



Southern Grampians
SHIRE COUNCIL

Council Meeting Minutes

Council Meeting
8 February 2023

Held in MJ Hynes Auditorium,
5 Market Place, Hamilton
at 5:30pm.

TABLE OF CONTENTS

1. Present.....	3
2. Welcome and Acknowledgement of Country	3
3. Prayer	3
4. Apologies	3
5. Confirmation of Minutes	4
6. Declaration of Interest	4
7. Questions on Notice	5
8. Public Deputations.....	6
8.1 Petition – Penshurst Place of Last Resort	6
9. Informal Meetings of Councillors.....	7
10. Management Reports	10
10.1 Revenue & Rating Plan	10
10.2 Tender 06-23 Hamilton Gallery Lighting Upgrade	12
10.3 Tender 07-23 Hamilton Gallery Climate Control Upgrade	16
10.4 2022/2023 Capital Works Program Quarterly Report.....	20
10.5 COVID-19 Hardship Fund/Business Recovery Assistance Package	23
10.6 Finance Reports	26
10.7 Audit & Risk Committee External Membership and Chair Appointment	28
10.8 Review of s11A Instrument of Appointment and Authorisation	31
10.9 Hamilton Regional Livestock Exchange Committee	34
11. Notices of Motion	36
12. Delegated Reports	37
13. Mayors and Councillors Reports	38
14. Confidential Matters	39
14.1 Land Purchase	39
15. Close of Meeting.....	40

The Meeting opened at 5:30pm

1. Present

Councillors

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

Officers

Mr Tony Doyle, Chief Executive Officer
Mr Rory Neeson, Director Community, Planning and Regulations
Ms Marg Scanlon, Director Infrastructure and Sustainability
Mr Peter Brown, Acting Director People and Performance
Ms Tania Quinn, Acting Governance Coordinator

2. Welcome and Acknowledgement of Country

The Mayor, Cr Robertson read the acknowledgement of country:

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

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

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

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

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

3. Prayer

Cr McAdam led the meeting in a prayer.

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

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

4. Apologies

Nil.

5. Confirmation of Minutes

RECOMMENDATION

That the Minutes of the Council Meeting held on 14 December 2022 be confirmed as a correct record of business transacted.

That the Minutes of the Unscheduled Meeting held on 21 December 2022 be confirmed as a correct record of business transacted.

COUNCIL RESOLUTION

MOVED: Cr McAdam
SECONDED: Cr Henry

That the Minutes of the Council Meeting held on 14 December 2022 be confirmed as a correct record of business transacted.

That the Minutes of the Unscheduled Meeting held on 21 December 2022 be confirmed as a correct record of business transacted.

CARRIED

6. Declaration of Interest

None Declared.

7. Questions on Notice

There were no Questions on Notice listed on tonight's agenda.

8. Public Deputations

There was one Public Deputation listed on tonight's agenda.

8.1 Petition – Penshurst Place of Last Resort

A petition has been received requesting that Council consider moving the site of the Bushfire Place of Last Resort in Penshurst from the current outdoor location behind the Senior Citizens Building to the Penshurst Memorial Hall.

Attachment: Petition and Letters of Support

RECOMMENDATION

That the petition be received by Council and officers provide a report back to Council.

COUNCIL RESOLUTION

MOVED: Cr Calvano
SECONDED: Cr Rainsford

That the petition be received by Council and officers provide a report back to Council.

CARRIED

9. Informal Meetings of Councillors

The Southern Grampians Shire Council Governance Rules require that records of Informal Meetings of Councillors that meet the following criteria:

If there is a meeting of Councillors that:

- a) took place for the purpose of discussing the business of Council or briefing Councillors;
- b) is attended by at least one member of Council staff; and
- c) is not a Council meeting, Delegated Committee meeting or Community Asset Committee meeting;

be tabled at the next convenient Council meeting and recorded in the minutes of that Council meeting.

An Informal Meeting of Councillors record was kept for:

- 25 January 2023

This agenda was prepared on 1 February 2023. Any Informal Meeting of Councillors between that date and the date of tonight's Meeting will appear in the agenda for the next Ordinary Meeting of Council.

Southern Grampians Shire Council

Informal Meeting of Councillors

ASSEMBLY DETAILS	
Title:	Briefing Session
Date:	25 January 2023
Location:	MJ Hynes Auditorium
Councillors in Attendance:	Cr David Robertson, Mayor Cr Mary-Ann Brown - Virtually Cr Albert Calvano Cr Bruach Colliton - Virtually Cr Greg McAdam Cr Katrina Rainsford
Council Staff in Attendance:	Tony Doyle, Chief Executive Officer Kevin Leddin, Acting Director Community and Corporate Services Marg Scanlon, Director Infrastructure and Sustainability Susannah Milne, Acting Director Community Planning and Regulation Anja Johnson, Acting Manager Shire Strategy and Regulation Bill Scott, Manager Project Management Office Natalie Martin, Revenue Coordinator

The Informal Meeting commenced at 1:00pm.

MATTERS CONSIDERED		CONFLICTS OF INTEREST DECLARED
1	Property Acquisition Update	Nil
2	Place of Last Resort	Nil
3	Capital Works Reporting	Nil
4	Finance Reports	Nil
5	Revenue and Rating Plan	Nil
6	COVID Hardship Fund/Recovery Package	Nil

7	ARC Independent Member	Nil
---	------------------------	-----

The Informal Meeting concluded at 5:15pm.

10. Management Reports

10.1 Revenue & Rating Plan

Directorate: Peter Brown, Acting Director People & Performance
Author: Natalie Martin, Revenue Coordinator
Attachments: Revenue & Rating Plan

Executive Summary

Council has prepared the Revenue and Rating Plan to ensure compliance with the Local Government Act 2020 and supporting regulations.

