific performance obligations, the Council applies AASB 1058 *Income of Not-for-Profit Entities*.

Grant revenue with sufficiently specific performance obligations is recognised over time as the performance obligations specified in the underlying agreement are met. Where performance obligations are not sufficiently specific, grants are recognised on the earlier of receipt or when an unconditional right to receipt has been established. Grants relating to capital projects are generally recognised progressively as the capital project is completed. The following table provides a summary of the accounting framework under which grants are recognised.

| | 2024 \$'000 | 2023 \$'000 |
|--|----------------|----------------|
| Income recognised under AASB 1058 <i>Income of Not-for-Profit Entities</i> | | |
| General purpose | 243 | 6,886 |
| Specific purpose grants to acquire non-financial assets | 6,255 | 5,207 |
| Other specific purpose grants | 5,655 | 5,554 |
| Revenue recognised under AASB 15 <i>Revenue from Contracts with Customers</i> | | |
| Specific purpose grants | 43 | 34 |
| | 12,196 | 17,681 |

(d) Unspent grants received on condition that they be spent in a specific manner

Operating

| | | |
|---|-----------|----------|
| Balance at start of year | 3 | 374 |
| Received during the financial year and remained unspent at balance date | 12 | 3 |
| Received in prior years and spent during the financial year | (3) | (374) |
| Balance at year end | 12 | 3 |

Capital

| | | |
|---|---------------|---------------|
| Balance at start of year | 24,473 | 18,143 |
| Received during the financial year and remained unspent at balance date | 7,236 | 8,269 |
| Received in prior years and spent during the financial year | (3,151) | (1,939) |
| Balance at year end | 28,558 | 24,473 |

Unspent grants are determined and disclosed on a cash basis.

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| | 2024 | 2023 |
|----------------------------|---------------|---------------|
| | \$'000 | \$'000 |
| 3.5 Contributions | | |
| Monetary | 2,508 | 2,565 |
| Non-monetary | 18,162 | 7,605 |
| Total contributions | 20,670 | 10,170 |

Contributions of non-monetary assets were received in relation to the following asset classes.

| | | |
|---|---------------|--------------|
| Land | 4,309 | 901 |
| Roads | 5,569 | 1,638 |
| Other infrastructure | 2,697 | 1,256 |
| Drainage | 5,587 | 3,810 |
| Total non-monetary contributions | 18,162 | 7,605 |

Monetary and non monetary contributions are recognised as income at their fair value when Council obtains control over the contributed asset.

3.6 Net loss on disposal of property, infrastructure, plant and equipment

| | | |
|--|-----------------|----------------|
| Proceeds of sale | 174 | 338 |
| Written down value of assets disposed | (25,615) | (2,016) |
| Total Net loss on disposal of property, infrastructure, plant and equipment | (25,441) | (1,678) |

The profit or loss on sale of an asset is determined when control of the asset has passed to the buyer.

During the 2023-2024 financial year Surf Coast Shire transferred assets totalling \$24.539 million to Great Ocean Road Coast and Parks Authority under the *Great Ocean Road and Environs Protection Act 2020*.

3.7 Other income

| | | |
|--|--------------|--------------|
| Interest | 5,076 | 3,155 |
| Volunteer services | 552 | 537 |
| Found assets | 1,078 | - |
| Future landfill rehabilitation adjustment (Refer to note 5.5 Provisions) | 1,517 | - |
| Total other income | 8,223 | 3,692 |

Interest is recognised as it is earned.

Other income is measured at the fair value of the consideration received or receivable and is recognised when Council gains control over the right to receive the income.

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Notes to the Financial Report
For the Year Ended 30 June 2024

| | 2024 \$'000 | 2023 \$'000 |
|---|----------------|----------------|
| Note 4 The cost of delivering services | | |
| 4.1 (a) Employee costs | | |
| Wages and salaries | 34,522 | 33,189 |
| WorkCover | 495 | 226 |
| Superannuation | 3,860 | 3,507 |
| Fringe benefits tax | 55 | 71 |
| Volunteer services | 552 | 537 |
| Other | 476 | 608 |
| Total employee costs | 39,960 | 38,138 |

(b) Superannuation

Council made contributions to the following funds (11.00% 2023/2024 ,10.50% 2022/2023)

Defined benefit fund

| | | |
|--|-----------|-----------|
| Employer contributions to Local Authorities Superannuation Fund (Vision Super) | 30 | 32 |
| Defined benefit fund total | 30 | 32 |

Employer contributions payable at reporting date.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2025 is \$31,286.60.

Accumulation funds

| | | |
|---|--------------|--------------|
| Employer contributions to Local Authorities Superannuation Fund (Vision Super) | 1,720 | 1,588 |
| Employer contributions to Hostplus Superannuation fund | 276 | 243 |
| Employer contributions to Australian Super fund | 272 | 241 |
| Employer contributions to Hesta | 149 | 139 |
| Employer contributions to Cbus | 162 | 136 |
| Employer contributions - other (69 other funds for 2023/2024, 61 funds for 2022/2023) | 1,292 | 1,057 |
| Accumulation funds total | 3,871 | 3,404 |
| Employer contributions payable at reporting date. | 169 | 214 |

Contributions made exclude amounts accrued at balance date. Refer to Note 9.3 for further information relating to Council's superannuation obligations.

4.2 Materials and services

| | | |
|---|---------------|---------------|
| Contract payments - Roads | 1,511 | 1,583 |
| Contract payments - Waste | 5,900 | 6,032 |
| Contract payments - Operations | 953 | 940 |
| Contract payments - Facilities Management | 1,648 | 1,495 |
| Contract payments - Assets & Engineering | 2,495 | 307 |
| Contract payments - Other | 161 | 237 |
| General maintenance | 709 | 696 |
| Utilities | 1,170 | 1,270 |
| Office administration | 816 | 743 |
| Information technology | 1,327 | 1,279 |
| Insurance | 1,017 | 851 |
| Consultants | 2,541 | 2,032 |
| Fuel | 773 | 824 |
| Grants, contributions and sponsorship | 1,325 | 1,441 |
| Materials | 1,304 | 1,155 |
| Sub-contractors | 4,917 | 5,137 |
| Royalties | 2,119 | 2,256 |
| Contributions to developer works | 1,003 | 347 |
| Other | 2,031 | 1,706 |
| Total materials and services | 33,720 | 30,331 |

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

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| | 2024 | 2023 |
|---------------------------|---------------|---------------|
| | \$'000 | \$'000 |
| 4.3 Depreciation | | |
| Property | 3,463 | 3,397 |
| Plant and equipment | 1,450 | 1,436 |
| Infrastructure | 17,019 | 13,648 |
| Total depreciation | 21,932 | 18,481 |

Refer to note 6.1 Property, infrastructure, plant and equipment for a more detailed breakdown of depreciation and accounting policy.

4.4 Other expenses

| | | |
|---|--------------|--------------|
| Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals | 61 | 32 |
| Auditors' remuneration - Internal Audit | 133 | 122 |
| Councillors' allowances | 377 | 361 |
| Operating lease and rentals | 376 | 426 |
| Assets written-off / impaired | 3,630 | 3,343 |
| Future landfill rehabilitation adjustment (Refer to note 5.5 Provisions) | - | 3,313 |
| Total other expenses | 4,577 | 7,597 |

The 2023-24 Asset written-off/impaired expense mainly relates to a write-off of assets replaced and the write off of WIP not proceeding.

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| | 2024 | 2023 |
|---|----------------------|-----------------------|
| | \$'000 | \$'000 |
| Note 5 Investing in and financing our operations | | |
| 5.1 Financial assets | | |
| (a) Cash and cash equivalents - Current | | |
| Cash on hand | 3 | 3 |
| Cash at bank | 2,718 | 3,839 |
| Total cash and cash equivalents | <u>2,721</u> | <u>3,842</u> |
| (b) Other financial assets | | |
| Current | | |
| Term deposits | 92,500 | 97,500 |
| Total other financial assets | <u>92,500</u> | <u>97,500</u> |
| Total financial assets | <u><u>95,221</u></u> | <u><u>101,342</u></u> |

Cash and cash equivalents include cash on hand and deposits at call.

Other financial assets are valued at fair value, at balance date. Term deposits are measured at original cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

Other financial assets include term deposits and those with original maturity dates of three to 12 months are classified as current, whilst term deposits with maturity dates greater than 12 months are classified as non-current.

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| | 2024 | 2023 |
|--|---------------------|---------------------|
| | \$'000 | \$'000 |
| (c) Trade and other receivables | | |
| Current | | |
| <i>Statutory receivables</i> | | |
| Rates debtors | 5,289 | 3,483 |
| Special rate schemes | 33 | 20 |
| Infringement debtors | 1,015 | 944 |
| Allowance for expected credit loss - infringements | (185) | (176) |
| Net GST receivable | 901 | 550 |
| <i>Non statutory receivables</i> | | |
| Other debtors | 1,893 | 955 |
| Allowance for expected credit loss - other debtors | (27) | (25) |
| Total current trade and other receivables | <u>8,919</u> | <u>5,751</u> |
| Non-current | | |
| <i>Statutory receivables</i> | | |
| Special rate schemes | 151 | 23 |
| Total non-current trade and other receivables | <u>151</u> | <u>23</u> |
| Total trade and other receivables | <u>9,070</u> | <u>5,774</u> |

Short term receivables are carried at invoice amount. An allowance for expected credit losses is recognised based on past experience and other objective evidence of expected losses.

(d) Ageing of receivables

The ageing of the Council's trade and other receivables (excluding statutory receivables) that are not impaired was:

| | | |
|--|---------------------|-------------------|
| Current (not yet due) | 1,707 | 785 |
| Past due by up to 30 days | 100 | 57 |
| Past due between 31 and 60 days | 7 | 19 |
| Past due between 61 and 90 days | 5 | 3 |
| Past due by more than 120 days | 74 | 91 |
| Total trade and other receivables | <u>1,893</u> | <u>955</u> |

(e) Ageing of individually impaired Receivables

At balance date, other debtors representing financial assets with a nominal value of \$27,390 (2023: \$24,810) were impaired. The amount of the allowance raised against these debtors was \$27,390 (2023: \$24,810). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

The ageing of receivables that have been individually determined as impaired at reporting date was:

| | | |
|--|------------------|------------------|
| Past due by more than 1 year | 27 | 25 |
| Total trade & other receivables | <u>27</u> | <u>25</u> |

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| | | |
|---------------------------------|---------------|---------------|
| 5.2 Non-financial assets | 2024 | 2023 |
| | \$'000 | \$'000 |
| (a) Intangible assets | | |
| Landfill air space | 19,260 | 25,585 |
| Total intangible assets | 19,260 | 25,585 |

| | |
|--|----------------|
| Landfill air space | Total |
| Gross carrying amount | \$'000 |
| Balance at 1 July 2023 | 113,704 |
| Revaluation | (877) |
| Balance at 30 June 2024 | <u>112,827</u> |
| Accumulated amortisation and impairment | |
| Balance at 1 July 2023 | 88,119 |
| Amortisation expense | 6,494 |
| Revaluation | (1,046) |
| Balance at 30 June 2024 | <u>93,567</u> |
| Net book value at 30 June 2023 | <u>25,585</u> |
| Net book value at 30 June 2024 | <u>19,260</u> |

An intangible asset is defined as “an identifiable non-monetary asset without physical substance”. The Landfill Airspace fits this definition. The Landfill Airspace was initially measured at fair value of the asset – that is, the value of the future cash flows expected to be generated by the asset. After initial recognition, the Landfill Airspace is carried at its fair value, less any accumulated amortisation and impairment losses. Amortisation expenses the assets value on a systematic basis over the asset's useful life. Amortisation is calculated on a units of use basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives and amortisation method are reviewed at least annually, and adjustments made where appropriate. The landfill airspace was revalued as at 30 June 2024. The remaining useful life of the Landfill airspace is 4 years at 30 June 2024. The Landfill airspace asset has been accounted for using FG02/2017 Local Government Accounting for Landfills by adopting the revaluation model.

Key assumptions:

| | | |
|------------------------------------|-------|-------|
| - discount rate (weighted average) | 4.35% | 4.29% |
| - inflation rate | 5.61% | 6.48% |

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| 5.3 Payables, trust funds and deposits and contract and other liabilities | 2024 | 2023 |
|--|---------------|---------------|
| (a) Trade and other payables | \$'000 | \$'000 |
| Current | | |
| <i>Non-statutory payables</i> | | |
| Trade payables | 1,698 | 1,886 |
| Rates and charges received in advance | 919 | 946 |
| Accrued expenses | 3,109 | 3,113 |
| Total trade and other payables | 5,726 | 5,945 |
| | | |
| (b) Trust funds and deposits | | |
| Current | | |
| Refundable deposits | 3,312 | 5,028 |
| Fire Service Levy | 297 | 369 |
| Total trust funds and deposits | 3,609 | 5,397 |
| | | |
| (c) Contract and other liabilities | | |
| Contract liabilities | | |
| Current | | |
| Grants received in advance - operating | 12 | 3 |
| Contributions received in advance | 12 | 467 |
| Total contract liabilities | 24 | 470 |
| Other liabilities | | |
| Current | | |
| Deferred capital grants | 28,558 | 24,473 |
| Total other liabilities | 28,558 | 24,473 |
| Total contract and other liabilities | 28,582 | 24,943 |

Trust funds and deposits

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited. Trust funds that are forfeited, resulting in Council gaining control of the funds, are to be recognised as revenue at the time of forfeit.

Contract liabilities

Contract liabilities reflect consideration received in advance from customers in respect of rates and grant income. Contract liabilities are derecognised and recorded as revenue when promised goods and services are transferred to the customer. Refer to Note 3.

Other liabilities

Grant consideration was received from state and federal government to support the construction of Council assets. Grant consideration is recognised as income following specific guidance under AASB 1058 as the asset is constructed. Income is recognised to the extent of costs incurred-to-date because the costs of construction most closely reflect the stage of completion of the assets. As such, Council has deferred recognition of a portion of the grant consideration received as a liability for outstanding obligations.

Purpose and nature of items

Fire Service Levy - Council is the collection agent for fire services levy on behalf of the State Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the state government in line with that process.

Refundable deposits - Deposits are taken by Council as a form of surety in a number of circumstances, including in relation to building works, tender deposits, contract deposits and the use of civic facilities.

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| 5.4 Interest-bearing liabilities | 2024 | 2023 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| Current | | |
| Borrowings from Banks - secured * | 2,183 | 2,171 |
| Total current interest-bearing liabilities | 2,183 | 2,171 |
| Non-current | | |
| Borrowings from Banks - secured * | 10,356 | 12,539 |
| Total non-current interest-bearing liabilities | 10,356 | 12,539 |
| Total interest-bearing liabilities | 12,539 | 14,710 |

* Borrowings are secured by Council's general rates.

(a) The maturity profile for Council's borrowings is:

| | | |
|---|---------------|---------------|
| Not later than one year | 2,183 | 2,171 |
| Later than one year and not later than five years | 8,489 | 8,804 |
| Later than five years | 1,867 | 3,735 |
| | 12,539 | 14,710 |

Borrowings are initially measured at fair value, being the cost of the interest bearing liabilities, net of transaction costs. The measurement basis subsequent to initial recognition depends on whether the Council has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method. All Surf Coast Shire Council's borrowings are categorised at amortised cost. The classification depends on the nature and purpose of the interest bearing liabilities. The Council determines the classification of its interest bearing liabilities at initial recognition.

5.5 Provisions

| | | | |
|-------------------------------------|---------------|---------------|--|
| Current | | | |
| Employee provisions | 7,658 | 7,745 | |
| Landfill Restoration provision | 3,405 | 3,432 | |
| Total current provisions | 11,063 | 11,177 | |
| Non-current | | | |
| Employee provisions | 780 | 773 | |
| Landfill Restoration provision | 17,400 | 19,005 | |
| Total non-current provisions | 18,180 | 19,778 | |
| Total | 29,243 | 30,955 | |

| | Employee | Landfill | Total |
|---|-----------------|--------------------|----------------|
| | \$ '000 | restoration | \$ '000 |
| | \$ '000 | \$ '000 | \$ '000 |
| 2024 | | | |
| Balance at beginning of the financial | 8,518 | 22,437 | 30,955 |
| Additional provisions/(reduction in provisions) | 3,722 | (646) | 3,076 |
| Amounts used | (3,604) | (116) | (3,720) |
| Change in the discounted amount arising because of time and the effect of any change in the discount rate | (198) | (870) | (1,068) |
| Balance at the end of the financial year | 8,438 | 20,805 | 29,243 |

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| | Employee | Landfill restoration | Total |
|--|--------------|-------------------------|---------------|
| | \$ '000 | \$ '000 | \$ '000 |
| 2023 | | | |
| Balance at beginning of the financial | 7,838 | 19,164 | 27,002 |
| Additional provisions | 3,497 | 4,720 | 8,217 |
| Amounts used | (3,170) | (40) | (3,210) |
| Change in the discounted amount arising because of time and the effect of any change in the discount | 353 | (1,407) | (1,054) |
| Balance at the end of the financial year | 8,518 | 22,437 | 30,955 |

| | 2024 \$'000 | 2023 \$'000 |
|--|----------------|----------------|
| (a) Employee provisions | | |
| Current provisions expected to be wholly settled within 12 months | | |
| Annual leave | 2,339 | 2,371 |
| Long service leave | 747 | 746 |
| | 3,086 | 3,117 |
| Current provisions expected to be wholly settled after 12 months | | |
| Annual leave | 531 | 622 |
| Long service leave | 4,041 | 4,006 |
| | 4,572 | 4,628 |
| Total current employee provisions | 7,658 | 7,745 |
| Non-current | | |
| Long service leave | 780 | 773 |
| Total non-current employee provisions | 780 | 773 |
| Aggregate carrying amount of employee provisions: | | |
| Current | 7,658 | 7,745 |
| Non-current | 780 | 773 |
| Total aggregate carrying amount of employee | 8,438 | 8,518 |

The calculation of employee costs and benefits includes all relevant on-costs and are calculated as follows at reporting date.

Annual leave

A liability for annual leave is recognised in the provision for employee benefits as a current liability because the Council does not have an unconditional right to defer settlement of the liability. Liabilities for annual leave are measured at:

- nominal value if the Council expects to wholly settle the liability within 12 months

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. Unconditional LSL is disclosed as a current liability as the Council does not have an unconditional right to defer settlement.

Unconditional LSL is measured at nominal value if expected to be settled within 12 months or at present value if not expected to be settled within 12 months. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability and measured at present value.

Key assumptions:

| | | |
|------------------------------------|-------|-------|
| - discount rate (weighted average) | 4.35% | 4.06% |
| - inflation rate | 3.00% | 3.50% |

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| (b) Landfill rehabilitation provision | 2024 | 2023 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| Current | 3,405 | 3,432 |
| Non-current | 17,400 | 19,005 |
| Total Landfill rehabilitation provision | 20,805 | 22,437 |

Council is obligated to restore the Anglesea Landfill site to a particular standard. The forecast life of the site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Council reviews the landfill restoration provision on an annual basis, including the key assumptions listed below.

Key assumptions:

| | | |
|------------------------------------|-------|-------|
| - discount rate (weighted average) | 4.35% | 4.05% |
| - inflation rate (Rawlinson) | 5.61% | 6.48% |

5.6 Financing arrangements

The Council has the following funding arrangements in place as at the end of the financial year:

| | | |
|-------------------------------|---------------|---------------|
| Bank overdraft | 2,300 | 2,300 |
| Credit card facilities | 100 | 100 |
| Other facilities - Bank Loans | 12,539 | 14,710 |
| Total facilities | 14,939 | 17,110 |
| Used facilities | (12,560) | (14,730) |
| Unused facilities | 2,379 | 2,380 |

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Notes to the Financial Report
For the Year Ended 30 June 2024

5.7 Commitments

The Council has entered into the following commitments. Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value and presented inclusive of the GST payable.

(a) Commitments for expenditure

| 2024 | Not later | Later than | Later than | Later than | Total |
|-------------------------------|---------------|--|---|------------|---------------|
| | than 1 year | 1 year and not later than 2 years | later than 2 years and not later than 5 years | 5 years | |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Operating | | | | | |
| Waste management | 8,000 | 8,000 | 13,413 | 896 | 30,309 |
| Consultancies | 158 | - | - | - | 158 |
| Open space management | 291 | 94 | - | - | 385 |
| Cleaning of Council buildings | 1,064 | - | - | - | 1,064 |
| Other | 1,309 | 274 | 326 | - | 1,909 |
| Total | 10,822 | 8,368 | 13,739 | 896 | 33,825 |
| Capital | | | | | |
| Construction | 13,797 | - | - | - | 13,797 |
| Consultancies | 1,055 | 349 | 82 | - | 1,486 |
| Waste management | 51 | - | - | - | 51 |
| Other | 1,205 | - | - | - | 1,205 |
| Total | 16,108 | 349 | 82 | - | 16,539 |

| 2023 | Not later | Later than | Later than | Later than | Total |
|-------------------------------|--------------|--|---|--------------|---------------|
| | than 1 year | 1 year and not later than 2 years | later than 2 years and not later than 5 years | 5 years | |
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Operating | | | | | |
| Waste management | 5,693 | 5,462 | 13,592 | 4,006 | 28,753 |
| Consultancies | 281 | - | - | - | 281 |
| Open space management | 411 | 11 | - | - | 422 |
| Cleaning of Council buildings | 1,147 | 1,144 | - | - | 2,291 |
| Other | 145 | 107 | 4 | - | 256 |
| Total | 7,677 | 6,724 | 13,596 | 4,006 | 32,003 |
| Capital | | | | | |
| Construction | 4,742 | 10 | - | - | 4,752 |
| Consultancies | 1,731 | 365 | 231 | - | 2,327 |
| Waste management | 36 | - | - | - | 36 |
| Other | 1,438 | - | - | - | 1,438 |
| Total | 7,947 | 375 | 231 | - | 8,553 |

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Notes to the Financial Report
For the Year Ended 30 June 2024

(b) Operating lease receivables

Operating lease receivables

Future undiscounted minimum rentals receivable under non-cancellable operating leases of Council property are as follows:

| | 2024 | 2023 |
|---|---------------|---------------|
| | \$'000 | \$'000 |
| Not later than one year | 46 | 47 |
| Later than one year and not later than five years | 194 | 167 |
| Later than five years | 151 | 209 |
| | 391 | 423 |

Surf Coast Shire Council
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Notes to the Financial Report
For the Year Ended 30 June 2024

Note 6 Assets we manage

6.1 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

| | Carrying amount 30 June 2023 \$'000 | Additions \$'000 | Contributions \$'000 | Revaluation \$'000 | Found \$'000 | Depreciation \$'000 | Disposal \$'000 | Write-off \$'000 | Transfers \$'000 | Impairment \$'000 | Carrying amount 30 June 2024 \$'000 |
|---------------------|--|---------------------|-------------------------|-----------------------|-----------------|------------------------|--------------------|---------------------|---------------------|----------------------|--|
| Property | 486,001 | 1,958 | 4,384 | 17,171 | - | (3,463) | (19,380) | (362) | 1,613 | - | 487,922 |
| Plant and equipment | 5,551 | 1,728 | - | - | - | (1,450) | (27) | (12) | - | - | 5,790 |
| Infrastructure | 708,233 | 10,962 | 13,778 | 13,328 | 1,078 | (17,019) | (6,208) | (2,799) | 1,340 | 111 | 722,804 |
| Work in progress | 5,416 | 5,952 | - | - | - | - | - | (538) | (2,953) | - | 7,877 |
| Total | 1,205,201 | 20,600 | 18,162 | 30,499 | 1,078 | (21,932) | (25,615) | (3,711) | - | 111 | 1,224,393 |

Summary of Work in Progress

| | Opening WIP \$'000 | Additions \$'000 | Write-off \$'000 | Transfers \$'000 | Closing WIP \$'000 |
|---------------------|--------------------------|---------------------|---------------------|---------------------|--------------------------|
| Property | 2,017 | 4,157 | - | (1,293) | 4,881 |
| Plant and equipment | 436 | 26 | (427) | - | 35 |
| Infrastructure | 2,963 | 1,769 | (111) | (1,660) | 2,961 |
| Total | 5,416 | 5,952 | (538) | (2,953) | 7,877 |

Notes to the Financial Report
For the Year Ended 30 June 2024

(a) Property

| | Land - specialised | Land - non specialised | Land Under Roads | Total Land | Buildings - specialised | Buildings - non specialised | Total Buildings | Total Property excl WIP | Work in progress | Total Property |
|--|--------------------|------------------------|------------------|-----------------|-------------------------|-----------------------------|-----------------|-------------------------|------------------|-----------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| At fair value 1 July 2023 | 273,643 | 7,590 | 108,920 | 390,153 | 138,748 | 14,858 | 153,606 | 543,759 | 2,017 | 545,776 |
| Accumulated depreciation at 1 July 2023 | - | - | - | - | (50,845) | (6,913) | (57,758) | (57,758) | - | (57,758) |
| | 273,643 | 7,590 | 108,920 | 390,153 | 87,903 | 7,945 | 95,848 | 486,001 | 2,017 | 488,018 |
| Movements in fair value | | | | | | | | | | |
| Additions | - | - | - | - | 1,540 | 418 | 1,958 | 1,958 | 4,157 | 6,115 |
| Contributions | 3,890 | - | 419 | 4,309 | 75 | - | 75 | 4,384 | - | 4,384 |
| Revaluation | - | - | - | - | 25,435 | 2,789 | 28,224 | 28,224 | - | 28,224 |
| Disposal | (16,925) | - | - | (16,925) | (3,902) | (261) | (4,163) | (21,088) | - | (21,088) |
| Write-off | - | - | (16) | (16) | (929) | (21) | (950) | (966) | - | (966) |
| Transfers | - | - | 353 | 353 | 2,046 | 90 | 2,136 | 2,489 | (1,293) | 1,196 |
| | (13,035) | - | 756 | (12,279) | 24,265 | 3,015 | 27,280 | 15,001 | 2,864 | 17,865 |
| Movements in accumulated depreciation | | | | | | | | | | |
| Depreciation | - | - | - | - | (3,120) | (343) | (3,463) | (3,463) | - | (3,463) |
| Accumulated depreciation of disposals | - | - | - | - | 1,571 | 137 | 1,708 | 1,708 | - | 1,708 |
| Accumulated depreciation of write offs | - | - | - | - | 598 | 6 | 604 | 604 | - | 604 |
| Revaluation | - | - | - | - | (9,738) | (1,315) | (11,053) | (11,053) | - | (11,053) |
| Transfers | - | - | - | - | (876) | - | (876) | (876) | - | (876) |
| | - | - | - | - | (11,565) | (1,515) | (13,080) | (13,080) | - | (13,080) |
| At fair value 30 June 2024 | 260,608 | 7,590 | 109,676 | 377,874 | 163,013 | 17,873 | 180,886 | 558,760 | 4,881 | 563,641 |
| Accumulated depreciation at 30 June 2024 | - | - | - | - | (62,410) | (8,428) | (70,838) | (70,838) | - | (70,838) |
| | 260,608 | 7,590 | 109,676 | 377,874 | 100,603 | 9,445 | 110,048 | 487,922 | 4,881 | 492,803 |

Notes to the Financial Report
For the Year Ended 30 June 2024

(b) Plant and Equipment

| | Plant machinery and equipment \$'000 | Fixtures fittings and furniture \$'000 | Computers and telecoms \$'000 | Total plant and equipment excl WIP \$'000 | Work in progress \$'000 | Total plant and equipment \$'000 |
|--|--|---|-------------------------------------|---|-------------------------------|---|
| At fair value 1 July 2023 | 9,884 | 1,475 | 4,206 | 15,565 | 436 | 16,001 |
| Accumulated depreciation at 1 July 2023 | (5,437) | (1,372) | (3,205) | (10,014) | - | (10,014) |
| | 4,447 | 103 | 1,001 | 5,551 | 436 | 5,987 |
| Movements in fair value | | | | | | |
| Additions | 1,614 | - | 114 | 1,728 | 26 | 1,754 |
| Disposal | (432) | - | - | (432) | - | (432) |
| Write-off | (62) | - | (33) | (95) | (427) | (522) |
| | 1,120 | - | 81 | 1,201 | (401) | 800 |
| Movements in accumulated depreciation | | | | | | |
| Depreciation | (1,043) | (21) | (386) | (1,450) | - | (1,450) |
| Accumulated depreciation of disposals | 405 | - | - | 405 | - | 405 |
| Accumulated depreciation of write offs | 49 | - | 34 | 83 | - | 83 |
| | (589) | (21) | (352) | (962) | - | (962) |
| At fair value 30 June 2024 | 11,004 | 1,475 | 4,287 | 16,766 | 35 | 16,801 |
| Accumulated depreciation at 30 June 2024 | (6,026) | (1,393) | (3,557) | (10,976) | - | (10,976) |
| | 4,978 | 82 | 730 | 5,790 | 35 | 5,825 |

Notes to the Financial Report
For the Year Ended 30 June 2024

(c) Infrastructure

| | Roads | Bridges | Footpaths and cycleways | Drainage and sewerage | Recreational, leisure and community | Parks, open spaces and streetscapes | Off street car parks | Waste Management | Total Infrastructure excl WIP | Work in progress | Total Infrastructure |
|---|-----------|---------|-------------------------|-----------------------|-------------------------------------|-------------------------------------|----------------------|------------------|-------------------------------|------------------|----------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| At fair value 1 July 2023 | 723,062 | 12,407 | 55,247 | 164,453 | 39,213 | 22,482 | 17,759 | 10,181 | 1,044,804 | 2,963 | 1,047,767 |
| Accumulated depreciation at 1 July 2023 | (223,655) | (6,320) | (11,759) | (56,751) | (16,322) | (10,280) | (4,084) | (7,289) | (336,460) | - | (336,460) |
| Accumulated impairment at 1 July 2023 | (111) | - | - | - | - | - | - | - | (111) | - | (111) |
| | 499,296 | 6,087 | 43,488 | 107,702 | 22,891 | 12,202 | 13,675 | 2,892 | 708,233 | 2,963 | 711,196 |
| Movements in fair value | | | | | | | | | | | |
| Additions | 6,623 | - | 787 | 549 | 355 | 763 | 426 | 1,459 | 10,962 | 1,769 | 12,731 |
| Contributions | 5,569 | - | 1,376 | 5,587 | 110 | 1,136 | - | - | 13,778 | - | 13,778 |
| Found Assets | - | - | 83 | 78 | 354 | 563 | - | - | 1,078 | - | 1,078 |
| Revaluation | - | - | 147 | - | 7,123 | 11,975 | - | - | 19,245 | - | 19,245 |
| Disposal | (28) | (88) | (583) | (553) | (3,497) | (3,695) | (2,218) | - | (10,662) | - | (10,662) |
| Write-off | (3,977) | - | (167) | (385) | (639) | (550) | (111) | - | (5,829) | (111) | (5,940) |
| Transfers | 428 | - | 56 | 200 | 340 | (609) | 39 | 11 | 465 | (1,660) | (1,195) |
| Reversal of impairment losses recognised in revaluation reserve | 30 | - | - | - | - | - | - | - | 30 | - | 30 |
| Reversal of impairment losses recognised in operating result | 81 | - | - | - | - | - | - | - | 81 | - | 81 |
| | 8,726 | (88) | 1,699 | 5,476 | 4,146 | 9,583 | (1,864) | 1,470 | 29,148 | (2) | 29,146 |
| Movements in accumulated depreciation | | | | | | | | | | | |
| Depreciation | (9,664) | (128) | (917) | (1,717) | (1,980) | (1,644) | (228) | (741) | (17,019) | - | (17,019) |
| Revaluation | - | - | (4,939) | - | 1,206 | (2,184) | - | - | (5,917) | - | (5,917) |
| Accumulated depreciation of disposals | 9 | 60 | 229 | 46 | 1,541 | 1,942 | 627 | - | 4,454 | - | 4,454 |
| Accumulated depreciation of write offs | 2,115 | - | 99 | 114 | 340 | 314 | 48 | - | 3,030 | - | 3,030 |
| Transfers | - | - | - | - | 22 | 853 | - | - | 875 | - | 875 |
| | (7,540) | (68) | (5,528) | (1,557) | 1,129 | (719) | 447 | (741) | (14,577) | - | (14,577) |
| At fair value 30 June 2024 | 731,677 | 12,319 | 56,946 | 169,929 | 43,359 | 32,065 | 15,895 | 11,651 | 1,073,841 | 2,961 | 1,076,802 |
| Accumulated depreciation at 30 June 2024 | (231,195) | (6,388) | (17,287) | (58,308) | (15,193) | (10,999) | (3,637) | (8,030) | (351,037) | - | (351,037) |
| | 500,482 | 5,931 | 39,659 | 111,621 | 28,166 | 21,066 | 12,258 | 3,621 | 722,804 | 2,961 | 725,765 |

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Notes to the Financial Report
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Acquisition

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. Refer also to Note 8.4 Fair value measurement for further disclosure regarding fair value measurement.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

In accordance with Council's policy, the threshold limits have applied when recognising assets within an applicable asset class, and unless otherwise stated are consistent with the prior year.

Asset recognition thresholds and depreciation periods

| | | Depreciation Period | Threshold Limit |
|--|-------------------|---------------------|-----------------|
| | | | \$'000 |
| (a) Property | | | |
| Heritage Buildings | | 100 - 150 years | 5 |
| Buildings - Complex | Structure | 100 years | 5 |
| | Roof | 60 years | 5 |
| | Fit Out | 25 years | 5 |
| | Services | 35 years | 5 |
| | Pools | 3 - 50 years | 5 |
| Buildings - Simple | | 40-50 years | 5 |
| (b) Plant and Equipment | | | |
| Plant, machinery and equipment | | 2 - 15 years | 1 |
| Fixtures, fittings and furniture | | 3 - 10 years | 1 |
| Computers and telecommunications | | 3 - 10 years | 1 |
| (c) Infrastructure | | | |
| Formation | | NA | 5 |
| Sealed Road Pavements | High Traffic | 90 years | 5 |
| | Low Traffic | 100 years | 5 |
| | Concrete | 40 years | 5 |
| Unsealed Road Pavements | High Traffic | 16 years | 5 |
| | Low Traffic | 20 - 25 years | 5 |
| Seals | Spray Seal | 15 - 18 years | 5 |
| | Asphalt | 25 - 30 years | 5 |
| Road Shoulders | | Unsealed Pavement | 50 years |
| Road Kerb and Channel | | 70 years | 5 |
| Traffic Control Devices | | 25 - 80 years | 5 |
| Bridges and Major Culverts | Bridges | 100-140 years | 5 |
| | Major Culverts | 80 years | 5 |
| | Timber Bridges | 40 years | 5 |
| Footpaths and Cycleways | Concrete | 65 years | 5 |
| | Asphalt | 30 years | 5 |
| | Brick | 50 years | 5 |
| | Gravel | 20 years | 5 |
| Drainage and Sewerage | Drainage | 80 - 150 years | 5 |
| | Sewerage | 80 years | 5 |
| | Septic Tanks | 30 years | 5 |
| | Wetlands and WSUD | 10 - 100 years | 5 |
| Recreation, leisure and community facilities | | 10 - 100 years | 5 |
| Parks, Open Spaces and streetscapes | | 10 - 50 years | 5 |
| Off Street car parks | Sealed Pavement | 100 years | 5 |
| | Unsealed Pavement | 20 years | 5 |
| | Seals | 15 - 30 years | 5 |
| Waste Management | | Units of Use | 5 |
| Leased Assets | | 2 - 45 years | 5 |

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Land under roads

Council recognises land under roads it controls at fair value.

Depreciation

Buildings, land improvements, plant and equipment, infrastructure, and other assets having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and residual values and a separate depreciation rate is determined for each component.

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life. Straight line depreciation is charged based on the residual useful life as determined each year. Depreciation periods used are listed above and are consistent with the prior year unless otherwise stated.

Repairs and maintenance

Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

Valuation of land and buildings

Valuation of land was undertaken by a qualified independent valuer Opteon. The valuation of land is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Specialised land is valued at fair value using site values adjusted for englobo (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Any significant movements in the unobservable inputs for land and land under roads will have a significant impact on the fair value of these assets.

Valuation of Building assets has been determined in accordance with a valuation undertaken by independent valuers, Opteon (non-specialised buildings) and Preston Rowe Paterson (heritage buildings) and componentised costs by Rawlinson's as at 31 December 2021. The fair value of building assets were indexed as at 30 June 2024 due to increasing costs.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2024 are as follows:

| | Level 1 | Level 2 | Level 3 | Date of | Type of |
|------------------|----------------|----------------|----------------|------------------|------------------|
| | \$'000 | \$'000 | \$'000 | Valuation | Valuation |
| Land | - | 7,590 | - | 31/03/2023 | Independent |
| Specialised land | - | - | 260,608 | 31/03/2023 | Independent |
| Land Under Roads | | | 109,676 | 30/06/2023 | Independent |
| Buildings | - | 9,445 | 100,603 | 30/06/2024 | Indexation |
| Total | - | 17,035 | 470,887 | | |

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Valuation of infrastructure

Valuation of Road and Offstreet Car Park assets has been determined in accordance with a valuation undertaken by independent valuer, Infrastructure Management Group Pty Ltd and Council's Manager Assets and Engineering, Mr John Bertoldi B E (Civil) as at 31 December 2022. Valuations of Bridge assets has been determined in accordance with a valuation undertaken by independent valuer Pitt and Sherry and Council's Manager Assets and Engineering, Mr John Bertoldi BE (Civil) as at 31 December 2022. Valuation of footpath assets has been determined in accordance with a valuation undertaken by Infrastructure Management Group as at 31 December 2023. Valuation of Recreation and Parks and Open Space has been determined in accordance with a valuation undertaken by Council's Manager Assets and Engineering, Mr John Bertoldi B E (Civil) as at 1 July 2023. Valuation of Drainage has been determined in accordance with a valuation undertaken by Water Insites and Council's Manager Assets and Engineering, Mr John Bertoldi B E (Civil) as at 1 July 2021. Due to increasing costs for drainage items, the fair value of Drainage was indexed as at 30 June 2023.

The date and type of the current valuation is detailed in the following table.

The valuation is at fair value based on current replacement cost less accumulated depreciation as at the date of valuation.

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2024 are as follows:

| | Level 1 | Level 2 | Level 3 | Date of | Type of |
|--|----------------|----------------|----------------|------------------|------------------|
| | \$'000 | \$'000 | \$'000 | Valuation | Valuation |
| Roads | - | - | 500,482 | 31/12/2022 | Independent |
| Bridges | - | - | 5,931 | 31/12/2022 | Independent |
| Footpaths and cycleways | - | - | 39,659 | 31/12/2023 | Independent |
| Drainage and sewerage | - | - | 111,621 | 30/06/2023 | Indexation |
| Recreational, leisure and community facilities | - | - | 28,166 | 1/07/2023 | Independent |
| Parks, open space and streetscapes | - | - | 21,066 | 1/07/2023 | Independent |
| Off street car parks | - | - | 12,258 | 31/12/2022 | Independent |
| Waste management | - | - | 3,621 | 30/06/2023 | Independent |
| Total | - | - | 722,804 | | |

Notes to the Financial Report
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Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 0% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$0.62 and \$2,915.25 per square metre.

Specialised buildings are valued using a current replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated square metre basis and ranges from \$128.90 to \$7,777.03 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 1 years to 99 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the current replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 0 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

| | 2024 | 2023 |
|---|----------------|----------------|
| | \$'000 | \$'000 |
| Reconciliation of specialised land | | |
| Parks and reserves | 219,834 | 233,174 |
| Public use | 36,963 | 35,711 |
| Waste | 1,009 | 1,009 |
| Car Parks | 2,802 | 3,749 |
| Total specialised land | 260,608 | 273,643 |

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| | | |
|---|---------------|---------------|
| 6.2 Investments in associates | 2024 | 2023 |
| | \$'000 | \$'000 |
| (a) Investments in associates | | |
| Investments in associates accounted for by the equity method are: | | |
| - Geelong Regional Library Corporation | 345 | 276 |

Geelong Regional Library Corporation

Background

The Geelong Regional Library Corporation (GRLC) was formed under the provisions of sections 196 and 197 of the *Local Government Act 1989* on 4 March 1997 to provide library services within the local government areas of: Borough of Queenscliffe, City of Greater Geelong, Golden Plains Shire, Colac Otway Shire and Surf Coast Shire. Council holds 2.87% (2023 2.54%) of equity in the corporation. Council has one director on the Board of seven. Council has the ability to influence rather than control its operations.

| | | |
|---|------------|------------|
| Fair value of Council's investment in Geelong Regional Library Corporation | 345 | 276 |
|---|------------|------------|

Council's share of accumulated surplus

| | | |
|---|------------|------------|
| Council's share of accumulated surplus at the start of the year | 276 | 275 |
| Council's share of accumulated surplus for the year | 69 | 1 |
| Council's share of accumulated surplus at the end of year | 345 | 276 |

Movement in carrying value of specific investment

| | | |
|---|------------|------------|
| Carrying value of investment at start of year | 276 | 275 |
| Share of accumulated surplus for the year | 69 | 1 |
| Carrying value of investment at end of year | 345 | 276 |

Associates are all entities over which Council has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

(b) Community Asset Committees

All entities controlled by Council that have material revenues, expenses, assets or liabilities, such as community asset committees, have been included in this financial report. Any transactions between these entities and Council have been eliminated in full. The following Community Asset Committees are not included in this financial report as their aggregate income is immaterial and they prepare their own financial reports separately:

- Deans Marsh Community Hall and Memorial Park
- Stribling Reserve
- Anderson Roadknight Reserve
- Eastern Reserve
- Modewarre Reserve
- Connewarre Reserve
- Globe Theatre (dissolved 12 December 2023)
- Anglesea Bike Park

**Notes to the Financial Report
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Note 7 People and relationships

7.1 Council and key management remuneration

(a) Related parties

Parent entity

Surf Coast Shire Council is the parent entity.

Associates

Investments in associates are detailed in Note 6.2.

(b) Key management personnel

Key management personnel (KMP) are those people with the authority and responsibility for planning, directing and controlling the activities of Surf Coast Shire. The Councillors, Chief Executive Officer, General Managers and Executive Manager are deemed KMP.

Councillors

Councillor Liz Pattison - Mayor
Councillor Mike Bodsworth - Deputy Mayor
Councillor Gary Allen
Councillor Paul Barker
Councillor Kate Gazzard
Councillor Rose Hodge
Councillor Adrian Schonfelder
Councillor Libby Stapleton
Councillor Heather Wellington

Key management personnel

Chief Executive Officer
General Manager Community Life
General Manager Placemaking & Environment
General Manager Strategy & Effectiveness
Executive Manager Strategic Projects and Partnerships

| | 2024 | 2023 |
|--|-------------|-------------|
| | No. | No. |
| Total number of Councillors | 9 | 9 |
| Total of Chief Executive Officer and other key management personnel | 5 | 5 |
| Total number of key management personnel | 14 | 14 |

(c) Remuneration of key management personnel

Remuneration comprises employee benefits including all forms of consideration paid, payable or provided by Council, or on behalf of the Council, in exchange for services rendered. Remuneration of key management personnel and other senior staff is disclosed in the following categories.

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Other long-term employee benefits include long service leave, other long service benefits or deferred compensation.

Post-employment benefits include pensions, and other retirement benefits paid or payable on a discrete basis when employment has ceased.

| | 2024 | 2023 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| Total remuneration of key management personnel was as follows: | | |
| Short-term benefits | 1,545 | 1,506 |
| Long-term benefits | 29 | 28 |
| Post-employment benefits | 127 | 119 |
| Total | 1,701 | 1,653 |

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The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:

| | 2024 | 2023 |
|-----------------------|-------------|-------------|
| | No. | No. |
| \$20,000 - \$29,999 | 1 | 1 |
| \$30,000 - \$39,999 | 6 | 5 |
| \$40,000 - \$49,999 | - | 1 |
| \$50,000 - \$59,999 | 1 | - |
| \$60,000 - \$69,999 | - | 1 |
| \$80,000 - \$89,999 | - | 1 |
| \$110,000 - \$119,999 | 1 | - |
| \$150,000 - \$159,999 | - | 1 |
| \$160,000 - \$169,999 | 1 | - |
| \$240,000 - \$249,999 | 1 | 1 |
| \$250,000 - \$259,999 | 1 | 1 |
| \$260,000 - \$269,999 | 1 | 1 |
| \$360,000 - \$369,999 | - | 1 |
| \$370,000 - \$379,999 | 1 | - |
| | <u>14</u> | <u>14</u> |

(d) Remuneration of other senior staff

Other senior staff are officers of Council, other than Key Management Personnel, whose total remuneration exceeds \$170,000 (\$160,000 2023) and who report directly to a member of the KMP.

| | 2024 | 2023 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| Total remuneration of other senior staff was as follows: | | |
| Short-term benefits | 2,050 | 1,635 |
| Post-employment benefits | 226 | 172 |
| Long-term benefits | 51 | 41 |
| Total | <u>2,327</u> | <u>1,848</u> |

The number of other senior staff are shown below in their relevant income bands:

| | 2024 | 2023 |
|-----------------------|-------------|-------------|
| | No. | No. |
| Income Range: | | |
| \$160,000 - \$169,999 | - | 3 |
| \$170,000 - \$179,999 | 8 | 6 |
| \$180,000 - \$189,999 | 4 | - |
| \$190,000 - \$199,999 | 1 | - |
| \$290,000 - \$299,999 | - | 1 |
| | <u>13</u> | <u>10</u> |

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| | 2024 | 2023 |
|---|--------|--------|
| | \$'000 | \$'000 |
| 7.2 Related party disclosure | | |
| (a) Transactions with related parties | | |
| During the period Council entered into the following arms length transactions with related parties: | | |
| Contributions are paid by the Surf Coast Shire Council to the Geelong Regional Library Corporation. Please refer to details in Note 6.2 | 840 | 826 |
| Contributions paid to G21 - Geelong Region Alliance Ltd | 76 | 86 |
| Contributions paid to Great Ocean Road Regional Tourism Ltd | 163 | 154 |
| Contributions paid to Lorne Historical Society | 56 | - |
| Contributions paid to LGPro | 22 | 15 |
| Contributions paid to Torquay RSL | 10 | - |
| Fees for the use of Council facilities | 4 | 4 |
| Family member employed under normal employment conditions and terms | 20 | 3 |

All of the above transactions were at arms length and in the normal course of Council business.

(b) Outstanding balances with related parties

There are no balances outstanding at the end of the reporting period in relation to transactions with related parties.

(c) Loans to/from related parties

There are no loans in existence at balance date that have been made, guaranteed or secured by the Council to a related party.

(d) Commitments to/from related parties

There are no commitments in existence at balance date that have been made, guaranteed or secured by the council to a related party.

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Note 8 Managing uncertainties

8.1 Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the balance sheet, but are disclosed and if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable, respectively.

(a) Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council. There are no contingent assets as at 30 June 2024.

(b) Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Council; or
- present obligations that arise from past events but are not recognised because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - the amount of the obligation cannot be measured with sufficient reliability.

Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined in Note 9.3. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

Landfill

Council operates a landfill at Anglesea. Council will have to carry out site rehabilitation works in the future. At balance date Council provided a Bank Guarantee to State of Victoria - Environment Protection Authority. The guarantee provides financial assurance up to \$545,000 for remedial action as defined in section 3.1 EPA Publication 777 Determination of financial assurance for Landfills, September 2001.

MAV Liability Mutual Insurance Scheme

Council is a participant of the MAV Liability Mutual Insurance (LMI) Scheme. The LMI scheme provides public liability and professional indemnity insurance cover. The LMI scheme states that each participant will remain liable to make further contributions to the scheme in respect of any insurance year in which it was a participant to the extent of its participant's share of any shortfall in the provision set aside in respect of that insurance year, and such liability will continue whether or not the participant remains a participant in future insurance years.

(c) Guarantees to other entities

Council has provided contract performance guarantees. The details and extent of Council exposure at the reporting date are as follows:

| | 2024 | 2023 |
|------------------------------------|---------------|---------------|
| | \$'000 | \$'000 |
| Contract Performance: | | |
| Department of Minerals and Energy | 20 | 20 |
| Department of Energy and Resources | 50 | 50 |
| | 70 | 70 |

The amount disclosed for financial guarantees in this note is the nominal amount of the underlying loan that is guaranteed by the Council, not the fair value of the financial guarantee.

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that the right will be exercised.

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8.2 Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2024 reporting period.

In December 2022 the Australian Accounting Standards Board (AASB) issued AASB 2022-10 *Amendments to Australian Accounting Standards - Fair Value Measurement of Non-Financial Assets of Not-for-Profit Public Sector Entities* to modify AASB 13 *Fair Value Measurement*. AASB 2022-10 amends AASB 13 *Fair Value Measurement* for fair value measurements of non-financial assets of not-for-profit public sector entities not held primarily for their ability to generate net cash inflows. The AASB 13 modifications:

- are applicable only to not-for-profit public sector entities;
- are limited to fair value measurements of non-financial assets not held primarily for their ability to generate net cash inflows;
- are to be applied prospectively for annual periods beginning on or after 1 January 2024;
- would not necessarily change practice for some not-for-profit public sector entities; and
- do not indicate that entities changing practice in how they measure relevant assets made an error in applying the existing requirements of AASB 13.

Council will assess any impact of the modifications to AASB 13 ahead of the 2024-25 reporting period.

In December 2022 the Australian Accounting Standards Board (AASB) issued AASB 2022-6 *Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants*. AASB 2022-6 amends AASB 101 *Presentation of Financial Statements* to improve the information an entity provides in its financial statements about long-term liabilities with covenants where the entity's right to defer settlement of those liabilities for at least twelve months after the reporting period is subject to the entity complying with conditions specified in the loan arrangement. The amendments in AASB 2022-6 are effective for annual periods beginning on or after 1 January 2024. Council will assess any impact of the modifications to AASB 101 ahead of the 2024-25 reporting period.

8.3 Financial instruments

(a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the material accounting policy information and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in the notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of Council's financial instruments will fluctuate because of changes in market prices. The Council's exposure to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 2020*. Council manages interest rate risk by adopting an investment policy that ensures:

- diversification of investment product;
- monitoring of return on investment; and
- benchmarking of returns and comparison with budget.

There has been no significant change in the Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period. Interest rate movements have not been sufficiently significant during the year to have an impact on Council's year end result.

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(c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council has exposure to credit risk on some financial assets included in the balance sheet. To help manage this risk:

- Council may require collateral where appropriate; and
- Council only invests surplus funds with financial institutions which have a recognised credit rating specified in Council's investment policy.

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with Council's financial assets is minimal because the main class of debtors is secured by a charge over the rateable properties.

There are no material financial assets which are individually determined to be impaired. Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when Council provides a guarantee for another party. Details of our contingent liabilities are disclosed in Note 8.1(c).

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any allowance for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral.

(d) Liquidity risk

Liquidity risk includes the risk that, as a result of Council's operational liquidity requirements it will not have sufficient funds to settle a transaction when required or will be forced to sell a financial asset at below value or may be unable to settle or recover a financial asset.

To help reduce these risks Council:

- has readily accessible standby facilities and other funding arrangements in place;
- has a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitors budget to actual performance on a regular basis; and
- sets limits on borrowings relating to the percentage of loans to rate revenue.

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 8.1(c), and is deemed insignificant based on prior periods' data and current assessment of risk.

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 5.4 Interest-bearing liabilities.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

(e) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next 12 months:

- A parallel shift of + 1.00% and - 1.00% in market interest rates (AUD) from year-end rates of 4.35%.

These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.

Notes to the Financial Report
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8.4 Fair value measurement

Fair value hierarchy

Council's financial assets and liabilities are not valued in accordance with the fair value hierarchy, Council's financial assets and liabilities are measured at amortised cost.

Council measures certain assets and liabilities at fair value where required or permitted by Australian Accounting Standards. AASB 13 *Fair Value Measurement*, aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. (For plant and equipment carrying amount is considered to approximate fair value given short useful lives). At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 2 to 3 years. The valuation is performed either by experienced council officers or independent experts. The following table sets out the frequency of revaluations by asset class.

| Asset class | Revaluation frequency |
|--|------------------------------|
| Land | 2 years |
| Buildings | 3 years |
| Roads | 3 years |
| Bridges | 3 years |
| Footpaths and cycleways | 3 years |
| Drainage and sewerage | 3 years |
| Recreational, leisure and community facilities | 3 years |
| Parks, open space and streetscapes | 3 years |
| Off Street car parks | 3 years |
| Waste management | 3 years |
| Landfill airspace | 1 year |

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Where the assets are revalued, the revaluation increases are credited directly to the asset revaluation reserve except to the extent that an increase reverses a prior year decrease for that class of asset that had been recognised as an expense in which case the increase is recognised as revenue up to the amount of the expense. Revaluation decreases are recognised as an expense except where prior increases are included in the asset revaluation reserve for that class of asset in which case the decrease is taken to the reserve to the extent of the remaining increases. Within the same class of assets, revaluation increases and decreases within the year are offset.