The Revenue and Rating Plan 2021/22 – 2024/25 is a key document to determine the most appropriate and affordable revenue and rating approach for Southern Grampians Shire Council which, in conjunction with other income sources, will adequately finance the strategic objectives described in the Council Plan.

This plan is an important part of Council's integrated strategic planning and reporting framework, all of which is created to help Council achieve its vision of Council being recognised as a well-connected, dynamic Regional Centre, supporting a vibrant, healthy and inclusive community.

Discussion

The Revenue and Rating Plan 2021/22 – 2024/25 was previously adopted by Council on 23 June 2021 for a one-year period only with subsequent adoption on 8 December 2021 for the 2022/23 financial year. The agreement was reached that it would be returned to Council for further review prior to the 2023/24 financial year.

It is proposed to continue the current rating plan for the remainder of the Plan term to 2024/25 and implement for the 2023/24 and 2024/25 Financial years.

Financial and Resource Implications

The plan explains how Council calculates the revenue needed to fund its activities, and how the funding burden will be apportioned between ratepayers and other users of Council facilities and services.

This plan does not set revenue targets for Council, it outlines the strategic framework and decisions that inform how Council will go about calculating and collecting its revenue.

Legislation, Council Plan and Policy Impacts

Strategies outlined in this plan align with the objectives contained in the current Council Plan and will feed into budgeting and long-term financial planning documents, as well as other strategic planning documents under Council's strategic planning framework.

Risk Management

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

Environmental and Sustainability Considerations

Whilst the Revenue and Rating Plan does not have specific sections on environmental matters, financial sustainability and social impacts are considered in the broader strategic planning framework.

Community Consultation and Communication

This Revenue and Rating Plan has been prepared in consultation with Councillors through the analysis of assorted options to arrive at the document presented here. The preparation of the initial document which was adopted on 23 June 2021, was subject to community engagement.

Disclosure of Interests

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

RECOMMENDATION

That the Revenue & Rating Plan be adopted for the remainder of the Plan term to 2024/25 and returned to Council for further review prior to the commencement of the next four-year cycle beginning 2025/26.

COUNCIL RESOLUTION

MOVED: Cr Rainsford
SECONDED: Cr McAdam

That the Revenue & Rating Plan be adopted for the remainder of the Plan term to 2024/25 and returned to Council for further review prior to the commencement of the next four-year cycle beginning 2025/26.

CARRIED

10.2 Tender 06-23 Hamilton Gallery Lighting Upgrade

Directorate: Marg Scanlon, Director Infrastructure and Sustainability
Author: James Damman, Project Manager
Attachments: None

Executive Summary

The Hamilton Gallery was built in 1961 and the existing lighting system is estimated to be fifty years of age. This system is failing and does not meet current industry standards, specifically impacting the Gallery's capacity to host and protect particular exhibitions.

In 2021, Council requested quotes on a variety of industry standard lighting fittings for the Hamilton Gallery. ERCO is a German-manufactured lighting system that has become industry-standard in galleries and museums in Australia. On the basis of a quote secured from ERCO, Council successfully applied to Creative Victoria for a grant of \$279,404. The grant is to be acquitted by 30 June 2023.

Tenders to design and install a new lighting system were publicly advertised on 24 October 2022. One tender was received however it was non-conforming as critical documentation had not been included at the time tenders closed. Council directly approached the non-conforming tenderer, Comtek Electrical, to determine the capacity and capability to deliver the project requirements.

Comtek Electrical subsequently submitted a proposal addressing the specifications set out in the original tender. The price submitted is \$298,535.21 (ex GST) which is \$19,131.21 over the project budget.

A program of works associated with the Outdoor Swimming Pools within the 2022/2023 Capital budget remains unspent (\$165,000). This package of various works across five swimming pools is on-hold subject to further Council consideration following a recent pool conditional assessment.

The recommendation is to award Contract No. 06-23 to Comtek Electrical for upgrading the lighting system in Hamilton Gallery at the price of \$298,535,21. This will be funded by the Creative Victoria grant of \$279,404 plus a draw-down of \$19,131.21 from Council's Capital budget sourced through uncompleted projects.

Discussion

The lighting system in the Hamilton Gallery is 50 years old. The ceiling track and lighting units are no longer being manufactured. As each light burns out, we are no longer able to replace it. The lights are incandescent (using much more electricity and generating much more heat than modern LED fittings). The tracks are cracking in places and chipping at critical points, notably where art works are repeatedly hung for exhibiting. Also, there is no control of the lux levels due to the age of the system and because it is hardwired directly to the electrical board. This limits the ability to exhibit light sensitive materials such as photographs and works on paper. It also means that the duration of exhibitions must be limited even for more durable works as the light is extremely harsh.

Modern lighting systems, as manufactured by ERCO and increasingly used in galleries and museums in Australia, use a ceiling track that is Bluetooth-enabled. LED lights (whether spots, floods or wall washers) clip in and out of the track wherever they are required for an exhibition. Lux levels are controlled by gallery staff from an iPad or tablet, requiring just a

single person to adjust each fitting. The system is modular with more lights able to be purchased and added at any future time.

Tenders to design and install an upgraded lighting system were publicly advertised on 24 October 2022. One tender was received but it was deemed non-conforming as a critical document had not been uploaded at the time tenders closed. Council then directly approached the non-conforming tenderer, Comtek Electrical, and commenced discussions to ascertain Comtek Electrical capacity to meet the project requirements and specifications.

Comtek Electrical has now submitted a proposal meeting the specifications set out in the original tender. Their price is \$298,535.21 (ex GST).

Financial and Resource Implications

Funding secured through Creative Victoria \$279,404 together with an allocation of \$19,131.21 transferred from unspent funds within the 2022/2023 Capital budget will meet the budget requirements to complete this project. The total project cost is summarised below.