Impairment of assets

At each reporting date, Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

8.5 Events occurring after balance date

At the August 2024 Council Meeting, Council awarded a contract for \$46 million to Kane Constructions Pty Ltd for the construction the Surf Coast Aquatic and Health Centre.

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Note 9 Other matters

| | Balance at beginning of reporting period \$'000 | Increase (decrease) \$'000 | Balance at end of reporting period \$'000 |
|--|---|----------------------------------|---|
| 9.1 Reserves | | | |
| (a) Asset revaluation reserves | | | |
| 2024 | | | |
| Property | | | |
| Land | 228,845 | - | 228,845 |
| Land under roads | 54,572 | - | 54,572 |
| Buildings | 40,740 | 17,171 | 57,911 |
| | <u>324,157</u> | <u>17,171</u> | <u>341,328</u> |
| Furniture and equipment | | | |
| Furniture and equipment | 32 | - | 32 |
| | <u>32</u> | <u>-</u> | <u>32</u> |
| Infrastructure | | | |
| Roads | 266,299 | 30 | 266,329 |
| Bridges | 5,057 | - | 5,057 |
| Footpaths and cycleways | 25,774 | (4,792) | 20,982 |
| Drainage and sewerage | 52,831 | - | 52,831 |
| Recreational, leisure and community facilities | 18,152 | 8,329 | 26,481 |
| Parks, open space and streetscapes | 2,238 | 9,791 | 12,029 |
| Offstreet car parks | 4,999 | - | 4,999 |
| Waste | 594 | - | 594 |
| | <u>375,944</u> | <u>13,358</u> | <u>389,302</u> |
| Intangibles | | | |
| Waste Air Space | 13,354 | 169 | 13,523 |
| | <u>13,354</u> | <u>169</u> | <u>13,523</u> |
| Total asset revaluation reserves | <u>713,487</u> | <u>30,698</u> | <u>744,185</u> |
| 2023 | | | |
| Property | | | |
| Land | 197,401 | 31,444 | 228,845 |
| Land under roads | 30,674 | 23,898 | 54,572 |
| Buildings | 40,740 | - | 40,740 |
| | <u>268,815</u> | <u>55,342</u> | <u>324,157</u> |
| Furniture and equipment | | | |
| Furniture and equipment | 32 | - | 32 |
| | <u>32</u> | <u>-</u> | <u>32</u> |
| Infrastructure | | | |
| Roads | 114,685 | 151,614 | 266,299 |
| Bridges | 1,893 | 3,164 | 5,057 |
| Footpaths and cycleways | 25,774 | - | 25,774 |
| Drainage and sewerage | 39,307 | 13,524 | 52,831 |
| Recreational, leisure and community facilities | 18,152 | - | 18,152 |
| Parks, open space and streetscapes | 2,238 | - | 2,238 |
| Offstreet car parks | 1,712 | 3,287 | 4,999 |
| Waste | - | 594 | 594 |
| | <u>203,761</u> | <u>172,183</u> | <u>375,944</u> |
| Intangibles | | | |
| Waste Air Space | 13,199 | 155 | 13,354 |
| | <u>13,199</u> | <u>155</u> | <u>13,354</u> |
| Total asset revaluation reserves | <u>485,807</u> | <u>227,680</u> | <u>713,487</u> |

The asset revaluation reserve is used to record the increased (net) value of Council's assets over time.

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| | Balance at beginning of reporting period \$'000 | Transfer from accumulated surplus \$'000 | Transfer to accumulated surplus \$'000 | Balance at end of reporting period \$'000 |
|---|---|--|--|---|
| (b) Other reserves | | | | |
| 2024 | | | | |
| Open space | 3,545 | 495 | (230) | 3,810 |
| Main drainage | 114 | - | - | 114 |
| Developer contributions * | 785 | 959 | (626) | 1,118 |
| Airey's Inlet aged care units | 332 | 8 | - | 340 |
| Waste | 4,464 | 1,603 | (1,038) | 5,029 |
| Gravel pits | 1,431 | - | - | 1,431 |
| Defined benefits superannuation | 1,224 | - | - | 1,224 |
| Carried forward capital works | 55,150 | 41,311 | (30,209) | 66,252 |
| Carried forward operational projects | 3,165 | 2,368 | (3,162) | 2,371 |
| Adopted strategy implementation | 6,562 | 14 | (5,542) | 1,034 |
| Asset renewal | 1,440 | 13,141 | (15,323) | (742) |
| Torquay Jan Juc Developer Contributions * | 8,034 | 4,365 | (8,533) | 3,866 |
| Winchelsea infrastructure plan | 1,304 | 561 | (55) | 1,810 |
| Annual Leave Cash Reserve | 326 | - | (170) | 156 |
| Accumulated unallocated cash | 7,157 | 3,264 | (1,335) | 9,086 |
| Total other reserves | 95,033 | 68,089 | (66,223) | 96,899 |
| 2023 | | | | |
| Open space | 3,301 | 363 | (119) | 3,545 |
| Main drainage | 210 | - | (96) | 114 |
| Developer contributions * | 320 | 110 | (8) | 422 |
| Airey's Inlet aged care units | 330 | 2 | - | 332 |
| Waste | 8,002 | 107 | (3,645) | 4,464 |
| Gravel pits | 1,335 | 96 | - | 1,431 |
| Defined benefits superannuation | 1,224 | - | - | 1,224 |
| Carried forward capital works | 25,835 | 55,150 | (25,835) | 55,150 |
| Carried forward operational projects | 2,101 | 3,165 | (2,101) | 3,165 |
| Adopted strategy implementation | 5,905 | 5,553 | (4,896) | 6,562 |
| Asset renewal | 2,180 | 11,073 | (11,813) | 1,440 |
| Torquay Jan Juc Developer Contributions * | 7,282 | 5,617 | (4,502) | 8,397 |
| Winchelsea infrastructure plan | 1,276 | 358 | (330) | 1,304 |
| Annual Leave Cash Reserve | 326 | - | - | 326 |
| Accumulated unallocated cash | 4,364 | 3,626 | (833) | 7,157 |
| Total other reserves | 63,991 | 85,220 | (54,178) | 95,033 |

* Note the opening balance for Developer Contributions and Torquay Jan Juc Developer Contributions has been adjusted by \$363,155 between reserves to better align the developer contributions and therefore will not equal the individual closing balances for 2023.

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Councils allocated reserves contain funds that have been resolved by Council to be used in a particular manner or an obligation by either an Act or contractual agreement that limits the use of the funds.

| Reserve | Purpose |
|---|--|
| Open Space | To provide improved recreational facilities for the Surf Coast Shire, both of an active and passive nature. Council has an obligation to hold these funds under the <i>Subdivision Act 1988</i> . |
| Main drainage | To hold developer contributions for main drainage works at a later point than the initial development. They are tied to works within the catchment area from which funds were derived. Council has an obligation to hold these funds under the <i>Planning and Environment Act 1987</i> . |
| Developer contributions | To hold funds contributed by developers for specific works associated with subdivisions. Funds are contributed for infrastructure (footpaths, fencing, streetscapes etc.) where it is deemed that these works should occur at a later point than the initial development. Funds collected are specifically identified for projects via s173 agreement. |
| Airey's Inlet aged care units | The funding source for the maintenance of social housing for disadvantaged low income earners. Four social housing units currently exist in Aireys Inlet. Council has an obligation to hold these funds under the <i>Housing Act 1983</i> . |
| Waste | To ensure that the full cost of the waste function is met by the waste charges (garbage charge and fee income from landfill) and that surpluses and deficits on an annual basis can be covered without any adverse impact on the balance of Council's budget. |
| Gravel pits | The purpose of this reserve is to provide funding for rehabilitation of Council's gravel pits. |
| Defined benefits superannuation | To reserve funds for future Defined Benefits Superannuation funding calls arising from shortfalls in the Local Government Defined Superannuation Benefits Fund. |
| Carried forward capital works | To act as a mechanism to carry over funding for capital works that are still in progress at year end. |
| Carried forward operational projects | To act as a mechanism to carry over funding for new initiatives that are still in progress at year end. |
| Adopted strategy implementation | To provide funding for projects in line with approved strategies adopted by Council and is funded from operations or grants received. |
| Asset renewal | To provide funding based on the Asset Renewal Funding Strategy. |
| Torquay Jan Juc Developer Contributions | All funds in relation to the Torquay/Jan Juc Developer Plan, including Council contributions. |
| Winchelsea infrastructure plan | All funds in relation to the Winchelsea infrastructure plan, including Council contributions. |
| Annual Leave Cash | To provide a cash reserve for material amounts of employee annual leave accrued during the financial year to be taken in a future period. |
| Accumulated unallocated cash | To separately identify Council's cash that has not been allocated and is available to allocate. |

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| | 2024 | 2023 |
|--|---------------|---------------|
| | \$'000 | \$'000 |
| 9.2 Reconciliation of cash flows from operating activities to surplus/(deficit) | | |
| Surplus/(deficit) for the year | (18,453) | 1,204 |
| <i>Non-cash adjustments:</i> | | |
| Depreciation | 21,932 | 18,481 |
| Amortisation - intangibles | 6,494 | 3,629 |
| Amortisation - right of use | 352 | 316 |
| Net loss on disposal of property, infrastructure, plant and equipment | 25,441 | 1,678 |
| Assets written-off / impaired | 3,630 | 3,343 |
| Found Assets | (1,078) | - |
| Borrowing costs | 283 | 326 |
| Finance costs - leases | 23 | 16 |
| Contributions - Non-monetary assets | (18,162) | (7,605) |
| Share of net losses of Geelong Regional Library Corporation | (69) | (1) |
| <i>Change in assets and liabilities:</i> | | |
| (Increase)/decrease in trade and other receivables | (3,296) | 148 |
| (Increase)/decrease in prepayments | (40) | 87 |
| (Increase)/decrease in accrued income | 158 | (1,493) |
| Decrease in inventories | 1 | 103 |
| (Increase)/decrease in trade and other payables | (219) | 516 |
| Increase in contract and other liabilities | 3,639 | 6,000 |
| (Increase)/decrease in provisions | (1,712) | 3,953 |
| (Increase)/decrease in trust funds and deposits | (1,788) | 391 |
| Net cash provided by operating activities | 17,136 | 31,092 |

9.3 Superannuation

Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Obligations for contributions to the Fund are recognised as an expense in the Comprehensive Income Statement when they are made or due.

Accumulation

The Fund's accumulation category, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2024, this was 11.0% as required under Superannuation Guarantee (SG) legislation (2023: 10.5%)).

Defined Benefit

Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Surf Coast Shire in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

Surf Coast Shire Council
2023/2024 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2024

Funding arrangements

Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary. A triennial actuarial investigation for the Defined Benefit category as at 30 June 2023 was conducted and completed by 31 December 2023. The vested benefit index (VBI) of the Defined Benefit category as at 30 June 2023 was 104.1%. Council was notified of the 30 June 2023 VBI during August 2023. The financial assumptions used to calculate the 30 June 2023 VBI were:

Net investment returns 5.7% pa

Salary information 3.5% pa

Price inflation (CPI) 2.8% pa

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2023 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Employer contributions

(a) Regular contributions

On the basis of the results of the 2023 triennial actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2024, this rate was 11.0% of members' salaries (10.5% in 2022/23). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2023 triennial valuation.

In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

(b) Funding calls

If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 98% from 26 July 2024 (previously 97%).

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up.

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

Surf Coast Shire Council
2023/2024 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2024

The 2023 triennial actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. A full investigation was conducted as at 30 June 2023.

The Fund's actuarial investigation identified the following for the Defined Benefit category of which Council is a contributing employer:

| | 2023 | 2022 |
|---------------------------------------|--------------------|------------------|
| | (Triennial) | (Interim) |
| | \$m | \$m |
| A VBI surplus | 84.7 | 44.6 |
| A total service liability surplus | 123.6 | 105.8 |
| A discounted accrued benefits surplus | 141.9 | 111.9 |

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2023.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2023.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2023.

The 2024 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2024 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2024.

The VBI of the Defined Benefit category was 105.4% as at 30 June 2024. The financial assumptions used to calculate the 30 June 2024 VBI were:

Net investment returns 5.6% pa
Salary information 3.5% pa
Price inflation (CPI) 2.7% pa

Council was notified of the 30 June 2024 VBI during August 2024.

Because the VBI was above 100%, the Defined Benefit category was in a satisfactory financial position at 30 June 2024 and it is expected that the actuarial investigation will recommend that no change will be necessary to the Defined Benefit category's funding arrangements from prior years.

The 2020 triennial investigation

The last triennial actuarial investigation conducted prior to 30 June 2023 was at 30 June 2020. This actuarial investigation was completed by 31 December 2020. The financial assumptions for the purposes of that investigation was:

| | 2020 | 2023 |
|-----------------------|---|----------------------|
| | Triennial | Triennial |
| | investigation | investigation |
| Net investment return | 5.6% pa | 5.7% pa |
| Salary inflation | 2.5% pa for two years and 2.75% pa thereafter | 3.50% pa |
| Price inflation | 2.0% pa | 2.8% pa |

Superannuation Contributions

Refer to note 4.1 for details of Council's superannuation contributions.

Surf Coast Shire Council
2023/2024 Financial Report

Notes to the Financial Report
For the Year Ended 30 June 2024

10 Change in accounting policy

There have been no changes to accounting policies in the 2023-24 year.

Surf Coast Shire Council

Performance Statement

For the year ended 30 June 2024

Contents

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Certification of the Performance Statement

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

Gabrielle Spiller CPA
Principal Accounting Officer
Dated: 16 September 2024

In our opinion, the accompanying performance statement of the Surf Coast Shire Council for the year ended 30 June 2024 presents fairly the results of council's performance in accordance with the *Local Government Act 2020* and the *Local Government (Planning and Reporting) Regulations 2020*.

The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate.

We have been authorised by the council and by the *Local Government (Planning and Reporting) Regulations 2020* to certify this performance statement in its final form.

Cr Liz Pattison
Mayor
Dated: 16 September 2024

Cr Mike Bodsworth
Councillor
Dated: 16 September 2024

Robyn Seymour
Chief Executive Officer
Dated: 16 September 2024

Victorian Auditor General's Office Audit Report

Description of Municipality

Surf Coast Shire is located in south-western Victoria, 120km from Melbourne, 21km south of Geelong and covers 1,560 square kilometres.

Its proximity to the Princes Highway and Geelong Ring Road provides convenient road access to enhance the shire's appeal as a lifestyle, holiday, tourist and business destination.

Residents enjoy a high-quality lifestyle combining coastal, bushland and rural elements across ten distinct townships: Aireys Inlet, Anglesea, Bellbrae, Deans Marsh, Fairhaven, Jan Juc, Lorne, Moriac, Torquay and Winchelsea.

Surf Coast Shire has been recognised as one of Victoria's fastest growing municipalities for more than a decade. The combination of lifestyle and proximity to Melbourne has seen the permanent population grow from 20,872 in 2001 to an estimated 40,989 in 2024.

Sustainable Capacity Indicators

For the year ended 30 June 2024

| Indicator / measure [formula] | Results | | | | Material Variation Commentary |
|--|-------------|-------------|-------------|-------------|---|
| | 2021 | 2022 | 2023 | 2024 | |
| | Actual | Actual | Actual | Actual | |
| Population | | | | | |
| C1 Expenses per head of municipal population [Total expenses / Municipal population] | \$2,496.25 | \$2,703.76 | \$2,605.96 | \$3,438.66 | During the 2024 financial year Surf Coast Shire transferred assets totalling \$24.25 million to Great Ocean Road Coast and Parks Authority under the Great Ocean Road and Environs Protection Act 2020. As this transfer is recognised as an expense it increased the average expense per head of population substantially. |
| C2 Infrastructure per head of municipal population [Value of infrastructure / Municipal population] | \$17,260.82 | \$17,690.86 | \$21,109.76 | \$21,901.04 | The increase in the 2023 ratio relates to the revaluation increases of Council's infrastructure assets of \$172 million. |
| C3 Population density per length of road [Municipal population / Kilometres of local roads] | 32.12 | 33.49 | 35.76 | 35.66 | |
| Own-source revenue | | | | | |
| C4 Own-source revenue per head of municipal population [Own-source revenue / Municipal population] | \$1,878.23 | \$1,944.35 | \$1,915.80 | \$2,110.89 | In 2024 Council increased its other income by \$4.5 million from prior year, this is a result of higher interest on investments, landfill rehabilitation adjustment and found assets. |
| Recurrent grants | | | | | |
| C5 Recurrent grants per head of municipal population [Recurrent grants / Municipal population] | \$244.05 | \$282.71 | \$292.00 | \$124.00 | The 2022 and 2023 ratios include 1.25 years' worth of the Federal Assistance Grants due to early payments and with early payments no longer being received in the year prior in 2024, only minor adjustment payments were received significantly reducing the ratio this year. |
| Disadvantage | | | | | |
| C6 Relative Socio-Economic Disadvantage [Index of Relative Socio-Economic Disadvantage by decile] | 10.00 | 10.00 | 10.00 | 10.00 | |
| Workforce turnover | | | | | |
| C7 Percentage of staff turnover [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100 | 14.5% | 17.7% | 13.3% | 16.7% | The average tenure of departures in 2024 is 7.5 years. |

Service Performance Indicators

For the year ended 30 June 2024

| Service/indicator/measure [formula] | Results | | | | | Material Variation Commentary |
|--|---------|---------|---------|----------------------|---------|---|
| | 2021 | 2022 | 2023 | 2024 | | |
| | Actual | Actual | Actual | Target as per budget | Actual | |
| Aquatic Facilities | | | | | | |
| AF6 Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population] | 0.14 | 0.21 | 0.17 | N/A | 0.00 | Council aquatic facility (Winchelsea Pool) is closed for renovations. |
| Animal Management | | | | | | |
| AM7 Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100 | 0.00% | 0.00% | 0.00% | N/A | 0.00% | No prosecutions at the Magistrates Court for the period. |
| Food Safety | | | | | | |
| FS4 Health and safety <i>Critical and major non-compliance outcome notifications</i> [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x 100 | 100.00% | 100.00% | 100.00% | N/A | 100.00% | |
| Governance | | | | | | |
| G2 Satisfaction <i>Satisfaction with community consultation and engagement</i> [Satisfaction with community consultation and engagement (community satisfaction rating out of 100 with the consultation and engagement efforts of Council)] | 59 | 54 | 52 | 55 | 52 | This figure is obtained from the 2024 Community Satisfaction Survey. |
| Libraries | | | | | | |
| LB7 Participation <i>Library Membership</i> [Number of registered library members / Population] x 100 | N/A | N/A | N/A | N/A | 29.05% | New indicator for 2024, results cannot be compared with indicators from previous years. |

Service Performance Indicators

For the year ended 30 June 2024

| Service/indicator/measure [formula] | Results | | | | | Material Variation Commentary |
|--|---------|--------|--------|----------------------|--------|--|
| | 2021 | 2022 | 2023 | 2024 | | |
| | Actual | Actual | Actual | Target as per budget | Actual | |
| Maternal and Child Health (MCH) | | | | | | |
| Participation | | | | | | |
| MC4 <i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100 | 77.86% | 76.13% | 75.31% | N/A | 72.78% | Whilst overall participation in the MCH service remains above 70%, we have seen a slight decline in engagement of children over 3yrs of age. This is typical across the state, and council continues to review ways in which this participation can be optimised - for example, through outreach at kindergartens across the Surf Coast Shire. |
| MC5 <i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100 | 85.19% | 82.93% | 77.08% | N/A | 84.09% | All Aboriginal and Torres Strait Islander families are offered to engage with the Surf Coast Shire MCH service, the local Aboriginal Community Controlled Health Organisation, or both. |
| Roads | | | | | | |
| Condition | | | | | | |
| R2 <i>Sealed local roads maintained to condition standards</i> [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100 | 97.02% | 96.39% | 97.59% | 95.00% | 97.79% | |
| Statutory Planning | | | | | | |
| Service Standard | | | | | | |
| SP2 <i>Planning applications decided within required time frames</i> [(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100 | 86.92% | 78.21% | 69.09% | 75.00% | 68.73% | For the current financial year, we're maintaining a similar operational timeline to the previous. Council remains committed to fostering collaborative relationships with both applicants and stakeholders, while this approach requires additional time it results in good land use outcomes and built form environment. The 2021 figure was calculated differently, using the current method the figures is calculated as 73%. |
| Waste Management | | | | | | |
| Waste diversion | | | | | | |
| WC5 <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100 | 64.25% | 71.12% | 73.57% | 73.00% | 71.22% | A drier climate has resulted in a reduction in FOGO collected, similarly the introduction of the Victorian Container Deposit Scheme has reduced the amount of recyclables in the kerbside system. |

Financial Performance Indicators

For the year ended 30 June 2024

| Dimension/indicator/measure | Results | | | | Forecasts | | | | Material Variation Commentary | |
|--|------------|------------|------------|----------------------|------------|------------|------------|------------|-------------------------------|--|
| | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | | |
| | Actual | Actual | Actual | Target as per budget | Actual | Forecasts | Forecasts | Forecasts | | Forecasts |
| Efficiency | | | | | | | | | | |
| Expenditure level | | | | | | | | | | |
| E2 Expenses per property assessment [Total expenses / Number of property assessments] | \$3,707.69 | \$4,123.90 | \$4,230.23 | \$4,101.00 | \$5,556.71 | \$4,328.57 | \$4,255.46 | \$4,560.05 | \$4,649.33 | During the 2024 financial year Surf Coast Shire transferred assets totalling \$24.25 million to Great Ocean Road Coast and Parks Authority under the Great Ocean Road and Environs Protection Act 2020. As this transfer is recognised as an expense it increased the expenses per property assessment compared to the target budget. In 2027 the Surf Coast Aquatic and Health Centre will be operational increasing depreciation and operating expenses. |
| Revenue level | | | | | | | | | | |
| E4 Average rate per property assessment [Total rate revenue (general rates and municipal charges) / Number of property assessments] | \$2,072.19 | \$2,115.83 | \$2,169.27 | N/A | \$2,253.27 | \$2,315.09 | \$2,375.36 | \$2,437.19 | \$2,501.78 | The forecast increases in the average rate per property assessment are in relation to the budgeted rate cap and supplementary rates in relation to new buildings. |
| Liquidity | | | | | | | | | | |
| Working capital | | | | | | | | | | |
| L1 Current assets compared to current liabilities [Current assets / Current liabilities] x100 | 231.04% | 227.40% | 219.18% | 221.80% | 207.07% | 219.47% | 287.86% | 244.06% | 190.24% | The 2024 actual result is lower than the target budget because of the higher unearned revenue than budgeted. The 2026 ratio does not have the effects of the Surf Coast Aquatic and Health Centre construction project timing of the expenditure and receipt and recognition of grant funding as the prior years do. The decrease in the 2028 ratio is in relation to the transfer of provisions for the landfill rehabilitation. |
| Unrestricted cash | | | | | | | | | | |
| L2 Unrestricted cash compared to current liabilities [Unrestricted cash / Current liabilities] x100 | -55.39% | -68.86% | -170.69% | N/A | -196.05% | -169.97% | -123.72% | -87.17% | -75.15% | This ratio is increasing with the reduction in carry forward projects over the forecast period. This ratio excludes other financial assets - term deposits with maturities from 3 months to 12 months, if these were included the ratio would be mostly positive. Council manages its cash flow to ensure sufficient cash to pay liabilities when due. |

Financial Performance Indicators

For the year ended 30 June 2024

| Dimension/indicator/measure | Results | | | | Forecasts | | | | | Material Variation Commentary |
|--|---------|--------|--------|----------------------|-----------|-----------|-----------|-----------|-----------|---|
| | 2021 | 2022 | 2023 | 2024 | | 2025 | 2026 | 2027 | 2028 | |
| | Actual | Actual | Actual | Target as per budget | Actual | Forecasts | Forecasts | Forecasts | Forecasts | |
| Obligations | | | | | | | | | | |
| Loans and borrowings | | | | | | | | | | |
| O2 Loans and borrowings compared to rates [Interest bearing loans and borrowings / Rate revenue] x100 | 33.48% | 28.50% | 24.09% | N/A | 19.51% | 15.63% | 20.65% | 16.65% | 12.86% | The decrease in the ratio to 2025 is in relation to Council's loan repayment schedules. The increase in the 2026 ratio is in relation to the forecast borrowings of \$6 million to partially fund the construction of the Surf Coast Aquatic and Health Centre. |
| O3 Loans and borrowings repayments compared to rates [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100 | 4.50% | 4.26% | 4.07% | N/A | 3.82% | 3.65% | 3.48% | 3.91% | 3.72% | The increase in the 2027 ratio is in relation to the forecast repayments in relation to borrowings of \$6 million to partially fund the construction of the Surf Coast Aquatic and Health Centre. |
| Indebtedness | | | | | | | | | | |
| O4 Non-current liabilities compared to own source revenue [Non-current liabilities / Own source revenue] x100 | 43.29% | 44.86% | 44.15% | N/A | 35.50% | 37.42% | 40.92% | 35.57% | 26.04% | The reduction in the 2024 ratio is in relation to Council's reducing loans portfolio and the adjustment decreasing the landfill provision. Councils anticipated borrowings will increase this ratio in the 2026 year. |
| Asset renewal and upgrade | | | | | | | | | | |
| O5 Asset renewal and upgrade compared to depreciation Asset renewal and asset upgrade expense / Asset depreciation] x100 | 75.81% | 67.31% | 66.68% | 179.60% | 74.49% | 121.73% | 121.73% | 66.95% | 63.56% | The 2024 actual ratio is based on additional \$5 million depreciation compared to target budget due to revaluations; this is also impacting the future year ratios in a downward trend; the target also included Pollocksford Road Bridge which was delayed. Asset renewal is forecast to spike over the 2025 year with major renewal projects of the Winchelsea Pool, Pollocksford Road Bridge and the Karaaf stormwater management. |

Financial Performance Indicators

For the year ended 30 June 2024

| Dimension/indicator/measure | Results | | | | Forecasts | | | | | Material Variation Commentary |
|--|---------|---------|---------|----------------------|-----------|-----------|-----------|-----------|-----------|--|
| | 2021 | 2022 | 2023 | 2024 | | 2025 | 2026 | 2027 | 2028 | |
| | Actual | Actual | Actual | Target as per budget | Actual | Forecasts | Forecasts | Forecasts | Forecasts | |
| Operating position | | | | | | | | | | |
| Adjusted underlying result | | | | | | | | | | |
| OP1 <i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100 | -9.50% | -14.84% | -12.35% | N/A | -48.90% | -14.31% | -10.47% | -11.36% | -11.00% | During the 2024 financial year Surf Coast Shire transferred assets totalling \$24.25 million to Great Ocean Road Coast and Parks Authority under the Great Ocean Road and Environs Protection Act 2020. The underlying deficit demonstrates that Council cannot renew its assets to the level of depreciation expense. |
| Stability | | | | | | | | | | |
| Rates concentration | | | | | | | | | | |
| S1 <i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100 | 71.67% | 69.31% | 68.19% | 88.50% | 72.00% | 72.61% | 73.45% | 71.01% | 71.36% | The 2024 budget included \$15.4 million transfer of assets to the Great Ocean Road Coast and Parks Authority under revenue whereas the actual is recorded under expenses which has inflated the 2024 Target ratio. |
| Rates effort | | | | | | | | | | |
| S2 <i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality] x100 | 0.25% | 0.19% | 0.20% | N/A | 0.18% | 0.19% | 0.19% | 0.19% | 0.19% | This ratio is expected to remain steady over time. |

Basis of preparation

Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures together with a description of the municipal district and an explanation of material variations in the results. This statement has been prepared to meet the requirements of the *Local Government Act 2020* and *Local Government (Planning and Reporting) Regulations 2020*.

Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from council information systems or from third parties (e.g. Australian Bureau of Statistics or the Council's satisfaction survey provider).

The performance statement presents the actual results for the current year and the previous three years, along with the current year's target, if mandated by *the Local Government (Planning and Reporting) Regulations 2020*. Additionally, for the prescribed financial performance indicators and measures, the performance statement includes the target budget for the current year and the results forecast for the period 2024-25 to 2027-28 by the Council's financial plan

The *Local Government (Planning and Reporting) Regulations 2020* requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature. The 2024-25 Revised Budget Report is available on Council's website www.surfcoast.vic.gov.au.

Definitions

| Key term | Definition |
|--|---|
| Aboriginal children | means a child who is an Aboriginal person |
| Aboriginal person | has the same meaning as in the Aboriginal Heritage Act 2006 |
| adjusted underlying revenue | means total income other than: <ul style="list-style-type: none"> • non-recurrent grants used to fund capital expenditure; and • non-monetary asset contributions; and • contributions to fund capital expenditure from sources other than those referred to above |
| adjusted underlying surplus (or deficit) | means adjusted underlying revenue less total expenditure |
| annual report | means an annual report prepared by a council under section 98 of the Act |
| asset renewal expenditure | means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability |
| asset upgrade expenditure | means expenditure that— (a) enhances an existing asset to provide a higher level of service; or (b) extends the life of the asset beyond its original life |
| critical non-compliance outcome notification | means a notification received by council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health |
| current assets | has the same meaning as in the Australian Accounting Standards |
| current liabilities | has the same meaning as in the Australian Accounting Standards |
| food premises | has the same meaning as in the <i>Food Act 1984</i> |
| intervention level | means the level set for the condition of a road beyond which a council will not allow the road to deteriorate and will need to intervene |
| local road | means a sealed or unsealed road for which the council is the responsible road authority under the <i>Road Management Act 2004</i> |
| major non-compliance | means a notification received by a council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer |

| Key term | Definition |
|--------------------------------------|--|
| outcome notification | under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken |
| MCH | means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age |
| non-current liabilities | means all liabilities other than current liabilities |
| own-source revenue | means adjusted underlying revenue other than revenue that is not under the control of council (including government grants) |
| population | means the resident population estimated by council |
| rate revenue | means revenue from general rates, municipal charges, service rates and service charges |
| relative socio-economic disadvantage | in relation to a municipal district, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipal district is located according to the Index of Relative Socio-Economic Disadvantage of SEIFA |
| restricted cash | means cash, cash equivalents and financial assets, within the meaning of the Australian Accounting Standards, not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year |
| SEIFA | means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet site |
| unrestricted cash | means all cash and cash equivalents other than restricted cash |

4.2 Council Plan Progress Report End Year Three

| | |
|-------------------------|---|
| Council Plan | Nil |
| Author's Title: | Manager Strategy and Program Delivery |
| General Manager: | Gail Gatt, Acting Chief Executive Officer |
| Division: | Strategy and Effectiveness |
| Department: | Strategy and Program Delivery |
| Attachments: | 1. Council Plan Progress Report End Year Three [4.2.1 - 30 pages] |

Purpose

- The purpose of this report is to note the Council Plan Progress Report End Year Three.

Recommendation

That Council notes the Council Plan Progress Report End Year Three (**Attachment 1**).

Council Resolution

Moved Cr Stapleton, Seconded Cr Bodsworth

That Council notes the Council Plan Progress Report End Year Three (**Attachment 1**).

CARRIED 9|0

| For | Against | Abstained |
|----------------|----------------|------------------|
| Cr Allen | Nil | Nil |
| Cr Barker | | |
| Cr Bodsworth | | |
| Cr Gazzard | | |
| Cr Hodge | | |
| Cr Pattison | | |
| Cr Schonfelder | | |
| Cr Stapleton | | |
| Cr Wellington | | |

Outcome

- This report provides Council with an overview of progress made towards the strategic outcomes stated in the Council Plan 2021 to 2025.

Key Considerations

- There are 19 strategies in the Council Plan that are grouped under seven themes, all contributing to the Community Vision. Each strategy has a clear outcome.
- As delivery of the Council Plan has progressed, officers have maintained focus on the strategic outcomes which are described in each strategy of the Council Plan as 'in four years we'll see'.
- Changes in the external environment, opportunities, learning, and stakeholder feedback are considered when progressing the achievement towards the Council Plan outcomes.

Background

6. The Council Plan (including the Municipal Health and Wellbeing Plan) was adopted in September 2021.
7. This is the sixth progress report for Council Plan delivery, representing progress made to the end of year three of the Plan.

Options

8. **Alternative Option 1** – That Council does not note the Council Plan Progress Report End of Year Three.

This option is not recommended by officers as it would not provide an update on progress towards Council Plan outcomes to Council and the community.

Council Plan (including Health and Wellbeing Plan) Statement

9. The report relates directly to the whole of Council Plan.
10. The Council Plan includes the Municipal Health and Wellbeing Plan as an integrated approach for the delivery of outcomes. Each strategy has elements that contribute to community health and wellbeing.

Financial Considerations

11. The Council Plan courses of action are delivered via a combination of recurrent operating budgets and via projects funded in the budget, as approved by Council through the annual budget process and other Council resolutions.

Community Engagement

12. No engagement is required to present a progress report on delivery of the Council Plan. The report will be published for community to access on Council's website.

Statutory / Legal / Policy Considerations

13. Regular reporting on Council Plan progress is a requirement of the *Local Government Act 2020*.
14. In compliance with the *Gender Equality Act 2020*, Gender and Equity Impact Assessments are conducted on the program, policy, project and service initiatives that contribute to delivery of the Council Plan.

Strategic Risk

15. Failure to meet Council's governance and compliance obligations
16. Inherent Risk Rating - *Serious*, Residual Risk Rating - *Medium*
17. This report contributes to managing reputational risk by providing information to the community on progress of Council's key strategic plan. It helps meet the requirements in the *Local Government Act 2020*.

Risk Appetite

18. No Risk Appetite Statement selected.

Sustainability Considerations

19. The Council Plan Progress Report End of Year Three incorporates updates on Council’s progress for Theme Three of the Council Plan, Environmental Leadership.

Conflict of Interest

20. No officer declared a conflict of interest under the *Local Government Act 2020* in the preparation of this report.

Confidentiality

21. This report and attachments contain no confidential information under section 66(2) of the *Local Government Act 2020*.

Transparency

Audit and Risk Committee involvement

22. This report is not within the scope of the Audit and Risk Committee.

Councillor Briefings

23. This item was discussed and provided electronically to Councillors at the following Councillor briefing prior to being presented to Council for consideration. Councillor attendance at the briefing was as follows:

Councillor Briefing Date: 10 September 2024

| <i>Councillor name</i> | <i>In attendance (Y/N)</i> | <i>Councillor name</i> | <i>In attendance (Y/N)</i> |
|--------------------------|----------------------------|------------------------------|----------------------------|
| <i>Cr Gary Allen</i> | <i>Y</i> | <i>Cr Liz Pattison</i> | <i>Y</i> |
| <i>Cr Paul Barker</i> | <i>N</i> | <i>Cr Adrian Schonfelder</i> | <i>Y</i> |
| <i>Cr Mike Bodsworth</i> | <i>Y</i> | <i>Cr Libby Stapleton</i> | <i>Y</i> |
| <i>Cr Kate Gazzard</i> | <i>Y</i> | <i>Cr Heather Wellington</i> | <i>N</i> |
| <i>Cr Rose Hodge</i> | <i>Y</i> | | |

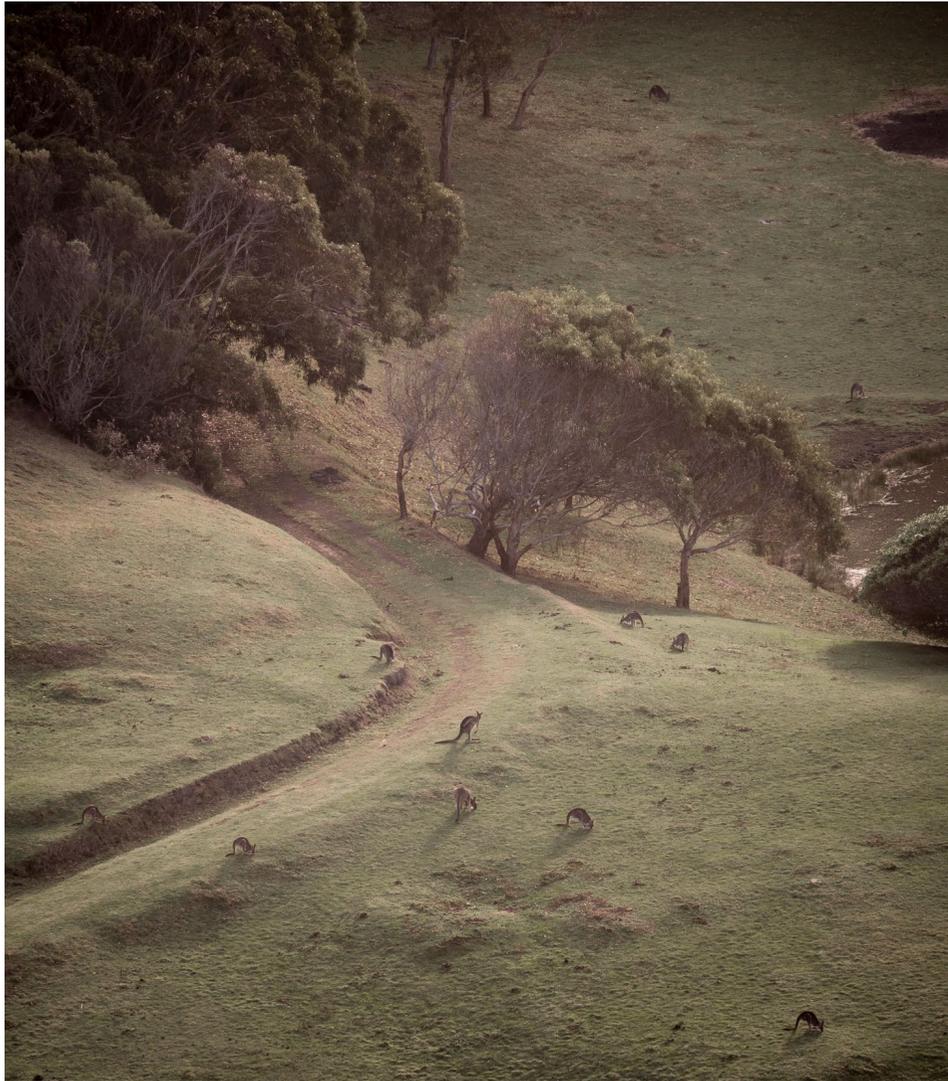
Councillor attendance at briefings is not a statutory requirement. Councillors are able to access and request information through a number of mechanisms to understand matters being presented at a Council Meeting.



Council Plan Progress Report End of Year Three

Council Meeting 16 September 2024





Surf Coast Shire Council Acknowledges the Wadawurrung People, and the Gulidjan and Gadubanud Peoples of the Maar nation as the Traditional Owners of the land we now call Surf Coast Shire.

We pay our respects to their Elders past and present, and all other Aboriginal and Torres Strait Islander People who are part of our Surf Coast Shire community.

Community Vision from Council Plan 2021-25



“From the hinterland to the coast, from the first peoples to the children of the future, we are an active, diverse community that lives creatively to value, protect and enhance the natural environment and our unique neighbourhoods. We will leave the Surf Coast better than we found it.”



Council Plan Themes



Theme 1: **First Nations Reconciliation**

Reconciliation with Traditional Owners and other Aboriginal and Torres Strait Islander people in our community through respectful engagement, acknowledgement and collaboration



Theme 2: **Healthy Connected Communities**

To foster a thriving, connected, healthy community



Theme 3: **Environmental Leadership**

Protect our environment and help our community to thrive through environmental leadership



Theme 4: **Sustainable Growth**

Growth is not at the expense of environmental values or the unique heritage and character of our townships



Theme 5: **Diverse and Robust Economy**

Our economy is sustainable and supports a diversity of local enterprises and people



Theme 6: **Arts and Creativity**

Acknowledge the value of arts and creativity and nurture their growth



Theme 7: **Accountable and Viable Council**

Council has financial capacity to deliver services now and into the future and decision making is informed by community views.



Theme 1: First Nations Reconciliation



Reconciliation with Traditional Owners and other Aboriginal and Torres Strait Islander people in our community through respectful engagement, acknowledgement and collaboration



Journey on Wadawurrung Country, 2024



Strategy 1: Work with Traditional Owners and other Aboriginal and Torres Strait Islander people in our community to achieve Reconciliation.



Council Plan Outcome (in four years we'll see)

There is broad recognition and respect for the Wadawurrung People and the Gadubanud and Gulidjan Peoples of the Eastern Maar as the Traditional Owners of the lands on which the Surf Coast Shire is now situated.

Achievement towards the outcome so far....

Feedback from Wadawurrung Traditional Owners Aboriginal Corporation (WTOAC) including Elders, Traditional Owners and staff is that the relationship, trust and support from Council is very strong. This was exemplified by Council's support of 'Journey on Wadawurrung Country' during Reconciliation Week 2024 which included over 30 community volunteers, expanding WTOAC relationship from Council to community.

Councillors and senior leaders have undertaken Cultural Awareness training on Country with Eastern Maar Aboriginal Corporation as well as officers attending NAIDOC week art exhibition on Gulidjan Country. Relationships with other key stakeholders, including First Nations community members and Aboriginal organisations, including Wathaurong Co-operative, are also deepening our understanding and inclusivity of activities undertaken. Recently Council's Kindergarten team received training from WTOAC to deepen their understanding of language and ways to incorporate this into programming.

Key progress at End of Year 3

- Council's Reflect, Reconciliation Action Plan (RAP) is on track to be delivered by the end of 2024. Of 59 actions under the strategic headings of: Relationships, Respect, Opportunities, 33 are complete, 10 are almost complete, 7 are underway and 9 are likely to carry over into the next RAP – innovate, due either to the need to pursue them at a deeper level or to fine tune them to meet local needs.
- RAP working group is meeting regularly and includes First Nations staff and representatives from Reconciliation Victoria.
- Innovate RAP – registered with Reconciliation Australia to begin drafting in November 2024.
- Acknowledgment of Traditional Owners plaques installed in kindergartens on Wadawurrung Country.
- 'Journey on Wadawurrung Country' - an immersive truth telling experience : Council supported WTOAC to share the exhibition with the Surf Coast community for 3 weeks including Reconciliation Week. Community volunteers were supported to work alongside Traditional Owners for the exhibition, significantly deepening their understanding of Wadawurrung culture. Over 1,700 people attended the exhibition sharing reflections such as: 'humbling', 'beautiful', 'serene', 'important' and 'powerful'. The exhibition had a profound impact on the many people who visited and has seen increased interest from community members in becoming volunteers to support Council's reconciliation efforts, or drive reconciliation efforts themselves through

the creation of groups focused on this.

- Cultural experiences are included in education programs at kindergartens and early years services.
- Cultural awareness training program, including Walking on Country, Unconscious Bias and Cultural Heritage training program continues for staff and Councillors.
- Cultural awareness and Cultural Heritage training program continues with Eastern Maar Aboriginal Corporation on Gadubanud Country at Lorne.
- Cultural Safety is a focus project for officers participating in the Developing Leaders Program.

What We'll Do – Focus areas for 12 months ahead

- Finalise delivery of Reflect RAP and begin development of the next Innovate RAP.
- Deliver town signage project including Wadawurrung language.
- Finalise support guidelines for staff and Councillors – broadened focus from acknowledgement only to include protocols for engagement and knowledge to build understanding.

What will slow down or we'll stop doing and why

- Pursuit of language agreements as well as co management opportunities on hold due to capacity of Registered Aboriginal Parties.
- Balancing First Nations events within existing budgets.

Council Plan Progress Report – Mid Year Three



Strategy 2: Ensure Council decisions consider and respect Traditional Owner perspectives, culture and knowledge.



Council Plan Outcome (in four years we'll see)

A greater understanding of Traditional Owner culture and perspective is reflected in Council business and decision making.

Achievement towards the outcome so far....

Staff consistently seek guidance from Traditional Owners, early in project and program development. Staff are aware of and consistently seek opportunities to include First Nations culture, language and advice in their work.

Staff undergoing training to understand the way that the Registered Aboriginal Parties would like to work, above the legislated requirements of the Cultural Heritage Act.

Native Title advice sought and training collateral developed to further staff understanding of the layers of legislation involved in working with Traditional Owners.

Wadawurrung Traditional Owner Aboriginal Corporation undertaking land management on Country at Djarrak (Bells Beach).

Acknowledging First Peoples and the history of place beyond European Settlement through a new model of strategic land use planning.

Key progress at End of Year 3

- Standard process for engaging with Registered Aboriginal Parties (RAPs) is widely understood and embedded into project development. This has led to early engagement with RAPs in project delivery.
- Appointment of two identified Aboriginal Staff in the First Nations engagement advisor role (Worimi Man and Kuku Yalangi Woman) is deepening our understanding of how to create true cultural safety.
- First Nations representation on Social Equity, RAP and Gender Champions working group is deepening and progressing staff understanding of intersectionality and the way different people experience our services.
- Understanding of Native Title continues to evolve, ensuring staff are across the current local context and implications, as well as possible future implications for Council. Native Title in the Victorian context training provided to Councillors and Senior leaders by Special Counsel for Native Title & Public Interest Law.

What We'll Do – Focus areas for 12 months ahead

- Create a training strategy for staff ensuring targeted, relevant training for teams, including a focus on training opportunities for staff based outside the civic building and increasing organisational understanding of Cultural Heritage and Native Title.
- Support developing community-led Reconciliation groups with appropriate capacity building, reducing pressure on key partners and contributing to the cultural safety of these groups e.g. Surf Coast for Reconciliation.

- Continue to expand opportunities to work with a wider variety of First Nations Community members by developing relationships with key stakeholders such as Wathaurong Co Op and Caracarmigen House, including inviting them to join Reconciliation Action Plan working group.
- Strengthen and grow in the Moodji partnership with Reconciliation Victoria. Moodji means friendship in Gunditjimara language and the partnerships offers a way for Reconciliation Victoria to engage, collaborate and allocate resources.
- Deliver staff training on cultural safety.
- Create strengthened policies which support an increase in First Nations employment at Council.
- Conduct a cultural audit to map work we undertake across the organisation to identify gaps and opportunities – this will form part of Council's future Reconciliation Action Plans.
- Support WTOAC to deliver the 3rd Pilk Purriyn event safely and impactfully.

What will slow down or we'll stop doing and why

- All staff survey to monitor growth in understanding of Cultural Heritage and Reconciliation as a meaningful process – this will be included in a more holistic staff survey instead of stand alone to avoid engagement fatigue.

Council Plan Progress Report – Mid Year Three



Theme 2: **Healthy Connected Communities**



**To foster a thriving,
connected, healthy
community**





Strategy 3: Facilitate the provision of social infrastructure and open space to enable healthy lifestyles



Council Plan Outcome (in four years we'll see)

The Surf Coast community has access to a sustainable network of facilities and open spaces, both structured and unstructured, that meets our needs now and as our community changes.

Achievement towards the outcome so far....

Major community infrastructure projects continue to progress and be completed.

Integrated approach to placemaking is now in practice with a focus on precinct planning and holistic outcomes.

\$12 million in external grants secured to plan and deliver places, spaces and services.

The Surf Coast Aquatic and Health Centre project has reached a significant milestone concept confirmed and public tender process undertaken.

Recently completed social infrastructure includes Anglesea Netball Pavilion, Winchelsea Common Walking Trail and Outdoor Shelter by the Barwon River in Winchelsea.

Key progress at End of Year 3

- Anglesea Community and Health Hub Precinct concept plan adopted by Council July 2024. Further detailed planning to be undertaken in 2024/25.
- Surf Coast Hockey Facility (Torquay) project underway and progressing to tender.
- Stribling Reserve Pavilions upgrade minor works in progress.
- Stribling Basketball Stadium flooring replacement.
- Torquay Scouts Facility Upgrade complete.
- Anglesea Netball Pavilion complete.
- Globe Theatre flooring replacement.
- Winchelsea Pool Redevelopment construction in progress and tracking to reopen in the summer season.
- Deans Marsh Community Hub Facility Development Plan adopted by Council in March 2024.
- Surf Coast Aquatic and Health Centre project tender closed.
- Multi-Arts Centre concept progressing.
- Safer Cycling Strategy complete.
- A range of Road Safety Strategy projects complete and in progress.
- Barwon River Loop Walk stage 2 in progress.
- Federally-funded Stadium Seating Upgrade (Wurdi Baierr) and Spring Creek Reserve Pavilion Upgrade projects

progressing.

- Jan Juc to Bellbrae shared pathway project planning progressing.
- Process and methodology developed to conduct Gender Impact Assessments on key programs or projects. Gender Impact Assessments now being completed.
- Contemporary lease and license agreements developed and being rolled out.

What We'll Do – Focus areas for 12 months ahead

- Continue to ensure all new or redeveloped facility designs meet best practice including universal design and equity assessments.
- Continue to progress the Our Places and Spaces State of Play towards a policy framework and community engagement.
- Seek funding for the detailed design phase of the Anglesea Community Hub Project.
- Deliver projects underway.
- An increase in proactive facilities inspection through 2024-25 budget.

What will slow down or we'll stop doing and why

Nil



Strategy 4: Improve access to local services and programs that support people to be healthy and well



Council Plan Outcome (in four years we'll see)

Community members have a greater awareness of supports available locally with an increase in community members participating in and accessing new and existing services and programs.

Achievement towards the outcome so far....

In partnership with key stakeholders, delivered key health and wellbeing initiatives in achieving the Municipal Health and Wellbeing plan, including: Responsible Service of Alcohol Training, Escape the Vape, Good Sports Program, Good Times Great Breaks.

Community Houses continue to be key partners in ensuring community health and wellbeing.

Council supported Community Houses to successfully deliver a 'caring for the carers' program and a highly popular community lunches program.

A reinvigorated commitment to volunteering has seen us support training opportunities for community volunteers e.g. multicultural training for VIC volunteers, as well as the development of meaningful internal opportunities for volunteers e.g. First Nations events role – to support the delivery of Journey on Wadawurrung Country and NAIDOC exhibition at Anglesea Art Space.

Key progress at End of Year 3

- Responsible Service of Alcohol sessions delivered across community houses and other community organisations.
- Several successful health promotion campaigns including: Choose Water, Good Sports Program, Food Security program in partnership with HESSE Rural Health, Vaping Education programs, impactful International Women's Day event.
- Community Houses – community lunch project and caring for the carers project. Council made a \$31,200 financial contribution to Community Houses across the shire.
- Volunteer Statement of Commitment ensures that volunteering remains responsive to the community – new volunteer role created: "First Nations events".
- Gender Champions group created to continue to embed understanding of Gender Equality and the requirements of the Gender Equality Act across teams at Council.
- Finalised implementation of the Community Development Action plan – focusing on removing barriers to enable community participation, delivering councils grants program, continuing to expand community planning.
- Undertaken local engagement to determine community led approach to support of LGBTQIA+ community.
- Community House Policy drafted.

What We'll Do – Focus areas for 12 months ahead

- Continue to build on Gender Equity work including delivery of 2024 16 Days of Activism against Gender Based Violence campaign ("Respect Is...").
- Begin work on the next Municipal Public Health and Wellbeing plan, including going back to the community to ask what is

important to them about their health and wellbeing.

- Bring Community House Policy to Council for adoption.
- Support local primary schools to participate in Walk to School Month in October, encouraging children and their families to walk safely to school, learning about the impact they can have on their own health and climate change in the process.
- Implement community led support of LGBTQIA+ community.
- Implementation of Health and Wellbeing Grants program – September round. Partnering with the community to deliver meaningful health and wellbeing initiatives.
- Continue to improve processes and upskill staff in Gender Equity to meet our obligations for Gender Equality Act 2020.
- Continue to implement programs and seek partnership opportunities to progress the 5 pillars of the Municipal Health & Wellbeing Plan.
- Review the Community Development policy and develop a new Community Development Action Plan which recognise community members as experts in their own lives with significant skills and knowledge which can contribute to a thriving community and environment.
- Continue to pursue opportunities to improve the volunteering experience at Council and to provide training opportunities to community volunteers.

What will slow down or we'll stop doing and why

Nil



Strategy 5: Make it easier for people to move around our towns and in nature without relying on cars



Council Plan Outcome (in four years we'll see)

Greater use of active and public transport as a result of Council and partner programs and initiatives.

Achievement towards the outcome so far....

A series of strategies setting the direction of Council's active transport work has been completed. This strategic work is providing a foundation for decision making and action and includes:

- G21 Integrated Transport Strategy
- Safer Cycling Strategy
- Torquay Wayfinding Strategy in draft.