	Item	Status	Cost (ex GST)	Budget (ex GST)
1	Contract sum	To be awarded	\$298,535.21	\$298,535.21
2	Grant from Creative Victoria	To be acquitted	-\$279,404.00	\$19,131.21
3	Unused funds from Swimming Pool Works	On hold	-\$19,131.21	\$165,000

Legislation, Council Plan and Policy Impacts

The following legislation has been taken into account and followed:

- Local Government Act 2020

The following relevant Council plans and policies have been applied:

- Arts and Culture Strategy
- Procurement policy

Risk Management

A risk analysis undertaken for the Hamilton Gallery Lighting Project does not indicate any extreme risks. Two risks rated as high including the risk of litigation arising from negligence during the installation is mitigated by contractor insurances, and a lack of resources to properly manage the project; mitigated through the allocation of a dedicated project manager to the project).

Environmental and Sustainability Considerations

The project work will be carried out by a company based in Hamilton. The specialist track and light fittings will be supplied by a Melbourne-based company that is an agent for ERCO lighting. The fittings will be LED, using much less electricity and generating much less heat than the incandescent fittings currently in place.

ERCO has a sustainability policy. All their manufacturing is carried out in a CO2-neutral factory; they comply with the principle of circular economy, from responsible material procurement to final disposal; and ERCO is committed to the 17 UN sustainable development goals.

Collaborative Opportunities

There are no collaborative opportunities in this tender. The lighting system is very specialised and industry-specific.

Community Consultation and Communication

Hamilton Gallery will need to be closed for in mid-2023 while the lighting system is upgraded. This will be coordinated with the closure for the climate system upgrade. A public notice will be issued, and interest groups directly contacted and informed following confirmation of the works program.

Disclosure of Interests

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

The evaluation panel affirm that no direct or indirect interests need to be declared in relation to any matters in this Report:

- Marg Scanlon
- Josh White
- Bill Scott
- James Damman

RECOMMENDATION

That Council:

1. Award Contract No. 06-23 Hamilton Gallery Lighting Upgrade to Comtek Electrical for \$298,535.21 ex GST.
2. Authorise the Chief Executive Officer to execute Contract No. 06-23 and any other documents required by or to give effect to the terms of the contract on behalf of Council.

COUNCIL RESOLUTION

MOVED: Cr Brown
SECONDED: Cr Henry

That Council:

1. **Award Contract No. 06-23 Hamilton Gallery Lighting Upgrade to Comtek Electrical for \$298,535.21 ex GST.**
2. **Authorise the Chief Executive Officer to execute Contract No. 06-23 and any other documents required by or to give effect to the terms of the contract on behalf of Council.**

CARRIED

10.3 Tender 07-23 Hamilton Gallery Climate Control Upgrade

Directorate: Marg Scanlon, Director Infrastructure and Sustainability
Author: James Damman, Project Manager
Attachments: None.

Executive Summary

The National Gallery has advised Council that no travelling exhibitions will come to the Hamilton Gallery until the climate control system is upgraded to ensure temperature is regulated within a range of 16-25 degrees, and humidity is kept within 40-60%.

The current air conditioning system in the Hamilton Gallery is over 20 years old and is no longer able to adequately control temperature and humidity. In 2021, Council commissioned a report into the gallery's climate control system by a mechanical engineer specialising in building services. Based on the report's recommendations, Council successfully applied to Creative Victoria for a grant of \$263,500. The grant is due to be acquitted by 30 June 2023.

Tenders to design and install an upgraded climate control system were publicly advertised on 17 September 2022. No tenders were received. Council then directly approached the market and, after contact with several companies, began discussions with D & E Air Conditioning Pty Ltd.

D & E Air Conditioning submitted a proposal, meeting the specifications set out in the original tender. The submitted quote to complete these works is:

- \$195,000 (ex GST) climate control system upgrade on the Gallery ground floor; and
- \$239,000 (ex GST) climate control system on the Gallery first floor

D & E's proposal includes a provision item being structural modifications to the Hamilton Gallery roof, quoted \$25k.

It is proposed that the project funding shortfall of \$195,500 will be managed through uncommitted Building Renewal funds within the 2022/2023 Capital Budget. This will allow the air-conditioning upgrade works to be completed on both levels of the Hamilton Gallery.

The recommendation is to award Tender No. 07-23 to D & E Air Conditioning for upgrading the climate control system on both the ground floor of Hamilton Gallery and on level one at the price of \$459,000 (ex GST), including a provision item being structural modifications \$25k. This project will be funded through Creative Victoria grant of \$263,500 plus \$195,500 from Council's Building Renewal Program uncommitted funds.

Discussion

Temperature and humidity in the Hamilton Gallery vary considerably and of most concern are the spikes, especially in temperature, that can occur quite rapidly. These spikes are beyond the ability of the aging climate control system to regulate. As a result, the gallery is not able to display some of the delicate items in its collection. In addition, the National Gallery has 'red flagged' Hamilton as unsuitable for travelling exhibitions. This has meant that Hamilton, and the Shire more broadly, has missed the opportunity to host exhibitions that have travelled to other regional centres in Victoria.

A report into the Gallery's air conditioning system revealed that there are a number of fundamental problems contributing to the spikes in temperature and humidity. These include the:

- age and condition of the existing plant and ducts

- Gallery roof and wall leakage and the
- open nature of the stairwell and void between floors, and the unregulated entrance from Brown Street.

The report considered that a careful design and selected replacement of certain plant and equipment would greatly reduce the spikes in temperature and humidity and allow the Gallery to meet the requirements of the National Gallery of Victoria. The report together with the cost estimates and design was submitted to Creative Victoria to secure the funding.

Tenders to design and install an upgraded climate control system were publicly advertised on 17 September 2022. No tenders were received. Council then directly approached the market and, after contact with several companies, began discussions with D & E Air Conditioning Pty Ltd.

D & E Air Conditioning is a national company with offices in most capital cities and some regional areas, including Geelong. D & E Air Conditioning provide design, mechanical engineering and fabrication services. Based on a site visit and inspection, together with the tender specifications, D & E Air Conditioning has submitted a proposal to upgrade the climate control system. The proposal has been peer reviewed by the original design engineer (author of the 2021 report). Following further discussion, D & E Air Conditioning finalised the proposal.