Key progress at End of Year 3

- Torquay Wayfinding Strategy consultation complete and final strategy to be considered by Council in coming months.
- A range of pathway, Road Safety Strategy and Safer Cycling Strategy projects completed including Anderson Street pathway Moriac, assessment of 10 high risk pedestrian crossing locations, and 'Share the Road' signage on priority routes.
- Projects identified and confirmed for Federal Blackspot funding.
- Completed fit for purpose, general accessibility and travel accessibility audit on Council facilities and car parks to inform the Integrated Social Infrastructure Framework (in progress).
- Barwon River Loop Walk stage two design is nearing completion.
- Jan Juc to Bellbrae shared pathway project planning in progress.
- Key planning and land use decisions have considered improving opportunities for people to move around without cars.
- Pathway network mapping and baseline data has been completed to input to the Integrated Social Infrastructure Framework.

- Delivered pedestrian and cycling improvements on Fischer Street, Beach Road and around Grossmans school precinct.

What We'll Do – Focus areas for 12 months ahead

- Incorporate Road Safety Strategy recommendations and cycling / pedestrian centered design into new and renewal infrastructure projects.
- Implement the Torquay Wayfinding Strategy initiatives within budget available.
- Continue to work with developers to deliver best practice active transport outcomes for new precincts.
- Complete construction of the Jan Juc to Bellbrae shared pathway.
- Advocate for funding in pedestrian and cycling safety
- Deliver road safety improvements at Bellbrae school, Anglesea.
- Speed limit reductions in various rural roads.

What will slow down or we'll stop doing and why

Nil



Strategy 6: Enable communities to strengthen their social connections and participate in community life



Council Plan Outcome (in four years we'll see)

Expanded capacity of community to provide social connection programs and initiatives to increase people's participation.

Achievement towards the outcome so far....

Finalised Community Development Action Plan.

Ongoing successful implantation of revised community grants program with multiple streams responding to community need.

Continued support of Community Houses.

Delivered several successful grant rounds, including climate emergency grants involving community pitch and vote sessions.

Continue to support community to develop and deliver projects through community projects portal and community initiatives assessment panel.

Key progress at End of Year 3

- \$168,947 worth of community projects funded through grants program.
- Implemented new grant finder tool to improve referral pathways for community groups to other grant streams.
- Revised grants policy and program guidelines adopted to improve consistency and equity of grant allocations.
- 98 community project proposals were provided support and advice for community ideas through the community projects portal and community initiatives assessment panel.
- Support provided for community-led projects including: Winchelsea Mud Hut Redesign, Quay Reserve Community Orchard Irrigation Upgrade, Modewarre FNC Electronic LED scoreboard which attracted multiple funding partners contributing to the value of \$73,000.

What We'll Do – Focus areas for 12 months ahead

- Deliver community initiatives, minor capital works, health and wellbeing, environmental, artists and creatives grants with an emphasis on equitable distribution of resources – focus on promotion to groups who we don't normally hear from.
- Create an opportunity for hinterland community members to come together and share learning from community planning with Anglesea community planning group, prior to the development of the Anglesea Community Plan.
- Support development of a Community Plan in Anglesea.

- Review Community Development Policy and develop new community development action plan - including support for community houses.
- Support community led initiatives through established processes, continue to evolve these processes.
- Support Council staff to understand how community plans can inform other Council services and projects.
- Work more on place planning, ensuring community plans and community values are at the heart of the work and inform the new Council Plan.
- Continue to mature our approach to volunteering, aligning our work with the principles of the Australian Volunteering Strategy.
- Continue to support volunteering within Council services (approx. 3,500 hours per quarter) and deliver programs for community volunteer upskilling and retention.

What will slow down or we'll stop doing and why

- Community leadership program will be scheduled later while we focus on community planning.
- National Volunteer Week continues to be delivered as a meaningful event at a slightly lower scale to fit with new initiatives.



Theme 3: Environmental Leadership



**Protect our
environment and
help our community
to thrive through
environmental
leadership**





Strategy 7: Protect significant habitats, landscapes and biodiversity



Council Plan Outcome (in four years we'll see)
Improved understanding and protection of biodiversity, local ecosystems, landscapes and natural features.

Achievement towards the outcome so far....
Council has improved protection of biodiversity through a combination of tree planting in both nature reserves and offset sites, support for community conservation efforts, pest plant and animal management and further protection of native vegetation through a new offset site at Moonah Woodlands. Understanding of biodiversity and local ecosystems has been enhanced through the internal Think Environment campaign, the roll out of roadside exclusion zones, monitoring of vegetation at the Karaaf wetlands and collaborative projects with neighbouring natural resource management agencies.

Key progress at End of Year 3

- Supported Wadawurrung Gobata Dja (Taking Care of Country) team to heal Country, partnering with them to manage nature reserves within the Shire.
- Internal Think Environment campaign launched to promote protection of threatened communities and landscapes across the Shire – education and awareness for staff and contractors on responsibilities under the Environment Protection Act General Environmental Duty.
- Native vegetation offset site plan for Moonah Woodlands, Torquay finalised and approved by Department of Energy, Environment & Climate Action.
- Delivered Council's annual pest plant and animal management program on Council owned and managed land, including habitat for listed threatened flora and fauna species and communities.
- Supported local community conservation efforts including planting 2,200 plants as well as weed works and grant funding application support.
- Comprehensive program of assessment and planning work for Karaaf stormwater management completed. Baseline environmental monitoring assessment of Karaaf complete and ongoing monitoring plan underway.

What We'll Do – New focus areas for 12 months ahead

- Continue revegetation of the carbon offset site at Buckley with community groups and staff planting days.
- Work with Wadawurrung Gobata Dja team to heal Country as part of Stage 2 of the Jan Juc Creek daylighting project.
- Continue to roll out exclusion posts and roadside signage on roads within the Shire that contain significant ecological values to reduce inappropriate activities.
- Continue to support community advocacy and agency initiatives to protect and improve the health of Anglesea River.
- Project planning underway for Karaaf stormwater diversion project with diversion option design to be completed within the next 12 months .

What will slow down or we'll stop doing and why

- State of Environment reporting timeframes slowed to align with the Victorian State of Environment Report and GORCAPA's State of the Great Ocean Road Coast and Parks Environment Report (2024/2025).

Council Plan Progress Report – Mid Year Three



Strategy 8: Reduce greenhouse gas emissions to limit the impact of climate change



Council Plan Outcome (in four years we'll see)

Council's greenhouse gas emissions are reduced and offset to achieve net zero emissions and households and businesses have taken their own steps to become more sustainable.

Achievement towards the outcome so far....

Since 1 July 2021, through the delivery of Council's Climate Emergency Corporate Response Plan, Council has reduced corporate emissions (excluding the landfill) by more than 2,140 tonnes (41%).

We've installed 316.4kW of solar and 64.3kWh of battery storage, bringing us to a total of 784kW of solar and 82kWh of battery storage across Council facilities.

For the remaining electricity we're not generating ourselves, Council now purchases 100% renewable electricity through the Victorian Energy Collaboration. These measures not only cut emissions but are realising financial savings for Council. Council has adopted a zero emissions target to ensure we continue to prioritise cutting emissions. For residual emissions, Council is now certified as carbon neutral, in line with the national Climate Active Carbon Neutral Standard.

Key progress at End of Year 3

- Implementation of the Climate Emergency 2023-2025 Action Plan is underway to continue delivering on our commitments in the Climate Emergency Response Plan 2021-2031.
- Climate Active Carbon Neutral Standard certification achieved for 2022-23 FY. Corporate emissions rose by 43% due to a more comprehensive assessment required by our Climate Active certification. Non-landfill emissions under Council's direct control continue trending down with a 4.1% reduction from the previous year.
- Partnered with Geelong Sustainability to deliver the All Electric Homes campaign. Statistics for the Surf Coast region include: over 200 people attended the Surf Coast events; 164 EOs were submitted and 42 participants followed through with installation of either solar, batteries, hot water heat pumps and/or split system air conditioning, saving an estimated \$31,893 per year in energy costs and 119 tonnes of CO2 per year.
- Delivered the 2024 Climate Emergency Pitchfest Grants. The two successful projects this year were: Common Ground Project and Lorne P-12 College for 'School for Climate: Regeneration and Climate Action in the Garden and Farm', and The Brainery and Geelong Regional Library Corporation for 'Arckit Sustainability Studio'.

- Council received Victorian Government funding in 2021 through the Destination Charging Across Victoria program to install four EV chargers across the shire. Following significant delays, DEECA have increased their grant funding from \$70,000 originally awarded, to \$343,022, enabling 50kW chargers to be installed at all four locations (Lorne, Aireys Inlet, Anglesea, Winchelsea) to better meet EV driver demand in our region. The units will be installed by the end of 2024.

What We'll Do – New focus areas for 12 months ahead

- Continue progress on delivering Council's adopted target of zero non-landfill emissions by 2030.
- Continue Council's Solar and Energy Transition Program, including solar and electrification works on the Multi Arts Centre development, installation of electric vehicle chargers, and conducting analysis for the next suite of efficiency measures on Council facilities.
- Deliver the 2025 community-voted Climate Emergency Pitchfest Grants.
- Engage with the community to further develop community-led aspects of our Community Climate Mobilisation Program.

What will slow down or we'll stop doing and why

Nil



Strategy 9: Divert more material from the waste stream



Council Plan Outcome (in four years we'll see)

Our shire generates less waste through reduced consumption, and increased reuse and recycling initiatives.

Achievement towards the outcome so far....

Council's four-bin kerbside waste collection system incorporating Food Organics & Garden organics (FOGO) and separate glass bins continues to divert material with diversion rates over 71% for 2023/24.



Key progress at End of Year 3

- Adopted the Circular Economy Action Plan 2024-2027, which includes five key priority areas, 25 key actions and a range of targets to drive the transition to a circular economy.
- Established new contracts for Council's kerbside recycling and Food Organics Garden Organics (FOGO) services.
- Commenced community education and waste enforcement program targeted at reducing contamination and including resources for short-stay rental properties.
- Commenced key strategic waste projects: Anglesea Landfill Post-Closure Transition Plan and the Torquay Transfer Station Feasibility Study.
- Completed new cell liner at Anglesea Landfill.
- Delivered community workshop to promote the use of reusable nappies.
- Increased the service life of all IT Laptops and spreading the number of laptops required across 4 years to reduce cost and waste.

What We'll Do – New focus areas for 12 months ahead

- Implementation of the Circular Economy Action Plan 2024-2027.
- Finalise the Anglesea Landfill Post-Closure Transition Plan and the Torquay Transfer Station Feasibility Study projects.
- Finalise upgrades at Lorne Transfer Station.
- Review and update Council's Plastic Wise Policy.
- Continue working with Barwon Water and Geelong region councils to establish the Regional renewable organic network (RRON) facility.
- Refresh the Council's Digitisation Plan to reduce the volume of offsite storage and to digitise incoming records.

What will slow down or we'll stop doing and why

Nil

Council Plan Progress Report – Mid Year Three



Strategy 10: Adapting to a changing climate



Council Plan Outcome (in four years we'll see)

We are better placed to manage the impacts of climate change on our community places, spaces, and services.

Achievement towards the outcome so far....

Three consecutive wet La Nina periods and a series of storm events have had significant impacts on Council. An El Nino summer, though milder than expected at the start, brought challenges in managing high / extreme fire risk days and heatwaves. As a key aspect of Council's climate emergency response, we will remain focused on building Council's organisational capacity to thrive in the changing climate.

To support our community to adapt, Council has continued a strong collaborative approach to emergency management to ensure we support our community effectively in emergency events and build community resilience to increasing frequency and intensity of extreme weather.

Key progress at End of Year 3

- Internal audit of Council's Climate Adaptation Response and recommendations presented to the 15 May Audit and Risk Committee meeting. Audit results indicated Council had a proactive response to both climate change mitigation and adaptation, and that Council could further mature its response by embedding climate considerations into all critical decision making frameworks and undertaking climate scenario planning and risk assessments.
- Climate risk is determined by understanding what our current and future climate hazards are locally, and the exposure and vulnerability of Council's assets and services to the hazards. Detailed planning and scoping has occurred to undertake Phase 1 of our climate risk assessments, ensuring our methodology is robust, evidence-based and aligned with best practice.
- Began collecting data on the financial impact of weather events to build understanding of anticipated financial implications of climate impacts into the future.
- BSW Climate Alliance was successful in receiving \$243,000 in grant funding to undertake climate risk assessments across the region, which will support Council's own risk assessment process, particularly for assets.
- The Winchelsea Greening and Stormwater Upgrade, and Jan Juc Creek Daylighting Stage 2 Integrated Water Management projects are progressing with designs complete.

- Painkalac Creek Flood Study is progressing with the technical specification complete and collaboration continues to link this work with other projects in the region.
- Unsealed Road Review nearing completion which considers actions to manage the network into the future as the climate changes.

What We'll Do – New focus areas for 12 months ahead

- Complete Phase 1 of Council's climate risk assessments across the shire to identify areas and assets most vulnerable to climate impacts and help prioritise Council's adaptation efforts.
- Develop and implement a climate resilience screening tool to strengthen the consideration of climate change across Council assets and services, and better inform decision making.
- Undertake drainage catchment management studies in Anglesea and Aireys Inlet.
- Undertake critical drainage rectification works.
- Complete Phase 1 of the Painkalac Flood Study.
- Deliver the "My Resilience Profile" survey to community and begin to analyse data.

What will slow down or we'll stop doing and why

Nil

Council Plan Progress Report – Mid Year Three



Theme 4: Sustainable Growth



Growth is not at the expense of environmental values or the unique heritage and character of our townships



Fraser Drive, Aireys Inlet



Strategy 11: Protect heritage and township character



Council Plan Outcome (in four years we'll see)

Sense of the uniqueness of towns and neighbourhoods - their natural elements and character - is strengthened.

Achievement towards the outcome so far....

Two key strategic projects, the Urban Futures Strategy (UFS) and Planning Scheme Review (PSR) have been developed with comprehensive community engagement underpinning key recommendations and findings.

The Urban Futures Strategy provides a framework to guide future planning and decision making for housing in Surf Coast Shire. The UFS will ensure that growth occurs in appropriate locations to protect significant landscapes and environments. The PSR is a 'health check' to ensure the planning scheme can best achieve Council and community land use and development goals.

The adopted Moriac Structure Plan, developed in collaboration with the Moriac community, demonstrates the benefits of an integrated approach to placemaking and township structure planning.

Key progress at End of Year 3

- Progressed the Urban Futures Strategy project – undertaking multiple phases of Shire wide community engagement to inform the development of a draft Strategy.
- Completed and adopted the Planning Scheme Review – identifying key priorities tasks to inform future land use planning policy.
- Commenced implementation of the State Government's Distinctive Areas and Landscapes Statement of Planning Policy.
- Completed a Shire wide bushfire landscape assessment to inform the development of the Urban Futures Strategy.
- Completed Stage 3 Heritage Study – identifying 22 properties for new heritage protection controls.
- Completed and adopted the Moriac Structure Plan 2023.

What We'll Do – New focus areas for 12 months ahead

- Finalise and implement the Urban Futures Strategy.
- Commence implementation of key recommendations of the Planning Scheme Review.
- Progress implementation of the Distinctive Area and Landscapes Statement of Planning Policy.
- Implement key actions from the adopted Moriac Structure Plan 2023.
- Commence development of a comprehensive place plan to guide future urban growth in Winchelsea.
- Commence preparation of a strategic plan for the Messmate Road Future Urban Area.

What will slow down or we'll stop doing and why

- As we mature our understanding of the impacts of climate change (e.g. bushfire, storm surge and sea level rise) it will be important to balance these challenges with the need to accommodate population growth, now and into the future.
- Changes to the Australian Fire Danger Rating system will result in more frequent Extreme and Catastrophic fire days being declared, impacting events and some Council services across the Shire.



Strategy 12: Improve access to affordable residential accommodation



Council Plan Outcome (in four years we'll see)

People have access to more affordable and sustainable residential accommodation options.

Achievement towards the outcome so far....

The lack of affordable housing for key worker and lower-income households in our towns remains a challenge for residents and businesses.

Council has been working to align our efforts with funding and policy priorities of other levels of government to progress affordable housing projects.

Community engagement on affordable housing projects, including co-design processes with Aireys Inlet and Anglesea community members, has been a key focus.

Council has been connecting with communities and agencies on innovative ways to address the challenge.



Key progress at End of Year 3

- Aireys Inlet Affordable Housing Project progressing to facilitate social and affordable housing at Fraser Drive. Council has endorsed a community co-design concept and approved a long-term lease with Housing Choices Australia.
- Facilitated a community co-design process to develop a long-term vision, design principles and concept plan for the Anglesea Community and Health Hub. Tested the vision, principles and concept plan including affordable housing for key workers the broader Anglesea community.
- Responded to community enquiries and issued four permits as part of the Tiny Houses on Wheels (THOW) pilot.
- Continued engagement with business and community led initiatives to facilitate access to affordable housing for key workers.
- Advocated to Federal and State Governments, including on the roll out of the State Government of Victoria's Housing Statement, ie Small Second Dwellings and Housing Targets.
- Continued to implement internal processes and work with homelessness outreach programs to support people sleeping rough.
- Established a Housing Concierge service to assist applicants to contribute to delivering affordable and more diverse forms of housing.
- Revised Affordable Accommodation Action Plan 2024, adopted by Council May 2024.

What We'll Do – New focus areas for 12 months ahead

- Continue engagement on progressing the detailed

design phase of the Anglesea Community and Health Hub and identify options for additional affordable housing projects in Anglesea.

- Develop and implement funding strategies for social and affordable housing projects including leading and supporting funding applications to the State Government of Victoria's Big Housing Build and the Federal Government's Housing Australia Future Fund, for the Aireys Inlet and other social and affordable housing projects.
- Work with the Lorne community on scoping an affordable housing for key worker project or partnership model.
- Elevate the importance of housing affordability and diversity in local planning policy.
- Monitor the uptake of Tiny Houses on Wheels (THOW) through the THOW pilot evaluation.
- Monitor the uptake and assess the value of Housing Concierge Service.
- Monitor and respond to proposed policy changes affecting housing affordability.
- Actively participate in growth area place planning work to ensure diversity in housing type.

What will slow down or we'll stop doing and why

- Progress to detailed design and construction phases of social and affordable housing projects on Council land depends on our ability to leverage funding opportunities.



Strategy 13 : Support tourism and events that encourage people to stay longer and appreciate and care for this place



Council Plan Outcome (in four years we'll see)

Visitors stay longer in the off season to better utilise our capacity and they demonstrate respect for our environment.

Achievement towards the outcome so far....

Council commenced their journey towards Eco Destination Accreditation; a program that will enhance our sustainable practices and offer high-quality tourism experiences within our region.

Our two fully accredited VIC's – Torquay and Lorne – are exceeding their retail targets whilst seeing growth in visitor numbers.

Secured a federal grant of \$37,500 to deliver a new women's surfing event in Lorne - aiming to increase participation and awareness in women's surfing, whilst growing economic benefits to the region.

Key progress at End of Year 3

- Commenced Eco Destination Accreditation Program with Ecotourism Australia. The full program involves reviewing existing practices in 91 areas that will bring us closer to the economy we need.
- 2024-25 Event Grant Program in progress.
- Retail sales across Torquay and Lorne Visitor Information Centres (VIC) YTD (May): \$406,905.
- Visitor enquires at VIC's for Lorne: 85,516, Torquay: 50,135 & Anglesea: 5,291.
- Secured a federal grant of \$37,500 to deliver a new women's surfing event in Lorne - aiming to increase participation and awareness in women's surfing.
- On track to help facilitate approximately 300 major and community events for 2024, with SC Events providing complimentary marketing and event delivery support.
- Welcome Wave (part of Cadel Evans Great Ocean Road Race) and Rising Stars (part of the Rip Curl Pro) successfully delivered.
- Secured the Bells Beach Longboard Classic - an International longboard event forming part of the newly established World Surf League (WSL) Longboard Championship Tour.

- Australian Surf Rowing League National Championships event held in Lorne in February 2024.

What We'll Do – New focus areas for 12 months ahead

- Continue to develop product offerings through digital capabilities at our Torquay and Lorne Visitor Centres.
- Promote our SC Events website by providing a more comprehensive overview of what's happening on the Surf Coast, including art exhibitions and live music at private venues.
- Aim to complete our Eco Destination Certification for the Surf Coast Shire.

What will slow down or we'll stop doing and why

- We will no longer be the project lead for the Rip Curl Pro, as Bells Beach Surfing Recreation Reserve has now transferred over to GORCAPA.



Theme 5: Diverse and Robust Economy



Our economy is sustainable and supports a diversity of local enterprises and people





Strategy 14: Enable people to run successful local businesses that grow and create jobs in our changing economy



Council Plan Outcome (in four years we'll see)

Businesses are emerging locally and succeeding, contributing to job creation and enabling more residents to work closer to home.

Achievement towards the outcome so far....

Business instability continues due to cost of living pressures which are being driven by inflation. Unemployment is very low at 1.9% for the Shire. Some businesses have closed down however these have been replaced by other local businesses that have expanded or businesses or new businesses to the Surf Coast.

Key progress at End of Year 3

- Established Commercial Activity Centre Committee to promote internal collaboration on commercial place plans and adopted strategies.
- Finalised Parklet Pilot Program at Beach Hotel Jan Juc, undertook community consultation (97% support) and developed new guidelines & processes connected to the Local Law to implement Parklets around the shire.
- 36 businesses supported through the full Business Concierge. A further 130 businesses supported beyond the Concierge.
- Doubled our business contact database in the last 12 months to enable us to share business support programs to over 8,300 businesses by location or sector.

What We'll Do – New focus areas for 12 months ahead

- Complete a Business Insights Survey with Surf Coast Shire businesses with results used to inform business support programs to be delivered.
- Deliver a Better Business Skills Program.
- Deliver the Aireys Inlet Top Shops Beautification Design Project which will create a detailed design for a small-scale, relaxed and green coastal village space and improve access, parking, and safety.

What will slow down or we'll stop doing and why

Nil



Strategy 15: Foster an environment that enables businesses to operate according to ethical, social and sustainable principles



Council Plan Outcome (in four years we'll see)

More businesses are in a better position to take steps to operate according to social, ethical and sustainable principles.

Achievement towards the outcome so far....

The Ripple Surf Coast BCorp Chapter has gone from strength to strength attracting strong crowds to events.

Completed work on the Barwon Regional Drought Resilience Plan with Agriculture Victoria to plan for drought resilient communities.

Key progress at End of Year 3

- Developed a framework to measure success of the Economic Development Strategy. 15 metrics have been identified and will be reported on annually.
- Supported new business networking groups to establish including Surf Coast Women in Business and the Ripple Surf Coast B-Corp Chapter.
- Increased online business presence to 908 followers and a reach of 23,000 – a growth of 593% .

What We'll Do – New focus areas for 12 months ahead

- Work with Barwon Water to complete the Business Case for the Large-Scale Recycled Water and Stormwater Grid.
- Deliver Encouraging Sustainable Business Practices program.
- Continue to connect businesses with ethical, social and sustainability initiatives.

What will slow down or we'll stop doing and why

Nil



Council Plan Progress Report – Mid Year Three



Theme 6: Arts and Creativity



Acknowledge the value of arts and creativity and nurture their growth



Winchelsea Mural project



Strategy 16: Foster an environment where people with clever and creative ideas can make a difference in their communities



Council Plan Outcome (in four years we'll see)

More people access capacity building supports and resources to develop or scale-up creative ideas that will make a difference in their community.

Achievement towards the outcome so far....

DEVELOP arts grant created to support artists in skill and concept development.

\$100,000 grant program to support creative communities released under the Covid Recovery Grants Program. Six projects supported including artist in residence, major exhibitions, projection and attendance at Affordable Art Fair.

A greater focus on creative industry profiling and capacity building opportunities.

Adoption of the Creative Places Strategy providing a vision for the development of the creative economy on the Surf Coast.

Key progress at End of Year 3

- In 2023 the Multi Arts Centre staged over 380 events with 9,460 attending, over 810 unique artists were profiled. In the January to March 2024 period, the facility staged 91 events, profiled 123 unique artists and received 2579 in attendance .
- 2023 Surf Coast Arts Trail delivered with over 200 participating artists across 70+ venues with over \$230,000 in weekend sales and workshop bookings.
- Successfully delivered a sustainability of surfing seminar for Melbourne Design Week in 2024 with 42 people attending the panel discussion.
- Delivered the Surf Coast Community Calendar October 2023 with 55 artists participating and 316 people attended the 2-week exhibition. 5,000 calendars printed and distributed across the Shire.
- Shed Talk Series attended by 187 people in 5 sessions held between March 2023 and June 2024.
- Delivered NAIDOC week panel event at the Australian National Surfing Museum .
- Delivered the Creative Halls Project enabling small scale cultural infrastructure upgrades to facilities in Anglesea, Lorne, and Winchelsea.
- Conducted a Public Arts Audit identifying the needs of 297 arts assets throughout the Shire.

What We'll Do – New focus areas for 12 months ahead

- Continue to deliver the Creative Places Strategy 2023 – 2031 actions.
- Deliver the DEVELOP grant initiatives awarded to enable creatives to pursue new skills.
- Deliver the Shed Talk program to connect artists with each other and further their professional development.
- Develop a Public Arts Policy and Maintenance Framework.

What will slow down or we'll stop doing and why

- Programs which do not achieve the aspirations of the Creative Places Strategy.



Strategy 17: Increase support for creative industries and arts



Council Plan Outcome (in four years we'll see)

Greater investment into the creative sector and more collaboration between businesses, and cultural and creative practitioners.

Achievement towards the outcome so far....

Hoop Gallery & Shoestring Playhouse were established under the Multi Arts Centre (MAC).

\$300,000 project to fit-out of the new MAC Torquay facility was completed delivering a space to Torquay Theatre Troupe and Hoop Gallery.

A new Master Plan for the Australian National Surf Museum was completed as well as a Significance Assessment on the ANSM's collection. It was identified as internationally significant.

Delivery of the Surf Coast Public Arts Audit to identify public art assets and inform their future care.

Key progress at End of Year 3

- \$1.4 million MAC refurbishment project progressed now at point of confirming final cost plan and preparing tender documents.
- 17,539 attendees to the Australian National Surfing Museum from 1 July to 31 May.
- \$50,000 Creative Halls project commenced, providing enabling arts infrastructure into venues in Winchelsea, Anglesea and Lorne.
- Completed a public art audit to identify 297 public art assets in Surf Coast Shire and understand their condition.
- Awarded 8 DEVELOP grants in a diversity of fields including Literature, Music, Aerial Performance, Playwriting and Visual Arts.
- Stronger focus on increasing support for professional artists.