D & E Air Conditioning have quoted the project works \$459k. This is significantly higher than the Creative Victoria grant. Consideration was given to undertake the works in two separate packages as follows;

- \$195,000 ex GST to upgrade the climate control system on the ground floor; plus.
- \$239,000 ex GST to upgrade the climate control system on level one

D & E's proposal also includes a provisional sum of \$25k for structural works to support the weight of new plant and equipment. The need for this provisional item will not be known until the redundant plant and equipment is removed enabling full assessment of the building structural integrity.

Financial and Resource Implications

The Hamilton Gallery Climate Control Project is funded through the Creative Victoria grant of \$263,500 plus \$195,500 sourced through Building Renewal Program uncommitted funds in the 2022/2023 Capital Program. The total project cost is summarised below.

	Item	Status	Cost (ex GST)	Budget (ex GST)
1	Contract sum	To be awarded	\$434,000	\$434,000
2	Possible structural support works	Provisional sum	+\$25,000	\$459,000
3	Grant from Creative Victoria	To be acquitted	-\$263,500	\$195,500
4	SGSC building component renewal	To be approved	-\$195,500	\$200,000

Legislation, Council Plan and Policy Impacts

The following legislation has been taken into account and followed:

- Local Government Act 2020

The following relevant Council plans and policies have been applied:

- Arts and Culture Strategy
- Procurement policy

Risk Management

Upgrading the climate control system in the Hamilton Gallery is a low-risk project. Risk analysis shows no extreme risks and only two risks rated as high – the risk of litigation arising from negligence during the installation (mitigated by contractor insurances), and a lack of resources to properly manage the project (mitigated by Council recruiting into the Project Management Office).

Collaborative Opportunities

The specialised nature of the plant and equipment being installed, means there has been minimal opportunity for collaboration. However, three local subcontractors will be engaged, in the fields of plumbing, craneage and steel manufacture.

Environmental and Sustainability Considerations

The work will be conducted by a national company that has a regional office in Geelong. D & E Air Conditioning have established capabilities in design, mechanical engineering and fabrication. The various pieces of plant and equipment will be largely manufactured in Australia. D & E Air Conditioning will sub-contract Hamilton-based trades to assist with installation, including plumbing, structural steel, and craneage.

Community Consultation and Communication

Hamilton Gallery will need to be closed for several weeks in mid-2023 while the old plant and equipment are removed, modifications made and the new system installed. A public notice will be issued and interest groups directly contacted and informed.

Disclosure of Interests

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

The evaluation panel affirm that no direct or indirect interests need to be declared in relation to any matters in this Report:

- Marg Scanlon
- Josh White
- Simon Sharrock
- James Damman

RECOMMENDATION

That Council:

1. Award Contract No. 07-23 Hamilton Gallery Climate Control Upgrade to D & E Air Conditioning for \$434,000 excluding GST.
2. Approve a provisional sum for structural support works of \$25,000 excluding GST to contract No. 07-23.
3. Approve a draw-down of \$195,500 excluding GST from uncommitted funds within the 2022/2023 Capital Program Building Renewal budget.
4. Authorise the Chief Executive Officer to execute Contract No. 07-23. and any other documents required by or to give effect to the terms of the contract on behalf of Council.

COUNCIL RESOLUTION

MOVED: Cr McAdam
SECONDED: Cr Calvano

That Council:

1. **Award Contract No. 07-23 Hamilton Gallery Climate Control Upgrade to D & E Air Conditioning for \$434,000 excluding GST.**
2. **Approve a provisional sum for structural support works of \$25,000 excluding GST to contract No. 07-23.**
3. **Approve a draw-down of \$195,500 excluding GST from uncommitted funds within the 2022/2023 Capital Program Building Renewal budget.**
4. **Authorise the Chief Executive Officer to execute Contract No. 07-23. and any other documents required by or to give effect to the terms of the contract on behalf of Council.**

CARRIED

10.4 2022/2023 Capital Works Program Quarterly Report

Directorate: Marg Scanlon, Director Infrastructure and Sustainability
Author: Marg Scanlon, Director Infrastructure and Sustainability
Attachments: None

Executive Summary

Delivery of the 2022/2023 Capital Works Program is progressing with 54 of the total 101 projects either completed or in progress. This half-year report is for the period July-December 2022 and provides a status overview of each project or works program and the forthcoming activities which contribute to the progression of the current capital works program.

It is recommended that Council receive and note this 2022/2023 Capital Works Program half-year status report. The content of this report will be used for Council's standard publications including social media.

Discussion

The total program contains both capital and non-capital projects; 97 capital projects and 4 non-capital.

The capital program comprises plant renewal (construction vehicles), a fleet renewal (passenger vehicles), bridge component, kerb unsealed road, road reseal, final seal, sealed road pavement rehabilitation, building component renewal and finally kerb renewal programs. In addition to the programs there are 87 individual projects.

The 4 projects currently funded from non-capital budgets are also in various states of delivery these are the outdoor activation program (DELWP funded), the Coleraine Church Street – sub surface drainage upgrade and the Cos Street Penshurst – Legacy Drainage investigation.

Plant/Fleet Management: 40% Complete

Fleet has an adopted budget of \$450K increased to \$700K with carry forwards currently \$303K are committed. Heavy Plant had an adopted budget of \$1.37M increased to \$1.427M with carry forwards, currently \$460K committed.

Six Works Programs equating to \$5.292M of the capital program:

\$1.895M is currently committed with the main program scheduled to begin in earnest before the end of February 2023. These works are largely completed internally, the current commitments reflect purchase of materials largely along with some road rehabilitations currently completed, the main delivery will kick off late February with most works programmed for March and April 2023.

Financial and Resource Implications

Financial Summary of the 101 projects

Councils adopted Capital Works Program including Major Projects are summarised below:

- Adopted Capital Works \$29,402,817
- Current Capital Works \$31,011,037
- Current Actual Spend \$3,017,274
- Current Commitments \$8,554,540
- Current predicted Carry forward \$2.6M
- Remaining scheduled expenditure \$17,351,121
- Non- Capital Projects \$407,569 (development and feasibility for future capital)

Of the \$17,351,121 remaining scheduled expenditure there are a number of categories which projects totalling these funds fall into:

- Completed works that have savings or pending invoices 6 Projects \$81,403
- Works that are on track to be delivered this financial year represent 46 projects totalling \$7,020,533
- Works that may not be completed this financial year, due to unrealistic timelines and pending recruitment of staff represent 21 projects \$5,844,345.
- Works that are nominated carry forward into 2023/24 financial year, includes Coleraine power upgrade now includes installation of new sportsground light is a multi year which in total represents 3 projects \$580,704
- Works placed temporarily on hold represent 15 Projects \$3,824,136.

The 2022/2023 Capital Works Funding Program includes approximately \$14M confirmed external funding secured through state and federal government, the larger grant projects are the following projects:

- Cox Street – Upgrade \$4M (50/50)
- Melville Oval \$8M Total (\$4M this financial year)
- Hamilton industrial park \$1M
- Dunkeld Visitors hub \$850K
- Dunkeld Look walk \$600K (50/50)
- Hamilton Transfer Station waste shed \$1M
- Transfer station Upgrades \$300K
- Penshurst Volcanic Discovery Centre - Upgrade \$330K (\$290K grant)

A number of smaller grants secured for capital projects also exist ranging from \$20K to \$100K.

Legislation, Council Plan and Policy Impacts

The majority of the projects included in the 2022/2023 Capital Works Program derive from various strategic plans and legislative requirements specifically relating to asset and property management and protection. Some of the projects are initiatives identified by the Southern Grampians community and submitted to Council through the annual budget engagement process.

Risk Management

Specific risk assessments are undertaken for each project within the capital program through both the planning and implementation stages. As a part of the overall risk mitigation across Council's capital program, implementation of a Project Management Office (PMO) has now occurred, full staff recruitment is still underway. This operational change will in the long terms result in improvements to the planning, development and implementation of the capital works program, as the PMO only became active as of September 2022, the main planning improvement will begin with the development of the new budget.

Currently five major contracts have been awarded, which equates to approximately \$5.7M within the program. A significant number of smaller quote based contracts have already been awarded and many others are progressing towards award.

Environmental and Sustainability Considerations

Typically, environmental and sustainability considerations are included in the planning and design phases of the individual projects. Significant considerations include native vegetation management, material reuse and recycle opportunities, legislative requirements such as those contained within the Environmental Protection Act and the Road Management Act.

Community Consultation and Communication

The purpose of this report is to provide the Southern Grampians community and Council with an update on the progress of the 2022/2023 Capital Works Program which represents, as a minimum, \$31M investment into the Southern Grampians region.

It is proposed that similar reports will be tabled with Council quarterly and that a version of the project updates provided to the community on a monthly basis through the Council website and standard communication methods including social media. An example of a project page update is the Cox Street Revitalisation Project which can be accessed via Council's website https://www.sthgrampians.vic.gov.au/Page/Page.aspx?Page_Id=2907

Community members and key stakeholders are encouraged to engage with Council's Project Management Team to address any project enquiries via this email; projects@sthgrampians.vic.gov.au

Disclosure of Interests

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

RECOMMENDATION

That Council receive and note the 2022/2023 Capital Works Program update for the period July – December 2022.

COUNCIL RESOLUTION

MOVED: Cr Rainsford
SECONDED: Cr Henry

That Council receive and note the 2022/2023 Capital Works Program update for the period July – December 2022.

CARRIED

10.5 COVID-19 Hardship Fund/Business Recovery Assistance Package

Directorate: Peter Brown, Acting Director People & Performance
Author: Natalie Martin, Revenue Coordinator
Attachments: None

Executive Summary

Council adopted a Policy – Hardship Assistance COVID-19 Support Policy - on 8 July 2020 with an expiration date of 30 June 2021.

This one-off policy was funded through the 2020/21 Budget process and allocated the full amount of the rate increase to the fund - \$328,000.

There is currently \$109,431 of this amount unspent that is held in a specific trust account for distribution

It is recommended that these funds be transferred into Council's Community Partnership Grants program and utilised in full by 30 June 2024.

Discussion

Council adopted a Policy – Hardship Assistance COVID-19 Support Policy - on 8 July 2020 with an expiration date of 30 June 2021.

The purpose of the policy was to:

“Provide specific support to ratepayers, debtors and several groups of Council customers with hardship assistance and/or support during and post the 2019-2021 COVID-19 Pandemic”.

This support was in addition to general hardship support which was delegated to the CEO and administered through an operational Hardship Policy.

This one-off policy was funded through the 2020/21 Budget process and allocated the full amount of the rate increase to the fund - \$328,000.

Funding remaining as at 30 June 2021 was transferred to a Hardship Trust account with COVID Business Recovery Assistance Packages for 2021/22 financial year being funded from the trust which included the following activities:

1. The 2022 Calendar Year Environmental Health fees in relation to the Food Act Registrations and Public Health and Wellbeing Act (PHWA) registrations paid from the fund for all businesses, subject to them meeting compliance matters.
2. Local Laws permits for the 2021/22 fees (September/August Year) paid from the fund for all businesses, subject to them meeting all compliance matters.

The Status of the trust funding as of 31 December 2022 is as below:

Balance of Fund	\$
Initial Amount of Fund	328,000
2020/21 - Amounts refunded or written off	142,764
2021/22 - Amounts refunded or written off	75,805
Current remaining funds for allocation	109,431

It is recommended that the remaining trust funds be transferred to Council's Community Partnership Grants program to help build our region by giving community groups a funding source to undertake new or growing initiatives, projects, or events that benefit the Southern Grampians Shire.