What We'll Do – New focus areas for 12 months ahead

- Complete a public art policy and maintenance framework.
- Complete the Creative Halls projects to enable community groups and professional artists to book community halls for exhibitions.
- Implement the Creative Places Strategy and ANSM Master Plan.
- Complete the \$1.4 million MAC refurbishment project.
- Complete updates of the Australian Surfing Hall of Fame in the Australian National Surfing Museum.
- Develop partnerships with surf schools and school camps.

What will slow down or we'll stop doing and why

- Programs which do not achieve the aspirations of the Creative Places Strategy.

Council Plan Progress Report – Mid Year Three



Theme 7: **Accountable and Viable Council**



Council has financial capacity to deliver services now and into the future and decision making is informed by community views.

Road Safety Improvements



Strategy 18: Establish a sustainable financial position



Council Plan Outcome (in four years we'll see)

Council can fund the delivery of services that are most important for the community.

Achievement towards the outcome so far....

Council has maintained a sustainable financial position enabling the delivery of services and community projects.

Council has worked diligently to record cash surpluses over the last two financial years which will underpin financial sustainability when the long-term financial positions is challenged by the growing renewal demand, external economic factors, large infrastructure projects and operating costs of new community facilities in years ahead.

Key progress at End of Year 3

- Current 10 year Long Term Financial Plan (LTFP) enables Council to continue to deliver services and facilities whilst navigating challenging years ahead.
- Council generated a surplus of \$1.9m at year end and is holding cash and investments allocated to deliver future projects and commitments.
- Council's business reform programs generated \$0.33m of savings during 2023-24 and \$0.54m has been embedded in the 2024-25 budget.
- To help inform the State and Australian Government on local government's long term sustainability challenges, Council made submissions to the Australian Government's Inquiry into the Financial Sustainability and Funding of Local Government and the State Government's Inquiry into Local Government Funding and Service Delivery in Victoria.

What We'll Do – New focus areas for 12 months ahead

- Continue our journey on ensuring Council's financial sustainability through collaboration with FinPro, the Victorian Local Government finance professionals.
- Analyse and respond to changes in Victorian Government guidance on the use of waste service charges to ensure clarity and financial sustainability,

- Implement digital project management system to improve delivery and quality of performance reporting.
- Increase project delivery, including improve overall project readiness and selection, and program planning accuracy for future years.
- Undertake the Integrated Council Planning 2025 to 2029 project including preparatory work prior to Council elections October 2024.
- Utilise outputs of improved asset renewal modelling for decision making.
- Continue efforts to identify budget savings to embed in the 2025-26 budget.

What will slow down or we'll stop doing and why

Nil



Strategy 19: Improve Council's credibility as a trusted decision maker through meaningful engagement



Council Plan Outcome (in four years we'll see)

Community members have increased confidence in Council as a trusted governor, financial manager and advocate and feel their input contributes to strategic decision-making.

Achievement towards the outcome so far....

A Communications and Community Engagement Strategy and reviewed Community Engagement Policy have been developed and adopted.

Staff training in community engagement has been delivered.

Improved community engagement processes have been implemented to improve tracking and coordination.

Online customer improvements including new kindergarten enrolments, all payments enabled online and improved customer request and complaints processes.

Ongoing focus on more Council decisions being made in open meetings sections rather than in confidential sections e.g. tender decisions.

Key progress at End of Year 3

- Community Engagement Policy was adopted in August 2023.
- Round one of a community engagement staff training program has been delivered, involving 60 staff.
- Implemented coordinated communications on placed based projects to local channels.
- Finalised the MPP-028 Community Engagement Management Procedure.
- Established a new Communications and Engagement request and workflow system for all new projects across Council.
- Developed 156 media releases, 129 media responses and 168 speech notes and columns over the 12-month period.
- Through our two main social media channels (Facebook and Instagram) we gained over 1,200 new followers, reached people more than 350,000 times, and had over 18,000 interactions with our content.
- Implemented new social pinpoint online engagement platform.
- Commenced implementing a new digital Customer Relationship Management system to transform the way customer requests are handled and to improve response time and improve customer satisfaction.
- Held Council meetings in the community and continued to livestream Council meetings.

What We'll Do – New focus areas for 12 months ahead

- Monitor and refine Communications and Engagement request and workflow system for all new projects across Council.

- Rollout round two of online engagement training program for all staff.
- Continue implementation of the Communications and Community Engagement Strategy Action Plan.
- Stronger focus on proactive communications, thanks to additional resources.
- Expand the coordinated communications on local projects to other townships / locations.
- Continue the rollout of the new social pinpoint online engagement platform.
- Commence an internal community of practice for staff to share community engagement learning and coordinate activities.
- Commence data gathering in preparation for developing the new Council Plan and integrated plans which will be delivered after the Council election in October 2024.
- Design and deliver engagement activities to develop the new Council Plan and integrated plans.
- Implement Phase 1 of the Customer Relationship Management digital system which will improve the ability of Council to respond to customer requests and increase the community's ability to engage with Council through digital channels.

What will slow down or we'll stop doing and why

Nil

4.3 Award of Contract T24-033 Wet Plant Hire Services

| | |
|-------------------------|--|
| Council Plan | Theme Seven - Accountable and Viable Council Strategy 18 - Establish a sustainable financial position. |
| Author's Title: | Coordinator Civil Operations |
| General Manager: | Damian Waight, General Manager Community Life |
| Division: | Community Life |
| Department: | Operations |
| Attachments: | Nil |

Purpose

1. The purpose of this report is to seek Council's approval to award panel Contract T24-033 Wet Plant Hire Services

Recommendation

That Council:

1. Award panel contract T24-033 Wet Plant Hire Services for the tendered schedule of rates (excl. GST) for an initial 2-year term with the option of up to a further 1-year extension to the following tenderers:

- [REDACTED] (ABN [REDACTED])
- [REDACTED] (ABN [REDACTED])
- [REDACTED])
- [REDACTED])
- [REDACTED] (ABN [REDACTED])

2. Authorises the Chief Executive Officer to execute contract documents on behalf of Council.

Council Resolution

Moved Cr Barker, Seconded Cr Bodsworth

That Council:

1. Award panel contract T24-033 Wet Plant Hire Services for the tendered schedule of rates (excl. GST) for an initial 2-year term with the option of up to a further 1-year extension to the following tenderers:
 - Aquatech Civil and Plumbing Pty Ltd (ABN 39 621 412 431)
 - Armistead Earthmoving Pty Ltd (ABN 24 109 457 614)
 - Thelka Pty Ltd (as the Trustee for Thelka Family Trust) T/A Bellarine Maintenance Group (ABN 19 707 211 067)
 - Butler Excavations Pty Ltd (ABN 88 603 437 627)
 - Local-Mix Quarries Pty. Ltd. (ABN 42 007 019 3920)
 - McNaughton Excavations Pty Ltd (ABN 16 137 674 312)
 - Pearson Plant Pty Ltd (ABN 19 645 885 427)
 - R. Slater & Sons Pty. Ltd (ABN 48 005 863 187)

2. Authorises the Chief Executive Officer to execute contract documents on behalf of Council.

CARRIED 9|0

| For | Against | Abstained |
|---|----------------|------------------|
| Cr Allen Cr Barker Cr Bodsworth Cr Gazzard Cr Hodge Cr Pattison Cr Schonfelder Cr Stapleton Cr Wellington | Nil | Nil |

Outcome

2. The establishment of a panel of eight experienced wet plant hire contractors to supplement Council's own plant will support road construction, road maintenance, public reserve maintenance and other works across the Shire, maintaining Council assets for residents, visitors and our wider community.

Key Considerations

3. A public tender process was conducted in accordance with Council's Procurement Policy.
4. A total of 19 suppliers submitted tenders for this panel contract.
5. Each submission was assessed against pre-determined evaluation criteria, including price and non-price criteria.
6. The panel contract will operate on a schedule of rates with CPI adjustment for an initial term of 2 years with the option for a further extension of up to 1 year.
7. The anticipated value of the contract exceeds officers' delegated authorities and therefore requires a decision by Council.

Background

8. Council requires the supply of wet plant services (fully maintained plant, labour and equipment) to supplement Council's own resources for road construction and maintenance, public reserve maintenance and other works as required.
9. Council is seeking to establish a panel of suitably qualified contractors to provide wet plant hire services.

Options

10. **Alternative Option 1** – Do not award the contract as per the recommendations in this report.
This option is not recommended by officers as Council has attracted acceptable tenders. The officers' recommendation is a result of considerable due diligence and is in

accordance with published evaluation criteria and conditions of tender. Any decision that is not in accordance with the formal conditions of tender may compromise good governance and probity standards.

Council Plan (including Health and Wellbeing Plan) Statement

Theme Seven - Accountable and Viable Council

Strategy 18 - Establish a sustainable financial position.

Financial Considerations

11. The successful tenders fall within the budget for the service requirement.
12. A full description of the 'Financial and Resource Impact Analysis' is provided as part of Confidential Tender Evaluation Summary has been issued to Councillors.

Community Engagement

13. No community engagement was undertaken as part of this tender process as it is part of Council's regular operations to fulfil its management obligations to residents, ratepayers, and visitors to the area.

Statutory / Legal / Policy considerations

14. This tender was conducted accordance with the requirements of section 108 of the *Local Government Act 2020* and Council's Procurement Policy.
15. In accordance with s.109 of the *Local Government Act* the following information is provided in relation to any opportunities for collaborative procurement:
This tender was not appropriate for a collaborative procurement process, as it was offered as a panel contract based on tendered schedule of rates. Tendered rates were inclusive of travel or float costs and with no known quantities of current or future work that could have been leveraged from.

Strategic Risk

16. Failure to plan and deliver infrastructure and services which keep pace with growth
17. Inherent Risk Rating - *Serious*, Residual Risk Rating - *Medium*
18. The report recommendation assists in managing risk by ensuring that Council has resources available to deliver road construction and maintenance, public reserve maintenance and other works across the shire.
19. A tender risk assessment was completed in accordance with Council's Procurement Policy.
20. No new significant risks are created for Council in adopting this recommendation.

Risk Rating

21. Risk rating is low and can be managed at department level.

Risk Appetite

22. The decision is not closely linked to a Risk Appetite Statement.
23. This is a panel contract for recurrent services required by Council with no committed service volume.

Sustainability Considerations

24. The report helps Council sustain maintenance and other operations functions in the natural and built environment.

Conflict of Interest

25. No officer declared a conflict of interest under the *Local Government Act 2020* in the preparation of this report.

Confidentiality

26. This report and attachments contain no confidential information under section 66(2) of the *Local Government Act 2020*.
27. Pursuant to sections 3(1) and 66(5) of the *Local Government Act 2020*, the information contained in the attachment/s to this report are confidential because it contains information prescribed by the regulations to be confidential information for the purposes of this definition.

Audit and Risk Committee involvement

28. This matter was not considered by the Audit and Risk Committee.

Council Briefings:

29. This item was not presented through a Councillor briefing.

Tender Details

Invitation to Tender

30. Council issued an open tender for Contract T24-033 Wet Plant Hire Services to appoint a panel of suitably qualified and experienced contractor to deliver wet plant hire services.

Table 1 Invitations to Tender

| Medium | Date Advertised |
|--|------------------------|
| Council eTendering Portal (Tenderlink) | 29 June 2024 |

Evaluation Panel

31. The Tender Evaluation Panel comprised the following officers:

Table 2 Tender Evaluation Panel

| Position / Title | Panel Role |
|------------------------------------|-------------------|
| Senior Procurement Officer | Chair Non-voting |
| Coordinator, Operations | Voting Member |
| Coordinator Open Space Operations | Voting Member |
| Capital & Renewal Works Supervisor | Voting Member |

Evaluation Criteria

32. Submissions were evaluated by the panel against pre-established selection criteria.

Table 3 Mandatory Evaluation Criteria

| Mandatory Criteria | Assessment |
|--|-------------------|
| OHS – Documented OH&S Management System | Pass / Fail |
| Agreement to Working With Children Check | Pass / Fail |

33. Tenderers who satisfied the above mandatory criteria were then assessed against the following comparative criteria in Stage 1 Assessment:

Table 4 Comparative Criteria (Stage 1)

| Comparative Criteria | Weighting |
|--|------------------|
| Capability, Relevant Experience and Staffing | 40% |
| Capacity | 40% |
| Management Systems | 10% |
| Local Economic Benefit | 10% |

34. Tenderer’s total scores from Stage 1 were carried forward to Stage 2 (weighted at 60%) and the Tendered Rate (Pricing) scored (weighted at 40%) to complete a value for money assessment.

Table 5 Value for Money Assessment (Stage 2)

| Criteria | Weighting |
|-----------------------------|------------------|
| Qualitative Score (Stage 1) | 60% |
| Tendered Rate | 40% |

35. Details of submissions received, pricing and final rankings by the evaluation is provided in **Confidential Tender Evaluation Summary** has been provided to Councillors.

4.4 Award of Contract T25-005 Road Widening and Roundabout Construction Coombes Rd, Torquay

| | |
|-------------------------|--|
| Council Plan | Theme Seven - Accountable and Viable Council Strategy 18 - Establish a sustainable financial position. |
| Author's Title: | Project Manager |
| General Manager: | Dee Gomes, Acting General Manager Placemaking and Environment |
| Division: | Strategy and Effectiveness |
| Department: | Strategy and Program Delivery |
| Attachments: | Nil |

Purpose

1. The purpose of this report is to seek Council approval to award Contract T25-005 Road Widening and Roundabout Construction Coombes Road, Torquay.

Recommendation

That Council:

1. Awards Contract T25-005 Road Widening and Roundabout Construction Coombes Road, [REDACTED] for the lump sum amount of [REDACTED] excluding GST.
2. Authorises the Chief Executive Officer to execute contract documents on behalf of Council.

Council Resolution

Moved Cr Schonfelder, Seconded Cr Gazzard

That Council:

1. Awards Contract T25-005 Road Widening and Roundabout Construction Coombes Road, Torquay to Drapers Civil Contracting Pty Ltd for the lump sum amount of \$3,302,751.00 excluding GST.
2. Authorises the Chief Executive Officer to execute contract documents on behalf of Council.

CARRIED 9|0

| For | Against | Abstained |
|---|----------------|------------------|
| Cr Allen Cr Barker Cr Bodsworth Cr Gazzard Cr Hodge Cr Pattison Cr Schonfelder Cr Stapleton Cr Wellington | Nil | Nil |

Outcome

2. The award of this Contract will allow Council to widen and rehabilitate the pavement along Coombes Road and construct a roundabout at the intersection of Coombes Road and Messmate Road to improve road safety and traffic management in the area. Based on their past experience, road construction expertise and project specific methodology, the award of this Contract to the recommended tenderer is expected to deliver the best value for money outcome for Council.

Key Considerations

3. A public tender process was conducted in accordance with Council's Procurement Policy.
4. A total of eleven suppliers submitted tenders for this Contract.
5. Each submission was assessed against pre-determined price and non-price evaluation criteria.
6. The Contract will be a fixed lump sum for the work under the Contract.
7. The value of the Contract exceeds officers' delegated authorities and therefore required a decision by Council.
8. In the August 2024 Council meeting, approval was sought from Council under item 4.10 Award Contracts Under 2024-25 Capital Works Program to recommend providing the Chief Executive Officer (CEO) with authority to award and execute contracts for specified projects with approved budgets above the financial delegation limit of \$1,000,000, except during Council Election (Caretaker) Period where the limit will be \$642,000. This was to enable the CEO to award and execute contracts between Council meetings so that project delivery could progress, including meeting grant milestone obligations.
9. There were four projects put forward under item 4.10, one being T25-005 Road Widening and Roundabout Construction Coombes Road, Torquay. This was undertaken in the event that officers would not be in a position to bring this contract to the September Council meeting. As this report is now being presented to Council the CEO will not be required to use the authority given to them at the August Council meeting to award this contract.

Background

10. The completion of these road widening and roundabout construction works will enable Council to deliver critical infrastructure as a requirement of the Torquay Jan Juc Development Contributions Plan (TJJDCP) and pavement renewal works under the Renewal Program.
11. The works comprise the road widening and pavement renewal of Coombes Road from just west of the Surf Coast Highway through to Ghazeepore Road and includes the construction of a roundabout at the intersection with Messmate Road. The road widening includes provision of cycle lanes on both sides of Coombes Road, improving safety for cyclists.

12. Council has sought and received tenders from experienced civil engineering contractors to ensure the works will be properly managed to minimise disruption to this critical section of the local road network.

Options

13. **Alternative Option 1** – To award Contract T25-005 Road Widening and Roundabout Construction Coombes Road, Torquay to another tenderer.

This option is not considered appropriate as the officer recommendation is the result of considerable tender due diligence and the recommendation is in accordance with the evaluation criteria and conditions of tender communicated to tenderers at the time of tender. Any decision that is not in accordance with the formal conditions of tender may compromise good governance and probity standards and pose reputational risk to Council.

14. **Alternative Option 2** – Do not award the contract as per the recommendations in this report.

This option is not recommended by officers as Council has tested the market to find the most acceptable tender. The option of undertaking a new tender process is unlikely to generate improved value for money resulting from cost escalations due to delay and it being unlikely that market conditions will change in the short term.

Council Plan (including Health and Wellbeing Plan) Statement

Theme Seven - Accountable and Viable Council

Strategy 18 - Establish a sustainable financial position.

15. Prices for this contract have been sought through a competitive tender process and represent best value for Council.

Financial Considerations

16. The recommended tenderer falls within the budget for these works. Council has sufficient funds and resources to deliver the project.
17. A full description of the “Financial and Resources Impact Analysis” is provided as a part of the Confidential Tender Evaluation Summary that has been issued to Councillors.
18. The project funding incorporates funding from 3 sources:
 - 18.1. TJJDCP Item RD11 - Widen Coombes Road,
 - 18.2. TJJDCP Item RD12 - Coombes / Messmate Road intersection upgrade,
 - 18.3. Asset Renewal Annual Allocation (Renewal of existing Coombes Road pavement).

Community Engagement

19. Initial community engagement was completed in July 2024 through a letter mailed to impacted residents along the extent of the works, notifying them of the likely impacts to

access and egress to/from their properties during construction. Further updates are provided on the Council Website and through social media.

Statutory / Legal / Policy Considerations

20. This tender was conducted in accordance with the requirements of Section 108 of the *Local Government Act 2020* and Council's Procurement Policy.

Strategic Risk

21. Failure to plan and deliver infrastructure which keeps pace with growth.
Inherent Risk Rating - Serious, Residual Risk Rating – High
22. Implementation of these works will assist in addressing identified risks by improving the condition of existing infrastructure and providing new network safety treatments to help keep pace with current and forecast growth

Risk Rating

23. The project has a risk rating of low and can be managed at department level.

Risk Appetite

24. We will manage and support population growth in the municipality, but not at the expense of the most important elements of our environment or the unique heritage and character of the different areas of our Shire.

Sustainability Considerations

25. Tenderers were asked to submit sustainable options for asphalt, however due to the nature of the strength requirements, a sustainable alternative was not available.
Approved recycled concrete can be used as an alternative to Fine Crushed Rock.

Conflict of Interest

26. No officer declared a conflict of interest under the *Local Government Act 2020* in the preparation of this report.

Confidentiality

27. This report and attachments do not contain any confidential information under section 66 (2) of the *Local Government Act 2020*.

Transparency

Audit and Risk Committee involvement

28. This report is not within the scope of the Audit and Risk Committee.

Councillor Briefings

29. A briefing of the contract was provided at a Councillor briefing on Tuesday 3 September 2024 prior to being presented to Council for consideration. Councillor attendance at the briefing was as follows:

Table 1: Councillor Briefing Date: 03/09/2024

| Councillor name | In attendance (Y/N) | Councillor name | In attendance (Y/N) |
|-------------------|---------------------|-----------------------|---------------------|
| Cr Gary Allen | Y | Cr Liz Pattison | Y |
| Cr Paul Barker | N | Cr Adrian Schonfelder | Y |
| Cr Mike Bodsworth | Y | Cr Libby Stapleton | Y |
| Cr Kate Gazzard | N | Cr Heather Wellington | N |
| Cr Rose Hodge | Y | | |

Councillor attendance at briefings is not a statutory requirement. Councillors are able to access and request information through a number of mechanisms to understand matters being presented at a Council Meeting.

Tender Details

Invitation to tender

30. Council issued an open tender T25-005 Road Widening and Roundabout Construction Coombes Road, Torquay to identify and appoint a suitably qualified and experienced contractor to undertake works.

Table 2 Invitation to tender

| Medium | Date advertised |
|--|-----------------|
| Council eTendering Portal (Tenderlink) | 27 July 2024 |

Evaluation Panel

31. A Tender Evaluation panel comprising of the four voting members assessed all tender submissions received.

Evaluation Criteria

32. Submissions were evaluated by the Panel against pre-established selection criteria:

Table 3: Mandatory Evaluation Criteria

| Mandatory Criteria | Assessment |
|--------------------------------------|------------|
| Occupational health & Safety Systems | Pass/Fail |
| Financial Capacity | Pass/Fail |
| Insurances | Pass/Fail |

33. Tenderers who satisfied the above mandatory criteria were then assessed against the following comparative criteria:

Table 4: Comparative Evaluation Criteria

| Comparative Criteria | Weighting |
|---------------------------------|-----------|
| Financial Assessment | 50% |
| Experience & Staff | 25% |
| Capacity, Systems & Methodology | 20% |
| Local Content | 5% |

34. Details of submissions received, pricing and final rankings of the evaluation are provided in the **Confidential Tender Evaluation Summary** that has been provided to Councillors.

4.5 Project Budget Adjustments and Cash Reserve Transfers - September 2024

| | |
|-------------------------|---|
| Council Plan | Theme Seven - Accountable and Viable Council |
| | Strategy 18 - Establish a sustainable financial position. |
| Author's Title: | Coordinator Management Accounting |
| General Manager: | Gail Gatt, General Manager Strategy and Effectiveness |
| Division: | Strategy and Effectiveness |
| Department: | Finance |
| Attachments: | Nil |

Purpose

1. This report contains proposed project budget adjustments and cash reserve transfers for Council approval. The report presents adjustments including existing projects requiring adjustment, project closures, new projects to be initiated, Chief Executive Officer (CEO) approved transfers under delegation or corrections to prior reports presented to Council.

Recommendation

That Council approves the project budget adjustments outlined in Tables 1 to 6 of this report, with the net changes to cash reserves summarised below:

| Funding Sources | 2024-25 Transfers From/(To) Reserve \$ |
|---|---|
| Accumulated Unallocated Cash Reserve (Offset in Recurrent Operations) | 20,000 |
| Adopted Strategy Reserve | 2,998 |
| Asset Renewal Reserve | 120,836 |
| Developer Contributions Reserve | 25,000 |
| Waste Reserve | (18,525) |
| Grand Total | 150,309 |

Council Resolution

Moved Cr Allen, Seconded Cr Stapleton

That Council approves the project budget adjustments outlined in Tables 1 to 6 of this report, with the net changes to cash reserves summarised below:

| Funding Sources | 2024-25 Transfers From/(To) Reserve \$ |
|---|---|
| Accumulated Unallocated Cash Reserve (Offset in Recurrent Operations) | 20,000 |
| Adopted Strategy Reserve | 2,998 |
| Asset Renewal Reserve | 120,836 |

| | |
|---------------------------------|----------------|
| Developer Contributions Reserve | 25,000 |
| Waste Reserve | (18,525) |
| Grand Total | 150,309 |
| CARRIED 8 1 | |

| For | Against | Abstained |
|----------------|-----------|-----------|
| Cr Allen | Cr Barker | Nil |
| Cr Bodsworth | | |
| Cr Gazzard | | |
| Cr Hodge | | |
| Cr Pattison | | |
| Cr Schonfelder | | |
| Cr Stapleton | | |
| Cr Wellington | | |

Outcome

2. This report regularly brings decisions to Council about material changes to project budgets and provides visibility about CEO approved project changes. Material project budget transfers or new projects endorsed by the Executive Management Team which not yet approved by Council are presented for approval. This process ensures that Councillors decide on changes and are kept informed; whilst allowing for smooth project delivery. The report also provides transparency for the community.

Key Considerations

3. This report contributes to Council's financial management principles by recording the allocation and movement of project funds that may impact on current and future budgets.
4. This report contributes to public transparency by ensuring that the allocation and movement of project funds is made available to the community.

Background

5. The project budget adjustments presented in this report relate to the 2024-25 financial year. All figures in this report are exclusive of GST.
6. The following project adjustments, detailed in Table 1, are projects that require adjustments to their approved budgets to allow achievement of project scope and objectives, or there is a request to adjust project scope. The project adjustments in Table 1 have been endorsed by the Executive Management Team.

Table 1 - Projects Requiring Adjustment

| Project Name | Funding Source | Basis for Variation | Project Allocation / (Saving) \$ |
|--------------|----------------|---------------------|----------------------------------|
|--------------|----------------|---------------------|----------------------------------|

| | | | |
|--|-----------------------------|---|----------|
| Solar, Efficiency & Transition Program | Partner Contribution Funded | Recognise Victorian Energy Efficiency Certificates (VEECs) related to the solar installed on the Civic Centre, Torquay. This income contributes to offsetting the solar installation expenditure. | 22,326 |
| Local Roads and Community Infrastructure Program Phase 2 - Lorne School Traffic Management Improvement Stage 2 | Project Savings Account | Project has been delayed, required redesign and construction prices have increased significantly since project was initially scoped and quoted in 2022. Additional funds required to complete the project include the installation of safety handrail to the school bus station pedestrian ramp. Revised project budget \$680,000. | 30,000 |
| Playground at Thompsons Creek Reserve, Moriac | Project Account | Community decision chose not to pursue the intent of the playground at Thompsons Creek Reserve, Moriac, instead to use the fund for fitness equipment in the same area. The project budget will be consolidated with the Moriac Greenfields Reserve Stage 2 project for delivery in 2024-25. | (12,845) |
| Moriac Greenfields Reserve, Stage 2 | | | 12,845 |
| Stribling Reserve Pavilions Redevelopment - Final Scope Items | Project Savings Account | Additional budget is required to meet market rates to complete works at Stribling Reserve, including stretcher access construction and outstanding project items. The works will complete the Stribling Reserve Pavilions Redevelopment project which has provided new community and netball pavilions. Revised project budget \$90,648. | 55,000 |
| Building Services Compliance Software | Project Savings Account | This is a digital project for a dedicated building compliance software system that had a \$70,000 allocation in the 2024-25 budget. The projects implementation was initially planned to be undertaken via the Building Compliance department, with some project management support from Digital Transformation. However, to enable delivery and manage workloads with this department, the project will require additional project management support. An allocation of \$25,000 for project management is requested, resulting in a revised project budget of \$95,000. | 25,000 |
| Eastern Reserve and Stribling Reserve Netball Courts | Asset Renewal Reserve | Netball reconstruction contract was executed in January 2024. Awarded contractor was not able to achieve the proposed tender practical completion date. To ensure the safety of the users and for the 2024 netball season, short term treatment works were undertaken for the | 135,000 |

| | | | |
|---|---------------------------------|--|--------|
| | | three netball courts to the value of approximately \$135,000. The variation is to cover the additional cost from the short term works. Contract reconstruction works to commence September 2024. Revised project budget \$1,040,000. | |
| Streetlight Replacement - Non-Standard Streetlights | Developer Contributions Reserve | Renew damaged non-standard streetlights works undertaken in partnership with Powercor. | 25,000 |

The budget transfers, detailed in Table 2, are newly initiated projects and have been endorsed by the Executive Management Team.