Financial and Resource Implications

The balance remaining of \$109,431 will be transferred from the trust account named "Hardship Fund" to Council's Community Partnership Grants program where Officers will continue to provide financial reporting of the program expenditure.

Legislation, Council Plan and Policy Impacts

Council staff will continue to ensure that compliance with relevant legislation is carried out for the Community Partnership Grants program.

Initiatives by eligible community groups that meet the objectives of Council's Community Partnership Grants Policy will be considered with applications evaluated and assessed in line with Council's Community Partnership Grants program guidelines and the Council Plan 2021-2025.

Risk Management

In transferring funding to Council's Community Partnership Grants program, Council considers relevant financial risks to ensure it can achieve its Council Plan objectives.

Environmental and Sustainability Considerations

Not applicable

Community Consultation and Communication

Following Council decision, the relevant staff will embark on a media campaign to make businesses and customers aware of the arrangements for the Community Partnership Grants program.

Disclosure of Interests

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

RECOMMENDATION

That:

1. Council allocates the remaining funds of \$109,431 from the Hardship Trust Fund to Council's Community Partnership Grants program to help build our region by giving community groups a funding source to undertake new or growing initiatives, projects, or events that benefit the Southern Grampians Shire; and

2. The remaining funds will be utilised in full by 30 June 2024.

COUNCIL RESOLUTION

MOVED: Cr Brown
SECONDED: Cr McAdam

That:

1. **Council allocates the remaining funds of \$109,431 from the Hardship Trust Fund to Council's Community Partnership Grants program to help build our region by giving community groups a funding source to undertake new or growing initiatives, projects, or events that benefit the Southern Grampians Shire; and**
2. **The remaining funds will be utilised in full by 30 June 2024.**

CARRIED

10.6 Finance Reports

Directorate: Peter Brown, Acting Director People and Performance
Author: Peter Brown, Acting Director People and Performance
Attachments: Finance Reports to 31 December 2022

Executive Summary

The Finance Reports for the Year to 31 December 2022 are presented for information.

Discussion

The Finance Reports contain the Standard Statements namely:

- Comprehensive Income Statement,
- Balance Sheet,
- Statement of Cash Flows,
- Statement of Capital Work and
- Statement of Human Resources.

The Report also includes information on cash balances, current borrowing ratios and debtor balances.

Narratives accompany each of the statements.

Detailed reports of the financial progress of the capital works and major projects are also provided for information.

The year to date expenditure includes the payment of the annual Workcover premium. This payment requires reporting to council as per protocols associated with the S5 Instrument Delegation. The CEO will report this to council on an annual basis once the premiums have been paid. The premium for 2023-2024 was \$349,401.29 (GST Exclusive)

Legislation, Council Plan and Policy Impacts

Council Plan

The finance report provides interim information on the financial progress of the achievement of the Annual Budget. Financial sustainability and compliance with our annual budget are specifically identified as strategies within the Council Plan.

Legislation

Section 97 of the Local Government Act 2020 requires that after the end of each quarter, the CEO must ensure that a quarterly budget report is presented to the Council. The report must include a comparison of the actual and budgeted results to date and an explanation of material variations, and any other matters prescribed by the regulations.

In addition, the second quarterly report of a financial year must include a statement by the CEO as to whether a revised budget is, or may be, required.

The September report is indicative only with the final report being Councils official financial report which is audited and then included as part of Council's Annual Report.

Council is also required to implement the principles financial management detailed in Section 101 of the Local Government Act 2020 which states:

- (1) The following are the financial management principles—
 - (a) Revenue, expenses, assets, liabilities, investments and financial transactions must be managed in accordance with a Council's financial policies and strategic plans;
 - (b) Financial risks must be monitored and managed prudently having regard to economic circumstances;
 - (c) Financial policies and strategic plans, including the Revenue and Rating Plan, must seek to provide stability and predictability in the financial impact on the municipal community;
 - (d) Accounts and records that explain the financial operations and financial position of the Council must be kept.
- (2) For the purposes of the financial management principles, **financial risk** includes any risk relating to the following—
 - (a) The financial viability of the Council.
 - (b) The management of current and future liabilities of the Council.
 - (c) The beneficial enterprises of the Council

Disclosure of Interests

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

RECOMMENDATION

That:

1. The Finance Report for the year to 31 December 2022 be received, and
2. Council note the Chief Executive Officer has authorised of insurance premiums in accordance of the S5 Instrument of Delegation.

COUNCIL RESOLUTION

MOVED: Cr Brown
SECONDED: Cr Henry

That:

1. **The Finance Report for the year to 31 December 2022 be received, and**
2. **Council note the Chief Executive Officer has authorised payment of insurance premiums in accordance of the S5 Instrument of Delegation.**

CARRIED

10.7 Audit & Risk Committee External Membership and Chair Appointment

Directorate: Peter Brown, Acting Director People & Performance
Author: Peter Brown, Acting Director People & Performance
Attachments: None

Executive Summary

Council's Audit and Risk Committee is established in accordance with section 53 of the Local Government Act 2020. Membership comprises three independent members and two Councillors.

The tenure of two independent members, current Chair Mr Brian Densem and member Mr Mick Murphy, expires in March 2023. Following an advertised Expression of Interest process it is recommended that Council re-appoint Mr Brian Densem as an independent member and Chairperson for the Audit and Risk Committee for a term of two years, expiring on 12 March 2025 and appoint Mr Bill Millard as an independent member for a period of three years expiring 12 March 2026.

In accordance with the Committee Charter the appointment of the Committee Chair and independent members must be by resolution of council.

Discussion

The tenure of two Committee independent members expires in March 2023. One member is retiring from the Committee whilst the other member has served multiple terms and council is therefore required to undertake public advertisement to fill the role.