Table 2 – New Projects

| Project Name | Funding Source | Basis for Variation | Project Allocation / (Saving) \$ |
|--|---|--|----------------------------------|
| Globe Theatre Speakers Renewal | Adopted Strategy Implementation Reserve | The audio equipment at Globe Theatre has failed and requires replacement. A quote has been received and to fund these works, Council will draw on the Adopted Strategy Reserve which contains the remaining cash funds (\$14,369) from the dissolved Globe Theatre Community Asset Committee. These funds were placed in the Adopted Strategy Reserve until such initiatives were identified. | 2,998 |
| Landscaping of Stribling Reserve Pavilion Grounds | Accumulated Unallocated Cash Reserve (Offset in Recurrent Operations) | Additional budget is requested to undertake landscaping works at Stribling Reserve. The net of the below will create a new \$40,000 project for the landscaping works at Stribling Reserve. | 20,000 |
| | Project Savings Account | The Accumulated Unallocated Cash Reserve allocation will be offset by Council via a reprioritising of \$20,000 of recurrent operational expenditure from Open Space and Integrated Planning so that this reserve is not impacted at end of financial year. | 15,000 |
| | Project Account | | 5,000 |
| Growing Our Urban Forest - Planning & Implementation | Project Account | Also funding this project will be an allocation of \$15,000 from the Project Savings Account and \$5,000 from the Growing Our Urban Forest Project. | (5,000) |
| Surf Coast Aquatic and Health Centre - Stage 2 Planning Proposal | Grant Funded | State Government grant funding from Department of Jobs, Skills, Industry and Regions towards the preparation of planning documentation to inform a Stage 2 proposal for the Surf Coast Aquatic and Health Centre to Sport and Recreation Victoria's satisfaction. Scope will include planning advice, concept plan for Stage 2, quantity surveyor estimate, project schedule and procurement/delivery methodology. | 137,115 |

Project closures detailed in Table 3 have been endorsed at an Executive Management Team meeting.

Table 3 – Closed Projects

| Project Name | Funding Source | Basis for Variation | Project Allocation / (Savings) \$ |
|--|-------------------------|---|-----------------------------------|
| Winchelsea & Lorne Site Shed Upgrades | Waste Reserve | Scope completed. Life of project cost \$82,425. | (18,525) |
| Winchelsea Common Future Use Plan Implementation | Project Savings Account | Scope completed on this grant funded project from Department of Environment, Land, Water and Planning. Life of project cost \$200,000. | Nil |
| Widen Coombes Road (RD11) and Rehabilitation - Ghazepore Road to Anglesea Road | Asset Renewal Reserve | Scope completed in February 2024. Grant funding contributions to project from Black Spot and Roads to Recovery Programs. Project closure delayed due to outstanding grant funding invoice now received. Life of project cost \$1,709,158. | (14,164) |

Table 4 contains projects that have been endorsed under Council delegation by the Chief Executive Officer.

Table 4 – CEO Approved Transfers

| Project Name | Funding Source | Basis for Variation | Project Allocation / (Saving) \$ |
|--------------|----------------|---------------------|----------------------------------|
| Nil | | | |

Table 5 contains corrections or adjustments to prior reports presented to Council.

Table 5 – Corrections to Prior Reports

| Project Name | Funding Source | Basis for Variation | Project Allocation / (Saving) \$ |
|--------------|----------------|---------------------|----------------------------------|
| Nil | | | |

Table 6 – Accumulated Unallocated Cash Reserve Movements

| Accumulated Unallocated Cash Reserve | 2024-25 \$'000 | 2025-26 \$'000 | 2026-27 \$'000 | 2027-28 \$'000 |
|---------------------------------------|-------------------|-------------------|-------------------|-------------------|
| Opening Balance | 9,087 | 10,933 | 10,159 | 8,347 |
| Budgeted Annual Surplus/(Deficit) | 169 | (774) | (1,621) | (1,742) |
| Transfer for Project Funding | - | - | (190) | (190) |
| Net Allocations During Year (From)/To | (32) | - | - | - |
| New Allocations Proposed (From)/To | (20) | - | - | - |
| Closing Balance * | 9,204 | 10,159 | 8,347 | 6,416 |

| Accumulated Unallocated Cash Reserve | 2024-25 \$'000 |
|--|-------------------|
| Net Allocations During Year (From)/To | |
| 325 Mousley Drive Winchelsea Divestment | (32) |
| Net Allocations (From)/To | (32) |
| New Allocations Proposed (From)/To | |
| Landscaping of Stribling Reserve Pavilion Grounds (which will be offset in Recurrent Operations) | (20) |
| Total New Net Allocations (From)/To | (20) |

*Note: Includes budgeted annual surplus/(deficit) as per Adopted Budget 2024-25.

Options

7. **Alternative Option 1** – Not approve transfers as recommended.

This option is not recommended by officers because transfers are necessary to allow ongoing delivery and closure of projects that have been through a series of governance checks.

Council Plan (including Health and Wellbeing Plan) Statement

Theme Seven - Accountable and Viable Council

Strategy 18 - Establish a sustainable financial position.

Financial Considerations

8. This report contributes to Council's financial management principles by recording the allocations and movements of project funds that may impact on the budget, current and future, and the achievement the Council Plan strategies and objectives.

Community Engagement

9. Community engagement was not undertaken on the content of this report. Many projects are subject to community engagement on scope and project completion is regularly communicated to community members involved in projects and the wider community. This report contributes to public transparency by ensuring that the allocation and movement of project funds is made available to the community.

Statutory / Legal / Policy Considerations

10. Under the *Local Government Act 2020*, this report contributes to:

- 10.1. Financial viability by ensuring Council approves and is well informed about the allocation and movement of project funds to achieve the best outcomes for the municipal community;
- 10.2. Transparency by ensuring that the allocation and movement of project funds is made available to the community;
- 10.3. Financial management principles by recording the allocation and movement of project funds that may impact on the budget, current and future; and
- 10.4. Performance for project delivery by considering the allocation and movement of project funds for successful project outcomes.

Strategic Risk

11. **Failure to deliver outcomes in line with community needs**
12. Inherent Risk Rating - *Serious*, Residual Risk Rating – *High*

Risk Rating

13. Risk rating is low and can be managed at department level.

Risk Appetite

14. This report relates to the ordinary business of Council and no Risk Appetite Statement is relevant.

Risk Assessment

15. If Council did not receive this report, this would risk public transparency and potentially reduce the financial rigour applied to managing projects.
16. Decisions in this report support project delivery and the implementation of the Council Plan (including Health and Wellbeing Plan 2021-25).

Conflict of Interest

17. No officer declared a conflict of interest under the *Local Government Act 2020* in the preparation of this report.

Confidentiality

18. This report and attachments contain no confidential information under section 66(2) of the *Local Government Act 2020* (Vic).

Transparency

Audit and Risk Committee involvement

19. This monthly Council Report item is not within the scope of matters considered by the Audit and Risk Committee.

Councillor Briefings

20. This item was not presented at a Councillor Briefing.

4.6 Instrument of Appointment and Authorisation - Planning and Environment Act 1987

Council Plan

Theme Seven - Accountable and Viable Council

Strategy 19 - Improve Council's credibility as a trusted decision maker through meaningful engagement.

Author's Title:

Acting Governance Officer

General Manager:

Gail Gatt, General Manager Strategy and Effectiveness

Division:

Strategy and Effectiveness

Department:

Integrity and Governance

Attachments:

1. 2024-09-16 - 30 - S 11 A Authorisation (Planning and Environment Act 1987) - Clean [4.6.1 - 1 page]
2. 2024-09-16 - 30 - S 11 A Authorisation (Planning and Environment Act 1987) - Tracked Changes [4.6.2 - 1 page]

Purpose

1. The purpose of this report is to seek Council's endorsement for authorised officers under the *Planning & Environment Act 1987* through the updated Instrument of Authorisation and Appointment (the instrument). This instrument requires updating due to recent staff changes.

Recommendation

That Council:

1. Approves the Instrument of Authorisation appointing the Council officers listed as authorised officers under the *Planning and Environment Act 1987* (**Attachment 1**).
2. Authorises the Chief Executive Officer to execute the instrument by affixing the common seal in accordance with Local Law No. 2 of 2020 Common Seal and Miscellaneous Penalties.
3. Notes that the instrument comes into force immediately upon execution and remains in force until Council determines to vary or revoke it.
4. Notes that the previous Instrument of Appointment and Authorisation is revoked upon execution.

Council Resolution

Moved Cr Hodge, Seconded Cr Stapleton

That Council:

1. Approves the Instrument of Authorisation appointing the Council officers listed as authorised officers under the *Planning and Environment Act 1987* (**Attachment 1**).
2. Authorises the Chief Executive Officer to execute the instrument by affixing the common seal in accordance with Local Law No. 2 of 2020 Common Seal and Miscellaneous Penalties.
3. Notes that the instrument comes into force immediately upon execution and remains in force until Council determines to vary or revoke it.
4. Notes that the previous Instrument of Appointment and Authorisation is revoked upon execution.

CARRIED 9|0

| For | Against | Abstained |
|---|----------------|------------------|
| Cr Allen Cr Barker Cr Bodsworth Cr Gazzard Cr Hodge Cr Pattison Cr Schonfelder Cr Stapleton Cr Wellington | Nil | Nil |

Outcome

2. Council will update the officers who have the authority to carry out their roles within legislated requirements, enabling services to continue to be delivered to the community.

Key Considerations

3. Officers acting under the *Planning and Environment Act 1987* have authorisation for regulatory and enforcement work if required, as appropriate to their level of experience and qualifications.
4. The specific authorisations provided through this instrument include:
 - 4.1. under section 147(4) of the *Planning and Environment Act 1987* – appointment as an authorised officer for the purposes of the *Planning and Environment Act 1987* and the regulations made under that Act; and
 - 4.2. under section 313 of the *Local Government Act 2020*, authorisation generally to institute proceedings for offences against the Act and/or any regulations.
5. The attached instrument has been reviewed and updated to reflect recent staff changes.

Background

6. Officers are appointed as authorised officers to exercise statutory powers under various Acts and regulations. Appointments of authorised officers are to individual staff members.
7. The power to appoint authorised officers under the *Planning and Environment Act 1987* cannot be delegated and must be done through a resolution of Council.

Options

8. **Alternative Option 1** – That Council does not endorse the updated instrument of authorisation.

This option is not recommended by officers as it will prevent new officers from being able to properly carry out their roles and provide services to the community.

Council Plan (including Health and Wellbeing Plan) Statement

Theme Seven - Accountable and Viable Council

Financial Considerations

9. There are no financial implications arising from this report.

Community Engagement

10. Community engagement is not undertaken when updating the Instrument of Appointment and Authorisation - *Planning and Environment Act 1987*.

Statutory / Legal / Policy Considerations

11. The appointment of authorised officers under the *Planning and Environment Act 1987* ensures Council is compliant with the legislation and that officers are able to carry out their enforcement roles.

Strategic Risk

12. **Failure to meet Councils Governance and Compliance obligations**

13. Inherent Risk Rating - *Serious*, Residual Risk Rating - *Medium*

14. By approving the Instrument of Appointment and Authorisation *Planning and Environment Act 1987 (Attachment 1)*, Council is mitigating the risks associated with officers not being properly authorised to carry out their roles as responsibilities. The risks mitigated include legal and reputational risks.

Risk Rating

15. The risk rating associated with accepting the recommendation in this report is low and can be managed at department level.

Risk Appetite

16. No Risk Appetite Statement selected as this is an administrative report.

Sustainability Considerations

17. There are no sustainability considerations associated with this report.

Conflict of Interest

18. No officer declared a conflict of interest under the *Local Government Act 2020* in the preparation of this report.

Confidentiality

19. This report and attachments contain no confidential information under section 66(2) of the *Local Government Act 2020*.

Transparency

Audit and Risk Committee involvement

20. This report was not considered by the Audit and Risk Committee.

Councillor Briefings

21. This item was not discussed at Councillor Briefings.



**Instrument of Appointment and Authorisation
(Planning and Environment Act 1987)**

In this instrument "officer" means –

- | | |
|------------------------|-------------------------|
| Andrew Hewitt | Lily Mackey |
| Anthony (Tony) Rolfs | Mathew Mertuszka |
| Barbara Peppard | Melinda (Mindy) Vardy |
| Ben Hynes | Michelle Warren |
| Ben Schmied | Narelle Tozer |
| Benjamin Lowe Jabornik | Nick Helliwell |
| Bianca Wilkin | Paul Elshaug |
| Carol Mitchell | Paul Sarapuu |
| Chris Pike | Rhiannan Glenister |
| David O'Connor | Rhonda Gambetta |
| Dee Gomes | Robert Page |
| Emma Monteath | Robert Pitcher |
| Finn Tewson | Robyn Neville |
| Foti Dimopoulos | Rochelle Humphrey |
| Gabrielle O'Shea | Samantha Natt |
| Genevieve Cooper | Sandra Tomic |
| Guy Price | Sarah Farrer |
| Jason Scammell | Sarah Storen |
| Jayde Whitten | Shaun Barling |
| Jennifer Davidson | Susan Wlodarczyk |
| Karen Campbell | Tim Waller |
| Kate Sullivan | Travis Ferrari |
| Kristy Prothman | Veronica Abbot |
| Leah Protyniak | William (Bill) Cathcart |
| Leanne Rolfe | |

By this instrument of appointment and authorisation Surf Coast Shire Council -

- under s 147(4) of the *Planning and Environment Act 1987* - appoints the officers to be authorised officers for the purposes of the *Planning and Environment Act 1987* and the regulations made under that Act; and
- under s 313 of the *Local Government Act 2020* authorises the officers either generally or in a particular case to institute proceedings for offences against the Acts and regulations described in this instrument.

It is declared that this instrument -

- comes into force immediately upon its execution;
- remains in force until varied or revoked.

This instrument is authorised by a resolution of the Surf Coast Shire Council pursuant to the Council resolution dated 16 September 2024.

*The COMMON SEAL of SURF COAST
SHIRE COUNCIL was affixed in the
presence of:*)
)
)

.....
Chief Executive Officer

.....
Mayor/Deputy Mayor

.....
Date

.....
Date



**Instrument of Appointment and Authorisation
(Planning and Environment Act 1987)**

In this instrument "officer" means –

- | | |
|----------------------------------|----------------------------------|
| Andrew Hewitt | Lily Mackey |
| Anthony (Tony) Rolfs | Mathew Mertuszka |
| Barbara Peppard | Melinda (Mindy) Vardy |
| Ben Hynes | Michelle Warren |
| Ben Schmied | Narelle Tozer |
| Benjamin Lowe Jabornik | Nick Helliwell |
| Bianca Wilkin | Paul Elshaug |
| Carol Mitchell | Paul Sarapuu |
| Chris Pike | Rhiannan Glenister |
| David O'Connor | Rhonda Gambetta |
| Dee Gomes | Robert Page |
| Emma Monteath | Robert Pitcher |
| Finn Tewson | Robyn Neville |
| Foti Dimopoulos | Rochelle Humphrey |
| Gabrielle O'Shea | Samantha Natt |
| Genevieve Cooper | Sandra Tomic |
| Guy Price | Sarah Farrer |
| Jason Scammell | Sarah Storen |
| Jayde Whitten | Shaun Barling |
| Jennifer Davidson | Susan Wlodarczyk |
| Karen Campbell | Tim Waller |
| Kate Sullivan | Travis Ferrari |
| Kristy Prothman | Veronica Abbot |
| Leah Protyniak | William (Bill) Cathcart |
| Leanne Rolfe | |

By this instrument of appointment and authorisation Surf Coast Shire Council -

- under s 147(4) of the *Planning and Environment Act 1987* - appoints the officers to be authorised officers for the purposes of the *Planning and Environment Act 1987* and the regulations made under that Act; and
- under s 313 of the *Local Government Act 2020* authorises the officers either generally or in a particular case to institute proceedings for offences against the Acts and regulations described in this instrument.

It is declared that this instrument -

- comes into force immediately upon its execution;
- remains in force until varied or revoked.

This instrument is authorised by a resolution of the Surf Coast Shire Council pursuant to the Council resolution dated [27 August 16 September](#) 2024.

*The COMMON SEAL of SURF COAST
SHIRE COUNCIL was affixed in the
presence of:*)

.....
Chief Executive Officer

.....
Mayor/Deputy Mayor

.....
Date

.....
Date

4.7 s6 Instrument of Delegation Update

Council Plan

Theme Seven - Accountable and Viable Council

Strategy 19 - Improve Council's credibility as a trusted decision maker through meaningful engagement.

Author's Title:

Coordinator Governance

General Manager:

Damian Waight, Acting General Manager Strategy and Effectiveness

Division:

Strategy and Effectiveness

Department:

Integrity and Governance

Attachments:

1. S6 Instrument of Delegation - Members of Staff - Updates Summary [4.7.1 - 32 pages]
2. s6 Instrument of Delegation - Council to Members of Staff - September 2024 [4.7.2 - 142 pages]

Purpose

1. The purpose of this report is to present the s6 Instrument of Delegation from Council to members of Council staff, which has been reviewed and updated.
- 2.

Recommendation

That Council, in the exercise of the powers conferred by the legislation referred to in the attached s6 Instrument of Delegation (**Attachment 2**):

1. Delegates to the members of Council staff holding, acting in, or performing the duties of the officers or positions referred to in that Instrument, the powers, duties and functions set out in the Instrument, subject to the conditions and limitations specified in that Instrument; and
2. Authorises the Chief Executive Officer to execute the s6 Instrument of Delegation; and
3. Approves the s6 Instrument of Delegation to come into force immediately upon execution; and
4. Notes that upon execution of this instrument, the previous s6 Instrument of Delegation is revoked.

Council Resolution

Moved Cr Allen, Seconded Cr Gazzard

That Council, in the exercise of the powers conferred by the legislation referred to in the attached s6 Instrument of Delegation (**Attachment 2**):

1. Delegates to the members of Council staff holding, acting in, or performing the duties of the officers or positions referred to in that Instrument, the powers, duties and functions set out in the Instrument, subject to the conditions and limitations specified in that Instrument; and
2. Authorises the Chief Executive Officer to execute the s6 Instrument of Delegation; and
3. Approves the s6 Instrument of Delegation to come into force immediately upon execution; and
4. Notes that upon execution of this instrument, the previous s6 Instrument of Delegation is revoked.

CARRIED 9|0

| For | Against | Abstained |
|---|----------------|------------------|
| Cr Allen Cr Barker Cr Bodsworth Cr Gazzard Cr Hodge Cr Pattison Cr Schonfelder Cr Stapleton Cr Wellington | Nil | Nil |

Outcome

2. Council's ability to delegate to members of Council staff is provided for under many of the Acts and Regulations applicable to Council's activities. This process allows Council to operate effectively by delegating certain powers, duties and functions to enable staff to perform applicable parts of their roles without having to take each matter to Council for a resolution.

Key Considerations

3. Council's Instruments of Delegation are updated periodically to reflect changes in legislation, as well as changes to roles and organisational structure.
4. When relevant, managers of the affected areas are consulted or advised prior to the Instrument being presented to Council.
5. The changes to the instrument are described in **Attachment 1**.

Background

6. Prior to the implementation of the *Local Government Act 2020*, Council had the power to delegate to Council staff in accordance with section 98 of the *Local Government Act 1989*. An equivalent provision does not exist in the new Act, however there are provisions under each Act within the Instrument which allow Council to delegate directly to staff. These sections are displayed under each Act within the Instrument.
7. Council's delegations are derived from the Maddocks Lawyers Instruments of Delegation package and the templates have been thoroughly vetted and reviewed by local government lawyers

Options

8. **Alternative Option 1** – That Council does not adopt the Instrument of Delegation as attached.

This option is not recommended by officers as the updates outlined in **Attachment 1** have been provided by external lawyers and reviewed by officers.

Council Plan (including Health and Wellbeing Plan) Statement

Theme Seven - Accountable and Viable Council

Strategy 19 - Improve Council's credibility as a trusted decision maker through meaningful engagement.

Financial Considerations

9. This report contains to the Instrument of Delegation which have no expected financial impacts.

Community Engagement

10. Community engagement has not been undertaken for this report

Statutory / Legal / Policy Considerations

11. Section 11 of the *Local Government Act 2020* allows Council to delegate certain matters to the CEO, however does not address delegations from Council to members of staff. The below sections of legislation identify the mechanisms by which Council is authorised to delegate the items in the S6 Instrument of Delegation. This eliminates any concern that Council's ability to delegate to staff has not been taken into account under section 11 of the Act.

12. The relevant provisions enabling delegation are as follows:

- 13.1. *Domestic Animals Act 1984 - s41A(4)*
- 13.2. *Environment Protection Act 1970 - s53M(8)*
- 13.3. *Food Act 1984 - s58A*
- 13.4. *Heritage Act 2017 - s116(3)*
- 13.5. *Planning and Environment Act 1987 - s188*
- 13.6. *Residential Tenancies Act 1997 - s524(2)*
- 13.7. *Road Management Act 2004 - s118(1)*

Strategic Risk

13. Failure to meet Council's governance and compliance obligations
14. Inherent Risk Rating - *Serious*, Residual Risk Rating - *Medium*
15. The risks associated with not delegating certain powers and duties include a slowing of Council's operations and Council meetings being overwhelmed with day to day decisions. This would ultimately result in the community not being serviced adequately.

16. By effectively utilising its powers to delegate, Council can ensure that day to day operations continue unhindered, allowing the Council to focus on strategic decision making for the Surf Coast Shire municipality.

Risk Rating

17. The risk rating is low and can be managed at department level.

Risk Appetite

18. This item does not relate to any of Council's appetite statements

Sustainability Considerations

19. Sustainability considerations are not materially applicable to this report.

Conflict of Interest

20. No officer declared a conflict of interest under the *Local Government Act 2020* in the preparation of this report.

Confidentiality

21. This report and attachments contain no confidential information under section 66(2) of the *Local Government Act 2020*.

Transparency

Audit and Risk Committee involvement

This report is not in scope of the Audit and Risk Committee.

Councillor Briefings

22. This item was not presented at a Councillor briefing

Attachment_4.7.1_S6_Instrument_of_Deleg

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4.8 Conflict of Interest Records

Council Plan

Author's Title:

General Manager:

Division:

Department:

Attachments:

Theme Seven - Accountable and Viable Council

Strategy 19 - Improve Council's credibility as a trusted decision maker through meaningful engagement.

Acting Governance Officer

Gail Gatt, General Manager Strategy and Effectiveness

Strategy and Effectiveness

Integrity and Governance

1. Conflict of Interest Record - Additional Councillor Briefing - 20 August 2024 [4.8.1 - 1 page]
2. Conflict of Interest Record - Additional Councillor Briefing - 21 August 2024 [4.8.2 - 1 page]
3. Conflict of Interest Record - Additional Councillor Briefing - 21 August 2024 [4.8.3 - 1 page]
4. Conflict of Interest Record - Councillor Briefing - 27 August 2024 [4.8.4 - 1 page]
5. Conflict of Interest Record - Councillor Briefing - 3 September 2024 [4.8.5 - 2 pages]
6. Conflict of Interest Record - Forum to Discuss Haven Foundation Development - 5 September 2024 [4.8.6 - 1 page]
7. Conflict of Interest Record - Councillor Briefing - 10 September 2024 [4.8.7 - 2 pages]

Purpose

1. To present conflict of interest records received since the previous Council meeting.
2. Conflict of interest records are required in accordance with the *Local Government Act 2020* (Act) and these records inform Council and the community if any conflicts of interest have been declared by Councillors at meetings held under the auspices of Council which are not Council meetings.

Recommendation

That Council notes the conflict of interest records as presented in **Attachments 1 to 7** for the following meetings:

1. Conflict of Interest Record – Additional Councillor Briefing – 20 August 2024.
2. Conflict of Interest Record – Additional Councillor Briefing – 21 August 2024.
3. Conflict of Interest Record – Additional Councillor Briefing – 21 August 2024.
4. Conflict of Interest Record – Councillor Briefing – 27 August 2024.
5. Conflict of Interest Record – Councillor Briefing – 3 September 2024.
6. Conflict of Interest Record – Forum to Discuss Haven Foundation Development – 5 September 2024.
7. Conflict of Interest Record – Councillor Briefing – 10 September 2024

Council Resolution

Moved Cr Bodsworth, Seconded Cr Gazzard

That Council notes the conflict of interest records as presented in **Attachments 1 to 7** for the following meetings:

1. Conflict of Interest Record – Additional Councillor Briefing – 20 August 2024.
2. Conflict of Interest Record – Additional Councillor Briefing – 21 August 2024.
3. Conflict of Interest Record – Additional Councillor Briefing – 21 August 2024.
4. Conflict of Interest Record – Councillor Briefing – 27 August 2024.
5. Conflict of Interest Record – Councillor Briefing – 3 September 2024.
6. Conflict of Interest Record – Forum to Discuss Haven Foundation Development – 5 September 2024.
7. Conflict of Interest Record – Councillor Briefing – 10 September 2024

CARRIED 9|0

| For | Against | Abstained |
|---|----------------|------------------|
| Cr Allen Cr Barker Cr Bodsworth Cr Gazzard Cr Hodge Cr Pattison Cr Schonfelder Cr Stapleton Cr Wellington | Nil | Nil |

Outcome

3. This report promotes public transparency by disclosing any conflicts of interest declared by Councillors during meetings conducted under the auspices of Council.