The Audit & Risk Committee Charter states that the Chairperson and independent members of the Committee must be appointed by Council resolution.

Below is an overview of the current membership:

Member	Tenures	Action
Mr Mick Murphy	Expiring 13 March 2023	Not seeking reappointment after multiple terms
Mr Brian Densem - Chair	Expiring 12 March 2023	Re-appoint as chairperson for a further 2 years.
Ms Aisling Cunningham	Expiring 9 September 2023	No action required.

Following an advertised expression of interest process three nominations have been received, and following an evaluation and interview process the following two nominees are recommended for appointment:

- Mr Brian Densem
- Mr Bill Millard

Mr Densem has been an independent member since 2016 and has been the Committee Chair since 2021. Mr Densem has extensive experience as a professional audit practitioner and serves on multiple Audit and Risk Committees. Mr Densem has indicated a willingness to continue as the Committee Chair for a further period of 2 years and this is recommended to council.

Mr Millard has spent the majority of his professional career working in local government including roles as Director and Chief Executive Officer. He has served as an officer on Council Audit and Risk Committees and sat on such Committees as an external member.

With broad and extensive Local Government expertise it is suggested that Mr Millard would be most suited to the independent member vacancy.

It is also timely to recognise the significant contribution that Mr Murphy has made to the Committee over the last seven (7) years, as both an independent member and Chair. His knowledge and expertise provided valuable input into shaping the workplan and role of the Committee.

The terms of the proposed appointments will provide a staggered period of service thereby providing continuity for the composition of the independent members of the committee.

Financial and Resource Implications

Independent Committee Members are paid a meeting allowance which is included in Council's annual budget.

Legislation, Council Plan and Policy Impacts

Section 53 of the Local Government Act 2020 ("the Act") states that Council must establish an Audit and Risk Committee.

The appointment of independent members and the Committee Chair must be by resolution of Council.

Risk Management

The primary objective of the Audit & Risk Committee is to assist Council in the effective conduct of its responsibilities for financial reporting, management of risk, maintaining a reliable system of internal controls and compliance and facilitating the organisation's governance development.

In achieving its primary objective, the Committee in turn ensures that Council achieves its social, economic and environmental objectives in a fair, transparent and open manner.

Environmental and Sustainability Considerations

There are no environmental or sustainability implications resulting from the recommendation in this report.

Community Consultation and Communication

The vacant positions were advertised publicly via an expression of interest process.

Disclosure of Interests

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

RECOMMENDATION

That Council:

1. Appoint Mr Brian Densem as an independent member and Chairperson of the Audit & Risk Committee for a term of two years concluding on 12 March 2025: and
2. Appoint Mr Bill Millard as an independent member of the Audit & Risk Committee for a term of 3 years concluding 12 March 2026.
3. That Council write to Mr Mick Murphy to acknowledge with gratitude his seven (7) years of service as an independent member of Southern Grampians Shire Council's Audit & Risk Committee.

COUNCIL RESOLUTION

MOVED: Cr Brown
SECONDED: Cr Calvano

That Council:

1. **Appoint Mr Brian Densem as an independent member and Chairperson of the Audit & Risk Committee for a term of two years concluding on 12 March 2025: and**
2. **Appoint Mr Bill Millard as an independent member of the Audit & Risk Committee for a term of 3 years concluding 12 March 2026.**
3. **That Council write to Mr Mick Murphy to acknowledge with gratitude his seven (7) years of service as an independent member of Southern Grampians Shire Council's Audit & Risk Committee.**

CARRIED

10.8 Review of s11A Instrument of Appointment and Authorisation

Directorate: Tony Doyle, Office of the CEO
Author: Karly Saunders, Governance Coordinator
Attachments: s11A Instrument of Appointment and Authorisation

Executive Summary

Council appoints many powers to its staff through instruments of delegation and authorisation.

The s11A Instrument of Appointment and Authorisation appoints Council staff to be authorised under the *Planning and Environment Act 1987* and allows them to fully discharge their duties and responsibilities under that Act.

The s11A Instrument of Appointment and Authorisation has been updated to reflect recent staffing changes and is attached for Council consideration.

Discussion

The Act, and a variety of other legislation, makes express provision for the appointment of delegates to act on behalf of Councils and delegation of powers is essential to enable day to day decisions to be made and for the effective operation of the organisation.

The Instruments of Delegation and Appointment and Authorisation are prepared for Council by Maddocks Lawyers.

S11A Instrument of Appointment and Authorisation

The s11A Instrument of Appointment and Authorisation:

- 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
- Authorises the officers to institute proceedings for offences against the *Planning and Environment Act 1987* and the regulations made under that Act.

The previous Authorisation needs to be revoked due to some of the staff listed in the Instrument no longer working for Council.

As with the delegations under the *Planning and Environment Act 1987* these appointments and authorisations must be made by Council and are not delegated by the CEO.

It is recommended that Council adopts the s11A Instrument of Appointment and Authorisation.

Financial and Resource Implications

Council subscribes to the Delegations and Authorisations service provided by Maddocks Lawyers, the cost of which is provided for in Council's budget.

There are no other financial implications in reviewing the Instruments of Delegation.

Legislation, Council Plan and Policy Impacts

Objective 5.1 – Provide transparent and responsible governance.

Risk Management

The use of the Maddocks service alleviates the potential risk of staff not being appropriately authorised in the exercise of various powers and functions. The updates are done regularly and capture any legislative changes. The service is available to all Victorian Councils which enables consistency

Environmental and Sustainability Considerations

Many of the activities undertaken by staff on behalf of Council have social, economic, or environmental effects, including many of the powers included in the instruments of delegation. The Instruments of Delegation ensure that the decisions are made by the most appropriate person or persons with the organisation.

Community Consultation and Communication

There is no requirement for community consultation in relation to the review of the Instrument.

Affected staff will be provided with confirmation of the amendments to the Instrument.

Disclosure of Interests

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

RECOMMENDATION

In the exercise of the powers conferred by the legislation referred to in the attached instrument, Council resolves that:

1. Council adopt the attached s11A Instrument of Appointment and Authorisation for the members of Council staff set out in the instrument.
2. The s11A Instrument of Appointment and Authorisation comes into force immediately the common seal of Council is affixed to the instrument and remains in force until Council determines to vary or revoke it, and on coming into force all previous s11A instruments are revoked.

COUNCIL RESOLUTION

MOVED: Cr Rainsford
SECONDED: Cr Henry

In the exercise of the powers conferred by the legislation referred to in the attached instrument, Council resolves that:

1. Council adopt the attached s11A Instrument of Appointment and Authorisation for the members of Council staff set out in the instrument.
2. The s11A Instrument of Appointment and Authorisation comes into force immediately the common seal of Council is affixed to the instrument and remains in force until Council determines to vary or revoke it, and on coming into force all previous s11A instruments are revoked.

CARRIED

10.9 Hamilton Regional Livestock Exchange Committee

Directorate: Marg Scanlon, Director Infrastructure and Sustainability
Author: Marg Scanlon, Director Infrastructure and Sustainability
Attachments: HRLX Committee Meeting Minutes December 2022 and January 2023

Executive Summary

The Hamilton Regional Livestock Exchange Advisory Committee (HRLXAC) meeting reports from the meetings held on 9 December 2022 and 23 January 2023 are presented to Council for information.

Discussion

The HRLXAC held their final meeting for 2022 on 9 December 2022 and reconvened on 23 January 2023.

With the Council adoption of the 2022 Hamilton Regional Livestock Exchange (HRLX) Strategic Vision as developed by the HRLX Advisory Committee (HRLXAC) on 10 November 2022, the HRLXAC has continued progressing the actions from this plan.

The strategic vision outlines HRLX to:

- Operate as a commercial enterprise.
- Build on its position as the premier sheep market sales facility in Western Victoria;
- Consolidate and expand its position as a cattle market;
- Be a best practice facility encompassing environmental, biosecurity, and compliance requirements;
- Continue to contribute to the social and economic fabric of the Greater Hamilton region.

Council also resolved to develop a five-year business plan for the facility, continue to progress the review of fees and charges as a priority, allocate funding to complete essential biosecurity works specifically security gates, and to consider a budget allocation within the 2023/24 budget to undertake renewal of the outdoor unpaved cattle yards subject to budget and business case.

At the 9 December 2022 meeting the HRLXAC reviewed the annual HRLX fees and charges in preparation for the 2023/2024 Council Budget process. The draft HRLX fees will be published as a part of Council's annual budget process for community review and input.

At the HRLXAC meeting held on 23 January 2023 the Committee considered the objectives and expectations of both the HRLX Business Plan and Marketing Plan. This input contributes to the development of these plans. These plans will be established over the coming months to be presented to Council for further consideration.

The HRLXAC welcome stock agents J and J Kelly to HRLX who sold weaners at the January 2023 sales. Following the recent closure of the Warrnambool Livestock Exchange, J and J Kelly have taken the opportunity to sell stock through HRLX.

Financial and Resource Implications

The HRLXC is supported and resourced through Council's operational budget specifically for administration related expenses. The HRLXC Strategic Plan includes a range of costed initiatives and capital items.

Legislation, Council Plan and Policy Impacts

Respective legislation, Council strategic objectives, plans and policies pertinent to the HRLX and the agricultural saleyard industry guide both HRLX operational and strategic actions and considerations.

Risk Management

More recent threats of foot and mouth disease entering Australia has resulted in the review and update of the HRLX biosecurity plan. HRLX has established a Foot and Mouth Preparedness Plan.

Environmental and Sustainability Considerations

Various environmental and sustainability options have been identified by the HRLXC including optimisation of the HRLX solar and water collection, alternative effluent treatments and technologies to improve HRLX operations.

Community Consultation and Communication

A key priority identified by the HRLXC is engagement with respective stakeholders representing interests from the agricultural industry and HRLX. The HRLXC continues to connect with various industries bodies to gain further insights into trends, projections and business opportunities for HRLX. Engagement with stakeholders continues to be a focus of the HRLXC over the coming months.

Disclosure of Interests

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

RECOMMENDATION

That the Hamilton Regional Livestock Exchange Advisory Committee Meeting Minutes from the meetings held on 9 December 2022 and 23 January 2023 are received.

COUNCIL RESOLUTION

MOVED: Cr Brown
SECONDED: Cr McAdam

That the Hamilton Regional Livestock Exchange Advisory Committee Meeting Minutes from the meetings held on 9 December 2022 and 23 January 2023 are received.

CARRIED

11. Notices of Motion

There were no Notices of Motion listed on tonight's agenda.

12. Delegated Reports

Reports on external Committees and Representative Bodies for which Councillors have been appointed as a representative by Council.

12.1 HAMILTON REGIONAL LIFESTOCK EXCHANGE ADVISORY COMMITTEE

Cr Brown reported on her attendance at the HRLXAC Meeting held on 23 January 2023

12.2 HAMILTON SHOWGROUNDS ADVISORY COMMITTEE

Cr Rainsford reported on her attendance the Hamilton Showgrounds Advisory Committee Meeting held 13 December 2022.

13. Mayors and Councillors Reports

Address from the Mayor and Councillors in relation to matters of civic leadership and community representation, including acknowledgement of community groups and individuals, information arising from internal Committees, advocacy on behalf of constituents and other topics of significance.

14. Confidential Matters

RECOMMENDATION

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

COUNCIL RESOLUTION

MOVED: Cr Brown
SECONDED: Cr McAdam

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

CARRIED

14.1 Land Purchase

15. Close of Meeting

This concludes the business of the meeting.

Meeting closed at 7:26pm.

Confirmed by resolution 8 March 2023.

.....
Chairman