Key Considerations

4. The Act outlines requirements for Councillors to declare and manage conflicts of interests. Councillors disclosing conflicts of interests and following the prescribed requirements promote transparency in decision-making.
5. The attached conflict of interest records are prepared in accordance with the Act and Council's Governance Rules. The Act outlines that the procedure for disclosing conflicts must be included within the Governance Rules and Chapter 3 of these Rules prescribes that a record of any meeting held under the auspices of Council must be kept and presented to the next possible Council meeting.
6. Publication of these records is an important part of the overall management of conflicts of interest. By making these records publicly available, the community is made aware that interests are recorded and managed effectively. This helps Councillors perform their roles in a way that meets the requirements of legislation and is consistent with community expectation.

Background

7. Conflict of interest records are required to be presented to Council in accordance with the Act and Council's Governance Rules.
8. Council notes these conflict of interest records monthly. Declaring conflicts of interest helps Councillors comply with legal requirements and meet community expectation.
9. These records replace the previous requirement under the *Local Government Act 1989* to present an Assembly of Councillors to Council.

Options

10. **Alternative Option 1** – That Council does not note the conflict of interest records.

This option is not recommended as it would mean Council is not compliant with legislation.

Council Plan (including Health and Wellbeing Plan) Statement

Theme Seven - Accountable and Viable Council

Financial Considerations

11. There are no financial considerations associated with presenting the conflict of interest records.

Community Engagement

12. Community engagement has not been undertaken as this report is a presentation of conflict of interest records.
13. Providing these records to the community provides information if any Councillor conflicts of interests are recorded.

Statutory / Legal / Policy Considerations

14. These records are published in accordance with section 131 of the Act.

Strategic Risk

15. **Failure to meet Councils Governance and Compliance obligations**
16. Inherent Risk Rating - *Serious*, Residual Risk Rating – *Medium*

Risk Rating

17. Risk rating is low and can be managed at department level. Individual departments are responsible for completing these records, mitigating risks of non-compliance.

Risk Appetite

18. The Risk Appetite statement is not applicable to this report.

Sustainability Considerations

19. There are no sustainability considerations associated with this report.

Conflict of Interest

20. No officer declared a conflict of interest under the *Local Government Act 2020* in the preparation of this report.

Confidentiality

21. This report and attachments contain no confidential information under section 66(2) of the *Local Government Act 2020*.

Transparency

Audit and Risk Committee involvement

22. This report has not been presented to the Audit and Risk Committee.

Councillor Briefings

23. This item was not presented to a Councillor briefing.

File No F18/225-4
Trim Reference Record Number



Conflict of Interest Record Meetings conducted under the auspices of Council

Section 131 of the Local Government Act 2020 and Chapter 3 of Council's Governance Rules

| |
|--|
| Description of Meeting: Additional Councillor Briefing |
| Responsible Officer: Acting Chief Executive Officer Gail Gatt |
| Date: Tuesday 20 August 2024 |
| In Attendance: Yes (✓) No (X) |

| Councillors | | Officers | |
|----------------------------------|---|--|---|
| Cr. Liz Pattison, Mayor | ✓ | Acting Chief Executive Officer – Gail Gatt | ✓ |
| Cr. Mike Bodsworth, Deputy Mayor | ✓ | Acting General Manager Place Making & Environment – Jane Spence | ✓ |
| Cr. Gary Allen | ✓ | Acting General Manager Strategy & Effectiveness – Jake Brown | ✓ |
| Cr. Paul Barker | X | General Manager Community Life - Damian Waight | ✓ |
| Cr. Kate Gazzard | ✓ | Manager Government Relations and Strategic Projects – Darryn Chiller | ✓ |
| Cr. Rose Hodge | ✓ | Acting Governance Officer – Candace Martin-Burgers | ✓ |
| Cr. Adrian Schonfelder | ✓ | Recreation Development Officer – Paul Elshaug | ✓ |
| Cr. Libby Stapleton | ✓ | Manager Finance – Gabrielle Spiller | ✓ |
| Cr. Heather Wellington | X | | |

| | | | |
|--------------------------|---------|--------------------------|---------|
| MEETING COMMENCED | 11:04am | MEETING CONCLUDED | 11:51am |
|--------------------------|---------|--------------------------|---------|

Matters considered at the meeting
CONFIDENTIAL – Surf Coast Aquatic & Health Centre

| Councillor Conflict of Interest Disclosures | | |
|---|--------------------|--|
| Councillor | Left Meeting (Y/N) | Classification and nature of interest(s) disclosed |
| Nil. | | |

Responsible Officer Signature: **Print Name: Gail Gatt**

To be completed on conclusion of session and provided to Governance Officer.

Governance Rules, Chapter 3, Clause 3

- 3.1. At a meeting under the auspices of Council that is not a meeting of the Council or delegated committee, the Chief Executive Officer must ensure that a written record is kept of—
- a) the names of all Councillors and members of Council staff attending;
 - b) the matters considered;
 - c) any conflict of interest disclosures made by a Councillor attending under subclause 3.3;
 - d) whether a Councillor who has disclosed a conflict of interest as required by subclause 3.3 leaves the meeting.
- 3.2. The Chief Executive Officer must ensure that the written record of a meeting held under this clause is, as soon as practicable—
- a) reported at a meeting of the Council; and
 - b) incorporated in the minutes of that Council meeting.

Auspices of the Council

Any meeting that is organised, sponsored or otherwise facilitated by the council should be treated as an 'auspiced' meeting. Council auspiced meetings may include, but are not limited to:

- regular councillor briefings or forums,
- other briefing meetings,
- committees other than a delegated or community asset committee (such as advisory committees),
- public consultations, and
- site meetings (incl. include meetings the council arranges jointly with other organisations).

File No F18/225-4
Trim Reference Record Number



Conflict of Interest Record Meetings conducted under the auspices of Council

Section 131 of the Local Government Act 2020 and Chapter 3 of Council's Governance Rules

| |
|--|
| Description of Meeting: Briefing for Cr Heather Wellington and Cr Paul Barker |
| Responsible Officer: Damian Waight |
| Date: Wednesday 21 August 2024 |
| In Attendance: Yes (✓) No (X) |

| Councillors | | Officers | |
|----------------------------------|---|--|---|
| Cr. Liz Pattison, Mayor | X | General Manager Community Life – Damian Waight | ✓ |
| Cr. Mike Bodsworth, Deputy Mayor | X | Acting Manager Operations – Rishi Viner | ✓ |
| Cr. Gary Allen | X | Acting Coordinator Civil Operations – James Jennings | ✓ |
| Cr. Paul Barker | ✓ | | |
| Cr. Kate Gazzard | X | | |
| Cr. Rose Hodge | X | | |
| Cr. Adrian Schonfelder | X | | |
| Cr. Libby Stapleton | X | | |
| Cr. Heather Wellington | ✓ | | |
| | | | |

| | | | |
|--------------------------|--------|--------------------------|--------|
| MEETING COMMENCED | 4:00pm | MEETING ADJOURNED | 4:35pm |
|--------------------------|--------|--------------------------|--------|

| |
|--|
| Matters considered at the meeting |
| Unsealed Roads Network Review 2024 |

| Councillor Conflict of Interest Disclosures | | |
|---|--------------------|--|
| Councillor | Left Meeting (Y/N) | Classification and nature of interest(s) disclosed |
| Nil. | | |

Responsible Officer Signature: **Print Name:** Damian Waight

To be completed on conclusion of session and provided to Governance Officer.

Governance Rules, Chapter 3, Clause 3

3.1. At a meeting under the auspices of Council that is not a meeting of the Council or delegated committee, the Chief Executive Officer must ensure that a written record is kept of—

- a) the names of all Councillors and members of Council staff attending;
- b) the matters considered;
- c) any conflict of interest disclosures made by a Councillor attending under subclause 3.3;
- d) whether a Councillor who has disclosed a conflict of interest as required by subclause 3.3 leaves the meeting.

3.2. The Chief Executive Officer must ensure that the written record of a meeting held under this clause is, as soon as practicable—

- a) reported at a meeting of the Council; and
- b) incorporated in the minutes of that Council meeting.

Auspices of the Council

Any meeting that is organised, sponsored or otherwise facilitated by the council should be treated as an 'auspiced' meeting. Council auspiced meetings may include, but are not limited to:

- regular councillor briefings or forums,
- other briefing meetings,
- committees other than a delegated or community asset committee (such as advisory committees),
- public consultations, and
- site meetings (incl.include meetings the council arranges jointly with other organisations).

File No F18/225-4
Trim Reference Record Number



Conflict of Interest Record Meetings conducted under the auspices of Council

Section 131 of the Local Government Act 2020 and Chapter 3 of Council's Governance Rules

| |
|--|
| Description of Meeting: Supplementary Councillor Briefing |
| Responsible Officer: Acting Chief Executive Officer Gail Gatt |
| Date: Wednesday 21 August 2024 |
| In Attendance: Yes (✓) No (X) |

| Councillors | | Officers | |
|----------------------------------|---|---|---|
| Cr. Liz Pattison, Mayor | X | Acting Chief Executive Officer – Gail Gatt | ✓ |
| Cr. Mike Bodsworth, Deputy Mayor | X | Recreation Development Officer – Paul Elshaug | ✓ |
| Cr. Gary Allen | X | Manager Finance – Gabrielle Spiller | ✓ |
| Cr. Paul Barker | ✓ | | |
| Cr. Kate Gazzard | X | | |
| Cr. Rose Hodge | X | | |
| Cr. Adrian Schonfelder | X | | |
| Cr. Libby Stapleton | X | | |
| Cr. Heather Wellington | ✓ | | |
| | | | |

| | | | |
|--------------------------|--------|--------------------------|--------|
| MEETING COMMENCED | 4:30pm | MEETING ADJOURNED | 6:13pm |
|--------------------------|--------|--------------------------|--------|

| |
|--|
| Matters considered at the meeting |
| Surf Coast Aquatic and Health Centre Project |

| Councillor Conflict of Interest Disclosures | | |
|---|--------------------|--|
| Councillor | Left Meeting (Y/N) | Classification and nature of interest(s) disclosed |
| Nil. | | |

| | |
|--|------------------------------|
| Responsible Officer Signature: | Print Name: Gail Gatt |
| To be completed on conclusion of session and provided to Governance Officer. | |

Governance Rules, Chapter 3, Clause 3

- 3.1. At a meeting under the auspices of Council that is not a meeting of the Council or delegated committee, the Chief Executive Officer must ensure that a written record is kept of—
- a) the names of all Councillors and members of Council staff attending;
 - b) the matters considered;
 - c) any conflict of interest disclosures made by a Councillor attending under subclause 3.3;
 - d) whether a Councillor who has disclosed a conflict of interest as required by subclause 3.3 leaves the meeting.
- 3.2. The Chief Executive Officer must ensure that the written record of a meeting held under this clause is, as soon as practicable—
- a) reported at a meeting of the Council; and
 - b) incorporated in the minutes of that Council meeting.

Auspices of the Council

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- public consultations, and
- site meetings (incl. include meetings the council arranges jointly with other organisations).

File No F18/225-4
Trim Reference Record Number



Conflict of Interest Record

Meetings conducted under the auspices of Council

Section 131 of the Local Government Act 2020 and Chapter 3 of Council's Governance Rules

| |
|---|
| Description of Meeting: Councillor Briefings #4 |
| Responsible Officer: Chief Executive Officer - Robyn Seymour |
| Date: Tuesday 27 August 2024 |
| In Attendance: Yes (✓) No (X) |

| Councillors | | Officers | |
|----------------------------------|---|---|---|
| Cr. Liz Pattison, Mayor | ✓ | Chief Executive Officer - Robyn Seymour | ✓ |
| Cr. Mike Bodsworth, Deputy Mayor | ✓ | Acting General Manager Place Making & Environment – Jane Spence | ✓ |
| Cr. Gary Allen | ✓ | General Manager Strategy & Effectiveness - Gail Gatt | ✓ |
| Cr. Paul Barker | X | General Manager Community Life - Damian Waight | ✓ |
| Cr. Kate Gazzard | ✓ | Acting Executive Manager - Strategic Projects and Partnerships - Darryn Chiller | ✓ |
| Cr. Rose Hodge | ✓ | Manager Integrity and Governance - Jake Brown | ✓ |
| Cr. Adrian Schonfelder | ✓ | Coordinator Governance - Liberty Nash | ✓ |
| Cr. Libby Stapleton | ✓ | | |
| Cr. Heather Wellington | X | | |

| | | | |
|--------------------------|--------|--------------------------|---------|
| MEETING COMMENCED | 9:30am | MEETING CONCLUDED | 10:16am |
|--------------------------|--------|--------------------------|---------|

| Matters considered at the meeting | | |
|--|--------------------|--|
| Agenda Review for Council Meeting | | |
| Councillor Conflict of Interest Disclosures | | |
| Councillor | Left Meeting (Y/N) | Classification and nature of interest(s) disclosed |
| Nil. | | |
| Responsible Officer Signature: | | Print Name: Robyn Seymour |
| To be completed on conclusion of session and provided to Governance Officer. | | |

Governance Rules, Chapter 3, Clause 3

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 - b) the matters considered;
 - c) any conflict of interest disclosures made by a Councillor attending under subclause 3.3;
 - d) whether a Councillor who has disclosed a conflict of interest as required by subclause 3.3 leaves the meeting.
- 3.2. The Chief Executive Officer must ensure that the written record of a meeting held under this clause is, as soon as practicable—
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 - b) incorporated in the minutes of that Council meeting.

Auspices of the Council

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File No F18/225-4
Trim Reference Record Number



Conflict of Interest Record Meetings conducted under the auspices of Council

Section 131 of the Local Government Act 2020 and Chapter 3 of Council's Governance Rules

| |
|--|
| Description of Meeting: Councillor Briefings #1 |
| Responsible Officer: Robyn Seymour |
| Date: Tuesday 3 September 2024 |
| In Attendance: Yes (✓) No (X) |

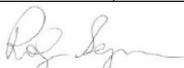
| Councillors | | Officers | |
|--|---|--|---|
| Cr. Liz Pattison, Mayor | ✓ | Chief Executive Officer - Robyn Seymour | ✓ |
| Cr. Mike Bodsworth, Dep. Mayor | ✓ | General Manager Place Making & Environment - Chris Pike | X |
| Cr. Gary Allen | ✓ | General Manager Strategy & Effectiveness - Gail Gatt | ✓ |
| Cr. Paul Barker | X | General Manager Community Life - Damian Waight | ✓ |
| Cr. Kate Gazzard | X | A/General Manager Place Making & Environment - Dee Gomes | ✓ |
| Cr. Rose Hodge | ✓ | Manager Government Relations & Strategic Projects - Darryn Chiller | X |
| Cr. Adrian Schonfelder | ✓ | Governance Officer - Jess Menzel | ✓ |
| Cr. Libby Stapleton | ✓ | Manager Community Strengthening - Hinga Fletcher | ✓ |
| Cr. Heather Wellington | X | Coordinator Road Strategy - Mark Gibbons | ✓ |
| | | Manager Environment and Sustainability - Jane Spence | ✓ |
| External Presenters | | Waste Education and Circular Economy Officer - Jacqueline Wilson | ✓ |
| George Konstantopoulos - Department of Transport | ✓ | Waste Operations Supervisor - Lachlan Close | ✓ |
| Phoebe Hollins - Department of Transport | ✓ | Manager Strategy and Program Delivery - Rowena Frost | ✓ |
| | | Manager People and Culture - Sarah Lindsay Field | ✓ |
| | | Manager Community Safety - Andrew Hewitt | ✓ |
| | | Manager Assets and Engineering - John Bertoldi | ✓ |
| | | Project Manager - Chris Leonard | ✓ |
| | | Community Partnerships Officer - Bryce Balsillie | ✓ |
| | | Manager Technology and Information - Michael Dean | ✓ |
| | | Coordinator Environmental Health - Stuart Symes | ✓ |
| | | Coordinator Ranger Services - Shaun Barling | ✓ |
| | | Manager Operations - Travis Nelson | ✓ |
| | | Coordinator Community Emergency Management - Sharna Whitehand | ✓ |

| | | | |
|--------------------------|---------|--------------------------|---------|
| MEETING COMMENCED | 10:00am | MEETING ADJOURNED | 11:24am |
| MEETING COMMENCED | 11:31am | MEETING ADJOURNED | 12:35pm |
| MEETING RESUMED | 1:11pm | MEETING CONCLUDED | 3:12pm |

| Matters considered at the meeting |
|---|
| External Presentation and Debrief - Torquay and Armstrong Creek Bus Network Reforms Transition to Community Buses |
| Cleanaway Waste Collection Contract Update |
| Regional Renewable Organics Network |
| Key Capital Projects Update |
| People Matter Survey |
| Environmental Health/Ranger Services and Building Services Update |
| Emergency Management Update |
| Award of Contract T25-005 Road Widening and Roundabout Construction Coombes Rd, Torquay |
| CONFIDENTIAL- Cyber Security |



File No F18/225-4
Trim Reference Record Number

| | | |
|---|---------------------------|---|
| Councillor Topics | | |
| Councillor Conflict of Interest Disclosures | | |
| Councillor | Left Meeting (Y/N) | Classification and nature of interest(s) disclosed |
| Nil. | | |
| Responsible Officer Signature:  | | Print Name: Robyn Seymour |
| To be completed on conclusion of session and provided to Governance Officer. | | |

Governance Rules, Chapter 3, Clause 3

3.1. At a meeting under the auspices of Council that is not a meeting of the Council or delegated committee, the Chief Executive Officer must ensure that a written record is kept of—

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- b) the matters considered;
- c) any conflict of interest disclosures made by a Councillor attending under subclause 3.3;
- d) whether a Councillor who has disclosed a conflict of interest as required by subclause 3.3 leaves the meeting.

3.2. The Chief Executive Officer must ensure that the written record of a meeting held under this clause is, as soon as practicable—

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- b) incorporated in the minutes of that Council meeting.

Auspices of the Council

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- site meetings (incl.include meetings the council arranges jointly with other organisations).

File No F18/225-4
Trim Reference D24/173443



Conflict of Interest Record

Meetings conducted under the auspices of Council

Section 131 of the Local Government Act 2020 and Chapter 3 of Council's Governance Rules

| |
|---|
| Description of Meeting: Meeting to discuss Haven Torquay Accommodation in Silvereye Street Torquay |
| Responsible Officer: Damian Waight – General Manager Community Life |
| Date: Thursday 5 September 2024 |
| In Attendance: Yes (✓) No (X) |

| Councillors | | Officers | |
|---|---|--|---|
| Cr. Liz Pattison, Mayor | ✓ | Chief Executive Officer - Robyn Seymour | ✓ |
| Cr. Paul Barker | ✓ | General Manager Community Life – Damian Waight | ✓ |
| Cr. Heather Wellington | ✓ | Coordinator Governance – Liberty Nash | ✓ |
| Other Attendees | | | |
| Ian Stewart (Community Rep) | ✓ | | |
| Dallas Fett (Community Rep) | ✓ | | |
| Gabrielle Peacock (Community Rep) | ✓ | | |
| Adam Reardon (Community Rep) | ✓ | | |
| Gill Callister (CEO, Mind Australia) | ✓ | | |
| Mark Heeney (Executive Director Housing Strategy, Mind Australia) | ✓ | | |
| Professor Steve Moylan, (Barwon Health) | ✓ | | |
| Resident of another Haven residence (11:35 – 11:40am approx.) | ✓ | | |

| | | | |
|--------------------------|---------|--------------------------|---------|
| MEETING COMMENCED | 11:03am | MEETING CONCLUDED | 12:30pm |
|--------------------------|---------|--------------------------|---------|

| | | |
|--|---------------------------|---|
| Matters considered at the meeting | | |
| Forum to Discuss Haven Torquay accommodation at Silvereye Street Torquay | | |
| Councillor Conflict of Interest Disclosures | | |
| Councillor | Left Meeting (Y/N) | Classification and nature of interest(s) disclosed |
| Nil. | | |
| Responsible Officer Signature: | | |
| Print Name: Damian Waight | | |
| To be completed on conclusion of session and provided to Governance Officer. | | |

Governance Rules, Chapter 3, Clause 3

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File No F18/225-4
Trim Reference Record Number



Conflict of Interest Record Meetings conducted under the auspices of Council

Section 131 of the Local Government Act 2020 and Chapter 3 of Council's Governance Rules

| |
|---|
| Description of Meeting: Councillor Briefings #2 |
| Responsible Officer: Chief Executive Officer Robyn Seymour |
| Date: Tuesday 10 September 2024 |
| In Attendance: Yes (✓) No (X) |

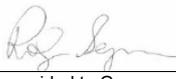
| Councillors | | Officers | |
|----------------------------------|---|---|---|
| Cr. Liz Pattison, Mayor | ✓ | Chief Executive Officer - Robyn Seymour | ✓ |
| Cr. Mike Bodsworth, Deputy Mayor | ✓ | Acting General Manager Place Making & Environment – Dee Gomes | ✓ |
| Cr. Gary Allen | ✓ | General Manager Strategy & Effectiveness – Gail Gatt | ✓ |
| Cr. Paul Barker | X | General Manager Community Life – Damian Waight | ✓ |
| Cr. Kate Gazzard | ✓ | Manager Government Relations and Strategic Projects – Darryn Chiller | ✓ |
| Cr. Rose Hodge | ✓ | Acting Governance Officer – Candace Martin-Burgers | ✓ |
| Cr. Adrian Schonfelder | ✓ | Manager Integrated Planning – Kate Sullivan | ✓ |
| Cr. Libby Stapleton | ✓ | Community Partnerships Officer – Bryce Balsillie | ✓ |
| Cr. Heather Wellington | X | Recreation Development Officer – Paul Elshaug | ✓ |
| | | Manager Environment and Sustainability – Jane Spence | ✓ |
| | | Manager Operations – Travis Nelson | ✓ |
| | | Coordinator Environment – Jessica Miller | ✓ |
| | | Manager Economic Development – Matt Taylor | ✓ |
| | | Coordinator Arts and Creative Economy – Evelyn Whitelaw | ✓ |
| | | Manager Assets and Engineering – John Bertoldi | ✓ |
| | | Coordinator Stormwater Infrastructure – Ronan Corcoran | ✓ |
| | | Coordinator Fleet Management – Brett Montgomery | ✓ |
| | | Coordinator Governance – Liberty Nash | ✓ |
| | | Manager Integrity and Governance – Jake Brown | ✓ |
| | | Manager Community Strengthening – Hinga Fletcher | ✓ |
| | | Coordinator Stadium Operations and Recreation Development – Mark Campbell | ✓ |
| | | Manager Strategy and Program Delivery – Rowena Frost | ✓ |
| | | Project Manager - Major Projects – Peter Stokoe | ✓ |
| | | Arts Development Officer – Bridget Rasmussen | ✓ |
| | | Coordinator Open Space Operations – Ella Jackson | ✓ |
| | | Coordinator Facilities Management – Brett Ellis | ✓ |

| | | | |
|--------------------------|---------|--------------------------|---------|
| MEETING COMMENCED | 10:03am | MEETING ADJOURNED | 11:00am |
| MEETING RESUMED | 11:14am | MEETING ADJOURNED | 12:19pm |
| MEETING RESUMED | 1:18pm | MEETING CONCLUDED | 2:58pm |

| Matters considered at the meeting |
|---|
| GORCAPA Land Transfers Update and Reflections |
| Growing Our Urban Forest |
| Multi Arts Centre Project Update |
| Stormwater Projects Update |
| Fleet Management Update |
| Reports Coming to September Council Meeting |



File No F18/225-4
Trim Reference Record Number

| | | |
|---|---------------------------|---|
| Sport and Recreation Update | | |
| Stribling Reserve Update | | |
| Facilities Update | | |
| Council Plan Progress Report End Year Three | | |
| CONFIDENTIAL: Surf Coast Aquatic and Health Centre Stage 2 Consultant Procurement | | |
| Councillor Topics | | |
| Councillor Conflict of Interest Disclosures | | |
| Councillor | Left Meeting (Y/N) | Classification and nature of interest(s) disclosed |
| Nil. | | |
| Responsible Officer Signature:  | | Print Name: Robyn Seymour |
| To be completed on conclusion of session and provided to Governance Officer. | | |

Governance Rules, Chapter 3, Clause 3

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5 Closed Section

5.1 Closed Section

5.2 Closure of Meeting to the Public

Council Resolution

Moved Cr Gazzard, Seconded Cr Allen

Recommendation

That Council, pursuant to section 66(1) and 66(2)(a) of the *Local Government Act 2020*, close the meeting to members of the public to resolve on matters pertaining to items that deal with information that is confidential in accordance with section 3(1) of the Act, as follows:

Surf Coast Aquatic and Health Centre Stage 2 Consultant Procurement

Pursuant to sections 3(1) and 66(5) of the *Local Government Act 2020*, the information contained in this report is confidential because it contains Council business information being information that would prejudice the Council's position in commercial negotiations.

Crown Land Lease Agreement for Telecommunications Tower – 25 Ellimatta Road, Anglesea – Approval for Community Consultation

Pursuant to sections 3(1) and 66(5) of the *Local Government Act 2020*, the information contained in this report is confidential because it contains Council business information being information that would prejudice the Council's position in commercial negotiations.

CARRIED 8|1

| For | Against | Abstained |
|--|----------------|------------------|
| Cr Allen Cr Bodsworth Cr Gazzard Cr Hodge Cr Pattison Cr Schonfelder Cr Stapleton Cr Wellington | Cr Barker | Nil |

The following resolution was deemed to be no longer confidential and is displayed below.

Council Resolution

Moved Cr Stapleton, Seconded Cr Bodsworth

That Council:

1. Approves an exemption to procurement thresholds, in accordance with Section 9.8 of Council's procurement Policy, to appoint Peddle Thorp Melbourne Pty Ltd (PTA) to undertake architectural services for Stage 2 of the SCAHC (subject to a satisfactory proposal being provided).
2. Determines that the decision to appoint PTA will be made public once the appointment is finalised and awarded.

CARRIED 8|1

| For | Against | Abstained |
|--|----------------|------------------|
| Cr Allen Cr Bodsworth Cr Gazzard Cr Hodge Cr Pattison Cr Schonfelder Cr Stapleton Cr Wellington | Cr Barker | Nil |

6 Urgent Business

Nil.

7 Close of Meeting

The Council Meeting - 16 September 2024 closed at 7:51pm.